



European Securities and
Markets Authority

Final Report

Technical standards on reporting, data quality, data access and registration of Trade Repositories under EMIR REFIT

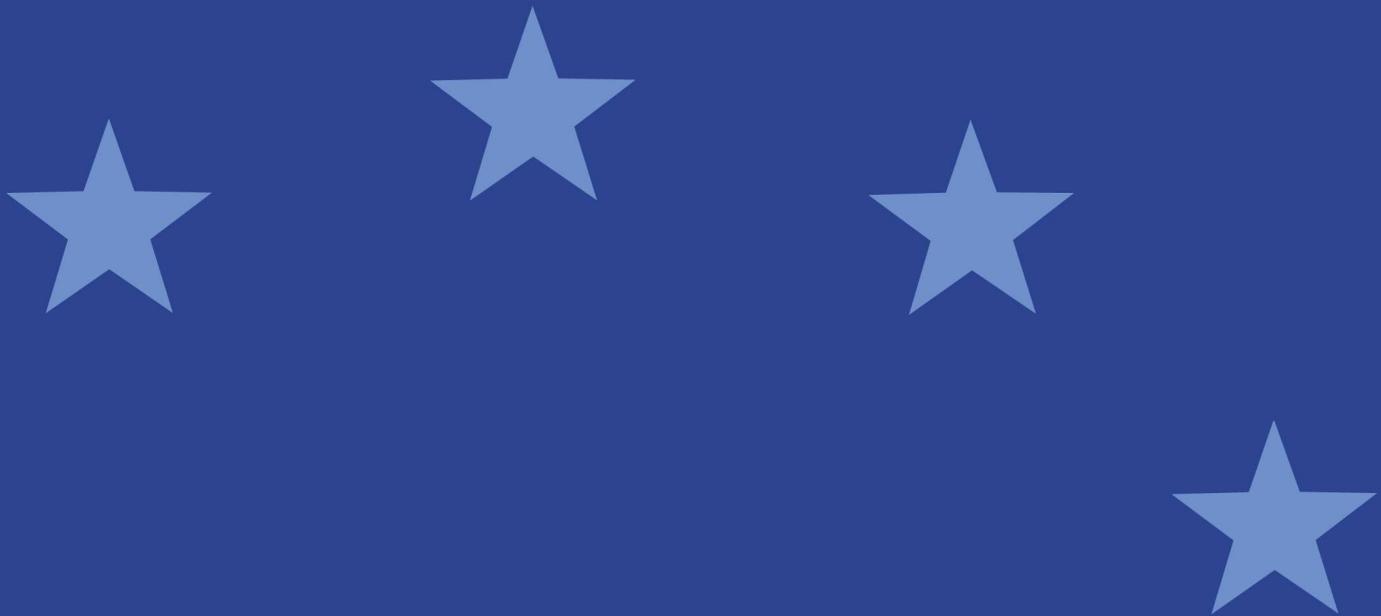


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1 Legislative references and abbreviations

Legislative references

EMIR	European Market Infrastructures Regulation – Regulation (EU) No 648/2012 of the European Parliament and Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (OJ L 201, 27.7.2012, p. 1)
EMIR REFIT	Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012 as regards the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories (OJ L 141, 28.5.2019, p. 42)
Current ITS on reporting	Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012 as amended by Commission Implementing Regulation 2017/105 of 19 October 2016 and by Commission Implementing Regulation 2019/363, laying down implementing technical standards with regard to the format and frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories (OJ L 352, 21.12.2012, p. 20)
Current RTS on reporting	Commission Delegated Regulation (EU) No 148/2013 of 19 December 2012 as amended by Commission Delegated Regulation No 2017/104 of 19 October 2016, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards on the minimum details of the data to be reported to trade repositories (OJ L 52, 23.2.2013, p. 1)

Current RTS on risk mitigation

Commission Delegated Regulation (EU) No 149/2013 of 19 December 2012 as amended by Commission Delegated Regulation (EU) 2017/2155 of 22 September 2017, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to regulatory technical standards on indirect clearing arrangements, the clearing obligation, the public register, access to a trading venue, non-financial counterparties, and risk mitigation techniques for OTC derivatives contracts not cleared by a CCP (OJ L 52, 23.2.2013, p. 11)

Current RTS on registration

Commission Delegated Regulation (EU) No 150/2013 of 19 December 2012 as amended by Commission Delegated Regulation 2019/362 of 13 December 2018, supplementing Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards specifying the details of the application for registration as a trade repository (OJ L 52, 23.2.2013, p. 25)

Current ITS on registration

Commission Implementing Regulation (EU) No 1248/2012 of 19 December 2012 laying down implementing technical standards with regard to the format of applications for registration of trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories (OJ L 352, 21.12.2012, p. 30)

Current RTS on data access

Commission Delegated Regulation (EU) No 151/2013 of 19 December 2012 as amended by Commission Delegated Regulation (EU) 2017/1800 of 29 June 2017 and by Commission Delegated Regulation 2019/361 of 13 December 2018, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards specifying the data to be published and made available by trade repositories and operational standards for aggregating, comparing and accessing the data (OJ L 52, 23.2.2013, p. 33)

MiFIR

Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on

markets in financial instruments and amending Regulation (EU) No 648/2012 (OJ L 173, 12.6.2014, p. 84)

SFTR

Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (OJ L 337, 23.12.2015, p. 1)

EMIR Q&A

Questions and Answers on the implementation of Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR)

Abbreviations

CCP	Central Counterparty
CDE	Critical Data Elements
CM	Clearing Member
CPMI	Committee on Payments and Market Infrastructures
EC	European Commission
ESMA	European Securities and Markets Authority
FC	Financial counterparty
FSB	Financial Stability Board
IOSCO	International Organization of Securities Commissions
ISO	International Organization for Standardization
ITS	Implementing Technical Standards
NCA	National Competent Authority
NFC	Non-financial counterparty
NFC-	Non-financial counterparty other than counterparty referred to in the Article 10 of EMIR

NFC+	Non-financial counterparty referred to in the Article 10 of EMIR
OTC	Over-the-counter
RTS	Regulatory Technical Standards
CDE guidance	CPMI-IOSCO Technical Guidance on Harmonisation of critical OTC derivatives data elements (other than UTI and UPI)
UPI guidance	CPMI-IOSCO Technical Guidance on the Harmonisation of the Unique Product Identifier (UPI)
UTI guidance	CPMI-IOSCO Technical Guidance on the Harmonisation of the Unique Transaction Identifier (UTI)
SFT	Securities Financing Transaction
TR	Trade repository
UPI	Unique Product Identifier
UTI	Unique Trade Identifier
XML	Extensible Mark-up Language

2 Executive Summary

Reasons for publication

This Final Report is published as part of ESMA's work on Level 2 measures under the EMIR REFIT. It contains the assessment of the feedback to the Consultation Paper on the draft technical standards received from stakeholders as well as an explanation of the chosen way forward.

Contents

This Final Report accompanies the technical standards on reporting requirements, procedures to reconcile and validate the data, as well as the amendments to the technical standards on registration and access by the relevant authorities under EMIR REFIT.

Section 1 contains the list of legislative references and abbreviations used in the report. Section 2 is the executive summary of the document. Section 3 explains the background to the proposals. Section 4 includes the summary of feedback on ESMA's proposals with regard to the reporting by the counterparties to TRs. In particular, it summarises the feedback on the methods and arrangements that the counterparties should have in place to notify the competent authorities about errors and omissions in reporting as well as methods and arrangements to ensure resolution of reconciliation failures and correct reporting under new EMIR REFIT provisions on allocation of responsibility for reporting. Furthermore, this section summarises the proposal concerning data standards to be used in the reporting, such as LEI, critical data elements including UTI and UPI, as well as use of ISO 20022 XML as the technical format for reporting. Section 4 explains also in detail proposed changes in the reporting logic, notably the revised approach to reporting of lifecycle events and reporting at position level, as well as presents an overview of the updated list of details of the derivatives to be reported. Finally, this section summarises the feedback regarding the date of application of the revised technical standards and the requirement to duly update the derivatives that will be outstanding on that date in order to ensure higher quality of the data. Section 5 includes the summary of feedback on ESMA's proposals on the procedures that the TRs should have in place for the data collection, update of a LEI and reconciliation of data. Section 6 covers the feedback to the requirements regarding types of responses that TRs are expected to provide to reporting counterparties, entities responsible for reporting and report submitting entities. Section 7 explains the additional provisions related to the registration of the TRs and includes a specific provision related to the extension of registration from SFTR to EMIR. Section 8 details the proposals regarding the terms and conditions of data access by the authorities. Section 9 clarifies that ESMA will aim at delivering the amendment to the technical standards on publication of aggregate data by trade repositories at a later stage. Finally, section 10 contains all relevant appendices, including the legislative mandates, reference to the opinion of the Securities and Markets Stakeholders Group, commentary on the cost-benefit analysis and the texts of the draft regulatory and implementing technical standards.

Next Steps

The draft technical standards under EMIR REFIT are submitted to the European Commission for endorsement. In accordance with Article 10 of Regulation (EU) No 1095/2010, the European Commission has to decide whether to endorse the draft technical standards within 3 months, or inform the European Parliament and the Council, in due time, where the adoption cannot take place within the three-month period. Following the entry into force of the technical standards, an adequate implementation period (18 months) is envisaged in ESMA's proposal.

3 Background

1. Regulation (EU) No 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012 (EMIR REFIT) introduces several empowerments for ESMA to develop implementing and regulatory technical standards related to reporting framework under EMIR. In particular, Article 9(6) of EMIR, as amended by EMIR REFIT requires ESMA to develop implementing technical standards specifying the data standards, formats, methods and arrangements for reporting, the frequency of the reports and the date by which derivatives must be reported. Articles 56(3) and 56(4) of EMIR, as amended by EMIR REFIT provide that ESMA should develop regulatory and implementing technical standards concerning the registration and the extension of registration of the TRs. Furthermore, Article 78(10) of that regulation requires ESMA to develop regulatory technical standards specifying the procedures for reconciliation of data between the TRs and for verification by the TRs of the completeness and correctness of the data reported under Article 9. Article 81(5) of that regulation requires ESMA to develop regulatory technical standards concerning the data to be published by the TRs and data to be made available by them to the relevant authorities. Finally, ESMA decided to review the regulatory technical standards on reporting pursuant to the empowerment contained in the Article 9(5) of EMIR to develop draft regulatory technical standards specifying the details and type of the reports.
2. Additionally, the CPMI and IOSCO working group for the harmonisation of key OTC derivatives data elements (Harmonisation Group) has developed global guidance to authorities regarding the definition, format and usage of key OTC derivatives data elements reported to TRs, including the Unique Transaction Identifier (UTI), the Unique Product Identifier (UPI) and other critical data elements¹. ESMA proposed to leverage on the opportunity to revise the regulatory and implementing technical standards on reporting under Article 9 of EMIR and align, to the extent feasible, the reporting requirements in EU with the global guidance in order to foster the data harmonisation and facilitate the reporting to the entities that must comply also with the reporting requirements in other jurisdiction(s).
3. Furthermore, ESMA proposed several further improvements to the technical standards in order to clarify the aspects that have been resulting problematic to the market participants. Some of these improvements are clarifications for market participants already contained in the Q&As. Stemming from the amended mandate for ESMA some of these will be transformed into technical standards.

¹ CPMI-IOSCO Technical Guidance on Harmonisation of critical OTC derivatives data elements (other than UTI and UPI): <https://www.bis.org/cpmi/publ/d175.pdf>, CPMI-IOSCO Technical Guidance on the Harmonisation of the Unique Product Identifier (UPI): <https://www.bis.org/cpmi/publ/d169.pdf>, CPMI-IOSCO Technical Guidance on the Harmonisation of the Unique Transaction Identifier (UTI): <https://www.bis.org/cpmi/publ/d158.pdf>

4. ESMA presented and explained the proposed amendments to the technical standards in its Consultation Paper² published on 26 March 2020. Following to the close of consultation on 3 July 2020, ESMA carefully reviewed all received feedback and considered changes to the proposals included in the Consultation Paper. This Final Report summarises main comments received and explains the final proposals included in the draft technical standards.

4 Reporting

4.1 Methods and arrangements for reporting

4.1.1 Provisions of details of OTC derivative contracts by NFC to FC

5. Article 9(1)(a) of EMIR as amended by EMIR REFIT provides that: “Financial counterparties shall be solely responsible, and legally liable, for reporting on behalf of both counterparties, the details of OTC derivative contracts concluded with a non-financial counterparty that does not meet the conditions referred to in the second subparagraph of Article 10(1) [of EMIR], as well as for ensuring the correctness of the details reported.” Furthermore, the same Article requires that “To ensure that the financial counterparty has all the data it needs to fulfil the reporting obligation, the non-financial counterparty shall provide the financial counterparty with the details of the OTC derivative contracts concluded between them, which the financial counterparty cannot be reasonably expected to possess. The non-financial counterparty shall be responsible for ensuring that those details are correct.”
6. The responsibility and liability of the financial counterparties (FC) for the reporting on behalf of the non-financial counterparty that does not meet the conditions referred to in the second subparagraph of Article 10(1) of EMIR (hereafter “NFC-”), is a new provision introduced by EMIR REFIT. It aims to reduce the burden of reporting OTC derivative contracts for NFC-.
7. Taking into consideration that as from 18 June 2020, FC in principle will be responsible and legally liable for the reporting of the derivatives’ details and their correctness (unless the NFC- chooses to report itself), such FC must ensure to have at their disposal all the necessary information in a timely manner in order to report all details received correctly and no later than T+1.
8. ESMA clarified that the NFC- remain responsible for ensuring that the details provided by the NFC- to the FC are correct. This clarification was not challenged by respondents and has been retained.
9. However, NFC- are not required to report data on collateral, mark-to-market, or mark-to-model valuations of the contracts (Article 3(4) of the current RTS on reporting). Therefore, the scope of data to be provided by NFC- to FC that is responsible for their reporting, remains limited.

² Consultation Paper on Technical standards on reporting, data quality, data access and registration of Trade Repositories under EMIR REFIT; https://www.esma.europa.eu/file/55136/download?token=bB_4WkJC

10. Furthermore, considering that FC are a counterparty to the OTC derivative contracts concluded with NFC-, they shall already have at their disposal the information specific to the contracts (Table 2, Annex to the draft RTS on reporting) as well as all information related to the other counterparty i.e. the NFC- (fields 4 to 7 in Table 1 of the Annex to the draft RTS on reporting). In particular, the FC should possess the information related to the other counterparty, given that the FC will be expected to report it also in its own report (fields 9 and 11-13 in Table 1 of the draft RTS on reporting). ESMA considered that the only data that the FC cannot be reasonably expected to possess is the data related to the specific elements of the derivative and therefore only such elements shall be communicated by the NFC- to the FC. ESMA proposed that NFC- shall provide at the conclusion of the OTC derivative contracts, the following information³:
 - a. Field 1.15 'Broker ID'
 - b. Field 1.16 'Clearing member'
 - c. Field 1.20 'Directly linked to commercial activity or treasury financing'.
11. In principle, respondents agreed with the proposal. Nevertheless, some respondents requested clarification on different fields.
12. With regards to field 1.16 'Clearing member', it shall be considered that even if NFC- are not required to centrally clear OTC derivatives, some circumstances might lead to derivative transactions concluded by NFC- being cleared. In particular this appears where the transaction was subject to a clearing obligation at the time the transactions was concluded (e.g. the counterparty was an NFC+, or the FC counterparty is subject to a clearing obligation because of its supervisory regime) or in the case of a voluntary clearing (e.g. to some Interest Rate derivatives concluded in the US) or even where the transaction is concluded on a trading venue that is not considered to be regulated under EMIR.
13. With regards to field 1.20 'Directly linked to commercial activity or treasury financing', a respondent raised the risk that communicating this information could have as a consequence the potential front running of the FC against the NFC-. While ESMA recognises this risk, in the case the NFC- estimates this risk might be real, the NFC- has the possibility not to rely on the FC to perform its reporting and thus continuing to perform the reporting by itself or to delegate the reporting to any other party on a voluntary basis.
14. The arrangements to ensure the provision of the data by NFC- to FC should also be contemplated.
15. In particular, ESMA proposed that FC and NFC- should put in place written procedures or agreements providing for the timely exchange of the data of OTC derivative contracts in order to ensure that FC comply with their reporting obligation on behalf of NFC-. Given that the required data are fields linked to a specific OTC derivative transaction, ESMA proposed that NFC- should provide these data at the conclusion of the OTC derivative transaction within agreed timeframe specified in the written agreements or procedures. Several respondents raised comments on these proposals highlighting (i) that timely

³ Please note that fields 1.17 'Type of ID' of the beneficiary and 1.18 'Beneficiary ID' are not included in this list, as – following to the feedback received in the consultation – ESMA decided that these fields should not be reported under the new technical standards. Please refer to the section 4.4.2.3 for further details.

transmission of information from the NFC- to the FC may lead to delays in processing of transactions and thus reporting of transactions to the TRs and (ii) ESMA should refrain from expecting the parties to set-up written procedures or agreements.

16. ESMA retains part of its original proposal regarding putting in place methods and arrangements, as ESMA considers that both counterparties shall agree on the procedures to be followed by both counterparties with regards to the reporting or to conclude agreements. However, ESMA does not prohibit the possibility to agree on the reporting of predefined standard values in the respective fields, for which the FC may not be reasonably expected to possess the data, by the FC for every trade unless the NFC- advises otherwise. In the latter case the FC would be expected to report as per the NFC- instructions for that trade.
17. Such arrangements between counterparties should also include the procedures to be followed for the provision of the information and for ensuring the continuity of the reporting in terms of content, timeliness and adequacy.
18. In addition, NFC- should reassess every 12 months their positions against the clearing thresholds according to Article 10 of EMIR as amended by EMIR REFIT. If further to that reassessment, the NFC exceeds one of the clearing thresholds or if the NFC does not calculate its positions (thus becoming an "NFC+"), the FC is not any more responsible and liable for the reporting of OTC derivative contracts on behalf of the NFC+. In order to avoid disruptions in the reporting of OTC derivatives contracts, ESMA proposes that NFC- monitoring the clearing thresholds should anticipate any potential threshold's overrun and be able to take over the reporting of OTC derivative contracts once it becomes NFC+ or to take the necessary actions to ensure the reporting's continuity. It is expected that the written procedures or agreements concluded between the FC and NFC- address any potential disruption risk to ensure continuity in the reporting and the transfer of responsibility within a reasonable delay, where relevant. Furthermore, it is acknowledged that FC may not be able to ensure continuity in the reporting, if NFC changes its status to NFC- and does not inform the FC of this fact in a timely manner. Few respondents raised comments with regards to these proposals:
 - a. One respondent suggested that a centralised register should be maintained by ESMA where FCs can look up the status of an NFC entity.
 - b. One respondent simply considered there should be adequate mechanisms in place for the bank to be notified if an entity's EMIR classification changes, while another respondent suggested that the TRs perform a check to prevent duplicative reporting.
 - c. One respondent suggested that NFCs should communicate at least on a yearly basis to their counterparty FCs to confirm their status, while another respondent deemed necessary to inform the FC only in case of change in the status.
 - d. One respondent suggested that ESMA establishes the process to be followed by the entities that convert to NFC+ and the timeframe to reclaim responsibility of their own reporting or establish new reporting relationship with the FC.
 - e. Another respondent suggested to set-up a forbearance period in which the data must be handed over from NFC- to FC.

19. The feedback received from the respondents has been reviewed and ESMA considers that its proposals shall be retained. ESMA considered that the elements included in EMIR REFIT provide for limited room of interpretation on the duties to be applied to NFCs and in particular to NFC-. Furthermore, ESMA considers that establishing procedures between FCs and their NFC clients is the most adequate mechanism to ensure that the right balance is kept between regulatory burden put on counterparties and flexibility in the compliance with the regulation for both parties.
20. The proposals specified in this section apply when the NFC- does not choose to perform the reporting of OTC derivative contracts by itself as foreseen under third subparagraph of Article 9(1)(a) of EMIR as amended by EMIR REFIT. The information to be provided to FC when NFC- choose to perform the reporting of OTC derivative contracts by itself is specified under section 4.1.2.
21. For the avoidance of doubt, FC are only responsible and legally liable for the reporting of OTC derivative contracts (as defined in EMIR, i.e. derivative not executed on a regulated market or on a third-country market considered as equivalent to a regulated market) on behalf on the NFC- and not for the reporting of exchange-traded derivative contracts concluded with the NFC-.
22. ESMA understands risks raised by respondents on possible confusions and uncertainties, but the Article 9 of EMIR as amended by EMIR REFIT remains clear on this matter. The contract type does not allow to distinguish whether the transaction is OTC or ETD under EMIR thus the counterparty shall assess, based on Article 2(7) of EMIR as amended by Article 32 of SFTR, if the transaction is to be considered as OTC or ETD. In particular, counterparties cannot assume that all options and futures traded on venue are ETDs.
23. ESMA clarified that NFC- should provide to the FC the data needed for reporting and should remain responsible for the correctness of such data if they have been reported adequately by the FC on their behalf to a TR. In case the FC wrongly reports information duly received by NFC-, the responsibility for misreporting to the TR lies on the former. This clarification was not questioned by respondents, thus is retained.
24. However, ESMA considers that it is NFC- responsibility to ensure that their LEI is correct (thus also valid and duly renewed) so that FC can perform the reporting of OTC derivative transactions on their behalf. For that purpose, ESMA proposed that NFC- should renew their LEI when necessary to enable ongoing reporting. In case the LEI is not valid anymore, the FC will not be responsible for the incorrectness of the LEI. This proposal was strongly supported by respondents who proposed to slightly reinforce it and thus ESMA decided to specify that NFC- shall renew their LEI according to the renewal and maintenance policies of the Global Legal Entity Identifier System to enable ongoing reporting. In case the LEI is not valid anymore, the FC will not be responsible for the incorrectness of the LEI. Finally, one respondent asked for guidance on what should the FC do when the NFC- does not renew its LEI. In this regard ESMA would like to reiterate the clarification provided in the TR Q&A 54, specifying that if the NFC- has not timely renewed its LEI and therefore FC was not able to successfully report on behalf of NFC-, the FC should submit the missing reports without undue delay as soon as the LEI of the NFC- is renewed.

25. Article 9(1)(a) of EMIR as amended by EMIR REFIT, is applicable since 18 June 2020, meaning that from that date FCs are responsible and liable for the reporting of new OTC derivative contracts concluded with an NFC- as well as for the reporting of any modification or termination of existing OTC derivative contracts when such modification or termination takes place on or after 18 June 2020. As a matter of fact, the reporting of OTC derivatives contracts outstanding on 18 June 2020 on behalf of NFC- is expected to be limited, given that NFC- is not required to report daily valuations and margins. However, ESMA proposed that the FC and NFC- may contractually agree that the responsibility and the liability of the FC will be limited to the new OTC derivative contracts concluded as from 18 June 2020.
26. This proposal was not supported by respondents and one respondent even considered that allowing for NFC- and FC to agree that the delegation would cover only a part of the outstanding transaction, would not be of benefit. Therefore, ESMA does not retain this proposal and thus considers that FCs are responsible and legally liable for reporting modifications or terminations of transactions initially reported by the NFC- before the 18 June 2020.
27. For the avoidance of doubt, FC will not be responsible and legally liable for the reporting of OTC derivative contracts concluded or modified, as well as of any updates in valuation, that should have been reported by NFC- before 18 June 2020. This clarification was welcomed by a respondent.
28. ESMA proposed also to clarify that if, prior to 18 June 2020, the FC and NFC- reported to two different TRs, the outstanding derivatives of the NFC- would need to be transferred to the TR of the FC to enable the FC to report on behalf of the NFC. Furthermore, ESMA clarified that similar transfer would need to take place each time when NFC changes its status (from NFC- to NFC+ or the other way around). Finally, ESMA explained that any transfer of the derivatives between the TRs would need to be performed in accordance with the guidelines on portability⁴. The comprehensive clarifications on this matter were included in the TR Q&A 54(d) published in May 2020.
29. Most respondents raised a concern that the use of the porting process in case the NFC- and the FC do not report to the same TR is not realistic or risky. Some respondents suggested that it is not an appropriate solution and instead the NFC- should exit the transaction and the FC should report the transactions as new.
30. Some respondents suggested that the counterparty no longer responsible for reporting should exit the outstanding transactions while the counterparty becoming responsible for reporting should re-report the transactions, as in their view this would increase pairing and matching rates as well as would allow to reduce the risk and workload for the counterparty becoming responsible for reporting. After having analysed thoroughly this proposal ESMA considered nevertheless that the porting process has been implemented by all TRs and should thus be followed in these situations. Furthermore, additional clarifications have been provided by ESMA in the TR Q&A 54(d). Even if some TRs are still in the process of upgrading, ESMA considers that the sole solution to allow to ensure the right level of transparency is to retain as much as possible all

⁴https://www.esma.europa.eu/sites/default/files/library/esma70-151-552_guidelines_on_transfer_of_data_between_trade_repositories.pdf

historic information. In particular ESMA wants to avoid that a termination event is reported, while actually no termination event took place and on the other hand that counterparties would report a set of “new” derivatives while no new derivative has been concluded.

31. Finally, ESMA suggests adding a new field in the Annex of the draft RTS and ITS on reporting in order to identify the entity responsible for the reporting similarly to the one foreseen under SFTR. This proposal was not questioned by respondents who nevertheless asked for clarification or extended examples as to how to report the LEIs in the various dedicated fields.
32. A respondent proposed to add a field on execution agent. This proposal was not accepted as it was not considered necessary by ESMA and ESMA did try to reduce the number of fields rather than adding fields.
33. In order to provide clarity on the scope of the various fields related to entities involved in derivatives, ESMA provides the below table:

Table 1 Population of the fields pertaining to counterparties, report submitting entity and entity responsible for reporting

Scenario		Report submitting entity (field 1.2)	Entity responsible for reporting (field 1.3)	Counterparty 1 (field 1.4)	Counterparty 2 (field 1.9)
NFC- delegating to FC in accordance with Article 9(1)(a)	<i>Leg 1</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>NFC- LEI</i>
	<i>Leg 2</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>NFC- LEI</i>	<i>FC LEI</i>
NFC- delegating to FC in accordance with Article 9(1)(a) and FC subdelegating to RSE	<i>Leg 1</i>	<i>RSE LEI</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>NFC- LEI</i>
	<i>Leg 2</i>	<i>RSE LEI</i>	<i>FC LEI</i>	<i>NFC- LEI</i>	<i>FC LEI</i>
NFC- not delegating to FC	<i>Leg 1</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>NFC- LEI</i>
	<i>Leg 2</i>	<i>NFC- LEI</i>	<i>NFC- LEI</i>	<i>NFC- LEI</i>	<i>FC LEI</i>
NFC- not delegating to FC in accordance with Article 9(1)(a) FC delegating to RSE NFC- delegating to RSE2	<i>Leg 1</i>	<i>RSE LEI</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>NFC- LEI</i>
	<i>Leg 2</i>	<i>RSE2 LEI</i>	<i>NFC- LEI</i>	<i>NFC- LEI</i>	<i>FC LEI</i>
NFC+ delegating to FC	<i>Leg 1</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>NFC+ LEI</i>
	<i>Leg 2</i>	<i>FC LEI</i>	<i>NFC+ LEI</i>	<i>NFC+ LEI</i>	<i>FC LEI</i>
NFC+ delegating to FC and FC subdelegating to RSE	<i>Leg 1</i>	<i>RSE LEI</i>	<i>FC LEI</i>	<i>FC LEI</i>	<i>NFC+ LEI</i>
	<i>Leg 2</i>	<i>RSE LEI</i>	<i>NFC+ LEI</i>	<i>NFC+ LEI</i>	<i>FC LEI</i>

Scenario		Report submitting entity (field 1.2)	Entity responsible for reporting (field 1.3)	Counterparty 1 (field 1.4)	Counterparty 2 (field 1.9)
Fund delegating to Management company / AIFM (IFM)	<i>Leg 1</i>	<i>LEI IFM</i>	<i>LEI IFM</i>	<i>LEI fund</i>	<i>LEI CPT</i>
	<i>Leg 2</i>	<i>LEI CPT</i>	<i>LEI CPT</i>	<i>LEI CPT</i>	<i>LEI fund</i>
Fund delegating to Management Company / AIFM (IFM) who in turns delegates to the CPT	<i>Leg 1</i>	<i>LEI CPT</i>	<i>LEI IFM</i>	<i>LEI fund</i>	<i>LEI CPT</i>
	<i>Leg 2</i>	<i>LEI CPT</i>	<i>LEI CPT</i>	<i>LEI CPT</i>	<i>LEI fund</i>
Fund delegating to Management Company / AIFM (IFM) who in turns delegates to a RSE	<i>Leg 1</i>	<i>LEI RSE</i>	<i>LEI IFM</i>	<i>LEI fund</i>	<i>LEI CPT</i>
	<i>Leg 2</i>	<i>LEI CPT</i>	<i>LEI CPT</i>	<i>LEI CPT</i>	<i>LEI fund</i>

34. Several respondents asked ESMA to clarify the situation of CCPs. ESMA considers that CCPs are not in the scope of EMIR Article 9(1)(a) as amended by EMIR REFIT, thus are not responsible or legally liable for reporting on behalf of its counterparties.
35. A respondent asked clarification with regards to funds being classified as NFC-. ESMA understands that there is an uncertainty as to whether Article 9(1)(a) applies or whether one of Article 9(1)(b), 9(1)(c) or 9(1)(d) applies. This question is considered as interpretation of Union Law and has already been raised to the European Commission in the context of the Q&A process.
36. One respondent queried about the reporting obligation related to funds domiciled in third countries but with an EU AIFM or Management Company. ESMA considers that with regards to funds not established in the EU, if the fund is not an FC as per Article 2(8) of EMIR, it shall neither be considered as an NFC as the definition included in Article 2(9) of EMIR is only applicable to undertakings established in EU, thus such funds are not subject to EMIR Reporting.

4.1.2 Reporting where an NFC decides to report itself

37. Since 18 June 2020, as a rule FC are legally responsible and legally liable for the reporting of OTC derivative contracts concluded with NFC-. However, NFC- may decide to report the details of their OTC derivative contracts. The following proposals apply when NFC- choose to perform the reporting of the OTC derivative contracts by themselves as foreseen under third subparagraph of Article 9(1)(a) of EMIR REFIT and are made to ensure that reporting in such case is performed without duplication and in a timely manner. The information to be provided to FC when NFC- do not perform the reporting by themselves is specified under section 4.1.1

38. ESMA proposes that in this situation NFC- should inform FC, in writing or other equivalent electronic means, of their decision to perform the reporting of the data of the OTC derivative contracts concluded with FC. NFC- should inform FC of their intention to perform the reporting as soon as possible. While initially in the Consultation Paper, 5 working days were considered as the latest moment where the NFC- should inform the FC of its intention to perform the reporting by itself in order to avoid duplicated reporting, the respondents to the Consultation Paper considered that this timeframe is too short in order to (i) set-up IT systems and (ii) initiate a potential porting with TRs.
39. One respondent suggested that 10 days might be enough, while another one suggested 30 days. Other respondents suggested to include a variable timeline depending on several factors, such as TR onboarding and technical readiness.
40. ESMA reviewed the various proposals submitted by respondents and considers that a fixed minimum time should be retained as this can be enforced more objectively by all parties involved. With regards to the setting, ESMA considers that 30 days is not acceptable as it would significantly reduce the flexibility for NFC- that was provided for in Level 1. Nevertheless, ESMA agreed with the proposal to extend the period to 10 working days.
41. The decision taken by NFC- should cover all OTC derivative contracts concluded with the FC. In the Consultation Paper it was proposed that NFC- may decide to partially perform the reporting of certain OTC derivative contracts. Given the industry's concerns and lack of support by respondents for the proposal to allow for a partial "opt-out" ESMA decided not to retain the possibility of partial opt-out.
42. Where NFC- decides to no longer perform the reporting of the OTC derivatives contracts, FC should be notified as soon as possible. While initially in the Consultation Paper, 5 working days were considered as the latest moment where the NFC- should inform the FC of its intention to no longer perform the reporting by itself in order to avoid duplicated reporting, the respondents to the Consultation Paper considered that this timeframe is too short in order to (i) set-up IT systems and (ii) initiate a potential porting with TRs. Therefore, ESMA agreed to extend the period to 10 working days. In that case, the provisions specified under section 4.1.1 apply.
43. One respondent considered that if reporting is not delegated, ESMA should make voluntary the additional fields regarding the nature of the non-reporting counterparty. ESMA considered that these fields are rather static and correspond to a "know your counterparty" principle. Setting the fields as conditional or optional might lead to some uncertainties. In addition, these fields have been added to simplify analysis of data. Therefore, ESMA did not accept this proposal.
44. As noted in the previous section, paragraph 31, ESMA also suggested adding a new field in the Annex of the draft RTS and ITS on reporting in order to identify the entity responsible for the reporting similarly to the one foreseen under SFTR. This proposal was retained.

4.1.3 Delegation of reporting

45. In the Consultation Paper, ESMA summarized the legal background of voluntary delegation of reporting and reminded series of shortcomings addressed by EMIR REFIT and the newly designed allocation of responsibility for reporting. ESMA acknowledged the importance of field 9 'Report submitting entity' (RSE), reminded that currently it is often left blank, and proposed to make this field mandatory.
46. Respondents to the Consultation Paper did not raise any objections to this proposal and mostly supported it. Several respondents asked for more clarity regarding certain aspects.
47. Several respondents asked for clarification whether the reporting entities and entities responsible for reporting (ERRs) will be mandated to on-board the TR to be able to access the relevant data. One respondent highlighted client confidentiality issues with the data access. Access to data by all the relevant parties is covered in detail in section 6.
48. One respondent asked for further guidance on the maintenance of the RSE and how it should notify the TR that it will or no longer will submit data on behalf of the ERR. In case of voluntary delegation of reporting ESMA considers that the processes and timelines should be the same as for mandatory delegation covered in the previous section.
49. Several respondents commented that the RSE should not be responsible for informing the reporting counterparties and ERRs about relevant TR data processing results and data quality issues should any arise. ESMA is aware that most of the relevant information will be provided to the reporting counterparties and ERRs by the TRs which should secure an access to this data for these entities, as long as they are onboarded to the TR. However, there will exist situations, e.g. IT incidents, or data quality issues for which the information will not be provided via the TRs' reports. ESMA expects the RSEs to inform the reporting counterparties and ERRs about relevant reporting and data quality issues for which the information will not be provided by the TRs. Moreover, where the reporting counterparties or ERRs are not participants or users of the TR, the information should be provided by the TR to that user or participant which has been authorized by the reporting counterparty or the ERR to submit data on their behalf, the RSE. In this case it should be the RSE who is responsible for informing the reporting counterparties and ERRs about relevant TR data processing results and data quality issues. ESMA will not prescribe the means or format for the transfer of the information by RSE, as this (or TR participation of reporting counterparties or ERRs) should be agreed upon by the relevant parties and covered in the delegation agreement.
50. Another respondent asked for clarification about the allocation of responsibilities regarding the outstanding derivatives, e.g. reporting of lifecycle events, when the delegation agreement is established and how the TRs are expected to handle these cases operationally. ESMA clarifies that responsibilities regarding the outstanding derivatives should be agreed by the parties and covered by the delegation agreement. The TRs operations should not be significantly affected as long as the TR is timely informed about the change of the RSE.

51. The last clarification sought by two respondents involves the responsibilities of the counterparties and report submitting entities with regards to data completeness and accuracy, e.g. update of LEI. In case of voluntary delegation, ESMA emphasizes that the responsibility for the content of reports remains always with the entity responsible for reporting.

4.1.4 Ensuring data quality by counterparties

52. In the Consultation Paper ESMA recalled current practices for ensuring data quality and highlighted the shortcomings with regards to awareness of the NCAs about reporting issues that prevent the report submitting entity to send reports to the TR systems and also many reconciliation breaks that are not sufficiently effectively communicated and resolved between the counterparties reporting inconsistent data.

Notifications to NCAs of errors and omissions in reporting

53. ESMA, leveraging on similar requirement in MiFIR transaction reporting, proposed to establish a requirement for the counterparties to notify their NCAs of any error or omission within a derivative report, any failure to submit reports or reporting of a derivative for which there is no obligation to report, i.e. the cases of overreporting. At minimum the entities should notify the NCAs if they experience a problem (e.g. IT incident) that prevents them from submitting the reports to the TRs.
54. Two respondents disagreed with the provision of notifications if experiencing an issue preventing the submission of data to the TRs arguing that NCAs have access to the relevant TR reporting data. However, ESMA reminds that the information available via TRs does not cater for situations where the ability to submit data is compromised.
55. As an alternative proposal one respondent suggested to mandate the TRs to identify omissions in reporting. Under this proposal, the TRs would monitor the daily submission activity and in case of any outlier confirm the IT incident with the report submitting entity and notify the NCA. The requirements on provision of data by TRs to authorities are detailed in section 8.
56. Most respondents to the consultation provided a view that such notifications should be made only regarding substantial, material errors or omissions, not each and every one which has been identified. Several suggestions were received on how to limit the scope of notifications. Key metrics and thresholds to assess the scope of notifications were requested. Respondents highlighted that such notifications would be very time and resource consuming. Respondents also argued that entities with sophisticated data quality controls would be severely affected, while those that do not have such controls in place would not be impacted. The need to carefully calibrate the requirement, so that the NCAs would not be flooded with notifications, but would rather receive only relevant information, was emphasized as well.
57. Following this feedback ESMA decided to limit the scope of requested notifications to cases of:
 - a. reporting obstacles, e.g. IT incidents, preventing the report submitting entity from sending reports to TR within the reporting deadline;

- b. misreporting caused by flaws in the reporting systems that would affect a significant number of reports;
 - c. any significant issue resulting in reporting errors that would not cause rejection by a TR in accordance with the validation rules published by ESMA, e.g. reporting incorrect notionals.
58. ESMA acknowledges the need to specify thresholds which would define e.g. “significant number of reports”, however the technical standards are not suitable for this purpose. Careful calibration of the requirement can only be achieved by using more flexible means for this specification.
59. ESMA also confirms, following on one respondent’s request, that reconciliation breaks do not need to be notified.
60. One respondent suggested that every correction report could be enriched with additional field stating the reason for the correction. In light of the received responses and the decision to limit the scope of the notification, this suggestion seems overly burdensome.
61. Another respondent requested a clear rule determining the person responsible for notifications to NCA. As ESMA confirmed in paragraph 49, ERR must be duly informed by RSE and is considered to be primarily responsible for any such reporting and data quality issues. Therefore, ESMA amended the provision to require the ERR to provide these notifications to its NCA. Respondents also highlighted the difference between EMIR and MiFIR reporting entities, which tend to be more sophisticated and technically advanced reporting entities than those under EMIR, specifically pointing out NFC-entities. Requiring ERRs to provide the notifications to NCAs will reduce the burden for NFC-.
62. Further clarifications were requested about the format and content of the notifications. A suggestion was received that the notification should mirror the reporting template and include the flags for missing and erroneous or dubious submissions. ESMA does not see a need to duplicate the reporting template or define a specific format, however the notification should clearly explain all the necessary information about the type of the error or omission, the date of occurrence, scope of the affected reports, reasons for the errors or omissions, steps taken to resolve the issue and the timeline for resolution of the issue and corrections.
63. Views were presented in the consultation that ESMA should focus on root causes of data quality issues, provide more detailed rules for reporting, data standards and formats, and further guidance related to the interpretation of the rules, such as guidelines on reporting with relevant examples and scenarios. One respondent suggested ESMA to issue guidance on best practice controls to prevent and detect omissions. Other respondents suggested to issue more stringent validation rules and to consult upon them extensively. ESMA confirms the intention to publish guidelines on reporting and consult upon them together with detailed validation rules. Harmonized data standards and formats will be ensured by implementing CDE Technical Guidance and common ISO 20022 XML schema.
64. Another respondent requested clarification on ESMA’s expectations regarding the rectification of historical errors and resubmissions of historical data. As the

- counterparties and ERRs are required to provide complete and accurate data, they are expected to correct all data misreported to the TRs.
65. Clarification was also sought whether the requirement to notify NCAs is considered only for the cases of voluntary delegation of reporting. ESMA confirms this is not the case and the scope of this requirement applies to the reporting under EMIR in general, irrespective of the possible delegation.
 66. One respondent noted that there are differences in the interpretation and implementation of the validation rules by the TRs meaning that some counterparties get reports rejected while in other TR those would be accepted. ESMA confirms that in the supervisory practice consistent implementation of validation rules is sought if differences are identified or notified.
 67. Lastly, a respondent pointed out to ESMA that the rejection response XML schemas should allow to include rejections due to incorrect LEI of the counterparties. ESMA took note of this aspect for the future definition of XML schemas.

Resolution of reconciliation failures

68. To enhance the process of resolution of reconciliation breaks, ESMA proposed to include a new provision, especially for cases where both sides of the trade are reported by different counterparties or ERRs, that would require the counterparties, ERRs or RSEs as applicable to have in place written procedures to resolve any reconciliation break identified by the TRs. In the Consultation Paper ESMA also proposed that the counterparties and ERRs should keep a log of reconciliation failures with the records of actions taken to resolve each reconciliation failure.
69. Three respondents supported the proposal. Suggestion was received that the reconciliation log should be shared with relevant NCAs upon request and the counterparties should proactively engage the NCAs to obtain guidance for the unresolved cases.
70. While most respondents did not raise objections to the requirement of written procedures for the resolution of reconciliation breaks (only one respondent objected), most of them disagreed with keeping the log of reconciliation failures recording the actions taken to resolve the reconciliation breaks. Respondents consider this requirement a major administrative burden questioning its effect on improving the reconciliation rates and arguing that the counterparties are made responsible for a lack of data quality of other counterparty's reporting while they should only be responsible for correctly following the rules. It could also incentivise record keeping and systematic correspondence with the aim of regulatory enforcement defence instead of meaningful collaborative interaction to align reporting.
71. One respondent requested that the technical standards make clear that proposed procedures are required only between counterparties subject to reporting under EMIR.
72. In the view of received feedback ESMA decided to keep the requirement to put in place written procedures ensuring resolution of all reconciliation breaks and to drop the requirement to keep a log of reconciliation breaks and actions taken to resolve them. ESMA also clarifies that the written procedures should be internal procedures of the

- counterparties, ERRs or RSEs as applicable, rather than mutual procedures between the relevant parties.
73. As the most effective means to resolve reconciliation failures, enhance the data quality and increase reconciliation rates the respondents consider provision of clear definition of format and content for each reported field and provision of extensive guidance and rules for reporting, leaving no room for interpretation and ambiguity. One respondent even suggested using machine readable and machine executable format for the unambiguous definition of technical standards. According to one respondent the counterparties are hesitant to agree to reporting policy changes in the absence of clear regulatory guidance. As stated above this aspect will be addressed in the future guidelines on reporting and validation rules, and by following the CDE Technical Guidance and ISO 20022 XML schemas for reporting as detailed in the relevant sections. However, if a difference in interpretation of the rules is identified and the counterparties are not able to reach bilateral agreement, they are expected to raise awareness of the NCAs and ESMA of such ambiguities so that a clear guidance could be provided.
 74. One respondent suggested that NCAs categorise counterparties according to their level of importance and focus at first only on the most important group of counterparties. After improving the data quality significantly for this group, focus on the next group. Other respondents recommended to use risk-based approach targeting the root causes of reconciliation breaks. While it is a common practice that NCAs implement a risk-based approach in their supervision of data quality with regards to the supervised entities or the issues identified, the common rules for reconciliation and requirements on procedures for the resolution of reconciliation breaks must be equally applicable as proposed by ESMA.
 75. One respondent also suggested that ESMA categorises the fields for reconciliation and prioritises fields according to their significance for regulatory purposes, i.e. monitoring of systemic risk, more specifically to prioritise position level reports before the transaction level reports. ESMA would like to emphasise that EMIR data serve multiple purposes, therefore all fields are considered equally important.
 76. Based on respondent's request ESMA confirms and emphasises that the reporting entity should always report from its own perspective, especially details about counterparty side and value of the contract. ESMA also highlights that if a field is considered optional it is expected to be populated in all cases where the field is relevant in the given scenario or for the given derivative.
 77. In the responses to the Consultation Paper multiple specific suggestions regarding the reconciliation of data were received. These are addressed in the section 5.3.
 78. One respondent requested that a time zone should be added to the format and should be indicated with the dates. Data elements related to dates and timestamps are addressed in detail in section 4.4.1.
 79. Finally, one respondent noted that counterparties sometimes become aware of the differences until few days or weeks after the reporting date, hence the requirement would create significant post-trade workload. The aspect of timely provision of data by the TRs is clarified in section 6.

4.2 Use of data standards

4.2.1 Use of ISO 20022

80. Article 9(6) of EMIR, as amended by REFIT, provides ESMA with an empowerment to specify the data standards and formats of the reports with the objective to ensure a uniform application of the reporting obligation. In developing the technical standards, ESMA shall take into account the international developments and standards and their consistency with the reporting requirements under Article 26 of MiFIR (transaction reporting) and Article 4 of SFTR.
81. In the Consultation Paper, ESMA proposed to use ISO 20022 as a single standard for EMIR reporting, to be used by all reporting counterparties in addition to TRs. ISO 20022 is currently used for other regulatory reporting regimes and has widespread acceptance in the financial industry. ESMA considers ISO 20022 to provide open and transparent standards, and to cater for a robust governance framework for EMIR reporting.
82. Furthermore, in order to reduce the prevailing issues in reporting to TRs, such as elevated rejection rates, non-harmonised data transformations, complex processing and the difficulty in porting from one TR to another, ESMA proposed to introduce a harmonised XML schema for reporting to TRs. A common XML schema enables also to embed some data quality validations in the schema, allowing for first verification of data at the point of report generation.
83. Overall, the majority of respondents agreed with the usage of ISO 20022 as the standard for reporting and acknowledged its merits with regards to widespread usage and governance arrangements.
84. On the topic of introducing a common XML schema, the feedback was more mixed. ESMA received diverging answers from the respondents representing reporting entities, such as buy and sell-side financial institutions and non-financial entities. While the majority of responses from these entities were positive about the proposal, some raised concerns of such a change.
85. In particular, many respondents highlighted the significant effort and time needed in order to implement a new reporting format. Many reporting entities seemed comfortable with the current reporting arrangements and expressed concerns that the new implementations could decrease data quality rather than increase it.
86. Thus, many respondents encouraged ESMA to take into account the required implementation time when considering the effective date of the new reporting format. Three respondents also suggested ESMA to consider postponing the format change to a later date. ESMA acknowledges the major impact to the reporting counterparties' and TRs' systems and intends to propose an 18-months implementation period. However, ESMA believes that the proposal of implementing the field changes first and format change later would introduce an even greater overall cost of implementation.
87. Some respondents also noted that task of mapping the data elements to ISO 20022 XML would rather be distributed from TRs to reporting participants, increasing rather than decreasing the risks of diverging implementations. However, it is ESMA's understanding that the templates vary in format and granularity across TRs as some rely on templates

that are almost identical to the reporting tables, whereas some offer more granular templates. Moreover, even the most granular reporting template would always require some amount of mapping to be done by the reporting counterparty. Thus, the standardised technical reporting format would allow the reporting participants to rely on the same ESMA guidance on the mapping to the reporting schema. Precise, XML level examples and instructions should, in ESMA's opinion, lessen the risks of the transition and provide for increased quality of reporting going further. To facilitate this, ESMA is starting the work on guidelines on EMIR reporting.

88. Some respondents noted that while the ISO 20022 XML format is in use in MiFIR and SFTR reporting, that would not bring material benefits when implementing the new message types for EMIR. Also, one respondent noted that the non-financial entities are not familiar with ISO 20022 XML reporting from any previous applications. ESMA understands that a new ISO 20022 XML implementation will have its costs with regards to implementation, but as most market participants are familiar with the framework, ESMA believes that it is still the most viable option. In addition, ESMA is aiming for the delivery of all technical documentation, such as schemas and validation rules, well ahead of the reporting deadline to best facilitate implementation for all participants.
89. The suitability of ISO 20022 XML was questioned in particular with regards to ETD reporting, where some respondents commented that the current way of reporting in CSV format works well. Two respondents also highlighted the unequal situation between the entities that have already reported in XML format and those that have utilised other formats, such as CSV or FIX. ESMA acknowledges these concerns, but nonetheless believes that a common reporting format and schema would be beneficial for the reasons mentioned above. As for the choice of the technical format, ESMA received only scattered proposals for alternatives (such as CSV, FIX, FpML or ISDA Common Domain Model), while many respondents backed the ISO 20022 XML proposal.
90. One respondent suggested that for legacy trades counterparties should be allowed to submit them in the current formats. However, in ESMA's view such flexibility is not desirable from operational, technical or data quality point of view.
91. Finally, one respondent voiced concerns regarding the implementation costs for TRs. However, ESMA did not receive such feedback from TRs. In fact, ESMA believes that the change would reduce the operational burden of the TRs as their processing would be less complex.
92. Overall, most disagreeing responses argued against a single common reporting format. Given the specific ITS empowerment of developing reporting standards and format, the prevailing quality issues and other merits discussed above, ESMA believes that a common reporting format should nonetheless be introduced.
93. The vast majority of answers regarding the specific formats were in favour of ISO 20022, with other options such as FpML receiving only scattered mentions. Thus, ESMA considers the ISO 20022 format as the most suitable.
94. ESMA did not receive any responses detailing blocking issues in introducing the ISO 20022 XML format. ESMA acknowledges the need for adequate implementation timeline for reporting entities and TRs and understands the importance of timely reception of the

relevant technical documentation. Thus, ESMA considers the common ISO 20022 XML format as the way forward.

4.2.2 Unique Trade Identifier (UTI)

95. For the purpose of defining the party responsible for generating the UTI, ESMA proposed some adaptations to the current waterfall approach in order to align it with the UTI guidance. As a result, the agreement between the parties is no longer a first option but becomes rather a fallback scenario for some specific cases. Also, the cross-jurisdictional transactions are better taken into consideration.
96. ESMA asked market participants whether they would expect difficulties with the proposed changes in the allocation of responsibility for generating the UTI.
97. Majority of respondents supported the proposed waterfall to determine the entity responsible for generating the UTI. However, some associations preferred to maintain the current situation where the agreement between the parties prevail, warning that a change in the current practice would generate confusion.
98. Considering that the UTI generation waterfall is in line with the global UTI guidance and provides clarity in a majority of situations, as well as having in mind the existing data quality issues stemming from disputes between counterparties over the UTIs to be used, ESMA is of the view that it should be applied, limiting to a minimum the cases where the counterparties need to agree. It is hereby clarified that a cleared trade is a trade cleared by a CCP, as defined in Article 2(1) of EMIR. Some respondents considered that a TR should not be an UTI generation entity; ESMA acknowledges that in the EU these cases would be very limited and would materialize only in the presence of an equivalence decision on reporting requirements, but does not want to merely discard this scenario.
99. Some market participants suggested that instead of rules for defining which party has to generate the UTI, ESMA should rather provide guidance on how to compute the UTI itself, so that each counterparty could generate the correct identifier on its own. This suggestion, however, is not aligned with the approach recommended in the global guidance. Another respondent proposed to add a confirmation by the receiving party that it would effectively use the UTI as received. Being mindful of alleviating as much as possible the burden for the less-sophisticated parties and not to lengthen the process, ESMA prefers to retain the principle where the responsibility for the UTI generation is clearly allocated and not to require additional confirmation from the party receiving the UTI.
100. ESMA reminded that the rules on UTI generation equally apply for reporting at position level and enquired whether further clarification was needed on this specific aspect. Respondents requested no further guidance on UTI for positions, but rather asked to clarify the level at which a position has to be reported. In this respect, we remind that both counterparties need to agree beforehand to report at position level, and which are the legal entities involved. There is no obligation to report at position level, and by default, reporting will be deemed to occur at transaction level (see also section 4.3.2.1 on position level reporting).

