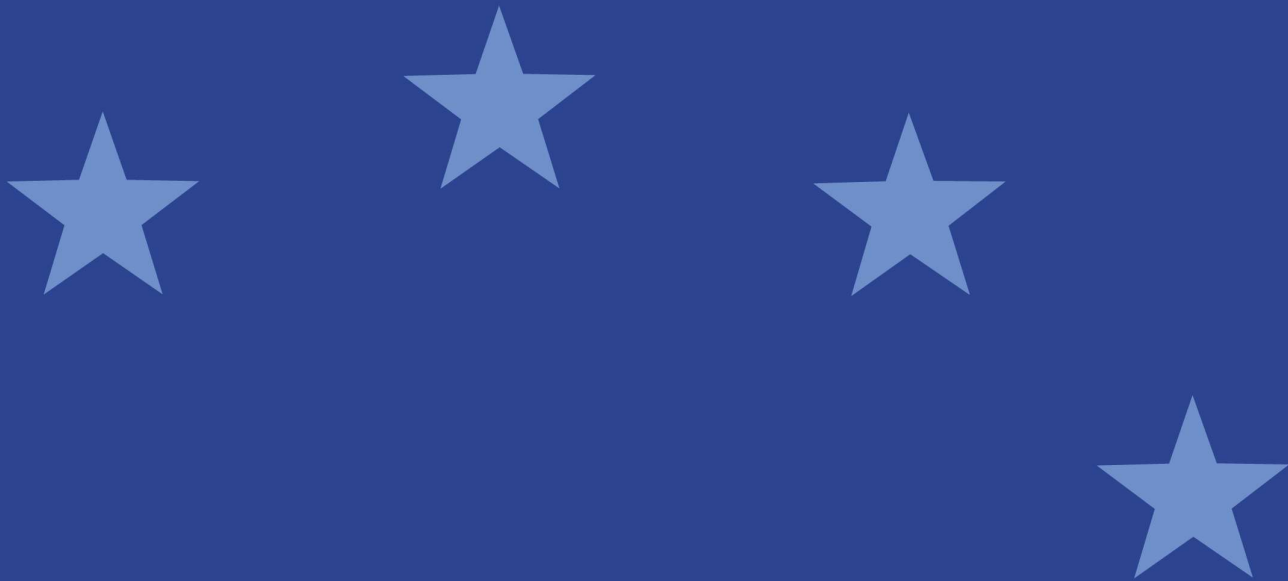


Response Form to the Consultation Paper

**Technical standards on reporting, data quality, data access and registration of
Trade Repositories under EMIR REFIT**



Responding to this paper

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in Annex 1. Comments are most helpful if they:

- respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **19 June 2020**.

All contributions should be submitted online at www.esma.europa.eu under the heading 'Your input - Consultations'.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

1. Insert your responses to the questions in the Consultation Paper in the present response form.
2. Please do not remove tags of the type <ESMA_QUESTION_CP_TSTR_1>. Your response to each question has to be framed by the two tags corresponding to the question.
3. If you do not wish to respond to a given question, please do not delete it but simply leave the text "TYPE YOUR TEXT HERE" between the tags.
4. When you have drafted your response, name your response form according to the following convention: ESMA_TSTR_nameofrespondent_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA_TSTR_ABCD_RESPONSEFORM.

5. Upload the form containing your responses, in Word format, to ESMA's website (www.esma.europa.eu under the heading "Your input – Open Consultations" → "Consultation on MiFIR report on Systematic Internalisers in non-equity instruments").
6. If you wish to provide comments on the definitions, formats, allowable values or reconciliation tolerances for the specific reporting fields, please use for that purpose the additional response form in excel format.

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publically disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the heading [Legal Notice](#).

Who should read this paper

All interested stakeholders are invited to respond to this consultation paper. In particular, responses are sought from financial and non-financial counterparties of derivatives, central counterparties (CCPs) and trade repositories (TRs), as well as from all the authorities having access to the TR data.

General information about respondent

Name of the company / organisation	Futures Industry Association
Activity	Other Financial service providers
Are you representing an association?	<input checked="" type="checkbox"/>
Country/Region	UK

Introduction

Please make your introductory comments below, if any

<ESMA_COMMENT_TSTR_1>

FIA welcomes the opportunity to respond to ESMA’s Consultation Paper on technical standards on reporting, data quality, data access and registration of Trade Repositories under EMIR Refit. As part of its response, FIA has focused on the reporting of Exchange Traded Derivatives (ETDs) and has the following comments and key recommendations:

General Comments:

- We recommend ESMA to provide worked examples, where applicable, in order to reduce ambiguity and the need for prolonged efforts to update Q&A. Where appropriate, ESMA may consider the use of industry workshops to garner support and feedback when preparing worked examples.
- The inclusion of CPMI-IOSCO Technical Guidance on “Harmonisation of critical OTC derivatives data elements” (other than UTI and UPI) reinforces industry sentiment that OTC and ETD products must be treated separately under EMIR Article 9. For the reporting of ETDs under Article 9 of EMIR, ESMA and other regulatory authorities must consider placing priority on the reporting of position data over transaction-level data. Gaining oversight of systemic risk in ETD markets stems from industry reports at position-level¹.
- We recommend ESMA to consider the principles of proportionality when finalising technical standards on reporting under Refit. Refit will enhance the reporting obligations on firms, thereby resulting in the reporting of additional data contained within additional reportable fields. ESMA are encouraged to recalibrate the need for

¹ <https://www.fia.org/sites/default/files/2020-03/FIA%20ETD%20Trade%20Reporting%20%28June%202019%29.pdf>

essential data designed to serve its desired purpose (i.e. what information is deemed essential to provide regulatory authorities with oversight of systemic risk in ETD markets?).

- A carefully designed approach should be considered when including CPMI-IOSCO Technical Guidance on Harmonisation of critical OTC derivatives data elements (other than UTI and UPI) within the technical standards. Given that EMIR Article 9 includes the reporting of ETD, as well as OTC, ESMA are encouraged to consider how best to clearly signify that the CDE Guidance does not have any influence when reporting ETDs.

<ESMA_COMMENT_TSTR_1>

Questions

Q1 : Do you see any other challenges with the information to be provided by NFC- to FC which should be addressed? In particular, do you foresee any challenges related to the FC being aware of the changes in the NFC status?

<ESMA_QUESTION_TSTR_1>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_1>

Q2 : Do you agree with the proposals set out in this section? If not, please clarify your concerns and propose alternative solutions.

<ESMA_QUESTION_TSTR_2>

REFIT places new obligations for the reporting of OTC contracts on Financial Counterparties (FCs), thus making FCs solely responsible, and legally liable, for reporting the details of OTC derivative contracts when concluding a contract with a NFC-. The overall aim is to reduce the burden of reporting OTC derivative contracts for NFC-.

