

**Financial Stability Surveillance Division
Hong Kong Monetary Authority**

And

**Supervision of Markets Division
Securities and Futures Commission**

16 May 2024

Dear Sir/ Madam

Ref: Response to HKMA and SFC Joint further consultation on enhancements to the OTC derivatives reporting regime for Hong Kong to mandate – (2) the use of the Unique Product Identifier

The Derivatives Service Bureau¹ (DSB), as the sole service provider for the Unique Product Identifier (UPI – ISO 4914), welcomes the Hong Kong Market Authority's (HKMA) and the Securities and Futures Commission's (SFC) joint further consultation² proposing that the revised reporting for OTC derivatives, including the UPI, starts on 29 September 2025 and wishes to express its readiness to support market participants and regulators in this transition.

DSB support for UPI preparations

The DSB launched the UPI Service User Acceptance Testing (UAT)³ environment in April 2023, to enable firms to test workflows, different access options and downstream processes in advance of compliance dates. The UAT environment will remain open indefinitely and is free of charge for 6 months from the date of entering it for any user. The DSB therefore encourages stakeholders to make use of the free UAT period to assist with their preparations. With respect to different access options, users can connect to the UPI Service through the website (via the GUI) or using programmatic connectivity (via an API) for real time fixed connectivity to pull and push the data, as well as file download functionality.

The DSB also provides an 'Authority User' type with authorities granted permissions to access the data on a cost-free basis, in line with the UPI Governance criteria to enable use of the UPI to assist authorities monitor the build-up of systemic risk in OTC derivatives markets at a global level. 12 Authority Users have availed themselves of this facility to date.

The UPI Service went live into production on 16 October 2023. Mandatory reporting of the UPI has started in the United States (US) (on 29 January 2024) and in the European Union (EU) (on 29 April 2024). Should reporting in Hong Kong commence on the proposed 29 September 2025, the DSB will have supported another four jurisdictions (the UK, Singapore, Australia and Japan) by that time. As part of its continued efforts to support the industry through the UPI

¹ <https://www.anna-dsb.com/>

² <https://www.hkma.gov.hk/media/eng/doc/key-information/press-release/2024/20240322e3a1.pdf>

³ <https://cosp.anna-dsb.com/home#upi-sign-up>

implementation, the DSB has prepared supporting material which include a [UPI Guide](#)⁴, [FAQs](#)⁵ covering important, frequently asked questions and a short, practical '[How to search for and create a UPI](#)'⁶ document.

UPI Metrics

The DSB is a global industry utility operating on a cost recovery basis with the majority of users using the UPI data free of charge. At the time of writing, the UPI Service has 1,360 organisations as free users, with an additional 346 organisations subscribed as fee-paying users. The DSB saw industry preparation gather momentum prior to the start of UPI reporting in both the US and EU. Based on the registered address of each legal entity, the majority of UPI-subscribed organisations are based in the EU and the US. The DSB expects the number of organisations from APAC to steadily increase as these jurisdictions' UPI compliance dates approach and is happy to share data with the HKMA and SFC as required. UPI fee-paying user numbers are updated on the DSB website on a quarterly basis⁷. Additionally, at the time of submitting this letter, almost 1.2million UPIs have been created with monthly identifier metrics available on the DSB website⁸.

Crypto asset underlying indicator

Under Appendix B, the list of proposed data elements for reporting, row 135 lists '*Crypto asset underlying indicator*'. In this regard, the DSB wishes to note that the Digital Token Identifier (DTI) has been introduced as an underlier to the UPI. The DTI⁹ is a global identification system for crypto assets and is defined by the International Organization for Standardization's ISO 24165, published in September 2021. The purpose of the DTI is to provide a standardised and consistent way of identifying and referencing crypto assets across different platforms, systems, and jurisdictions. The DTI also complements the globally adopted International Securities Identification Number (ISIN) ISO 6166, for which the scope was expanded to cover crypto assets in October 2023, establishing a direct relationship between the ISIN and any relevant DTI. The DSB would be happy to discuss this topic further with you.

We would like to reiterate the DSB's readiness to support the HKMA, SFC and market participants as they prepare for the start of UPI reporting and hope the above information is useful. Please do not hesitate to contact me if we can be of assistance.

Yours faithfully

⁴ <https://www.anna-dsb.com/download/upi-guide/>

⁵ <https://www.anna-dsb.com/upi-service-and-alternative-identifiers-faqs/>

⁶ <https://www.anna-dsb.com/download/the-upi-how-to-search-for-and-create-a-upi/>

⁷ <https://www.anna-dsb.com/upi-fee-model-variables/>

⁸ <https://www.anna-dsb.com/identifier-metrics/>

⁹ <https://dtif.org/faqs/>