ESMA_QA_921

Submission Date
05/11/2020

Status: Answer Published

Additional Information

Level 1 Regulation
Securities Financing Transactions Regulation (SFTR) Regulation (EU) 2015/2365- MDP

Topic
frequency of SFT reporting

Additional Legal Reference
Article 4

Subject Matter
Frequency of reports

Question
a) How should a “working day” be defined for the purpose of determining the deadline for reporting?

b) How should the counterparties proceed if they follow different calendars?
c) How should the counterparties proceed if they are located in different time zones?

ESMA Answer

05-11-2020

Original language

[ESMA ESMA74-362-893 SFTR data reporting Q&A 1]

a) Counterparties should follow their local time to determine the day on which the transaction was concluded, modified or terminated. Branches of third country counterparties should follow the local time of the Member State from which they operate. The deadline for reporting is the working day following that day. The point in time which serves as a starting point to calculate the reporting deadline is the date of conclusion, modification or termination of the transaction, irrespective of the execution process. Therefore, if a transaction is concluded, modified or terminated on date T, the reference day to start calculating the reporting deadline is T, as opposed to the date on which the counterparties start to exchange electronic information related to the conclusion, modification or termination of the transactions.

The determination of the deadline for reporting in the local time does not affect the way in which the relevant dates and times (such as execution timestamp) are reported to the TRs. The time convention for reporting is defined in the Commission Implementing Regulation (EU) 2019/363 ITS as UTC (Coordinated Universal Time). The GMT (Greenwich Mean Time) was not defined as a time convention as it refers to a time zone and not to a time standard.

b) As regards to the calendar, counterparties and branches of third country counterparties should follow the relevant calendar of the Member State from which they operate to determine whether a given day is a working day or holiday.

c) This guidance applies also when the two counterparties (or the branches thereof) to the same SFT follow different calendars and/or are located in different time zones, meaning that

each counterparty should follow its own local calendar and use the local time to determine the deadline for reporting.