101. As suggested by a respondent, ESMA confirms that the position should be assigned a new UTI, different from the UTI of any of the trades that are included in the position.
102. Some respondents also pointed out that some CCPs currently provide the logic for generating the position-UTI to their members rather than the UTI itself. The respondents stated that for these CCPs, there is a cost associated with becoming a position UTI generator. ESMA is aware that the adaptation to the rules would cause certain costs to many market participants (not only CCPs), but the final objective is an improvement in overall data quality, which eventually has a positive impact for all market participants.
103. ESMA further asked if more clarification on UTI generation was needed for the specific case of derivatives concluded bilaterally and then brought under the rules of the market. Feedbacks were diverse, as some respondents considered that any action to bring the trade under the rules of a trading venue should be ignored for the purpose of UTI-generation, while another suggested that only the UTI provided by a trading venue should be used.
104. As a way forward, ESMA proposes that a trade initially concluded OTC should not be considered as centrally executed, and the counterparties should follow further steps in the waterfall. Respondents did not mention any other scenario where it may be unclear whether a derivative is considered to be centrally executed.
105. In order to better account for cross-jurisdictional transactions, ESMA enquired whether further rules were needed in case the responsibility for generating the UTI was allocated to an entity (e.g. trading venue or CCP) from a jurisdiction that has not implemented the UTI guidance.
106. Two proposals emerge out of the reactions: (i) to mandate the reporting counterparty (or any other relevant entity) to conclude a respective agreement in advance of entering a trade with an entity from a jurisdiction that has not implemented the UTI guidance, and (ii) where the entity determined to have responsibility for generating the UTI is subject to the laws of a jurisdiction that has not implemented the UTI guidance, the determination shall be made according to the next step. For the sake of consistency, ESMA concluded that parties should follow the next step of the waterfall.
107. Furthermore, ESMA clarifies that in the case of delegated reporting, the UTI can be generated by the delegated party, if that party and the counterparty agree on delegation of UTI generation. In general, the respondents supported this proposal and did not require or propose more explicit rules.
108. In the UTI generation flowchart, at the point where the difference in status of the counterparties is to determine the responsibility for UTI generation, ESMA submitted two policy options. Under option 1, both the nature of the counterparty and the direction of the trade determine the UTI generator, while under option 2, only the nature of the counterparties is taken into consideration.
109. Respondents expressed divided views. Option 1 that takes into account also the direction of the trade is the existing solution and, according to the respondents, it is simpler and closer to the CDE guidance and therefore would be better in principle, while option 2, that only considers the nature of the counterparties, would be better in practice, since one same pair of counterparties would always have the same UTI generator, which would not be dependent on the side of the trade it takes. Moreover, in some cases

- counterparties experience difficulties in identifying the direction of the trade. Some respondents consider the option 2 as easier to implement.
110. Considering the issues experienced by some counterparties in relation to some derivative products to determine at which side of the trade they stand, ESMA decided to apply the policy option 2. This will avoid situations in which the UTI generation is delayed due to the lack of clarity regarding the determination of direction of the trade.
 111. In case both counterparties have the same status, the sorting of the LEIs will determine the entity responsible for generating the UTI. ESMA proposed several methods for sorting and asked for feedback as to the preferred one. The respondents who expressed a preference unanimously supported the use of sorting method 1 (ASCII order), also put forward by ESMA. In the sorting process the LEI is reversed in order to neutralise the impact of the LOU prefix at the beginning of the LEI code.
 112. On the question whether any other rule should be added to the hierarchy on UTI generation responsibility, the respondents did not propose any other such rule. Moreover, few respondents noted that any additions to the rules should be done on the global guidance level, and the adherence to the global standards has been stressed.
 113. However, some respondents requested an UTI generation rule for the inter-CCP trades stemming from interoperability links. For this specific case, ESMA amended the approach to follow the next steps of the waterfall.
 114. Taking into account the deadline for reporting set at T+1, ESMA asked whether market participants would support more specific rules on the timing for generating the UTI, and if so, whether a fixed deadline or a timeframe depending on the trading time would be preferable.
 115. Majority of respondents confirmed the preference for the fixed deadline as set in the Consultation Paper, arguing that it is easier to implement controls and identify breaches on a set time. The fixed deadline, set at 10:00 am UTC on T+1 seems to strike a balance between the UTI-generating counterparties who need the time for UTI generation, and the receiving counterparties, who need to obtain the UTI early enough to meet the deadline for reporting.
 116. A respondent proposed to include the UTI as a mandatory element in the confirmation that the counterparties have to exchange pursuant to Article 11(1) of EMIR. ESMA did not develop this option further, since confirmations are sometimes exchanged too late, despite the set deadlines.
 117. One respondent requested a clarification regarding the deadlines for the generation of the position UTIs by CCPs. In this regard ESMA clarifies that the CCPs will be expected to follow the same timeline as other entities required to generate UTIs.
 118. On the question whether they expected issues around defining when to use a new UTI and when to keep the existing UTI, several respondents expressed the need for guidance on when to use a new UTI in case of specific corporate events or when reporting zero net positions. More guidance and examples on these topics will be provided in the future guidelines on reporting that ESMA intends to publish as a next step.

119. On the structure of the UTI, ESMA proposed to follow the UTI guidance, which specifies the UTI as a concatenation of the LEI of the generating entity and a unique value created by that entity.
120. Some respondents proposed to use the MIC code of the CCP instead of the LEI for ETDs reported at position level. Since not all the CCPs have a MIC code, ESMA does not support this proposal, which also would not be in line with the UTI guidance. Similarly, ESMA has not accommodated a request from another respondent to require certain letters to be included in the UTI after the LEI component, as such requirement would go beyond the LEI structure recommended in the UTI guidance.
121. Several respondents were concerned that many outstanding contracts would have an UTI not in line with the new rules once these will be applicable, and that they would no longer be able to update the relevant data records. On the other hand, it would be complex for the TRs to maintain two sets of records, according to both the legacy and the new rules.
122. Considering the respective number of entities at stake at each side, and the possible confusion that a massive upgrade of existing UTIs could generate, ESMA therefore will not require counterparties to regenerate UTIs for outstanding trades.

4.2.3 Unique Product Identifier (UPI)

4.2.3.1 Identification of derivatives

123. Clear and consistent identification of the products traded in the derivative transactions is one of the foundations of the efficient use of the derivative data. It enables the regulators to aggregate the reported transactions into desired groupings according to the products characteristics and in this way efficiently monitor exposures and risks related to distinct products or product categories.
124. It is crucial that the product identifier used in derivatives reporting fulfils a series of conditions, such as uniqueness, persistence, consistency, neutrality, reliability, open source, scalability, accessibility, availability at a reasonable cost basis, appropriate governance framework.
125. Furthermore, the global aggregation of OTC data will require the adoption of a globally UPI by the relevant jurisdictions. This is one of the key commitments made by G20 leaders with respect to the reforms of OTC derivatives markets.
126. Additionally, the empowerment for ESMA under Article 9(6) of EMIR as amended by EMIR REFIT to develop draft ITS explicitly requires ESMA to take into account international developments and standards agreed upon at Union or global level, therefore it is understood that ESMA needs to consider also the technical guidance on the UPI and the governance arrangements for the UPI.
127. Finally, the same empowerment mandates ESMA to specify both the data standards and formats for the information to be reported and requires inclusion of at least LEIs, ISINs and UTIs. ISO 6166 International Securities Identification Number (ISIN) is an instrument identifier that is already currently required for the identification of derivatives, that are admitted to trading or that are traded on a trading venue or via a systematic internaliser

under MiFIR. It is also used under EMIR to identify derivatives executed on trading venues as well as off-exchange derivatives in instruments admitted to trading or traded on a trading venue.

128. It is worth mentioning that UPI and ISIN could in the future form a “hierarchy of identifiers”, with ISIN being always a more granular identifier than UPI (i.e. each UPI would correspond to one or several ISINs). This idea is reflected i.e. in the “Final ISIN Principles”⁵ published by the Association of National Numbering Agencies (ANNA).
129. Having in mind the above considerations, ESMA proposed in the Consultation Paper that ISIN would be required to identify derivatives admitted to trading or traded on a trading venue or a systematic internaliser, in line with MiFIR reporting. With respect to the UPI, ESMA included in the Consultation Paper two alternative proposals. Under the first one, UPI would be used in addition to ISIN as product identifier for all derivatives reported under EMIR. Under the second alternative, UPI would be used to identify only those derivatives that are not required to be identified with ISIN, i.e. derivatives that are not admitted to trading or traded on a trading venue or a systematic internaliser.
130. Majority of the respondents supported the proposal to report ISIN consistently with the requirements under MiFIR, highlighting that this approach will facilitate the reporting under the two regimes as well as enhance regulators’ capacity to cross check the data. Furthermore, several respondents opined that ISINs have proved to be working well in practice and that entities are well familiar and have gained experience with using this identifier. ISIN was also perceived as fully available and most granular method of identification for exchange-traded derivatives. One respondent mentioned also the pre-trade availability of a globally agreed standardised set of reference data attached to an ISIN as a favourable aspect.
131. Only one respondent raised concerns related to open source nature, consistency and coverage of ISINs, which were however not reflected in the rest of the feedback. Finally, some concerns were voiced with regard to accessibility of ISINs, in particular for NFC-. In this respect it is worth keeping in mind that under EMIR REFIT NFC- will be responsible for reporting only of derivatives executed on a regulated market or third-country market considered as equivalent, for which ISINs are issued by National Numbering Agencies (NNAs) and can be searched in the database maintained by ANNA Service Bureau⁶.
132. With regard to the scope of derivatives to be identified with UPI, half of the respondents supported the use of UPI only for those derivatives that are not required to be identified with ISIN under MiFIR. The main advantage of this approach mentioned by the respondents was the efficiency as ISIN is perceived as good and sufficient solution for identification of derivatives admitted to trading or traded on trading venue or systematic internaliser.
133. A few respondents expressed preference for the other proposal made in the Consultation Paper, i.e. to require UPI for all derivatives, in addition to the requirement to use ISIN. Those respondents mentioned that this way forward would simplify the use of data by

⁵ <https://www.anna-web.org/wp-content/uploads/2016/12/DSBPC-F001-Final-ISIN-Principles.pdf>

⁶ see ANNA ISIN lookup service <https://www.anna-web.org/standards/isin-iso-6166/>

the authorities, provide a useful way to validate the correctness of the identifiers reported and potentially reduce reporting burden (if no reference data were required for products identified with UPI). At the same time other respondents stressed that this way forward would result in redundancies in reporting and additional burden for market participants as well as would exacerbate the risk related to the implementation of new identifier (UPI), leading to mismatches and decreasing quality of the reported data.

134. Additionally, a few respondents proposed to use only UPI as the identification method for all derivatives, however this proposal is in contrast with the overall very strong support for the use of ISINs as well as the explicit requirement included in EMIR REFIT.
135. Finally, single respondents made the following additional suggestions:
- a. use of FIGI;
 - b. use of UPI for all OTC derivatives (i.e. including also derivatives identified with ISIN under MiFIR);
 - c. a waterfall approach under which firms would report ISIN for derivatives traded or admitted to trading on a trading venue, UPI for derivatives for which ISIN is not available and finally, if UPI is neither available – CFI;
 - d. another approach under which firms would report ISIN and CFI for derivatives traded or admitted to trading on a trading venue, UPI – for OTC derivatives but excluding derivatives concluded on third-country venues that are similar to regulated markets (irrespective of lack of equivalence decision) and CFI only – for derivatives concluded on such third-country venues;
 - e. exempting the non-standardized OTC derivatives from the requirement to report identifiers like UPI or ISIN;
 - f. postponing the implementation of the UPI in the EMIR reporting until the next review of the technical standards;
 - g. postponing the entry into force of the revised EMIR reporting framework until the UPI will be available and usable.
136. Taking into consideration the feedback received from the respondents, ESMA has decided to maintain one of the approaches proposed in the Consultation Paper, under which all derivatives admitted to trading or traded on the trading venue or a systematic internaliser would need to be identified with ISIN (only), whereas all remaining derivatives would need to be identified with UPI (only).
137. The subsequent paragraphs address other most relevant comments raised by the respondents in relation to the use of ISIN and UPI.
138. One respondent suggested that ISIN should not be used for identification of the floating rates. To recall, in the draft table of fields ESMA suggested an approach under which floating rates could be identified with an ISIN and/or with a 4-letter standardised code and/or with the official name of the benchmark, to the extent each of these ways of identification is relevant for a given rate. ESMA considered all the feedback received on the draft table of fields and decided to require ISIN, where available, as one of the ways to identify the floating rate in the report.

139. One respondent commented that ISINs for FX swaps as an overall product are rare and mentioned challenges with reporting of ISIN for FX products. In this regard ESMA would like to reiterate the guidance provided on reporting of FX swaps in the TR Q&A 49. ESMA will consider further clarifications on reporting of specific types of products in the future guidelines on reporting under EMIR.
140. Finally, a few respondents referred in their replies to the requirement to report CFI, either suggesting reporting it in addition/instead of other identifiers for some products or suggesting that this data element should not be reported, given that it could be derived from the ISIN/UPI reference data. The feedback on the requirement to report reference data is covered in more detail in the next section.

4.2.3.2 UPI reference data

141. As specified in the UPI guidance, each UPI code would map to a set of data comprised of reference data elements with specific values that together describe the product. The reference data elements with the respective values would reside in a UPI reference data library. The UPI library would be maintained by the UPI provider and would be accessible to the data users.
142. In the Consultation Paper, ESMA explained that in the future ESMA could consider eliminating requirement to report some or all UPI reference data in the trade reports submitted to the TRs, on the condition that the derivative is identified with the UPI and the UPI framework is fully implemented allowing the authorities, reporting entities and TRs to easily access the UPI reference data. ESMA also asked about the costs attached to the continuation of reporting of those reference data that are already required to be reported under the current technical standards, with a view to assess the burden to the industry should the key fields be required to be reported in the future irrespective of the availability of the UPI reference data library.
143. Majority of respondents expressed preference for removing all reference data from EMIR reporting obligations once UPI becomes available, stating that this would reduce redundancies, eliminate necessity to update derivative reports when only reference data of the product change, improve data quality and increase reconciliation rates. Furthermore, respondents questioned the argument in the Consultation Paper that reporting of key fields would facilitate validation of the reports and determining data access rights by the TRs.
144. The arguments against dropping the reference data were related mainly to the concerns regarding the availability of the UPI system, authorities being able to effectively use the reference data library and capability of all reporting counterparties to duly report UPI. To address such concerns one of the respondents suggested to reassess the possibility of dropping reference data on the occasion of the next review of the EMIR technical standards.
145. Other alternative proposals made by the respondents included placing more burden on the TRs (e.g. to facilitate use of data by implementing queries where the users could define criteria based on variables included in the UPI reference data library); request certain fields to be reported only by one side of the trade; require credit institutions to provide all required ESMA reference data fields to ANNA-DSB (in which case data users

would rely on ANNA-DSB database) or not include the reference data in the scope of reconciliation.

146. With regards to the question on the possible continuation of reporting of some of the currently required reference data, the general feedback was negative. The respondents highlighted that reporting reference data would reduce the main benefits of using UPI, would result in the inconsistencies and lower data quality, and would create additional burden for TRs to validate the data elements in question against the golden source. Finally, one of the respondents opined that the cost of compliance with the requirement to continue to report reference data is mostly related to the time and effort required to resolve reconciliation breaks.
147. In terms of the actual assessment of the compliance cost requested by ESMA, one respondent stated that it would be low if data are available in DSB ANNA tables and accessible to everyone, otherwise the cost will be medium to high. Another respondent commented that the cost of compliance for the TRs would be low, and for the reporting firms it would be highly dependent on the quality of their current reference data.
148. Taking into consideration all the received feedback ESMA believes that majority or all reference data fields should not be required to be reported for the products identified with UPI, once the UPI system is fully in place and can be easily accessed by the authorities. However, at this stage it cannot be ensured that these conditions will be met at the start of reporting under the revised standards. At the same time, it does not seem justified to postpone the alleviation of the reporting burden to the next review of the technical standards if the authorities will be able before to effectively access the reference data via UPI reference data library.
149. Having this in mind, ESMA confirms that all reportable data elements will be required at the beginning of reporting. At a later stage, once the UPI system becomes fully available and both authorities and markets participants gain more experience with the use of UPI, the authorities' need to receive reference data in the trade reports will be reassessed. For that purpose, ESMA will ensure sufficient flexibility of the xml schemas for reporting, so that the relevant fields can later be omitted in the reports for derivatives identified with the UPI. The mandatory or conditional nature of specific fields will be prescribed in the validation rules, as it is done currently.
150. ESMA noted an additional suggestion made by a few respondents that the possibility to drop the requirement to report reference data could also be considered for derivatives identified with ISIN. ESMA acknowledges that this approach could be considered, in particular in the case of realisation of scenario where UPI and ISIN form a hierarchy of identifiers with ISIN being the more granular identifier. If the reported ISIN would allow for straightforward determination of the corresponding UPI, the authorities should be able to access the UPI reference data for a given product irrespective of whether UPI or ISIN has been reported. Additionally, authorities should be able to access reference data published in FIRDS database for those derivatives identified with ISIN that are also required to be reported under Article 27 of MiFIR. ESMA will assess the possibility to drop the requirement to report the reference data for different subsets of derivatives once UPI system is fully implemented.

151. Finally, one respondent commented that reliance on a single UPI supplier is problematic from both an operational and potentially governance perspective. At the same time, two other respondents explicitly noted that they do not expect any issues with the reliance on UPI reference data library maintained by ANNA DSB. In this regard ESMA would like to recall that the UPI governance framework, including specifically the decision to designate a single UPI service provider, has been developed by the international community of regulators after consulting and considering different feasible models. For more information on this matter the respondents may refer to the section 4.1 of the Governance arrangements for the UPI.

4.2.4 Use of Legal Entity Identifiers (LEIs)

152. ESMA provided in the Consultation Paper a complete and comprehensive background on the use of the ISO 17442 LEI standard to identify the parties of a transaction. ESMA notes that EMIR has been the first Regulation to require the use of LEIs and since the entry into force of the reporting obligation the LEI has officially become the unique identifier for counterparties that conclude derivatives contracts and that are legal entities.
153. ESMA also clarified in the Consultation Paper that since the introduction of the ITS on reporting no indications were made in the regulation about the validity of LEI codes which instead has been further clarified in the Q&A. For this reason, ESMA proposed in the Consultation Paper to include in the new reporting standard, the rule according to which the LEI code of the reporting counterparty should be duly renewed and maintained according to the terms of any of the endorsed LOUs (Local Operating Units) of the Global Legal Entity Identifier System.
154. Almost all respondents welcomed the ESMA proposal as the inclusion of such a provision in the technical standards will likely reduce reporting issues due to lapsed LEI.
155. Furthermore, considering the feedback received in the consultation, ESMA proposes that the renewal of the LEI will be validated only for the reporting counterparty and the entity responsible for reporting, while for entities other than the counterparty 1 and the entity responsible for reporting a lapsed LEI should be allowed.
156. Some respondents requested clarification about the use of the action type 'Terminate' in case of counterparties with lapsed, not renewed or not-fee paid LEIs. In this regards ESMA clarifies that the actual validation rules already consent to report an early termination in such cases since the TR validation check of the status of the LEI is applicable for all reports except for those submitted with action type 'Error' or 'Terminate', as explained in point 128 of the Consultation Paper. Any issue related to the reporting of action types other than 'New' will be addressed when publishing the new validation rules.
157. ESMA asked market participants whether they foresee any challenges to the availability of LEIs for any of the entities included in the Article 3 of the draft ITS but the respondents did not voice any concern in this regard and supported ESMA's proposal to require the use of LEI codes to identify the entities indicated in Article 3, especially taking into account that in most cases these entities should already have an LEI code.
158. Also, in line with the paragraph 127 of the Consultation Paper, ESMA underlines that legal entities are responsible for renewing and maintaining their own LEI.

159. Finally, one respondent stressed that any corporate action impacting the reporting of LEIs should be communicated sufficiently in advance to the TRs. The comments related to these aspects are addressed in section 5.2.

4.2.5 Inclusion of CDEs

160. Technical Guidance on Harmonisation of critical OTC derivatives data elements (other than UTI and UPI)⁷ (also referred to as “CDE guidance”) is one of the reports delivered by the CPMI-IOSCO Harmonisation Group. It follows a request from FSB to develop global guidance on the harmonisation of data elements reported to TRs and important for the aggregation of data by authorities. The report comprises technical guidance on 101 data elements, including their definitions, formats, allowable values and existing industry standards.
161. The CDE guidance is addressed to authorities, rather than directly to market participants. This means that it is in the remit of the respective authorities to issue specific reporting requirements to market participants. In particular, it is for the authorities to decide which of the data elements covered by the guidance should be reported in their jurisdictions.
162. As clarified in the Consultation Paper, ESMA intends to follow the specifications of data elements included in the global guidance, however for some of the data elements minor adjustments are needed. Such adjustments should not prevent the aggregation of EMIR data with data reported in other jurisdictions that follow the CDE guidance.
163. ESMA also highlighted in the Consultation Paper that some of the data elements that are currently required to be reported will form part of the UPI reference data and therefore ESMA may decide not to require reporting of some of them in the future (see more detailed discussion on the reporting of UPI reference data in section 4.2.3.2).
164. Most of the respondents did not raise major comments regarding the approach explained in the Consultation Paper and/or expressed support for inclusion of CDE into EMIR reporting requirements. Two respondents stated however that inclusion of CDEs would result in increase of reporting costs, particularly for NFC-. The specific comments raised by some of the respondents are flagged below.
165. A few respondents suggested to explain that CDE guidance applies only to OTC derivatives and therefore has no impact on ETD reporting. ESMA clarifies that such statement would not be correct. While the global guidance was created with a view to harmonise reporting of OTC derivatives, it does not prevent from applying same reporting requirements to ETDs. In this regard the readers should also refer to the following clarification included in the CDE TG: “The mandate for the CPMI and IOSCO to harmonise critical data elements was for OTC derivatives only. It is possible that some authorities might wish to use the CDE Technical Guidance (as well as the UTI and UPI Technical Guidances) for other transactions that are not OTC derivatives”. ESMA intends to have, to the extent possible, aligned reporting rules for OTC and ETD contracts accommodating where necessary for the specificities of respective types of trading.

⁷ <https://www.bis.org/cpmi/publ/d175.pdf>

Specific reporting scenarios for ETDs and OTC derivatives will be further illustrated in the future Guidelines on reporting.

166. One respondent suggested that also the revised validation rules should be consulted on and globally harmonised. While there is no ongoing work nor plan to globally agree on the validation rules, ESMA would like to highlight that the validations are intended to enforce the reporting in line with the requirements enshrined in the technical standards and guidance, therefore they are expected to be in line with the specifications included in the global guidance.
167. One respondent requested further clarity on how any future changes to the CDE at a global level will be incorporated into ESMA's technical standards. In this regard ESMA would like to clarify that any changes to CDE guidance agreed at a global level would need first to be enshrined in the reporting requirements under EMIR to become applicable in the EU. If such changes would require amendments to the technical standards on reporting (e.g. additional allowable values), the usual legislative process would be followed. Such changes could be introduced in batch as part of the next review of the technical standards or ad-hoc, if a need for an urgent fix would be identified.
168. Two respondents commented that the definitions of reportable details under EMIR should strictly follow the CDE guidance. ESMA has further reviewed the proposed definitions to eliminate any potential misalignment. As clarified in the Consultation Paper, ESMA intends to follow the CDE TG, introducing only certain adjustments when necessary (e.g. removing reference to "OTC" derivatives in some definitions, given that EMIR applies both to ETDs and OTC derivatives).
169. Finally, a few respondents provided comments on (i) reporting of ISIN and UPI reference data, (ii) identification of private individuals and (iii) renewal of LEIs. These comments are addressed in sections 4.2.3.2, 4.4.2 and 4.2.4, respectively.

4.3 Reporting logic

4.3.1 Reporting of lifecycle events

170. Counterparties and CCPs are required, pursuant to the Article 9(1) of EMIR as amended by EMIR REFIT, not only to report conclusion of a derivative but also "any modification or termination of the contract". Sufficiently detailed and transparent requirements on reporting of lifecycle events are necessary to ensure that the authorities can obtain a holistic and accurate view of the exposures in the market at any point in time. Therefore, this information is pivotal for the monitoring of the systemic risk and for increasing the transparency of the derivatives market.
171. The current RTS and ITS on reporting include a dedicated reporting field 'Action type' in which a counterparty must declare what is the content of the given report, in particular, whether it is triggered by a new trade, by a lifecycle event or if it is related to correcting an previously reported inaccurate data. The information reported currently is however insufficient to provide the authorities with a good understanding of the business event triggering the report as well as does not allow to establish logical links between different derivatives which are created, modified or terminated due to the same business event.

172. In order to provide authorities with more complete information on lifecycle events as well as to address some other identified shortcomings, ESMA proposed in the Consultation Paper a revised approach to the reporting of lifecycle events. The base for this approach is separating the information on lifecycle events into two dedicated fields: 'Action type' – specifying whether a given report creates, modifies, corrects, terminates etc. a record pertaining to the trade in question, and 'Event type' – providing information about the type of business event triggering a given report.
173. While the CDE Technical Guidance at this stage does not provide recommendations related to the reporting of lifecycle events, ESMA has been in contact with other regulators with a view to harmonise, to the extent feasible, the reporting requirements in this regard and thus facilitate the compliance of the counterparties operating in more than one jurisdiction.
174. The proposed model has been broadly supported and majority of the respondents confirmed that overall, the proposal is very clear. However, several respondents provided also a number of detailed comments and questions on some specific aspects of the lifecycle events model. This very helpful feedback shows that, given the variety of business events impacting the derivatives and varied business practices; correct, coherent and comprehensive design of such model is not a trivial task.
175. This is also shown by several respondents that, despite the general support for the model, requested that ESMA provides guidance and examples of reporting lifecycle events in specific business scenarios. ESMA agrees that such guidance will be important to ensure consistent understanding and implementation by market participants and plans to incorporate specific examples for reporting of business events in the future guidelines on reporting.
176. The subsections 4.3.1.1 and 4.3.1.2 discuss most relevant comments provided by the respondents, while the updated model is presented in the subsection 4.3.1.3. Some of the aspects of the model are too detailed to be included in the technical standards and will be further covered in the future guidelines on reporting and validation rules. Nevertheless, ESMA aimed at including already in this Final Report the comprehensive explanations regarding the questions raised by the respondents to the Consultation Paper, with a view to provide as much clarity as possible on the intended use of action types and event types that were ultimately included in the technical standards.

4.3.1.1 Action types, event types and their combinations

177. Three respondents commented that it is unclear whether an ETD trade should be initially reported only as a position component or if ESMA expects the trade to be reported as both action type 'New' (event type 'Clearing') and action type 'Terminate' (event type 'Inclusion in position') simultaneously on T + 1 when initially reported and forming part of an existing or new position. ESMA confirms that if all relevant conditions are met (see section 4.3.2), the trade can be reported with AT=P.
178. One respondent asked about the difference between the combination 'New'- 'Trade' and 'New'- 'Clearing'. As explained in the Table 7 of the Consultation Paper combination 'New'- 'Trade' should be used when a derivative with a new UTI is created for the first

time through trade, rather than due to another lifecycle event. Combination 'New'- 'Clearing' should be used for the new derivatives resulting from clearing.

179. Clarification has also been requested with regard to the reporting of clearing for OTC and ETD derivatives. In the case of OTC derivatives concluded bilaterally, counterparties need to terminate the previously reported bilateral trades (with combination 'Terminate'- 'Clearing') and report the new cleared trades (with combination 'New'- 'Clearing'). This includes also a scenario where existing derivatives become eligible for clearing at a later stage. In the case of derivatives concluded on the trading venues, which are cleared immediately after the conclusion, the counterparties would be expected to report them only in the cleared form (with combination 'New'- 'Clearing').
180. One respondent highlighted a need for flexibility with regard to the action types used to reflect that some CCPs have trading systems which allow for trade level modification and others do not. Therefore, some CCPs will make 'reversing entries', i.e. cancel the trade and enter into a new contract and report 'New'; whilst other CCPs will modify an existing trade in their trading systems and report 'Modify'. ESMA confirms that the CCPs (and more broadly, counterparties) should report the events as occurred and does not foresee any particular negative impact of this issue on reporting as long as this process is executed and reported in a symmetrical way on the clearing member' side. In this way the authorities should receive the same number of derivatives reported by the CCP (for the CCP-CM trades) as derivatives reported by the CM (for the CM-CCP trades).
181. One respondent enquired about the use of combination 'Modify'- 'Allocation'. This combination should be used when the existing derivative is partially allocated, in which case the counterparty submits modification for that derivative and reports the updated notional.
182. Two respondents suggested to add event type 'Novation' or rename 'Step-in' as 'Novation'. ESMA clarifies that novation event is already captured under the category 'Step-in'. This term has been chosen on purpose as novation may refer also to updates to the terms of the trade that do not transfer the derivative to a different counterparty.
183. One respondent requested more clarity with regard to the meaning of event type 'Exercise'. This respondent commented that 'Exercise' could refer to a partial termination or to be used when reporting the underlying instrument following the execution of an option/swaption, or refer to the termination of the swaption contract itself. ESMA confirms that 'Exercise' should be used in all mentioned use cases: with action type 'Modify' or 'Terminate' when option/swaption is exercised in part or fully, respectively, and with action type 'New' when reporting the underlying swap following the execution of a swaption.
184. Three respondents indicated that event type 'Exercise' should also be applicable at position level. ESMA shares this understanding and confirms that combinations 'Modify'- 'Exercise' and 'Terminate'- 'Exercise' should also be allowed at position level. However, ESMA does not envisage a scenario where combination 'New'- 'Exercise' would be reported at position level, as the swaps reported as result of the exercise of swaptions are expected to be reported at trade level.
185. Finally, one respondent asked if 'Exercise' event should also be reported when the option is exercised on the maturity date. ESMA is of the view that in this case counterparties

should not be expected to report 'Exercise', in line with the logic envisaged in the TR Q&A 12(a), according to which only terminations that take place at a date prior to the maturity date should be reported.

186. A clarification was requested whether a PTRR event can be used for the creation of a new or modification of existing position, given the paragraph 167 of the Consultation Paper which states that PTRR events cover only OTC compressions. ESMA clarifies that combination 'Modify'-'PTRR' at position level should only be used in the case where CCP positions are subject to PTRR (rather than bilateral netting and subsequent reporting at position level). Combination 'New'-'PTRR' at position level indeed does not seem applicable, as any derivative newly created due to a PTRR event is expected to be reported at trade level (without prejudice to the possibility of including such derivative subsequently in a position). Additionally, further clarity on the differences between PTRR events and reporting of positions was requested. For further details regarding the reporting at position level and differences with the PTRR reporting please refer to the section 4.3.2.
187. Three respondents asked for confirmation if PTRR ID will be required when the event type is 'PTRR'. Another respondent suggested that PTRR history should be consistent with the PTRR IDs reported, and there should be checks in place to ensure that the PTRR ID links the compressed UTIs to new UTIs. While ESMA will work on the detailed validation rules at a later stage, it can be confirmed that both suggestions seem practical and will be considered, either as part of the validations or of the soft checks included in the data quality analysis. In particular, ESMA will consider a validation to verify whether the PTRR ID is reported in the case of compression with third-party service provider or rebalancing.
188. One respondent flagged that the combination 'Terminate'-'Credit' event should be allowable for transaction- and position-level reporting as the credit events may lead to termination and settlement of the derivatives. ESMA agrees with this suggestion and has amended the tables accordingly.
189. One respondent commented that it is unclear how lifecycle events on equity derivatives stemming from corporate actions would be captured under the envisaged model. ESMA decided to add event type 'Corporate actions' that would be used in the case of lifecycle events triggered by the corporate actions on the underlying equities.
190. One respondent asked to clarify that updates to valuations would be possible at a trade or position level. This has not been reflected in the table, as no event type is required for action type 'Valuation', thus no applicable combination was displayed. For avoidance of doubts, ESMA added a column in the table "no ET required", where the applicability at T/P level can be specified for action types that do not require an event type.
191. In the Consultation Paper ESMA asked if two separate action types should be envisaged for reporting of collateral updates and valuation updates. Majority of respondents supported this proposal highlighting that it is a clearer and more granular way of reporting as well as more aligned with SFTR requirements. In the light of the feedback received ESMA decided to maintain two separate action types for reporting of collateral and valuation, as proposed in the Consultation Paper. Three respondents suggested that action type 'Collateral update' is not needed as the only collateral-related fields in the

Table 2 are 'Collateral portfolio indicator' and 'Collateral portfolio code', which would be updated with action type 'Modify'. In this regard ESMA clarifies that field 'Action type' (with value 'Collateral update') should be added to the Table 3 and was not included in the draft table 3 due to omission. Furthermore, ESMA amended the name of this action type and changed it to 'Margin update' (with the corresponding code 'MARU') to ensure its consistency with the reporting of margins under SFTR.

192. Furthermore, one respondent flagged that currently no standard is applied to the generation of a collateral portfolio code, thus different counterparties to a derivative contract use different collateral portfolio codes. ESMA confirms that the two counterparties can report different portfolio codes (to avoid burden related to the exchange of and agreeing on the code), as long as they ensure that the portfolios, as reported by the two counterparties, cover exact same set of underlying derivatives.
193. With regard to the reporting of collateral updates, one respondent flagged also that some CCPs report the information on the changes in variation margin rather than the full variation margin amount paid/received for portfolio, as indicated in ESMA's Q&As. ESMA highlights that this aspect is addressed in the definitions in the draft table of fields referring to the "total current value of the [...] margin, rather than to its daily change."
194. One respondent commented that it's unclear which action type and event type should be used when the transaction falls into more than one option of the available combinations. The respondent asked if, for example, early termination should be used only if there is no other event type applicable. In this respect ESMA confirms that event type 'Early termination' should be reported when a derivative or position with an existing UTI is early terminated and when there is no other cause/event as the reason for that termination.
195. Another respondent suggested that the meaning of the action type 'Terminate' which replaces 'Early termination' should be made clearer and potentially refer to the definition of early termination. In this respect ESMA clarifies that the meaning of 'Terminate' is broader as it covers any termination of an existing derivative which may be triggered by various business events, such as early termination, clearing, exercise etc.
196. One respondent noted that combination 'Modify'-'Early termination' has not been envisaged in the model presented in the Consultation Paper and asked for clarification regarding a scenario where an early termination is agreed, but for a future date. ESMA confirms that this has been an oversight and indeed in such cases counterparties are expected to report combination 'Modify'-'Early termination' with the amended maturity date. In the case of reporting early termination effective immediately, combination 'Terminate'-'Early termination' should be used. Furthermore, it is worth noting that combination 'Modify'-'Early termination' should also be used in the case of partial early termination of the derivatives (counterparties should provide the updated notional in such report). Finally, this combination should be allowed also at position level to report cases where some (but not all) trades in the position are terminated early.
197. Two respondents asked for further clarification regarding the combination of action type 'Terminate' and event type 'Inclusion in Position' at position level. ESMA clarifies that this combination was added to account for a potential scenario where an existing position is netted and added into another position (in which case the former would be terminated and the latter – modified).

198. One respondent commented that CCPs do not always receive the reason for clearing participants' trade cancellations and they cannot always distinguish between cancellations due to errors and those due to early terminations. In this respect it should be kept in mind that action type 'Error' should be sent only if a given CCP or counterparty itself reported a derivative by mistake or reported a trade that is not in scope of EMIR reporting. CCPs and counterparties are expected to be able to identify such cases.
199. One respondent commented that some counterparties use action types 'New' and 'Terminate' to port derivatives from one TR to another. This practice is not compliant with the Guidelines on Transfer of data between Trade repositories⁸ and ESMA reiterates that action types 'New' and 'Terminate' should not be used for this purpose.
200. Two respondents questioned the use of event type 'Misreporting'. ESMA took into account these comments and concluded that this event type is in fact redundant, as it would only be used with action types 'Correct', 'Error' and 'Revive', which are always reported due to misreporting.
201. Four respondents drew ESMA attention to the fact that currently reports at position level are typically updated at the end of the day and reflect the end-of-day state of the position following to various lifecycle events that occurred intraday. It is therefore not clear which event type should be reported in this case. ESMA confirms that currently intraday reporting of changes in the position is not required, in line with the guidance provided in the TR Q&A 5 for ETDs: "All information should be reported at the end of the day in the state that it is in at that point. Intraday reporting is not mandatory.". ESMA confirms that this approach will be maintained under the revised technical standards. Consequently, it is proposed that counterparties are allowed to report 'Modify' at Position level without indicating the event type, where such modification is a result of more than one type of business events that occurred intraday.
202. Almost all respondents supported ESMA proposal to include action type 'Revive' allowing for bringing the derivatives back to the status 'outstanding' after being terminated or cancelled by mistake. Consequently, ESMA has decided to maintain this proposal. Several respondents raised however some additional questions regarding the use of this action type, which are addressed in the following paragraphs.
203. Three respondents flagged that this action type could be used by the counterparties to reopen a position that was previously netted and terminated. ESMA highlights that the purpose of action type 'Revive' is only to allow reopening of the trades that were terminated or cancelled by mistake, so that the counterparties do not need to regenerate a new UTI. It should not be used for other reporting scenarios. In particular in the case of netted position, the counterparties need to decide if they maintain the position open (and report the valuation accordingly) or they close the position. If the counterparties close the position and then they enter into another derivative contract of the same type and want to report at position level, they need to report a new position, with a new UTI.
204. Three respondents suggested to clarify that 'Revive' should be full messages. Otherwise the TRs would need to determine the details of the existing reported contract as reported

⁸ https://www.esma.europa.eu/sites/default/files/library/esma70-151-552_guidelines_on_transfer_of_data_between_trade_repositories.pdf

- prior to 'Error'/'Termination' and in some cases the TRs may not have this information (e.g. if the client ported from another TR in the meantime). ESMA agrees with these arguments and proposes that counterparties, when reporting 'Revive' provide all applicable details of the contract as of the time of revival. However, counterparties would still be expected to submit any missing reports that should have been made while the derivative was temporarily non-outstanding. This includes reports with action type 'Correction' to correct any specific values in the report.
205. A clarification has also been requested whether either of the counterparties to the transaction can submit the 'Revive' or only the party who previously reported the 'Error'. Given the approach to reporting of Errors under which such reports will impact only one side of the trade (see paragraph 213), the action type 'Revive' should only be submitted by the counterparty who previously reported by mistake 'Error' or 'Terminate'.
206. One respondent requested clarification what should be reported when the trade reaches its maturity date and afterwards the counterparty realises that the maturity date was wrong and that the trade is still outstanding. ESMA assessed this scenario and concluded that in this case action type 'Revive' should also be used. Counterparties should submit 'Revive' with all relevant details of the trade as of the time of revival, including the correct maturity date. This is notwithstanding the requirement to send all the missing reports that should have been submitted when the derivative was temporarily non-outstanding, including the correction of the maturity date.
207. One respondent flagged that the counterparties may not only erroneously close an open transaction, but also wrongly revive a genuinely closed transaction. In order to avoid both situations the respondent suggested that counterparties should confirm the action of terminating a transaction and the action of reviving a transaction. ESMA agrees with the need to ensure that action type 'Revive' is used accordingly, however the proposed requirement may be overly burdensome for the counterparties and limit the benefits of the new action type. Instead, ESMA proposes to apply a restriction suggested by another respondent to limit the possibility to use the action type 'Revive' to 30 days following the erroneous termination, erroring or expiry of the derivative. After that time the counterparties that realise late that a derivative should be outstanding, would have to generate a new UTI and report the derivative again with this new UTI. It is expected that in vast majority of cases the counterparties should detect the need to submit 'Revival' in the first 30 days. This will also allow to avoid potential problems related to derivatives that were not outstanding during a long period of time, like leaving out such derivatives during the portability or during updates related to the TR Q&A 40 procedure.
208. Finally, one respondent requested confirmation whether this action type can only be used by the report submitting party and whether revived trades are included in the reconciliation process. ESMA confirms that 'Revive' (as any other report) is sent by the report submitting entity which may or may not be same as reporting counterparty or entity responsible for reporting. Furthermore, the revived transactions would be included in reconciliation (for minimum 30 days if their status is non-outstanding at the time of Revival).
209. Finally, additional event type 'Update' has been added to clearly flag the report sent with action type 'Modify' to update the derivatives that were outstanding at the reporting start date. For more details concerning this event type please refer to the section 4.5.

4.3.1.2 Sequences of action types

210. Respondents generally welcomed the chart showing the allowable sequences of action types and their impact on the status of the derivative (see Figure 1 in the Consultation Paper). Some respondents suggested providing more specific examples to show expected sequences for reports in different business scenarios. ESMA expects to provide more detailed examples in the future guidelines on reporting.
211. A few respondents asked about reporting of lifecycle events for ETDs, given that after the report with action type 'Position component' the trade would no longer be outstanding. ESMA reiterates that where a trade is included in the position, any subsequent lifecycle events must be reported at position level.
212. Two respondents asked whether the trades that are non-outstanding should be subject to reconciliation or not and whether the log of reconciliation failures would apply to these trades. ESMA clarifies that only trades that are outstanding or were outstanding up to 30 calendar days before are subject to reconciliation. As for the log of reconciliation failures, pursuant to the feedback received from the industry, ESMA decided not to include the requirement to maintain such log. For further details please refer to the sections 5.3.1 and 4.1.4 respectively.
213. One respondent asked for clarification whether action type 'Error' would have impact on reporting of both counterparties (as it does currently) or only on the counterparty that reported the 'Error'. To recall, currently when one counterparty submits 'Error' for a given UTI, neither counterparty is allowed to send any further reports (other than 'Error') for that UTI. This limitation has been imposed mainly because currently it is not possible to "undo" the Error report, so even if only one counterparty submits it incorrectly, it cannot rectify it. Given the introduction of the action type 'Revive', ESMA believes that it is desirable to reconsider the rules on the use of action type 'Error' and proposes that 'Error' has impact only on the side of the trade that reported it. This means that if one counterparty submitted 'Error' for a given UTI (and has not reported 'Revive' afterwards), only that counterparty will not be able to send further reports (other than 'Revive') for this UTI. In this way, if one counterparty reports 'Error' by mistake, it will not prevent the other counterparty from timely reporting relevant lifecycle events.
214. Two respondents asked how reaching the scheduled maturity date affects the status of the derivative and whether this should be reflected explicitly in the diagram. ESMA confirms that once a derivative reaches its maturity date, it is considered no longer outstanding (see Article 2 of the draft ITS). However, reaching the scheduled maturity date does not need to be reported by the counterparties and no action type applies in this case, thus it has not been reflected in the diagram. For the avoidance of doubts, ESMA has included a short clarification under the diagram to confirm that status of the derivative is changed to 'non-outstanding' when the maturity date is reached.
215. Similarly, one respondent asked how the final settlement should be reported (both in case of cash or physical settlement). ESMA confirms that neither reaching the scheduled maturity date nor the subsequent settlement are reportable events under EMIR. However, both maturity date and settlement date(s) are reportable fields, thus the authorities receive the relevant information.

216. One respondent asked if the reporting entity should include the valuation in the report when a correction/modification is made, or the valuation is to be reported afterwards. ESMA clarifies that the valuation should be sent separately with the action type 'Valuation'. At the same time, it is worth mentioning that ESMA envisages the 'Correction' to be a full message, allowing however for separate reporting of sections of fields (e.g. all trade related fields, all fields on margins, all fields on valuation). The exact rules will be specified later in the validation rules.
217. One respondent asked if it would be possible to bring the derivative back to status 'outstanding' with action type 'Correction' if it had been terminated by mistake. ESMA confirms that only action type 'Revive' should be used for that purpose. More broadly, action types 'Modify', 'Correct', 'Collateral' and 'Valuation' are allowed for terminated trades only in the case of late reporting, but they do not impact the status of the derivative.

4.3.1.3 Updated Lifecycle events model

TABLE 2 PROPOSED ACTION TYPES

Action type	Definition
New	A report of a derivative, at a trade or position level, for the first time.
Modify	A modification to the terms or details of a previously reported derivative, at a trade or position level, but not a correction of a report.
Correct	A report correcting the erroneous data fields of a previously submitted report.
Terminate	A Termination of an existing derivative, at a trade or position level.
Error	A cancellation of a wrongly submitted entire report in case the derivative, at a trade or position level, never came into existence or was not subject to Regulation (EU) No 648/2012 reporting requirements but was reported to a TR by mistake, or a cancellation of duplicate report
Revive	Re-opening of a derivative, at a trade or position level, that was cancelled with action type 'Error' or terminated by mistake.
Valuation	An update of a valuation of a derivative, at a trade or position level.
Margin update	An update of data related to margins (collateral).
Position component	A report of a new derivative that is included in a separate position report on the same day.

TABLE 3 PROPOSED EVENT TYPES

Event type	Definition
Trade	Conclusion of a derivative or renegotiation of its terms that does not result in change of a counterparty.

Event type	Definition
Step-in	An event, where part or entirety of the derivative is transferred to another counterparty (and reported as a new derivative) and the existing derivative is either terminated or its notional is modified.
PTRR	Post-trade risk reduction exercise.
Early termination	Termination of a derivative, at a trade or position level.
Clearing	Clearing as defined in Article 2(3) of Regulation (EU) No 648/2012.
Exercise	The exercise of an option or a swaption by one counterparty of the transaction, fully or partially.
Allocation	Allocation event, where an existing derivative is allocated to different counterparties and reported as new derivatives with reduced notional amounts.
Credit event	Applies only to credit derivatives. A credit event that results in a modification of a derivative, at a trade or position level.
Inclusion in position	Inclusion of a CCP-cleared derivative or CfD into a position, where an existing derivative is terminated and either a new position is created or the notional of an existing position is modified.
Corporate Event	A corporate action on equity underlying that impacts the derivatives on that equity.
Update	Update of an outstanding derivative performed during the transition period in order to ensure its conformity with the amended reporting requirements.

TABLE 4 COMBINATIONS OF ACTION TYPES AND EVENT TYPES

		Event Type											
		TRADE	STEP-IN	PTRR	EARLY TERMINATION	CLEARING	EXERCISE	ALLOCATION	CREDIT EVENT	INCLUSION IN POSITION	CORPORATE EVENT	UPDATE	No Event Type required
Action Type	NEW	T	T,P	T		T	T	T		P	T, P		
	MODIFY	T,P	T,P	T,P	T,P		T, P	T	T,P	P	T,P	T, P	P
	CORRECT												T,P
	TERMINATE		T,P	T,P	T,P	T	T,P	T	T,P	T,P	T,P		
	ERROR												

		Event Type											
		TRADE	STEP-IN	PTRR	EARLY TERMINATION	CLEARING	EXERCISE	ALLOCATION	CREDIT EVENT	INCLUSION IN POSITION	CORPORATE EVENT	UPDATE	No Event Type required
	REVIVE												T,P
	VALUATION												T,P
	MARGIN UPDATE												T,P
	POSITION COMPONENT												T

T- feasible at transaction level, P – feasible at position level

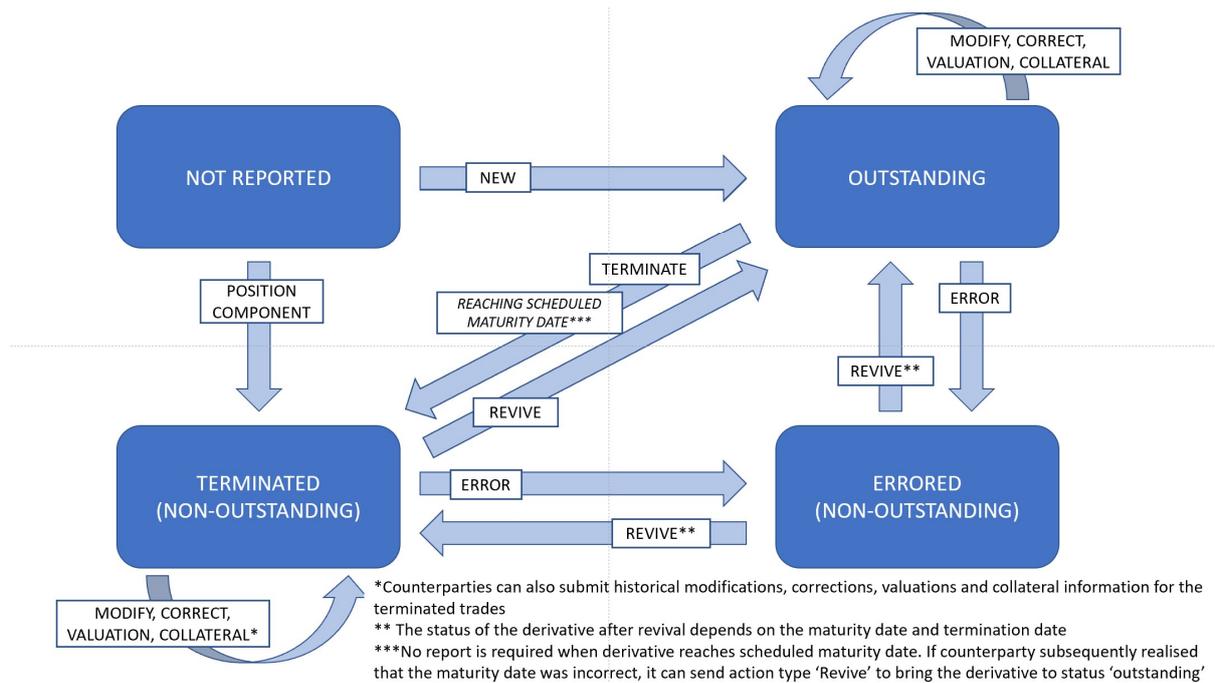
TABLE 5 APPLICABILITY OF COMBINATIONS OF ACTION TYPES AND EVENT TYPES

Action Type	Event Type	Applicability
New	Trade	When a derivative with a new UTI is created for the first time through trade and not because of another prior event.
New	Step-in	When a derivative or position with a new UTI is created for the first time due to a Step-in event.
New	PTRR	When a derivative with a new UTI is created for the first time due to a PTRR event.
New	Clearing	When a derivative with a new UTI is created for the first time due to a Clearing event.
New	Exercise	When a derivative with a new UTI is created for the first time due to an Exercise event.
New	Allocation	When a derivative with a new UTI is created for the first time due to an Allocation event.
New	Inclusion in position	When a new position is created by inclusion of trades in that position for the first time.
New	Corporate Event	When a derivative or position with a new UTI is created for the first time due to a corporate action on the underlying equity.
Modify	Trade	When a derivative or position with an existing UTI is modified due to renegotiation of the terms of the trade, because of the changes to the terms of the trade agreed upfront in the contract (except for when such changes are already reported e.g. notional schedule) or because previously not available data elements become available.
Modify	Step-in	When a derivative or position with an existing UTI is modified due to a Step-in event.
Modify	PTRR	When a derivative or position with an existing UTI is modified due to a PTRR event.
Modify	Early termination	When a derivative or position with an existing UTI is modified due to an early termination agreed in advance or due to a partial termination.

