



Ms. Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
US-Washington, DC 20549-1090

<https://www.sec.gov/comments/s7-2024-05/financial-data-transparency-act-joint-data-standards#no-back>
rule-comments@sec.gov

6 September 2024

File Number S7-2024-05 - Financial Data Transparency Act

Dear Ms. Countryman,

BVI¹ appreciates the opportunity to comment on a proposed rule to establish data standards to promote interoperability of financial regulatory data across the agencies as required by the Financial Data Transparency Act of 2022.

Our members are large investors in US issued securities and the US markets. They are supporting data standards which promote interoperability of financial regulatory data across the US agencies and beyond. We commented in the past on a SEC consultation on the identifiers as used in the F13 template and the proposal for extending data attributes referencing new identification codes such as FIGI and LEI.

Legal entity identifier joint standard

The Agencies propose to establish the International Organization for Standardization (ISO) 17442-1:2020, Financial Services - Legal Entity Identifier (LEI) as the legal entity identifier joint standard. Given the international reach of the US capital markets, and the substantial cross-border investment of non-resident parties in US securities, we fully support the use of the ISO Legal Entity Identifier (LEI-ISO 17442) across the US agencies, and in all SEC reports. We also support the use of the LEI to identify legal entities related to the filer of a particular report, such as a subsidiary or parent of the filer. The safety and security of the filing process a subsidiary or parent of the filer will be furthermore enhanced by requiring the filers to also sign the reports electronically with digital certificates which include the LEI of the firm. GLEIF publishes since 2019 its annual report in human and machine-readable online XBRL and HTML format, with GLEIF's LEI embedded into the financial information. This official business report automatically links the filing entity to its verified LEI reference data held within the Global LEI Index. GLEIF's LEI is also embedded within the digital certificates of GLEIF's signing officers. This allows the signatory role to be linked to the organization to verify that the filed document and the signatories represent the same organization to add trust in the origin and the

¹ BVI represents the interests of the German fund industry at national and international level. The association promotes sensible regulation of the fund business as well as fair competition vis-à-vis policy makers and regulators. Asset managers act as trustees in the sole interest of the investor and are subject to strict regulation. Funds match funding investors and the capital demands of companies and governments, thus fulfilling an important macro-economic function. BVI's 115 members manage assets of some EUR 4 trillion for retail investors, insurance companies, pension and retirement schemes, banks, churches and foundations. With a share of 27%, Germany represents the largest fund market in the EU. BVI's ID number in the EU Transparency Register is 96816064173-47. For more information, please visit www.bvi.de/en.



correctness of the report. For details please see: <https://www.gleif.org/en/about/governance/annual-report/>. We therefore support that the LEI data standards which promote interoperability of financial regulatory data is used across all the US agencies.

Common identifiers in the joint agencies' standards.

Given the international reach of the US capital markets, and the substantial cross-border investment of non-resident parties in US securities, we support that wherever possible the ISO international identification codes are used. These are - for the reporting of swaps and security-based swaps -, the **ISO 4914 – Financial services — Unique product identifier (UPI)**, and for other types of financial instruments, the **ISO 10962 — Securities and related financial instruments — Classification of financial instruments (CFI) code**. We agree that the UPI and CFI are complementary identifiers and provide a taxonomic classification system for financial instruments. These identifiers are useful for aggregating data and increasing global transparency, which is beneficial in certain financial markets such as swaps, forwards, and non-listed options. We would like to point out, however, that the reporting of swaps and security-based swaps could be based additionally on the **ISO 6166 – International Securities Identification Number** as administered by the ANNA Derivatives Service Bureau (DSB). This OTC -ISIN is the common derivatives identifier used in the EU regulatory reporting and is available free of licenses and fees, including any CUSIP licenses and fees.

Given the situation in the US when it comes to the identification of other financial instruments, we support that the agencies propose to establish the **Financial Instrument Global Identifier (FIGI)** established by the Object Management Group as an identifier of financial instruments, at least until the US-ISIN / CUSIP license issue is resolved in full. Financial market participants globally need to search for fee and license free alternatives to CUSIP based identifiers to be able to bring down data cost. The alternative to CUSIP / US-ISIN at this point in time is indeed therefore the FIGI. The FIGI is an international identifier for all classes of financial instruments, including, but not limited to, securities and digital assets. It is a global non-proprietary identifier available under an open license. We would hope that the OMG standard FIGI will become an ISO standard at one point.

We support that the agencies also considered CUSIP and the US-ISIN (which includes the CUSIP) for the identification of securities. We would like to point out that US-ISIN users based in the EU countries benefit from the fee free use of the identifier under the EU Commission decision in Case No. 39592 Standard and Poor's:

https://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=1_39592 . Anywhere in the world the use of the locally allocated ISIN is also always license and fee free, as only the US identifiers are proprietary and not available under an open license.

We therefore support the use of the OTC-ISIN, the ISIN, and temporarily the FIGI to easily identify all the instruments in the agencies reporting scope on a user license and fee free basis.

Please do not hesitate to contact us with any questions or comments.

Best regards

Rudolf Siebel
Managing Director

Felix Ertl
Vice President