

European Securities and Markets Authority
103 rue de Grenelle
75007 Paris
France

Ref

Xma/Ko

Phone extension

5446

Date

13.02.2015

Comments of the German Insurance Association (ID Number 6437280268-55) on ESMA's Consultation Paper on the Review of the technical standards on reporting under Article 9 of EMIR

Dear Sir or Madam,

Thank you for giving us the opportunity to contribute to your Consultation Paper on the Review of the technical standards on reporting under Article 9 of EMIR.

We would like to contribute with some general comments with view to the planned changes (1.) and then elaborate on why insurers are not in favor to cancel the derivative category "other" (2.).

1. General Comments

From our point of view it will be decisive that market participants will receive sufficient time to implement the changes proposed by ESMA and that these changes are properly discussed and prepared with the trade repositories in advance.

A period of at least one year (12 months) seems advisable before the new rules take effect in order to allow market participants to adjust their work flows and their IT-systems. Insurance companies depend on the specifications made by their trade repositories and due to the experiences made in the past it takes quite some time until new requirements are tested sufficiently and implemented properly.

In particular, different viewpoints of trade repositories and / or counterparties as well as the mapping requirement of EMIR reporting can produce detailed discussions among counterparties and trade repositories, which is labor-intensive and time-consuming. We therefore

**Gesamtverband der Deutschen
Versicherungswirtschaft e. V.**

German Insurance Association

Wilhelmstraße 43 / 43 G, D-10117 Berlin
Phone: +49 30 2020-5000
Fax: +49 30 2020-6000

51, rue Montoyer
B - 1000 Brussels
Phone: +32 2 28247-30
Fax: +32 2 28247-39
ID-Nummer 6437280268-55

E-Mail: x.meyer-arndt@gdv.de

www.gdv.de



advise that changes at level 2 - validation rules for trade repositories and reporting requirements for market participants - are coordinated with regards to their content and their time of effectiveness.

Our members stress that they do not only have to follow ESMA's rules but also have to get adjusted to the rules of the trade repositories. We would therefore very much welcome if ESMA would increasingly account for this triangle relationship between regulator, market participants and trade repositories.

2. Remarks on the proposed cancelation of the category "other"

Q1: Do you envisage any difficulties with removing the 'other' category from derivative class and type descriptions in Articles 4(3)(a) and 4(3)(b) of ITS 1247/2012? If so, what additional derivative class(es) and type(s) would need to be included? Please elaborate. We do not consider it appropriate to remove the category "other".

Only in relatively rare cases the categorization of derivatives is not obvious and the category "other" is used. For this relatively small portion it seems disproportionate to require the counterparties to agree on the type of the derivative in advance. The requirement that the counterparties should agree on parameters such as the derivative type might lead to a situation which is not feasible within the day-to-day work on an operational level. Additionally, counterparties might have to cancel and re-report running contracts, which seems burdensome.

Even small changes of the names of content of data fields always require the adjustment of reporting structures and IT-systems. The effort is high and for this reason it should be well considered if the expected improvement of data quality can justify these efforts.

Thank you for your consideration. In case of further questions please do not hesitate to contact Ms. Xenia Meyer-Arndt (+ 49 (0) 30 2020 5446).

Yours sincerely,

Tim Ockenga

Xenia Meyer-Arndt