Action Type	Event Type	Applicability
Modify	Exercise	When a derivative or position, is amended due to the exercise of an option or swaption.
Modify	Allocation	When a derivative with an existing UTI is partially allocated. This is used to report the amended notional of the existing derivative.
Modify	Credit event	When a derivative or position with an existing UTI is modified due to a Credit event.
Modify	Inclusion in position	When a position with an existing UTI is modified because of inclusion of a new trade.
Modify	Corporate Event	When a derivative or position with an existing UTI is modified due to a corporate action on the underlying equity.
Modify	Update	When a derivative or position that is outstanding on the reporting start date is updated in order to conform with the amended reporting requirements.
Modify	No event type required	When a position with an existing UTI is modified due to more than one type of business events that occurred intraday.
Correct	No event type required	When a derivative or position with an existing UTI is corrected because of an earlier submission of incorrect information.
Terminate	Step-in	When a derivative or position with an existing UTI is terminated due to a Step-in event. This is used for terminating the old UTI post Step-in.
Terminate	PTRR	When a derivative or position with an existing UTI is terminated due to a PTRR event. This is used for terminating the old UTI(s) after PTRR operation.
Terminate	Early termination	When a derivative or position with an existing UTI is terminated due to an early termination (and when no other cause/event is known as the reason for that termination).
Terminate	Clearing	When a derivative with an existing UTI is terminated due to a Clearing event. This is used for terminating alpha trades.
Terminate	Exercise	When a derivative with an existing UTI is terminated due to an Exercise event. E.g. this is used for terminating options/swaptions when these are being exercised.
Terminate	Allocation	When a derivative with an existing UTI is terminated due to an Allocation event. This is used for terminating the old UTI post allocation.
Terminate	Credit event	When a derivative or position with an existing UTI is terminated due to Credit event.
Terminate	Inclusion in position	When a derivative or position with an existing UTI is terminated due to inclusion in a position.
Terminate	Corporate Event	When a derivative or position with an existing UTI is terminated due to a corporate action on the underlying equity.
Error	No event type required	When a derivative or position with an existing UTI is cancelled due to an earlier submission of incorrect information. E.g. this is used to cancel the UTI of a derivative or position that should not have been reported (e.g. it is not a derivative transaction).
Revive	No event type required	When a derivatives or position that has been cancelled is reinstated due to an earlier submission of incorrect information. E.g. this is used to reinstate the UTI of a derivative or position that has been erroneously terminated.
Valuation	No event type required	When data related to the valuation are submitted for a derivative or position with an existing UTI.

Action Type	Event Type	Applicability
Margin update	No event type required	When data related to the collateral are submitted for a derivative or position with an existing UTI.
Position component	No event type required	When a new derivative is concluded and included in a position on the same day.

DIAGRAM 1 ALLOWABLE SEQUENCES OF ACTION TYPES



4.3.2 Reporting at position level

218. Under the current RTS and ITS on reporting, counterparties are allowed to report post-trade events at position level in addition to trade-level reporting, providing that certain conditions are met. EMIR TR Q&A 17 provide further clarity in this regard. In particular, position-level reporting can be used if the legal arrangement is such that the risk is at a position level, all trade reports made to the TR relate to products that are fungible with each other and the individual trades previously reported to the TR have been subsequently replaced by the position report, for example in the case of trades between a clearing member and a CCP. If counterparty reports at position level, any subsequent updates, modifications and life cycle events (including revaluations) should be applied to the report of the position and not to the reports of the original trades.
219. To avoid double-counting of the reports of trades and those of positions in EMIR, the reports of the original trades must be updated to have an appropriate status so that it is clear that they are no longer open. In practice this is currently done by using the action type 'Compression' or by using action type 'Position component' when reporting a new trade that is immediately included in the position. A separate field 'Level' is used to indicate whether a given report is submitted for a trade or for a position.

220. In the Consultation Paper, ESMA proposed to maintain the current approach with the only difference that the counterparties would need to use action type 'Terminate' with event type 'Inclusion in position' to report inclusion in a position of previously reported trades. Furthermore, ESMA proposed to clarify that the reporting at position level should be agreed between the two counterparties, i.e. the two counterparties to a trade should either both include the derivative in a position or both continue to report the relevant lifecycle events at trade level.
221. Half of the respondents commenting on this aspect confirmed that the proposed approach to reporting at position level is clear, while the other half requested more clarity. The specific issues on which respondents commented are described in the following paragraphs.

4.3.2.1 Deciding on the level of reporting

222. Five respondents who commented on the proposal that counterparties should agree on level of reporting made the following remarks: (i) it is not practical to agree bilaterally with all counterparties on the level of reporting; (ii) it would be preferable for ESMA to clarify when additional position level reporting is appropriate; (iii) ESMA should set up a mechanism for counterparties to decide whether to report at position level; (iv) for cleared trades it should be CCP deciding the level of reporting, (v) it is not clear how this requirement fits together with the Article 3 of the draft RTS.
223. It should be clarified that Article 3 of the draft RTS lists the conditions that must be met for the position-level reporting to be applicable. Only if those conditions are met, counterparties have the choice whether to report at trade or at position level.
224. Given the received feedback, ESMA acknowledges the potential difficulties with agreeing bilaterally the level of reporting between counterparties and the negative impact of such problems on the reconciliation. Having in mind that the reporting at position level is an option, rather than a requirement, ESMA clarifies that reporting at trade level is a default way forward, meaning that in the absence of agreement between the counterparties, they should report the derivatives at trade level. Reporting at position level will be feasible only when all the relevant conditions are met and the two counterparties agree on reporting at position level.

4.3.2.2 Scope of derivatives that can be reported at position level

225. In the Consultation Paper ESMA asked if there are any products other than derivatives concluded on a venue and CfDs that may need to be reported at position level.
226. The responses were split, with three respondents agreeing with the proposed scope, three respondents suggesting that all OTC products, including CFDs, should be reported at trade-level only, one respondent highlighting that position-level reporting should also be allowed for derivatives concluded at third country venues similar to regulated markets that may or may not be deemed equivalent under MiFIR, one respondent asking if position-level reporting will also cover OTC bilateral trades subject to clearing, which are subsequently netted by CCP and one respondent stating that equity portfolio swaps should also be in scope.

227. In the light of diverging views ESMA believes that the possibility to report at position level should be maintained for the derivatives that are already reported in this way (ETDs, centrally cleared OTC derivatives netted by CCPs, CfDs), however the decision to report at position level would need to be agreed by both counterparties (see paragraph 224).

4.3.2.3 Reportable details required at position level

228. In the Consultation Paper ESMA asked whether all required reportable details will be available also for reports at position level.

229. Overall, the respondents confirmed that all data fields should be equally available at position level, with one respondent providing some detailed comments on the table of fields regarding applicability of certain details for reports made by CCPs and one respondent highlighting that there are some fields for which the meaning could be different at position level.

230. Consequently, ESMA decided to maintain the current approach under which the same information is required for report at trade and at position level, with the possibility of introducing in the future minor adjustments, if necessary, via the validation rules and providing necessary clarifications when required.

4.3.2.4 Reporting at position level vs PTRR events

231. When commenting on this subject as well as on the lifecycle events, a few respondents raised questions or comments related to the differentiation between reporting of PTRR events and reporting at position level. ESMA would like to reiterate that these are two different business scenarios, thus different reporting rules apply. The below table highlights the key differences between the two instances:

TABLE 6 REPORTING AT POSITION LEVEL VS PTRR EVENTS

#	Compression (or other PTRR techniques)	Reporting at position level
Applicability	Risk-reduction services (both cleared and uncleared derivatives)	CCP netting (both ETD and OTC)+ reporting of CfDs
2.154 Level	Derivatives entering the compression – <u>trade or position</u> , as applicable; derivatives resulting from a PTRR event are reported at <u>trade</u> level,	Initial reports (action type N or P) at <u>trade</u> level, resulting position and subsequent lifecycle events – at <u>position</u> level
Linking of reports	2.5 PTRR ID	2.4 Subsequent position UTI

4.3.2.5 Other comments

232. One respondent requested further clarity regarding the intraday reporting of lifecycle events for ETDs, for example in the case of give-ups, position transfers or allocation of trades. In line with the clarification made in the paragraph 201, ESMA clarifies that the

intraday reporting of changes in ETD positions is not required. Furthermore, with regard to give-ups ESMA plans to retain the existing guidance provided in the ETD Q&A 3: “Where a give up occurs from the investment firm to the clearing member within the T+1 reporting deadline and there has not been any change of the economic terms of the original trade the trade should be reported in its post give up state”. At the same time, it should be reiterated that relevant events impacting derivatives reported at trade level must be reported accordingly (e.g. allocation of trades).

233. Two respondents commented that for ETDs it is the position that is relevant for the assessment of systemic risk, therefore the ETD reporting should be required at least at a position level / only at position level. This suggestion is not in line with EMIR that requires all counterparties to report i.e. conclusion of a derivative.

4.4 Content of the report

234. In the Consultation Paper ESMA proposed a new structure for the tables of fields, including i.e. the following changes:
- a. additional Table 3 for reporting of margins (in line with SFTR);
 - b. moving data elements related to valuation from Table 1 (Counterparty data) to Table 2 (Common data);
 - c. changes in order of assignment of certain data elements to sections of the Table 2, with a view to group similar data elements together and make the table more transparent.
235. Furthermore, ESMA clarified the reasons behind the higher number of data fields and added, for information purposes, an additional column “CDE/UPI” flagging the fields that are either included in the CDE guidance or are expected to be covered by the UPI reference data.
236. Overall, the clarifications and the proposed changes in the structure of the tables were welcomed, in particular including a separate table for margins and moving some of the data elements from Table 1 to Table 2.
237. One respondent stated however that it would be helpful to indicate explicitly in Article 4 of the RTS that Table 3 (Margin data) is to be used for reporting of collateral for both centrally cleared and non-cleared contracts, which is in contrast with SFTR. ESMA clarifies that this remark is indeed correct, and the respective precision has been added to the technical standards.
238. One respondent commented that in the absence of validation rules or XML schemas, it is unclear whether the same portfolio-level collateral data should be reported for each UTI separately or whether it can be reported once with the collateral portfolio code. In this regard ESMA clarifies that the collateral at portfolio level should be reported once using collateral portfolio code (which links it to the relevant derivatives), rather than submitted separately for each UTI. This way of reporting is allowed (and expected) already under the current technical standards.
239. Several respondents requested further clarity regarding the applicability of specific data elements to OTC and/or ETD derivatives or reports made by CCPs. As clarified in the

section 4.2.5, ESMA intends that the reporting rules for OTC and ETD trades are, to the extent practicable, aligned, accommodating where necessary for the specificities of respective types of trading. Applicability of certain fields for OTC/ ETD derivatives, as well as to reports by CCPs (or, more generally, reports of cleared derivatives), is already reflected in their definitions and may be further embedded in the validation rules, e.g. by setting certain fields as conditionally mandatory.

240. Two respondents proposed to include additional data fields related to:
- a. breakdown of margins per currency;
 - b. execution of trades by branches;
 - c. additional sector classification according to European System of Accounts 2010 (ESA2010);
 - d. information on ultimate/direct parent.
241. ESMA considered carefully these proposals and decided not to introduce at this stage the additional fields for the following reasons: (i) these fields are neither required under the current rules nor proposed as key data elements in the global guidance, (ii) these fields were not included in the proposals set out the Consultation Paper therefore there was no opportunity to gather feedback on the actual definitions of the fields as well as on the potential burden related to their reporting (which may be high for some of the proposed fields), (iii) introduction of these fields could create misalignment with SFTR in those cases where equivalent information is collected under both regimes (e.g. counterparty classification or margins), (iv) the additional information may be partially duplicative or redundant (e.g. counterparties are already required to report NACE classification which partially overlaps with ESA 2010; information on parents is, with some limitations, already available via GLEIF), (v) some of the proposed data elements were consulted in the course of development of CDE guidance and finally discarded.
242. One respondent commented that some of the new fields are typically not tracked currently in internal data management systems and reporting frameworks. Another respondent asked if some of the fields could be left out, even if majority of the fields stems from the CDE Technical Guidance. Some concerns regarding the number of reportable fields were also voiced in the general comments on the Consultation Paper, rather than under this specific section. ESMA would like to reiterate that the major part of the increase in the number of fields results from two sources: (i) alignment with the global CDE Technical Guidance and (ii) improvement in the specification of the reportable data. The data elements proposed in the CDE Technical Guidance are the ones that have been deemed critical by the regulators worldwide and correspond to the key information necessary for efficient monitoring of systemic risk. The data elements added for greater clarity of the reporting rules do not constitute new requirements but provide an unambiguous way of reporting of the information that counterparties already possess but were not able to easily report under the current technical standards (e.g. strike price currency or spread). Furthermore, a significant share of data fields is applicable only to a subset of derivative reports (e.g. a specific asset class or contract type). To give an example, 12 data elements relate to derivatives involving notional amount, notional quantity, price or strike price schedules. While it's not a marginal number of additional fields, in practice they will be applicable only in limited cases and

will in fact alleviate the reporting burden by allowing the counterparties to report the scheduled changes to the terms of the contract upfront. Finally, ESMA has duly considered the industry concerns and took a conservative approach with regard to additional fields proposed by some respondents (see paragraphs above) as well as decided to eliminate some of the consulted fields which, in the light of the feedback received, were considered less critical (beneficiary identifier and type, counterparty rating trigger indicator and counterparty rating threshold indicator).

243. Two respondents highlighted that having a greater number of fields will make the reconciliation more difficult, especially if not supported by clearer and more stringent validation rules. One respondent asked if validation rules will be updated and included in the Final Report. With regard to the validation rules, ESMA would like to clarify that a revised version will be prepared for the amended technical standards. ESMA plans to start working on the validations as soon as the draft technical standards are delivered.
244. The respondents provided also the following comments on other aspects of reporting (in parenthesis – the section under which these comments are addressed):
245. UPI should be required only for derivatives not identified with ISIN (see section 4.2.3), the changes should only apply to new transactions executed on or after the effective date of the new technical standards (see section 4.5), clarifications are needed regarding the portfolio code (see section 4.4.6), valuation in general should be broadly the same in absolute terms for both counterparties, but should have opposite signs (see section 4.4.5), inconsistent format of the rate and reconciliation tolerance (see section 5.3.5

4.4.1 Data elements related to dates and timestamps

246. Article 9(6) second subparagraph of EMIR as amended by EMIR REFIT providing ESMA with the mandate to develop the draft technical standards, explicitly states that ESMA shall take into account international developments and standards agreed upon at Union or global level.
247. Therefore, in the Consultation Paper, ESMA proposed that the data elements related to dates and timestamps should be aligned with the specifications in the CDE guidance.
248. This proposal was overall supported by the respondents. One respondent additionally suggested that a time zone should be added to the format and should be indicated in the date fields. ESMA agrees that this suggestion is consistent with the format specifications of date fields prescribed in the CDE technical guidance and notes that the reference to UTC has already been included in the respective fields in the draft technical standards.

4.4.1.1 Effective date

249. The CDE guidance defines the 'Effective date' as the date at which obligations under the OTC derivative transaction come into effect, as included in the confirmation, whereas the current RTS simply refers to the "Date when obligations under the contract come into effect".

250. ESMA proposed to align the definition of 'Effective date' to CDE guidance by referring to the confirmation date. The reporting of 'Effective date' is further clarified in EMIR TR Q&A 48, where it is explained that, where the counterparties did not specify the effective date as part of the terms of the contract, field 'Effective date' shall be populated with the date of execution of the derivative. ESMA considered that the proposed definition of Effective date, aligned with the CDE guidance, as complemented by the EMIR Q&A, does not need further explanations, and proposed to retain it.
251. Nearly all respondents supported the alignment with the CDE definition. Two respondents asked for clarity of how to report Effective Date for novations, as establishing clear requirements should limit the amount of reconciliation breaks for novation trades. These respondents stated that it would also be beneficial to clarify that where an effective date is not specified in the terms of the contract, the execution date should be used. Another respondent highlighted that the proposed definition could be problematic and provided as an example a case of cash-settled commodity derivatives where some market participants use the start date and end date of the calculation period as effective and expiration dates in the confirmation, respectively; whereas other market participants use the start and end date of the delivery period of the underlying for that purpose. ESMA considered this input as very valuable and decided to complement the CDE definition with the additional provision on reporting of effective date that is not specified in the confirmation. With regard to the other questions concerning reporting of the effective date for different action types or different products or suggestions for specific validations, such clarifications would be best suited in the upcoming guidelines on reporting and validation rules.

4.4.1.2 Expiration date / Maturity date

252. The CDE guidance defines 'Expiration date' as "Unadjusted date at which obligations under the OTC derivative transaction stop being effective, as included in the confirmation. Early termination does not affect this data element." This data element is already implemented in the current TS, though it is named 'Maturity date'. Differently from the definition of 'Maturity date' under former standards, the CDE guidance also refers to the date as included in the confirmation. ESMA proposed to align the name and the definition of 'Maturity date' to the international standards and include reference to confirmation. The former RTS on reporting defines maturity date as the "Original date of expiry of the reported contract. An early termination shall not be reported in this field". The EMIR TR Q&A 12 and 34 provided further clarifications concerning the reporting of maturity date in specific scenarios or for a specific type of instruments. Furthermore, the Q&As specify that the counterparties should report unadjusted maturity date (in line with the definition contained in the CDE TG guidance). ESMA considered that both the general procedure of when the maturity date should be reported, and some particular cases are thoroughly explained in the RTS.
253. Nearly all respondents agreed with this proposal. One respondent encouraged ESMA to use the expiration date to determine whether the trade is outstanding or not, which is already the current practice. Another respondent noted that the current definition does not prescribe the content of this field in case of non-confirmed trades and suggested extending the definition, so that in such case the expiration date is reported as specified in the contract between the counterparties. One respondent requested more examples

on reporting of maturity date and another respondent highlighted challenges with regard to consistent reporting of maturity date for ETDs. In the light of the received feedback, ESMA decided to retain the proposed definition and provide examples and clarifications in the upcoming guidelines on reporting.

4.4.1.3 (Early) termination date

254. The CDE guidance includes in the definition of 'Early termination date' a series of examples of circumstances triggering early termination. This is not the case with the definition of 'Termination date' under the current RTS on reporting. ESMA does not intend to include examples specified in the CDE guidance within the definition of the field, however, considers that these examples correctly indicate in which circumstances early termination should be reported. Otherwise ESMA aligned the definition of the 'Termination date' with the one included in the CDE guidance. This was supported by the respondents. Only one respondent did not support the proposal, insisting on the importance of including examples specified in the CDE guidance with a view to increase reconciliation rates and to facilitate entities' compliance with the reporting requirements. As clarified above, ESMA maintained the proposed definition as it is aligned with the CDE definition and intends to provide examples of (early) termination date in the upcoming guidelines on reporting.

4.4.1.4 Reporting timestamp

255. The current definition of 'Reporting timestamp' is already aligned to the CDE guidance, therefore no change was necessary. None of the respondents to the Consultation Paper advocated for changing the definition.

256. However, one respondent commented that the reporting timestamp should not be included in the inbound message from the report submitting entity as it is possible that a report submitting entity could populate this value with a timestamp that is significantly different from the actual time they made the submission, avoiding the potential control-related nature of this information. The respondent proposed that instead, the TRs should create and record the reporting timestamp based on the time the submission was received. In this regard ESMA reiterates that reporting timestamp is one of the critical data elements that, as per the CDE guidance, should be reported to TRs.

4.4.1.5 Execution timestamp

257. As regards the definition of the 'Execution timestamp', there are some differences between the CDE guidance and the former RTS on reporting. These differences are due to the fact that the definition under the EU legislation was drafted in order to also apply to ETDs reporting, whereas the CDE definition only refers to OTC contracts. Therefore, in this case, a misalignment with CDE guidance appears justified by the different purposes pursued. ESMA proposed to enrich the definition provided in the CDE guidance in order to address also the reporting at position level. All respondents supported the proposal.

258. One respondent mentioned that the reporting of 'Execution timestamp' at position level proves challenging for the industry as firms usually compress several trade-level reports with individual execution timestamps into a single position for in-house post trade risk

reduction strategies. Additionally, although TR Q&A 17 clearly sets out prerequisites for reporting at position level, firms often face challenges to agree on how to report at position level prior to doing so with direct impact on matching rates. Finally, a tolerance of one-hour for the reconciliation of this field would prevent the detection of reporting issues due to seasonal time changes. This respondent requested also clarification on reporting of the execution timestamp for cleared trades, in particular whether the clearing timestamp should be reported in this field, as currently there is space for interpretation leading to reconciliation breaks. Following to the received feedback ESMA will consider to further clarify in the guidelines on reporting how the 'Execution timestamp' should be reported at position level. Furthermore, ESMA included additional clarifications on reporting at position level in the section 4.3.2.

4.4.1.6 Event date

259. The field 'Event date' should be implemented consistently with the SFTR reporting requirements, i.e. this field should be applicable for all reports and should refer to the date when a given event took place or when a modification became "effective" (rather than to the date of agreement to modify the trade).

260. Most respondents supported the proposal, whereas some respondents asked to align it with CFTC reporting requirements and asked for more clarification. One respondent stated that consistency with SFTR is critical, both in terms of the definitions and the consideration of event date for the purpose of creating the trade state report. This respondent flagged also a potential issue with reporting on an event "today" (trade date) that is effective at a later date.

261. Considering the received feedback, ESMA decided to maintain the proposed definition. Furthermore, ESMA acknowledges that detailed instructions and examples regarding the reporting of event date and respective processing of the reports are crucial and intends to provide such instructions and examples in the upcoming guidelines on reporting, upon more detailed consultation on this aspect.

4.4.2 Data elements related to counterparties and beneficiaries

4.4.2.1 Use of identifiers

262. In the Consultation Paper, ESMA proposed two alternative proposals with regards to the format of client codes, with the first one aligned with the CDE guidance and the second one following the provisions of MiFIR transaction reporting.

263. The CDE guidance provides a format in which client codes should be reported as "LEI of Reporting Counterparty + Internal Identifier of Individuals", while the alternative proposal is to replace the Client Code with the National Client Identifier.

264. In response to the consultation most of market participants agree with ESMA's proposal to use the client code format indicated by the CDE guidelines, pointing out that the use of National Client Identifier would arise data privacy issues. One respondent suggested reporting the National Client Identifier which would be masked at the TR level and the information on client's national code would be provided to NCAs only on request. While ESMA in principle does not foresee data privacy issues due to reporting the National

Client Identifier to TRs to comply with the reporting requirements introduced pursuant to the Article 9 of EMIR, such approach would not solve the data privacy issues (if any) along the reporting chain and would result in a more onerous process for the TRs.

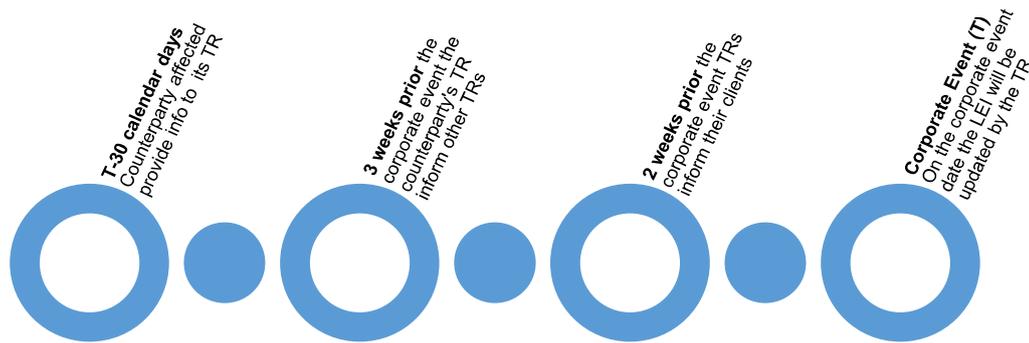
265. Some respondents commented that the replacement of the internal client codes with national identification number as defined in MiFIR transaction reporting could facilitate the link between the two regulatory frameworks. On the other hand, it has also been commented that exact identification of clients' identity is not necessary when assessing macroeconomic risks and would be needed very rarely when monitoring market abuse.
266. Finally, some respondents suggested to consider the developments of the new global standard for the identification of natural persons. However, such standard is not yet available therefore cannot be taken into account for the purpose of reporting under EMIR at this stage.
267. Respondents which opposed to the alignment of client codes with CDE guidance argued that the format recommended would entail only reprogramming costs with no additional benefit in terms of data quality and monitoring. Some consider the format of 72 characters too long for a client code and asked for the possibility of shorter code. In this regard ESMA clarifies that the proposed format (aligned with the CDE guidance) requires that the code contains 'up to' 72 characters, therefore entities are allowed to generate shorter codes, as long as they comply with the code structure requirements.
268. Some respondents mentioned also that the client codes could also entail personal data and thus their use may create data privacy issues. As mentioned above, ESMA is of the view that reporting of identifiers containing certain personal data to TRs to comply with the reporting requirements introduced pursuant to the Article 9 of EMIR would not create data privacy risks. It should be also noted that the reporting counterparties may choose to construct the client codes in a way that such codes do not comprise any personal data.
269. Finally, following on a question received from one respondent, ESMA confirms that the client code should be unique only at the level of the given reporting counterparty, i.e. ESMA does not expect a client to have one single identifier across all entities it trades with.
270. Taking into consideration overall support for the first option and the general approach taken by ESMA to align the technical standards – to the extent practicable – with the global guidance, ESMA decided to continue to require identification of private individuals with client codes and to align the description and format of this identifier with the ones proposed in the CDE guidance.

4.4.2.2 Update of the LEI

271. In the Consultation Paper, ESMA stressed the importance of the process to be applied by TRs and counterparties in case of changes in the LEIs due to mergers, acquisition or other corporate restructuring events already included in the TR Question 40.
272. Given the importance of this process and its impact on data quality, ESMA proposed to include in the RTS clarifications on: (i) time-bound elements both for the TRs and the counterparties, (ii) the ability to update transactions that are terminated at the time where the TR is performing the updates of the LEI, and (iii) process amongst TRs to ensure an

- update of all transactions where the LEI (impacted by the corporate event) appears as LEI of a counterparty or as the identifier of any other party that intervenes in the transaction.
273. The majority of respondents agreed with ESMA proposal to clarify these aspects and to include in the RTS the key elements of the process, especially with regards to timely bound elements as these are fundamental to ensure data quality.
 274. A few respondents, while agreeing with ESMA's proposal, nevertheless suggested that the GLEIF should become the primary source for identifying and consuming changes to LEIs. However, ESMA noted that GLEIF cannot be used as source of information for updates under Q&A 40 procedure, as the exchange of information must take place ahead of the corporate event.
 275. One respondent commented that, before including the process in the RTS, some clarifications are needed on which other type of identifiers updates should be done through this process and in case of partial identifiers updates. ESMA confirmed that the process is applicable to the updating of any identifier (e.g. BIC, Client Codes) to LEI. With reference to the scenario of updating a BIC to LEI, ESMA agrees to include further clarifications in the future guidelines in reporting regarding scenario of change from BIC to LEI.
 276. Regarding the timely bound element, the proposal made by ESMA in the Consultation Paper is that the update of the LEIs by the TRs should be done within one month from the notification by the counterparty of the corporate restructuring event.
 277. Most market participants strongly supported the introduction of a specific timeline also commenting that the one-month notification is enough to ensure the timely update of the LEI due to corporate events. Only few respondents questioned whether one-month period is realistic.
 278. One respondent asked for a clarification on the possible conflict between timeframe set for this notification and the ad hoc publication requirements under the Market Abuse Regulation (MAR) and the Takeover Directive. On this point, ESMA clarifies that the timeline is without prejudice to the requirements included in the MAR and the Takeover Directive given their different timeframes.
 279. Most respondents have also supported setting a timeline for informing about upcoming LEI update by TRs to their clients. Some respondents suggested specific timelines, ranging between 5 working days and one month ahead of the update.
 280. Based on the feedback received and in order to give greater clarity to the process, ESMA also proposed the introduction of additional deadlines to the timeframes for updating the LEIs.
 281. To ensure the timely communication between entity involved in the update and its TR, the counterparty should provide the TR all the necessary information on the merger no later than 30 calendar days prior to the corporate event date. In case of update from BIC or other identifier to LEI, the counterparty should inform the TR no later than 30 calendar days before the date at which it starts to use LEI as new identifier.

- 282. Furthermore, in order to ensure a proper communication process between TRs, the TR to which a request for update of a LEI is addressed should inform other TRs about a new LEI update execution no later than three weeks prior to the corporate event date.
- 283. Finally, to ensure a timely communication process between TRs and their clients, TRs should inform their clients about a new LEI update execution no later than two weeks prior to the corporate event date.
- 284. ESMA also wants to remark that entities involved in the update are expected to provide all the necessary information to their LOUs in order to ensure a proper and timely update of LEI in GLEIF database.



- 285. With reference to the ability to update transactions that are terminated at the time where the TR is performing the updates of the LEI, ESMA expressed the opinion in the Consultation Paper that LEI or other identifier update should apply to all outstanding trades at the time when the event is processed by the TRs as well to all transactions that were outstanding at the time the event took place and between these two dates.
- 286. Market participants expressed a preference for updating the LEIs of terminated/expired trades between the two dates despite it could create technical issues. To this regard, it should be noted that the more the counterparties and TRs will ensure the timely update of the LEI at the date of the corporate event, the less will be number of terminated/expired transactions to be updated. Those respondents that objected the proposal raised concerns mainly for the complexity of the requirement, limited benefit in the context of risk monitoring given the trades are not outstanding anymore and possible misunderstandings in case of ad-hoc queries generated by supervisors when comparing the data to already generated reports.
- 287. One respondent proposed that TRs should resend certain reports to competent authorities in order to consent them to determine the state of the market with all posterior information incorporated, especially in case TRs fail to comply with the update of the LEI within one month from the notification by the counterparty of the corporate restructuring event. This proposal could not be followed since TRs have no obligation to provide historical reports and the introduction of such an obligation, ascertained that it has clear benefits from the perspective of statistical analysis, would be too burdensome for TRs. Anyway, authorities could request relevant information via ad-hoc queries to this extent.

288. With regard to corporate events affecting only a subset of derivatives, ESMA supports the suggestion made by one respondent that TRs should put in place common procedures for updating LEI data on all derivatives contracts that could be affected by partial changes of the LEIs, e.g. in the case of spin-off where only some contracts are allocated to an entity. The responsibility for indicating which UTIs are affected by the change should remain with the counterparties or entities responsible for reporting, as supported by some respondents.
289. In addition, in relation to the paragraph 222 of the Consultation Paper, ESMA confirms that if the impacted entities are not counterparties but are involved in the derivatives (e.g. as a broker), these entities should provide to TRs either the list of UTIs affected by the change or, in case they do not possess this information, all the necessary details so that TRs are able to identify the impacted derivatives.
290. Irrespective of whether the update is partial or affects all reports in which a given entity is identified, the TRs should perform such an update only following a confirmation of the impacted records by the counterparty 1 or the entity responsible for reporting, thereof. Where the counterparty 1 or the entity responsible for reporting does not reply in due time for the performance of the update, but still needs to perform the update of the relevant details of the derivatives, it should do so by submitting the relevant report with action type 'Modify'.
291. With regard to the scenario where the counterparty is not responsible and legally liable for reporting transactions, ESMA proposed two ways forward. The first proposal provides that the counterparty affected by the event is responsible for communicating the TR the change with the option to delegate this communication to a report submitting entity or to the entity responsible for reporting, while the second proposal assigns this responsibility to the entity who is responsible and legally liable for reporting.
292. The majority of respondents expressed a preference for the first proposal arguing that the responsibility for TR notification should always belong to the counterparty affected by the event. Nevertheless, some respondents opined that in case where this counterparty does not have a contractual relationship with the TR, its responsibility is to inform the submitting entity or the entity responsible for reporting about the event according to the specified timeframe, and that entity should inform the TR without undue delay. Based on the received feedback ESMA considers that where the impacted counterparty does not have a contractual relationship with the TR, it should inform the submitting entity or the entity responsible for reporting and that the responsibility for informing the TR can be specified by the relevant parties e.g. in a delegation agreement.
293. Similarly, when a TR is broadcasting to its clients information about a corporate event, a reporting counterparty that has no contractual relationship with the TR should be informed of such event without undue delay by the entity responsible for reporting or the report submitting entity, as applicable.
294. ESMA, following a question received from one respondent, clarifies that in case the affected counterparty is a third country entity, the EEA counterparty should be responsible for communicating the change to the TR.
295. No major challenges were highlighted by respondents in relation to LEI updates due to corporate events or where the identifier has to be updated from BIC (or other code) to

LEI. However, one respondent presented a suggestion for electronic service via the TR portal for the affected entity to provide LEI update requests, in order to avoid extra work and cost burdens, and to avoid the possibility of missing documentation during the delivery process. While ESMA supports any effective and less burdensome solutions, it will not propose any specific details for such implementation.

4.4.2.3 Beneficiary and Trading Capacity

296. ESMA proposed in the Consultation Paper the elimination of the fields 'Beneficiary ID' and 'Trading capacity' affirming that the first one in most cases overlap the 'Reporting counterparty' field while the 'Trading capacity' field is always reported as "Principal".
297. With reference to the 'Beneficiary ID' field, overall respondents to the consultation agreed with the ESMA proposal to remove the field since it is not adding any additional information to the reporting.
298. One respondent, notwithstanding the support to the elimination of the field, raised a reporting scenario that may be missed with the removal of the 'Beneficiary ID'. The case concerns ETDs where the clearing member will not enter into a relationship with certain clients of the firm, so the firm itself would step into the contract on their behalf. However, ESMA is of the opinion that the risk lies in the first instance within the firm who will report its contract with the clearing member identifying itself as reporting counterparty and will also report its contract with its client, where the latter will be identified as the other counterparty.
299. On the topic of "Trading Capacity", most market participants are in favour of the removal of the field as under EMIR the counterparties to the trade are always acting on Principal basis, therefore this field does not provide any additional information. In addition, none of the respondents provided any reporting scenario, under which this elimination of the field would be detrimental. However, one respondent commented that the field could be adapted to support linking of trades resulting from a clearing event (CM-to-CCP and client-to-CM trades). ESMA is of the view that such linking will be already supported due to the introduction of the field 'Prior UTI'.
300. In the light of the feedback received, ESMA will remove the fields 'Beneficiary ID' and 'Trading Capacity' from the reporting requirements.

4.4.2.4 Direction of the trade

301. ESMA detailed in the Consultation Paper two different approaches to reporting the field 'Direction', both approaches coming from the CDE guidance and differing depending on the type of instruments concerned. Under both approaches, for instruments like forwards (except for FX forwards), options, swaptions, CDS, CfDs, spreadbets and variance, volatility and correlation swaps, the counterparties should report buyer and seller as determined at the time of the transaction, while for other instruments, including IRS, TRS, most equity swaps, FX swaps and FX forwards, the counterparties should determine the payer and the receiver of each leg as determined at the time of the transaction.
302. Under the first approach, the counterparties would indicate in the report whether the reporting counterparty is buyer/seller in the derivative or payer/receiver for a given leg,

using an indicator in the dedicated field ('Direction', 'Direction of leg 1' or 'Direction of leg 2'). Under the second approach, counterparties would report the direction of trade populating 4 additional fields ('Buyer', 'Seller', 'Payer', 'Receiver') with the LEI or client code of the relevant counterparty. ESMA expressed a preference for the first approach.

303. The vast majority of respondents agreed with ESMA as the first approach is more aligned with the current reporting of direction while the second approach would be more complex to implement and the costs associated with the provision of direction of the trade would exceed any marginal benefit associated with the information gained from it.
304. On the basis of the feedback received, ESMA will adopt the first approach for the reporting of direction of trades.
305. Some respondents also suggested the introduction of the "Cash rule"⁹ for FX derivatives, a market convention to determine who is the buyer/seller in a forex transaction. ESMA, however, clarifies that the introduction of such a rule would not be consistent with the CDE guidance so it could not be taken into consideration.
306. One respondent also noted that ESMA and CFTC are about introducing different format requirements for the field 'Direction' as CFTC proposed 20-character reporting format for this field. ESMA explains that CDE guidance leaves a margin of discretion in implementation, and that both the ESMA and CFTC formats are compliant with the global guidance.
307. In addition, none of the respondents provided any comments on trade whose direction cannot be determined according to the rules proposed in the draft technical standards.

4.4.2.5 Indication of reporting obligation

308. In relation to the newly added field 'Reporting obligation of the counterparty 2', ESMA clarifies that this field should be filled with the value 'FALSE' only if the counterparty 2 is not subject to reporting obligation, for example, where it is a non-EEA entity (counterparty or CCP) or a natural person who is acting as private individual. Indeed, ESMA is expecting that the counterparty 1 possesses such information as the result of the KYC process for the counterparty 2.
309. If the counterparty 2 is subject to the reporting obligation, the field should be populated with 'TRUE'. In particular, where the FC concluded an OTC derivative with the NFC- the field should be filled with the value 'TRUE' irrespective of whether the NFC- has decided to report itself in accordance with the third subparagraph of Article 9(1)(a). As per the definition of the field, indicator of the reporting obligation is independent from allocation of responsibility for reporting. It is also independent from any delegation arrangement.

⁹ the FX Cash Rule states that the payer (or sell side, or short position) would be determined by the party that is selling risk in the currency which is first when sorted alphabetically by ISO code.

4.4.3 Data elements related to clearing, trading, confirmation and settlement

4.4.3.1 Clearing

310. With respect to the field 'Cleared', under the current ITS on reporting only two statuses are reportable, namely cleared ("Yes") and non-cleared ("No"). In contrast, the CDE guidance introduces a third option: "Intent to clear".
311. In the Consultation Paper, ESMA considered that the value "Intent to clear" derived from CDE guidance is not deemed useful for supervisory purposes and not requiring it under EMIR should not have an impact on the global aggregation of data.
312. This proposal was broadly supported. Most of the responses are in favour of simplification of the values that are allowed in the field 'Cleared', mentioning the value "Intent to clear" brings little additional insights and could create confusion. Only a small number of respondents expressed preference for keeping the value in line with the CDE guidance. Additionally, one respondent commented that it would be important to distinguish between off-venue transactions executed with systematic internalisers that are cleared on the same day from uncleared trading activity that is executed off-venue with SIs. In this regard it should be noted that in the first scenario the transactions that are cleared will be reported under the new rules with action type 'Termination' and event type 'Clearing', therefore the authorities will be able to easily determine whether a given derivative was cleared.
313. In the light of received feedback and considering the arguments provided by the respondents ESMA retained the proposal not to require reporting of value "Intent to clear".
314. Article 2 of the current RTS on reporting prescribes that where a derivative contract whose details have already been reported pursuant to Article 9 EMIR is subsequently cleared by a CCP, that contract shall be reported as terminated using the action type 'Terminate'. The new contracts resulting from clearing shall be reported with action type 'New'.
315. The same Article also provides that where a contract is both concluded on a trading venue and cleared on the same day, only the contracts resulting from clearing shall be reported.
316. Furthermore, for cleared contracts the counterparties should identify in the report the CCP and the clearing member, as well as specify the clearing timestamp.
317. ESMA proposed to maintain this reporting logic and maintain the relevant fields.
318. Some respondents would like more clarifications and examples on how a cleared trade should be reported.
319. Stemming from the above, ESMA took note of the need shown by the industry for further clarifications and intends to provide examples illustrating different scenarios of reporting of cleared trades in the future guidelines on reporting.
320. Some concerns were expressed about the case that the CCP field is not always populated by the LEI of an authorised/recognised CCP. In this regard ESMA would like to clarify that counterparties need to identify the CCP, within the meaning of EMIR (as

defined in the Article 2(1) of EMIR). Such CCP does not need to be authorised or recognised under EMIR therefore ESMA has not introduced a validation rule considering as "cleared" only transactions cleared by an authorised or recognised CCP.

321. One respondent highlighted the fact that when only the contracts resulting from clearing are reported, there is no way to link the original transaction and the resulting cleared one for derivatives that are executed off-venue and cleared, hence no way to verify the compliance with clearing submission deadlines. ESMA reiterates that derivatives that are not executed on a trading venue or on an organised trading platform outside the EU, should be reported in its form prior to clearing. The original bilateral trades and the cleared traded would be linked via the 'Prior UTI' field thus allowing for monitoring of timeliness of clearing process.
322. Some respondents think that the field 'Cleared' should only be populated if there is an obligation to clear under EMIR, hence trades cleared when there is no clearing obligation (i.e. third country CCP) should be left blank. ESMA clarifies that the field 'Cleared' informs about the clearing status of the derivative, irrespective of whether it is subject to the clearing obligation or voluntarily cleared.
323. The reporting exemption on alpha trades in the case those were executed on venues outside of the EU is not well understood for one respondent. ESMA confirms that, as already proposed in the draft technical standards, the bilateral trades executed on organised trading platforms outside of the Union do not need to be reported under the condition that they are cleared on the same day by a CCP. Such trades should be reported only in its cleared form.

4.4.3.2 Confirmation

324. Article 12 of the current RTS on risk mitigation dictates a series of rules on timely confirmation.
325. Date and time of confirmation, as determined pursuant to Article 12 of the current RTS on clearing arrangements constitute the "Confirmation timestamp" that should be reported under the current RTS on reporting. Furthermore, the current RTS on reporting require reporting of the "Confirmation means".
326. The timely confirmation requirement applies only to non-cleared OTC contracts. However, under the rules in force, the confirmation timestamp and confirmation means are reported also for ETDs by some counterparties, leading to problems with reconciliation of the reports.
327. ESMA proposed to clarify that the above-mentioned fields should be reported only for OTC non-cleared derivatives.
328. One of the respondents was against the proposal and suggested that this approach should be aligned with the global regulatory CDE guidance. ESMA notes that the scope of CDE guidance is limited to OTC derivatives therefore the guidance does not provide any indication of whether these fields should be deemed relevant for reporting of ETDs.
329. Apart from this specific response, this proposal was broadly supported. Nevertheless, some concerns were expressed concerning the definition of ETD and the case of trades executed on third-country venues that are not equivalent to regulated market and thus,

are considered OTC under EMIR. ESMA took note of the need for further clarification on how "Confirmation timestamp" and "Confirmed"¹⁰ should be reported for those trades.

4.4.3.3 Settlement

330. The current RTS on reporting indicates "Settlement date" as "date of settlement of the underlying" and sets this field as repeatable. This description is not aligned to the one in the CDE guidance, which refers to the final settlement date.
331. ESMA suggested aligning the description of settlement date to the CDE guidance. However, it should be still possible to report the field twice, to report accurately certain products such as FX swaps for which a settlement date for each leg should be reported.
332. The CDE guidance suggest the reporting of "Settlement location" for derivatives traded in off-shore currency. At this stage ESMA does not see reporting of this field as necessary and proposed that for the derivatives traded in off-shore currencies, the counterparties report onshore currency in the relevant fields.
333. As regards the field 'Deliverable currency' ESMA proposed to rename it 'Settlement currency' to align it with the CDE guidance as well as to harmonise its definition with the one included in the guidance.
334. ESMA proposed to eliminate the field 'Delivery currency 2' given that the 'Settlement currency' as proposed in the CDE guidance should be specified for each leg of the multicurrency products, therefore it is not necessary to maintain a separate field 'Delivery currency 2'.
335. Those proposals were broadly supported, some respondents highlighting the fact that those changes would result in more clarity in the requirements for reporting settlement fields.
336. Nevertheless, respondents requested some clarifications, in particular how to report the off-shore currencies. In this regard ESMA confirms that counterparties should report the valid currencies as per ISO standard. Currencies which are not covered by ISO standard won't be accepted, therefore the counterparties should report the relevant values in the respective onshore currencies recognized in the ISO standard.
337. Some clarifications were also asked on the way to report settlement currencies in repeated fields to improve matching. It is ESMA understanding that it is not necessary to specify in which order the currencies should be reported, given that the settlement currency will be specified for each leg.
338. Following the feedback, ESMA retains the proposals concerning reporting of settlement.

4.4.3.4 Trading Venue

339. The venue of execution of the derivative contract shall be identified by a unique code for this venue.

¹⁰ name of the field updated to align with the CDE guidance

340. Where a contract was concluded OTC and the respective instrument is not admitted to trading or traded on a trading venue, MIC code 'XXXX' shall be used.
341. Where a contract was concluded OTC and the respective instrument is admitted to trading or traded on a trading venue inside of the Union, MIC code 'XOFF' shall be used. ESMA proposed to align this field with MIFIR, hence for MTFs, OTFs, SIs and organized trading platforms outside of the Union, the specific MIC code will be required even if the derivatives concluded on these venues are OTC derivatives under the definition set out in EMIR. This proposal has been opposed by a few respondents, however given the overall support and the benefits from the alignment of the reporting rules between EMIR and MiFIR ESMA has decided to retain the proposal made in the Consultation Paper.
342. ESMA recalls that in the EU all instruments admitted to trading or traded on a trading venue are made publicly available on ESMA's website¹¹, therefore the counterparties are expected to be able to determine whether they should report 'XOFF' or 'XXXX'.
343. Following feedback to the Consultation Paper regarding the scenario where two SIs face each other and then those two counterparties will need to determine which SIs MIC code is to be reported, ESMA confirms that each counterparty should report from its own perspective, i.e. populate the field with the MIC of the other counterparty and that, consequently, the trades concluded on SI should be excluded from the reconciliation.
344. Despite the proposal made by several respondents to the Consultation Paper to include an additional field to distinguish ETD from OTC traded on a trading venue, ESMA recalled the fact that there is already a strong pushback from the industry regarding the number of fields and that it will not be relevant since the information should be already possible to derive from the reports without such additional field. Consequently, ESMA decided not to include this additional field.

4.4.4 Data elements related to regular payments

345. As set out in the Consultation Paper, ESMA proposed to align the definitions and allowable values under Table 2, Section 2f, of the current RTS and ITS on reporting, related to the regular payments, with the relevant values specified in the CDE guidance for:

a. Day count convention: "day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments are calculated. It is used to compute the year fraction of the calculation period and indicates the number of days in the calculation period divided by the number of days in the year". Allowable values: • A001 • A002 • A003 • A004 • A005 • A006 • A007 • A008 • A009 • A010 • A011 • A012 • A013 • A014 • A015 • A016 • A017 • A018 • A019 • A020 • NARR.

b. Payment frequency-time: "For each leg of the transaction, where applicable: time unit associated with the frequency of payments, e.g. day, week, month, year or term of the

¹¹ 8 https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_firds

stream.” • DAIL = daily; WEEK = weekly; MNTH = monthly; YEAR = yearly; ADHO = ad hoc which applies when payments are irregular; TERM = payment at term.

c. Payment frequency-multiplier: “For each leg of the transaction, where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur.” Allowable values: any value greater than or equal to zero.

346. Furthermore, ESMA suggested making the data element “Day count convention” applicable also to the floating rate legs.
347. While respondents overall did not raise objections to the proposal, one of them suggested that the new details that have to be reported provide an unbalanced cost-benefit. ESMA would like to clarify that fields related to data elements of regular payments are repeatable because they have to be specified for each fixed and floating leg of a transaction, however the counterparties would need to report only the fields applicable to a given derivative. The same applies to the data elements describing the reset frequency and reference period of the floating rates.
348. One respondent outlined the need to make it clear in the draft text of new RTS/ITS that those fields are repeatable. Therefore, ESMA confirms that data elements of regular payments would be repetitive and represented in the dedicated fields specific for each fixed or floating leg of a transaction.
349. Taking into consideration the feedback received from two respondents, ESMA clarified that in case of a transaction with payments occurring at every year, month, or a week, there are no expectations to transform the value of the payment frequency-time into another payment frequency period, and then apply the necessary payment frequency period multiplier. For example, in the case of yearly payments, counterparties are expected to report payment frequency of 1 year, rather than 12 months or 365 days.
350. Clarification was also sought for additional value, “Quarterly”, in the Payment frequency-time period. Following this feedback, ESMA decided that this addition is not necessary and would be inconsistent with the allowable values envisaged in the CDE guidance .
351. Concerning the value “Narrative” of the Day count convention fields, one respondent required a free text field format for this data element. ESMA will monitor the use of the value “Narrative” and may consider including the additional descriptive field in the future, if needed. At this stage however, considering that this request was voiced by only one respondent, ESMA decided not to add such field.

4.4.5 Data elements related to valuation

352. In the Consultation Paper, ESMA requested feedbacks if the valuation fields should remain unchanged.
353. The value of an existing contract is a key field to determine exposures and consequently assess counterparty credit risk and identify vulnerabilities in the financial system. Currently, there are 4 fields that relate to valuation. All of these are also included in the CDE guidance:

- a. field 1.17 Value of the contract (CDE 2.25);
 - b. field 1.18 Currency of the value (CDE 2.26);
 - c. field 1.19 Valuation timestamp (CDE 2.27);
 - d. field 1.20 Valuation type (CDE 2.28).
354. All respondents supported the proposal to leave the valuation fields unchanged.
355. Two respondents suggested to explicitly clarify the sign of the valuation amount as they perceive this as a common data quality issue. ESMA considers this as a good suggestion to address in a Q&A on this subject.
356. One respondent has pointed out unnecessary restriction in the validation rules which will be considered for the future updates to the validation rules.
357. One respondent asked for further clarification and confirmation on the contract value reconciliation tolerance. The aspects related to the reconciliation are covered in the section 5.3.
358. Regarding the contract value, ESMA proposed the following:
- a. The valuation by the CCP – if applicable – takes precedent;
 - b. For uncleared contracts, valuations should be performed in accordance with International Financial Reporting Standard 13 Fair Value Measurement as adopted by the Union and referred to in the Annex to Commission Regulation (EC) No 1126/200840;
 - c. Valuation adjustments such as credit valuation adjustments (CVA) and debit valuation adjustments (DVA) can also be included in the fair value under IFRS 13. However, ESMA considers it most appropriate to exclude these from the value of the contract reported under EMIR. The main argument for this approach lies in the fact that the contract value is used to determine counterparty exposure and that collateralisation and margining are reported separately for this purpose.
359. All respondents agreed that this proposal covers the most important aspects of counterparty exposure reporting.
360. Three respondents (all regulators) argued that additional data elements could be beneficial for supervision on market participants and systemic risk. Considering the consensus on the most important aspects and the common concern of the market on the number of data elements to be reported, ESMA decided not to introduce additional reportable details suggested by the respondents.
361. The valuation type should be in accordance with the determination of valuation method applied. This means that CCP-cleared trades should have a valuation type indicating that the value as determined by the CCP is reported. A contract is considered to be marked to market as long as all inputs are derived directly from (quoted or transacted) market prices. If at least one valuation input is used that is classified as mark-to-model, the whole valuation is classified as mark-to-model.
362. ESMA proposes to leave the valuation fields and the guidance unchanged. The formats are also to be kept unchanged with the exception of the 'Value of the contract' which is

to be set up to 25 numerical characters including up to 5 decimal places, in line with the CDE Technical Guidance.

363. Two respondents asked for additional guidance and examples. In addition, one respondent proposed to define different validation rules and reporting requirements for ETD trades and ETD positions regarding valuation data items. As the reporting requirements do not differ and the validation rules for these fields are explicitly defined already, this misunderstanding may be solved as well by providing additional guidance and examples, for instance in the future Guidelines on reporting.
364. One respondent argued that for some derivatives the contract value does not change often and that a daily valuation should not be required. ESMA acknowledges that not all contracts have a daily changing contract value. However, data quality would not benefit from making exceptions. The process would become less robust and for many reporting counterparties implementing exceptions could even be more challenging than daily reporting of the contract value for all contracts.

4.4.6 Data elements related to collateral, margins and counterparty rating triggers

365. Regarding margins the following additional fields were proposed to be included in line with the CDE guidance:
- a. initial margin posted by the reporting counterparty (post-haircut) (CDE 2.32);
 - b. initial margin collected by the reporting counterparty (post-haircut) (CDE 2.35);
 - c. variation margin posted by the reporting counterparty (post-haircut) (CDE 2.37);
 - d. variation margin collected by the reporting counterparty (post-haircut) (CDE 2.41).
366. The current RTS and ITS on reporting only require the reporting of margins before haircuts have been applied. However, providing both pre- and post-haircut information would enable authorities to identify emerging risks on derivatives markets due to changes in the applied haircuts. On an aggregated basis, they could also be used to determine the weighted average level of haircuts applied per portfolio as well as its evolution over time. Such information would help authorities to measure the quality of the collateral, assess the evolution of leverage in the financial system and the potential build-up of stress and systemic risk, from a financial stability point of view. For these reasons, ESMA proposed to add in the new TS a field for the reporting of post haircut margins.
367. Five market participants have raised concerns regarding the proposal. Primarily the increasing reporting complexity and significant cost and effort required to implement have been mentioned.
368. Nine respondents, including all four responding regulators on this subject, supported the proposal. No additional rationale was provided.

