

Commodities Working Group

1. Group Charter

Title of Working Group	FpML Commodities Working Group
Co-Chairs of the Working Group	Andrew Jacobs (UBS) and Peter Stockman (DTCC)
<p>Scope: Develop FpML schemas, examples, coding schemes, and supporting documentation for commodity products that are commonly traded as OTC derivatives to support reporting and clearing. Specific objectives will include:</p> <ul style="list-style-type: none"> • Review requirements from regulators and SDR (swaps data repository) offerings to identify top priority product areas beyond the existing FpML energy derivatives swaps and options coverage. • Review proposals from group members, as available. Publish a priority list of products to be addressed. Based on current input, this is likely to include the following: <ul style="list-style-type: none"> • Agricultural derivatives • Freight derivatives • Environmental derivatives (e.g. emissions allowance derivatives) • Metals (including base metals and possibly additional precious or other metals) • Weather and catastrophe derivatives • Plastics and other chemicals • Develop product representations of the products identified in the priority list 	
<p>Priorities: Priorities for the group include:</p> <ul style="list-style-type: none"> • Addressing financially settled OTC derivative products for all priority product areas to meet obligations for reporting into SDRs. • Addressing physically settled OTC derivative products to support reporting into SDR • Addressing additional products as required to meet other automation objectives, such as supporting clearing. 	
Milestones	Date for completion:
Call for participation	October 24 2011
Kick-off meeting	November 18 2011
Product priority list	November 2011

Initial set of additional products - schema + examples developed	December 2011
First Working draft published	January 2012

Meeting Schedule
Weekly on a day and at a time to be decided in the kick-off meeting (and adjusted as necessary).

Rules of Operation
The working group will adopt the FpML Working Group Rules of Operation. These outline best-practices for meetings, managing member participation, reaching group consensus and voting.

Estimated time commitment from Participants:
Members should be prepared to commit approximately 2 hours per week for meeting participation and document review in addition to the meeting time. Full members must have the agreement and support of their management before signing up to the Working Group.
It is expected that participants will sign up to complete action items and make proposals, and will generally be participating in discussions during the week. Participants will also need to liaise with other working group members to ensure the consistency of the standard.
Key to making progress will be access to example confirmations for transactions in the priority products. It is expected that participants from firms which transact these products will share example confirmations. Where confidentiality is required such sharing can be with the working group Chair, who will abstract information from the confirmation for purposes of developing the product representation without disclosing the confirmation itself.
It is not expected that each participant will be versed in every priority product. It will be useful if each participant has access to experts in a given priority product within his or her company. Experience has shown that occasional face-to-face meetings can expedite the process. Members should be aware that some travel and full-day meetings might be required.
Target Participants:

- Business analysts, technical architects, business specialists

2. Chair Contact Information

Co-Chairs of the Working Group	Andrew Jacobs (UBS) and Peter Stockman (DTCC)
Chair Email Contact:	commwgchair@fpml.org