



FIX Asia Pacific Technical Subcommittee
Communication of BCAN identifiers using FIX
for HKIDR
- Recommended Practices -

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1 Executive Summary

With the implementation of an investor identification regime at the trading level for the securities market in Hong Kong (HKIDR – [Hong Kong Investor Identification Regime](#)), an order (or off exchange trade report) is required to include an identification code assigned to the relevant client, in order to identify the originators of orders and trades. The FIX Asia Pacific Technical Subcommittee recommends how to communicate a BCAN (Broker-to-Client Assigned Number) using FIX Fields.

2 Objective

Exchange participants and clients can avoid confusion in the communication of BCAN IDs in the HKIDR by agreeing the use of FIX Fields. To aid that process the FIX Asia Pacific Technical Subcommittee offers recommendations on the use of FIX for communication of BCAN IDs.

3 Scope

- The recommendations made in this document are related to the communication between the exchange participants and their clients.
- It is important for firms to refer to the latest SFC (Securities and Futures Commission) information on the HKIDR implementation (see section 6.2).
- The communication between the exchange participants and the exchange is out of scope and defined by the HKEX (Hong Kong Exchanges and Clearing). The HKEX HKIDR web corner contains the HKEX OCG-C FIX Trading Interface Specification (see section 6.2).

4 Target Audience

Institutions and Relevant Regulated Intermediaries covered by HKIDR, as well as technology providers and the relevant industry associations and their members.

5 Authors

FIX Asia Pacific Technical Subcommittee

6 Recommendations

6.1 Communication of BCAN to exchange participants

For communication of BCAN between exchange participants and their clients, the FIX Asia Pacific Technical Committee recommends the following usage of FIX tags:

6.1.1 Recommendations:

It is recommended to use one or more instances of the [Parties Component](#) to identify BCANs whereby **PartyID(448)** holds the actual **BCAN**, **PartyIDSource(447)** is set to **P** (Short code identifier) and **PartyRole(452)** is set to **3** (Client ID).

Broker-to-Client Assigned Number (BCAN) - PartyID(448)
PartyIDSource(447)=P
PartyRole(452)=3

PartyIDSource(447)=D (Proprietary / Custom code) may be used whenever PartyID(448) does not contain a BCAN, or if bilaterally agreed between the client and the exchange participant in the case that PartyIDSource(447)=D is not being used to communicate any other information between those parties.

6.1.2 Backward compatibility:

In order to support backward compatibility for FIX 4.2 users who are not able to support FIX repeating groups, it is recommended to utilize the following user-defined field (UDF):

BCANID(8018) – Pre-existing tag for BCAN to send as a flat FIX field on orders.

The description of the user-defined field BCANID(8018) on the FIX website (www.fixtrading.org/standards/user-defined-fields/) has broadened the application beyond Northbound Stock Connect. The description text is now:

Tag	Field	FIX Msg Types	Description	Created by
8018	BCANID	D, AB, G, AC	String datatype. A BCAN (Broker-to-Client Assigned Number) is a type of short code to identify the broker's clients. It may be used when placing orders for instruments listed on Hong Kong Stock Exchange as well as for instruments listed on the Shanghai & Shenzhen Stock Exchange accessed via the HK Northbound Stock Connect regime. The information in the field may have different formats depending on requirements prescribed by the exchange.	FPL Program Office – FIX Protocol, Ltd

6.1.3 Use Case for RRI vs. Non-RRI order flow

Where a client has multiple legal entities and may send orders to an exchange participant as RRI vs Non-RRI:

Exchange participants should agree with their clients on their own interpretation of FIX order handling messages, to distinguish the RRI order flow vs Non-RRI order flow – for example by means of a combination of existing FIX tags or segregating the flow over 2 FIX connections.

N.B. Exchange participants should also check for any requirements that the SFC may issue.

6.2 Communication of BCAN to HKEX

Firms categorized as Relevant Regulated Intermediary (RRI) under the SFC's HKIDR are required to communicate BCANs in the *BCAN input format* to HKEX at the order level, either directly if they are executing or reporting the trade, or via another firm which is an exchange participant.

BCAN input format: CE* number + "." + BCAN (which consists of up to 10 digits)

*CE number: Central Entity number assigned by the SFC to an intermediary. Refers to the CE number of the RRI who assigns the BCAN.

For direct communication between exchange participants and HKEX, please adhere to HKEX OCG-C FIX Trading Interface Specification that specifies the FIX messages and the BCAN input format. This information can be found in the HKIDR web corner on the HKEX website:

www.hkex.com.hk/Services/Trading/Securities/Overview/Trading-Mechanism/HKIDR?sc_lang=en

Information from SFC's website that refers to the BCAN input format may be found through:

www.sfc.hk/en/Rules-and-standards/Investor-Identification-and-OTC-securities-reporting