

[HKMA and SFC further consult on enhancements to Hong Kong's OTC derivatives reporting regime](#)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) and the Securities and Futures Commission (SFC) today (March 22) launched a [joint further consultation](#) on enhancements to the over-the-counter (OTC) derivatives reporting regime in Hong Kong.

To align with global standards, the HKMA and the SFC conducted a consultation in April 2019, and one of the proposed requirements was identifying transactions submitted to the Hong Kong Trade Repository (HKTR) for the reporting obligation by a Unique Transaction Identifier (Notes 1 and 2).

The current joint further consultation consults on the implementation of the Unique Transaction Identifier, together with the mandatory use of Unique Product Identifier and Critical Data Elements for submission of transactions to the HKTR (Notes 3 and 4). These proposals ensure that Hong Kong's reporting regime keeps up with international developments.

The HKMA and the SFC also concluded that the list of designated jurisdictions for the masking relief of the reporting obligation remains unchanged (Note 5).

The joint consultation paper can be downloaded from the websites of the [HKMA](#) or the [SFC](#). Interested parties are invited to submit comments to the HKMA or the SFC on the proposals by May 17, 2024.

Note 1: Phase 2 reporting of the OTC derivatives transactions came into effect on July 1, 2017, covering all five major asset classes (interest rates, foreign exchange, credit, commodities and equities) of the OTC derivatives.

Note 2: Unique Transaction Identifier is a unique identifier assigned to identify each reported OTC derivatives transaction with the structure and format as set out in the [Technical Guidance on Harmonisation of the Unique Transaction Identifier](#) issued by the Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) in February 2017.

Note 3: Unique Product Identifier is a unique identifier to denote a specific OTC derivatives product with the structure and format as set out in the [Technical Guidance on Harmonisation of the Unique Product Identifier](#) issued by the CPMI and IOSCO in September 2017.

Note 4: Critical Data Elements are a standard set of OTC derivatives transaction data elements (other than Unique Transaction Identifier and Unique Product Identifier), formats and allowable values published by the CPMI and the IOSCO in [April 2018](#) and by the Regulatory Oversight Committee of the Global Legal Entity Identifier Foundation in [September 2021](#) and [September 2023](#).

Note 5: Masking relief was introduced when phase 1 reporting took effect in July 2015 to deal with situations where a reporting entity is prevented from submitting certain information identifying the counterparty to the HKTR due to legal or regulatory barriers in certain jurisdictions. This enables reporting entities to mask counterparty information when they encounter reporting barriers in a jurisdiction that is on the SFC's designated list. In 2019, the SFC consulted the industry on revising the designated list in view of international developments and as a housekeeping exercise.