# Change Requestfor the update of an External Code Set

Note: this document is to be completed by parties that request to either add new codes or clarify the definition of existing codes or replace existing codes by new one(s) or expire existing codes in one of the [*External Code Sets*](http://www.iso20022.org/external_code_list.page) used in ISO 20022 messages. All change requests conforming to this template that are received prior to the end of a quarter (31 March, 30 June, 30 September, 31 December) will be evaluated by the SEG and, if approved, incorporated in the following quarterly publication cycle of the External Code Sets (respectively, by end of May, August, November and February), unless otherwise specified by the SEG.

# Origin of the request:

## A.1 Submitter:

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| Name of the company, organization, group, initiative or community that submits the change request. | International Swaps and Derivatives Association, Inc. (ISDA)  |

## A.2 Contact person:

Person that can be contacted for additional information on the request

|  |  |
| --- | --- |
| A.2.1. First name, Last name | Jason Polis |
| A.2.2. Email address | JPolis@ISDA.org |
| A.2.3. Telephone | +447801720218 |

## A.3 Sponsors:

If the submitter acts on behalf of or has gained support from other organisations, groups, initiatives or communities, these should be listed as sponsors.

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| ISDA Data & Reporting US Compliance Working Group;ISDAData & Reporting US Compliance – IBOR sub-Working Group; |

# Description of the change request:

Specify the request type: creation of new code set, update of existing code set, deletion of existing code set.

For the creation of a new code set or for updating an existing code set, also complete the table in section H below. For the addition of new codes, all the details must be specified, including a proposed code, a proposed code name, a clear definition, and any other indications, such as an example or format to be published with the code set.

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| Request type: creation, update, deletion | update |

# Related External Code Set:

For updating or deleting an existing code set, indicate the exact name of the code set as indicated in the [*External Code Sets*](http://www.iso20022.org/external_code_list.page)documents on iso20022.org. For creating a new code set, indicate a proposed name for the new code set.

A specific change request form must be completed for each code set to be updated.

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| --- |
| ExternalBenchmarkCurveNameCodeExternalBenchmarkCurveName1Code |

# Purpose of the change:

Background, business context, community of users interested by the change and expected benefits/savings.

This section must explain why the existing code set needs to be changed. The reason for the update may be a business reason (e.g., evolution of market practice, or creation of new financial instruments), a technical reason (e.g., automation of the business process, or switch from a batch to a real time process), a regulatory reason (introduction, generally mandatory, of new rule/law) or the extension of the user community (newly identified business requirements).

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| Clarification of the rate for regulatory reporting.Further clarity is desired to distinguish [Bank of Japan's Uncollateralized Overnight Call Rate](https://www3.boj.or.jp/market/en/menu_m.htm) Final results (TONA, BBG:MUTKCALM, ISDA:JPY-TONA) and Provisional results (BJUO, BBG:MUTSCALM) as:* Bloomberg has confirmed that **MUTSCALM is the provisional TONA** rate calculated the prior day whereas **MUTKCALM is the official final TONA** rate.
* [Bloomberg Cash Indices 2023-01-13](https://swiftcorp.sharepoint.com/sites/ps-ow-standards%20team/ISO%20Industry%20Relations/ISO%2020022/Change%20Requests/%E2%80%A2%09https%3A/assets.bbhub.io/professional/sites/10/Bloomberg-Cash-Factsheet.pdf) (publicly available at time of writing) had confusingly listed **MUTKCALM** as "The Bank of Japan Unsecured Overnight Call Rate **Expected** published by Bank of Japan."