This obligation only applies to OTC derivative contracts and thus, it is our understanding that the elements for which ESMA has consulted industry feedback excludes exchange-traded contracts. We respectfully seek guidance from ESMA to clarify and confirm that ETD activity, irrespective of market location, is out of scope for the mandatory reporting obligation under REFIT.

As currently drafted, the regulatory text may lead to inconsistent application of the rules. Applying the mandatory reporting obligations to futures and options executed on 3rd country, non-equivalent markets may result in some FCs being required to carve out a subset of their ETD business to report on behalf of NFC-, whilst many will continue to deem it out of scope. However, it is prudent to note that industry participants do not consider listed activity, irrespective of market location, to be OTC for purposes of EMIR Article 9 reporting. This could create a situation in which the same transaction is deemed OTC for the purposes of determining the reporting obligation, but ETD for the purposes of submitting the report, which is clearly suboptimal. Furthermore, inconsistent interpretation of the rules may increase the likelihood for over and/or under reporting and enhance the burden faced by NFC-counterparties where, depending on their reading of the text, certain FCs will take action to report some, or all, ETD contracts on behalf of their FC- counterparty while others will deem this activity to be out of scope.

The introduction of mandatory reporting under Refit signifies that ESMA acknowledges the excessive burden placed upon market participants. EMIR remains unique among its global regulatory counterparts in requiring both counterparties to a trade to report the contract to a trade repository - a “dual sided” reporting obligation. In addition, whilst the G20 statement focused entirely on risks associated with OTC markets, European regulators were unique in including ETDs within the scope of EMIR reporting requirements. We welcome this change and encourage ESMA to consider additional mechanisms to strike the balance between the need for essential data designed to serve its desired purpose (i.e. what information is deemed essential to provide regulatory authorities with oversight of systemic risk in ETD markets?). As such, in line with the mandatory reporting obligations introduced by Refit to reduce the burden in the

OTC space, the reporting of ETDs should be reassessed to reduce the burden and cost of reporting faced by market participants.

The introduction of mandatory reporting also raises questions whether the reconciliation process, as it currently stands, is following the most optimal approach. We are convinced that reconciliation should be applied only to those fields which are deemed vital to facilitate oversight of systemic risk. It is not sufficient to associate low reconciliation rates with low accuracy of data. In most scenarios this is not the case and such issues can be correlated to differences in interpretation.

<ESMA_QUESTION_TSTR_2>

Q3 : Do you need any further clarifications regarding the scenario in which the FC and NFC- report to two different TRs?

<ESMA_QUESTION_TSTR_3>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_3>

Q4 : Are there any other aspects related to the allocation of responsibility of reporting that should be covered in the technical standards? If so, please clarify which and how they should be addressed.

<ESMA_QUESTION_TSTR_4>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_4>

Q5 : Do you see any other challenges with the information by NFC- to FC of their decision to perform the reporting of OTC derivatives which should be addressed?

<ESMA_QUESTION_TSTR_5>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_5>

Q6 : Do you agree with the proposals set out in this section? If not, please clarify your concerns and propose alternative solutions.

<ESMA_QUESTION_TSTR_6>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_6>

Q7 : Do you see any issues with the approach outlined above? Do you see any other challenges with the delegation of reporting which should be addressed?

<ESMA_QUESTION_TSTR_7>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_7>

Q8 : Which errors or omissions in reporting should, in your view, be notified to the competent authorities? Do you see any major challenges with such notifications to be provided to the competent authorities? If yes, please clarify your concerns.

<ESMA_QUESTION_TSTR_8>

FIA supports open dialogue amongst all stakeholders to enhance transparency in derivative markets. Today, many entities maintain open dialogue with National Competent Authority (NCAs) on reporting and report, on a voluntary basis, any omissions they detect. That being said, introducing obligations to report ‘errors’ or ‘omissions’ to the NCA through a rules-based approach must be carefully considered in order to prevent undue burden being placed on reporting counterparties and NCAs while reducing the efforts to resolve the root cause.

Placing an obligation to report ‘errors’ and ‘omissions’ to the NCA should only be applied where such error or omission is considered significant and likely to have a detrimental impact on the NCA’s ability to perform its oversight duties of systemic risk in the market. Without careful consideration, placing an obligation on firms to report *any* error or omission is likely to add additional burdens on reporting entities who have established robust controls aimed at detecting omissions in their reporting. On the contrary, where a reporting entity has failed to implement robust mechanisms to detect errors and omissions, placing an obligation to report such limitations within their reports to the NCA is unlikely to have significant impact as such entity will not detect such errors and omissions in the first place. As a result, the obligation will be disproportionately applied across the market and will excessively target reporting firms who have established controls for detection.

Many ‘errors’ are not “qualified” errors and relate to inconsistent interpretation of the rules between reporting entities. Where such inconsistencies exist, ESMA may consider additional guidance and any other means, such as industry roundtables, to further optimize reporting requirements and resolve the root cause. Where such issues relate to inconsistent interpretation of the rules, it is unclear as to who would own the ‘error’ and who would have a duty to notify their NCA. Furthermore, where a legitimate error has occurred, reporting firms may utilise the Action Type ‘Error’. In such instances, an additional report to the NCA should not be necessary as such report would offer little benefit to the reporting entity or the NCA.

As previously noted, further efforts should focus on optimization and examining the root cause of many reporting issues. As drafted, ESMA’s proposal would require significant time and resource to identify, investigate, confirm and disclose omissions and errors, irrespective of the materiality of such omission or error. Furthermore, it is likely that each individual NCA would request such information in a unique format, thus adding to the burden facing the market. An alternative solution may be for ESMA to work with industry stakeholders to establish an escalation process and generate principles which focus on effective controls which firms should adopt to help detect significant omissions in an efficient and timely manner.

<ESMA_QUESTION_TSTR_8>

Q9 : Do you see any issues with the approach outlined above? Do you see any other challenges with the reconciliation of trades which should be addressed?

<ESMA_QUESTION_TSTR_9>

FIA recommends ESMA to reconsider this proposal and assess whether the current reconciliation process is fit for purpose. Reconciliation should only apply to essential fields which are pivotal to facilitating oversight of systemic risk. This is currently not the case.

Given the volume of ETD trades entered into on any given day, such requirements would place extensive pressure on firm's resources. Many reporting firms have established teams whose role is to rectify errors/breaks. Requiring firms to produce reports on these errors/breaks is counterproductive and does not resolve many of the root causes of breaks. We recommend ESMA to support efforts to improve the accuracy and completeness of data and resolving existing breaks, ensuring clear guidance is provided to the market and consistent implementation of the rules. Improving reconciliation counterparties, especially given that most entities will feel justified in how they report key data elements.

