

## PRESS RELEASE

### **ESMA fines DTCC Derivatives Repository Limited €64,000 for data access failures**

The European Securities and Markets Authority (ESMA) has [fined](#) the trade repository DTCC Derivatives Repository Limited (DDRL) €64,000, and issued a public notice, for negligently failing to put in place systems capable of providing regulators with direct and immediate access to derivatives trading data. This is a key requirement under the European Markets and Infrastructure Regulation (EMIR) in order to improve transparency and facilitate the monitoring of systemic risks in derivatives markets.

This is the first time ESMA has taken enforcement action against a trade repository registered in the European Union (EU). DDRL is the largest EU registered trade repository.

ESMA found that DDRL failed to provide direct and immediate access to derivatives data from 21 March 2014 to 15 December 2014, a period of about nine months in which access delays increased from two days to 62 days after reporting and affected 2.6 billion reports. This was due to its negligence in:

- failing to put in place data processing systems that were capable of providing regulators with direct and immediate access to reported data;
- failing, once they became aware, to inform ESMA in a timely manner of the delays that were occurring; and
- taking three months to establish an effective remedial action plan even while delays were worsening.

DDRL's failures caused delays to regulators accessing data, revealed systemic weaknesses in its organisation particularly its procedures, management systems or internal controls and negatively impacted the quality of the data it maintained.



## Notes for editors

1. [2016/408 Decision Notice – DTCC Derivatives Repository Limited](#)
2. [ESMA's supervision of credit rating agencies and trade repositories: 2015 annual report and 2016 work plan](#)
3. Regulation (EU) 648/2012 on OTC derivatives, central counterparties and trade repositories ([EMIR](#)) came into force on 16 August 2012 and introduced requirements aimed at improving the transparency of Over-The-Counter (OTC) derivatives markets and to reduce the risks associated with those markets.
4. ESMA is solely responsible for the supervision of trade repositories in the European Union, including their registration, in line with the requirements of EMIR. ESMA has the power to take appropriate enforcement action where it discovers a breach of EMIR, ranging from the issuance of public notices to the imposition of fines and withdrawal of registration.
5. ESMA has registered [six trade repositories](#) to date under EMIR: DDRL was registered by ESMA as a trade repository on 7 November 2013.
6. ESMA's mission is to enhance investor protection and promote stable and orderly financial markets. The mission is based on the three objectives of:
  - investor protection;
  - orderly markets; and
  - financial stability.

It achieves these objectives through four activities:

1. assessing risks to investors, markets and financial stability;
  2. completing a single rulebook for EU financial markets;
  3. promoting supervisory convergence; and
  4. directly supervising specific financial entities.
7. ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with NCAs and securities markets regulators, in particular the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA).

Further information:

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