

# ISDA® JAPAN MONTHLY UPDATE

December 2015

## COMMITTEE ACTIVITIES

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On December 3, Japan OTC Derivatives Regulations Working Group meeting was held as jointly with Data and Reporting Japan Trade Repository Reporting Working Group, attended by relevant member representatives, where Karel Engelen, Co-head of Data, Reporting and FpML from ISDA as a guest speaker provided an update on the Symbology project which had been initiated by ISDA and currently worked on under its governance globally with the launch of September 2015.

The Symbology project is aimed to have been facilitated as the standardized product identifiers to be used in the broader range of the situations rather than merely in the regulatory data reporting space, driven by the regulatory requirements from certain regimes and for some general business use purposes.

On December 11, JFSA published [the second proposal for non-cleared derivatives margin rules](#) (Japanese only) to the Cabinet Ordinance and Supervisory Guidelines and their responses to comments submitted after the July 2014 draft. Members were requested to submit their initial comments by December 28. The deadline for submissions to JFSA is January 12, 2016.

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*ISDA/JFMC letter to WGMR*

On December 8, ISDA submitted [a joint letter with Japan Financial Market Council \(JFMC\) to IOSCO and BCBS \(Working Group on Margin Requirements\)](#), setting out how current T+1 margin requirements will disadvantage Japan and Asian markets because of time zone differences.

*IM Segregation Working Group*

On December 17, the IM Segregation Working Group meeting was held to discuss the following topics:

- 1) Operations sub-group shared the expected process in confirming the service contents related to IM segregation offered by each respective custodian bank, along with the implementation timetable.
- 2) Members also discussed the planned actions following JFSA publishing their second draft of margin rules for non-cleared derivatives on December 11.
- 3) Following the joint letter sent on behalf of ISDA and Japan Financial Markets Council (JFMC) to BCBS/IOSCO dated December 8 with regards to the important changes to settlement issues being highlighted to demand fair treatment to Japanese and Asian markets in time zone wise, T+1 settlement issues were a major focus of debate and the possible countermeasures for a response to the current proposal involving the issues were continuously brainstormed.

## UPCOMING COMMITTEE AND WORKING GROUP MEETINGS / CONFERENCES

|  |                   |
|--|-------------------|
| <b>Steering Committee</b><br>(Japanese language meeting)   | <b>January 13</b> |
| <b>IM Segregation Working Group – Legal Users Sub-Working Group</b><br>(Japanese language meeting) | <b>January 20</b> |
| <b>IM Segregation Working Group</b><br>(Japanese language meeting)                                 | <b>January 21</b> |
| <b>ISDA WGMR Workshop on the SIMM</b><br>(Japanese language workshop)                              | <b>January 25</b> |