Existing delegated reporting arrangements and the mandatory reporting obligation introduced by REFIT limit the benefits of reconciliation. While EMIR was implemented as a dual sided reporting regime, only those reporting entities who perform dual sided reporting (i.e. counterparties to a contract each reporting their side of the contract) are persecuted by reconciliation requirements and the potential need to retain a log of breaks.

We ask that ESMA and the relevant NCAs remain open-minded when assessing the accuracy of reported data. An emphasis is placed on reconciliation rates rather than the underlying accuracy of reported data. Embellishing the benefits offered by pairing and matching rates simplifies complex obligations on firms and may disrupt reporting firms from reporting a true and accurate snapshot of books and records for risk that such reported data does not match with their counterparty.

As previously stated, applying the same rules to OTC and ETD products fails to account for the nuances between OTCs and ETDs. We recommend ESMA to apply a clear distinction between OTC and ETD derivatives separately under EMIR Article 9. Reporting transaction-level data for ETDs offers little to no benefit for regulatory authorities while it places a significant burden on reporting firms. For the reporting of ETDs, ESMA should consider placing priority on the reporting of position data over transaction-level data. Gaining oversight of systemic risk in ETD markets stems from industry reports at position-level and both firms and regulatory authorities will benefit from streamlining the reporting process.

<ESMA_QUESTION_TSTR_9>

Q10 : Do you see any other data quality issues which should be addressed?

<ESMA_QUESTION_TSTR_10>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_10>

Q11 : Do you agree with the proposed technical format, ISO 20022, as the format for reporting? If not, what other reporting format would you propose and what would be the benefits of the alternative approach?

<ESMA_QUESTION_TSTR_11>

Many aspects of the Consultation Paper have been drafted with a specific focus on OTC derivatives. While the ISO format may be most appropriate for OTC trades, the majority of reporting firms report ETD products (both transactions/positions) via CSV.

The industry has reported in this manner since 2014 and arranging this format into a structured XML message will result in disproportionate costs, operational burdens, risks and will require the industry to change the process for reporting ETD without appropriate justification for ETD markets.

ESMA's rationale provided within the consultation paper appears to relate primarily to the reporting of OTC products. FIA strongly recommends that further consideration be given to the need for this change and its applicability to the reporting of ETD.

<ESMA_QUESTION_TSTR_11>

Q12 : Do you foresee any difficulties related to reporting using an ISO 20022 technical format that uses XML? If yes, please elaborate.

<ESMA_QUESTION_TSTR_12>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_12>

Q13 : Do you expect difficulties with the proposed allocation of responsibility for generating the UTI?

<ESMA_QUESTION_TSTR_13>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_13>

Q14 : Is any further guidance needed with respect to the generation and exchange of the UTI for derivatives reported at position level?

<ESMA_QUESTION_TSTR_14>

FIA members would appreciate if further consideration and guidance could be given to generate a consistent view across the industry on what constitutes a position. For example, where a CCP might report a position at portfolio level, a clearing firm may report positions at a business desk level. A firm may have 5 desks which hold positions at a house account (i.e. 5 different portfolios). Positions can be reported across a number of different portfolios. For accurate reporting under EMIR, would clearing firms be forced to roll/aggregate positions to the house account level? Placing such requirements on reporting entities may ultimately have an impact

on the regulatory oversight of systemic risk as one desk may be offsetting large exposures of another, thus masking systemic risk through the activity of another desk.

In order to successfully reconcile ETD position reports, pairing and matching at position level requires clearing members to replicate many of the matching fields against the CCP report. As the CCP is considered the golden source of such data, industry participants question the added benefits of reconciliation as firms will replicate the shape of the position as reported by the CCP rather than against the firm's own books and records.

To ensure successful position level pairing and matching we need:

- Agreed level of position aggregation across CMs and CCPs
- Ideally standard logic of position UTI creation

<ESMA_QUESTION_TSTR_14>

Q15 : Is it clear which entity should generate the UTI for the derivatives that are executed bilaterally and brought under the rules of the market ('XOFF')? Are there any other scenarios where it may be unclear whether a derivative is considered to be "centrally executed"? Please list all such specific scenarios and propose relevant clarifications in this respect.

<ESMA_QUESTION_TSTR_15>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_15>

Q16 : Should the hierarchy on UTI generation responsibility include further rules on how to proceed when the responsibility for generating the UTI is allocated to an entity (e.g. trading venue or a CCP) from a jurisdiction that has not implemented the UTI guidance?

<ESMA_QUESTION_TSTR_16>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_16>

Q17 : Should the hierarchy on UTI generation responsibility include more explicit rules for the case of the delegated reporting? If so, propose a draft rule and its placement within the flowchart.

<ESMA_QUESTION_TSTR_17>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_17>

Q18 : Which policy option presented in the flowchart do you prefer? Please elaborate on the reasons why in your reply.

<ESMA_QUESTION_TSTR_18>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_18>

Q19 : Is the additional clarification concerning the sorting of the alphanumerical strings needed? If so, which method of sorting should be considered?

<ESMA_QUESTION_TSTR_19>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_19>

Q20 : Are there any other rules that should be added to the hierarchy on UTI generation responsibility? To the extent that such rules are not contradictory to the global UTI guidance, please provide specific proposals and motivate why they would facilitate the generation and/or exchange of the UTIs.

<ESMA_QUESTION_TSTR_20>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_20>

Q21 : Do you support including more specific rules provision on the timing of the UTI generation? If so, do you prefer a fixed deadline or a timeframe depending on the time of conclusion of the derivative? In either case, please specify what would be in your view the optimal deadline/timeframe. Please elaborate on the reasons why in your response.

<ESMA_QUESTION_TSTR_21>
The issues relating to the timing of UTI generation and dissemination impact OTC reporting but have little impact when reporting ETD. As such, FIA recommends not to establish a deadline/timeframe for the provision of UTIs related to ETD reporting.
<ESMA_QUESTION_TSTR_21>

Q22 : Do you expect issues around defining when you will need to use a new UTI and when the existing UTI should be used in the report? Are there specific cases that need to be dealt with?

<ESMA_QUESTION_TSTR_22>
FIA welcomes guidance from ESMA in order to enable consistent reporting of net zero positions. ESMA's Q&A TR3b(e) implies that when a position goes flat, the reporting party can modify that position to zero and subsequently report Valuations. On the contrary, some reporting firms take the decision to modify the position to zero and subsequently 'Early Terminate' (Action Type C) the zero-quantity position, subsequently modifying these positions back to a positive quantity if the relevant instrument is traded again, all the while maintaining the original UTI. The absence of industry guidance may result in inconsistent matching rates as some reporting firms continue to report flat positions while others exit such position. As outlined earlier in the response, having a requirement to retain a log of reconciliation breaks seems counterintuitive if a process for escalation does not exist to enable industry consensus and resolve known issues.