369. Considering that none of the respondents raised any blocking issues and taking into account the value of the additional CDE data items for financial stability analyses, ESMA decided to include the data items as proposed.
370. One respondent requested an explicit clarification that the values reported should be the actual amounts transferred, not those “called for”. ESMA confirms this understanding, which is also reflected in the definitions of the fields that refer to margins that have ‘been posted’ or have ‘been collected’, rather than to the margins required to be posted/collected.
371. Three respondents assume these additional data items would not be applicable to cleared contracts. ESMA stresses that this is not a valid assumption in general, but that for daily cash settled contracts, for example, the same value could be reported for pre and post haircut. Additional guidance including examples in Guidelines on reporting appears to be needed and requested by some respondents.
372. Based on some responses an inconsistency in the market was detected with regard to the (current) variation margin reporting:
- a. a large clearing member stated that MtM on normal future positions is always zero. On a daily basis the variation margin is debited or credited from the client’s cash account. Based on subsequent discussions, this clearing member prefers to report the variation margin as zero in these cases as well;
 - b. one CCP stated that they prefer to report VM as a Net Present Value delta that gets posted/received daily as this reflects the real VM requirement of a CCP. VM is a daily offsetting of profits and losses. In contrast to other kinds of margin, VM is not an amount which must be deposited as collateral but is rather a daily cash settlement of debit and credit balances;
 - c. inconsistency in variation margin reporting across CCP’s was also confirmed by a market association;
 - d. one regulator noted that they have also observed that some CCPs include the profit and losses in the ‘Variation Margin’ field while others do not. Having guidance on what components (such as profit and losses on trades or premium margins for options) goes in the ‘Variation Margin’ fields reported in EMIR could be beneficial.
373. As the (reported) exposure depends on the (reported) variation margin as well as the contract value, the corresponding definitions and reporting practices need to be aligned.
374. Based on the follow-up with the relevant respondents, ESMA understands that the inconsistencies detected may be caused by the so-called “settle to market model” in which contract value and variation margin are defined differently (compared to the EMIR reporting) in the context of internal accounting and regulatory capital calculations.
375. Although ESMA thinks that the definitions are sufficiently clear and the current guidance already addresses zero contract value reporting “It is not permissible to report zero in the field 17 of Table 1” (contract value) “exclusively on the grounds that there is no market risk because variation margin has been paid or received.” (TR Q&A 3b); data quality may benefit from enhancing this guidance by e.g. providing reporting examples in the future guidelines on reporting.

376. In order to identify and monitor undercollateralized sectors of the financial system, a field on the collateralisation category has been applied in the current RTS and ITS on reporting. This data element also helps authorities to monitor potentially risky activities, such as excessive risk-taking or lack of compliance with EMIR's collateralisation requirements.
377. ESMA proposed to keep this field in place. The current format provides sufficient information under a dual-sided reporting regime, but it is not compatible with information gathered under a single-sided regime. Therefore, in order to facilitate global aggregation of derivatives information, ESMA proposes, to extend the categories that need to be reported in this field in order to capture the collateralisation by both counterparties to the transaction. ESMA proposes that the following collateralisation categories are reported, in line with the CDE guidance:
- a. uncollateralised - where no collateral agreement exists between the counterparties or where the collateral agreement between the counterparties stipulates that the counterparties do not post neither initial margin nor variation margin;
 - b. partially collateralised: counterparty 1 only - where the collateral agreement between the counterparties stipulates that the reporting counterparty only posts regularly variation margins and that the other counterparty does not post any margin;
 - c. partially collateralised: counterparty 2 only - where the collateral agreement between the counterparties stipulates that the other counterparty only posts regularly variation margin and that the reporting counterparty does not post any margin;
 - d. partially collateralised - where the collateral agreement between the counterparties stipulates that both counterparties only post regularly variation margin;
 - e. one-way collateralised: counterparty 1 only - where the collateral agreement between the counterparties stipulates that the reporting counterparty posts the initial margin and regularly posts variation margins and that the other counterparty does not post any margins;
 - f. one-way collateralised: counterparty 2 only - where the collateral agreement between the counterparties stipulates that the other counterparty posts the initial margin and regularly posts variation margins and that the reporting counterparty does not post any margins;
 - g. one-way/partially collateralised: counterparty 1 - where the collateral agreement between the counterparties stipulates that the reporting counterparty posts the initial margin and regularly posts variation margin and that the other counterparty regularly posts only variation margin;
 - h. one-way/partially collateralised: counterparty 2 - where the collateral agreement between the counterparties stipulates that the other counterparty posts the initial margin and regularly posts variation margin and that the reporting counterparty regularly posts only variation margin;
 - i. fully collateralised - where the collateral agreement between the counterparties stipulates that both counterparties post initial margin and regularly post variation margins.

378. The table below shows different scenarios of collateralisation and how they should be reported using the new categories.

TABLE 8 COLLATERALISATION CATEGORIES

Nr.	Scenarios				Current rules		Proposed rules	
	Collateral to be posted (acc. to the agreement)				CP A report	CP B report	CP A report	CP B report
	CPA		CPB					
IM	VM	IM	VM					
1	-	-	-	-	U	U	UNCO	UNCO
2	-	Y	-	-	PC	U	PAC1	PAC2
3	-	-	-	Y	U	PC	PAC2	PAC1
4	-	Y	-	Y	PC	PC	PAC0	PAC0
5	Y	Y	-	-	OC	U	OWC1	OWC2
6	-	-	Y	Y	U	OC	OWC2	OWC1
7	Y	Y	-	Y	OC	PC	O1PC	O2PC
8	-	Y	Y	Y	PC	OC	O2PC	O1PC
9	Y	Y	Y	Y	FC	FC	FULL	FULL

*UNCO – uncollateralised, PAC1 – Partially collateralised: Counterparty 1, PAC2 - Partially collateralised: Counterparty 2, PAC0 - Partially collateralised, OWC1 - One-way collateralised: Counterparty 1 only, OWC2 - One-way collateralised: Counterparty 2 only, O1PC – One-way/partially collateralised: Counterparty 1, O2PC – One-way/partially collateralised: Counterparty 2, FULL – Fully collateralised

379. All 12 respondents support this proposal.

380. One respondent asks to define the term “regularly” in this context. ESMA does not think this is needed, considering that it is clear to the reporting counterparties that margin received or posted needs to be reported on a daily basis.

381. The current RTS and ITS on reporting do not include an element that indicates the presence of collateral rating triggers in collateral arrangements. In the event of market stress such triggers can contribute to adverse feedback in the market for the collateral asset. Consequently, information on the existence and characteristics of collateral rating triggers is a valuable addition to the standards and one which is also included in the CDE guidance. For this reason ESMA proposed to require the reporting of collateral rating triggers, limiting though the reporting of the characteristics of the collateral rating triggers to one where the rating of the reporting counterparty falls below single A or equivalent.

382. Four respondents, including all three regulators responding to this proposal, supported the proposal. An advantage mentioned is that this data may reveal cliff effects which is very relevant for financial stability.

383. Ten respondents, all market participants, (often strongly) objected to the proposal. The following arguments have been mentioned:

- a. the information mentioned comes from different systems and databases than other (trade) data, making it relatively costly, adding complexity and therefore error prone to implement (especially for smaller companies);
 - b. the data items suggest a supported risk management standard while in practice counterparties may have different risk management mechanisms;
 - c. significant additional guidance would be needed to clarify what the precise expectations are in practice.
384. ESMA concluded that the potential advantages are very clear. However, usage of this data requires high level of data quality of both these new data items as well as existing collateralisation data items. Considering the difficulties mentioned by the market on the new data items, it is very unlikely that data quality will become fit for this purpose. The proposal to include 'Counterparty rating trigger indicator' and 'Counterparty rating threshold indicator' is therefore withdrawn.
385. Collateralisation of derivative transactions often occurs at portfolio level. Hence it is necessary to know whether this is the case or not. If collateralisation is done at portfolio level it is necessary to report a code that uniquely identifies the portfolio. This reporting requirement is already in place under the current RTS and ITS on reporting. ESMA proposed to keep these fields unchanged.
386. The collateral portfolio may be used for instruments other than derivatives. This makes it more difficult to determine counterparty exposures for the users of EMIR data, but ESMA is not aware of a practicable solution to this.
387. Four respondents (among them just one market participant) stated that it should be possible to isolate derivative collateral only portfolios.
388. Eleven respondents claimed it is not possible to separate their derivative collateral portfolio from other collateral.
389. Two regulators suggested adding an indicator, informing whether or not a portfolio is solely used for derivative collateral. Based on the expectation that the vast majority of portfolios will be mixed, ESMA did not follow this suggestion.
390. One association suggested to account for two portfolio codes; one used for initial margin calculations and the other for variation margin calculations. Considering that it is not clear how regulators could use this information and the common concern of the market on the number of data elements to be reported, ESMA decided not to follow on this suggestion.

4.4.7 Data elements related to prices

391. ESMA proposed in the Consultation Paper certain amendments to the mechanics in which the price of a derivative contract is reported. In particular, ESMA proposed to change the fields and their definitions to better align with the CDE guidance and clarified that the field 'Price' should only be populated when the information is not provided in another field (e.g. 'Fixed rate').
392. In general, the respondents were positive about the proposals made by ESMA and there were no serious issues found in the general approach.

393. Some respondents raised questions over ESMA's proposal for the notation of rates reporting (percentage, instead of decimal). One respondent commented that CFTC in the US has proposed to implement the decimal option, and another respondent expressed support for the decimal approach without further arguments. As the majority of respondents seemed to be comfortable with the percentage option, and to maintain the current way of reporting, ESMA will retain the percentage proposal.
394. A few respondents proposed ESMA to clarify further in the table of fields which notation should be used for each field, implement a price notation indicator, or proposed to divide certain fields into multiple fields based on notation. However, ESMA is of the view that the tables are clear enough with respect to notation. Also, ESMA would like to clarify that even though different notations are present in the same field in the annex, the different notations will be implemented as distinct elements in the XML schema. This approach is in line with the MiFIR and SFTR technical standards.
395. Several respondents raise questions on how to report the price of a CDS. CDE guidance states that the price of CDS is understood to be included in fields 'Fixed Rate', 'Spread' and 'Upfront Payment'. However, in the current proposal 'Fixed Rate' (of Leg 1) is in the Interest Rate Derivatives section of the table of fields. ESMA acknowledges the issue and will amend the description of the Fixed Rate field to clarify that the fixed rate pertaining to a CDS should be populated there.
396. Three respondents proposed ESMA to clarify the direction in which exchange rates should be populated (e.g., EUR/USD or USD/EUR). Two of them suggested to either set out clear expectation by each currency pair or allow both directions and take this into account in the reconciliation process, while one suggested to report the rate as quoted by venue or liquidity provider. ESMA plans to allow reporting either way and will clarify this in the reconciliation instructions.
397. Finally, several respondents asked for further clarity about the way in which price-related fields should be populated. ESMA acknowledges the need for further guidance in populating the various price-related fields in different scenarios and in connection with different instruments. However, ESMA is of the opinion that such guidance will be best suited in the form of guidelines, validation rules or other instructions, instead of the technical standards. Thus, ESMA will, to the extent possible, take into account the requests for clarity in developing the level 3 documents.

4.4.8 Data elements related to notional amount and quantities

4.4.8.1 Notional amount and quantity

398. The notional is a key field and it is crucial that this field is populated correctly. Article 3(a) of the current RTS on reporting state how the notional should be populated for certain

- derivative contract types. The current RTS on reporting also provide definitions of 'Notional amount' and 'Quantity', while the current ITS on reporting prescribe in what format the relevant fields shall be populated.
399. The CDE guidance provides detailed instructions regarding the reporting of notional for different OTC products. ESMA proposed that the content of that guidance is used for reporting of notional under EMIR for OTC derivatives and be included into the draft RTS on reporting.
 400. The feedback received was generally supportive of the need for additional guidance on top of alignment with CDE guidance. Also, it was highlighted that while the CDE guidance provides a general framework for calculation, it does not cover non-standard commodity derivatives.
 401. ESMA agrees that reporting of key fields such as notional should be further clarified and plans to provide additional guidance in the future guidelines on reporting.
 402. Another aspect on which ESMA sought feedback in the Consultation Paper is reporting of notional at position level. Currently, EMIR Q&A TR 41 provides additional explanations on reporting of notional in position reports.
 403. A small number of respondents felt that further guidance is required in addition to ESMA Q&A TR 41. ESMA agrees that also this aspect should be further illustrated in the future guidelines on reporting, including clarity on if/how the settlement price should be reported.
 404. In the Consultation Paper, ESMA sought respondents' views on reporting of fields 'Quantity' and 'Price multiplier'.
 405. Currently, there is limited guidance/clarity on how the quantity field should be populated, which causes data quality issues with the population of this field. In some instances, counterparties populated the same value in the quantity and notional field.
 406. Furthermore, the applicability of this field, as well as of the field 'Price multiplier' is limited to the products traded in lots. For the remaining products, the requirement to report these fields creates confusion and results in inconsistent practices. Consequently, it is proposed to remove the fields 'Price multiplier' and 'Quantity'. Instead, it is proposed to add the field 'Total notional quantity' as envisaged in the CDE guidance.
 407. About half of the respondents did not foresee any issues with the removal of the fields 'Quantity' and 'Price multiplier'. The other respondents confirmed that the fields 'Quantity' and 'Price multiplier' are key fields when reporting ETDs. For ETDs this information can be derived from data reported under MiFIR.
 408. With regard to the proposal to introduce the 'Total notional quantity' field, it was generally supported by respondents. Some respondents stated that an additional field related to unit of measure for the 'Total notional quantity' should also be considered. While the CDE Guidance proposed this field, its list of values has not been finalised and ESMA does not intend to include a further additional field now.
 409. Consequently, ESMA decided to proceed with the proposal to remove the fields 'Quantity' and 'Price Multiplier' as based on the responses received these fields are not relevant for OTC derivative contracts. Furthermore, ESMA decided to proceed with the

inclusion of the field 'Total notional quantity' as proposed in the Consultation Paper. This will ensure global harmonisation of OTC derivatives data and will ensure consistency of data reported to TRs.

410. Finally, some respondents requested further guidance as to how to report the 'Total notional quantity' field, distinguishing between ETD and OTC and asset class. ESMA took note of this request for its future work on the guidelines on reporting.

4.4.8.2 Notional schedules

411. In the Consultation Paper, ESMA proposed to consider two alternative approaches for reporting of notional amount schedules. Under the first option, in line with the CDE guidance, the counterparties would report the notional amount schedules upfront (when reporting with action type 'New') using a repeatable section of fields (unadjusted date on which the associated notional amount becomes effective, unadjusted end date of the notional amount, notional amount which becomes effective on the associated unadjusted effective date). Alternatively, the counterparties would not be required to report notional schedules but would need to update the notional (by sending a report with action type 'Modification') each time when it changes according to the schedule.
412. The vast majority of the respondents supported the first option of reporting the notional amount schedules upfront.
413. Based on this feedback, ESMA will proceed with the first option of reporting the notional amount schedules upfront.
414. At the same time, ESMA clarifies that any updates to the notional amount that are not linked to an agreed upfront notional schedule, must be reported as a modification.
415. ESMA took also note of a comment suggesting to consider any other fields where a schedule can be reported upfront (in addition to the fields for which reporting of schedules is already envisaged in the CDE guidance). Given that such proposal was not consulted and aiming at maximum alignment with the CDE guidance, ESMA at this stage has retained reporting of schedules as proposed in the Consultation Paper.
416. Finally, following to the received feedback, ESMA will further reflect how TRs should treat reports in which schedules are reported for the purpose of creating the Trade State Report.

4.4.8.3 Reporting of delta

417. ESMA proposed in the Consultation Paper to require the reporting of delta for options. The introduction of this value stems from the CDE guidance. It was proposed that this field should only be updated when a counterparty is required to submit a valuation update.
418. In general, respondents did not bring up any blocking issues with regards to the reporting of this value, even though a few argued that sourcing it would pose some difficulties. Some respondents welcomed the introduction of this field, and acknowledged the potential for monitoring of exposures.

419. Most received comments were related to the mechanics of updating the delta value. One respondent raised concerns that the daily updates would lead to drastically increased modification messages, while some advocated for reporting of delta only in connection to ETD positions (not trades). In addition, some respondents questioned the location of the field in the table of fields, and suggested moving it instead to the valuation or margin section of the table.
420. ESMA clarifies that the intention is for the delta to be reported and updated via valuation messages, and to require the update only when a counterparty is required to report valuations. To make this clearer, ESMA will move the field to the valuation section of table of fields. Regarding ETD reporting, approach will be the same as with valuations.
421. Some respondents raised questions over the feasibility of reconciliation of the delta value, and voiced concerns that revealing it to the other counterparty of the trade would lead to confidential information being disclosed to the other counterparty. For these concerns, same approach will be followed as with the reconciliation and visibility of valuations.
422. One respondent proposed ESMA to clarify the potential usage of negative sign in connection with the reporting of delta. In the Consultation Paper table of fields only values between 0 and 1 were allowed. However, ESMA understands that the value should be negative for e.g. put options. Hence, the description and format of the field will be updated to allow for values between - 1 and 1.
423. Finally, some respondents questioned the need to limit the scope of this field to options. In addition, one respondent suggested to explore the reporting of other sensitivities beyond delta, such as gamma. While ESMA understands that the concept might be applicable to other instrument types than options, the conventions of calculating the value and applicability altogether might not be uniformly understood by the industry. This could in turn lead to problems in data quality and reconciliation. Hence, ESMA will maintain the field only applicable to options. As for the other sensitivities, ESMA is of the understanding that the burden of reporting delta will be already significant for some counterparties. Hence, ESMA will limit the proposal to delta for the moment, but the topic can be revisited in the future.
424. In general, while some respondents voiced concerns over the burden of reporting the value, the overwhelming majority did not indicate blocking issues. Thus, ESMA will maintain the field in the table of fields, with the clarifications and modifications detailed above.

4.4.9 Data elements related to credit derivatives

425. CDS index tranches give investors the opportunity to take on exposures to specific segments of the CDS index default loss distribution. Each tranche has a different sensitivity to credit risk correlations among entities in the index.
426. Tranches of a CDS index that absorb losses sequentially are defined by an attachment and a detachment point. The attachment point indicates the minimum of pool-level losses at which a given tranche begins to suffer losses. In turn, the detachment point corresponds to the amount of pool losses that completely wipe out the tranche. The

riskiness of a tranche decreases with the tranche's seniority in the securitisation's capital structure.

427. The CDS index attachment point and CDS index detachment point data are relevant elements to evaluate counterparties' exposures to CDS index tranches and thus allow authorities to examine the size, concentration, interconnectedness and structure of this market. In addition, the data elements allow authorities to more closely supervise market participants.
428. The CDE guidance includes definitions, formats and the allowable values for the attachment and detachment point. In particular, the proposed formats slightly differ from the ones prescribed under the current ITS on reporting: the CDE guidance allows for up to 11 numerical characters including up to 10 decimal places, whereas the current ITS on reporting – for “up to 10 numerical characters including decimals”¹².
429. In the Consultation Paper, ESMA proposed modifying these fields in the draft ITS in order to align the current format with the one indicated by the CDE guidance.
430. There were only seven respondents, all of them in favour of ESMA's proposal for reporting attachment and detachment point.
431. Finally, it is noted that the names of these elements in the CDE guidance make a reference to CDS indices, and the respective definitions further clarify that the attachment and detachment point are not applicable to transactions that are “not a CDS tranche transaction (index or custom basket)”.
432. In the Consultation Paper ESMA sought respondents' views on whether these fields should serve to report additional data or be applicable to other products than those foreseen in the CDE guidance.
433. Out of the 5 respondents, 2 of them had no comments about this question and the other 3 believed that the fields ‘CDS index attachment point’ and ‘CDS index detachment point’ are applicable only to the products foreseen in the CDE guidance. Consequently, ESMA does not see a need to further amend the definitions of these fields and will retain the definitions aligned with the CDE guidance.

4.4.10 Data elements related to other payments

434. Taking into account the CDE guidance, ESMA proposed to remove the ‘Up-front payment’ field from the RTS on reporting and to include instead the following six fields: ‘Other payment type’ (report either 1 = upfront payment, 2 = unwind of full termination payment, or 3 = principal exchange i.e. exchange of notional values for cross-currency swaps), ‘Other payment amount’, ‘Other payment currency’, ‘Other payment date’, ‘Other payment payer’, ‘Other payment receiver’. These will ensure that different types of non-regular payment can be reported, up-front or otherwise and that it is clear as to what the

¹²Table 2 Field 91, Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012 as amended by Commission Implementing Regulation 2017/105 of 19 October 2016 and by Commission Implementing Regulation 2019/363, laying down implementing technical standards with regard to the format and frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories (OJ L 352, 21.12.2012, p. 20).

other payment relates to, the size of the payment, its currency and the direction in which the payment flows.

435. While half of the respondents agreed with ESMA's proposal, one of them drew attention to the general administrative burden as such a significant increase in data fields poses an equally high risk for different interpretations and for reporting errors. ESMA considered that the new fields as defined under CDE Guidance should be sufficiently clear and that they will provide useful information for the payments that occurred during the life of a derivative transaction but are not the regular periodic payments.
436. Concerning other payment type reportable options, two of the respondents raised the same concerns related to difficulties arisen in case the transaction involves both upfront and unwind payment. At the same time, one respondent expressed the view that it would be beneficial to have clarity as to whether the other payment fields are only to be reported for the reportable event to which the payment relates, or whether once the payment details have been reported, the values are to persist on all subsequent events reported for that trade. Finally, the general perception of many respondents is that the new six fields can be repeatable in the same report and they suggested specific clarifications in this regard. ESMA takes note of these comments and will consider them in its upcoming work on the validation rules and XML schemas.
437. With respect to the allowable values for payment types, some respondents were sceptical that such information is captured in the internal systems and, they confirmed that there might be other instances of "other payment types", currently not covered by the three alternatives, outlined in the respective field. Furthermore, a question was also raised if there are expectations that any form of payments, that fall outside of the terms of the contract itself, has to be reported. ESMA is aware that reporting of further 'other payment types' was considered in the course of CDE consultation and finally discarded. Given no strong interest from the industry or regulatory side, ESMA decided at this stage to limit the list of reportable 'other payment types' to those proposed in the CDE Guidance).
438. Some respondents reiterated the idea that it should not be a responsibility of the reporting counterparty to ensure that other entities have renewed their LEIs and, two respondents explained that cases when the other payments is paid to parties that are different from the counterparties to the trade are rare. Furthermore, a respondent suggested a separate field for the identifiers of the natural persons. Consequently, ESMA expects that the information regarding payment payer or receiver identifiers is provided in the same way as for the counterparties, that is using the ISO 17442 LEI or a client code identifying for a natural person. Moreover, both ways of identification are specified within a single field of the table (as both represent an allowable format for the same reportable detail), however, it should be noted that they will be implemented as distinct elements in the XML schema.

4.4.11 Data elements related to packages and links

439. The CDE guidance introduces seven new fields related to packages and links (see fields 2.89 to 2.96). While field 2.89 'Package identifier' already exists ('Complex trade

- component ID'), the others introduce information on the package price, its currency and notation, and spread, combined with currency and notation.
440. Based on the CDE guidance ESMA proposed in the Consultation Paper to implement six new fields ('Package transaction price', 'Package transaction price currency', 'Package transaction price notation', 'Package transaction spread', 'Package transaction spread currency', and 'Package transaction spread notation').
441. Principally, the respondents presented split views regarding the introduction of those new fields. Some respondents observed that the definition of package transactions follows the CDE guidance, while other respondents stated potential divergence from the CDE guidance regarding the scope of reportable and non-reportable components of a package transaction. ESMA clarifies that the part of CDE guidance concerning the non-reportable components of the package was initially not included as it was perceived more of an explanatory nature than an actual definition. Given the possible confusion, as shown by the feedback to the Consultation Paper, ESMA has included the relevant sentence from the CDE technical guidance in the definition of the 'Package identifier' in the RTS. Some respondents were sceptical with regard to the additional fields, since (i) package identifiers that allow to create a link between transactions are not necessarily received from the exchange and (ii) it is not yet fully clear how to populate those new fields. As the current reporting field 'Complex trade component ID' is also not provided by trading venues ESMA does not see any deviation from the currently existing approach for the 'Package identifier'. ESMA anticipates that the future EMIR guidelines on reporting will include clarifications on how to populate those newly introduced reporting fields.
442. The majority of the respondents supported the proposal to include a field for a prior UTI, which is also proposed in the CDE guidance. Since the prior UTI may not always be available, some respondents suggested that this should not be a mandatory and reconcilable field. ESMA will provide future clarification on the use and applicability of this field, including in particular the types of events for which prior UTI would be required (e.g. clearing, allocation or exercise of a swaption). With regard to the reconciliation, prior UTI is expected to be reconciled.
443. ESMA proposed that reports pertaining to derivatives going into and resulting from the same compression exercise are linked via a common identifier. ESMA further proposed to call the linking identifier 'PTRR ID' and to use it to link derivatives not only in the event of compression, but also in the case of other PTRR events such as rebalancing. The respondents for and against this proposal were evenly split with a slight majority in support of the proposal. The PTRR ID should link univocally the derivatives terminated due to a PTRR event with the derivatives resulting from that PTRR event. Respondents that were not in favour of the proposal brought forward difficulties in obtaining the PTRR ID in time due to different cut-off times. ESMA is aware that timeliness of exchange of information is crucial and future communication arrangements among market participants will need to adapt to the amended requirements accordingly.
444. With regard to the generation and reporting of the PTRR ID for cleared derivatives the reporting of this ID from PTRR service providers will be a new process for the industry to adopt, but the respondents did not see any specific difficulties.

445. In the light of the received feedback ESMA decided that PTRR ID should be reported, where applicable, in particular in the case of compression with a third-party service provider or CCP and portfolio rebalancing. The PTRR ID should uniquely link all derivatives entering into a given PTRR event and resulting from that PTRR event, including any 'equal and opposite' trades¹³ between the counterparties participating in a rebalancing exercise. After clearing, such 'equal and opposite' trades need to be reported with the UTI of the original bilateral 'equal and opposite' trade in the field 2.3 'Prior UTI'. The information reported in the fields 'PTRR ID' and 'Prior UTI' of the relevant reports will allow to link all the trades pertaining to a rebalancing event.
446. The terminology used with respect to netting/compression events is not consistent, hence a more comprehensive taxonomy of risk-reduction events is required.
447. As mentioned by some respondents, for example "rebalancing" is identified as one of the PTRR event types, but this is not a defined term. In this regard, while indeed "rebalancing" is not yet defined in any regulation, ESMA agrees that clear description of different types of PTRR techniques would facilitate more consistent reporting by the counterparties. For that reason, the reportable categories of PTRR events have been described in more detail in the Field 2.37 'Type of PTRR technique'.
448. Another issue to clarify is when a PTRR event results in a cash payment. As clarified in the section 4.4.10, ESMA is aware that further 'other payment types' were considered in the course of CDE consultation but finally discarded in the CDE guidance. Consequently, at this stage ESMA decided not to require reporting of cash payments related to PTRR events.
449. ESMA proposed that counterparties reporting the inclusion of a trade into a position (either with action type 'Position component' or 'Termination', and the event type 'Inclusion in a position'), should provide the newly introduced field 'Subsequent position UTI'.
450. Some respondents question the applicability of this proposal to ETDs, whereas others suggest this should only apply to ETD trades. Currently it is very complex for authorities to understand and keep track of trade reports which ultimately merge into a position. Although a majority raised concerns and sees difficulties in the proposed field 'Subsequent position UTI' ESMA believes that its merits will outweigh the additional efforts. ESMA will seek to provide further guidance to address the concerns raised.

4.4.12 Data elements related to custom baskets

451. The CDE guidance introduces five fields related to custom baskets: custom basket code, identifier of the basket's constituents, basket constituent's unit of measure, basket constituents number of units and source of the identifier of the basket constituents.
452. In the Consultation Paper, ESMA proposed to add the five fields in relation to "custom baskets" as prescribed in the CDE guidance as it is understood that these fields would

¹³ equal and opposite transaction to the bilateral administrative transaction resulting from risk reduction exercise

enhance ESMA authorities' capacities to perform economic analysis and to analyse the OTC derivative market structure.

453. Only one respondent disagreed with the addition of these five fields as in their view the current reporting requirements are sufficient. Given no substantial opposition and the fact that inclusion of these fields forms part of the adoption of CDE, ESMA has maintained its proposal.
454. Many respondents highlighted an issue that occurs with the reporting of underlying ID for derivatives on indices as some counterparties report the ISIN of the underlying and others report the ISIN of the derivative. ESMA has taken note of this inconsistent practice and clarifies that for these instruments counterparties should report ISIN of the underlying index (if available, otherwise the name of the index).
455. Two respondents mentioned that the proposed fields will be difficult to match and one respondent asked for a clear guidance regarding the reconciliation of a field that can contain multiple values and thus cause complications in the inter-TR reconciliation process. According to that respondent, in many custom baskets, the weightings are frequently adjusted which significantly increases burden in reporting and related reconciliation. ESMA proposes to indicate in the reconciliation rules how multiple value fields should be reconciled, if they need to be.
456. Another respondent highlighted that due to the nature of custom baskets, the constituents of baskets can be modified / rebalanced on a regular (sometimes daily) basis, and therefore there will be marked increase in the number of Modifications being reported for the products based on baskets. In this regard, ESMA clarifies that the intraday changes in the composition of the basket do not need to be reported.
457. Furthermore, one respondent proposed that reporting on custom baskets should start only with a new reporting scheme when the UPI will be available, which will decrease the number of fields to be reported. Moreover, according to that respondent, reporting of custom baskets should not be extended to ETDs. ESMA confirms that the reporting of custom baskets will start once the revised technical standards become applicable (independently though from the availability of UPI). ESMA expects that in principle reporting of custom baskets will not be relevant for ETDs.
458. Furthermore, these respondents stated that the table of fields in the proposed RTS/ITS appears to be inconsistent with CDE.
459. In this regard ESMA clarifies that the respective fields were not included in the draft table of fields by omission and, as clarified in the Consultation Paper, ESMA was considering the inclusion of the five fields.
460. In the light of the received feedback, ESMA decided to retain the requirement to report the code identifying the custom basket as well as the identifiers of basket constituents.
461. However, at this stage ESMA decided not to require reporting of unit of measure and number of units of a particular constituent of the basket, given that the global guidance on harmonised reporting of this information has not yet been finalised and currently these details are not required to be reported under EMIR. Furthermore, ESMA has also decided not to include the field 'Source of the identifier of the basket's constituents', given

that under EMIR the components of the baskets will always be expected to be identified with ISIN, thus such field would be redundant.

4.4.13 Data elements relevant for REMIT reporting

462. Under REMIT, the delivery intervals are reported in local time. This way of reporting is considered more helpful for the analyses conducted by energy regulators. It has been also ESMA understanding that specifying the delivery times in local time would simplify the reporting given that this is how the delivery intervals are set in the contracts and counterparties would not need to convert to UTC (with all possible complexities involved, such as accounting for the summer time).
463. On the other hand, all other timestamps in EMIR reports are expressed in UTC, therefore introducing an exception for two fields in the report may lead to confusion and, ultimately, inconsistent reporting. Furthermore, so far, the counterparties were expected to report this information in UTC therefore they would need to implement changes in their systems to start reporting in local time.
464. Two respondents prefer reporting in local time and eleven respondents, prefer reporting in UTC.
465. A choice needs to be made and both options may require some conversion and development for some market participants. ESMA therefore chose the option supported by the majority and considered the consistency across EMIR reporting as the most convincing argument.

4.4.14 Reporting of derivatives on crypto-assets

466. In January 2019, ESMA published an Advice on Initial Coin Offerings (ICOs) and Crypto-Assets (CAs) to the European Commission, Parliament and Council¹⁴. The Advice clarifies the circumstances under which certain CAs may qualify as financial instruments and the regulatory issues that arise when applying the existing set of EU rules to those CAs. In addition, it highlights the important risks that remain unaddressed where CAs fall outside of the regulated space. The Advice requests that the EU policymakers address these risks and issues.
467. Following on the ESMA's Advice, on 19 December 2019 the Commission launched a consultation¹⁵ on EU regulatory framework for CAs.
468. The consultation covered various aspects of CAs, including their current use and classification as well as stakeholders' views on a possible regulatory approach to those crypto-assets that currently fall outside the scope of the EU financial services legislation. Moreover, the consultation sought stakeholders' views on issues relevant for the application of the existing regulatory framework to those CAs that qualify as MiFID II financial instruments. In particular, section IV.8 of the consultation included a question on whether stakeholders foresee any legal, operational or technical issues with the

¹⁴ https://www.esma.europa.eu/sites/default/files/library/esma50-157-1391_crypto_advice.pdf

¹⁵ https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/2019-crypto-assets-consultation-document_en.pdf

application of current EMIR provisions (including reporting) in the distributed ledger technology environment.

469. Acknowledging the existence of derivatives on crypto-assets in the scope of EMIR reporting obligation, in the Consultation Paper ESMA sought feedback about how entities are reporting them and how they identify and classify these derivatives under EMIR.
470. One respondent noted that it is currently rather difficult to identify the derivatives based on crypto-assets. Furthermore, given the non-standard nature of such derivatives and the fact that they may be allocated to different asset classes, the way their details are reported may also differ significantly between the reporting entities. The respondent suggested adding a field (or extend one of the existing fields) to allow for straightforward identification of this derivative class.
471. In the Consultation Paper, ESMA also sought stakeholders' views on possible changes to the reporting technical standards necessary to enable more accurate, comprehensive and efficient reporting of such derivatives.
472. Some of the respondents suggested adding the value "Crypto Based" in the field 'Commodity based details'. Furthermore, another respondent believed it may be useful to add at least a specific type of asset class within those mentioned in Annex V (Field 2.11 'Asset class') because those currently available would not be consistent with a crypto-asset type of underlying. Other respondents highlighted the importance of the adoption of the LEI codes for the identification of the counterparties, as it could yield a univocal identification of the entities involved and ensure a greater level of transparency.
473. ESMA took note of the clarifications and suggestions provided by the respondents. Having taken into consideration the ongoing developments in regulating the crypto-assets ESMA decided at this stage not to include any detailed requirements with regard to the reporting of derivatives based on crypto-assets. Notwithstanding, ESMA decided to follow the suggestions of some of the respondents and include one additional field 'Derivative based on crypto-assets' in which counterparties would be expected to indicate whether a given derivative is based on a crypto-asset or not. Such field will be a simple indicator populated with a Boolean value, therefore it is not expected to result in significant implementation challenges. At the same time, such indicator will allow the authorities to easily identify reporting pertaining to the derivatives based on crypto-assets and thus allow to (i) assess the trading volumes and outstanding risk in this type of instruments as well as (ii) analyse how these instruments are currently reported with a view to facilitate the development of more granular requirements in the future.
474. Finally, with regard to a doubt raised by a respondent, ESMA confirms that only derivatives on crypto-assets that fulfil the definition of derivatives under MiFID are expected to be reported (in line with the general scope of reporting under EMIR).

4.5 Reporting of outstanding derivatives under the revised rules

475. The revised technical standards on reporting introduce new reportable details (e.g. 'Option premium amount'), make some of the existing fields more granular (e.g. 'Commodity base') and enhance the formats of some of the existing fields (e.g. introducing standardised codes for the 'Master Agreement type'). Following to the date

of application of the revised technical standards (hereinafter “reporting start date” or “RSD”), all the reports submitted by the counterparties to the TRs will have to comply with the amended requirements. This concerns in particular the reports of derivatives concluded after the RSD but also any modifications or terminations sent after that date, irrespective of when the derivative that is modified or terminated was concluded.

476. ESMA is mindful that a material proportion of derivatives has long maturity dates or is reported without maturity date. Unless there is a reportable lifecycle event or the derivative is terminated, the reports pertaining to these outstanding derivatives would remain not updated in line with the amended requirements and therefore supervisors would not have full picture of the outstanding exposures. Furthermore, persistence of reports conforming to different levels of data quality requirements creates operational challenges for the parties involved in data processing. For example, implementation of reports constructed by TRs for regulators is more complex as it has to account for missing information or information that was reported in a different manner under the previous standards. Similarly, the regulators analysing the data need to continuously make an adjustment for the lower-quality data in the reports pertaining to the legacy trades. Moreover, counterparties would need to incur in important ongoing costs to maintain several reporting systems to continue reporting of different sets of data.
477. These challenges materialised very clearly following to the previous revision of the technical standards on reporting which became applicable on 1 November 2017. At that point of time ESMA considered that counterparties should be required to submit the reports related to the old outstanding trades only when a reportable event (i.e. modification or termination of the trade) takes place.
478. Based on the experience gained during the previous transition to the updated reporting standards and acknowledging the operational complexities resulting from the approach applied at that time, ESMA proposed in the Consultation Paper an alternative approach under which all derivatives outstanding on the RSD should be updated in order to bring them in line with the revised reporting requirements.
479. ESMA is conscious that this operation may require reporting counterparties to retrieve certain information about derivatives that may not be readily available for reporting in the entities’ own systems. Having that in mind ESMA sought also stakeholders’ views on whether additional time should be envisaged for the counterparties to update the outstanding derivatives.
480. Majority of respondents supported the proposal included in the Consultation Paper, even though some of them stressed that this would be a challenging requirement. The respondents mentioned the following benefits of this approach: avoidance of issues related to portability and reconciliation, ensuring meaningful aggregation of the information and thus usefulness of the data as well as easy provision of all information to authorities in one common schema. Finally, it has also been commented that this is an approach that in practice was chosen by many reporting counterparties the last time the reporting requirements were amended.
481. At the same time, the respondents listed also challenges of this approach, related mainly to the availability of the information and the need to upgrade the reporting systems as well as to retrieve or re-calculate the missing data. Most of the respondents requested a

transition period, claiming that update of all derivatives on the reporting start date would not be feasible. The proposed additional timeline for the update of outstanding derivatives ranged from 3 to 24 months, however most of the respondents that commented on this question suggested 6-month period.

482. Given the clear feedback received in the consultation as well as the long-term benefits for the data quality, ESMA maintains the proposal set out in the Consultation Paper requiring the update for all derivatives outstanding on the reporting start date. Given the need to retrieve the additional reporting details for these derivatives as well as technical and operational challenges, ESMA proposed a 6-month (180 days) transition period during which the counterparties should update the derivatives in question.
483. The respondents made also further comments on some specific aspects of reporting of updates for outstanding derivatives. These comments are summarised and addressed further below.
484. One respondent commented that the proposed approach may have unintended consequences on the inter-TR reconciliation process as a result of having different subsets of data in different formats during the transition period. ESMA recognises that counterparties may update the outstanding derivatives in different points in time of the transition period, which will have some impact on the reconciliation of these derivatives in the first six months. However, this requirement is expected to have a beneficial impact on the reconciliation rates in the medium- and long term, as all outstanding derivatives will be brought under a single set of rules.
485. Four respondents suggested that the validation and reconciliation rules that are applied to the outstanding trades should take into account that not all information will be available for those trades. However, having a different sets of validation rules and reconciliation requirements would mean in practice allowing for different levels of data quality, which would not only make the validation and reconciliation more complex, but also would significantly limit the benefits of the proposed approach.
486. One respondent expressed concern regarding the need to close and reopen outstanding positions to report UTI generated in line with the revised requirements. In this respect ESMA acknowledges that the regeneration of UTIs for outstanding derivatives could indeed create significant challenges and therefore it should not be required, even if the original UTI is not fully compliant with e.g. new format requirements. ESMA will ensure that the validation rules and XML schemas allow for reporting of UTIs that are not fully compliant with the new requirements for those derivatives that were concluded before the reporting start date of the revised technical standards.
487. Three respondents requested guidance on how not-updated outstanding derivatives should be treated by the TRs, e.g. how they should be represented in the TRACE reports. One respondent suggested that, until the deadline to update transactions to the new format is reached, there should be a block in the updated schema for the old format (rather than having two versions of the TRACE schema for each format). Another respondent proposed that there could be two versions of the schema, one being more flexible and the other- more restrictive. ESMA will start working on the updated schemas once the draft technical standards are delivered, therefore it is premature at this stage to make any definite statement in this respect. However, ESMA believes that in principle it

is conceivable to develop a single schema that would be used for reporting and for provision of data to authorities under the new technical standards. The base version of such schema would need to be flexible enough to accommodate for the legacy derivatives, while restrictions could be introduced at the level of the derived schema¹⁶ (as well as via the validation rules). The restricted version could be applied from the beginning to trade activity reports (as all reports of new derivatives and of lifecycle events would be expected to be submitted in line with new requirements), while it would be used for trade state reports only once the transition period ends.

488. Another respondent flagged a potential problem with the revival of an errored/terminated derivative report of which is not compliant with the new rules and the reporting firm doesn't immediately update the data. As clarified in the paragraph 204, ESMA expects the messages with action type 'Revive' to be full messages, thus obliging the counterparty to provide all the necessary reportable details.
489. One respondent stated that outstanding trades are already comprised in position reporting, so the updating process would bring small benefits in terms of transparency. ESMA would like to clarify in this regard that derivatives at trade level that were included in a position (and therefore are not outstanding) would not need to be updated. Only the outstanding derivatives (both at a trade and at a position level) would be required to be updated.
490. One respondent suggested to include an additional action type e.g. 'UPDT' (which could be combined with the event type 'TRDE') in order to clearly distinguish the reports pertaining to the updates of outstanding derivatives. As flagged by the respondent, this action type would not be required in practice beyond the transitional period (unless there is any need for substantive change to the reporting standards in the future). ESMA agrees that there is a benefit from clear differentiation between reports updating the outstanding derivatives and other modifications related to lifecycle events. However, in order not to complicate further the rules defining the sequences and interdependencies between different action types, ESMA proposes that the new allowable value 'Update' is added to the list of event types and is used in combination with action type 'Modify'.
491. The same respondent commented that the details of trades or positions that were subject to lifecycle events during the transition period would be updated through the modification report pertaining to the event. ESMA confirms that in the case of a lifecycle event occurring during the transition period the counterparty would need to submit the relevant report (modification, collateral update, valuation update etc, as applicable) and this report would need to comply with the revised requirements. Furthermore, ESMA would like to reiterate that any reportable events occurring after the new RSD, should be reported accordingly by T+1, also if they occur during the 6-month transition period. Finally, it should be clarified that even if a counterparty reports daily collateral and valuation updates, but no modification or correction was reported during transition period for a given derivative, that derivative would still need to be updated to complete missing information on the contract.

¹⁶ Further information on the restricted variants of messages can be found here: <https://www.iso20022.org/catalogue-messages/additional-content-messages/variants>

492. Another respondent suggested that identifying one (or more) specific dates when the update reports will be submitted would be helpful. However, ESMA has not identified any clear benefits of allowing for specific dates for updates (as opposed to granting a transition period) and therefore has not taken this proposal onboard.

4.6 The date by which derivatives should be reported

493. Successful implementation of any new reporting requirements can only take place if the industry is granted sufficient time to prepare for reporting under the new rules. Moreover, the industry can work efficiently on the implementation only once all the requirements, including any technical details thereof, are finalised. Too limited timelines as well as lack of detailed guidance and technical requirements make the implementation costly, inefficient and, often, close to impossible to be finalised in a correct and timely manner.
494. These concerns were voiced by many respondents to the EC's Fitness Check. As highlighted in the report on results of the Fitness Check, longer implementation timelines, starting from the finalisation of the detailed technical requirements, would decrease the reporting burden and enable companies to better comply with the new requirements.
495. Having in mind the above, ESMA proposed in the Consultation Paper to defer the date of application of EMIR technical standards on reporting by 18 months, which, in ESMA's assessment, should provide the industry with sufficient timeline for implementation once the relevant technical guidance (Guidelines on reporting and accompanying validation rules and ISO 20022 messages) is finalised.
496. The proposed timeline has been supported by the majority of respondents. A few respondents made alternative proposals such as (i) extending the implementation period to 24 months; (ii) postponing the implementation until the UPI system is fully established thus allowing for not reporting of certain reference data; (iii) making the timeline dependant on the availability of XML schemas and validation rules. These proposals were not accommodated due to their conflict with the internationally agreed deadlines for implementation of the global guidance (proposals (i) and (ii)) or due to the legal requirement for the date of applicability of the technical standards to be clearly specified and unambiguous.
497. A few respondents suggested that the timeframe should remain flexible and be adjusted depending on the circumstances, based on the experience with COVID-19 pandemic. This proposal was also discarded as such flexible timeline would not fulfil the principle of legal certainty. This is without prejudice to the fact that major adverse circumstances may affect the actual implementation like it was in the case of SFTR go-live.
498. Furthermore, a few respondents suggested alignment of the timeline with other regulatory efforts (such as go-live of the revised rules under Dodd-Frank or implementation of ECB's SCoRE program), while other respondents asked to avoid overlap with other implementation deadlines (e.g. reporting under Dodd-Frank or MiFIR review). While the views expressed by respondents were clearly split, ESMA would like to clarify that in any case it will not be in position to ensure synchronisation (or lack thereof) with go-live of other rules including different EU frameworks and derivatives reporting in other jurisdictions given that the actual timeline depends also on the

swiftness of the approval process of the technical standards by the European Commission, the European Parliament and the Council.

499. Finally, a few respondents highlighted that while the timeline of 18 months seems appropriate, it is necessary to ensure that all additional documentation such as validation rules and xml schemas is available well in advance. ESMA is aware of the importance of the availability of all relevant documentation for the successful implementation and is planning to commence the work on the validation rules, xml schemas and the guidelines on reporting as soon as the draft technical standards are finalised. It is envisaged that such documentation should be available approx. 12 months ahead of the reporting start date.
500. Additionally, two respondents suggested that the go-live should preferably take place mid-week, while three other respondents commented that it's critical that the go-live is set to Monday, so that relevant systems and operational changes can take place over a weekend. Based on the arguments provided by the respondents and on the experience with implementation of other reporting regimes, ESMA is of the view that the go-live should take place on Monday. While ESMA is not in the position to set the actual reporting start date itself, it will transmit the relevant comments and arguments to the European Commission.
501. One respondent suggested that ESMA and relevant NCAs should constantly monitor the implementation process and define the intermediate steps after 6, 12 and 18 months instead of an 18 months implementation timeline. According to that respondent this would result in a guided and harmonized implementation period as well as should raise the awareness among market participants to start the implementation in time. In this regard ESMA believes that the "roadmap" for implementation may vary between entities' types and between individual market participants and therefore defining intermediate steps may be excessive and counterproductive. However, ESMA and NCAs will remain vigilant to address any questions or doubts from industry related to the implementation.

5 Data quality provisions

5.1 Procedures on data collection

502. A key element for the correct functioning of the reporting regime under EMIR and ensuring the quality of derivative reporting is the validation by TRs of the data submission by the counterparties that are subject to the reporting obligation. Although Article 9(1)(e) EMIR as amended by EMIR REFIT, provides that "Counterparties and CCPs that are required to report the details of derivative contracts shall ensure that such details are reported correctly and without duplication.", with Article 78(9) and 78(10) EMIR as amended by EMIR REFIT also places responsibility regarding the procedures to verify the data on the TRs.
503. ESMA proposed in the Consultation Paper a framework for the collection of data and data validation performed by TRs consisting of:
 - a. Authentication of participants - the TR should establish a secure data exchange protocol with the report submitting entities using (i) web identification for those using

web upload, (ii) secure public/private key authentication for automated secure connections or (iii) other advanced authentication protocols.

- i. Schema validation – ESMA proposed that all the submissions to the TRs should be made in XML template based on an ISO 20022 message schema for derivatives reporting. Moreover, a submission should be validated against and compliant with the XML Schema Definition (XSD) defined as the ISO 20022 reporting standard for derivatives¹⁷. Finally, ESMA also proposed that the TRs should automatically reject the submissions that are not compliant with the XSD. The XSD will be made available in advance of the reporting start date.
- ii. Authorization / permission – ESMA considered the capability of TRs to ensure that they process only derivative data from entities which are entitled to report it as an essential requirement. The RSEs should clearly identify on behalf of which entity they have made the submission. This can be either (i) the reporting counterparty or (ii) the ERR of the OTC derivative¹⁸. The TR will have to check whether the RSE is permitted to report for the entities / parties to the contract which are indicated on the trade message. The TR should verify that the entities reporting on behalf of others, except in those cases defined under Articles 9(1)(a)-9(1)(d) EMIR are duly authorised to do so. To perform this, the TR has to create and update the relevant internal databases to verify that the LEI pertaining to the RSE is permitted to report on behalf of the LEI of the reporting counterparty or ERR. The TR should be able to reject the submissions made by report submitting entities that are not permitted.
- iii. Logical validation – It is critical to ensure that the data at the TR follows a logical integrity. Therefore, the TR should check for each submission whether the report submitting entity is not intending to modify a derivative which has not been reported or which has been cancelled¹⁹ and not revived. The TR should use the UTI and the LEIs (or exceptionally in the cases of individuals - client codes) of the counterparties to determine the uniqueness of the derivatives and should be able to reject those submissions made by report submitting entities when intending to amend UTIs, which are cancelled and not revived or not reported. ESMA understands that other situations, such as amendments of terminated or matured derivatives, can happen and should be allowed to the extent that the reported amendment took place prior to the termination or following the revival of the derivative.²⁰
- iv. Business rules or content validation²¹ – the content validation will be based on the values included in the draft ITS on reporting and the additional validation rules. The additional validation rules will be made available to the

¹⁷ An XSD specifies the building blocks of the derivative reporting, including the number of (and order of) child elements, data types for elements and attributes and default and fixed values for elements and attributes.

¹⁸ This is particularly important in the case of the submissions referred to in Articles 9(1)(a)-9(1)(d) EMIR

¹⁹ Under the current reporting rules for EMIR, cancelling of trade would mean that the contract has not taken place and has been reported in mistake. Same is proposed for SFTR.

²⁰ The detailed descriptions of allowed logical sequences of action types is included in the section 4.3.1

²¹ For the avoidance of doubt, these validations are additional to the ISO ones which will be embedded in the schema

TRs and market participants prior to the commencement of the application of the amended reporting standards. The additional rules would specify dependencies between certain fields, such as 'Execution timestamp' and 'Maturity date'.

504. ESMA also proposed to reject the data, as opposed to only issuing warnings, for greater legal certainty with regards to the compliance with the reporting obligation to the TR, the report submitting entity, the entity responsible for reporting and the reporting counterparty. The rejection responses should be distributed to relevant parties in the ISO20022 format.
505. Majority of respondents supported ESMA's proposal for the framework and agreed that it will contribute to the overall data quality. One respondent considers the framework too ambitious, doubts its contribution to the data quality, and recommends to focus on reporting entities instead of TRs.
506. One respondent sought confirmation that TRs are not responsible for completeness and correctness of the reported data. Indeed, TRs are responsible for performing the tasks according to the RTS on procedures for ensuring data quality
507. Several respondents requested more guidance regarding the operational aspects related to the authorization of reporting on behalf of the reporting counterparty or ERR. As stated above, the RSE should identify on behalf of which entities it submits the reports. The TRs then should ask for confirmation from the reporting counterparty or the ERR, if it is different from Counterparty 1. ESMA will not define a specific form or format of such confirmations or other operational aspects of the compilation of list of allowable RSE and counterparty/ERR pairs.
508. One respondent found unclear who should authorize submission of reports where the reporting counterparty is different from ERR. ESMA clarifies that the confirmation should be provided by the ERR.
509. Several requests for clarification were raised with regard to action type 'Revive'. Clarifications on these aspects can be found in section 4.3.1. In section 6.1 clarifications were provided with regards to the rejection responses sent by the TRs.
510. Respondents further highlighted the need for timely provision of XSD schemas and their coordinated updates as well as timely provision of stringent and unambiguous validation rules and again the necessity of their extensive consultation. Other respondent raised a concern about different implementation of validation rules by the TRs, and another doubted the effectivity of TR outlier checks. These concerns were addressed in the appropriate sections of this final report. Also, the request for clear distinction between ETD and OTC fields has already been addressed.
511. To complement, one respondent detailed several proposals for logical validations which ESMA will take into account for the future validation rules. Another respondent suggested further TR data quality checks such as identification of omissions in reporting or identification of late submissions. While each RSE should be fully aware of any late reported records, identification of omissions in reporting could help to identify issues with connectivity or transfer of data. It is worth noting that, given their dynamic, logical validations will not be fully defined in the RTS. Furthermore, the end-of-day reports would provide all the entities with sufficient visibility on issues in the course of reporting.

