



**European Federation of Energy Traders**

# EFET UTI Generation Process: Update

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# Contents/Agenda

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- ➔ 1. Updates & changes
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- ➔ **Unique Trade Identifiers (UTIs) are part of the transaction reporting requirements under EMIR and have to be submitted for live and historic (back-loaded) trades**
- ➔ **Transaction reporting has a 24H deadline requiring a communication or dissemination process within the same deadline unless ....**
- ➔ **“Think outside the box” made the industry realized that there is a common approach and solution addressing all of the concerns**

## 0. A small recap (ctd)

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- Principle: independent creation of a matching UTI to avoid the need for dissemination prior to regulatory reporting
- Compliance with ISDA UTI format and dissemination Protocol to allow for industry-wide adoption
- Relevance in back-loading, front-loading and portfolio reconciliation, all depending on the availability of UTIs
- Relevance for Commodities, ETDs, FX and IR
- In a nutshell: the 42 alphanumeric-characters UTI is formed by:
  - 10 characters of the Sellers' LEI (char 7-16, according to ISDA protocol),
  - 30 characters out of the hashing algorithm applied to primary trade terms and
  - 2 characters for the index to avoid doubles
- **The EFET UTI Generation Standard is an open standard, that is available and documented on [uti.efetnet.org](http://uti.efetnet.org)**

”Marketing”

⇒ Website <http://uti.efetnet.org> updated, where the latest EFET UTI Generation Specifications are available

<http://uti.efetnet.org/download/UTI-Generator-Documentation.pdf>

⇒ EFET UTI Generation Standard presented to the EFET Community (> 150 participants in 4 conf calls)

⇒ Further call for testing

⇒ Main questions about static data handling, static data handling process under construction at EFET

⇒ Ongoing discussions with TriOptima and Trayport

⇒ “Fan-pages” to be foreseen listing the parties testing and supporting the EFET UTI Generation Process

# 1. Update & Changes (ctd)

## Status of the UTI Generator Implementation

- Version 1.2 was published on January 7, 2014
  - Version 1.3 is live now, based on feedback on version 1.2 (among others):
    - allow to use CpML data elements (e.g. Commodity) as input source for UTI generation
      - Rules and value lists adjusted for CpML compatibility
    - Additionally support formula trades
      - This is supported now
    - Additionally support non-commodity trades (FX, IRS, ETDs)
      - "Commodity" key element renamed in "Product", Commodity Reference Code renamed in "PriceRateReferenceCode", as a generalisation across asset classes
      - Extension for FX, IRS, and ETD asset classes
      - Mapping rules for asset classes and commodity trade types
    - Issue with decimal delimiter convention in localised Excel sheets
      - Use "." for decimal delimiter, no thousands separator (e.g. 3000.0000 and not 3000,0000)
    - Use LEI as ordering criteria for float legs
      - Buyer is selected by the LEI code, not by the EIC code.
    - Dodd-Frank compatibility regarding UTI length
      - UTI length reduced to 42 characters for length compatibility with USIs under Dodd-Frank
- ➔ **The UTI generation channels (web, Excel macro, Excel upload, reference code)**

**and the specifications are being synchronised**

# 1. Update & Changes (ctd)

## How to populate input data elements

- Rules first depend on the asset class: Commodity, FX, IRS, or ETDs?
- **For Commodities**, we further distinguish by the transaction types, possible are here:
  - For physical trades (FOR and OPT\_FOR):
    - use for the **Product** element any out of the following values: "Power", "Gas", "Oil", "Coal", "Bullion", "Metal", "Agriculturals", "Paper", "ReactivePower", "EUAPhase\_1", "EUAPhase\_2", "EUAPhase\_3", "CER" (as used for the EFET TradeConfirmation "Commodity" XML element)
    - Do not use **PriceRateReferenceCode**
  - For index-based trades (PHYS\_INX, OPT\_PHYS\_INX)
    - use for the **Product** element any out of the following values: "Power", "Gas", "Oil", "Coal", "Bullion", "Metal", "Agriculturals", "Paper", "ReactivePower", "EUAPhase\_1", "EUAPhase\_2", "EUAPhase\_3", "CER" (as used for the EFET TradeConfirmation "Commodity" XML element).
    - For **PriceRateReferenceCode** use formula (in case of formula trades) or CommodityReferencePrice, based on ISDACommodityDefinitionsType.  
E.g.: "GAS OIL-IPE"
  - For derivatives with a fixed price leg (FXD\_SWP, OPT\_FXD\_SWP, OPT\_FIN\_INX) and for derivatives based on two float legs (FLT\_SWP, OPT\_FLT\_SWP)
    - Do not use the **Product** element
    - For **PriceRateReferenceCode** use formula (in case of formula trades) or CommodityReferencePrice, based on ISDACommodityDefinitionsType.  
E.g.: "GAS OIL-IPE"

➡ Find all mapping details described in the specification.

## UTI Support by the EFETnet CMS

### ➤ eCM UTI support:

- If one or both CPs submit a trade confirmation without UTI, it will be created by the eCM process using the hash-based generator:
  - If only the seller sends a UTI it will be transferred to the buyer (seller rule)
  - If only the buyer sends a UTI and not the seller a new UTI is generated
  - If none of the sends a UTI, it is generated for both

### ➤ eRR UTI support:

- If a UTI is supplied it is forwarded to the repository
- If not, eRR uses the hash-based generator to generate one.

### ➤ **Next release of eCM and eRR services: January 29, 2014**

- **Next release of UTI Generator Website will be updated on the same day**







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