Furthermore, additional guidance on lifecycle events through specific worked examples would significantly reduce the potential for inconsistent reporting. We recommend ESMA to facilitate further industry dialogue through workshops or industry roundtables to develop worked examples which can be incorporated within level 3 guidance.

<ESMA_QUESTION_TSTR_22>

Q23 : Do you expect any challenges related to the proposed format and/or structure of the UTI? If yes, please elaborate on what challenges you foresee.

<ESMA_QUESTION_TSTR_23>

Firms have established processes and mechanisms for the generation of UTIs and any change will have cost implications. Incorporating the generating party's LEI is considered of little benefit and may ultimately limit the uniqueness of UTIs where 20 characters are given over to the generating party's LEI.

When transitioning to an upper case only UTI excluding special characters, we would draw ESMA's attention to the need for backward compatibility in order to maintain appropriate access to data across EMIR levels. In order to facilitate the implementation of such a change and in the spirit of greater clarity provided to the industry, we suggest that only new derivatives, reported following a date announced across the industry, be identified using a UTI under the new guidance.

<ESMA_QUESTION_TSTR_23>

Q24 : Do you have any comments concerning the use of ISINs as product identifiers under EMIR for the derivatives that are admitted to trading or traded on a trading venue or a systematic internaliser?

<ESMA_QUESTION_TSTR_24>

Derivatives traded on, or admitted to trading on, a trading venue are expected to have ISINs. Furthermore, the concept of the UPI was designed for complex, customisable contracts (OTCs). As such, we remain confident that the ISIN provides the most granular method of identification for ETD reporting. Where available, the ISIN should be used to accurately identify the derivative.

A waterfall of identifiers should exist requiring firms to report only one identifier code. For derivatives traded on, or admitted to trading on, a trading venue, the ISIN should be reported. If an ISIN is not available, the UPI should be reported. In such instances where a UPI is not available, the CFI code should be used to identify the derivative.

FIA recommends that further steps are taken to harmonise the reporting requirements under EMIR with MiFID II so that reporting parties are only required to report the underlying instrument data in such instances where an ISIN is not reported. This change would reduce the existing myriad of matching fields and help to address a number of existing matching issues such as 'Maturity Date'. Furthermore, this would ease the burden of obtaining extensive Commodity Reference data that is not widely available.

<ESMA_QUESTION_TSTR_24>

Q25 : Do you have any comments concerning the use of UPIs as product identifiers under EMIR? Should in your view UPI be used to identify all derivatives or only those that are not identified with ISIN under MiFIR? ?

<ESMA_QUESTION_TSTR_25>

ISIN should be used if available so that reporting is consistent with MiFID. UPI should only be required for derivatives that are not identified with ISIN.

<ESMA_QUESTION_TSTR_25>

Q26 : Do you agree with the assessment of the advantages and disadvantages of the supplementary reporting of some reference data? Are there any other aspects that should be considered?

<ESMA_QUESTION_TSTR_26>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_26>

Q27 : Some of the instruments' characteristics that are expected to be captured by the future UPI reference data are already being reported under EMIR, meaning that they have already been implemented in the counterparties' reporting systems. If this data or its subset were continued to be required in trade reports under EMIR, what would be the cost of compliance with this requirement (low/moderate/high)? Please provide justification for your assessment. Would you have any reservations with regard to reporting of data elements that would be covered by the UPI reference data?

<ESMA_QUESTION_TSTR_27>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_27>

Q28 : Do you foresee any issues in relation to inclusion in the new reporting standard that the LEI of the reporting counterparty should be duly renewed and maintained according to the terms of, any of the endorsed LOUs (Local Operating Units) of the Global Legal Entity Identifier System?

<ESMA_QUESTION_TSTR_28>

A reporting counterparty should only be accountable for the renewal/maintenance of its own LEI.

<ESMA_QUESTION_TSTR_28>

Q29 : Do you foresee any challenges related to the availability of LEIs for any of the entities included in the Article 3 of the draft ITS on reporting?

<ESMA_QUESTION_TSTR_29>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_29>

Q30 : Do you have any comments concerning ESMA approach to inclusion of CDEs into EMIR reporting requirements?

<ESMA_QUESTION_TSTR_30>

ESMA are asked to remain open-minded when including CPMI-IOSCO Technical Guidance on Harmonisation of critical OTC derivatives data elements (other than UTI and UPI) within the technical standards. The CDE Guidance has been prepared strictly with OTC derivatives in mind. Given that EMIR Article 9 includes the reporting of ETD, as well as OTC, ESMA are encouraged to consider how best to clearly signify that the CDE Guidance does not have any influence when reporting ETDs.

<ESMA_QUESTION_TSTR_30>

Q31 : Is the list of Action types and Event types complete? Is it clear when each of the categories should be used?

<ESMA_QUESTION_TSTR_31>

Steps should be taken to generate industry guidance on the reporting of lifecycle events. Specific worked examples would significantly reduce the potential for inconsistent reporting. We recommend ESMA to facilitate further industry dialogue through workshops to develop worked examples which can be incorporated within level 3 guidance.

For example, currently there is no consistent view amongst Clearing Members and CCPs as to how reporting firms are expected to report lifecycle events such as Position Transfers or Exercise/Assignments.

One school of thought is that any amendment to a position must be contextualized by a transaction report (which requires a UTI to be consumed from the CCP), whereas an alternative view exists where firms believe such events can only be represented at a Position Level. There are difficulties with this, however, which should be recognised and resolved through industry engagement and level 3 guidance:

Eg. Exercise and Assignment – If reported at Transaction level, a CCP may see one position exercised and provide one Transaction UTI, but the Clearing Member may see that exercise spread out over multiple accounts as they are reflecting their books and records. There are significant difficulties in reporting transactions for lifecycle events at the same level as the CCP. Facilitating such reporting would require significant technical changes/builds.

<ESMA_QUESTION_TSTR_31>

Q32 : Is it clear what is the impact of the specific Action Types on the status of the trade, i.e. when the trade is considered outstanding or non-outstanding?

<ESMA_QUESTION_TSTR_32>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_32>

Q33 : Is it clear what are the possible sequences of Action Types based on the Figure 1?

<ESMA_QUESTION_TSTR_33>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_33>

Q34 : Are the possible combinations of Action type and Event type determined correctly? Is their applicability at trade and/or position level determined correctly?