512. One respondent supported inclusion of the validation rules into the technical standards. ESMA considers validation rules to be highly technical detail for which a certain level flexibility is necessary to allow for correct reporting of the real-life data, hence the validation rules would remain a separate document.
513. Finally, one respondent suggested that TRs should be required to allow for testing phase of about 4 months to provide sufficient time to the reporting entities to set up their reporting systems. ESMA is aware of the need for sufficient testing, however considers it too technical detail to be specified in the technical standards.

5.2 Procedures for update of an LEI

514. In order to ensure a timely update of the LEI in case of merger, acquisition and other corporate events, ESMA proposed in the Consultation Paper the definition of specific procedure to be followed by TRs. The process complements the procedures established for counterparties as specified in section 4.4.2.2 of the Consultation Paper.
515. ESMA indicates that the LEI update should occur on the date of the corporate restructuring event.
516. ESMA also notes that if the request to update the LEI is received by the TR later than 30 days prior to that event, the TR should perform it as soon as possible and no later than 30 calendar days from receiving the request.
517. Almost all market participants welcomed the proposal to set up a clear timeframe to update the LEI and most of them support the idea that the LEI update should be executed by TRs on the day of the corporate restructuring event. However, the most criticised aspect for the set-up of a specific timeframe for the LEI update is related to the provision of documentation by counterparties. For this reason, some respondents suggested that any specific timeframe should be based upon the time that proper evidence is supplied to TRs and not the simple notification of a merger.
518. ESMA has taken note of the suggestion clarifying that the 30 calendar days timeframe for TR to complete the update shall start counting from the moment the TR is provided with all the information it needs and recommends counterparties to provide all the necessary information on the corporate event not later than 30 calendar days prior to the event in order to ensure the timely update by the TRs.
519. ESMA highlights that any delay in the update of the LEI subsequent to the corporate event will be detrimental to data quality.
520. In addition, in order to favour a timely and automatic process of LEI update by the stakeholders (TRs, reporting counterparties, report submitting entities, entities responsible for reporting), any information about the update of the LEI, as specified in paragraph 359 (b) of the Consultation Paper, should be produced by TRs in machine readable format.
521. One respondent also requested a clarification as how to “revive” a non-outstanding derivative reported with the old LEI. ESMA proposed that transactions reported with the old LEI and erroneously cancelled or terminated should be “revived” before the corporate event. However, if the transactions were not outstanding - irrespective of the reason - at

the time of corporate event, the counterparties would need to re-report them with a new UTI and an updated LEI.

5.3 Reconciliation of data

5.3.1 Scope and start of the reconciliation process

522. As ESMA indicated in the Consultation Paper, the lack of initial specification of the reconciliation process by ESMA, due to the absence of legal mandate, led to (i) inconsistent reconciliation procedures, (ii) inconsistent reconciliation timings, (iii) tolerances and categorisation of fields decided by TRs, (iv) lengthy change request implementation times. This situation, together with specific discretionary issues of particular TRs, resulted in accumulation of significant number of non-reconciled trades and required the implementation of costly ad-hoc processes at authorities (ESMA included) and counterparties to understand the extent of the problem, to put in place solutions, to monitor the subsequent evolution of the reconciliation rates and to assess the suitability of the proposed solutions. Low reconciliation rates and the lengthy process to increase them put at stake any reporting regime.
523. To address these issues, ESMA proposed that once the data is validated by the TRs, the TRs should reconcile the details of the two sides of the derivative that are reported. This results from the legal basis in Article 78(9)(a) EMIR, as amended by EMIR REFIT which provides that the TR shall establish “procedures for the effective reconciliation of data between trade repositories”. Furthermore, Article 78(10)(a) EMIR, as amended by EMIR REFIT mandates ESMA to develop RTS specifying those procedures.
524. Therefore, building on the EMIR experience, ESMA indicated that:
- a. it is key to set out strict rules on the fields that are reconciled and on the tolerances to be applied;
 - b. there is a learning curve and entities improve their reporting both in terms of reduction of number of rejected reports and in terms of reconciled reports;
 - c. it is key to prevent the accumulation of non-reconciled trades;
 - d. it is essential to ensure the access of authorities to high-quality data, which has been subject to consistent validation and reconciliation processes;
 - e. it might be desirable that there is certain flexibility in the kick-off of the full reconciliation of all the details of the derivatives.
525. As the regulator and supervisor of the TRs, ESMA is entrusted with the rule-making and the surveillance of the functioning of the TRs and has a vast experience dealing with data quality issues. ESMA is adequately placed to monitor the evolution of the reconciliation rates and to propose, direct, coordinate and evaluate the implementation of the relevant corrective actions.
526. Given the objective for further harmonisation of the reporting rules and requirements and in particular, further harmonisation of the procedures for the reconciliation of data with other TRs and following on the process already developed under SFTR, ESMA proposed

in the Consultation Paper several general principles for performing reconciliation and sought feedback on them.

527. The respondents supported the harmonisation of the reconciliation process and included several observations on the proposals. In order to further streamline the reconciliation process, ESMA confirms that the inter-TR stage of the reconciliation process should be terminated by midnight UTC on each day. This timeline is consistent with the one under SFTR and is part of the harmonisation of the process. It will align the processes at the TRs, it will facilitate data processing at the report submitting entities and streamline the amendment of the relevant derivatives. In addition, by aligning it with the SFTR timeline, it will allow the entities that report under both regimes to exploit additional processing synergies.
528. Following the completion of the inter-TR reconciliation process, ESMA expects that the TRs provide the relevant response, as described in section 6.3.3, to reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable. This information should also be included in the report generated to authorities. When providing the response to the report submitting entities, the TRs should take due care of safeguarding the confidentiality of the data.
529. The respondents included the following aspects in their response and ESMA will update the requirements accordingly to:
- a. make the application of tolerances more flexible and gradual;
 - b. extend the window for completing inter-TR reconciliation until midnight;
 - c. exclude from inter-TR reconciliation the derivatives where there is mandatory allocation of reporting under Article 9(1)(a) EMIR, unless the NFC- has opted out. This should be determined by the TR based on the population of the relevant fields;
 - d. specify more precisely the period of one month for non-outstanding derivatives;
 - e. clarify the reconciliation for terminated/errored and non-revived UTIs.
530. The respondents presented the following proposals, however ESMA will not take on board their suggestions. The reason is included in each of them:
- a. exclude reports with action type 'POSC', as the reconciliation of these derivatives is key to ensure that the subsequently reported positions are also reconciled;
 - b. reduce the reconcilable fields only to the ones bearing systemic risk, as this would undermine the reporting of the rest of the fields. Nevertheless, ESMA reviewed the set of fields subject to reconciliation;
 - c. reconcile only position level reports, as derivatives are reconciled irrespective of their level.
531. Against this backdrop, ESMA proposes the following principles which are also reflected in the draft technical standards:

- a. the reconciliation process should start at the earliest possible after the deadline for reporting by counterparties in accordance with Article 9(1) EMIR as amended by EMIR REFIT (i.e. T+1);
 - b. the daily reconciliation cycle should follow the same time schedule across all the TRs and should be terminated by midnight UTC of each day;
 - c. all derivatives should be included in the reconciliation process, except the following:
 - only one of the counterparties has a reporting obligation, irrespective of whether the reporting obligation is delegated or mandatorily allocated under Articles 9(1)(a)-9(1)(d) EMIR as amended by EMIR REFIT to another entity;
 - it has been cancelled with action type 'Error' and it has not been revived with action type 'Revive' in the last thirty calendar days;
 - it has been reported with action type 'Position component' or action type 'Terminate' more than thirty days before the day on which the reconciliation takes place and it has not been revived with action type 'Revive' in the last thirty calendar days;
 - it has matured more than thirty days before the day on which the reconciliation takes place and it has not been revived with action type 'Revive' in the last thirty calendar days;
 - it has been reconciled during the previous reconciliation cycle and it has not been modified or if modified, this did not affect the reconciliation status.
532. Following the finalisation of the reconciliation process, the TRs should notify the relevant counterparties to the derivative regarding any reported fields which did not reconcile for each derivative reported by them in accordance with the response mechanisms included in section 6.2 The immediate reconciliation feedback status as per the different categories should be duly provided by TRs to the report submitting entities. The end of day feedback should be provided to the counterparties and entities responsible for reporting and where neither of these entities is participant or user of the TR, the information should be provided to the relevant report submitting entity (or even a third party) subject to a prior authorisation provided by the counterparty or the ERR.

5.3.2 Framework of the reconciliation process

533. Since the start of reporting in 2014, the TRs have been reconciling derivatives data following a process that they developed. This process has evolved over time to (i) address identified deficiencies and (ii) to cater for amendments in the reporting rules. The following proposals build on the already existing structure and enhance it.
534. Under EMIR, there are currently two different stages of the reconciliation process that take place.
535. During the first stage, called Intra-TR reconciliation, the TRs should intend to find the derivative in its own databases, based on the UTI and the LEIs of the counterparties, regardless of whether or not both counterparties to each derivative have reported to the

- given TR. If so, the TR compares the latest state of the reports and notifies the counterparties about the reconciliation status of the derivative.
536. In order to ensure comparability of data and smooth functioning of the reconciliation process, ESMA proposed and respondents agreed that the TRs reconcile only the latest state of a given derivative at the end of a given day. To ensure comparability, the respondents suggested that TRs should do that by using the event date field to determine the effective date of the latest state of the derivative.
 537. Furthermore, ESMA confirms the exclusion of internally paired trades from the inter-TR reconciliation process to avoid overloading the inter-TR reconciliation process. In addition, ESMA clarifies that no parallel process for exchange of internally-paired records will be established.
 538. Only after the completion of the intra-TR reconciliation process, those trades for which no other side has been found are included in the second stage called inter-TR reconciliation.
 539. Once the TR has determined that it has not received both sides of a derivative, it includes it in the inter-TR reconciliation process that consists of two sub-processes.
 540. In the first sub-process, called pairing, the TR seeks the peer that has the other side of the derivative. This is done based on the LEIs of the two counterparties and the UTI of the derivative. ESMA understands that the level of implementation of LEI should be a stable basis for performance of successful reconciliations. The implementation of the globally agreed UTI with this review of the reporting standards is also expected to facilitate the performance of reconciliation.
 541. Once the TR determines the TR holding the other side, the TRs initiate the second sub-process, termed matching during which the respective TRs exchange the actual economic terms of the trade. The subsequent sections specify the details relating to the file format, the relevant fields subject to reconciliation, as well as the admissible tolerances for mismatch.
 542. On a given business day, the TRs will have to complete the full reconciliation process, consisting of the intra-TR reconciliation and both sub-processes of the inter-TR reconciliation.
 543. To ensure effective reconciliation between TRs, they should have arrangements in place to ensure the confidentiality of the data exchanged. The existence of such arrangements includes the provision of information to reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR about the conflicting values for all the fields that are subject to reconciliation. It is of the utmost importance that the existence of any type of reconciliation break or lack of pairing is made available to the relevant entities as soon as possible and in a standardised, harmonised way.
 544. Another respondent highlighted the necessity to include derivatives in the next reconciliation cycle as soon as they are received. ESMA agrees on this proposal.
 545. One respondent proposed and ESMA agrees to avoid any interim submission as the reconciliation happens at the trade state.

546. One respondent proposed the addition of several counterparty and margin fields, such as nature of the counterparty 1/2; corporate sector of the counterparty 1/2; clearing threshold of counterparty 1/2; PTRR ID; package identifier; collateral portfolio indicator; collateral portfolio code; initial/variation margin posted/received (CP1 margin received = CP2 margin posted) excess collateral posted/received floating rate reset frequency multiplier 1, to the reconciliation process. However, ESMA considers that it is premature to include those data fields as most of them are linked to calculations by the entities and it is possible that important differences exist.
547. Many respondents proposed to review the number of reconcilable fields and include an “alleged trade report” in order to make the reconciliation process clearer and avoid under or over-reporting of derivatives. ESMA has reviewed the number of fields subject to reconciliation. With regards to the alleged report, ESMA understands that there are more drawbacks to this proposal and would not include the provision of such report. The main arguments supporting this refusal are that the process could produce unknown outcomes, where the entities which should receive the notification are not onboarded, or where they use several entities to report on their behalf.

5.3.3 Integrity of the reconciled derivatives

548. ESMA also proposed in the Consultation Paper that there should be a confirmation of the number of commonly paired and reconciled records between each pair of TRs for the purposes of establishing the data integrity of the reconciliation process. Following the feedback received, ESMA has considered whether to include in the draft technical standards also a reference to the total number of derivatives exchanged between each pair of TRs. Given that the key aspect is to ensure that the number of paired and reconciled derivatives is correct, ESMA does not propose to add more information.
549. ESMA understands that the corresponding relevant information can be included as additional data in the relevant XML files.
550. One respondent proposed that TR should exchange aggregate values for numerical attributes. ESMA disagrees because it would be too burdensome to confirm between the TRs some aggregate metrics and the checks should be better performed at the level of the reporting entities.
551. Several respondents asked for a clarification on how to include the number of paired and reconciled derivatives between a pair of TRs in the report. ESMA confirms that the information on the total number between TRs is separate from the results of the reconciliation process which are at derivative level. Moreover, this information is necessary to ensure that TRs do not provide different information to counterparties. However, ESMA confirms that TRs could at least exchange the number of trades that are reconciled at aggregated level.
552. One respondent asked to include statistics in the daily report. ESMA confirms the implementation of a standardised template for reconciled derivatives, as it is under SFTR and to include only a reduced set of statistics on reconciliation as all information should

be at derivative level. Moreover, ESMA confirms that 'Action type' field is not subject to reconciliation.

553. One respondent proposed that TRs should include additional information, such as the number of positions and the percentages of pairing and matching, to each counterparty. ESMA rejects this proposal given that TRs already provide the most detailed data and that CPs have the responsibility to report and ensure reconciliation of derivatives.
554. ESMA rejects the proposal from two respondents to extend the timeline for reconciliation to the following day or even to two days.
555. One respondent proposed for records that have not yet been through the two-stage reconciliation process to be given a pairing status distinguishable from records that have completed the reconciliation process and are unpaired to assist counterparties with resolution of actual pairing issues. ESMA agrees that this will facilitate resolution of reporting issues and proposes the addition of a new status for derivatives that are not included in inter-TR reconciliation.
556. The technical standards have been updated accordingly.

5.3.4 Format of the files to be exchanged

557. As established under EMIR, ESMA proposed in the Consultation Paper that the format and encoding of data files which are exchanged for the purposes of the inter-TR reconciliation between the TRs should be the same. Furthermore, with regards to establishing common format and encoding of the data files exchanged between the TRs for the reconciliation of derivative data reported to two TRs, ESMA proposed the use of an ISO 20022 XSD containing a subset of all the reportable fields, and to include additional technical fields to facilitate the analysis of the data
558. Given that the submission to the TRs will be made in ISO 20022 XSD and the provision of data to authorities will be instrumented in a similar fashion, ESMA indicated in the Consultation Paper that the use of ISO 20022 XSD for the inter-TR reconciliation will further enhance the process from compatibility perspective and will reduce any potential data transformation issues that might affect the quality of the data or otherwise hinder the process. The use of common XSD will ensure high-quality data and reduce the risk related to non-reconciling records where the counterparties have reported identical data, but where the data transformations at the TR level led to differences. ESMA considers that the relevant cost impact to TRs will be significantly reduced given that they will be implementing ISO 20022 XSD processing at the counterparty reporting level and at the regulatory reporting level.
559. One respondent proposed to make XSD backward compatible in order to ensure that the trade state of the previously reported derivatives can be included. ESMA agrees with this proposal.
560. A respondent proposed to include a timeline for correction of data, however ESMA recalls that the correct reporting is an obligation of the counterparties, hence no specific timeline should be included. The correction should be made as soon as possible.

561. Another respondent disapproved the use of ISO 20022 XSD and proposed the creation of a comprehensive standard representation of derivative products including their life cycle event based on already established industry terms and definition. As indicated in section 4.2.1, ESMA will extend the use of ISO 20022 to EMIR, thus ESMA rejects this proposal.
562. ESMA confirms that updates to all schemas will be made in a synchronised way.

5.3.5 Data elements to be compared during the reconciliation process

563. High data quality under EMIR is closely linked with reconciled data. Status “reconciled” is understood as the lack of difference between the values reported for each field by the two counterparties in their respective submissions to the TRs thus allowing the authorities to understand the economic terms of the derivative.
564. Based on the experience with EMIR, ESMA understands that certain fields, such as the free text ones could not be subject to reconciliation.
565. Moreover, few respondents proposed to establish logical dependencies between fields. However, ESMA confirms that logical dependencies are more relevant for validation than reconciliation. ESMA proposed in the Consultation Paper the establishment of a staged approach for inter-TR reconciliation where only a few “no tolerance” fields are included initially, and the list is subsequently extended. This staged approach would consist of two stages.
566. The first stage, which will comprise a reduced number of fields, will start together with the start of the reporting obligation under Article 9 EMIR as amended by EMIR REFIT.
567. The second stage, which will add the rest of relevant common data fields, would kick off only when the rate of reconciled trades is sufficient to support the introduction of new reconciliation requirements without adding excessive burden to TRs and reporting counterparties. It is proposed that the start of the second stage of the reconciliation process, where the full set of fields will become subject to reconciliation, should be two years after the start of the reporting obligation referred to in Article 9 EMIR. The purpose of this delay is to allow the industry to adapt to the reporting requirements and reconciliation rules, to build know-how on dealing with all the relevant new fields and to prevent the accumulation of non-reconciled trades that are never reconciled. This way ESMA also addresses the feedback received about the difficulty in reconciling certain new fields and the requests by some respondents to categorise fields and establish different outcomes of the reconciliation process depending on the category of the field.
568. ESMA also proposed that some of the data fields that are added as part of the implementation of the CDE guidance in the EU are excluded from the first stage of reconciliation and are included only in the second one. This proposal was agreed by the respondents. One respondent proposed to exclude newly added fields from intra-TR reconciliation until they are subject to inter-TR reconciliation. ESMA confirms that the same set of fields should be included in both stages of reconciliation.

569. Few respondents proposed to prioritise and focus on a narrower set of reports and fields to improve data quality and consistency of reporting which impacts regulators ability to monitor systemic risk. Furthermore, they stated that risks sit at the position level and that reconciliation of transaction level report should not be a priority. Additionally, they supported that all fields are not of equal weight and failure to match non-prioritised fields should not be treated as a reconciliation break. Finally, they said that for ETD positions a stage one with very few fields to be reconcilable should be enough to consider a paired ETC position as matched. ESMA takes note of these suggestions, recalls the need to reconcile all outstanding derivatives and derivatives matured or terminated in the last 30 calendar days and reviews the fields for reconciliation in either of the two phases.
570. Additionally, ESMA considers that certain data fields might not be fully matched and proposes that some degree of tolerance should be applied. While determining the actual rules on this aspect, ESMA proposed to take into account the potential trade-offs (i) between quality of data and degrees of tolerance and (ii) between the degrees of tolerance and the completion of the reconciliation process. There are different levels of tolerance applied in the industry and across systems. In order to harmonise EMIR and SFTR reporting regimes, ESMA includes a reference to reconciliation tolerance in the RTS and specifies that those tolerances should be gradually reduced.
571. Adding flexibility in tolerances for new fields would have some advantages highlighted by many respondents, and ESMA considers that including the specific tolerances in the validation rules would give greater flexibility than in the technical standards. Notwithstanding this, ESMA understands that such a proposal would retain the legal certainty.
572. Many respondents highlighted an issue with the reconciliation of default values, ESMA proposes to set a rule for default values, as well as empty fields, i.e. where a field is left empty or populated with a default value by both counterparties, it will be considered as matched.
573. ESMA also confirms that reconciliation on multiple value fields should be independent from the order of reported values.
574. Several other proposals, such as setting the same reconciliation start date for similar fields on either leg were taken into account.
575. A respondent proposed to include the following fields in the list of fields used for reconciliation, with no allowed tolerance: (i) 'Collateral portfolio code'; (ii) 'Collateral portfolio indicator'; (iii) 'Name of the floating rate of leg 1'; (iv) 'Name of the floating rate of leg 2'; (v) 'Initial margin', 'Variation margin', and 'Excess collateral' fields. While agreeing with the importance of the fields, ESMA will update and include only some of them as part of the reconciliation process.
576. Few respondents stated that derivatives valued in different currencies cannot be reconciled, that it is necessary to review industry processes for portfolio reconciliation and that data on valuation is confidential. ESMA confirms that fields can be exposed and shown between the two counterparties. In addition, some respondents proposed that the TRs replace the data in valuation fields with the figures reported by the CCPs. ESMA recalls the requirement for counterparties to use CCP valuation for CCP-cleared derivatives, but in order to ensure the integrity of the data would not propose such a

replacement. One respondent proposed to create a valuation status separated from the one of the economic terms. One respondent highlighted the necessity to agree on the valuation currency. ESMA confirms that an agreement is needed. ESMA proposes an extra status for valuation that would have the advantage to address the drawbacks of daily changes.

577. The technical standards have been updated accordingly.

5.4 Procedures for portability

578. The amendment to EMIR introduced by EMIR REFIT includes also a reference in Article 78(9)(c) EMIR that a TR shall establish policies and procedures “for the orderly transfer of data to other trade repositories where requested by the counterparties or CCPs referred to in Article 9 or where otherwise necessary.”

579. In this regard it is worth noting that ESMA published in August 2017 “Guidelines on the transfer of data between Trade Repositories”²². First, they clarified the necessary arrangements to foster and facilitate a consistent application of the relevant EMIR requirements that underpin a competitive TR environment. Furthermore, these Guidelines help ensuring high quality data available to authorities, including the aggregations carried out by TRs, even in those cases where the TR participant changes the TR to which their derivatives were reported. In addition, the Guidelines propose a consistent and harmonised way to transfer records from one TR to another TR and support the continuity of reporting and reconciliation in all cases including the withdrawal of registration of a TR. Finally, to ensure consistent implementation across TRs, the Guidelines better clarify the expected compliance with the requirement established in Article 79(3) EMIR for the transfer of reporting flow in the case of withdrawal of registration of a TR.

580. Furthermore, the current RTS on registration, that entered into force in April 2019, included an update to Article 21(2) as follows: “An application for registration as a trade repository shall contain the procedures to ensure the orderly substitution of the original trade repository where requested by a reporting counterparty, or where requested by a third party reporting on behalf of non-reporting counterparties, or whereby such substitution is the result of a withdrawal of registration, and shall include the procedures for the transfer of data and the redirection of reporting flows to another trade repository.”

581. One respondent asked to clarify portability in the case of NFC, as well as the update of certain fields such as UTI. ESMA proposes to add to the RTS on registration an additional reference to the entity responsible for reporting.

582. One respondent proposed to prohibit counterparties’ own “porting”, where they send ‘Early termination’ to one TR and then ‘New’ report with same UTI to the other TR, whereas another proposed a change in the approach on portability allowing this practice for small numbers of ported trades. Furthermore, it was proposed to include two more

²²https://www.esma.europa.eu/sites/default/files/library/esma70-151-552_guidelines_on_transfer_of_data_between_trade_repositories.pdf

fields 'Previous TR' and 'Subsequent TR'. ESMA rejects this proposal and agrees to include a provision to forbid the practice described above.

583. A respondent asked whether the existing guidance is applicable to partial porting. ESMA confirms that guidance is applicable to partial portability.
584. Another respondent proposed to update the guideline on partial portability as follow: "With regards to the possibility to perform a partial transfer of data, ESMA sees no actual benefit and understands that a similar outcome is achieved by reporting to two different TRs different derivatives at the same time and this is a process for which there is no need to establish a data transfer process. In case a TR participant is willing to keep reporting to two TRs, it is not clear that there is a need to handle a transfer". ESMA agrees to update the guidelines on partial portability when SFTR ones will be updated.

6 Common response on reporting

6.1 Rejection response

585. Expanding the use of ISO 20022, ESMA proposed in the Consultation Paper that standardised response messages compliant with ISO 20022 are sent by the TRs to the RSEs and, where relevant, reporting counterparties or ERRs within one hour after the submission of data to the TR. The response message should include necessary details about the acceptance or rejection of submitted reports and the errors found. The TR should also enable the reporting counterparties or ERRs to access the data reported on their behalf.
586. ESMA proposed four rejection categories: schema, permission, logical and business. Authentication failures will not be included in the rejection response because those cannot be uniquely attributable to derivative reporting or specific derivative. TRs should be able reject the derivatives at UTI level and specify the errors.
587. Most respondents to the consultation generally agreed with the proposal or did not raise any objections. One respondent opposed to mandating ISO20022 message format. One respondent suggested that one-hour response requirement should allow for exceptions in special circumstances. Some respondents suggested sending the immediate rejection responses only to the RSEs, while the counterparties, ERRs and other relevant entities would be provided with end-of-day rejection responses only. One respondent proposed that RSEs instead of TRs should be mandated to provide the rejection responses to the reporting counterparties and ERRs.
588. Since ISO20022 format for rejection responses is generally supported by the respondents, ESMA will retain this requirement as proposed. However, ESMA agrees that the counterparties, ERRs and third parties accessing the data will benefit the most from end-of-day rejection responses, therefore the TRs will be required to send immediate rejection responses to the RSEs only, while the requirement to provide the end-of-day responses to all the relevant parties remains with the TRs.
589. Regarding the deadline for provision of rejection response under special circumstances, such as scheduled or non-scheduled maintenance, ESMA in this case expects the TRs to proceed analogously to the existing guidance on operational aspects on data access.

590. One respondent pointed out that TRs should always be able to identify the reasons for rejections and proposed to amend Article 1(4) so that the TRs would always have to provide them in the rejection response. ESMA agrees with the proposal and amended the provision as suggested.
591. Another respondent highlighted an unrealistic expectation to provide UTI rejection details for XSD schema rejections. Indeed, when XSD schema error occurs, the whole file is rejected, and the error cannot be attributable to specific UTI(s).
592. This respondent also suggested that for all rejected reports their corrections should be monitored by the TRs, and that the TRs should to the RSE periodically provide a list of records which were not corrected unless this RSE explicitly confirms that the record should have never been sent and will not be resubmitted. If implemented, this proposal would in ESMA's view extremely complicate the current reporting framework. Corrections of data are sufficiently monitored by the NCAs in their supervisory practice.
593. Finally, several respondents requested confirmation about the granularity of rejection error codes. ESMA understands the importance of proper traceability of errors and confirms that error codes will be more granular than proposed rejection categories, similarly as for SFTR reporting, and will be published sufficiently in advance.

6.2 Reconciliation response and relevant statuses

594. In order to ensure alignment with Commission Delegated Regulation 2019/358, ESMA proposed that at the latest one hour following the conclusion of the reconciliation process, the TRs should provide to the reporting counterparties or the entities acting on their behalf response messages describing whether the derivative is reconciled or not. In the latter case, the TRs should detail the relevant data elements where reconciliation breaks take place and provide both values reported. Furthermore, for each UTI reported, the TR should assign the specific values with regards to the reconciliation of the derivative. The immediate response message will be for the derivatives that were reconciled on that day which might not be all the derivatives subject to reconciliation, as some might be reconciled from previous day and have not experienced modifications
595. One respondent proposed to distinguish reconciliation information provided by TRs between ETD trades and ETD positions, and to focus on ETD position information. As indicated previously ESMA rejects limitation of reconciliation and will explore ways to include information on the type of derivatives as part of the reconciliation feedback.
596. ESMA confirms that the reconciliation feedback will be provided at the level of each derivative and rejects the proposal that NCAs and counterparties should be provided information only percentage information on pairing and matching rates.
597. Another respondent recommended to include the date of the position if the proposed categories also apply to ETD position reconciliation. ESMA agrees that the last event date should be included into the reconciliation feedback at the level of each derivative.
598. Another respondent stated that intraday reporting is expensive to implement relatively to its value, and that the definition of "Further modifications" is unclear and costly. ESMA confirms that no intraday reconciliation is needed and proposes to extend the timeline

- for reconciliation. Furthermore, ESMA confirms that “Further modifications” relates to the previous reconciliation status at the TR.
599. One respondent said that one hour to provide reconciliation feedback is unnecessary. ESMA confirms that feedback might be provided one hour after midnight if the termination of inter-TR reconciliation is extended to this deadline (section 5.3.4).
600. One respondent proposed to distinct between unpaired trade and a trade that has never gone through the reconciliation process. ESMA proposes to create different statuses for each type with the most granular information, and to implement a category of derivatives that were never submitted to reconciliation.
601. A respondent asked if all response messages are intended to be in XML format as industry practices are variable and proposed that TRs send their report to counterparties in XML format while keeping the possibility to send reports in other formats. ESMA confirms the exclusive use of ISO 20022 XML
602. Another respondent proposed to create intermediary categories of reconciliation between reconciled and non-reconciled to helps firms to assess the quality of their reconciliation.
603. ESMA includes clarification on the reporting type and the reporting obligation fields. In this regard, reporting type will describe whether one or both sides of the derivative are reported to the same TR, whereas reporting obligation will describe whether both entities have reporting obligation. The full list is in paragraph 610.
604. One respondent proposed to align the reconciliation procedures under EMIR REFIT reporting to those under SFTR as it relates to the action type 'Revive'. This would allow participants to revive a transaction only during 30 days past the date that the transaction moved from the outstanding portfolio. ESMA confirms that 30 days is the limit for 'Revive', then participants will have to report with new UTI.
605. One respondent proposed to include information concerning the status of the trade as being revived, status that would be applied only in the case of a missed pairing or a missed reconciliation. ESMA confirms the creation of a flag “Revived”.
606. Another respondent proposed to either include the side of a report from a party reviving a trade, or notify the other party, to prompt it to report, as part of an end of day reconciliation response in order to facilitate successful pairing and matching by T+1. ESMA proposes to include in the inter-TR reconciliation a derivative that has been “revived” by indicating the status as unpaired to indicate the issue.
607. A respondent stated that porting the transaction report to another TR might impact the use of 'Revive' and the reconciliation. ESMA confirms that if a derivative is ported, the 'Revive' should be sent to the new TR.
608. Finally, in relation to the aspect mentioned in paragraph 576, ESMA has included a separate status for reconciliation of valuation.
609. Based on the aforementioned feedback, ESMA has updated the reconciliation categories:

Table 7 - Reconciliation data

Reconciliation categories	Allowable values
Reporting requirement for both counterparties	Yes/No
Reporting type	Single-sided/dual-sided
Pairing	Paired/unpaired
Reconciliation	Reconciled/not reconciled
Valuation reconciliation	Reconciled/not reconciled
Revived	Yes/No
Further modifications:	Yes/No

610. The reconciliation categories and the allowable values are described as follows:

- a. reporting requirement for both counterparties relates to the existence or not of reporting obligation for both counterparties. If there is reporting obligation for only one of the parties, the derivative will not be intended to be reconciled. It is worth noting that the allocation of reporting responsibility under Article 9(1)(b) and 9(1)(d) EMIR as amended by EMIR REFIT does not exempt the report of both sides of the derivative but establishes a rule for the reporting. The derivatives under Article 9(1)(a) for which the NFC- has not opted out are labelled as reconciled;
- b. reporting type will inform whether both counterparties to a derivative have reported to the same TR, i.e. dual-sided, or whether the TR is aware of only one side, i.e. single-sided;
- c. pairing status will inform to what extent on the basis of the information provided on the data elements used to find the other side of a derivative, the TR has succeeded in doing so or not;
- d. reconciliation status will inform whether the common data pertaining to a paired derivative subject to reconciliation has been fully reconciled in accordance with the applicable fields for reconciliation;
- e. valuation status will inform whether the valuation data elements pertaining to a paired derivative subject to reconciliation have been reconciled. This status will be autonomous from the reconciliation status, as it will refer only to the valuation data;
- f. the category “Revived” will flag whether the derivative has been revived;
- g. the category “Further modifications” will flag whether the derivative has been amended following the establishment of the latest values for reconciliation.

611. The exact content of the response messages and the establishment of “Error codes” will be part of the definition of the XSD and the relevant response messages.

6.3 End-of-day (EoD) response

612. Moreover, ESMA understands that, further to the immediate feedback, TRs should provide the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under

Article 78(7) EMIR as applicable, with certain end-of-day information which should allow them to enhance the quality of the data reported under EMIR.

613. First and foremost, the aforementioned entities should receive information regarding all the derivatives reports that they submitted during the reporting day, as well as the latest state of the outstanding derivatives.
614. ESMA considers that having end-of-day information on rejected trades is practical information for the entities (i) to corroborate their submissions, (ii) to act on any potential derivative that has not yet been corrected, and (iii) to enable straight-through processing and workflow automation.
615. With regards to the reconciliation status of trades, it is worth noting that the trade state report will contain only the outstanding derivatives, but not only the outstanding derivatives are subject to reconciliation, hence a separate, more detailed report relating to all the derivatives subject to reconciliation should be provided to reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR.
616. Furthermore, and to enhance the reporting of valuations, the TRs should provide to those entities, as applicable, a report with the outstanding derivatives for which valuation data has not been reported, or the valuation data that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated.
617. In addition, and taking into account the proposed change of the reporting of information on margins, it is proposed that the TRs provide to the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable, information relating to the outstanding derivatives for which margin information has not been reported, or the margin information that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated.
618. One respondent proposed that TR should send to counterparties an alleged report, which is a report summarising the expected outcomes of reconciliation on the bases of TR's records. While ESMA understands the potential benefits of such proposal, it entails several drawbacks, more specifically related to the correct identification of the entities to which an alleged report should be provided. In addition, if such an entity has never reported, the TR would have a process in place which would not render the expected result, as there might be no entity to notify. In this regard, the supervision of compliance with the reporting obligation by NCAs appears to provide similar benefits without any undue cost.

6.3.1 Recipients of the EoD reports

619. Many respondents proposed that submitting entities should only receive the daily activity report and the rejection report, allowing report submitting entities to validate whether that all trade submissions have been successful, but not give them access to the details of the reporting counterparties trade portfolio. ESMA disagrees with this proposal on reports for RSE because it constitutes a deviation from SFTR and appears unnecessary, as this

entity is already in possession of the information on the portfolio of the reporting counterparty.

620. In terms of the way in which the information is provided, ESMA agrees that not all files should be sent to the reporting counterparties, the entities responsible for reporting or where appropriate, the report submitting entities, but they should be accessible through the TR interface.

6.3.2 Summary of feedback on EoD reports

621. One respondent proposed that trade state report should be separated from OTC trades, ETD positions and ETD trades. ESMA confirms that there will be a single trade state report.
622. Another respondent highlighted the divergent technological capacity of NCAs concerning the processing and analysing of TR data and asked to keep a flexible approach. ESMA proposes to retain the optionality for non-XML reports.
623. Following a proposal that TRs could distribute trade state report to reporting participants in the similar way and formats than regulators. ESMA confirms that the trade state report will be the same for counterparties, ERR, RSE and authorities.
624. A respondent recommended the reconciliation status report to be a rolling 30 days report of reconciliation records submitted rather than all outstanding derivatives because (i) outstanding long-lived derivatives are usually not re-reconciled so continuing to include it on the report is not useful; (ii) the file size including the legacy outstanding derivatives would become very large and difficult to differentiate between new issues and legacy issues that have been subsequently resolved; (iii) comparison of a snapshot each month of the submissions for the previous month would allow better monitoring of progress in reconciliation break resolution with counterparties. ESMA disagrees and confirms that outstanding derivatives bear risks and should always be reconciled.
625. Furthermore, the respondent recommended to include more granular error codes in the rejection report. ESMA agrees with this proposal.
626. One respondent proposed to not include ETD trades reported as position component in trade state report due to their non-outstanding nature. Furthermore, it understands that ETD firms rely on the daily activity to determine the trade state of their reports. ESMA confirms that the derivatives reported with 'POSC' are subject to reconciliation for up to 30 calendar days.
627. Another respondent underlined that rejection report is most likely to be less complete than the immediate rejection responses received by firms due to schema limitations and the challenge to include reports rejected based on the reporting firm LEI having been misreported.
628. One respondent enquired about records that failed schema validations and also requested to flag when no activity for the counterparty took place during the day. ESMA confirms that trade activity will contain only accepted reports and proposes to include NOTX status for the end-of-day report that would indicate no activity for the given day.

629. A respondent suggested to include specific provisions in the RTS regarding the obligations of counterparties to engage with each other to resolve reconciliation breaks without undue delay. ESMA proposes to include consider such a reference under complete and correct reporting.
630. Finally and to facilitate the resolution of one important reporting issue, namely the reporting of abnormal values, ESMA proposed that TRs provide the reporting counterparty, the entity responsible for reporting and the report submitting entity with information about derivatives that were received on that day with action type 'New', 'Position component', 'Modification' or 'Correction' whose details such as 'Notional' or 'Notional quantity' do not represent a "normal" value. Two approaches that ESMA proposed were:
- a. a single absolute value threshold for each asset class (credit, commodity, currency, equity and interest rate) and level (transaction or position), above which the derivatives are considered to have abnormal value;
 - b. a TR-specific approach which leverages on the existing processes for calculation of positions as per the Guidelines on positions.
631. Another respondent proposed that TRs should provide the abnormal values for all outstanding trades. The trade should be removed from that list only if the counterparty explicitly confirms that the value is correct. Moreover, this information should be transmitted to authorities as an additional field in the reports sent by TRs, for example with values such as "regular", "abnormal – non-confirmed", and "abnormal – confirmed".
632. Many respondents proposed to use a single absolute value threshold for each asset class (credit, commodity, currency, equity, interest rates) and level (transaction or position), above which the derivatives are considered to have abnormal value. This would ensure a consistent approach across TRs.
633. ESMA proposes in the draft technical standards that the TRs provide an "abnormal values" report for derivatives reported with action types 'New', 'Position component', 'Modification' and 'Correction'.
634. Furthermore, it was supported that clarity and thresholds should be set by authorities. Authorities are better placed to set the values for the abnormal/normal values report (with 'Notional' and 'Notional quantity' key outliers). It should be done in consultation with the TRs and should keep a flexible approach in order to have the possibility to change the values to adjust to market conditions. This will avoid a scenario where TRs set different threshold levels resulting in a single trade being considered to be over the threshold level by one TR, but under the threshold level by another. More generally, the setting of threshold levels is an area where machine learning and/or AI could potentially be utilised. This should lead to more considered and relevant threshold levels being established and enable the levels to be modified more easily. ESMA confirms that a flexible approach, involving TRs, will be kept on abnormal values.

6.3.3 Final set of EoD reports

635. Based on the above, a minimum set of end-of-day reports, generated in accordance with an XSD following uniform business specification, are to be made available by the TRs to

the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable.

- a. Daily activity report – this report should contain all validated submissions made during the day either by the participant or an entity to which it has delegated its derivative reporting. This report should contain all reported data that were accepted;
- b. Trade-state report – this report should contain the last state of each outstanding derivative, as well as its reconciliation status;
- c. Rejection report – this report should contain all UTIs of derivatives reports which have been rejected, together with the relevant error code for rejection;
- d. Reconciliation status report – this report should contain the reconciliation status of all the derivatives reported so far, except those derivatives that have expired or that have been terminated more than a month before the date on which the reconciliation process takes place and were not revived;
- e. The outstanding derivatives for which no valuation has been reported, or the valuation that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated;
- f. The outstanding derivatives for which no margin information has been reported, or the margin information that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated;
- g. The outstanding derivatives which contain abnormal values.

7 Registration of the TRs

7.1 Additional provisions

636. In accordance with Article 72(1) EMIR, in the Consultation Paper, ESMA indicated that the supervisory fees charged by ESMA to the TRs “shall fully cover ESMA’s necessary expenditure relating to the registration and supervision of TRs and the reimbursement of any costs that the competent authorities may incur carrying out work pursuant to this Regulation in particular as a result of any delegation of tasks in accordance with Article 74”. In that respect, and in order to align with the existing provisions under SFTR, ESMA proposed to include the payment of the relevant fees as a condition for the TR to be registered under EMIR.
637. One respondent proposed to permit a joint application for EMIR and SFTR. A new TR is able to pay the registration fee for EMIR and the extension fee for SFTR when submitting both applications, when a considerable overlap could be avoided both in preparing the registration application and in ESMA’s review, if the application could be combined. ESMA disagrees as the registration decisions are separate and that it is easier to keep separate references to the applications.

7.2 Provisions for extension of registration

638. In the Consultation Paper ESMA indicated that Article 56(3) of EMIR has been updated to include a reference to a provision mirroring the one in Article 5(7)(c) SFTR with regards to the extension of registration under EMIR for the TRs registered under SFTR. In that context ESMA is empowered to define the details of the simplified application for the extension of the registration. It is worth noting that the process and timelines for new registration and for an extension of registration are the same.
639. To ensure consistency with the requirements under SFTR and alignment of the regulatory objectives to streamline the registration process for entities that are already registered by ESMA, ESMA proposed in the Consultation Paper the references to the relevant provisions for which additional information should be provided. It is worth noting that, where the applicant TR for extension of registration has experienced changes compared with the latest information provided under SFTR, it should submit it without undue delay.
640. In this regard, one respondent agreed with the proposal, and identified elements for review to ensure alignment with Article 26 CDR 2019/359:
- a. letter "f." Article 9, the applicant is required to provide information on Articles 9(1)(b) and 9(1)(e) of the RTS on registration, while the proposed references are not clear nor similar to those in that article (i.e. Article 9(1)(d));
 - b. additionally, in order to align fully the approach and expectations of applicants applying for EMIR or SFTR, the respondent proposed to amend the relevant articles (e.g. Article 19) to refer to the CDR related to the matter (e.g. Annex VIII - RTS on procedures for ensuring data quality).
641. ESMA agrees to align references to articles and proposes to update Article 19 of RTS on registration.
642. Another respondent proposed that TRs should keep the log of all IT issues affecting the quality of the data, and periodically send the log to authorities. The log should cover outstanding, but also historical issues, which would prevent frequent situations where authorities struggle to understand the inconsistent reporting and draw wrong conclusions, or reaching out to counterparties while the underlying problem is a known technical issue in data processing of the respective TRs. ESMA proposes to include such requirement as part of the requirement under Article 23(c).
643. The final set of requirements for extension of registration are the following:
- i. Article 1, except paragraph k) of Article 1(2);
 - ii. Article 2;
 - iii. Article 5;
 - iv. Article 7, except paragraph d) of Article 7(2);
 - v. Article 8(b);
 - vi. Article 9(1) and 9(d);
 - vii. Article 11;

- viii. Article 12(2);
- ix. Article 13;
- x. Article 14 (2);
- xi. Article 15;
- xii. Article 16, except paragraph c);
- xiii. Article 17;
- xiv. Article 18;
- xv. Article 19;
- xvi. Article 20;
- xvii. Article 21;
- xviii. Article 22;
- xix. Article 23;
- xx. Article 23a;
- xxi. Article 23b;
- xxii. Article 23c and
- xxiii. Article 25.

7.3 Format of the application for registration and extension of registration

644. In the Consultation Paper, ESMA proposed an alignment of the text of the ITS on format of the application of registration to cater for the possibility by a registered TR to extend its SFTR application to EMIR. No comments were received, thus ESMA retains the proposals.

8 Data access by authorities

645. In the Consultation Paper, ESMA indicated that EMIR REFIT has aligned the legal requirements regarding terms and conditions for granting access to data under EMIR and SFTR. This aspect addressed a long-standing issue related to the data access to individual TRs. Some of the TRs put in place contractual documentation and in certain occasions this led to undue delays or even impossibility of access to data by some authorities who were prohibited from signing legal agreements with any type of supervised entities. The co-legislators thus included in EMIR, similarly to what was already in place under SFTR, a particular provision for ESMA to develop the terms and conditions for granting access to data, as well as the arrangement and the required documentation.

646. Therefore, to address the aforementioned issue, ESMA proposed to include a specific provision in the draft RTS on access levels that would define the precise and exhaustive

procedure for granting access to data. The harmonising exercise carried out should ensure that the application of the envisaged provisions avoids divergence across the Union and achieves the same goal throughout. The terms and conditions for data access include a procedure for getting access to the data as well as the technical and operational arrangements to access the data given that the access to data is required under EMIR, the TR should not require any further documentation to the authority besides the templates and tables to establish the relevant access to data. The latter aspect, i.e. technical and operational arrangements for data access, has already been in place for EMIR following the amendment of RTS 151/2013 by RTS 2017/1800.

647. The terms of access are detailed in a procedure and they should include the following:
- a. a template registration form for the entities entitled under Article 81(3) EMIR as amended by EMIR REFIT to access derivatives data;
 - b. a table where the relevant aspects of the supervisory responsibilities and mandates, e.g. entities, instruments, etc. will be defined;
 - c. a maximum timespan of 30 days needed to establish the direct and immediate access to data;
 - d. the applicable technical arrangements to access the data in accordance with the RTS.
648. The following aspects should be taken into account when defining the procedure:
- a. the TR should designate a person or persons as responsible for relationship with authorities listed under Article 81(3) EMIR as amended by EMIR REFIT;
 - b. the TR should publish on its website the relevant instructions (email, etc.) for submission of tables and templates for data access by authorities;
 - c. the TR should provide the relevant authorities with the relevant templates and tables to be able to assess their access levels;
 - d. the TR should revert at the earliest opportunity to the authority.
649. The template form to be submitted by an authority should include the following information:
- a. name of the authority;
 - b. contact person at the authority;
 - c. legal mandate to access TR data – EMIR and the relevant EU or national regulations;
 - d. list of authorised users;
 - e. credentials for secure SSH FTP connection;
 - f. other relevant technical information to ensure timely access to data.
650. One respondent stated that providing a list of authorised users is an undue burden as staff might change and switch positions and tasks may change and therefore recommended to require authorities to lay down their mandate, but not to interfere in

their internal organisation, as in which staff members are required to fulfil this mandate. ESMA will thus remove the requirement to provide a list of authorised users under EMIR.

651. This respondent stated that a detailed list of derivative types or underlyings is not feasible and might result in an undue restriction of data access as responsibilities might change and with new emissions there should be new underlyings/etc. for which authorities are responsible, and considered this not a detailed list, but a list with principles, e.g. derivatives referring to stock issued in a country, as the list should not result in a restriction of the access for entities and undue burden of constantly updating the list with TRs; in particular authorities with multiple mandates should be given access according to the broadest mandate; the responsibility of distributing data internally should remain with the authority.
652. The table relating to the responsibilities and mandates to be provided by the authority should include the following information:
- a. territory, such as e.g. Member State, euro area or EU, for which the authority is competent;
 - b. types of counterparties for which the authority is competent in accordance with field 'Corporate sector' of the two counterparties²³ ;
 - c. types of underlyings to derivatives for which the authority is competent;
 - d. venues of execution for which the authority is competent;
 - e. CCPs that are supervised or overseen;
 - f. currency of issue;
 - g. delivery and interconnection points;
 - h. benchmarks used in the Union, for which the authority is competent
 - i. the characteristics of underlyings that are supervised by that entity;
 - j. the characteristics of the parties referred to in fields 'Clearing member', 'Broker' and 'Reference entity'.
653. Another respondent stated that Article 5(2) of the draft RTS requires the TRs to establish a form with different information the requesting entity has to provide in order to assist the TRs in determining which data should be made available to which authorities, and that it is unclear what the intention is to require mandatorily the information on the types of derivatives transactions that are supervised by the entity as it seems that in most cases the information on the types of counterparties for which the entity is competent (h) is sufficient. ESMA will remove the reference to "types of derivatives" and will amend the reference to types of counterparties to facilitate the provision of access to authorities.
654. One respondent proposed in Article 2–(10)(a) to replace "within the scope of the member according to that member's supervisory responsibilities and mandates" by "within the scope of the member according to that member's responsibilities and mandates", and stressed that members of the ESCB not only have a supervisory mandate but also other mandates that can justify having access to the EMIR data. ESMA confirms that the

²³ Table 1, fields 6 and 12 of the Draft ITS on reporting.

members of ESCB may have several mandates and those mandates are to be detailed in the form provided to the TR.

655. Moreover, it was requested that ESMA clarifies that the Article 4(6) of draft RTS on granting access puts an obligation on the TRs to provide historical information to authorities, covering also trade state reports and historical reports with the trades outstanding as of the moment of the date to which the request refers to. ESMA confirms that trade activity data can be requested for any day in the past, whereas the nature of the trade state report is such that only the latest version is relevant and regeneration of past trade state reports by TRs is not envisaged at this stage.
656. Another respondent criticised the thirty-day turnaround period in which a regulator is to be given direct and immediate access to data, and asked that this 30 day period should only take effect upon the TR receiving all information including technical information and keys required in order to complete the technical onboarding part of the process. ESMA confirms that the set-up of the data access should be completed as soon as possible and at the latest within 30 calendar days based on the information provided by the authority.
657. Further clarity was requested with regard to the template form. First of all, ESMA will align the information in the draft technical standards and ensure that the information about: (d) type of underlying to derivatives and (h) delivery and interconnection points, is included in the relevant draft RTS (Annex IX), Article 5(2), with regard to the underlying identification type, the field 13 in Table 2 of draft ITS Annex V mentions the possibly to inform the underlying identification type with full names (assigned by index providers). The list of full names, as mentioned in TR Q&A 37 , will be maintained by ESMA, based on the information provided by the authorities, and made available to TRs. The respondent proposed to share this list with all the TRs. In addition, based on the current experience when assessing the authorities form under SFTR, the respondent identified some confusion from authorities when specifying the access to benchmarks as in many occasions, authorities are sharing the names of the benchmarks' administrators, instead of the benchmarks' references, which is the only information TRs can filter from the data reported by the participants. Notwithstanding this, it is recognised that the data source available at ESMA's register only lists the benchmarks administrators for which the authorities are competent for, without providing further granularity on benchmarks' references ESMA will continue monitoring this aspect and assess if further improvement to the data availability on benchmark administrators and relevant benchmarks could be provided to TRs.
658. One respondent requested that data sources that TRs use for data access need to be standardized golden sources of information across all competent authorities, e.g. FIRDS registers. While ESMA recognises the benefits of such an approach, at this stage the data access should be established based on the information reported in the derivatives reports and the one available to TRs through recognised public sources.
659. Another respondent suggested to include a "Definitions" part in the respective draft RTS, where concepts widely used by authorities and TRs are defined – e.g. "trade activity report", "trade state report", "ad-hoc query", "recurrent query", "aggregated position set", etc., proposed to annex the access tables foreseen by Article 5(2) of the draft RTS on operational standards for aggregation and comparison of data and on terms and

conditions and suggested that the template is extended by the indication of which Article(s) of the Regulation form the basis for authority request to access data collected by the TR. ESMA rejects this proposal, as under Article 81(5) of EMIR as amended by EMIR REFIT, ESMA is not empowered to provide definitions in the technical standard. However, ESMA confirms that the NCAs should receive the same type of end of day reports as the counterparties, i.e. trade activity, trade state, rejection, warning and reconciliation. In addition, with regards to the accepted reports, i.e. the ones included in the trade activity and the trade state, the authorities will have the possibility to request ad-hoc queries.

