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Additional Information

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

Topic
* EMIR Reporting

Subject Matter
Reporting of past modifications

Question
In relation to outstanding SFTs, paragraph 88 of the Guidelines provides that counterparties, that submitted several reports with event dates equal to reporting date or day before, breaking the chronological order, may need to resubmit last report(s) to bring the record of the transaction to the most up-to-date state.
a) How should a counterparty proceed if it has sent reports with action type “MODI“ or

“CORR“ with “past” event dates (earlier than reporting date -1) and no other modification or correction has been submitted since the last event?
b) If the counterparty needs to report only one “past” modification (and no other modification or correction has been submitted since the day of that modification), can the counterparty submit a single report with a recent event date?

ESMA Answer

28-01-2021

Original language

[ESMA74-362-893 SFTR Q&A 6]

a) In line with the paragraph 83 of the Guidelines, the reports with the Event date earlier than the reporting date -1 should not be considered by the TRs for the purpose of constructing the trade state report, therefore the reporting counterparty should submit the reports pertaining to the relevant modifications with the respective “past” event dates. To confirm the current state of the loan data, the reporting counterparty should subsequently send a report with action type “MODI” populating the field “Event date” with the date when report is made (i.e. the same date as the date provided in the field “reporting timestamp”). This last modification report should contain the most up-to-date state of the SFT.

With respect to collateral data, it is expected that the reporting counterparty updates the collateral on a daily basis as required under Article 5(3) of Commission Implementing Regulation (EU) 2019/363 of 13 December 2018.

b) No. This is a particular case of the scenario described in point a) above, being in this case only one single past modification. Similarly, the reporting counterparty should report this modification with the respective “past” event date and then resubmit an SFT report with action type “MODI” and populating the field “Event date” with the date when report is made (i.e. the same date as the date provided in the field “reporting timestamp”).