<ESMA_QUESTION_TSTR_34>
FIA welcomes further guidance through detailed examples with a specific focus on the use of ‘Termination’. Furthermore, applying such Action Types and Event Types should be explicitly clear on the OTC versus ETD.
<ESMA_QUESTION_TSTR_34>

Q35 : Is the approach to reporting Compression sufficiently clear? If not, please explain what should be further clarified or propose alternatives.

<ESMA_QUESTION_TSTR_35>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_35>

Q36 : Do you agree with the proposal to include two separate action types for the provision of information related to the valuation of the contract and one related to margins?

<ESMA_QUESTION_TSTR_36>
FIA does not see this proposal as being a necessary change.
<ESMA_QUESTION_TSTR_36>

Q37 : Do you agree with the proposal to include the Action Type “Revive”? Are there any further instances where this Action Type could be used? Are there any potential difficulties in relation to this approach?

<ESMA_QUESTION_TSTR_37>
We support the introduction of the “Revive” action type as this provides flexibility to revive wrongfully errored submissions.

One further instance where “Revive” may be suitable is in the reporting of net zero positions. ESMA’s Q&A TR3b(e) implies that when a position goes flat, the reporting party can modify that position to zero and subsequently report Valuations. On the contrary, some reporting firms take the decision to modify the position to zero and subsequently ‘Early Terminate’ (Action Type C) the zero-quantity position, subsequently modifying these positions back to a positive quantity if the relevant instrument is traded again, all the while maintaining the original UTI. Where firms Early Terminate the flat position, the Action Type “Revive” may be utilised to bring back this position and use the original UTI.

<ESMA_QUESTION_TSTR_37>

Q38 : Is the approach to reporting at position level sufficiently clear? If not, please explain what should be further clarified?

<ESMA_QUESTION_TSTR_38>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_38>

Q39 : Are all reportable details (as set out in the Annex to the draft RTS on details of the reports to be reported to TRs under EMIR (Annex IV)) available for reporting at position level? If not, please clarify which data elements and why.

<ESMA_QUESTION_TSTR_39>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_39>

Q40 : Are there any products other than derivatives concluded on a venue and CfDs that may need to be reported at position level?

<ESMA_QUESTION_TSTR_40>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_40>

Q41 : Do you have any general comments regarding the proposed representation of the reporting requirements in the table of fields? Please use the separate excel table to provide comments on the specific fields in the table.

<ESMA_QUESTION_TSTR_41>

We recommend ESMA to take steps to avoid misalignment arising from the reporting of ETD contracts. The overwhelming majority of the proposed changes are set out to facilitate the reporting of OTC contracts. We suggest that ESMA considers having a separate report clearly setting out the reportable fields for the reporting of ETD contracts. Alternatively, where such amendments are included (eg. CDE guidance), the validation rules should explicitly state that such fields are not applicable to ETD. Furthermore, for ETDs, the UPI should only be used to identify the traded instrument in such instances where an ISIN is not available.

<ESMA_QUESTION_TSTR_41>

Q42 : Is the proposed definition adequate? Can you think of any cases where further clarification would be needed or further problems might be expected? What would you expect to be reported as effective date when the trade is not confirmed?

<ESMA_QUESTION_TSTR_42>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_42>

Q43 : Is the proposed definition adequate? Can you think of any cases where further clarification would be needed, or further problems might be expected? What would you expect to be reported as maturity date when the trade is not confirmed?

<ESMA_QUESTION_TSTR_43>

The reporting of Maturity Date for ETD contracts has been a difficult topic for some time and we encourage ESMA to use this opportunity to resolve this issue. Many clearing members report the last trade date as maturity date while most CCPs report the settlement date. The rationale from the Clearing Members' standpoint is that the reporting of settlement date already exists within the report so reporting a duplicative date offers no additional insight to the regulatory authority. The argument from the CCP standpoint is that the contract remains live on their books and records until settlement therefore the final settlement date is the most appropriate.

<ESMA_QUESTION_TSTR_43>

Q44 : Do you agree with the proposed definition? Are there any other aspects that should be covered in the technical standards?

<ESMA_QUESTION_TSTR_44>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_44>

Q45 : Do you agree with the proposed definition? Are there any other aspects that should be covered in the technical standards?

<ESMA_QUESTION_TSTR_45>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_45>

Q46 : Do you foresee any difficulties with the reporting of Event date? Please flag these difficulties if you see them.

<ESMA_QUESTION_TSTR_46>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_46>

Q47 : In relation to the format of the "client code", do you foresee any difficulties with reporting using the structure and format of the code as recommended in the CDE guidance? If you do, please specify the challenges.

<ESMA_QUESTION_TSTR_47>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_47>

Q48 : Alternatively, would you prefer to replace the internal client codes with national identification number as defined in MIFIR transaction reporting? Please specify the advantages and disadvantages of both alternatives.

<ESMA_QUESTION_TSTR_48>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_48>

Q49 : Do you agree on the proposal to include this process in the draft RTS on procedures for ensuring data quality?

<ESMA_QUESTION_TSTR_49>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_49>

Q50 : Do you agree that one month is the good timespan between the notification by the counterparty to the TR the corporate restructuring event and the actual update of the LEI by the TR?

<ESMA_QUESTION_TSTR_50>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_50>

Q51 : Do you agree on the fact that transactions that have already been terminated at the date when the TR is updating the LEIs should be included in the process?

<ESMA_QUESTION_TSTR_51>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_51>

Q52 : In the case of transactions where an impacted entity is identified in any role other than the reporting counterparty (e.g. Counterparty 2, Broker etc), when the TRs should inform the reporting counterparties of the change in the identifier of that entity?

<ESMA_QUESTION_TSTR_52>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_52>

Q53 : Which entity should identify all transactions that should be amended due to a partial modification of the identifier of an entity?

<ESMA_QUESTION_TSTR_53>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_53>

Q54 : In cases where the counterparty is not responsible and legally liable for reporting transactions, which entity should be in charge of notifying the TR and what should be the related requirements between the counterparty itself and the entity who is responsible and legally liable for the reporting?

<ESMA_QUESTION_TSTR_54>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_54>

Q55 : Do you see any other challenges related to LEI updates due to mergers and acquisitions, other corporate restructuring events or where the identifier of the

counterparty has to be updated from BIC (or other code) to LEI because the entity has obtained the LEI?

<ESMA_QUESTION_TSTR_55>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_55>

Q56 : In relation to the field “Beneficiary ID”, do you have any concerns regarding the elimination of this field? Based on your reporting experience, which trading scenario may be missed if this field is eliminated, with exception of the cases explained in Q&A General Question 1 (c)?