660. A further clarification was requested on how the respective authority should have access to cross-border subsidiaries and branches of the resident supervised entities. In this regard, ESMA clarifies that the TRs are expected to determine the subsidiaries and branches of the respective resident entities by sourcing this information from some external reference data, such as GLEIF. ESMA will include a reference in the recitals to the RTS.
661. Another important feedback related to the transparency of TRs' filtering rules. It was requested to explicitly specify the rules that the TRs have to apply to arrive at (i) trade state reports and aggregated position sets, and (ii) data subsets for respective authorities. Such specific rules would ensure that (i) derived reports are correctly generated, and (ii) authorities receive the data they are entitled to. Moreover, it was indicated that this would also minimize the risk that TRs send to an authority data that this authority is not entitled to see and in general, the respondent considered that the authorities should have full knowledge on the filters applied by the TRs, to have the possibility to challenge them. ESMA clarifies that the filtering rules should be based on the responsibilities and mandates of the authorities and ESMA, as a supervisor of the TRs, will assess them periodically. ESMA thus established the common, standardised template setting out the data to which each authority has access making a cross-reference to the relevant data fields reported for EMIR.
662. One respondent stated that the elements regarding the venues of execution and CCPs for the table in the TR form should also include the corresponding LEIs for the market infrastructure based in the that regulator's jurisdiction. ESMA points out that the identification of venues is with MIC codes, while ESMA agrees that access to cleared derivatives should be set by using the LEIs of the CCPs.
663. With regards to the use of reference data for setting up access to benchmarks, as well as to sovereign debt, ESMA clarifies that TRs should use e.g. the FIRDS database and other ESMA registers, when determining the derivatives to which a given authority could have access. At this stage, a common data access matrix is not expected to be provided.
664. ESMA confirms that the new Articles 2, 3, 4 and 5 of RTS 151/2013 will replace the previous Articles 2, 3, 4 and 5.

9 Publication of data

665. On 10 July 2017 ESMA submitted to the European Commission amendments to the RTS on data access regarding the publication of aggregate position data by trade repositories pursuant to Article 81 of Regulation (EU) No 648/2012.
666. ESMA proposed to amend the aforementioned RTS as its practical implementation highlighted particular situations where improvements could be made to facilitate a better market-wide aggregation and comparison of the data published by TRs. In addition, ESMA set out additional requirements, in line with the mandate, to better specify and enhance the data made publicly available by TRs and to allow the publication of certain aggregate figures that are required by EU legislations such as MiFID II and the Benchmarks Regulation.
667. In order to ensure that the end users are able to compare the aggregate position data published by the TRs, ESMA proposed, in the draft amendments to the RTS, the general rules for making the data publicly available as well as the specific rules to perform aggregations at the level of the individual TRs by defining the following aspects:
- a. the frequency and timeliness of publication;
 - b. the general technical aspects of aggregation for the purpose of publication;
 - c. the details of aggregations for the purpose of benchmarks' thresholds; and
 - d. the details of aggregations for the purpose of trading size of commodity derivatives.
668. Currently, the aforementioned amendments are not yet endorsed neither rejected by the European Commission. Nevertheless, as a result of the proposed amendments to the details of derivatives to be reported to TRs contained in section 4.3 this Consultation Paper, those amendments have resulted obsolete and not applicable. ESMA will aim at delivering the amendment to the technical standards on publication of aggregate data by TRs at a later stage.

10 Annexes

10.1 Annex I - Legislative mandate to develop technical standards

Article 9(5) of EMIR establishes that *“In order to ensure consistent application of this Article, ESMA shall develop draft regulatory technical standards specifying the details and type of the reports referred to in paragraphs 1 and 3 for the different classes of derivatives.*

The reports referred to in paragraphs 1 and 3 shall specify at least:

(a) the parties to the derivative contract and, where different, the beneficiary of the rights and obligations arising from it;

(b) the main characteristics of the derivative contracts, including their type, underlying maturity, notional value, price, and settlement date.

ESMA shall submit those draft regulatory technical standards to the Commission by 30 September 2012.

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.”

Article 9(6) of EMIR as amended by EMIR REFIT establishes that *“To ensure uniform conditions of application of paragraphs 1 and 3, ESMA shall, in close cooperation with the ESCB, develop draft implementing technical standards specifying:*

(a) the data standards and formats for the information to be reported, which shall include at least the following:

(i) global legal entity identifiers (LEIs);

(ii) international securities identification numbers (ISINs);

(iii) unique trade identifiers (UTIs);

(b) the methods and arrangements for reporting;

(c) the frequency of the reports;

(d) the date by which derivative contracts are to be reported.

In developing those draft implementing technical standards, ESMA shall take into account international developments and standards agreed upon at Union or global level, and their consistency with the reporting requirements laid down in Article 4 of Regulation (EU) 2015/2365 [...] and Article 26 of Regulation (EU) No 600/2014.

ESMA shall submit those draft implementing technical standards to the Commission by 18 June 2020.

Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010.”

Article 56(3) of EMIR as amended by EMIR REFIT establishes that “*To ensure the consistent application of this Article, ESMA shall develop draft regulatory technical standards specifying the following:*

- (a) the details of the application for the registration referred to in point (a) of paragraph 1;*
- (b) the details of the simplified application for the extension of the registration referred to in point (b) of paragraph 1.*

ESMA shall submit those draft regulatory technical standards to the Commission by 18 June 2020.

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.”

Article 56(4) of EMIR REFIT establishes that “*To ensure uniform conditions of application of paragraph 1, ESMA shall develop draft implementing technical standards specifying the following:*

- (a) the format of the application for registration referred to in point (a) of paragraph 1;*
- (b) the format of the application for an extension of the registration referred to in point (b) of paragraph 1.*

With regard to point (b) of the first subparagraph, ESMA shall develop a simplified format.

ESMA shall submit those draft implementing technical standards to the Commission by 18 June 2020.

Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010”

Article 78(10) of EMIR as amended by EMIR REFIT establishes that “*To ensure the consistent application of this Article, ESMA shall develop draft regulatory technical standards specifying:*

- (a) the procedures for the reconciliation of data between trade repositories;*
- (b) the procedures to be applied by the trade repository to verify the compliance by the reporting counterparty or submitting entity with the reporting requirements and to verify the completeness and correctness of the data reported under Article 9.*

ESMA shall submit those draft regulatory technical standards to the Commission by 18 June 2020.

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010”

Article 81(5) of EMIR as amended by EMIR REFIT establishes that: *“In order to ensure the consistent application of this Article, ESMA shall, after consulting the members of the ESCB, develop draft regulatory technical standards specifying the following:*

- (a) the information to be published or made available in accordance with paragraphs 1 and 3;*
- (b) the frequency of publication of the information referred to in paragraph 1;*
- (c) the operational standards required to aggregate and compare data across trade repositories and for the entities referred to in paragraph 3 to access that information;*
- (d) the terms and conditions, the arrangements and the required documentation under which trade repositories grant access to the entities referred to in paragraph 3. ESMA shall submit those draft regulatory technical standards to the Commission by 18 June 2020.*

In developing those draft regulatory technical standards, ESMA shall ensure that the publication of the information referred to paragraph 1 does not reveal the identity of any party to any contract.

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010”

10.2 Annex II - Opinion of Securities and Markets Stakeholder Group

In accordance with Article 10 of Regulation (EU) No 1095/2010 ESMA requested the opinion of the ESMA Securities and Markets Stakeholder Group. The SMSG decided not to provide an opinion.

10.3 Annex III - Cost-benefit analysis

ESMA's choices in this review are of a pure technical nature and do not imply strategic decisions or policy choices.

ESMA's options are limited to the approach it took to drafting these particular regulatory and implementing technical standards and the need to ensure clarity, consistency or reporting and uniformity of formats.

The main policy decisions have already been analysed and published by the European Commission under the primary legislation, i.e.: Regulation (EU) No 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012.

ESMA assessed the received feedback with a view to gather further information on the costs and benefits of the options proposed in the Consultation Paper. Most of the responses were of a qualitative nature. Several respondents commented on the need to provide the relevant entities with more information for the implementation of the proposals and to establish sufficient timespan for the implementation. ESMA understands that these aspects are key to limit the unnecessary costs and intends to provide the comprehensive guidance and documentation ahead of the reporting start date. Furthermore, ESMA retained its proposal of granting 18-month implementation timeline from the date of publication of the technical standards.

ESMA understands that the proposed amendments to the technical standards will enhance the quality of the data reported under EMIR and thus provide a clear benefit to the authorities which are entitled to access EMIR data, but also to reporting entities and TRs.

For example, the proposed amendments aligning the requirements in the EU with the global guidance on reporting of OTC derivatives are expected to bring a significant reduction in costs for entities reporting under several jurisdictions.

Similarly, further standardisation of formats and use of ISO 20022 for reporting by the counterparties to the TRs, will further enhance the automation of reporting, reduce the data quality issues and contribute to easier reconciliation of the reports, thus decreasing the need of the burdensome follow-up processes on the reconciliation breaks.

Overall, ESMA is of the view that the proposed changes will require an implementation effort from the industry, however in the long run the costs will be outweighed by the benefits related to the standardisation and international harmonisation of reporting as well as the expected improvement in the data quality.

10.4 Annex IV - Draft RTS on details of the reports to be reported to TRs under EMIR

COMMISSION DELEGATED REGULATION (EU) YYYY/XXX

of

supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards specifying the minimum details of the data to be reported to trade repositories and repealing Delegated Regulation (EU) No 148/2013

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ⁽²⁴⁾, and in particular Article 9(5) thereof,

Whereas:

- (1) Delegated Regulation (EU) No 148/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards on the minimum details of the data to be reported to trade repositories ⁽²⁵⁾ has been substantially amended. Since further amendments are to be made, it should be repealed in the interests of clarity and replaced by this Regulation.
- (2) Reporting of complete and accurate details of the derivatives, including the indication of the business events triggering the changes to the derivatives, is indispensable to ensure that the derivative data can be effectively used.
- (3) Where a derivative contract is composed of a combination of derivative contracts, the competent authorities need to understand the characteristics of each of the derivative contracts concerned. Since competent authorities also need to be able to understand the overall context, it should also be apparent from the report that the derivative contract is part of a complex derivative. Therefore, derivative contracts pertaining to a combination of derivative contracts should be reported in separate reports for each derivative contract with an internal identifier to provide a linkage between the reports.
- (4) In the case of derivative contracts composed of a combination of derivative contracts which need to be reported in more than one report, it may be difficult to determine how

²⁴ OJ L 201, 27.7.2012, p. 1.

²⁵ OJ L 52, 23.2.2013, p. 1.

the relevant information about the contract should be allocated across reports and thus how many reports should be submitted. Therefore, counterparties should agree on the number of reports to be submitted to report such a contract.

- (5) In order to allow flexibility, a counterparty should be able to delegate the reporting of a contract to the other counterparty or to a third party. Counterparties should also be able to agree to delegate reporting to a common third entity including a central counterparty (CCP). In order to ensure data quality, when one report is made on behalf of both counterparties, it should contain all relevant details in relation to each counterparty. In all circumstances when the reporting is delegated, the report should contain the full set of details that would have been reported had the report been made by the reporting counterparty.
- (6) It is important to acknowledge that a CCP acts as a party to a derivative contract. Accordingly, where an existing contract is subsequently cleared by a CCP, it should be reported as terminated and the new contract resulting from clearing should be reported.
- (7) It is also important to acknowledge that certain derivatives, such as derivatives traded on trading venues or organised trading platform located outside of the Union, derivatives cleared by CCPs or contracts for difference, are often netted into a position and the risk for such derivatives is managed at position level. Furthermore, it is the resulting position, rather than original derivatives at trade level, that becomes subject to the subsequent lifecycle events. In order to enable efficient and accurate reporting of such derivatives, counterparties should be allowed to report at position level. To ensure that counterparties do not use position-level reporting inappropriately, specific conditions should be set out, which should be fulfilled to report at position level.
- (8) In order to properly monitor concentration of exposures and systemic risk, it is crucial to ensure that complete and accurate information on exposure and collateral exchanged between two counterparties is submitted to trade repositories. The mark to market or mark to model value of a contract indicates the sign and size of the exposures related to that contract, and complements the information on the original value specified in the contract. Thus, it is essential that counterparties report valuations of derivative contracts according to a common methodology. Furthermore, it is equally important to require reporting of posted and received initial and variation margins pertaining to a particular derivative. To enable this, counterparties that collateralise their derivatives should report such collateralisation details on a trade-level basis. Where collateral is calculated on a portfolio basis, counterparties should report posted and received initial and variation margins pertaining to that portfolio using a unique code as determined by the reporting counterparty. That unique code should identify the specific portfolio over which the collateral is exchanged and should also ensure that all relevant derivatives can be linked to that particular portfolio.
- (9) Notional amount is a key characteristic of a derivative to determine the obligations associated with that derivative. Furthermore, notional amounts are used as one of the metrics to assess exposures, trading volumes and size of the derivative market. Thus, consistent reporting of notional amounts is essential. In order to ensure that counterparties report notional amounts in a harmonised manner, the expected way of

computing of notional amount should be specified with regard to different types of products.

- (10) Similarly, information relating to the pricing of the derivatives should be reported consistently, thus allowing the authorities to verify the reported exposures, evaluate costs and liquidity in the derivatives markets as well as compare the prices of similar products traded in different markets.
- (11) Certain derivatives are created, modified or terminated as a result of lifecycle events such as clearing, novation or compression. In order to enable authorities to understand the sequences of events occurring in the market and the relations between the reported derivatives, it is essential to provide a method to link all relevant derivatives impacted by the same lifecycle event. As the most efficient way of linking the derivatives may differ depending on the nature of the event, different linking methods should be set out.
- (12) This Regulation is based on the draft regulatory technical standards submitted to the Commission by the European Securities and Markets Authority (ESMA).
- (13) ESMA has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the advice of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council ⁽²⁶⁾.
- (14) To enable counterparties and trade repositories to take all necessary actions to adapt to the new requirements, the date of application of this Regulation should be deferred by eighteen months,

HAS ADOPTED THIS REGULATION:

Article 1

Details to set out in reports pursuant to Article 9(1) and (3) of Regulation (EU) No 648/2012

1. Reports to trade repositories made pursuant to Article 9 of Regulation (EU) No 648/2012 shall include the complete and accurate details set out in Tables 1, 2 and 3 of the Annex that pertain to the derivative concerned.
2. When reporting the conclusion, modification or termination of the derivative, a counterparty shall specify in its report the action type and event type as defined in the fields 151 and 152 in Table 2 of the Annex to which that conclusion, modification or termination is related.
3. The details referred to in paragraph 1 shall be reported within a single report.

By way of derogation from the first subparagraph, the details referred to in paragraph 1 shall be reported in separate reports where the fields in the Tables 1, 2 and 3 of the Annex do not allow for the effective reporting of those details, such as in the case where the derivative

²⁶ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

contract is composed of a combination of derivative contracts that are negotiated together as the product of a single economic agreement.

Counterparties to a derivative contract composed of a combination of derivative contracts referred to in the second subparagraph shall agree, before the reporting deadline, on the number of separate reports to be sent to a trade repository in relation to that derivative contract.

The reporting counterparty shall link the separate reports by an identifier that is unique at the level of the counterparty to the group of derivative reports, in accordance with field 6 in Table 2 of the Annex.

4. Where one report is made on behalf of both counterparties, it shall contain the details set out in Tables 1, 2 and 3 of the Annex in relation to each of the counterparties.

5. Where one counterparty reports the details of a derivative to a trade repository on behalf of the other counterparty, or a third entity reports a contract to a trade repository on behalf of one or both counterparties, the details reported shall include the full set of details that would have been reported had the derivatives been reported to the trade repository by each counterparty separately.

Article 2

Cleared trades

1. Where a derivative whose details have already been reported pursuant to Article 9 of Regulation (EU) No 648/2012 is subsequently cleared by a CCP, that derivative shall be reported as terminated by specifying in fields 151 and 152 in Table 2 of the Annex the action type 'Terminate' and event type 'Clearing'. New derivatives resulting from clearing shall be reported by specifying in fields 151 and 152 in Table 2 of the Annex the action type 'New' and event type 'Clearing'.

2. Where a derivative is both concluded on a trading venue or on an organised trading platform located outside of the Union and cleared by a CCP on the same day, only the derivatives resulting from clearing shall be reported. These derivatives shall be reported by specifying in fields 151 and 152 in Table 2 of the Annex either the action type 'New', or the action type 'Position component', in accordance with Article 3(2), and event type 'Clearing'.

Article 3

Reporting at position level

1. Following to the reporting of the details of a derivative it has concluded and the termination of that derivative due to inclusion in a position, a counterparty shall be allowed to use position level reporting provided that all of the following conditions are fulfilled:

(a) the risk is managed at position level,

(b) the reports relate to derivatives concluded on a trading venue or on an organised trading platform located outside of the Union or to derivatives cleared by a CCP or to contracts for difference that are fungible with each other and have been replaced by the position;

(c) the derivatives at trade level as referred to in field 154 in Table 2 of the Annex, were correctly reported prior to their inclusion in the position;

- (d) other events that affect the common fields in the report of the position are separately reported;
 - (e) the derivatives referred to in point (b) were duly terminated by indicating the action type 'Terminate' in field 151 in Table 2 of the Annex and event type 'Inclusion in a position' in the field 152 in Table 2 of the Annex;
 - (f) the resulting position was duly reported either as a new position or as an update to an existing position;
 - (g) the report of the position was made correctly filling in all the applicable fields in Tables 1 and 2 of the Annex and by indicating that the report is made at position level in field 154 in Table 2 of the Annex;
 - (h) the counterparties to the derivative agree that the derivative should be reported at position level.
2. When an existing derivative is to be included in a position level report on the same day, such derivative shall be reported with action type 'Position component' in field 151 in Table 2 of the Annex.
3. The subsequent updates, including valuation updates, collateral updates and other modifications and lifecycle events shall be reported at position level and they shall not be reported for the original derivatives at trade level that were terminated and included in that position.

Article 4

Reporting of exposures

1. The data on collateral for both cleared and non-cleared derivatives shall include all posted and received collateral in accordance with fields 1 to 29 in Table 3 of the Annex.
2. Where a counterparty 1 collateralises on a portfolio basis, the counterparty 1 or the entity responsible for reporting shall report to a trade repository collateral posted and received on a portfolio basis in accordance with fields 1 to 29 in Table 3 of the Annex and specifying a code identifying the portfolio in accordance with field 9 in Table 3 of the Annex.
3. Non-financial counterparties other than those referred to in Article 10 of Regulation (EU) No 648/2012 or the entities responsible for reporting on their behalf shall not be required to report collateral, mark-to-market, or mark-to-model valuations of the contracts set out in Table 1 and Table 3 of the Annex to this Regulation.
4. For derivatives cleared by a CCP, the counterparty 1 or the entity responsible for reporting shall report the valuation of the derivative provided by the CCP in accordance with fields 21 to 25 in Table 2 of the Annex.
5. For derivatives not cleared by a CCP, the counterparty 1 or the entity responsible for reporting shall report, in accordance with fields 21 to 25 in Table 2 of the Annex, the valuation of the derivative performed in accordance with the methodology defined in International Financial Reporting Standard 13 Fair Value Measurement as adopted by the Union and referred to in the Annex to Commission Regulation (EC) No 1126/2008 (*), without applying any adjustment to the fair value.

Article 5

Notional amount

1. The notional amount of a derivative referred to in fields 55 and 64 in Table 2 of the Annex shall be specified as follows:

- (a) in the case of swaps, futures, forwards and options traded in monetary units, the reference amount;
- (b) in the case of options other than those referred to in point (a) calculated using the strike price;
- (c) in the case of forwards other than those referred to in point (a), the product of the forward price and the total notional quantity of the underlying;
- (d) in the case of equity dividend swaps, the product of the period fixed strike and the number of shares or index units;
- (e) in the case of equity volatility swaps, the vega notional amount;
- (f) in the case of equity variance swaps, the variance amount;
- (g) in the case of financial contracts for difference, the resulting amount of the initial price and the total notional quantity;
- (h) in case of commodity fixed/float swaps, the product of the fixed price and the total notional quantity;
- (i) in case of commodity basis swaps, the product of the last available spot price at the time of the transaction of the underlying asset of the leg with no spread and the total notional quantity of the leg with no spread;
- (j) in case of swaptions, the notional amount of the underlying contract;
- (k) in the case of a derivative not referred to in the subparagraphs (a)-(j) above, where the notional amount is calculated using the price of the underlying asset and such price is only available at the time of settlement, the end of day price of the underlying asset at the date of conclusion of the contract.

2. The initial report of a derivative contract whose notional amount varies over time shall specify the notional amount as applicable at the date of conclusion of the derivative contract and the notional amount schedule.

When reporting the notional amount schedule, counterparties shall indicate:

- (i) the unadjusted date on which the associated notional amount becomes effective;
- (ii) the unadjusted end date of the notional amount; and
- (iii) the notional amount which becomes effective on the associated unadjusted effective date.

Article 6

Price

1. The price of a derivative referred to in field 48 in Table 2 of the Annex shall be specified as follows:

- (a) in the case of swaps with periodic payments relating to commodities, the fixed price;
- (b) in the case of forwards relating to commodities and equities, the forward price of the underlying;
- (c) in the case of swaps relating to equities and contracts for difference, the initial price of the underlying.

2. The price of a derivative shall not be specified in field 48 in Table 2 of the Annex reported when it is specified in another field in Table 2 of the Annex.

Article 7

Linking of reports

The reporting counterparty or entity responsible for reporting shall link the reports related to the derivatives concluded or terminated as a result of the same event referred to in the field 152 in Table 2 as follows:

- (a) in the case of clearing, step-in, allocation and exercise, the counterparty shall report the unique trade identifier (UTI) of the original derivative that was terminated as a result of the event referred to in the field 152 in Table 2 in the field 3 in Table 2 of the Annex within the report or reports pertaining to the derivative or the derivatives resulting from that event;
- (b) in the case of inclusion of a derivative in a position, the counterparty shall report the UTI of the position in which that derivative has been included in the field 4 in Table 2 of the Annex within the report of that derivative sent with action type 'Position component' or a combination of action type 'Terminate' and event type 'Inclusion in a position';
- (c) in the case of post-trade risk reduction (PTRR) event with a PTRR service provider or CCP providing the PTRR service, the counterparty shall report a unique code identifying this event as provided by that PTRR service provider or CCP in the field 5 in Table 2 of the Annex within all the reports pertaining to the derivatives that were either terminated due to or result from that event.

Article 8

Entry into force

Delegated Regulation (EU) No 148/2013 is repealed.

References to the repealed Regulation shall be construed as references to this Regulation.

Article 9

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.



It shall apply from [PO: please insert date 18 months after the date of entry into force. The date of application should fall on Monday].

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Commission
The President*

ANNEX I

Table 1

Item	Section	Field	Details to be reported
1	Parties to the derivative	Reporting timestamp	Date and time of the submission of the report to the trade repository.
2	Parties to the derivative	Report submitting entity ID	In the case where the entity responsible for reporting has delegated the submission of the report to a third party or to the other counterparty, this entity has to be identified in this field by a unique code. Otherwise the entity responsible for reporting should be identified in this field.
3	Parties to the derivative	Entity responsible for reporting	Where a financial counterparty is solely responsible, and legally liable, for reporting on behalf of both counterparties in accordance with Article 9(1)(a) of Regulation (EU) No 648/2012 of the Parliament and of the Council and the non-financial counterparty does not decide to report itself the details of its OTC derivative contracts with the financial counterparty, the unique code identifying that financial counterparty. Where a management company is responsible, and legally liable, for reporting on behalf of an Undertaking for Collective Investment in Transferable Securities (UCITS) in accordance with Article 9(1)(b) of that Regulation, the unique code identifying that management company. Where an Alternative Investment Fund Manager (AIFM) is responsible, and legally liable, for reporting on behalf of an Alternative Investment Fund (AIF) in accordance with Article 9(1)(c) of that Regulation, the unique code identifying that AIFM. Where an authorised entity that is responsible for managing and acting on behalf of an IORP is responsible, and

Item	Section	Field	Details to be reported
			<p>legally liable, for reporting on its behalf in accordance with Article 9(1)(d) of that Regulation, the unique code identifying that entity.</p> <p>This field is applicable only to the OTC derivatives.</p>
4	Parties to the derivative	Counterparty 1 (Reporting counterparty)	<p>Identifier of the counterparty to a derivative transaction who is fulfilling its reporting obligation via the report in question.</p> <p>In the case of an allocated derivative transaction executed by a fund manager on behalf of a fund, the fund and not the fund manager is reported as the counterparty.</p>
5	Parties to the derivative	Nature of the counterparty 1	<p>Indicate if the counterparty 1 is a CCP, a financial, non-financial counterparty or other type of counterparty in accordance with point 5 of Article 1 or points 1, 8 and 9 of Article 2 of Regulation (EU) No 648/2012 of the European Parliament and of the Council.</p>
6	Parties to the derivative	Corporate sector of the counterparty 1	<p>Nature of the counterparty 1's company activities.</p> <p>If the counterparty 1 is a Financial Counterparty, this field shall contain all necessary codes included in the Taxonomy for Financial Counterparties and applying to that Counterparty.</p> <p>If the counterparty 1 is a Non-Financial Counterparty, this field shall contain all necessary codes included in the Taxonomy for Non-Financial Counterparties and applying to that Counterparty.</p> <p>Where more than one activity is reported, the codes shall be populated in order of the relative importance of the corresponding activities.</p>

Item	Section	Field	Details to be reported
7	Parties to the derivative	Clearing threshold of counterparty 1	Information whether the counterparty 1 is above the clearing threshold referred to in Article 4(a)(3) or 10(3) of Regulation (EU) No 648/2012 at the moment when the transaction was concluded.
8	Parties to the derivative	Counterparty 2 identifier type	Indicator of whether LEI was used to identify the Counterparty 2.
9	Parties to the derivative	Counterparty 2	Identifier of the second counterparty to a derivative transaction. In the case of an allocated derivative transaction executed by a fund manager on behalf of a fund, the fund and not the fund manager is reported as the counterparty.
10	Parties to the derivative	Country of the counterparty 2	In case the counterparty 2 is a natural person, the code of country of residence of that person.
11	Parties to the derivative	Nature of the counterparty 2	Indicate if the counterparty 2 is a CCP, a financial, non-financial counterparty or other type of counterparty in accordance with point 5 of Article 1 or points 1, 8 and 9 of Article 2 of Regulation (EU) No 648/2012 of the European Parliament and of the Council.
12	Parties to the derivative	Corporate sector of the counterparty 2	Nature of the counterparty 2's company activities. If the counterparty 2 is a Financial Counterparty, this field shall contain all necessary codes included in the Taxonomy for Financial Counterparties and applying to that Counterparty. If the counterparty 2 is a Non-Financial Counterparty, this field shall contain all necessary codes included in the Taxonomy for Non-Financial Counterparties and applying to that Counterparty. Where more than one activity is

Item	Section	Field	Details to be reported
			reported, the codes shall be populated in order of the relative importance of the corresponding activities.
13	Parties to the derivative	Clearing threshold of counterparty 2	Information whether the counterparty 2 is above the clearing threshold referred to in Article 4(a)(3) or 10(3) of Regulation (EU) No 648/2012 at the moment when the transaction was concluded.
14	Parties to the derivative	Reporting obligation of the counterparty 2	Indicator of whether the counterparty 2 has the reporting obligation under EMIR (irrespective of who is responsible and legally liable for its reporting).
15	Parties to the derivative	Broker ID	In the case a broker acts as intermediary for the counterparty 1 without becoming a counterparty himself, the counterparty 1 shall identify this broker by a unique code.
16	Parties to the derivative	Clearing member	Identifier of the clearing member through which a derivative transaction was cleared at a central counterparty. This data element is applicable to cleared transactions.
17	Parties to the derivative	Direction	Indicator of whether the counterparty 1 is the buyer or the seller as determined at the time of the transaction.
18	Parties to the derivative	Direction of leg 1	Indicator of whether the counterparty 1 is the payer or the receiver of leg 1 as determined at the time of the conclusion of the derivative.
19	Parties to the derivative	Direction of leg 2	Indicator of whether the counterparty 1 is the payer or the receiver of leg 2 as determined at the time of the conclusion of the derivative.

Item	Section	Field	Details to be reported
20	Parties to the derivative	Directly linked to commercial activity or treasury financing	Information on whether the contract is objectively measurable as directly linked to the counterparty 1's commercial or treasury financing activity, as referred to in Article 10(3) of Regulation (EU) No 648/2012. This field shall be populated only where the counterparty 1 is a non-financial counterparty, as referred to in Article 2 (9) of the Regulation (EU) No 648/2012.

Table 2

Item	Section	Field	Details to be reported
1	Section 2a - Identifiers and links	UTI	Unique Trade Identifier as referred to in Article 7 of the [ITS].
2	Section 2a - Identifiers and links	Report tracking number	Where a derivative was executed on a trading venue, a number generated by the trading venue and unique to that execution.
3	Section 2a - Identifiers and links	Prior UTI (for one-to-one and one-to-many relations between transactions)	UTI assigned to the predecessor transaction that has given rise to the reported transaction due to a lifecycle event, in a one-to-one relation between transactions (e.g. in the case of a novation, when a transaction is terminated, and a new transaction is generated) or in a one-to-many relation between transactions (e.g. in clearing or if a transaction is split into several different transactions).

Item	Section	Field	Details to be reported
			This data element is not applicable when reporting many-to-one and many-to-many relations between transactions (e.g. in the case of a compression).
4	Section 2a - Identifiers and links	Subsequent position UTI	The UTI of the position in which a derivative is included. This field is applicable only for the reports related to the termination of a derivative due to its inclusion in a position.
5	Section 2a - Identifiers and links	PTRR ID	Identifier generated by the PTRR service provider or CCP providing the PTRR service in order to connect all derivatives entering into a given PTRR event and resulting from that PTRR event.
6	Section 2a - Identifiers and links	Package identifier	Identifier (determined by the counterparty 1) in order to connect derivatives in the same package in accordance with Article 1(2)(a). A package may include reportable and non-reportable transactions.
7	Section 2b – Contract information	ISIN	ISIN identifying the product if that product is admitted to trading or traded on a regulated market, MTF, OTF or systematic internaliser.

Item	Section	Field	Details to be reported
8	Section 2b – Contract information	Unique product identifier (UPI)	UPI identifying the product.
9	Section 2b – Contract information	Product classification	Classification of Financial Instrument (CFI) code pertaining to the instrument.
10	Section 2b – Contract information	Contract type	Each reported contract shall be classified according to its type.
11	Section 2b – Contract information	Asset class	Each reported contract shall be classified according to the asset class it is based on.
12	Section 2b – Contract information	Derivative based on crypto-assets	Indicator whether the derivative is based on crypto-assets.
13	Section 2b – Contract information	Underlying identification type	The type of relevant underlying identifier.
14	Section 2b – Contract information	Underlying identification	The direct underlying shall be identified by using a unique identification for this underlying based on its type. For Credit Default Swaps, the ISIN of the reference obligation should be provided.
15	Section 2b – Contract information	Indicator of the underlying index	An indication of the underlying index, where available.
16	Section 2b – Contract information	Name of the underlying index	The full name of the underlying index as assigned by the index provider.

Item	Section	Field	Details to be reported
17	Section 2b – Contract information	Custom basket code	If the derivative transaction is based on a custom basket, unique code assigned by the structurer of the custom basket to link its constituents.
18	Section 2b – Contract information	Identifier of the basket's constituents	In case of custom baskets composed, among others, of financial instruments traded in a trading venue, only financial instruments traded in a trading venue shall be specified.
19	Section 2b – Contract information	Settlement currency 1	Currency for the cash settlement of the transaction when applicable. For multicurrency products that do not net, the settlement currency of the leg 1. This data element is not applicable for physically settled products (eg physically settled swaptions).
20	Section 2b – Contract information	Settlement currency 2	Currency for the cash settlement of the transaction when applicable. For multicurrency products that do not net, the settlement currency of the leg 2. This data element is not applicable for physically settled products (eg physically settled swaptions).

Item	Section	Field	Details to be reported
21	Section 2c – Valuation	Valuation amount	Mark-to-market valuation of the contract, or mark-to-model valuation as referred to in Article 4 of the [RTS] The CCP’s valuation to be used for a cleared trade.
22	Section 2c – Valuation	Valuation currency	Currency in which the valuation amount is denominated.
23	Section 2c – Valuation	Valuation timestamp	Date and time of the last valuation marked to market, provided by the central counterparty (CCP) or calculated using the current or last available market price of the inputs.
24	Section 2c – Valuation	Valuation method	Source and method used for the valuation of the transaction by the counterparty 1. If at least one valuation input is used that is classified as mark-to-model in the below table, then the whole valuation is classified as mark-to-model. If only inputs are used that are classified as mark-to-market in the table below, then the whole valuation is classified as mark-to-market.

Item	Section	Field	Details to be reported
25	Section 2c – Valuation	Delta	<p>The ratio of the absolute change in price of a derivative transaction to the change in price of the underlier.</p> <p>This field is applicable only to options and swaptions.</p> <p>Updated delta shall be reported on a daily basis by financial counterparties and non-financial counterparties as referred to in Article 10 of Regulation (EU) No 648/2012.</p>
26	Section 2d - Collateral	Collateral portfolio indicator	<p>Indicator of whether the collateralisation was performed on a portfolio basis. Under portfolio, it is understood the set of transactions that are margined together (either on a net or a gross basis) rather than an individual transaction.</p>
27	Section 2d - Collateral	Collateral portfolio code	<p>If collateral is reported on a portfolio basis, unique code assigned by the counterparty 1 to the portfolio. This data element is not applicable if the collateralisation was performed on a transaction level basis, or if there is no collateral agreement or if no collateral is posted or received.</p>

Item	Section	Field	Details to be reported
28	Section 2e - Risk mitigation / Reporting	Confirmation timestamp	Date and time of the confirmation, as set out in Article 12 of Commission Delegated Regulation (EU) No 149/2013. Applicable only to OTC derivative contracts not cleared by a CCP.
29	Section 2e - Risk mitigation / Reporting	Confirmed	For new reportable transactions, whether the legally binding terms of an OTC derivatives contract were documented and agreed upon (confirmed) or not (unconfirmed). If documented and agreed, whether such confirmation was done: <ul style="list-style-type: none"> • via a shared confirmation facility or platform, or a private/bilateral electronic system (electronic); • via a human-readable written document, such as fax, paper or manually processed e-mails (non-electronic). Applicable only to OTC derivative contracts not cleared by a CCP.
30	Section 2f - Clearing	Clearing obligation	Indicates, whether the reported contract belongs to a class of OTC derivatives that has been declared subject to the clearing obligation and both counterparties to the contract are subject to the clearing obligation under Regulation (EU) No 648/2012, as of the time

Item	Section	Field	Details to be reported
			of execution of the contract. Applicable only to OTC derivative contracts.
31	Section 2f - Clearing	Cleared	Indicator of whether the derivative has been cleared by a CCP.
32	Section 2f - Clearing	Clearing timestamp	Time and date when clearing took place. Applicable only to derivatives cleared by a CCP.
33	Section 2f - Clearing	Central counterparty	Identifier of the central counterparty (CCP) that cleared the transaction. This data element is not applicable if the value of the data element "Cleared" is "N" ("No, not centrally cleared").
34	Section 2g - Details on the transaction	Master Agreement type	Reference to the master agreement type under which the counterparties concluded a derivative.
35	Section 2g - Details on the transaction	Other master agreement type	Name of the master agreement. This field shall only be completed where 'OTHR' is reported in field 2.34.
36	Section 2g - Details on the transaction	Master Agreement version	Reference to the year of the master agreement relevant to the reported trade, if applicable.
37	Section 2g - Details on the transaction	Intragroup	Indicates whether the contract was entered into as an intragroup transaction, defined in

Item	Section	Field	Details to be reported
			Article 3 of Regulation (EU) No 648/2012.
38	Section 2g - Details on the transaction	PTRR	Identify whether the contract results from a PTRR operation.
39	Section 2g - Details on the transaction	Type of PTRR technique	<p>Indicator of a type of a PTRR operation for the purpose of reporting under EMIR.</p> <p>Portfolio Compression without a third-party service provider: An arrangement to reduce risk in existing portfolios of trades using non-price forming trades mainly to reduce notional amount outstanding, the number of transactions or otherwise harmonise the terms, by wholly or partially terminate trades and commonly to replace the terminated derivatives with new replacement trades.</p> <p>Portfolio Compression with a third-party service provider or CCP: A PTRR service provided by a service provider or CCP to reduce risk in existing portfolios of trades using non-price forming trades mainly to reduce notional amount outstanding, the number of transactions or otherwise harmonise the terms, by wholly or partially terminate trades and commonly to replace the terminated derivatives</p>

Item	Section	Field	Details to be reported
			<p>with new replacement trades.</p> <p>Portfolio Rebalancing/Margin management: A PTRR service provided by a service provider to reduce risk in an existing portfolio of trades by adding new non-price forming trades and where no existing trades in the portfolio are terminated or replaced and the notional is increased rather than decreased.</p> <p>Other Portfolio PTTR services: A PTRR service provided by a service provider to reduce risk in existing portfolios of trades using non-price forming trades and where such service does not qualify as Portfolio Compression or Portfolio Rebalancing.</p>
40	Section 2g - Details on the transaction	PTRR service provider	LEI identifying the PTRR service provider.
41	Section 2g - Details on the transaction	Venue of execution	<p>Identification of the venue where the transaction was executed.</p> <p>Use the ISO 10383 segment MIC for transactions executed on a trading venue, Systematic Internaliser (SI) or organised trading platform outside of the Union. Where the segment MIC does not exist, use the operating</p>

Item	Section	Field	Details to be reported
			<p>MIC. Use MIC code 'XOFF' for financial instruments admitted to trading, or traded on a trading venue or for which a request for admission was made, where the transaction on that financial instrument is not executed on a trading venue, SI or organised trading platform outside of the Union, or where a counterparty does not know it is trading with a counterparty 2 acting as an SI. Use MIC code 'XXXX' for financial instruments that are not admitted to trading or traded on a trading venue or for which no request for admission has been made and that are not traded on an organised trading platform outside of the Union.</p>
42	Section 2c - Details on the transaction	Execution timestamp	<p>Date and time a transaction was originally executed, resulting in the generation of a new UTI. This data element remains unchanged throughout the life of the UTI. For position level reporting it should refer to the time when position</p>

Item	Section	Field	Details to be reported
			was opened for the first time.
43	Section 2c - Details on the transaction	Effective date	Unadjusted date at which obligations under the OTC derivative transaction come into effect, as included in the confirmation. If the effective date is not specified as part of the terms of the contract, the counterparties shall report in this field the date of execution of the derivative.
44	Section 2c - Details on the transaction	Expiration date	Unadjusted date at which obligations under the derivative transaction stop being effective, as included in the confirmation. Early termination does not affect this data element.
45	Section 2c - Details on the transaction	Early termination date	Effective date of the early termination (expiry) of the reported transaction. This data element is applicable if the termination of the transaction occurs prior to its maturity due to an ex-interim decision of a counterparty (or counterparties).
46	Section 2c - Details on the transaction	Final contractual settlement date	Unadjusted date as per the contract, by which all transfer of cash or assets should take place and the counterparties should no longer have any

Item	Section	Field	Details to be reported
			<p>outstanding obligations to each other under that contract.</p> <p>For products that may not have a final contractual settlement date (eg American options), this data element reflects the date by which the transfer of cash or asset would take place if termination were to occur on the expiration date.</p>
47	Section 2c - Details on the transaction	Delivery type	Indicates whether the contract is settled physically or in cash.
48	Section 2g - Details on the transaction	Price	<p>Price specified in the derivative transaction. It does not include fees, taxes or commissions. Where the price is not known when a new transaction is reported, the price is updated as it becomes available.</p> <p>For transactions that are part of a package, this data element contains the price of the component transaction where applicable.</p>
49	Section 2g - Details on the transaction	Price currency	Currency in which the price is denominated. Price currency is only applicable if price is expressed as monetary value.
	Fields 50-52 are repeatable and shall be populated in the case of derivatives		

Item	Section	Field	Details to be reported
	involving price schedules.		
50	Section 2g - Details on the transaction	Unadjusted effective date of the price	Unadjusted effective date of the price.
51	Section 2g - Details on the transaction	Unadjusted end date of the price	Unadjusted end date of the price (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period).
52	Section 2g - Details on the transaction	Price in effect between the unadjusted effective and end date	Price in effect between the unadjusted effective date and inclusive of the unadjusted end date.
53	Section 2g - Details on the transaction	Package transaction price	Traded price of the entire package in which the reported derivative transaction is a component. This data element is not applicable if <ul style="list-style-type: none"> • no package is involved, or • package transaction spread is used. Prices and related data elements of the transactions (Price currency) that represent individual components of the package are reported when available. The package transaction price may not be known when a new transaction is

Item	Section	Field	Details to be reported
			reported but may be updated later.
54	Section 2g - Details on the transaction	Package transaction price currency	Currency in which the Package transaction price is denominated. This data element is not applicable if <ul style="list-style-type: none"> • no package is involved, or • Package transaction spread is used, or • Package transaction price is expressed as percentage.
55	Section 2g - Details on the transaction	Notional amount of leg 1	Notional amount of leg 1 as referred to in Article 5 of the [RTS].
56	Section 2g - Details on the transaction	Notional currency 1	Where applicable: the currency in which the notional amount of leg 1 is denominated.
	Fields 57-59 are repeatable and shall be populated in the case of derivatives involving notional amount schedules		
57	Section 2g - Details on the transaction	Effective date of the notional amount of leg 1	Unadjusted date on which the associated notional amount of leg 1 becomes effective.
58	Section 2g - Details on the transaction	End date of the notional amount of leg 1	Unadjusted end date of the notional amount of leg 1 (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the

Item	Section	Field	Details to be reported
			unadjusted effective date of the subsequent period).
59	Section 2g - Details on the transaction	Notional amount in effect on associated effective date of leg 1	Notional amount of leg 1 which becomes effective on the associated unadjusted effective date.
60	Section 2g - Details on the transaction	Total notional quantity of leg 1	Aggregate Notional quantity of the underlying asset of leg 1 for the term of the transaction. Where the Total notional quantity is not known when a new transaction is reported, the Total notional quantity is updated as it becomes available.
	Fields 61-63 are repeatable and shall be populated in the case of derivatives involving notional quantity schedules		
61	Section 2g - Details on the transaction	Effective date of the notional quantity of leg 1	Unadjusted date on which the associated notional quantity of leg 1 becomes effective
62	Section 2g - Details on the transaction	End date of the notional quantity of leg 1	Unadjusted end date of the notional quantity of leg 1 (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period).

Item	Section	Field	Details to be reported
63	Section 2g - Details on the transaction	Notional quantity in effect on associated effective date of leg 1	Notional quantity of leg 1 which becomes effective on the associated unadjusted effective date.
64	Section 2g - Details on the transaction	Notional amount of leg 2	Where applicable, notional amount of leg 2 as referred to in Article 5 of the [RTS].
65	Section 2g - Details on the transaction	Notional currency 2	Where applicable: the currency in which the notional amount of leg 2 is denominated.
	Fields 66-68 are repeatable and shall be populated in the case of derivatives involving notional amount schedules		
66	Section 2g - Details on the transaction	Effective date of the notional amount of leg 2	Unadjusted date on which the associated notional amount of leg 2 becomes effective.
67	Section 2g - Details on the transaction	End date of the notional amount of leg 2	Unadjusted end date of the notional amount of leg 2 (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period).
68	Section 2g - Details on the transaction	Notional amount in effect on associated effective date of leg 2	Notional amount of leg 2 which becomes effective on the associated unadjusted effective date.

Item	Section	Field	Details to be reported
69	Section 2g - Details on the transaction	Total notional quantity of leg 2	Aggregate Notional quantity of the underlying asset of leg 2 for the term of the transaction. Where the Total notional quantity is not known when a new transaction is reported, the Total notional quantity is updated as it becomes available.
	Fields 70-72 are repeatable and shall be populated in the case of derivatives involving notional quantity schedules		
70	Section 2g - Details on the transaction	Effective date of the notional quantity of leg 2	Unadjusted date on which the associated notional quantity of leg 2 becomes effective.
71	Section 2g - Details on the transaction	End date of the notional quantity of leg 2	Unadjusted end date of the notional quantity of leg 2 (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period).
72	Section 2g - Details on the transaction	Notional quantity in effect on associated effective date of leg 2	Notional quantity of leg 2 which becomes effective on the associated unadjusted effective date.
	Section of fields 73-78 is repeatable		

Item	Section	Field	Details to be reported
73	Section 2g - Details on the transaction	Other payment type	Type of Other payment amount. Option premium payment is not included as a payment type as premiums for option are reported using the option premium dedicated data element.
74	Section 2g - Details on the transaction	Other payment amount	Payment amounts with corresponding payment types to accommodate requirements of transaction descriptions from different asset classes.
75	Section 2g - Details on the transaction	Other payment currency	Currency in which Other payment amount is denominated.
76	Section 2g - Details on the transaction	Other payment date	Unadjusted date on which the other payment amount is paid.
77	Section 2g - Details on the transaction	Other payment payer	Identifier of the payer of Other payment amount.
78	Section 2g - Details on the transaction	Other payment receiver	Identifier of the receiver of Other payment amount.
79	Section 2h - Interest Rates	Fixed rate of leg 1 or coupon	An indication of the fixed rate leg 1 or coupon used, where applicable.

Item	Section	Field	Details to be reported
80	Section 2h - Interest Rates	Fixed rate or coupon day count convention leg 1	Where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the number of days in the year.
81	Section 2h - Interest Rates	Fixed rate or coupon payment frequency period leg 1	Where applicable: time unit associated with the frequency of payments, eg day, week, month, year or term of the stream for the fixed rate of leg 1 or coupon.
82	Section 2h - Interest Rates	Fixed rate or coupon payment frequency period multiplier leg 1	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur for the fixed rate of leg 1 or coupon. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTM" (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is

Item	Section	Field	Details to be reported
			<p>“ADHO”. If payment frequency period is “TERM”, then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is “DAIL” and the payment frequency multiplier is 0.</p>
83	Section 2h - Interest Rates	Identifier of the floating rate of leg 1	Where applicable: an identifier of the interest rates used which are reset at predetermined intervals by reference to a market reference rate.
84	Section 2h - Interest Rates	Indicator of the floating rate of leg 1	An indication of the interest rate, where available.
85	Section 2h - Interest Rates	Name of the floating rate of leg 1	The full name of the interest rate as assigned by the index provider.
86	Section 2h - Interest Rates	Floating rate day count convention of leg 1	Where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments for the floating rate of leg 1 are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the number of days in the year.

Item	Section	Field	Details to be reported
87	Section 2h - Interest Rates	Floating rate payment frequency period of leg 1	Where applicable: time unit associated with the frequency of payments, eg day, week, month, year or term of the stream for the floating rate of leg 1.
88	Section 2h - Interest Rates	Floating rate payment frequency period multiplier of leg 1	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur for the floating rate of leg 1. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTH" (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is "ADHO". If payment frequency period is "TERM", then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is "DAIL" and the payment frequency multiplier is 0.
89	Section 2h - Interest Rates	Floating rate reference period of leg 1 – time period	Time period describing the reference period for the floating rate of leg 1.
90	Section 2h - Interest Rates	Floating rate reference period of leg 1 – multiplier	Multiplier of the time period describing the

Item	Section	Field	Details to be reported
			reference period for the floating rate of leg 1.
91	Section 2h - Interest Rates	Floating rate reset frequency period of leg 1	Where applicable: time unit associated with the frequency of payments resets, e.g. day, week, month, year or term of the stream for the floating rate of leg 1.
92	Section 2h - Interest Rates	Floating rate reset frequency multiplier of leg 1	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment resets dates occur for the floating rate of leg 1. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTM" (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is "ADHO". If payment frequency period is "TERM", then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is "DAIL" and the payment frequency multiplier is 0.

Item	Section	Field	Details to be reported
93	Section 2h - Interest Rates	Spread of leg 1	<p>An indication of the spread of leg 1, where applicable: for OTC derivative transactions with periodic payments (eg interest rate fixed/float swaps, interest rate basis swaps, commodity swaps),</p> <ul style="list-style-type: none"> • spread on the individual floating leg(s) index reference price, in the case where there is a spread on a floating leg(s). • difference between the reference prices of the two floating leg indexes.
94	Section 2h - Interest Rates	Spread currency of leg 1	<p>Where applicable: currency in which the spread of leg 1 is denominated.</p> <p>This data element is only applicable if Spread is expressed as monetary amount.</p>
95	Section 2h - Interest Rates	Fixed rate of leg 2	<p>An indication of the fixed rate leg 2 used, where applicable.</p>
96	Section 2h - Interest Rates	Fixed rate day count convention leg 2	<p>Where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the</p>

Item	Section	Field	Details to be reported
			number of days in the year.
97	Section 2h - Interest Rates	Fixed rate payment frequency period leg 2	Where applicable: time unit associated with the frequency of payments, eg day, week, month, year or term of the stream for the fixed rate of leg 2.
98	Section 2h - Interest Rates	Fixed rate payment frequency period multiplier leg 2	<p>Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur for the fixed rate of leg 2. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTH" (monthly) and a payment frequency period multiplier of 2.</p> <p>This data element is not applicable if the payment frequency period is "ADHO". If payment frequency period is "TERM", then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is "DAIL" and the payment frequency multiplier is 0.</p>
99	Section 2h - Interest Rates	Identifier of the floating rate of leg 2	Where applicable: an identifier of the interest rates used which are reset at predetermined intervals

Item	Section	Field	Details to be reported
			by reference to a market reference rate
100	Section 2h - Interest Rates	Indicator of the floating rate of leg 2	An indication of the interest rate, where available.
101	Section 2h - Interest Rates	Name of the floating rate of leg 2	The full name of the interest rate as assigned by the index provider.
102	Section 2h - Interest Rates	Floating rate day count convention of leg 2	Where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments for the floating rate of leg 2 are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the number of days in the year.
103	Section 2h - Interest Rates	Floating rate payment frequency period of leg 2	Where applicable: time unit associated with the frequency of payments, eg day, week, month, year or term of the stream for the floating rate of leg 2.
104	Section 2h - Interest Rates	Floating rate payment frequency period multiplier of leg 2	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur for the floating rate of leg 2. For example, a transaction with payments occurring

Item	Section	Field	Details to be reported
			<p>every two months is represented with a payment frequency period of “MNTH” (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is “ADHO”. If payment frequency period is “TERM”, then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is “DAIL” and the payment frequency multiplier is 0.</p>
105	Section 2h - Interest Rates	Floating rate reference period of leg 2 – time period	Time period describing the reference period for the floating rate of leg 2.
106	Section 2h - Interest Rates	Floating rate reference period of leg 2 – multiplier	Multiplier of the time period describing the reference period for the floating rate of leg 2.
107	Section 2h - Interest Rates	Floating rate reset frequency period of leg 2	Where applicable: time unit associated with the frequency of payments resets, e.g. day, week, month, year or term of the stream for the floating rate of leg 2.

