OTC Derivatives Regulators’ Forum
Revised framework for information sharing and cooperation among OTC derivatives regulators

1. Background

The OTC Derivatives Regulators’ Forum (ODRF) was launched in September 2009 to provide authorities with an interest in OTC derivatives markets and supporting infrastructure (including central banks, banking supervisors, market regulators, and other governmental or supranational authorities) a means to cooperate, exchange views, and share information related to OTC derivatives central counterparties (CCPs) and trade repositories (TRs).\(^1\) The ODRF has been a successful venue for the exchange of information on the development of OTC derivatives regulations across jurisdictions as well as market infrastructures, which has enhanced the understanding among the participating authorities of the functioning and risks of CCPs and TRs operating on a global basis. The ODRF has effectively facilitated the development of cooperative oversight arrangements for individual OTC derivatives CCPs and TRs. It has also been working closely with TRs and industry implementation groups to support the development of TRs across OTC derivatives asset classes to promote TR reporting that is meaningful and useful for the regulatory community and the public. In many ways, the ODRF has achieved the objectives it outlined in 2009. The ODRF has served as a useful venue for a broad set of authorities to exchange views and discuss issues of common interest regarding OTC derivatives.

Since the ODRF was formed, the environment in which the ODRF has been operating has evolved considerably. This includes the G20 commitments to institute mandatory clearing and reporting of OTC derivatives; the enactment of legislation across multiple jurisdictions to regulate the OTC derivatives markets, market infrastructures and market participants; and the various OTC derivatives regulatory reform work efforts led by the FSB and international standard setting bodies, including BCBS, CPSS and IOSCO\(^2\).

In light of the evolving landscape, the ODRF is revising its framework to focus its efforts on issues where the group can continue to add value and avoid duplication of work that is being carried out by other international bodies; in this revision the ODRF confirms its fundamental objective to provide an open forum for regular contact among interested ODRF members to exchange information and ideas with respect to relevant issues.

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\(^1\)The ODRF’s original organizing documents, *Framework for information sharing and cooperation among OTC derivatives regulators, 22 September 2009,* and *Scope and relationship with international bodies, 23 March 2010,* are available on the ODRF website, [www.otcdrf.org](http://www.otcdrf.org). In addition, the website provides a list of participating authorities, the agendas of the meetings and teleconferences, press releases, and other documents pertaining to the work of the ODRF.

\(^2\)For example, the development of the CPSS-IOSCO *Principles for Financial Market Infrastructures* and the accompanying *Assessment Methodology* and *Disclosure Framework*, the CPSS-IOSCO reports on *Authorities’ access to TR data*, and *Public quantitative disclosure standards for CCPs*, and the FSB’s work on the feasibility of the aggregation of TR data.
2. Revised scope and objectives

While the work of derivatives market reform has shifted to national authorities and international bodies as described above, ODRF participants recognize value in a continued exchange of information as it applies to TR data.

Specifically, and in line with CPSS-IOSCO Principles for Financial Market Infrastructures and the associated Responsibilities of Authorities, continued cooperation and multilateral engagement will be important in helping each authority make efficient use of and improve its access procedures to data held in TRs. Such consultations may also provide TR overseers and supervisors with perspectives on how: i) TR data can be made available to relevant authorities in the most meaningful and effective way; ii) TR data can help promote market transparency, regardless of where a TR is located and iii) consistency across TRs in the quality and presentation of data can be promoted.

As such, going forward, the ODRF will focus the scope of its activities on TR data quality issues and practical solutions developed by individual authorities to efficiently access data from the TRs with which they work, including discussions of identifier implementation progress. In particular the ODRF will continue to act as a venue for the exchange of views and experiences related to the actual use of, and access to, TR data by authorities with various institutional perspectives. This would facilitate the ability of users of TR data (e.g. the relevant authorities) and TR overseers and supervisors to interact periodically as a group on issues related to data quality and access. Such discussions could inform TR overseers and supervisors of areas of potential TR improvement, with such improvements remaining a matter between TRs and individual authorities.

Existing international multilateral fora do not focus exclusively on outstanding and emerging issues related to TR data quality and access issues. Maintaining a forum with participation by a wide range of authorities would be valuable for both authorities and TRs to work together in the interest of supporting the underlying objectives of TRs to collect and provide useful information on derivatives and promote transparency. Information exchanged in the ODRF would not include information held by a specific TR or any confidential supervisory information.

The ODRF acts without prejudice to each authority’s statutory duties, and to national and otherwise applicable laws. Each member of the ODRF ultimately reports to the head of his/her respective organization and participates accordingly; views formed across ODRF participants may be carried forward by each authority, pursuant to its respective mandates.

The ODRF derives its strength from each participant’s independent and voluntary decision to participate in and support the work.

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3 On data access, the ODRF’s work will focus on practical issues surrounding the delivery of TR data to users (e.g. web portal design, etc.), rather than revisiting work that has already been done, such as the CPSS-IOSCO report on Authorities’ access to TR data.
The ODRF is not a formal deliberative body nor does it speak for any of its participating members. Further, the ODRF is not a standard setting body and does not intend to serve as a forum for the development of international standards.

3. Activities

The ODRF members:
- may meet in person once a year and, wherever necessary and useful, hold additional meetings or teleconference calls;
- should include representatives who have practical, regulatory, oversight or supervisory experience in dealing with TR data or TR issues;
- may suggest that the chairing/secretariat authority invite to meetings or otherwise engage with representatives from TRs; and
- may also suggest that the chairing/secretariat authority invite to meetings or otherwise engage other interested authorities.

The ODRF work on TR data quality and access will be supported by the analysis provided by a technical working group of TR data experts (ref: mandate of the technical working group). The creation of any technical working group will follow a process of identifying and documenting the scope and objectives of the technical working group, and will require the overall support of ODRF participants.

The ODRF may inform international bodies on its findings on TR data quality and access.

4. Organization and Participation

The ODRF remains open to financial authorities including central banks, banking supervisors, market regulators and other governmental or supranational authorities that have direct authority over OTC derivatives markets, TRs, market participants, or consider OTC derivative matters more broadly. Interested authorities may contact the chairing authority, which will facilitate a no objection process for accommodating such requests. A list of current participating authorities is available on the ODRF website.

One authority volunteers to provide the chair and secretariat for a term of two years and is appointed following a no-objection approach by the plenary membership of ODRF. The chairing authority prepares the meeting/call agenda, distributes the documentation, steers the discussion, drafts the minutes, handles the admission process of new members, and maintains the contact list. The chairing authority informs other international bodies on the activity of the ODRF and its technical working group, on the basis of contributions shared with ODRF members.

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4 As a practical matter, ODRF members are limited to two representatives to participate in in-person meetings.

5 With a view to identify the most relevant issues to be dealt with in the ODRF discussions, the chairing authority may wish to prepare the proposal for the meeting agendas in consultation with ODRF members willing to provide input.
5. **Dissolution**

By October 2014 and annually thereafter, as needed, the ODRF should evaluate its scope and objectives in the context of the evolving OTC derivatives markets and associated regulatory landscape.

When ODRF members deem that its stated objectives have been achieved or its activities overlap with the work of other international bodies, thus rendering the ODRF’s purpose no longer relevant or necessary, the ODRF should wind down.

If there is no authority willing to take over the chair and secretariat responsibilities, the ODRF will wind down at the end of the incumbent chair’s term.

A wind down should include an appropriate transition of any outstanding work that needs to be carried on to another international body or other relevant group.