<ESMA_QUESTION_TSTR_56>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_56>

Q57 : In relation to the field “Trading capacity”, do you have any concerns regarding the elimination of this field? Based on your reporting experience, which trading scenario may be missed if this field is eliminated?

<ESMA_QUESTION_TSTR_57>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_57>

Q58 : In relation to the “Direction of trade”, do you foresee any difficulties with the adoption of CDE guidance approach? Please provide a justification for your response.

<ESMA_QUESTION_TSTR_58>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_58>

Q59 : Are there any products for which the direction of the trade cannot be determined according to the rules proposed in the draft technical standards (based on the CDE guidance)? If so, please specify the products and propose what rules should be applied.

<ESMA_QUESTION_TSTR_59>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_59>

Q60 : Do you foresee any difficulties with reporting in case the value “Intent to clear” is not included in the list of allowable values for Field « Cleared » ? Please motivate your answer.

<ESMA_QUESTION_TSTR_60>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_60>

Q61 : Do you have any other comments concerning the fields related to clearing?

<ESMA_QUESTION_TSTR_61>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_61>

Q62 : The timely confirmation requirement applies only to non-cleared OTC contracts. However, under the rules in force, the confirmation timestamp and confirmation means are reported also for ETD derivatives by some counterparties, leading to problems with reconciliation of the reports. ESMA proposes to clarify that the abovementioned fields should be reported only for OTC non-cleared derivatives. Do you agree with the proposed approach for clarifying the population of the fields “Confirmation timestamp” and “Confirmation means”? Please motivate your response.

<ESMA_QUESTION_TSTR_62>
FIA agrees with ESMA’s proposal to clarify that the “Confirmation” and “Confirmation means” fields should only be reported for OTC non-cleared derivatives.
<ESMA_QUESTION_TSTR_62>

Q63 : Do you have any comments concerning the fields related to settlement?

<ESMA_QUESTION_TSTR_63>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_63>

Q64 : Do you have any comments concerning the proposed way of reporting of the trading venue?

<ESMA_QUESTION_TSTR_64>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_64>

Q65 : Do you foresee any difficulties related to the proposal for reporting the data elements related to the regular payments?

<ESMA_QUESTION_TSTR_65>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_65>

Q66 : Do you agree to leave the valuation fields unchanged? If not, what changes do you propose?

<ESMA_QUESTION_TSTR_66>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_66>

Q67 : Do you agree that the contract value is most relevant for authorities when reported as the IFRS 13 Fair Value without applying valuation adjustments?

<ESMA_QUESTION_TSTR_67>
TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_67>

Q68 : Do you anticipate practical issues with reporting IFRS 13 Fair Value without applying valuation adjustments? If so, what measures can be taken to address these or what alternative solutions can be considered (that would ensure consistent reporting of valuation by the counterparties)?

<ESMA_QUESTION_TSTR_68>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_68>

Q69 : Is more guidance needed for the determination of the “valuation type”, e.g. similar to the guidance provided in the CDE guidance on page 41-42?

<ESMA_QUESTION_TSTR_69>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_69>

Q70 : Do you agree that the fields IM/VM Posted/Received fields are provided in with both a pre- and post-haircut value?

<ESMA_QUESTION_TSTR_70>

Such requirement creates significant cost and effort required to add this data point to the existing reporting flows with limited value in doing so. We recommend that ESMA consider the necessity of such requirement.

<ESMA_QUESTION_TSTR_70>

Q71 : Do you agree to change the format of the collateralisation field to one that is compatible with single sided reporting?

<ESMA_QUESTION_TSTR_71>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_71>

Q72 : Do you agree that the fields “Counterparty rating trigger indicator” and “Counterparty rating threshold indicator” are added?

<ESMA_QUESTION_TSTR_72>

We would like to address some reservations regarding the “Counterparty rating trigger indicator” and “Counterparty rating threshold indicator” fields:

- The definition of such fields is not clear
- Sourcing these fields will be challenging and the quality and relevance of the data would be limited.

Each member of the industry has its own methodology to classify its counterparty risk and indicator; there would not be any coherence and consistency between firms’ information.

<ESMA_QUESTION_TSTR_72>

Q73 : Do you agree that a single A rating is the most relevant trigger for the “Counterparty rating threshold indicator” field?

<ESMA_QUESTION_TSTR_73>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_73>

Q74 : Is it possible to separate the value of a collateral portfolio exclusively for derivatives?

<ESMA_QUESTION_TSTR_74>

No, as ESMA explained, the collateral and the margins can be calculated for a mix of products such as x-margin services. In that case, there are complex exposure and risk calculations performed and the margins amounts cannot be split between the different products covered.

<ESMA_QUESTION_TSTR_74>

Q75 : Are there any limitations with regard to ESMA’s proposed adjustments to these EMIR reporting fields? If so please specify what the limitations are and how they could be overcome?

<ESMA_QUESTION_TSTR_75>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_75>

Q76 : Do you think that there are other additional fields which would be necessary to fully understand the price of a derivative?

<ESMA_QUESTION_TSTR_76>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_76>

Q77 : Are there any further pieces of clarification in relation to these fields (beyond the information in the definitions in the annex) which could be added to the amended standards to ensure reporting is done in a consistent manner? If so, please expand on how ESMA can ensure the standards are clear to reporting entities and reduce ambiguity with regard to what should be reported for different fields.

<ESMA_QUESTION_TSTR_77>

FIA would like to highlight that a number of the fields which describe the product (assuming a scenario where an ISIN or UPI is not available) are defined with the overlying OTC contract in mind and not the underlier in which the listed future or options contract would be traded on. As an example, the fixed rate fields for an ETD would relate to the underlying interest rate swap whereas the OTC contract it would relate to bilateral agreement. We recommend ESMA to take this opportunity to develop an updated validation table which sets out detailed and unambiguous descriptions of reporting fields. Industry participants would be more than willing to support ESMA in its efforts to produce this.

<ESMA_QUESTION_TSTR_77>

Q78 : Do you agree with the clarification in relation to the approach to populating fields which require reference to a fixed rate? If you believe that an alternative approach would be more effective and ensure a consistent approach is followed by reporting counterparties, please explain that approach.

<ESMA_QUESTION_TSTR_78>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_78>

Q79 : Should there be any further guidance provided in relation to the population of the 'notional' field on top of the content of the CDE guidance? What should this guidance say? Do you foresee any difficulties with reporting of notional in line with the CDE guidance?

<ESMA_QUESTION_TSTR_79>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_79>

Q80 : Is the guidance provided in ESMA Q&A TR 41 clear? Should any further guidance be provided in addition to ESMA Q&A TR 41?