Item	Section	Field	Details to be reported
108	Section 2h - Interest Rates	Floating rate reset frequency multiplier of leg 2	<p>Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment resets dates occur for the floating rate of leg 2. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTH" (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is "ADHO". If payment frequency period is "TERM", then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is "DAIL" and the payment frequency multiplier is 0.</p>
109	Section 2h - Interest Rates	Spread of leg 2	<p>An indication of the spread of leg 2, where applicable: for OTC derivative transactions with periodic payments (e.g. interest rate fixed/float swaps, interest rate basis swaps, commodity swaps),</p> <ul style="list-style-type: none"> • spread on the individual floating leg(s) index reference price, in the case where there is a spread on a floating

Item	Section	Field	Details to be reported
			leg(s). <ul style="list-style-type: none"> • difference between the reference prices of the two floating leg indexes.
110	Section 2h - Interest Rates	Spread currency of leg 2	Where applicable: currency in which the spread of leg 2 is denominated. This data element is only applicable if Spread is expressed as monetary amount.
111	Section 2h - Interest Rates	Package transaction spread	Traded price of the entire package in which the reported derivative transaction is a component of a package transaction. Package transaction price when the price of the package is expressed as a spread, difference between two reference prices. This data element is not applicable if <ul style="list-style-type: none"> • no package is involved, or • Package transaction price is used Spread and related data elements of the transactions (spread currency) that represent individual components of the package are reported when available. Package transaction spread may not be known when a new transaction is reported but may be updated later.

Item	Section	Field	Details to be reported
112	Section 2h - Interest Rates	Package transaction spread currency	Currency in which the Package transaction spread is denominated. This data element is not applicable if <ul style="list-style-type: none"> • no package is involved, or • Package transaction price is used, or • Package transaction spread is expressed as percentage or basis points.
113	Section 2i – Foreign Exchange	Exchange rate 1	Exchange rate between the two different currencies specified in the derivative transaction agreed by the counterparties at the inception of the transaction, expressed as the rate of exchange from converting the unit currency into the quoted currency.
114	Section 2i – Foreign Exchange	Forward exchange rate	Forward exchange rate as agreed between the counterparties in the contractual agreement It shall be expressed as a price of base currency in the quoted currency.
115	Section 2i – Foreign Exchange	Exchange rate basis	Currency pair and order in which the exchange rate is denominated, expressed as unit currency/quoted currency.

Item	Section	Field	Details to be reported
116	Section 2j - Commodities and emission allowances (General)	Base product	Base product as specified in the classification of commodities in Table 4 of Annex I of the [ITS].
117	Section 2j - Commodities and emission allowances (General)	Sub-product	Sub — product as specified in the classification of commodities in Table 4 of Annex I of the [ITS] This field requires a specific base product in field.
118	Section 2j - Commodities and emission allowances (General)	Further sub-product	Further sub product as specified in the classification of commodities in Table 4 of Annex I of the [ITS] This field requires a specific sub product in field.
119	Section 2k - Commodities and emission allowances (Energy)	Delivery point or zone	Delivery point(s) or market area(s).
120	Section 2k - Commodities and emission allowances (Energy)	Interconnection Point	Identification of the border(s) or border point(s) of a transportation contract.
121	Section 2k - Commodities and emission allowances (Energy)	Load type	Identification of the delivery profile.
	Section of fields 122- 131 is repeatable		

Item	Section	Field	Details to be reported
122	Section 2k - Commodities and emission allowances (Energy)	Delivery interval start time	The start time of the delivery interval for each block or shape.
123	Section 2k - Commodities and emission allowances (Energy)	Delivery interval end time	The end time of the delivery interval for each block or shape.
124	Section 2k - Commodities and emission allowances (Energy)	Delivery start date	Start date of delivery.
125	Section 2k - Commodities and emission allowances (Energy)	Delivery end date	End date of delivery.
126	Section 2k - Commodities and emission allowances (Energy)	Duration	The duration of the delivery period.
127	Section 2k - Commodities and emission allowances (Energy)	Days of the week	The days of the week of the delivery.
128	Section 2k - Commodities and emission allowances (Energy)	Delivery capacity	The number of units included in the transaction for each delivery interval specified in field 70.
129	Section 2k - Commodities and emission allowances (Energy)	Quantity Unit	The unit of measurement used.

Item	Section	Field	Details to be reported
130	Section 2k - Commodities and emission allowances (Energy)	Price/time interval quantity	If applicable, price per quantity per delivery time interval.
131	Section 2k - Commodities and emission allowances (Energy)	Currency of the price/time interval quantity	The currency in which the price/time interval quantity is expressed.
132	Section 2l - Options	Option type	<p>Indication as to whether the derivative contract is a call (right to purchase a specific underlying asset) or a put (right to sell a specific underlying asset) or whether it cannot be determined whether it is a call or a put at the time of execution of the derivative contract.</p> <p>In case of swaptions it shall be:</p> <ul style="list-style-type: none"> - "Put", in case of receiver swaption, in which the buyer has the right to enter into a swap as a fixed-rate receiver. - "Call", in case of payer swaption, in which the buyer has the right to enter into a swap as a fixed-rate payer. <p>In case of Caps and Floors it shall be:</p> <ul style="list-style-type: none"> - "Put", in case of a Floor. - "Call", in case of a Cap.
133	Section 2l - Options	Option style	Indicates whether the option may be exercised only at a fixed date (European), a series of pre-specified dates (Bermudan) or at any time

Item	Section	Field	Details to be reported
			during the life of the contract (American).
134	Section 2I - Options	Strike price	<ul style="list-style-type: none"> • For options other than FX options, swaptions and similar products, price at which the owner of an option can buy or sell the underlying asset of the option. • For foreign exchange options, exchange rate at which the option can be exercised, expressed as the rate of exchange from converting the unit currency into the quoted currency. In the example 0.9426 USD/EUR, USD is the unit currency and EUR is the quoted currency; USD 1 = EUR 0.9426. Where the strike price is not known when a new transaction is reported, the strike price is updated as it becomes available. • For volatility and variance swaps and similar products the volatility strike price is reported in this data element.
	Fields 135-137 are repeatable and shall be populated in the case of derivatives involving strike price schedules		
135	Section 2I - Options	Effective date of the strike price	Unadjusted effective date of the strike price.

Item	Section	Field	Details to be reported
136	Section 2I - Options	End date of the strike price	Unadjusted end date of the strike price (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period) .
137	Section 2I - Options	Strike price in effect on associated effective date	Strike price in effect between the unadjusted effective date and unadjusted end date inclusive.
138	Section 2I - Options	Strike price currency/currency pair	For equity options, commodity options, and similar products, currency in which the strike price is denominated. For foreign exchange options: Currency pair and order in which the strike price is expressed. It is expressed as unit currency/quoted currency.
139	Section 2I - Options	Option premium amount	For options and swaptions of all asset classes, monetary amount paid by the option buyer. This data element is not applicable if the instrument is not an option or does not embed any optionality.
140	Section 2I - Options	Option premium currency	For options and swaptions of all asset classes, currency in which the option premium amount is denominated. This data element is not applicable if the instrument is not an

Item	Section	Field	Details to be reported
			option or does not embed any optionality.
141	Section 2l - Options	Option premium payment date	Unadjusted date on which the option premium is paid.
142	Section 2i - Options	Maturity date of the underlying	In case of swaptions, maturity date of the underlying swap.
143	Section 2m – Credit derivatives	Seniority	Indicates the seniority of the debt security, or debt basket or index underlying a derivative.
144	Section 2m – Credit derivatives	Reference entity	Identification of the underlying reference entity.
145	Section 2m – Credit derivatives	Series	The series number of the composition of the index if applicable.
146	Section 2m – Credit derivatives	Version	A new version of a series is issued if one of the constituents defaults and the index has to be re-weighted to account for the new number of total constituents within the index.
147	Section 2m – Credit derivatives	Index factor	The factor to apply to the Notional (Field 2.55) to adjust it to all the previous credit events in that Index series.
148	Section 2m – Credit derivatives	Tranche	Indication whether a derivative contract is tranching.

Item	Section	Field	Details to be reported
149	Section 2m – Credit derivatives	CDS index attachment point	Defined lower point at which the level of losses in the underlying portfolio reduces the notional of a tranche. For example, the notional in a tranche with an attachment point of 3% will be reduced after 3% of losses in the portfolio have occurred. This data element is not applicable if the transaction is not a CDS tranche transaction (index or custom basket).
150	Section 2m – Credit derivatives	CDS index detachment point	Defined point beyond which losses in the underlying portfolio no longer reduce the notional of a tranche. For example, the notional in a tranche with an attachment point of 3% and a detachment point of 6% will be reduced after there have been 3% of losses in the portfolio. 6% losses in the portfolio deplete the notional of the tranche. This data element is not applicable if the transaction is not a CDS tranche transaction (index or custom basket).
151	Section 2n - Modifications to the derivative	Action type	<ul style="list-style-type: none"> • New: A report of a derivative, at a trade or position level, for the first time. • Modify: A modification to the terms or details of a previously reported derivative, at a trade or position level, but not a

Item	Section	Field	Details to be reported
			<p>correction of a report.</p> <ul style="list-style-type: none"> • Correct: A report correcting the erroneous data fields of a previously submitted report. • Terminate: A Termination of an existing derivative, at a trade or position level. • Error: A cancellation of a wrongly submitted entire report in case the derivative, at a trade or position level, never came into existence or was not subject to Regulation (EU) No 648/2012 reporting requirements but was reported to a trade repository by mistake or a cancellation of a duplicate report. • Revive: Re-opening of a derivative, at a trade or position level, that was cancelled with action type 'Error' or terminated by mistake. • Valuation: An update of a valuation of a derivative, at a trade or position level • Position component: A report of a new derivative that is included in a separate position report on the same day.

Item	Section	Field	Details to be reported
152	Section 2n - Modifications to the derivative	Event type	<ul style="list-style-type: none"> • Trade: Conclusion of a derivative or renegotiation of its terms that does not result in change of a counterparty • Step-in: An event, where part or entirety of the derivative is transferred to a counterparty 2 (and reported as a new derivative) and the existing derivative is either terminated or its notional is modified. • PTRR: Post-trade risk reduction exercise • Early termination: Termination of a derivative, at a trade or position level • Clearing: Clearing as defined in Article 2(3) of Regulation (EU) No 648/2012 • Exercise: The exercise of an option or a swaption by one counterparty of the transaction, fully or partially. • Allocation: Allocation event, where an existing derivative is allocated to different counterparties and reported as new derivatives with reduced notional amounts. • Credit event: Applies only to credit derivatives. A credit event that results in a modification of a derivative, at a trade or position level Corporate event: A corporate action on equity

Item	Section	Field	Details to be reported
			<p>underlying that impacts the derivatives on that equity</p> <ul style="list-style-type: none"> • Inclusion in position: Inclusion of CCP-cleared derivative or CFD into a position, where an existing derivative is terminated and either a new position is created or the notional of an existing position is modified. <p>Update - Update of an outstanding derivative performed during the transition period in order to ensure its conformity with the amended reporting requirements</p>
153	Section 2n - Modifications to the derivative	Event date	Date on which the reportable event relating to the derivative contract and captured by the report took place or, in case of a modification when the modification become effective.
154	Section 2n - Modifications to the derivative	Level	Indication whether the report is done at trade or position level. Position level report can be used only as a supplement to trade level reporting to report post-trade events and only if individual trades in fungible products have been replaced by the position.

Table 3

Item	Section	Field	Details to be reported
1	Parties to the derivative	Reporting timestamp	Date and time of the submission of the report to the trade repository.
2	Parties to the derivative	Report submitting entity ID	In the case where the entity responsible for reporting has delegated the submission of the report to a third party or to the other counterparty, this entity has to be identified in this field by a unique code. Otherwise the entity responsible for reporting should be identified in this field.
3	Parties to the derivative	Entity responsible for reporting	Where a financial counterparty is solely responsible, and legally liable, for reporting on behalf of both counterparties in accordance with Article 9(1)(a) of Regulation (EU) No 648/2012 of the Parliament and of the Council and the non-financial counterparty does not decide to report itself the details of its OTC derivative contracts with the financial counterparty, the unique code identifying that financial counterparty. Where a management company is responsible, and legally liable, for reporting on behalf of an Undertaking for Collective Investment in Transferable Securities (UCITS) in accordance with Article 9(1)(b) of that Regulation, the unique code identifying that management company. Where an Alternative Investment Fund Manager (AIFM) is responsible, and legally liable, for reporting on behalf of an Alternative Investment Fund (AIF) in accordance with Article 9(1)(c) of that Regulation, the unique code identifying that AIFM. Where an authorised entity that is responsible for managing and acting on behalf of an IORP is responsible, and legally liable, for reporting on its behalf in accordance with Article 9(1)(d) of that Regulation, the unique code identifying that entity. This field is applicable only to the OTC derivatives.

Item	Section	Field	Details to be reported
4	Parties to the derivative	Counterparty 1 (Reporting counterparty)	Identifier of the counterparty to a derivative transaction who is fulfilling its reporting obligation via the report in question. In the case of an allocated derivative transaction executed by a fund manager on behalf of a fund, the fund and not the fund manager is reported as the counterparty.
5	Parties to the derivative	Counterparty 2 identifier type	Indicator of whether LEI was used to identify the Counterparty 2.
6	Parties to the derivative	Counterparty 2	Identifier of the second counterparty to a derivative transaction. In the case of an allocated derivative transaction executed by a fund manager on behalf of a fund, the fund and not the fund manager is reported as the counterparty.
7	Collateral	Collateral timestamp	Date and time as of which the values of the margins are reported.
8	Collateral	Collateral portfolio indicator	Indicator of whether the collateralisation was performed on a portfolio basis. Under portfolio, it is understood the set of transactions that are margined together (either on a net or a gross basis) rather than an individual transaction.
9	Collateral	Collateral portfolio code	If collateral is reported on a portfolio basis, unique code assigned by the counterparty 1 to the portfolio. This data element is not applicable if the collateralisation was performed on a transaction level basis, or if there is no collateral agreement or if no collateral is posted or received.
10	Collateral	UTI	Unique Trade Identifier as referred to in Article 7 of the [ITS].

Item	Section	Field	Details to be reported
11	Collateral	Collateralisation category	<p>Indicate whether a collateral agreement between the counterparties exists.</p> <p>This data element is provided for each transaction or each portfolio, depending on whether the collateralisation is performed at the transaction or portfolio level, and is applicable to both cleared and uncleared transactions.</p>
12	Collateral	Initial margin posted by the counterparty 1 (pre-haircut)	<p>Monetary value of initial margin that has been posted by the counterparty 1, including any margin that is in transit and pending settlement.</p> <p>If the collateralisation is performed at portfolio level, the initial margin posted relates to the whole portfolio; if the collateralisation is performed for single transactions, the initial margin posted relates to such single transaction.</p> <p>This refers to the total current value of the initial margin, rather than to its daily change. The data element refers both to uncleared and centrally cleared transactions. For centrally cleared transactions, the data element does not include default fund contributions, nor collateral posted against liquidity provisions to the central counterparty, i.e. committed credit lines.</p> <p>If the initial margin posted is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.</p>
13	Collateral	Initial margin posted by the counterparty 1 (post-haircut)	<p>Monetary value of initial margin that has been posted by the counterparty 1, including any margin that is in transit and pending settlement.</p> <p>If the collateralisation is performed at portfolio level, the initial margin posted relates to the whole portfolio; if the collateralisation is performed for single transactions, the initial margin posted relates to such single transaction.</p> <p>This refers to the total current value of the initial margin after application of the haircut (if applicable), rather than to its daily change. The data element refers both to uncleared</p>

Item	Section	Field	Details to be reported
			<p>and centrally cleared transactions. For centrally cleared transactions, the data element does not include default fund contributions, nor collateral posted against liquidity provisions to the central counterparty, i.e. committed credit lines. If the initial margin posted is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.</p>
14	Collateral	Currency of the initial margin posted	<p>Currency in which the initial margin posted is denominated. If the initial margin posted is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of posted initial margins.</p>
15	Collateral	Variation margin posted by the counterparty 1 (pre-haircut)	<p>Monetary value of the variation margin posted by the counterparty 1 (including the cash-settled one), and including any margin that is in transit and pending settlement. Contingent variation margin is not included. If the collateralisation is performed at portfolio level, the variation margin posted relates to the whole portfolio; if the collateralisation is performed for single transactions, the variation margin posted relates to such single transaction. This data element refers to the total current value of the variation margin, cumulated since the first reporting of variation margins posted for the portfolio/transaction. If the variation margin posted is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.</p>
16	Collateral	Variation margin posted by the counterparty 1 (post-haircut)	<p>Monetary value of the variation margin posted by the counterparty 1 (including the cash-settled one), and including any margin that is in transit and pending settlement. Contingent variation margin is not included. If the collateralisation is performed at portfolio level, the variation margin posted relates to</p>

Item	Section	Field	Details to be reported
			<p>the whole portfolio; if the collateralisation is performed for single transactions, the variation margin posted relates to such single transaction.</p> <p>This data element refers to the total current value of the variation margin after application of the haircut (if applicable), cumulated since the first reporting of posted variation margins for the portfolio /transaction.</p> <p>If the variation margin posted is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.</p>
17	Collateral	Currency of the variation margins posted	<p>Currency in which the variation margin posted is denominated.</p> <p>If the variation margin posted is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of posted variation margins.</p>
18	Collateral	Excess collateral posted by the counterparty 1	<p>Monetary value of any additional collateral posted by the counterparty 1 separate and independent from initial and variation margin. This refers to the total current value of the excess collateral before application of the haircut (if applicable), rather than to its daily change.</p> <p>Any initial or variation margin amount posted that exceeds the required initial margin or required variation margin, is reported as part of the initial margin posted or variation margin posted respectively rather than included as excess collateral posted.</p> <p>For centrally cleared transactions, excess collateral is reported only to the extent it can be assigned to a specific portfolio or transaction.</p>

Item	Section	Field	Details to be reported
19	Collateral	Currency of the excess collateral posted	<p>Currency in which the excess collateral posted is denominated.</p> <p>If the excess collateral posted is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of posted excess collateral.</p>
20	Collateral	Initial margin collected by the counterparty 1 (pre-haircut)	<p>Monetary value of initial margin that has been collected by the counterparty 1, including any margin that is in transit and pending settlement.</p> <p>If the collateralisation is performed at portfolio level, the initial margin collected relates to the whole portfolio; if the collateralisation is performed for single transactions, the initial margin collected relates to such single transaction.</p> <p>This refers to the total current value of the initial margin, rather than to its daily change. The data element refers both to uncleared and centrally cleared transactions. For centrally cleared transactions, the data element does not include collateral collected by the central counterparty as part of its investment activity.</p> <p>If the initial margin collected is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.</p>

Item	Section	Field	Details to be reported
21	Collateral	Initial margin collected by the counterparty 1 (post-haircut)	<p>Monetary value of initial margin that has been collected by the counterparty 1, including any margin that is in transit and pending settlement.</p> <p>If the collateralisation is performed at portfolio level, the initial margin collected relates to the whole portfolio; if the collateralisation is performed for single transactions, the initial margin collected relates to such single transaction.</p> <p>This refers to the total current value of the initial margin after application of the haircut (if applicable), rather than to its daily change. The data element refers both to uncleared and centrally cleared transactions. For centrally cleared transactions, the data element does not include collateral collected by the central counterparty as part of its investment activity.</p> <p>If the initial margin collected is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.</p>
22	Collateral	Currency of initial margin collected	<p>Currency in which the initial margin collected is denominated.</p> <p>If the initial margin collected is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of collected initial margins.</p>

Item	Section	Field	Details to be reported
23	Collateral	Variation margin collected by the counterparty 1 (pre-haircut)	<p>Monetary value of the variation margin collected by the counterparty 1 (including the cash-settled one), and including any margin that is in transit and pending settlement. Contingent variation margin is not included. If the collateralisation is performed at portfolio level, the variation margin collected relates to the whole portfolio; if the collateralisation is performed for single transactions, the variation margin collected relates to such single transaction.</p> <p>This refers to the total current value of the variation margin, cumulated since the first reporting of collected variation margins for the portfolio/transaction.</p> <p>If the variation margin collected is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.</p>
24	Collateral	Variation margin collected by the counterparty 1 (post-haircut)	<p>Monetary value of the variation margin collected by the counterparty 1 (including the cash-settled one), and including any margin that is in transit and pending settlement. Contingent variation margin is not included. If the collateralisation is performed at portfolio level, the variation margin collected relates to the whole portfolio; if the collateralisation is performed for single transactions, the variation margin collected relates to such single transaction.</p> <p>This refers to the total current value of the variation margin collected after application of the haircut (if applicable), cumulated since the first reporting of collected variation margins for the portfolio transaction.</p> <p>If the variation margin collected is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.</p>

Item	Section	Field	Details to be reported
25	Collateral	Currency of variation margin collected	<p>Currency in which the variation margin collected is denominated.</p> <p>If the variation margin collected is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of collected variation margins.</p>
26	Collateral	Excess collateral collected by the counterparty 1	<p>Monetary value of any additional collateral collected by the counterparty 1 separate and independent from initial and variation margin. This data element refers to the total current value of the excess collateral before application of the haircut (if applicable), rather than to its daily change.</p> <p>Any initial or variation margin amount collected that exceeds the required initial margin or required variation margin, is reported as part of the initial margin collected or variation margin collected respectively, rather than included as excess collateral collected.</p> <p>For centrally cleared transactions excess collateral is reported only to the extent it can be assigned to a specific portfolio or transaction.</p>
27	Collateral	Currency of excess collateral collected	<p>Currency in which the excess collateral collected is denominated.</p> <p>If the excess collateral is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of collected excess collateral.</p>
28	Collateral	Action type	<p>The report shall contain one of the following action types:</p> <ul style="list-style-type: none"> (a) a new margin balance shall be identified as 'New'; (b) a modification of the details of the margins shall be identified as 'Margin update'; (c) a cancellation of a wrongly submitted entire report shall be identified as 'Error'; (d) a correction of data fields that were submitted incorrectly in a previous report shall be identified as 'Correct'.

Item	Section	Field	Details to be reported
29	Collateral	Event date	Date on which the reportable event relating to the derivative contract and captured by the report took place. In the case of collateral update - the date for which the information contained in the report is provided.

10.5 Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR

COMMISSION IMPLEMENTING REGULATION (EU) YYYY/XXX

of ...

laying down implementing technical standards for the application of Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to the standards, formats, frequency and methods and arrangements for reporting and repealing Implementing Regulation (EU) No 1247/2012

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ⁽²⁷⁾, and in particular Article 9(6) thereof,

Whereas:

- (1) Implementing Regulation (EU) No 1247/2012 of 19 December 2012 laying down implementing technical standards with regard to the format and frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories ⁽²⁸⁾ has been substantially amended.. Since further amendments are to be made, it should be repealed in the interests of clarity and replaced by this Regulation.
- (2) The details reported to trade repositories by the counterparties to derivatives should be submitted in a harmonised format in order to facilitate data collection, aggregation and comparison across trade repositories. Therefore, the format for each of the fields to be reported should be prescribed and reports should be standardised by reference to an ISO standard that is widely used in the financial industry.
- (3) A number of reports may be submitted for a single derivative, for example if successive modifications are made to that derivative. In order to ensure that each report relating to a derivative, and each derivative as a whole, is properly understood, reports should be submitted in the chronological sequence in which the reported events occurred.

²⁷ OJ L 201, 27.7.2012, p. 1.

²⁸ OJ L 352, 21.12.2012, p. 20.

- (4) To lessen the burden of reporting the modification of certain values, and in particular the details relating to the valuation of the contract and the margin posted or received, those details should be reported as they stand at the end of each day.
- (5) The global legal entity identifier ('LEI') system has now been fully implemented and each counterparty to a derivative or entity responsible for reporting should therefore only use that system to identify a legal entity in a report. For the use of the LEI system to be effective, that counterparty or entity responsible for reporting should ensure that the reference data related to its LEI are renewed in accordance with the terms of an accredited LEI issuer (Local Operating Unit).
- (6) Determining the counterparty side in a derivative is complex for certain products. Therefore, in order to ensure that this information is reported consistently and accurately, specific rules for the determination of the direction of the derivative should be established.
- (7) In order to determine the real exposures of counterparties, competent authorities require complete and accurate information on the collateral exchanged between those counterparties. Accordingly, specific rules ensuring a consistent approach with regard to the reporting of collateralisation for a given derivative or portfolio should be determined.
- (8) The accurate classification and precise identification of derivatives is essential for the efficient use of data and for the meaningful aggregation of data across trade repositories, and therefore contributes to the objectives of the Financial Stability Board set out in the Feasibility Study on Aggregation of OTC Derivatives Trade Repository Data ⁽²⁹⁾ published on 19 September 2014. Furthermore, the implementation of the globally agreed Unique Product Identifier (UPI) is key for enabling the aggregation of derivative data at global level. Reporting requirements relating to the classification and identification of derivatives should therefore be set out so that this information is available in its entirety to competent authorities.
- (9) Timely generation and provision of the Unique Transaction Identifier (UTI) is indispensable to enable both counterparties to use the same UTI, thus ensuring the correct identification and association of the two reports pertaining to the same derivative. It is therefore necessary to establish criteria to determine the entity responsible for the generation of the UTI so as to avoid counting the same derivative twice. Furthermore, in order to secure this objective for the derivatives concluded with counterparties outside of the Union, it is important to align these rules with the globally agreed guidance on the UTI.
- (10) Change of the LEI of a given entity due to a corporate event or obtaining of an LEI by a legal entity may result in a need of updating a substantial number of reports, notably all reports where such entity is identified as party involved in a derivative. For that reason, a procedure should be established to ensure that trade repositories can update

²⁹ http://www.fsb.org/wp-content/uploads/r_140919.pdf

the identifier of the entity in a centralised manner, thus ensuring an efficient, robust and timely process.

- (11) Authorities may not be aware of certain significant reporting problems of the supervised reporting entities, for example when such problems do not result in rejections of reports or reconciliation failures. To ensure that authorities have visibility of significant reporting problems, entities responsible for reporting should notify the competent authorities of relevant errors and omission in reporting.
- (12) Where a financial counterparty is solely responsible and legally liable for reporting of the details of OTC derivative contracts on behalf of a non-financial counterparty pursuant to Article 9(1)(a) of Regulation (EU) No 648/2012, the financial counterparty should put in place necessary arrangements to ensure that it can duly comply with this obligation.
- (13) Reconciliation breaks are a clear indication of potential problems with the quality of the reported data. Therefore, the counterparties, the entities responsible for reporting and the report submitting entities, as applicable, should have in place arrangements to ensure that the reconciliation failures are resolved.
- (14) In order to ensure that authorities can effectively fulfil their mandates, in particular related to financial stability, it is necessary that they have a clear and complete picture of all derivatives with outstanding risk. Only an harmonised requirement to duly update all outstanding derivatives can prevent divergencies in its implementation and hence mitigate the risk of undermining supervisory convergence. Furthermore, ensuring that reports pertaining to outstanding derivatives are aligned in terms of data content and data quality, allows for simplification of the reporting flows thus resulting in the long term in reduction of costs for all relevant stakeholders, including trade repositories, reporting entities and authorities. Thus, to secure to secure improvement of the functioning and reduction of the burden of reporting, in line with the objectives of Regulation (EU) 2019/834 of the European Parliament and of the Council ⁽³⁰⁾, it is essential that counterparties report complete and accurate details of all outstanding derivatives in accordance with the currently applicable requirements. To mitigate the initial burden related to the update of outstanding derivatives, additional time should be granted for the counterparties to update the data pertaining to the outstanding derivatives. Furthermore, counterparties should be required to submit such update only if no modification occurs within that time that would require the counterparty to report complete and accurate details of the derivative in a report pertaining to that modification.

³⁰ [Regulation \(EU\) 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation \(EU\) No 648/2012 as regards the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories \(OJ L 141, 28.5.2019, p. 42\)](#)

- (15) This Regulation is based on the draft implementing technical standards submitted to the Commission by the European Securities and Markets Authority (ESMA).
- (16) ESMA has consulted the members of the ESCB before submitting the draft implementing technical standards on which this Regulation is based. ESMA has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the advice of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council ⁽³¹⁾.
- (17) To enable counterparties and trade repositories to take all necessary actions to adapt to the new requirements, the date of application of this Regulation should be deferred by eighteen months,

HAS ADOPTED THIS REGULATION:

Article 1

Standard and format of derivative reports

The details of a derivative in a report to be submitted pursuant to Article 9 of Regulation (EU) No 648/2012 shall be provided in accordance with the standards and formats specified in Tables 1 to 3 of the Annex.

That report shall be provided in a common electronic and machine-readable form and in a common XML template in accordance with the ISO 20022 methodology.

Article 2

Frequency of derivative reports

1. All reports of the details of a derivative specified under Article 1 of Commission Delegated Regulation (EU) XXX/XXX [RTS on details of the reports to be reported to TRs under EMIR] shall be provided in the chronological order in which the reported events occurred.

2. A counterparty to a derivative that:

³¹ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84)

- a. has not matured and has not been the subject of a report with the action type 'Terminate', 'Error' or 'Position component' as referred to in field 151 in Table 2 of the Annex; or
- b. was subject to a report with action type 'Revive' not followed by another report with the action type 'Terminate' or 'Error' as referred to in field 151 in Table 2 of the Annex

and that is a financial counterparty or a non-financial counterparty referred to in Article 10 of Regulation (EU) No 648/2012 or the entity responsible for reporting, shall report any modification of the details relating to the collateral data in fields 1 to 29 in Table 3 of Annex IV with action type 'Collateral update', as those details stand at the end of each day.

3. A counterparty to a derivative referred to in paragraphs 2(a) and 2(b) that is a financial counterparty or a non-financial counterparty referred to in Article 10 of Regulation (EU) No 648/2012 or the entity responsible for reporting, shall report the end-of-day mark-to-market or mark-to-model valuation of the contract in fields 21 to 25 in Table 2 of Annex VI with action type 'Valuation update', as it stands at the end of each day.

Article 3

Identification of counterparties and other entities

1. A report shall use an ISO 17442 Legal Entity Identifier (LEI) code to identify:

- (a) a broking entity;
- (b) a CCP;
- (c) a clearing member;
- (d) a counterparty which is a legal entity;
- (e) a report submitting entity;
- (f) an entity responsible for reporting;
- (g) a post-trade risk reduction service provider.

2. A counterparty to a derivative as referred to in the Field 4 in Table 1 of the Annex IV and the entity responsible for reporting shall ensure for the purpose of reporting the conclusion or modification of a derivative pursuant to the Article 9 of Regulation (EU) No 648/2012 that the reference data related to its ISO 17442 LEI code is renewed in accordance with the terms of any of the accredited Local Operating Units of the Global LEI System.

Article 4

Direction of the derivative

1. The counterparty side to the derivative contract referred to in fields 17 to 19 in Table 1 of the Annex shall be determined at the time of the conclusion of the derivative in accordance with paragraphs 2 to 14.

2. In the case of options and swaptions, the counterparty that holds the right to exercise the option shall be identified as the buyer and the counterparty that sells the option and receives a premium shall be identified as the seller.
3. In the case of forwards related to currencies, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields with the opposite values to the counterparty 1.
4. In the case of swaps related to currencies where multiple exchanges of currencies take place, each counterparty for both legs of the trade shall be identified as either the payer or the receiver of the leg based on the exchange of currencies that takes place closest to the expiration date.
5. In the case of forwards other than forwards relating to currencies and in the case of futures, the counterparty buying the instrument shall be identified as the buyer and the counterparty selling the instrument shall be identified as the seller.
6. In the case of financial contracts for difference and spreadbets the counterparty which goes short the contract should be identified as the seller, and the counterparty going long the contract should be identified as the buyer.
7. In the case of swaps related to dividends, the counterparty, receiving the equivalent dividend amount payments shall be identified as the buyer and the counterparty paying that equivalent dividend amount payments shall be identified as the seller.
8. In the case of swaps related to securities other than dividend swaps, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields with the opposite values to the counterparty 1.
9. In the case of swaps related to interest rates or inflation indices, including the cross-currency swaps, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields with the opposite values to the counterparty 1.
10. With the exception of options and swaptions, in the case of derivative instruments for the transfer of credit risk, the counterparty buying the protection shall be identified as the buyer and the counterparty selling the protection shall be identified as the seller.
11. In the case of swaps related to commodities, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields with the opposite values to the counterparty 1.
12. In the case of forward-rate agreements, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields with the opposite values to the counterparty 1.
13. In the case of derivatives related to variance, volatility and correlation, the counterparty profiting from an increase in the underlying shall be identified as the buyer and the counterparty profiting from a decrease in the price of the underlying shall be identified as the seller.

Article 5

Collateralisation

1. The type of collateralisation of the derivative contract referred to in field 11 in Table 3 of the Annex shall be identified by the reporting counterparty in accordance with paragraphs 2 to 10.
2. Where no collateral agreement exists between the counterparties or where the collateral agreement between the counterparties stipulates that the counterparties do not post neither initial margin nor variation margin with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “uncollateralised”.
3. Where the collateral agreement between the counterparties stipulates that the reporting counterparty only posts regularly variation margins and that the other counterparty does not post any margin with respect to the derivative or a portfolio of derivatives the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “partially collateralised: counterparty 1 only”.
4. Where the collateral agreement between the counterparties stipulates that the other counterparty only posts regularly variation margin and that the reporting counterparty does not post any margin with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “partially collateralised: counterparty 2 only”.
5. Where the collateral agreement between the counterparties stipulates that both counterparties only post regularly variation margin with respect to the derivative or a portfolio of derivatives the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “partially collateralised”.
6. Where the collateral agreement between the counterparties stipulates that the reporting counterparty posts the initial margin and regularly posts variation margins and that the other counterparty does not post any margins with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “one-way collateralised: counterparty 1 only”.
7. Where the collateral agreement between the counterparties stipulates that the other counterparty posts the initial margin and regularly posts variation margins and that the reporting counterparty does not post any margins with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “one-way collateralised: counterparty 2 only”.
8. Where the collateral agreement between the counterparties stipulates that the reporting counterparty posts the initial margin and regularly posts variation margin and that the other counterparty regularly posts only variation margin with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “one-way/partially collateralised: counterparty 1”.
9. Where the collateral agreement between the counterparties stipulates that the other counterparty posts the initial margin and regularly posts variation margin and that the reporting counterparty regularly posts only variation margin with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “one-way/partially collateralised: counterparty 2”.
10. Where the collateral agreement between the counterparties stipulates that both counterparties post initial margin and regularly post variation margins with respect to the derivative with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “fully collateralised”.

Article 6

Specification, identification, and classification of derivatives

1. A report shall specify a derivative on the basis of contract type and asset class in accordance with fields 10 and 11 in Table 2 of the Annex.
2. Where derivatives do not fall within one of the asset classes specified in field 11 in Table 2 of the Annex, the counterparties shall specify in the report the asset class most closely resembling the derivative. Both counterparties shall specify the same asset class.
3. The derivative that is admitted to trading or traded on a trading venue or a systematic internaliser shall be identified in field 7 in Table 2 of the Annex using an ISO 6166 International Securities Identification Number (ISIN) code.
4. The derivative other than the derivative referred to in paragraph 3 shall be identified in field 8 of Table 2 of the Annex using a UPI code in accordance with the ISO standard implemented pursuant to the FSB governance arrangements for the Unique Product Identifier.
5. The derivative shall be classified in field 9 in Table 2 of the Annex using an ISO 10692 Classification of Financial Instrument (CFI) code.

Article 7

Unique Transaction Identifier

1. A derivative, reported either at transaction or position level, shall be identified through an ISO 23897 Unique Transaction Identifier (UTI) in field 1 in Table 2 of the Annex. The UTI shall be composed by the LEI of the entity which generated that UTI followed by a code containing up to 32 characters which is unique at the level of the generating entity.
2. The counterparties shall determine the entity responsible for generating the UTI in accordance with the following:
 - (a) for cleared derivatives other than derivatives between two CCPs, the UTI shall be generated at the point of clearing by the CCP for the clearing member. A different UTI shall be generated by the clearing member for its counterparty for a trade in which the CCP is not a counterparty;
 - (b) for centrally-executed but not centrally-cleared derivatives, the UTI shall be generated by the venue of execution for its member;
 - (c) for derivatives other than those referred to in points (a) and (b), where either counterparty is subject to the reporting requirements in a third country, the UTI shall be generated pursuant to the rules of the jurisdiction of the counterparty that must comply first with those reporting requirements.

Where the counterparty subject to reporting under Article 9 of Regulation (EU) No 648/2012 must comply first with the reporting requirements, the following entity shall generate the UTI:

- (i) for derivatives that were centrally-confirmed by electronic means, the trade confirmation platform at the point of confirmation;
- (ii) for all other derivatives, the counterparties shall agree on the entity responsible for generating the UTI. Where the counterparties fail to agree, the counterparty whose LEI is first

based on sorting the identifiers of the counterparties with the characters of the identifier reversed shall be responsible for the generation.

Where the applicable laws of the relevant third country prescribe the same reporting deadline as the one applicable to the EU counterparty, the counterparties shall agree on the entity responsible for generating the UTI.

Where the counterparties fail to agree, and the derivative was centrally-confirmed by electronic means, the UTI shall be generated by the trade confirmation platform at the point of confirmation.

If the UTI cannot be generated by the trade confirmation platform at the point of confirmation, and the derivative has been reported to a single trade repository, that trade repository shall be responsible for generating the UTI.

If the UTI cannot be generated by the trade repository to which the derivative has been reported, the counterparty whose LEI is first based on sorting the identifiers of the counterparties with the characters of the identifier reversed shall be responsible for the generation;

(d) for derivatives other than those referred to in points (a) to (c), that were centrally-confirmed by electronic means, the UTI shall be generated by the trade confirmation platform at the point of confirmation;

(e) for all derivatives other than those referred to in points (a) to (d), the following shall apply:

(i) where financial counterparties conclude a derivative with non-financial counterparties, the financial counterparties shall generate the UTI;

(ii) where non-financial counterparties above the clearing threshold conclude a derivative with non-financial counterparties below the clearing threshold, those non-financial counterparties above the clearing threshold shall generate the UTI;

(iii) for all derivatives other than those referred to in points (i) and (ii), the counterparties shall agree on the entity responsible for generating the UTI. Where the counterparties fail to agree, the counterparty whose LEI is first based on sorting the identifiers of the counterparties with the characters of the identifier reversed shall be responsible for the generation.

3. The counterparty generating the UTI shall communicate UTI to the other counterparty in a timely manner and no later than 10:00 a.m. UTC of the working day following the date of the conclusion of the derivative.

4. Notwithstanding paragraph 2, the generation of the UTI can be delegated to an entity different from that determined in accordance with paragraph 2. The entity generating the UTI shall comply with the requirements set out in paragraphs 1 and 3.

5. The counterparties shall ensure that they report derivatives using the UTI generated in accordance with paragraphs 1, 2 and 4.

Article 8

Reporting LEI changes and update of identification code to LEI

1. In cases where the counterparty identified in a derivative report undergoes a merger, acquisition or other corporate restructuring event resulting in a change of its LEI, that counterparty or the counterparty to which the new LEI pertains, or the entity responsible for reporting on behalf of either of these counterparties pursuant to Article 9(1)(a) to (1)(d) of Regulation (EU) No 648/2012, or the entity to which either of the counterparties delegated the reporting, shall notify the trade repository to which the counterparty that underwent a corporate restructuring event reported its derivatives about the change and request an update of the LEI in the derivatives concerned referred to in the points (a) and (b) of Article 2(2) at the date of the corporate restructuring event resulting in a change of LEI or contracts reported after that date.
2. Where possible, the request to update of the identifier in the derivatives referred to in the points (a) and (b) of Article 2(2) shall be made at least 30 calendar days prior to the merger, acquisition or other corporate restructuring event resulting in a change of LEI. In case the entity referred to in paragraph 1 cannot provide this information to the trade repository 30 calendar days prior to the merger, acquisition or other corporate restructuring event resulting in a change of LEI, it shall notify the trade repository as soon as possible.
3. The request referred to in the paragraph 1 shall contain at least the following:
 - a. the LEI of each of the entities participating in the corporate restructuring event;
 - b. the LEI of the new counterparty;
 - c. the date on which the change will take place or has taken place;
 - d. the unique trade identifiers of the derivatives concerned in case where the corporate restructuring event affects only a subset of derivatives referred to in the points (a) and (b) of Article 2(2);
 - e. evidence that the corporate restructuring event has taken or will take place, subject to the provisions under Article 17 of Regulation (EU) 596/2014.
4. When a counterparty notifies mistakenly a trade repository about a change in its LEI, it shall follow the procedure set out in paragraphs 1 to 3 to request update of its LEI to the correct one.
5. In case where a counterparty which was previously identified with identifier other than LEI obtains an LEI, the procedures under paragraphs 1 to 3 apply.
6. In case the LEI change concerns a non-EU counterparty, its EU reporting counterparty or the entity responsible for reporting pursuant to Article 9(1)(a) to (1)(d) of Regulation (EU) No 648/2012 or the entity to which the EU reporting counterparty delegated the reporting shall initiate the procedure under paragraphs 1 to 3.
7. In case where a non-EU counterparty which was previously identified with identifier other than LEI obtains an LEI, , each EU reporting counterparty affected by this change or the entity responsible for reporting pursuant to Article 9(1)(a) to (1)(d) of Regulation (EU) No 648/2012 or the entity to which the EU reporting counterparty delegated the reporting shall request the update of the identifier of the non-EU counterparty to its respective trade repository.
8. In case the LEI change concerns an entity referred to in points (a)-(c), (e) or (g) of Article 3(1), that is not a counterparty to the derivative, the counterparty 1 or the entity responsible for reporting shall confirm to the trade repository the unique trade identifiers of the derivatives concerned referred to in the points (a) and (b) of Article 2(2). Where the counterparty 1 and

the entity responsible for reporting do not confirm to the trade repository the unique trade identifiers of the derivatives referred to in the points (a) and (b) of Article 2(2) concerned by the LEI change, and therefore the TR does not perform such update, the counterparty 1 or the entity responsible for reporting shall update the LEI of the concerned entity in all reports pertaining to the derivatives concerned referred to in the points (a) and (b) of Article 2(2) by sending a report with action type 'Modify'.

Article 9

Methods and arrangements for reporting derivatives

1. The entity responsible for reporting shall notify its competent authority and, if different, also the competent authority of the reporting counterparty of any of the following instances:

- a. any misreporting caused by flaws in the reporting systems that would affect a significant number of reports,
- b. any reporting obstacle preventing the report submitting entity from sending reports to a Trade Repository within the deadline set out in the Article 9 of EMIR,
- c. any significant issue resulting in reporting errors that would not cause rejection by a trade repository in accordance with Commission Delegated Regulation[RTS on procedures for ensuring data quality] .

The entity responsible for reporting shall promptly notify any of those instances, as soon as it becomes aware of them.

The notification shall indicate at least the type of the error or omission, the date of the occurrence, scope of the affected reports, reasons for the errors or omissions, steps taken to resolve the issue and the timeline for resolution of the issue and corrections.

2. Where a financial counterparty is solely responsible and legally liable for reporting of the details of OTC derivative contracts on behalf of a non-financial counterparty pursuant to Article 9(1)(a) of Regulation (EU) No 648/2012, it shall put in place at least the following arrangements to ensure the correct reporting and reporting without duplications of the details of derivatives:

- a. arrangements for the timely provision by the non-financial counterparty of the following details of the OTC derivative contracts that the financial counterparty cannot be reasonably expected to possess and where those are unknown by that financial counterparty:
 - i. broker ID, as referred to in the field 15 in Table 1 of the Annex;
 - ii. clearing member, as referred to in the field 16 in Table 1 of the Annex ;
 - iii. directly linked to commercial activity or treasury financing, as referred to in the field 20 in Table 1 of the Annex;
- b. arrangements for timely information by the non-financial counterparty to the financial counterparty of any change in its legal obligations pursuant to Article 10(1) of Regulation (EU) No 648/2012;
- c. arrangements for duly renewals by the non-financial counterparty of its LEI in accordance with the terms of any of the accredited Local Operating Units of the Global LEI System;
- d. arrangements for timely notification by the non-financial counterparty to the financial counterparty of its decision to start or to cease reporting the details of OTC derivative

contracts concluded with the financial counterparty. Such arrangements shall at least ensure that the notification is done in writing or other equivalent electronic means at least 10 working days before the date on which the non-financial counterparty wants to start or to cease reporting.

3. For the timely and correct reporting without duplication, the counterparties, the entities responsible for reporting and the report submitting entities, as applicable, shall have in place arrangements which ensure that the feedback on the reconciliation failures provided pursuant to [please insert reference to Article 3 of RTS on data quality] is taken into account.

Article 10

The date by which derivative contracts are to be reported

1. A counterparty to a derivative shall report any conclusion, modification or termination of the derivative by the end of the working day following the day on which that conclusion, modification or termination took place.

2. A counterparty to a derivative that fulfils the conditions set out in point (a) or (b) of Article 2(2) on [Date of application of the ITS] or the entity responsible for reporting shall report all details of that derivative required in accordance with the Annex by submitting a report with event type 'Update' within 180 calendar days of the [Date of application of the ITS], unless they have submitted a report with the action type 'Modify' or 'Correct' for that derivative within this period.

Article 11

Repeal

Implementing Regulation (EU) No 1247/2012 is repealed.

References to the repealed Regulation shall be construed as references to this Regulation.

Article 12

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from [PO: please insert date 18 months after the date of entry into force. The date of application should fall on Monday].

This Regulation shall be binding in its entirety and directly applicable in all Member States.



Done at Brussels,

ESMA REGULAR USE

*For the Commission
The President*

Annex

Table 1

Item	Section	Field	Format
1	Parties to the derivative	Reporting timestamp	ISO 8601 date in the format and Coordinated Universal Time (UTC) time format YYYY-MM-DDThh:mm:ssZ
2	Parties to the derivative	Report submitting entity ID	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).
3	Parties to the derivative	Entity responsible for reporting	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
4	Parties to the derivative	Counterparty 1 (Reporting counterparty)	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
5	Parties to the derivative	Nature of the counterparty 1	F = Financial Counterparty N = Non-Financial Counterparty C = Central Counterparty O = Other

Item	Section	Field	Format
6	Parties to the derivative	Corporate sector of the counterparty 1	<p>Taxonomy for Financial Counterparties:</p> <p>'INVF' - Investment firm authorized in accordance with Directive 2014/65/EU of the European Parliament and of the Council;</p> <p>'CDTI' - Credit institution authorised in accordance with Directive 2013/36/EU;</p> <p>'INUN' - an insurance undertaking or reinsurance undertaking authorised in accordance with Directive 2009/138/EC of the European Parliament and of the Council;</p> <p>'UCIT' - a UCITS and, where relevant, its management company, authorised in accordance with Directive 2009/65/EC, unless that UCITS is set up exclusively for the purpose of serving one or more employee share purchase plans;</p> <p>'ORPI' - an institution for occupational retirement provision (IORP), as defined in point (1) of Article 6 of Directive (EU) 2016/2341 of the European Parliament and of the Council;</p> <p>'AIFD' - an alternative investment fund (AIF), as defined in point (a) of Article 4(1) of Directive 2011/61/EU, which is either established in the Union or managed by an alternative investment fund manager (AIFM) authorised or registered in accordance with that Directive, unless that AIF is set up exclusively for the purpose of serving one or more employee share purchase plans, or unless that AIF is a securitisation special purpose entity as referred to in point (g) of Article 2(3) of Directive 2011/61/EU, and, where relevant, its AIFM established in the Union;</p> <p>'CSDS' - a central securities depository authorised in accordance with Regulation (EU) No 909/2014 of the European Parliament and of the Council;</p> <p>Taxonomy for Non-Financial Counterparties. The categories below correspond to the main sections of NACE classification as defined in Regulation (EC) No 1893/2006 of the European Parliament and of the Council(10)</p> <p>'A' - Agriculture, forestry and fishing;</p> <p>'B' - Mining and quarrying;</p> <p>'C' - Manufacturing;</p> <p>'D' - Electricity, gas, steam and air conditioning supply;</p> <p>'E' - Water supply, sewerage, waste management and remediation activities;</p> <p>'F' - Construction;</p> <p>'G' - Wholesale and retail trade, repair of motor</p>

Item	Section	Field	Format
			<p>vehicles and motorcycles; 'H' - Transportation and storage; 'I' - Accommodation and food service activities; 'J' - Information and communication; 'K' - Financial and insurance activities; 'L' - Real estate activities; 'M' - Professional, scientific and technical activities; 'N' - Administrative and support service activities; 'O' - Public administration and defence; compulsory social security; 'P' - Education; 'Q' - Human health and social work activities; 'R' - Arts, entertainment and recreation; 'S' - Other service activities; 'T' - Activities of households as employers; undifferentiated goods – and services – producing activities of households for own use; 'U' - Activities of extraterritorial organizations and bodies.</p> <p>Where more than one activity is reported, list the codes in order of the relative importance of the corresponding activities.</p> <p>Leave blank in the case of CCPs and other type of counterparties in accordance with Article 1(5) of Regulation (EU) No 648/2012.</p>
7	Parties to the derivative	Clearing threshold of counterparty 1	<p>Boolean value: TRUE = Above the threshold FALSE = Below the threshold</p>
8	Parties to the derivative	Counterparty 2 identifier type	<p>Boolean value:</p> <ul style="list-style-type: none"> • TRUE • FALSE, for natural persons who are acting as private individuals (not business entities).

Item	Section	Field	Format
9	Parties to the derivative	Counterparty 2	<ul style="list-style-type: none"> • ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). <p>The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.</p>
10	Parties to the derivative	Country of the counterparty 2	ISO 3166 - 2 character country code
11	Parties to the derivative	Nature of the counterparty 2	<p>F = Financial Counterparty N = Non-Financial Counterparty C = Central Counterparty O = Other</p>

Item	Section	Field	Format
12	Parties to the derivative	Corporate sector of the counterparty 2	<p>Taxonomy for Financial Counterparties:</p> <p>'INVF' - Investment firm authorized in accordance with Directive 2014/65/EU of the European Parliament and of the Council;</p> <p>'CDTI' - Credit institution authorised in accordance with Directive 2013/36/EU;</p> <p>'INUN' - an insurance undertaking or reinsurance undertaking authorised in accordance with Directive 2009/138/EC of the European Parliament and of the Council;</p> <p>'UCIT' - a UCITS and, where relevant, its management company, authorised in accordance with Directive 2009/65/EC, unless that UCITS is set up exclusively for the purpose of serving one or more employee share purchase plans;</p> <p>'ORPI' - an institution for occupational retirement provision (IORP), as defined in point (1) of Article 6 of Directive (EU) 2016/2341 of the European Parliament and of the Council;</p> <p>'AIFD' - an alternative investment fund (AIF), as defined in point (a) of Article 4(1) of Directive 2011/61/EU, which is either established in the Union or managed by an alternative investment fund manager (AIFM) authorised or registered in accordance with that Directive, unless that AIF is set up exclusively for the purpose of serving one or more employee share purchase plans, or unless that AIF is a securitisation special purpose entity as referred to in point (g) of Article 2(3) of Directive 2011/61/EU, and, where relevant, its AIFM established in the Union;</p> <p>'CSDS' - a central securities depository authorised in accordance with Regulation (EU) No 909/2014 of the European Parliament and of the Council;</p> <p>Taxonomy for Non-Financial Counterparties. The categories below correspond to the main sections of NACE classification as defined in Regulation (EC) No 1893/2006 of the European Parliament and of the Council(10)</p> <p>'A' - Agriculture, forestry and fishing;</p> <p>'B' - Mining and quarrying;</p> <p>'C' - Manufacturing;</p> <p>'D' - Electricity, gas, steam and air conditioning supply;</p> <p>'E' - Water supply, sewerage, waste management and remediation activities;</p> <p>'F' - Construction;</p> <p>'G' - Wholesale and retail trade, repair of motor</p>

Item	Section	Field	Format
			<p>vehicles and motorcycles; 'H' - Transportation and storage; 'I' - Accommodation and food service activities; 'J' - Information and communication; 'K' - Financial and insurance activities; 'L' - Real estate activities; 'M' - Professional, scientific and technical activities; 'N' - Administrative and support service activities; 'O' - Public administration and defence; compulsory social security; 'P' - Education; 'Q' - Human health and social work activities; 'R' - Arts, entertainment and recreation; 'S' - Other service activities; 'T' - Activities of households as employers; undifferentiated goods – and services – producing activities of households for own use; 'U' - Activities of extraterritorial organizations and bodies.</p> <p>Where more than one activity is reported, list the codes in order of the relative importance of the corresponding activities. Leave blank in the case of CCPs and other type of counterparties in accordance with Article 1(5) of Regulation (EU) No 648/2012.</p>
13	Parties to the derivative	Clearing threshold of counterparty 2	<p>Boolean value: TRUE = Above the threshold FALSE = Below the threshold</p>
14	Parties to the derivative	Reporting obligation of the counterparty 2	<p>Boolean value: • TRUE, if the counterparty 2 has the reporting obligation • FALSE, if the counterparty 2 does not have the reporting obligation</p>
15	Parties to the derivative	Broker ID	<p>ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).</p>
16	Parties to the derivative	Clearing member	<p>ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).</p>

Item	Section	Field	Format
17	Parties to the derivative	Direction	4 alphabetic characters: BYER = buyer SLLR = seller Populated in accordance with Article 4
18	Parties to the derivative	Direction of leg 1	4 alphabetic characters: MAKE = payer TAKE = receiver Populated in accordance with Article 4
19	Parties to the derivative	Direction of leg 2	4 alphabetic characters: MAKE = payer TAKE = receiver Populated in accordance with Article 4
20	Parties to the derivative	Directly linked to commercial activity or treasury financing	Boolean value: TRUE = Yes FALSE = No

Table 2

Item	Section	Field	Format
1	Section 2a - Identifiers and links	UTI	ISO 23897 UTI. Up to 52 alphanumeric characters, only the upper-case alphabetic characters A–Z and the digits 0–9 are allowed
2	Section 2a - Identifiers and links	Report tracking number	An alphanumeric field up to 52 characters
3	Section 2a - Identifiers and links	Prior UTI (for one-to-one and one-to-many relations between transactions)	Up to 52 alphanumeric characters, only the upper-case alphabetic characters A–Z and the digits 0–9 are allowed
4	Section 2a - Identifiers and links	Subsequent position UTI	Up to 52 alphanumeric characters, only the upper-case alphabetic characters A–Z and the digits 0–9 are allowed
5	Section 2a - Identifiers and links	PTRR ID	Up to 52 alphanumeric characters, only the upper-case alphabetic characters A–Z and the digits 0–9 are allowed.

