

European Securities and Markets Authorities

103 rue de Grenelle
75007 PARIS

Paris, February 13th, 2015

Subject: AFTE's Response to ESMA's Consultation on the technical standards on reporting under Article 9 of EMIR

Dear Sir,

We are writing to you to express our support to improve EMIR implementation in the coming months and we take the opportunity of the ESMA's Consultation on the technical standards on reporting under Article 9 of EMIR to voice our proposals.

You are fully aware of all the efforts French corporates underwent for their EMIR compliance. They have engaged IT resources to implement the initial required reporting and the recent changes to the reporting files requested by the Trade Repositories.

Despite all these efforts, the situation is far from satisfactory: most reporting are not "reconciled" although they are fully acknowledged by the TRs. This is clearly an illustration of the divergences between all market participants, including TRs, in the interpretation of ESMA requirements.

What worries us is the fact that the consultation is about adding new requirements, instead of focusing on critical ones. The room for having more divergences on interpretation is therefore wider, and we do not see this consultation as a way to "clean up" the situation.

Our proposal would therefore to freeze the level of requirements as it is now, and to launch an industry initiative on standardizing the reporting, with TRs, banks, corporates.... The aim would be to get to a common ground on reporting requirements interpretation, to avoid bilateral endless discussions. This could only benefit to all industry.

This being said, our members do not have major problems with field changes applied:

- However, they do need to know if these changes will be the last requirements. They do need to implement them once and for all in their IT systems.
- They would like to be sure that there is minimal disruption to the existing reporting structures in place. Many transactions have been correctly reported by our members,

and they wonder what may happen in case of updates reporting requirements. We would expect that the new technical requirements would apply only to new transactions and not to previously reported but non-reconciled files and we would appreciate if ESMA could give clear guidance on this topic.

Finally, since the beginning of the reporting, ESMA follows the objective to reconcile an increasing number of fields. Due to the number of counterparties, each having their own processes, we believe it will be impossible to complete an exhaustive reconciliation. We would recommend limiting the reconciliation to a limited number of fields like LEIs, UTIs, currencies and amounts.

We remain available to further discuss these matters with Trade Repositories and help to simplify the reconciliation process.

AFTE remains supportive of transparency and understand the need for reporting requirements, however we are still convinced that NFC- do not represent systemic risk and recommend to grant reporting exemption for intra-group transactions for NFC-.

Yours Faithfully,

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