<ESMA_QUESTION_TSTR_80>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_80>

Q81 : Do you foresee any challenges with the interpretation of the EMIR data should the fields "Quantity" and "Price multiplier" be removed? In case these fields are maintained, should there be further clarity as to what should be reported therein? What should this guidance say? Should this guidance be per asset class? Should this guidance distinguish between OTC and ETD derivatives?

<ESMA_QUESTION_TSTR_81>
Reporting counterparties consider the fields "Quantity" and "Price multiplier" as being critical fields for the accurate reporting of ETDs as they allow for the clear reporting of the lot size.

Industry concern is that while the proposed introduction of the 'Total notional quantity' field may work for OTC derivatives and may resolve existing confusion in the OTC space, such introduction is likely to generate unnecessary confusion for the reporting of ETDs. This ultimately risks reducing the existing levels of transparency created by the current reporting requirements.

Market participants are increasingly concerned that many of the proposed changes to the reporting rules under EMIR Refit have been designed specifically for OTC products. Consequently, this is likely to cause undue burden when reporting ETD products and may impact the accuracy and usability of reported data.

We believe further guidance should be provided in relation to the new fields, with regard to the specific asset classes for which the specific fields are required, also distinguishing between OTC and ETD products.

<ESMA_QUESTION_TSTR_81>

Q82 : Do you foresee any challenges with reporting of the Total notional quantity?

<ESMA_QUESTION_TSTR_82>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_82>

Q83 : Which of the two described approaches to reporting the notional amount schedules is preferable? Please motivate your view.

<ESMA_QUESTION_TSTR_83>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_83>

Q84 : Do you foresee challenges in relation to the proposed approach for reporting of Delta? Are there any challenges regarding the reporting of Delta every time there is a valuation update?

<ESMA_QUESTION_TSTR_84>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_84>

Q85 : Do you agree with the proposal for reporting of attachment and detachment point?

<ESMA_QUESTION_TSTR_85>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_85>

Q86 : Do you consider that the fields Attachment point and Detachment point serve to report additional data or are applicable to other products than those foreseen in the CDE guidance?

<ESMA_QUESTION_TSTR_86>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_86>

Q87 : Do respondents believe that any of these new fields would be problematic to report? If so, please explain why.

<ESMA_QUESTION_TSTR_87>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_87>

Q88 : Do you foresee any difficulties related to reporting of the additional fields for package transactions? Please motivate your reply.

<ESMA_QUESTION_TSTR_88>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_88>

Q89 : Do you foresee any difficulties related to the reporting of prior UTI? Please motivate your reply.

<ESMA_QUESTION_TSTR_89>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_89>

Q90 : Do you foresee any difficulties related to the reporting of PTRR ID? Please motivate your reply. Are you aware of alternative solutions that would enable regulators to link derivatives entering into and resulting from the same post-trade risk reduction event? Please provide details of such solutions.

<ESMA_QUESTION_TSTR_90>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_90>

Q91 : Do you foresee any difficulties related to the generation and reporting of the PTRR ID for cleared derivatives? Please motivate your reply.

<ESMA_QUESTION_TSTR_91>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_91>

Q92 : Do you see a need for further adjustment of the reporting requirements to allow for effective reporting of PTRR events, in addition to the ones proposed in the section 4.4.11.3?

<ESMA_QUESTION_TSTR_92>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_92>

Q93 : Do you foresee any difficulties related to the reporting of position UTI in the reports pertaining to the derivatives included in a position? Please motivate your reply.

<ESMA_QUESTION_TSTR_93>
It has to be examined whether this proposal is a viable option for ETDs. Positions are generated independently by firms and CCPs as part of an end of day netting cycle and there is not a one-to-one relationship between transactions and positions. One execution may ultimately end up in multiple separate positions. In such scenario, a position UTI would not be able to be populated in the trade message.

ETD transactions, which can either be long (buy) or short (sell) across the course of the day, are “netted” at the end of each day, establishing the end of day positions. These positions are held by clearing members who will maintain positions on behalf of both clients and their own account.

ETDs can be executed and cleared by completely different parties. Under EMIR, if an entity is only involved in the execution of a trade and holds no end-of-day risk, that entity has no reporting obligation under Article 9 of EMIR. This appears as an implicit recognition that the key metric in assessing systemic risk for ETDs is the end-of-day position, rather than executed intra-day transactions. Margin requirements and other obligations are calculated based on the end-of-day positions, and lifecycle events - even simple increases or decreases to the quantity - will occur at a position level. The end-of-day position, rather than the transaction, is the most accurate reflection of the systemic risk posed by a default of a clearing member. As such, requesting that firms report an additional code linking transactions to positions places excessive burden on reporting firms with limited or no added benefit for the regulator when assessing systemic risk in ETD markets.

<ESMA_QUESTION_TSTR_93>

Q94 : Do you foresee any difficulties related to the reporting of any of the additional data elements related to custom baskets? Please motivate your reply.

<ESMA_QUESTION_TSTR_94>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_94>

Q95 : With regard to reporting of delivery interval times, which alternative do you prefer: (A) reporting in UTC time or (B) reporting in local time? Please provide arguments.

<ESMA_QUESTION_TSTR_95>

Reporting in UTC time is consistent with other reporting timestamps within the EMIR report and therefore will result in a more efficient build and the assist firms in setting consistent controls to ensure accuracy of reported data.

<ESMA_QUESTION_TSTR_95>

Q96 : Are you currently reporting derivatives on crypto-assets under EMIR? If so, please describe how they are reported. In particular, please clarify how do you identify and classify these derivatives in the reports under EMIR?

<ESMA_QUESTION_TSTR_96>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_96>

Q97 : Would you see the need to add further reporting details or amend the ones envisaged in the table of fields (see Annex V) in order to enable more accurate, comprehensive and efficient reporting of derivatives on crypto-assets?

<ESMA_QUESTION_TSTR_97>

In the field “Commodity based details”, adding the value “Crypto Based”.

<ESMA_QUESTION_TSTR_97>

Q98 : Do you support the proposal that reports pertaining to the derivatives outstanding on the reporting start date should be updated in order to ensure consistent level of quality of data and limit the operational challenges?

<ESMA_QUESTION_TSTR_98>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_98>

Q99 : Do you foresee challenges with the update of reports pertaining to outstanding derivatives in line with the revised requirements? If so, please describe these challenges. In particular, if they relate to some of the newly added or amended reporting fields, please mention these fields.

<ESMA_QUESTION_TSTR_99>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_99>

Q100 : Do you think that additional time after the reporting start date should be granted for the counterparties to update the reports pertaining to the outstanding derivatives? If so, how much additional timeline would be required?

<ESMA_QUESTION_TSTR_100>

Yes, at least 6 months for the quality review and remediation.

