OMG: Financial Instrument Global Identifier (FIGI)

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Table 1: Data sheet for Financial Instrument Global Identifier (figi)

Title	Financial Instrument Global Identifier
Acronym	FIGI
Version	1.0
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About Specification	https://www.omg.org/spec/FIGI
Document	https://www.omg.org/spec/FIGI/1.0/PDF

> **Note**: The following is an excerpt from the actual document. It is provided here as a convenience and is not authoritative. Refer to the original document as the authoritative reference.

Scope

Overview

The development of a Financial Instrument Global Identifier originated out of the recognition that chaos theory has nothing on the complexity generated every day by the millions-perhaps billions-of security transactions that cross trading floors, clearinghouses, and exchanges all over the world. Almost every aspect of securities management is based on closed systems that use proprietary identifiers that are privately owned and licensed. Closing each deal is as much an exercise in translation as it is in transaction processing, as traders, investors, and brokers wrestle with multiple proprietary formats to determine what a security is, who owns it, how much it is worth, and when the deal should be closed. It introduces a tremendous amount of friction into the trade lifecycle and creates opaqueness where clarity is sought. In addition, the use of proprietary identifiers adds significant cost and overhead when users wish to integrate data from disparate sources or migrate to a different market data system.

The evolution of advanced symbologies has helped the securities industry grow, but the limitations and costs imposed by the closed systems have become more apparent as companies and institutions continue to integrate operations on a global scale. Proprietary symbology now stands as one of the most significant barriers to increased efficiency and innovation in an industry that sorely needs it. Moreover, the lack of common identifiers is a key roadblock to achieving the holy grail of straight-through processing (STP).

Points of Note:

- Licensing fees require firms to pay for each symbol system they use. International firms bear an especially heavy burden because they often have to license several symbologies in order to manage trading operations in several countries.

- Restrictions imposed by proprietary symbologies prevent companies from easily mapping one set of codes to another. This hinders the integration of market data from diverse sources as well as efforts to automate trade and settlement activities.
- Market data consumers who adopt proprietary symbols for use in their own systems must not only pay licensing fees, but such symbols also lead to significant future costs associated with efforts to connect to emerging trading systems.
- Proprietary trading environments may have worked well for years; but they are a byproduct of a time when data systems operated largely as islands that did not have to interoperate with other systems.

Current trends dictate a different approach. Markets, customers, and governments are demanding greater connectivity, transparency, and efficiency. What's more, the openness of Internet-based systems has profoundly altered the way businesses-and individuals-collect, manage, and share information. Thus, in addition to new regulations that demand clarity and accountability, the move to open symbology are being driven by growing investor and institutional demands.

Adopting an open system of shared symbology establishes the foundation for a tremendous leap forward in the efficient trade and settlement of securities as well as data management and reporting of financial instruments more generally. Such a system will allow firms and technology service providers to shift resources from laborious, inefficient processes to new investments in tools and products that will better serve clients.

An open system answers the call for greater transparency. Eliminating the need to remove proprietary IDs and re-map financial instruments will greatly simplify the steps needed to migrate between market data platforms and trading systems. The availability of a central symbology reference will facilitate mapping between users' internal systems and create opportunities for integration and automation of the global enterprise. This is to say that this standard represents a novel solution in the market that is not currently covered by other identifiers currently in circulation.

This specification lays out the details of the Financial Instrument Global Identifier across two dimensions:

1. The specification of the structure of the Global Identifier itself—what is/is not valid as a Global Identifier and how a Global Identifier is constructed and validated.
2. An ontological model specifying the relationship between the Global Identifier and other closely related information.

This specification has been created with the clear understanding that a published interface for creating identifiers and linking together relevant parties, e.g., Certified Providers or the Registration Authority, through the use of technology is a critical part of the operationalization of this standard. While high-level descriptions of the various types of organizations that need to be involved as well as high-level descriptions of the interactions between such organizations have been included in this document, they are included on the understanding that there will need to be a subsequent specification produced that details the necessary technical infrastructures and service level agreements for all participating organizations. To be clear, the technical specification of those services and service level agreements is out of scope for this document.

Global Identifier concepts are documented using two forms of definition:

1. A structured ontology specification of the concept, and its relationships to others, represented using the Web Ontology Language (OWL), in the form of (a) RDF/XML serialized OWL, (b) ODM (Ontology Definition Metamodel)-compliant ODM XMI, and © ODM-compliant UML XMI.
2. Natural language definitions represent the concepts in natural language using the vocabulary of the finance industry.
3. Two controlled vocabularies in RDF format, one specifying the list of possible values for security types, one specifying the list of possible values for pricing sources. These lists are subject to grow over time as new

security types are either invented or incorporated into FIGI and as new pricing sources are taken into account.

This specification covers both the content of the models and the underlying architecture employed for producing and presenting the model.

This model is developed from a previously existing infrastructure that is currently active and had issued in excess of 150 million FIGI-compliant identifiers to date. The currently issued identifiers are freely available on a website and through data files and are delivered upon request in bulk on a daily basis to interested parties. The purpose of this specification, however, is to specify the structure of the Identifier itself and its relationship to key information elements rather than to specify the technology and related interfaces used to generate, access, and manage the identifiers.