JBATA stated that publication of EuroYen TIBOR tenors will cease on Dec 30, 2024 <https://www.jbatibor.or.jp/english/news/tibor_18.html> and <https://www.isda.org/a/XcsgE/Euroyen-TIBOR-Cessation-Guidance.pdf> The US WG is discussing market practice for the related fallbacks reporting upon cessation. ISDA and BoJ documents point to “**MUTKCALM**” (**BoJ Uncollateralized Overnight Call Rate)**:* <https://www.isda.org/a/fp8gE/Fallbacks_FAQ_V13_August-2024.pdf>
* [https://www.jpx.co.jp/english/derivatives/products/interest-rate/3m-tona-futures/tcgh510000004090-att/Updates\_on\_OSE\_3-Month\_TONA\_Fututures\_EN\_(July\_2024).pdf](https://www.jpx.co.jp/english/derivatives/products/interest-rate/3m-tona-futures/tcgh510000004090-att/Updates_on_OSE_3-Month_TONA_Fututures_EN_%28July_2024%29.pdf)

However, the ISO 20022 “BenchmarkCurveName2Code”, <https://www.iso20022.org/standardsrepository/type/BenchmarkCurveName2Code> only includes “**MUTSCALM**” **BoJ Estimate Unsecured Overnight Call Rate** Industry participants in the reporting WG have raised the discrepancy – *do you know why ISO does not point to MUTKCALM? Was it the intention of ISO 20022 to revisit to replace the MUTSCALM ‘Estimate Unsecured’ with the actual “MUTKCALM” BoJ Uncollateralized Overnight Call Rate?* Further:* [BenchmarkCurveNameV2Code](https://www.iso20022.org/standardsrepository/type/BenchmarkCurveNameV2Code) assigns a different code for TONARTOAR TONAR Tokyo overnight weighted average rate.
* [ExternalBenchmarkCurveName1Code](https://www.iso20022.org/standardsrepository/type/ExternalBenchmarkCurveName1Code) on the ISO20022.org website, does not list any codes, so working group members had been referring to BenchmarkCurveName2Code since 2021, which doesn't list TONAR.
* ExternalBenchmarkCurveNameCode actually contains the codes in the eRepository, whereas ExternalBenchmarkCurveName1Code has no codes in the eRepository but has codes listed for it in the spreadsheet.
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# Urgency of the request:

By default, valid change requests, subsequently approved by the SEG will be included in the following quarterly publication of External Code Sets, unless decided otherwise by the SEG.

If there is a need to have the new version of the related code set published earlier, the reason for the urgency and the expected consequences of a delay should be described here. Acceptance of such an unscheduled publication is subject to approval by the SEG.

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| Request the change to appear in the ISO 20022 ExternalCodeSets before 30 December 2024, the cessation date of all Euroyen TIBOR tenors. Old codes are not deleted, as these likely to be needed for reporting on historical trades. |

# Business examples:

Provide examples illustrating usage of the code set and indicate messages where the code set may be used.

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| Auth.030, and related auth messages. |

# SEG recommendation:

This section will be completed by the SEG in charge of the related External Code Set.

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| --- | --- | --- |
| Accept |  | Timing |
|  | Next possible quarterly release | X |
|  | Urgent request |  |

Comments:

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| --- | --- |
| Reject |  |

Reason for rejection:

# DESCRIPTION OF THE CHANGE REQUEST

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Type | Code Value | Code Name | Code Definition | Replaced By | Additional Information |
| AdditionUpdateDeletion | 4 char |  | Clear and concise definition. Repetition of the code name is not allowed. | Code value (if applicable) | Usage, use case(s) or any additional information useful for the usage of the code. |
| Update | TONA | TONA | Tokyo Overnight Average Rate:Interest rate benchmark - also known as a reference rate or a benchmark rate. It is a measure of the cost of borrowing in the Japanese yen unsecured overnight money market and is the near risk-free rate (RFR) for Japanese yen markets, administered and published by the Bank of Japan. It is sometimes referred to as “TONAR”. **Bloomberg ticker is MUTKCALM, and ISDA ISDA FpML Floating rate index code is JPY-TONA.** |  |

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| ISDA FpML Floating rate index code | JPY-TONA |
| Bloomberg ticker | MUTKCALM |

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