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Irish Stock Exchange Response to CESR's Consultation Paper on Use of Reference Data Standard Codes in Transaction Reporting

The Irish Stock Exchange welcomes the opportunity to comment on CESR's consultation paper on potential level 3 guidance on the Use of Reference Data Standard Codes in Transaction Reporting.

Response to CESR Questions

A. Do you think that the standards chosen by CESR are the relevant ones?

Yes, we agree that the standards chosen by CESR are relevant however it is important to clarify the following points:

- (i) Some instruments do not have an ISIN (e.g. Options) and it is unclear as to the approach that should be taken in this case. Therefore, we would appreciate clarification of whether:
 - free format text or standard codes will be used for these non-ISIN instruments and if so will CESR be publishing standard codes to use in this case?
 - there will be a hierarchy involved to indicate preferred code/text?
- (ii) MIC codes will presumably be used for the venue ID. Where a venue does not have a MIC (MTF etc) what will be the approach and will codes be provided for all MiFID venues?
- (iii) SWIFT/BIC: Do all investment firms have one of these codes and if not, are there any difficulties in obtaining a SWIFT code?
- (iv) CFI and MIC codes. We note that most investment firms currently are unlikely to have these stored in their own internal systems' databases. Therefore, given the time constraints, full clarification of these requirements is required as soon as possible for systems development purposes.

B. What would be the benefits if these standards were also widely used in reporting by the investment firms to the local CESR Member?

- (i) It would facilitate easier communication of requirements to investment firms as well as speed and accuracy of data flow once in place,
- (ii) There would not be any need for the CESR Member to convert data to a different standard when exchanging transaction information with other CESR members,

- (iii) It would be beneficial if all market participants use the same standard codes in reporting to the local CESR Member. This would help to prevent confusion and would also assist in the event that data is sourced by investment firms from external data providers as there would be a common understanding and usage of the identifiers,
- (iv) As many investment firms use the same software suppliers for their internal systems this would help to reduce development costs per firm, and
- (v) The use of standards in this way would then also facilitate a shared understanding of any data published by the Commission to Member States in the future.

C. What are the practical implications of the use of these standards for the financial industry?

- (i) The use of standards eases confusion but will require changes to systems and publication mechanisms with an associated learning curve challenge.
- (ii) We would like to point out the key dependence for the industry on data vendors to adopt any standards suggested by CESR (whether there is a hierarchy or a range of codes which rank as equally acceptable) and it is important that they are involved in this process albeit that they are not regulated investment firms. From a practical perspective it will be an issue for investment firms if CESR standards are not implemented by data vendors.

D. Do you have comment on individual standards?

Please refer to our response to question A.