



FACT SHEET

# Financial Data Transparency Act: Proposed Joint Data Standards

On August 2, 2024, the Securities and Exchange Commission proposed joint data standards under the Financial Data Transparency Act of 2022 (FDTA) that would establish technical standards for data submitted to certain financial regulatory agencies. The proposed joint standards would include:

- Eight common identifiers related to entities, geographic locations, dates, and certain products and currencies;
- A principles-based joint standard with respect to transmitting and structuring data; and
- A definition of “collections of information” in accordance with the Paperwork Reduction Act of 1995.

Eight additional agencies have proposed or are expected to propose the joint standards: the Board of Governors of the Federal Reserve System, the Commodity Futures Trading Commission, the Consumer Financial Protection Bureau, the Department of the Treasury, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, the National Credit Union Administration, and the Office of the Comptroller of the Currency.

## Background

The FDTA was signed into law on December 23, 2022, and directs nine federal agencies to promote the interoperability of financial regulatory data.

As a first rulemaking step, the FDTA directs the agencies to propose joint standards for public comment.

As a second step, the FDTA directs most of the agencies, including the SEC, to issue agency-specific rules that implement the final joint standards. The FDTA affords the agencies some flexibility in considering how best to do so.

---

## Proposed Joint Data Standards

### Common Identifiers

The agencies’ joint proposal includes identifiers related to entities, geographic locations, dates, and certain products and currencies. The identifiers are non-proprietary, available under an open license, and free of charge to any user.

With regards to entities, the joint proposal would establish Legal Entity Identifier (LEI) as a common entity identifier. The LEI is a global identifier standard, developed by the International Organization for Standardization (ISO), that uniquely and unambiguously identifies a legal entity.

The joint proposal also would establish the following common identifiers as joint standards:

- ISO 4914 – Financial services – Unique product identifier (UPI);
- ISO 10962 – Securities and related financial instruments – Classification of financial instruments (CFI) code;
- Financial Instrument Global Identifier (FIGI) established by the Object Management Group;
- ISO 8601 – Date and time format, using the Basic format option;
- U.S. Postal Service Abbreviations as published in Appendix B of Publication 28, Postal Addressing Standards;
- Geopolitical Entities, Names, and Codes (GENC) standard (country codes); and
- ISO 4217 – Currency Codes.

### **Data Transmission and Schema and Taxonomy Format Standards**

The joint proposals would establish a principles-based joint standard for data transmission, structuring, and formatting that would:

- Render data fully searchable and machine-readable;
- Enable high-quality data through schemas, with accompanying metadata, which clearly define the semantic meaning of the data;
- Ensure that data that exists to satisfy an underlying regulatory information requirement be consistently identified as such in machine-readable metadata; and
- Be nonproprietary or available under an open license.

Under this standard, any specific data transmission or schema or taxonomy format (e.g., eXtensible Markup Language) that meets the above criteria would be permitted. The agencies could adopt new open-source file formats as they are developed without needing to amend the joint standards to include new specific formats.

### **Definition of “Collections of Information”**

The FDTA applies to certain collections of information reported to each agency; however, it currently does not specifically define the term “collections of information.”

The agencies propose to adopt the definition established in the Paperwork Reduction Act of 1995, as it is already widely recognized and used.

---

#### ***Additional Information:***

The public comment period will remain open for 60 days following publication of the notice of proposed rulemaking in the Federal Register.