



ISIN numbers the world

Association of National Numbering Agencies scri

ANNA Announces Support for FIX Taxonomy for ISIN for OTC Derivatives

Brussels, Belgium – 20 September 2016

The Association of National Numbering Agencies (ANNA) today announced plans to extend the functionality of the allocation engine for the International Securities Identification Number (ISIN) for OTC derivatives to support the FIX derivatives taxonomy and other open-standard product taxonomies.

The automated allocation system developed by ANNA with Etrading Software, a London-based professional services technology firm, is built on a state-of-the-art, open-source architecture. Among the benefits of this technology platform are the capacity for rapid enhancements to address emerging industry and regulatory requirements, as well as quickly extending ISIN identifier coverage to new derivative types.

The automated allocation system already supports the derivatives product taxonomy created by the use-case teams of the ISO TC68/SC4/SG2. The TC68/SC4/SG2 is the study group tasked by the International Organization for Standards (ISO) TC68 Committee with the development of a standard identification code for OTC derivatives based on the International Securities Identification Code, an ISO standard. The SG2 product taxonomy is primarily based on ISDA's FpML standard and descriptive taxonomy.

The integration of the FIX product taxonomy allows the automated allocation system to support another well-established taxonomy in the derivatives environment. The FIX taxonomy was developed at the request of regulators and provides for the business and regulatory communications requirements of financial firms.

“Support of the FIX product taxonomy in the ISIN allocation process demonstrates to the world the promised flexibility of the ISIN allocation engine. It will meet rapidly and efficiently the evolving needs of the global derivatives community, including regulatory stakeholders,” said Alan Dean, ANNA board member.

The ISIN is the required identifier for OTC derivatives reporting for the second version of the European Markets in Financial Instruments Directive (MiFID 2). The mapping of the FIX

taxonomy with the ISO taxonomy is targeted for completion before MiFID 2 goes into effect in January 2018.

“The industry led FIX Trading Community is committed to meeting the needs of the capital markets. Driven by member requests, FIX began working within the ISO standards process in 2000, expanded support to include reference data delivery in 2001, and adopted full support for OTC Derivatives primarily for regulatory reporting following the credit crisis,” said Jim Northey, Principal Services Consultant of Itiviti AB and FIX Global Technical Committee, Co-chair. “The FIX Community is enthusiastic about integrating all of these capabilities in partnership with ANNA to meet the ESMA and wider industry requirements in an open, efficient, and cost effective manner.”

Going forward, ANNA additionally plans to migrate the full product taxonomy to the ISO 20022 communication standard, which represents the global gold standard for cross-jurisdiction messaging as well as local and internal system messaging.

About the ISIN for OTC Derivatives and the Allocation Engine

The ISIN for OTC derivatives is currently in final stages of development to meet the reporting requirements of the European Securities and Markets Authority (ESMA). Like previous ISIN enhancements to identify more instrument types, this project is being conducted by an industry study group working under the auspices of the International Organization for Standards (ISO).

Due to the variety and complexity of derivatives contracts, the ISIN for OTC derivatives incorporates more descriptive data than ISINs for other instrument types. The core structure and ISIN allocation rules for most derivative types have been completed. Final work on remaining derivatives types is underway by the study group and supporting groups of industry experts.

To meet the speed requirements of the OTC derivatives environment for immediate identification, registration and allocation of ISIN identifiers will be accomplished through a real-time automated allocation engine. The platform will also serve as the archive of ISIN-related data for download by industry users.

The development of this allocation engine is underway on a schedule that includes time for industry implementation and testing before MiFID 2 comes into effect in January 2018. ANNA will make the engine and connectivity specifications available to the marketplace on the following timeline:

- Q4 2016: Publication of the FIX open standard technical specifications to enable participants to connect their trading platforms to the engine

- Q4 2016: Public preview of the engine with a web interface to allow market participants to test and provide early feedback
- Q1 2017: Formal industry testing of the engine

About ANNA

Established in 1992 by 22 founding numbering agencies, ANNA is the membership organization of national numbering agencies, which are operated by depositories, exchanges, government agencies, nationally central data vendors and other financial infrastructure organizations. ANNA also serves as the registration authority for the ISIN numbering standard, under appointment by the International Organization for Standardization (ISO). Under ANNA's stewardship, the role of the ISIN in enabling global financial communications has been established worldwide. ISINs are issued today in excess of 120 jurisdictions, while the number of national numbering agencies and nations working to establish national numbering agencies continues to grow each year.

For information about ANNA, its members and activities, please visit anna-web.org.

Media Contact:

Kathleen Hawk

Clearview Associates

kathleen@clearviewpr.com

+1 845 687-2222