<ESMA_QUESTION_TSTR_100>

Q101 : Do you agree with the proposed timelines for implementation, i.e. 18 months from the entry into force of the technical standards?

<ESMA_QUESTION_TSTR_101>

Whilst no initial objections have been raised in relation to the proposed timeline, this is subject to a number of conditions:

- The level to which ESMA takes into account the industry’s feedback on the proposed rule changes set out in the industry’s response to this consultation paper; and,
- The provision of guidance and clarity on the validation rules. This is critical to adequately determine the volume of changes/size of the build compared to the current reporting framework.

Furthermore, we would like to highlight the regulatory book of work which requires industry participants to work on various global reporting initiatives, including but not limited to, the CFTC updating Dodd Frank rules and the ongoing MiFID II review. The proposed 18-month timeline for entry into force of changes proposed under EMIR Refit is likely to take effect during a multitude of global regulatory reporting changes and global co-operation may be a

cornerstone to successful implementation of further changes to reporting regimes in various jurisdictions including Europe.

The 18-month timeframe should be considered with contingency in mind. Open dialogue with ESMA and a review of delivery dates should be performed ahead of go-live to enable the industry to provide feedback on implementation and advise on current limitations and/or whether the 18-month timeline remains feasible.

For long dated contracts, further clarity is required on how to manage the reporting of these contracts as the industry moves from one ITS format to another. Guidance is required to account for the inventory of existing open positions at the trade repositories which will need to meet the new standards/requirements.

In addition, the go-live date should take into consideration any month-end expiry or key market events.

<ESMA_QUESTION_TSTR_101>

Q102 : Do you agree with the proposed framework for verification of data submission? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_102>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_102>

Q103 : Are there any additional aspects that would need to be clarified or specified with regards to the verification of logical integrity of submissions with different Action types such as "Revive"? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_103>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_103>

Q104 : Do you consider that the proposed procedure will allow the TRs to verify the compliance by the reporting counterparty or the submitting entity with the reporting requirements, and the completeness and correctness of the data reported under Article 9 EMIR? If not, what other aspects should be taken into account? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_104>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_104>

Q105 : Are there any additional aspects that would need to be clarified or specified with regards to the updates to the LEI that are to be performed by the TRs? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_105>

1- Lapsed LEI

Could the TR anticipate the lapsed LEI by contacting the counterparties? The LEI update is the responsibility of the counterparty and the NACK and management will be under the submitting entity. This add chasing and management for submitting.

2- Blacklisted LEI

On LEI which are black listed (due to merger or inactivity) the submitting entity cannot exit or modify the transaction to correct it. We should be allow to at least exit the transaction for the blacklisted.

<ESMA_QUESTION_TSTR_105>

Q106 : Are there any other aspects that should be considered with regards to the scope and start of the reconciliation process? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_106>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_106>

Q107 : Are there any aspects related to the intra-TR reconciliation that need to be clarified? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_107>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_107>

Q108 : What additional aspects with regards to inter-TR reconciliation will need to be considered? Should additional fields be considered for pairing? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_108>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_108>

Q109 : What other aspects should be considered to ensure the integrity of the number and values of the reconciled derivatives? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_109>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_109>

Q110 : What other aspects should be considered to reduce data transformation and format issues in the inter-TR reconciliation process? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_110>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_110>

Q111 : What other aspects should be taken into account with regards to the timeline for completion of the inter-TR reconciliation process? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_111>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_111>

Q112 : Do you agree with the proposed approach to establish tolerances for certain fields? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_112>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_112>

Q113 : Do you agree with the proposed set of fields? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_113>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_113>

Q114 : Do you foresee any problem in the reconciliation of field “Valuation amount”? How should the valuation amount be reconciled in the case of derivatives which are valued in different currency by the counterparties, such as currency derivatives? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_114>
The reconciliation process should not be applied to cleared trades where the obligation on the reporting counterparty is to replicate the CCP valuation. Pairing and Matching should not apply to fields where the data originates from a golden source (i.e. the CCP).
<ESMA_QUESTION_TSTR_114>

Q115 : Do you agree with excluding the newly added fields from the first stage of the inter-TR reconciliation process? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_115>
An alternative way for reconciliation to work is for ESMA to prioritise matching fields. These key fields should be considered vital in order to provide oversight of systemic risk. The current list of matching fields are neither of the same importance nor does it make sense to treat them as such. Failure to match on these key matching fields should result in a break whereas failure to match on ‘less significantly important’ matching fields may result in a warning to the counterparty to review the data reported within this field.

We would like to raise the importance of current category 1 and category 2 fields, helping firms to prioritise work when working to improve reconciliation rates.

We would appreciate clear guidance from ESMA as to which fields should be prioritised for matching.

<ESMA_QUESTION_TSTR_115>

Q116 : Do you consider that any additional requirement in relation with the policies and procedures referred to in Article 78(9) EMIR needs to be added to ensure better performance of the data transfer by TRs? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_116>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_116>

Q117 : Do you agree with the proposed framework for rejection responses? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_117>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_117>

Q118 : Do you agree with the proposed framework for reconciliation responses? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_118>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_118>

Q119 : Do you agree with the suggested reconciliation categories? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_119>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_119>

Q120 : Are there any relevant aspects related to the application of action type “Revive” that should be considered for the purposes of carrying out the reconciliation process?

<ESMA_QUESTION_TSTR_120>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_120>

Q121 : Are there any aspects that need to be further specified regarding the end-of-day reports to be provided to reporting counterparties, the entities responsible for reporting and, where relevant, the report submitting entities? Is there any additional information that should be provided to these entities to facilitate their processing of data and improve quality of data? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_121>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_TSTR_121>

Q122 : Especially regarding the abnormal values, please indicate which of the two approaches you prefer and which other aspect should be taken into account. Please detail the reason for your response.

<ESMA_QUESTION_TSTR_122>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_122>

Q123 : Do you believe that there are any other aspects that need to be aligned between the current RTS on registration under SFTR and the ones under EMIR? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_123>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_123>

Q124 : Do you agree with the above proposals for provision of information in the case of extension of registration? Please elaborate on the reasons for your response.

<ESMA_QUESTION_TSTR_124>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_124>

Q125 : Do you believe that there are any other aspects that need to be covered by the draft ITS on registration under EMIR? Please detail the reasons for your response.

<ESMA_QUESTION_TSTR_125>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_125>

Q126 : Do you agree with the proposed amendments to the data access requirements with respect to the terms and conditions of data access?

<ESMA_QUESTION_TSTR_126>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_126>

Q127 : What other aspects need to be clarified with regards to the definition of elements for the establishment of direct and immediate access to data?

<ESMA_QUESTION_TSTR_127>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_TSTR_127>