Item	Section	Field	Format
			The first 20 characters represent the LEI of the compression provider
6	Section 2a - Identifiers and links	Package identifier	Up to 35 alphanumeric characters.
7	Section 2b – Contract information	ISIN	ISO 6166 ISIN 12 character alphanumeric code
8	Section 2b – Contract information	Unique product identifier (UPI)	UPI code in accordance with the ISO standard implemented pursuant to the FSB governance arrangements for the UPI
9	Section 2b – Contract information	Product classification	ISO 10692 CFI, 6 characters alphabetic code
10	Section 2b – Contract information	Contract type	CFDS = Financial contracts for difference FRAS = Forward rate agreements FUTR = Futures FORW = Forwards OPTN = Option SPDB = Spreadbet SWAP = Swap SWPT = Swaption OTHR = Other
11	Section 2b – Contract information	Asset class	COMM = Commodity and emission allowances CRDT = Credit CURR = Currency EQUI = Equity INTR = Interest Rate
12	Section 2b – Contract information	Derivative based on crypto-assets	Boolean value: • TRUE - for derivatives based on crypto-assets • FALSE - for other derivatives
13	Section 2b – Contract information	Underlying identification type	1 alphabetic character: I = ISIN B = Basket X = Index
14	Section 2b – Contract information	Underlying identification	For underlying identification type I: ISO 6166 ISIN 12 character alphanumeric code For underlying identification type X: ISO 6166 ISIN if available

Item	Section	Field	Format
15	Section 2b – Contract information	Indicator of the underlying index	<p>The indication of the floating rate index. 4 alphabetic characters:</p> <p>ESTR = €STR SONA = SONIA SOFR = SOFR EONA = EONIA EONS = EONIA SWAP EURI = EURIBOR EUUS = EURODOLLAR EUCH = EuroSwiss GCFR = GCF REPO ISDA = ISDAFIX LIBI = LIBID LIBO = LIBOR MAAA = Muni AAA PFAN = Pfandbriefe TIBO = TIBOR STBO = STIBOR BBSW = BBSW JIBA = JIBAR BUBO = BUBOR CDOR = CDOR CIBO = CIBOR MOSP = MOSPRIM NIBO = NIBOR PRBO = PRIBOR TLBO = TELBOR WIBO = WIBOR TREA = Treasury SWAP = SWAP FUSW = Future SWAP</p> <p>EFFR = Effective Federal Funds Rate OBFR = Overnight Bank Funding Rate CZNA = CZEONIA</p>
16	Section 2b – Contract information	Name of the underlying index	Up to 50 alphanumeric characters. Special characters are allowed if they form part of the full name of the index.
17	Section 2b – Contract information	Custom basket code	Up to 72 alphanumeric characters composed of LEI of the basket structurer followed by up to 52 alphanumeric characters.
18	Section 2b – Contract information	Identifier of the basket's constituents	For underlying identification type B: All individual components identified through ISO 6166 ISIN
19	Section 2b – Contract information	Settlement currency 1	ISO 4217 Currency Code, 3 alphabetic characters

Item	Section	Field	Format
20	Section 2b – Contract information	Settlement currency 2	ISO 4217 Currency Code, 3 alphabetic characters
21	Section 2c – Valuation	Valuation amount	Positive and negative value up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
22	Section 2c – Valuation	Valuation currency	ISO 4217 Currency Code, 3 alphabetic characters
23	Section 2c – Valuation	Valuation timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ
24	Section 2c – Valuation	Valuation method	4 alphabetic characters: MTMA = Mark-to-market MTMO = Mark-to-model CCPV = CCP's valuation.
25	Section 2c – Valuation	Delta	Up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. Any value between -1 and 1 (including -1 and 1) is allowed.
26	Section 2d - Collateral	Collateral portfolio indicator	Boolean value: TRUE = collateralised on a portfolio basis FALSE = not part of a portfolio
27	Section 2d - Collateral	Collateral portfolio code	Up to 52 alphanumeric characters Special characters are not allowed
28	Section 2e - Risk mitigation / Reporting	Confirmation timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ

Item	Section	Field	Format
29	Section 2e - Risk mitigation / Reporting	Confirmed	4 alphabetic characters: • NCNF = unconfirmed • ECNF = electronic • YCNF = non-electronic
30	Section 2f - Clearing	Clearing obligation	TRUE = the contract belongs to a class of OTC derivatives that has been declared subject to the clearing obligation and both counterparties to the contract are subject to the clearing obligation FLSE = the contract belongs to a class of OTC derivatives that has been declared subject to the clearing obligation but one or both counterparties to the contract are not subject to the clearing obligation or value 'UKWN' - the contract does not belong to a class of OTC derivatives that has been declared subject to the clearing obligation
31	Section 2f - Clearing	Cleared	1 alphabetic character: Y= yes, centrally cleared, for beta and gamma transactions. N= no, not centrally cleared.
32	Section 2f - Clearing	Clearing timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ
33	Section 2f - Clearing	Central counterparty	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).
34	Section 2g - Details on the transaction	Master Agreement type	4 alphabetic characters: 'ISDA' - ISDA 'CDEA' - FIA-ISDA Cleared Derivatives Execution Agreement 'EUMA' - European Master Agreement 'FPCA' - FOA Professional Client Agreement 'FMAT' - FBF Master Agreement relating to transactions on forward financial instruments 'DERV' - Deutscher Rahmenvertrag für Finanztermingeschäfte (DRV) 'CMOP' - Contrato Marco de Operaciones Financieras 'CHMA' - Swiss Master Agreement 'IDMA' - Islamic Derivative Master Agreement 'EFMA' - EFET Master Agreement 'GMRA' - GMRA 'GMSL' - GMSLA 'BIAG' - bilateral agreement Or 'OTHR' if the master agreement type is not included in the above list

Item	Section	Field	Format
35	Section 2g - Details on the transaction	Other master agreement type	Up to 50 alphanumeric characters.
36	Section 2g - Details on the transaction	Master Agreement version	ISO 8601 date in the format YYYY
37	Section 2g - Details on the transaction	Intragroup	Boolean value: TRUE = contract entered into as an intragroup transaction FALSE = contract not entered into as an intragroup transaction
38	Section 2g - Details on the transaction	PTRR	Boolean value: TRUE = contract results from a PTRR event FALSE = contract does not result from a PTRR event
39	Section 2g - Details on the transaction	Type of PTRR technique	4 alphabetic characters: 'PWOS' - Portfolio Compression without a third- party service provider 'PWAS' - Portfolio Compression with a third-party service provider or CCP 'PRBM' - Portfolio Rebalancing/Margin management OTHR - other
40	Section 2g - Details on the transaction	PTRR service provider	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).
41	Section 2g - Details on the transaction	Venue of execution	ISO 10383 Market Identifier Code (MIC), 4 alphanumeric characters
42	Section 2c - Details on the transaction	Execution timestamp	ISO 8601 date in the UTC time format YYYY-MM- DDThh:mm:ssZ
43	Section 2c - Details on the transaction	Effective date	ISO 8601 date in the UTC format YYYY-MM-DD.

Item	Section	Field	Format
44	Section 2c - Details on the transaction	Expiration date	ISO 8601 date in the UTC format YYYY-MM-DD.
45	Section 2c - Details on the transaction	Early termination date	ISO 8601 date in the UTC format YYYY-MM-DD.
46	Section 2c - Details on the transaction	Final contractual settlement date	ISO 8601 date in the UTC format YYYY-MM-DD.
47	Section 2c - Details on the transaction	Delivery type	4 alphabetic characters: CASH = Cash PHYS = Physical OPTL = Optional for counterparty or when determined by a third party
48	Section 2g - Details on the transaction	Price	<ul style="list-style-type: none"> • If price is expressed as monetary value - any value up to 18 numeric characters including up to 13 decimal places. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If price is expressed as percentage - any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). Should the value have more than 10 digits after the decimal, reporting counterparties should round half-up. <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.</p>
49	Section 2g - Details on the transaction	Price currency	ISO 4217 Currency Code, 3 alphabetic characters
	Fields 50-52 are repeatable and shall be populated in the case		

Item	Section	Field	Format
	of derivatives involving price schedules		
50	Section 2g - Details on the transaction	Unadjusted effective date of the price	ISO 8601 date in the UTC format YYYY-MM-DD.
51	Section 2g - Details on the transaction	Unadjusted end date of the price	ISO 8601 date in the UTC format YYYY-MM-DD.
52	Section 2g - Details on the transaction	Price in effect between the unadjusted effective and end date	<ul style="list-style-type: none"> • If price is expressed as monetary value- any value up to 18 numeric characters including up to 13 decimal places. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If price if expressed as percentage - any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (e.g. 2.57 instead of 2.57%). Should the value have more than 10 digits after the decimal, reporting counterparties should round half-up. <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.</p> <p>The negative symbol, if populated, is not counted as a numeric character.</p>
53	Section 2g - Details on the transaction	Package transaction price	<ul style="list-style-type: none"> • If package transaction price is expressed as monetary value - any value up to 18 numeric characters including up to 13 decimal places. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If Package transaction price if expressed as percentage - any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (e.g. 2.57 instead of 2.57%). Should the value have more than 10 digits after the decimal, reporting counterparties should round half-up. <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.</p>

Item	Section	Field	Format
			The negative symbol, if populated, is not counted as a numeric character.
54	Section 2g - Details on the transaction	Package transaction price currency	ISO 4217 Currency Code, 3 alphabetic characters
55	Section 2g - Details on the transaction	Notional amount of leg 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
56	Section 2g - Details on the transaction	Notional currency 1	ISO 4217 Currency Code, 3 alphabetic characters
	Fields 57-59 are repeatable and shall be populated in the case of derivatives involving notional amount schedules		
57	Section 2g - Details on the transaction	Effective date of the notional amount of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD
58	Section 2g - Details on the transaction	End date of the notional amount of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD
59	Section 2g - Details on the transaction	Notional amount in effect on associated effective date of leg 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric

Item	Section	Field	Format
			character. If populated, it shall be represented by a dot.
60	Section 2g - Details on the transaction	Total notional quantity of leg 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
	Fields 61-63 are repeatable and shall be populated in the case of derivatives involving notional quantity schedules		
61	Section 2g - Details on the transaction	Effective date of the notional quantity of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD
62	Section 2g - Details on the transaction	End date of the notional quantity of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD
63	Section 2g - Details on the transaction	Notional quantity in effect on associated effective date of leg 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
64	Section 2g - Details on the transaction	Notional amount of leg 2	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric

Item	Section	Field	Format
			character. If populated, it shall be represented by a dot.
65	Section 2g - Details on the transaction	Notional currency 2	ISO 4217 Currency Code, 3 alphabetic characters
	Fields 66-68 are repeatable and shall be populated in the case of derivatives involving notional amount schedules		
66	Section 2g - Details on the transaction	Effective date of the notional amount of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD
67	Section 2g - Details on the transaction	End date of the notional amount of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD
68	Section 2g - Details on the transaction	Notional amount in effect on associated effective date of leg 2	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
69	Section 2g - Details on the transaction	Total notional quantity of leg 2	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
	Fields 70-72 are		

Item	Section	Field	Format
	repeatable and shall be populated in the case of derivatives involving notional quantity schedules		
70	Section 2g - Details on the transaction	Effective date of the notional quantity of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD
71	Section 2g - Details on the transaction	End date of the notional quantity of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD
72	Section 2g - Details on the transaction	Notional quantity in effect on associated effective date of leg 2	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
	Section of fields 73-78 is repeatable		
73	Section 2g - Details on the transaction	Other payment type	4 alphabetic characters: UFRO= Upfront Payment, ie the initial payment made by one of the counterparties either to bring a transaction to fair value or for any other reason that may be the cause of an off-market transaction UWIN = Unwind or Full termination, ie the final settlement payment made when a transaction is unwound prior to its end date; Payments that may result due to full termination of derivative transaction(s) PEXH = Principal Exchange, ie Exchange of notional values for cross-currency swaps

Item	Section	Field	Format
74	Section 2g - Details on the transaction	Other payment amount	Up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. Any value greater than or equal to zero is allowed.
75	Section 2g - Details on the transaction	Other payment currency	ISO 4217 Currency Code, 3 alphabetic characters
76	Section 2g - Details on the transaction	Other payment date	ISO 8601 date in the UTC format YYYY-MM-DD.
77	Section 2g - Details on the transaction	Other payment payer	<ul style="list-style-type: none"> • ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). <p>The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.</p>
78	Section 2g - Details on the transaction	Other payment receiver	<ul style="list-style-type: none"> • ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). <p>The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.</p>

Item	Section	Field	Format
79	Section 2h - Interest Rates	Fixed rate of leg 1 or coupon	Positive and negative values up to 11 numeric characters including up to 10 decimal places expressed as percentage (e.g. 2.57 instead of 2.57%). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
80	Section 2h - Interest Rates	Fixed rate or coupon day count convention leg 1	4 alphanumeric characters: A001 = IC30360ISDAor30360AmericanBasicRule A002 = IC30365 A003 = IC30Actual A004 = Actual360 A005 = Actual365Fixed A006 = ActualActualICMA A007 = IC30E360orEuroBondBasismodel1 A008 = ActualActualISDA A009 = Actual365LorActuActubasisRule A010 = ActualActualAFB A011 = IC30360ICMAor30360basicrule A012 = IC30E2360orEurobondbasismodel2 A013 = IC30E3360orEurobondbasismodel3 A014 = Actual365NL A015 = ActualActualUltimo A016 = IC30EPlus360 A017 = Actual364 A018 = Business252 A019 = Actual360NL A020 = 1/1 NARR = Narrative
81	Section 2h - Interest Rates	Fixed rate or coupon payment frequency period leg 1	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular EXPI = payment at term
82	Section 2h - Interest Rates	Fixed rate or coupon payment frequency period multiplier leg 1	Any integer value greater than or equal to zero up to 18 numeric characters.
83	Section 2h - Interest Rates	Identifier of the floating rate of leg 1	If the floating rate has an ISIN, the ISIN code for that rate.

Item	Section	Field	Format
84	Section 2h - Interest Rates	Indicator of the floating rate of leg 1	<p>The indication of the floating rate index. 4 alphabetic characters:</p> <p>ESTR = €STR SONA = SONIA SOFR = SOFR EONA = EONIA EONS = EONIA SWAP EURI = EURIBOR EUUS = EURODOLLAR EUCH = EuroSwiss GCFR = GCF REPO ISDA = ISDAFIX LIBI = LIBID LIBO = LIBOR MAAA = Muni AAA PFAN = Pfandbriefe TIBO = TIBOR STBO = STIBOR BBSW = BBSW JIBA = JIBAR BUBO = BUBOR CDOR = CDOR CIBO = CIBOR MOSP = MOSPRIM NIBO = NIBOR PRBO = PRIBOR TLBO = TELBOR WIBO = WIBOR TREA = Treasury SWAP = SWAP FUSW = Future SWAP</p> <p>EFFR = Effective Federal Funds Rate OBFR = Overnight Bank Funding Rate CZNA = CZEONIA</p>
85	Section 2h - Interest Rates	Name of the floating rate of leg 1	Up to 50 alphanumeric characters. Special characters are allowed if they form part of the full name of the index.
86	Section 2h - Interest Rates	Floating rate day count convention of leg 1	<p>4 alphanumeric characters:</p> <p>A001 = IC30360ISDAor30360AmericanBasicRule A002 = IC30365 A003 = IC30Actual A004 = Actual360 A005 = Actual365Fixed A006 = ActualActualICMA A007 = IC30E360orEuroBondBasismodel1 A008 = ActualActualISDA A009 = Actual365LorActuActubasisRule A010 = ActualActualAFB A011 = IC30360ICMAor30360basicrule</p>

Item	Section	Field	Format
			A012 = IC30E2360orEurobondbasismodel2 A013 = IC30E3360orEurobondbasismodel3 A014 = Actual365NL A015 = ActualActualUltimo A016 = IC30EPlus360 A017 = Actual364 A018 = Business252 A019 = Actual360NL A020 = 1/1 NARR = Narrative
87	Section 2h - Interest Rates	Floating rate payment frequency period of leg 1	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular EXPI = payment at term
88	Section 2h - Interest Rates	Floating rate payment frequency period multiplier of leg 1	Any integer value greater than or equal to zero up to 18 numeric characters.
89	Section 2h - Interest Rates	Floating rate reference period of leg 1 – time period	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular EXPI = payment at term
90	Section 2h - Interest Rates	Floating rate reference period of leg 1 – multiplier	Any integer value greater than or equal to zero up to 18 numeric characters.
91	Section 2h - Interest Rates	Floating rate reset frequency period of leg 1	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular EXPI = payment at term
92	Section 2h - Interest Rates	Floating rate reset frequency multiplier of leg 1	Any integer value greater than or equal to zero up to 18 numeric characters.

Item	Section	Field	Format
93	Section 2h - Interest Rates	Spread of leg 1	<ul style="list-style-type: none"> • If Spread is expressed as monetary amount - any value up to 18 numeric characters including up to 13 decimal places. • If Spread is expressed as percentage- any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). • If Spread is expressed as basis points - any integer value up to 5 numeric characters expressed in basis points (eg 257 instead of 2.57%).
94	Section 2h - Interest Rates	Spread currency of leg 1	ISO 4217 Currency Code, 3 alphabetic characters
95	Section 2h - Interest Rates	Fixed rate of leg 2	<p>Positive and negative values up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%).</p> <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.</p> <p>The negative symbol, if populated, is not counted as a numeric character.</p>
96	Section 2h - Interest Rates	Fixed rate day count convention leg 2	<p>4 alphanumeric characters:</p> <p>A001 = IC30360ISDAor30360AmericanBasicRule</p> <p>A002 = IC30365</p> <p>A003 = IC30Actual</p> <p>A004 = Actual360</p> <p>A005 = Actual365Fixed</p> <p>A006 = ActualActualICMA</p> <p>A007 = IC30E360orEuroBondBasismodel1</p> <p>A008 = ActualActualISDA</p> <p>A009 = Actual365LorActuActubasisRule</p> <p>A010 = ActualActualAFB</p> <p>A011 = IC30360ICMAor30360basicrule</p> <p>A012 = IC30E2360orEurobondbasismodel2</p> <p>A013 = IC30E3360orEurobondbasismodel3</p> <p>A014 = Actual365NL</p> <p>A015 = ActualActualUltimo</p> <p>A016 = IC30EPlus360</p> <p>A017 = Actual364</p> <p>A018 = Business252</p> <p>A019 = Actual360NL</p> <p>A020 = 1/1</p> <p>NARR = Narrative</p>

Item	Section	Field	Format
97	Section 2h - Interest Rates	Fixed rate payment frequency period leg 2	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular EXPI = payment at term
98	Section 2h - Interest Rates	Fixed rate payment frequency period multiplier leg 2	Any integer value greater than or equal to zero up to 18 numeric characters.
99	Section 2h - Interest Rates	Identifier of the floating rate of leg 2	If the floating rate has an ISIN, the ISIN code for that rate.
100	Section 2h - Interest Rates	Indicator of the floating rate of leg 2	The indication of the floating rate index. 4 alphabetic characters: ESTR = €STR SONA = SONIA SOFR = SOFR EONA = EONIA EONS = EONIA SWAP EURI = EURIBOR EUUS = EURODOLLAR EUCH = EuroSwiss GCFR = GCF REPO ISDA = ISDAFIX LIBI = LIBID LIBO = LIBOR MAAA = Muni AAA PFAN = Pfandbriefe TIBO = TIBOR STBO = STIBOR BBSW = BBSW JIBA = JIBAR BUBO = BUBOR CDOR = CDOR CIBO = CIBOR MOSP = MOSPRIM NIBO = NIBOR PRBO = PRIBOR TLBO = TELBOR WIBO = WIBOR TREA = Treasury SWAP = SWAP FUSW = Future SWAP EFFR = Effective Federal Funds Rate OBFR = Overnight Bank Funding Rate

Item	Section	Field	Format
			CZNA = CZEONIA
101	Section 2h - Interest Rates	Name of the floating rate of leg 2	Up to 50 alphanumeric characters. Special characters are allowed if they form part of the full name of the index.
102	Section 2h - Interest Rates	Floating rate day count convention of leg 2	4 alphanumeric characters: A001 = IC30360ISDAor30360AmericanBasicRule A002 = IC30365 A003 = IC30Actual A004 = Actual360 A005 = Actual365Fixed A006 = ActualActualICMA A007 = IC30E360orEuroBondBasismodel1 A008 = ActualActualISDA A009 = Actual365LorActuActubasisRule A010 = ActualActualAFB A011 = IC30360ICMAor30360basicrule A012 = IC30E2360orEurobondbasismodel2 A013 = IC30E3360orEurobondbasismodel3 A014 = Actual365NL A015 = ActualActualUltimo A016 = IC30EPlus360 A017 = Actual364 A018 = Business252 A019 = Actual360NL A020 = 1/1 NARR = Narrative
103	Section 2h - Interest Rates	Floating rate payment frequency period of leg 2	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular EXPI = payment at term
104	Section 2h - Interest Rates	Floating rate payment frequency period multiplier of leg 2	Any integer value greater than or equal to zero up to 18 numeric characters.
105	Section 2h - Interest Rates	Floating rate reference period of leg 2 – time period	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular EXPI = payment at term

Item	Section	Field	Format
106	Section 2h - Interest Rates	Floating rate reference period of leg 2 – multiplier	Any integer value greater than or equal to zero up to 18 numeric characters.
107	Section 2h - Interest Rates	Floating rate reset frequency period of leg 2	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular EXPI = payment at term
108	Section 2h - Interest Rates	Floating rate reset frequency multiplier of leg 2	Any integer value greater than or equal to zero up to 18 numeric characters.
109	Section 2h - Interest Rates	Spread of leg 2	<ul style="list-style-type: none"> • If Spread is expressed as monetary amount - any value up to 18 numeric characters including up to 13 decimal places. • If Spread is expressed as percentage- any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (e.g. 2.57 instead of 2.57%). • If Spread is expressed as basis points - any integer value up to 5 numeric characters expressed in basis points (e.g. 257 instead of 2.57%).
110	Section 2h - Interest Rates	Spread currency of leg 2	ISO 4217 Currency Code, 3 alphabetic characters
111	Section 2h - Interest Rates	Package transaction spread	<ul style="list-style-type: none"> • If Package transaction spread is expressed as monetary amount -positive and negative value up to 18 numeric characters including up to 13 decimal places. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If Package transaction spread is expressed as percentage- positive and negative value up to 11 numeric characters including up to 10 decimal places expressed as percentage (e.g. 2.57 instead of 2.57%). Should the value have more than 10 digits after the decimal, reporting counterparties should round half-up. • If Package transaction spread is expressed as basis points -any integer value up to 5 numeric characters expressed in basis points (e.g. 257

Item	Section	Field	Format
			<p>instead of 2.57%).</p> <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.</p> <p>The negative symbol, if populated, is not counted as a numeric character.</p>
112	Section 2h - Interest Rates	Package transaction spread currency	ISO 4217 Currency Code, 3 alphabetic characters
113	Section 2i – Foreign Exchange	Exchange rate 1	<p>Any value greater than zero up to 18 numeric digits including up to 13 decimal places.</p> <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.</p>
114	Section 2i – Foreign Exchange	Forward exchange rate	<p>Any value greater than zero up to 18 numeric digits including up to 13 decimal places.</p> <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.</p>
115	Section 2i – Foreign Exchange	Exchange rate basis	<p>7 characters representing two wo ISO 4217 currency codes separated by “/” without restricting the currency pair ordering.</p> <p>The first currency code shall indicate the unit currency, and the second currency code shall indicate the quote currency.</p>
116	Section 2j - Commodities and emission allowances (General)	Base product	Only values in the ‘Base product’ column of the classification of commodities derivatives table are allowed.
117	Section 2j - Commodities and emission allowances (General)	Sub-product	Only values in the ‘Sub — product’ column of the classification of commodities derivatives table are allowed.
118	Section 2j - Commodities and emission	Further sub-product	Only values in the ‘Further sub — product’ of the classification of commodities derivatives table are allowed.

Item	Section	Field	Format
	allowances (General)		
119	Section 2k - Commodities and emission allowances (Energy)	Delivery point or zone	EIC code, 16 character alphanumeric code Repeatable field.
120	Section 2k - Commodities and emission allowances (Energy)	Interconnection Point	EIC code, 16 character alphanumeric code
121	Section 2k - Commodities and emission allowances (Energy)	Load type	BSLD = Base Load PKLD = Peak Load OFFP = Off-Peak HABH = Hour/Block Hours SHPD = Shaped GASD = Gas Day OTHR = Other
	Section of fields 122- 131 is repeatable		
122	Section 2k - Commodities and emission allowances (Energy)	Delivery interval start time	hh:mm:ssZ
123	Section 2k - Commodities and emission allowances (Energy)	Delivery interval end time	hh:mm:ssZ
124	Section 2k - Commodities and	Delivery start date	ISO 8601 date in the format YYYY-MM-DD

Item	Section	Field	Format
	emission allowances (Energy)		
125	Section 2k - Commodities and emission allowances (Energy)	Delivery end date	ISO 8601 date in the format YYYY-MM-DD
126	Section 2k - Commodities and emission allowances (Energy)	Duration	MNUT=Minutes HOUR= Hour DASD= Day WEEK=Week MNTH=Month QURT = Quarter SEAS= Season YEAR= Annual OTHR=Other
127	Section 2k - Commodities and emission allowances (Energy)	Days of the week	WDAY = Weekdays WEND = Weekend MOND = Monday TUED = Tuesday WEDD = Wednesday THUD = Thursday FRID = Friday SATD = Saturday SUND = Sunday XBHL - Excluding bank holidays IBHL - Including bank holidays Multiple values are permitted
128	Section 2k - Commodities and emission allowances (Energy)	Delivery capacity	Up to 20 numeric digits including decimals The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
129	Section 2k - Commodities and emission allowances (Energy)	Quantity Unit	KWAT = KW KWHH = KWh/h KWHD = KWh/d MWAT = MW MWHH = MWh/h MWHd = MWh/d GWAT = GW GWHH = GWh/h GWHD = GWh/d

Item	Section	Field	Format
			THMD = Therm/d KTMD = Ktherm/d MTMD = Mtherm/d CMPD = cm/d MCMD = mcm/d BTUD = Btu/d MBTD = MMBtu/d MJDD = MJ/d HMJD = 100MJ/d MMJD = MMJ/d GJDD = GJ/d
130	Section 2k - Commodities and emission allowances (Energy)	Price/time interval quantity	Up to 20 numeric characters including decimals. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
131	Section 2k - Commodities and emission allowances (Energy)	Currency of the price/time interval quantity	ISO 4217 Currency Code, 3 alphabetical character code
132	Section 2l - Options	Option type	4 alphabetic character: PUTO = Put CALL = Call OTHR = where it cannot be determined whether it is a call or a put
133	Section 2l - Options	Option style	4 alphabetic characters: AMER = American BERM = Bermudan EURO = European
134	Section 2l - Options	Strike price	<ul style="list-style-type: none"> If Strike price is expressed as monetary amount: any value up to 18 numeric characters including up to 13 decimal places (e.g. USD 6.39) expressed as 6.39, for equity options, commodity options, foreign exchange options and similar products. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. If Strike price is expressed as percentage: any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (e.g.

Item	Section	Field	Format
			<p>2.1 instead of 2.1%), for interest rate options, interest rate and credit swaptions quoted in spread, and similar products.</p> <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.</p> <p>The negative symbol, if populated, is not counted as a numeric character.</p>
	Fields 135-137 are repeatable and shall be populated in the case of derivatives involving strike price schedules		
135	Section 2I - Options	Effective date of the strike price	ISO 8601 date in the UTC format YYYY-MM-DD.
136	Section 2I - Options	End date of the strike price	ISO 8601 date in the UTC format YYYY-MM-DD.
137	Section 2I - Options	Strike price in effect on associated effective date	<ul style="list-style-type: none"> • If Strike price is expressed as monetary amount: any value up to 18 numeric characters including up to 13 decimal places (e.g. USD 6.39) expressed as 6.39, for equity options, commodity options, foreign exchange options and similar products. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If Strike price is expressed as percentage: any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (e.g. 2.1 instead of 2.1%), for interest rate options, interest rate and credit swaptions quoted in spread, and similar products. <p>The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.</p> <p>The negative symbol, if populated, is not counted as a numeric character.</p>

Item	Section	Field	Format
138	Section 2l - Options	Strike price currency/currency pair	ISO 4217 Currency Code, 3 alphabetic characters; or for foreign exchange options: 7 characters representing two ISO 4217 currency codes separated by “/” without restricting the currency pair ordering. The first currency code shall indicate the base currency, and the second currency code shall indicate the quote currency.
139	Section 2l - Options	Option premium amount	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
140	Section 2l - Options	Option premium currency	ISO 4217 Currency Code, 3 alphabetic characters
141	Section 2l - Options	Option premium payment date	ISO 8601 date in the UTC format YYYY-MM-DD.
142	Section 2i - Options	Maturity date of the underlying	ISO 8601 date in the UTC format YYYY-MM-DD.
143	Section 2m – Credit derivatives	Seniority	4 alphabetic characters: SNDB = Senior, such as Senior Unsecured Debt (Corporate/Financial), Foreign Currency Sovereign Debt (Government), SBOD = Subordinated, such as Subordinated or Lower Tier 2 Debt (Banks), Junior Subordinated or Upper Tier 2 Debt (Banks), OTHR = Other, such as Preference Shares or Tier 1 Capital (Banks) or other credit derivatives
144	Section 2m – Credit derivatives	Reference entity	ISO 3166 - 2 character country code, or ISO 3166-2 - 2 character country code followed by dash “-” and up to 3 alphanumeric character country subdivision code, or ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code
145	Section 2m –	Series	Integer field up to 5 characters

Item	Section	Field	Format
	Credit derivatives		
146	Section 2m – Credit derivatives	Version	Integer field up to 5 characters
147	Section 2m – Credit derivatives	Index factor	Any value up to 11 numeric characters, including up to 10 decimal places, expressed as a decimal fraction (e.g. 0.05 instead of 5%) between 0 and 1 (including 0 and 1). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
148	Section 2m – Credit derivatives	Tranche	Boolean value: TRUE = Tranched FALSE = Untranched
149	Section 2m – Credit derivatives	CDS index attachment point	Any value up to 11 numeric characters, including up to 10 decimal places, expressed as a decimal fraction (e.g. 0.05 instead of 5%) between 0 and 1 (including 0 and 1). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
150	Section 2m – Credit derivatives	CDS index detachment point	Any value up to 11 numeric characters, including up to 10 decimal places, expressed as a decimal fraction (e.g. 0.05 instead of 5%) between 0 and 1 (including 0 and 1). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
151	Section 2n – Modifications to the derivative	Action type	4 alphabetic characters: NEWT = New MODI = Modify CORR = Correct TERM = Terminate EROR = Error REVI = Revive VALU = Valuation POSC = Position component
152	Section 2n – Modificatio	Event type	4 alphabetic characters: TRAD = Trade NOVA = Step-in COMP = PTRR ETRM = Early termination

Item	Section	Field	Format
	ns to the derivative		CLRG = Clearing EXER = Exercise ALOC = Allocation CREV = Credit event CORP=Corporate event INCP = Inclusion in position UPDT = Update
153	Section 2n - Modificatio ns to the derivative	Event date	ISO 8601 date in the UTC format YYYY-MM-DD.
154	Section 2n - Modificatio ns to the derivative	Level	4 alphabetic characters: TCTN = Trade PSTN = Position

Table 3

Item	Section	Field	Format
1	Parties to the derivative	Reporting timestamp	ISO 8601 date in the format and Coordinated Universal Time (UTC) time format YYYY-MM-DDThh:mm:ssZ
2	Parties to the derivative	Report submitting entity ID	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).
3	Parties to the derivative	Entity responsible for reporting	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.

Item	Section	Field	Format
4	Parties to the derivative	Counterparty 1 (Reporting counterparty)	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
5	Parties to the derivative	Counterparty 2 identifier type	Boolean value: <ul style="list-style-type: none"> • TRUE • FALSE, for natural persons who are acting as private individuals (not business entities).
6	Parties to the derivative	Counterparty 2	<ul style="list-style-type: none"> • ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). <p>The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.</p>
7	Collateral	Collateral timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ
8	Collateral	Collateral portfolio indicator	Boolean value: TRUE = collateralised on a portfolio basis FALSE = not part of a portfolio
9	Collateral	Collateral portfolio code	Up to 52 alphanumeric characters Special characters are not allowed
10	Collateral	UTI	Up to 52 alphanumeric characters, only the upper-case alphabetic characters A–Z and the digits 0–9 are allowed
11	Collateral	Collateralisation category	4 alphabetic characters: UNCL = uncollateralised PRC1= partially collateralised: counterparty 1 only PRC2= partially collateralised: counterparty 2

Item	Section	Field	Format
			only PRCL= partially collateralised OWC1 = one way collateralised: counterparty 1 only OWC2 = one way collateralised: counterparty 2 only OWP1 = one way/partially collateralised: counterparty 1 OWP2 = one way/partially collateralised: counterparty 2 FLCL = fully collateralised Populated in accordance with Article 5 of the [ITS]
12	Collateral	Initial margin posted by the counterparty 1 (pre-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
13	Collateral	Initial margin posted by the counterparty 1 (post-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
14	Collateral	Currency of the initial margin posted	ISO 4217 Currency Code, 3 alphabetic characters
15	Collateral	Variation margin posted by the counterparty 1 (pre-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.

Item	Section	Field	Format
16	Collateral	Variation margin posted by the counterparty 1 (post-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
17	Collateral	Currency of the variation margins posted	ISO 4217 Currency Code, 3 alphabetic characters
18	Collateral	Excess collateral posted by the counterparty 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
19	Collateral	Currency of the excess collateral posted	ISO 4217 Currency Code, 3 alphabetic characters
20	Collateral	Initial margin collected by the counterparty 1 (pre-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
21	Collateral	Initial margin collected by the counterparty 1 (post-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
22	Collateral	Currency of initial margin collected	ISO 4217 Currency Code, 3 alphabetic characters

Item	Section	Field	Format
23	Collateral	Variation margin collected by the counterparty 1 (pre-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
24	Collateral	Variation margin collected by the counterparty 1 (post-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
25	Collateral	Currency of variation margin collected	ISO 4217 Currency Code, 3 alphabetic characters
26	Collateral	Excess collateral collected by the counterparty 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
27	Collateral	Currency of excess collateral collected	ISO 4217 Currency Code, 3 alphabetic characters
28	Collateral	Action type	'NEWT' - New 'MARU' - Margin update 'EROR' - Error 'CORR' - Correct
29	Collateral	Event date	ISO 8601 date in the UTC format YYYY-MM-DD.

Table 4

Classification of commodities

Base product	Sub - product	Further sub - product
'AGRI' - Agricultural	'GROS' - Grains Oil Seeds	'FWHT' - Feed Wheat 'SOYB' - Soybeans 'CORN' - Maize 'RPSD' - Rapeseed 'RICE' - Rice 'OTHR' - Other
	'SOFT' - Softs	'CCOA' - Cocoa 'ROBU' - Robusta Coffee 'WHSG' - White Sugar 'BRWN' - Raw Sugar 'OTHR' - Other
	'POTA' - Potato	
	'OOLI' - Olive oil	'LAMP' - 'Lampante' 'OTHR' - Other
	'DIRY' - Dairy	
	'FRST' - Forestry	
	'SEAF' - Seafood	
	'LSTK' - Livestock	
	'GRIN' - Grain	'MWHT' - Milling Wheat 'OTHR' - Other
	'OTHR' - Other	
'NRGY' - 'Energy	'ELEC' - Electricity	'BSLD' - Base load 'FITR' - Financial Transmission Rights 'PKLD' - Peak load 'OFFP' - Off-peak 'OTHR' - Other
	'NGAS' - Natural Gas	'GASP' - GASPOOL 'LNGG' - LNG 'NBPG' - NBP 'NCGG' - NCG 'TTFG' - TTF 'OTHR' - Other
	'OILP' - Oil	'BAKK' - Bakken 'BDSL' - Biodiesel 'BRNT' - Brent 'BRNX' - Brent NX 'CNDA' - Canadian 'COND' - Condensate 'DSEL' - Diesel 'DUBA' - Dubai 'ESPO' - ESPO 'ETHA' - Ethanol 'FUEL' - Fuel

Base product	Sub - product	Further sub - product
		'FOIL' - Fuel Oil 'GOIL' - Gasoil 'GSLN' - Gasoline 'HEAT' - Heating Oil 'JTFL' - Jet Fuel 'KERO' - Kerosene 'LLSO' - Light Louisiana Sweet (LLS) 'MARS' - Mars 'NAPH' - Naphta 'NGLO' - NGL 'TAPI' - Tapis 'URAL' - Urals 'WTIO' – WTI 'OTHR' - Other
	'COAL' - Coal 'INRG' - Inter Energy 'RNNG' - Renewable energy 'LGHT' - Light ends 'DIST' – Distillates 'OTHR' - Other	
'ENVR' - Environmental	'EMIS' - Emissions	'CERE' - CER 'ERUE' - ERU 'EUAE' - EUA 'EUAA' – EUAA 'OTHR'-Other
	'WTHR' - Weather 'CRBR' - Carbon related' 'OTHR' - Other	
'FRGT' -'Freight'	'WETF' - Wet	'TNKR' –Tankers 'OTHR' - Other
	'DRYF' - Dry	'DBCR' - Dry bulk carriers 'OTHR' - Other
	'CSHP' - Containerships	
	'OTHR' - Other	
'FRTL' -'Fertilizer'	'AMMO' - Ammonia 'DAPH' - DAP (Diammonium Phosphate) 'PTSH' - Potash 'SLPH' - Sulphur	

Base product	Sub - product	Further sub - product
	'UREA' - Urea 'UAAN' - UAN (urea and ammonium nitrate) 'OTHR' - Other	
'INDP' - Industrial products'	'CSTR' - Construction 'MFTG' - Manufacturing	
'METL' - Metals'	'NPRM' - Non Precious	'ALUM' - Aluminium 'ALUA' - Aluminium Alloy 'CBLT' - Cobalt 'COPR' - Copper 'IRON' - Iron ore 'LEAD' - Lead 'MOLY' - Molybdenum 'NASC' - NASAAC 'NICK' - Nickel 'STEL' - Steel 'TINN' - Tin 'ZINC' - Zinc 'OTHR' - Other
	'PRME' - Precious	'GOLD' - Gold 'SLVR' - Silver 'PTNM' - Platinum 'PLDM' - Palladium 'OTHR' - Other
'MCEX' - Multi Commodity Exotic'		
'PAPR' - Paper'	'CBRD' - Containerboard 'NSPT' - Newsprint 'PULP' - Pulp 'RCVP' - Recovered paper 'OTHR' - Other	
'POLY' - Polypropylene'	'PLST' - Plastic 'OTHR' - Other	
'INFL' - Inflation'		
'OEST' - Official economic statistics'		
'OTHC' - Other C10 'as defined in Table 10.1 Section 10 of Annex III to Commission Delegated		

Base product	Sub - product	Further sub - product
Regulation (EU) 2017/583 ³²		
'OTHR' - Other		

³² Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives (OJ L 87, 31.3.2017, p. 229)

10.6 Annex VI - RTS on registration and extension of registration of TRs under EMIR

COMMISSION DELEGATED REGULATION (EU) YYYY/XXX

of

amending Delegated Regulation (EU) No 150/2013 as regards regulatory technical standards specifying the details of the application for registration and extension of registration as a trade repository

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (1), and in particular Article 56(3) thereof,

Whereas:

(1) To ensure the high quality of the details of derivatives reported to trade repositories, trade repositories should provide information regarding any procedure they have put in place to verify the identity of the report submitting entities, the logical integrity of the sequence in which the details of the derivative are reported, and the completeness and correctness of those details. For the same reason, trade repositories should provide information regarding any procedure they have put in place to reconcile the details of each derivative report received where both counterparties have a reporting obligation. A standardised process should be specified to enable trade repositories to conduct reconciliation in a consistent manner and to reduce the risks of details of derivatives not being reconciled.

(2) A simplified application procedure for the extension of registration should be established to allow those trade repositories already registered under Regulation (EU) No 2015/2365 to have that registration extended under Regulation (EU) 648/2012. To avoid any duplicate requirements, the information to be provided by the trade repository as part of an extension of registration should include detailed information on the adaptations necessary to ensure it complies with the requirements under Regulation (EU) 648/2012.

(3) To ensure that the requirements for trade repositories are of the highest standards certain additions to those have been introduced with regards to the application of the procedures on portability, the reporting log and the provision of information on IT issues.

(4) The effective payment of the applicable fees by trade repositories at the time of an application for registration or extension of registration is essential to cover European Securities

and Markets Authority's (ESMA) necessary expenditure relating to the registration or extension of registration of a trade repository.

(5) This Regulation is based on the draft regulatory technical standards submitted to the Commission by the European Securities and Markets Authority.

(6) The ESMA has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion advice of the [...] Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council,

(7) To enable trade repositories to take all necessary actions to adapt to the new requirements, the date of application of the provisions relating to data quality under paragraph 1 of Article 1 of this Regulation should be deferred by eighteen months,

Article 1

Amendments to Delegated Regulation (EU) No 150/2013

(1) Article 19 is replaced by the following:

“an application for registration as a trade repository shall contain the following information:

(a) procedures for the authentication of the identity of the users accessing the trade repository in accordance with (please insert Article XX of RTS on data quality);

(b) procedures for the verification of the completeness and correctness of derivatives reported to the trade repository; in accordance with (please insert Article XX of RTS on data quality)

(c) procedures for the verification of the authorisation and IT permission of the entity reporting on behalf of the reporting counterparty in accordance with (please insert Article XX of RTS on data quality);

(d) procedures for verification that the logical sequence of the details of the reported derivatives is maintained at all times in accordance with (please insert Article XX of RTS on data quality);

(e) procedures for the verification of the completeness and correctness of the details of the reported derivatives in accordance with (please insert Article XX of RTS on data quality);

(f) procedures for the reconciliation of data between trade repositories where counterparties report to different trade repositories in accordance with (please insert Article XX of RTS on data quality);

(g) procedures for the provision of feedback to the counterparties to the derivatives, entities responsible for reporting or the third parties reporting on their behalf, on the

verifications performed under points (a) to (e) and the outcomes of the reconciliation process point (f) in accordance with (please insert Article XX of RTS on data quality);

(h) procedures for the provision of warning feedback to the counterparties to the derivatives, entities responsible for reporting or the third parties reporting on their behalf, on the verifications performed in accordance with (please insert paragraph 1(e) to 1(g) of Article 4 of RTS on data quality);

(i) procedures for the amendment of legal entity identifiers in accordance with Article 2 of (RTS on data quality).”

(2) Article 21, paragraph 2 is replaced by the following:

“2. An application for registration as a trade repository shall contain the procedures to ensure the orderly substitution of the original trade repository where requested by a reporting counterparty, an entity responsible for reporting, or by a third party reporting on behalf of non-reporting counterparties, or whereby such substitution is the result of a withdrawal of registration, and shall include the procedures for the transfer of data and the redirection of reporting flows to another trade repository.”

(3) Article 22, point (b) of paragraph 1 is replaced by the following:

(b) a record-keeping of all reported information relating to the conclusion, modification or termination of a derivative in a reporting log identifying the person or persons that requested the action, including the trade repository itself if applicable, the reason or reasons for such action, a date and timestamp and an inclusion of the old and new contents of the relevant data as set out in the Annex to [please insert reference to Commission Implementing Regulation on reporting].

(4) Article 23, paragraph (b) is replaced by the following:

(b) a description of the resources, methods and facilities that the trade repository employs in order to facilitate the access to its information to the relevant authorities in accordance with Article 81(3) of Regulation (EU) No 648/2012, as well as a log with IT issues at the trade repositories that impact the quality of the data provided, the frequency of the update and the controls and verifications that the trade repository may establish for the access filtering process, along with a copy of any specific manuals and internal procedures;

(5) The following Article 23b is inserted:

Section 12

“Article 23b

Payment of fees

An application for registration or extension of registration as a trade repository shall include proof of payment of the relevant registration or extension of registration fees established in Commission Delegated Regulation (EU) 1003/2013.”

(6) The following Article 23c is inserted:

Section 13

“Article 23c

Extension of registration

For the purposes of Article 56(1)(b) of Regulation (EU) 648/2012, as amended by Regulation (EU) 2019/834, the application for extension of an existing registration under Regulation 2015/2365 shall contain the information specified in:

- a. Article 1, except point (k) of paragraph 2;
- b. Article 2;
- c. Article 5;
- d. Article 7, except point (d) of paragraph 2;
- e. Article 8(b);
- f. Article 9(1)(b) and 9(1)(e);
- g. Article 11;
- h. Article 12(2);
- i. Article 13;
- j. Article 14(2);
- k. Article 15;
- l. Article 16, except point (c);
- m. Article 17;
- n. Article 18;
- o. Article 19;
- p. Article 20;
- q. Article 21;
- r. Article 22;
- s. Article 23;
- t. Article 23a;
- u. Article 23b;
- v. Article 23c and
- w. Article 25.”

Article 2

Entry into force and application

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Paragraph 1 of Article 1 shall apply from [PO: please insert date 18 months after the date of entry into force].

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission

The President

10.7 Annex VII - ITS on registration and extension of registration of TRs under EMIR

COMMISSION IMPLEMENTING REGULATION (EU) YYYY/XXX

of

amending Implementing Regulation (EU) No 1248/2012 as regards to implementing technical standards specifying the format of applications for registration and extension of registration of trade repositories

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 648/2012 of the European Parliament and of the Council of 16 July 2012 and in particular Article 56(4) thereof,

Whereas:

(1) A uniform format for applications to the European Securities and Markets Authority (ESMA) for registration and extension of registration of trade repositories should ensure that all information required pursuant to Commission Delegated Regulation (EU) 150/2013 is submitted to, and easily identified by, ESMA.

(2) In order to facilitate the identification of the information submitted by the trade repository, every document contained in the application should bear a unique reference number.

(3) In accordance with Delegated Regulation (EU) 150/2013 where an applicant trade repository considers that a requirement of Delegated Regulation (EU) 150/2013 is not applicable to it, it must clearly indicate that requirement in its application and provide an explanation why such requirement does not apply. Those requirements and explanations should be clearly identified in the application for registration or extension of registration.

(4) Any information submitted to ESMA in an application for registration or extension of registration of a trade repository should be provided in a durable medium as defined in Directive 2009/65/EC of the European Parliament and of the Council to enable its storage for future use and reproduction.

(5) This Regulation is based on the draft implementing technical standards submitted to the Commission by ESMA.

(6) ESMA has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and

requested the advice of the Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council⁽³³⁾,

Article 1

Amendments to Implementing Regulation (EU) No 1248/2012

(1) Article 1 is replaced by the following:

“1. An application for registration or extension of registration shall be submitted in the format set out in the Annex.

2. The trade repository shall give a unique reference number to each document it submits and shall clearly identify which specific requirement in Delegated Regulation (EU) 150/2013 the document refers to.

3. An application for registration or extension of registration shall clearly indicate the reasons why information referring to a certain requirement is not submitted.

4. An application for registration or extension of registration shall be submitted in a durable medium as defined in Article 2(1)(m) of Directive 2009/65/EC.”

(2) The Annex is replaced by the Annex to this Regulation.

Article 2

Entry into force and application

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission

The President

³³Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

Annex

ANNEX	
FORMAT FOR AN APPLICATION FOR REGISTRATION OR EXTENSION OF REGISTRATION AS A TRADE REPOSITORY	
GENERAL INFORMATION	
Date of application	
Corporate name of trade repository	
Legal address	
The classes of derivatives for which the trade repository is applying to be registered	
Name of the person assuming the responsibility of the application	
Contact details of the person assuming the responsibility of the application	
Name of other person responsible for the trade repository compliance	
Contact details of the person(s) responsible for the trade repository compliance	
Identification of any parent company	

DOCUMENT REFERENCES			
Article of Commission Delegated Regulation 150/2013	Unique reference number of document	Title of the document	Chapter or section or page of the document where the information is provided or reason why the information is not provided

10.8 Annex VIII – RTS on procedures for ensuring data quality

COMMISSION DELEGATED REGULATION (EU) YYYY/XXX

of

supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regards to draft regulatory technical standards specifying the procedures for the reconciliation of data between trade repositories and the procedures to be applied by the trade repository to verify the compliance by the reporting counterparty or submitting entity with the reporting requirements and to verify the completeness and correctness of the data reported.

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ⁽³⁴⁾, and in particular Article 78(10) thereof,

Whereas:

(1) To ensure the high quality of the details of derivatives reported to trade repositories, trade repositories should verify the identity of the report submitting entities, the logical integrity of the sequence in which the details of the derivative are reported, and the completeness and correctness of those details.

(2) For the same reason, trade repositories should reconcile the details of each derivative report received where both counterparties have a reporting obligation. A standardised process should be specified to enable trade repositories to conduct reconciliation in a consistent manner and to reduce the risks of details of derivatives not being reconciled. Certain details of derivatives, however, might not be identical due to the specificities of the technology systems used by the entities submitting the report. Certain tolerances therefore need to be applied, so that minor differences in the reported details of derivatives do not prevent the authorities from analysing the data with an adequate level of confidence.

(3) Furthermore and notwithstanding other obligations, when performing the reconciliation process, the trade repositories should ensure the confidentiality of the data exchanged between them and made available to the reporting counterparties, entities responsible for reporting and report submitting entities.

³⁴ OJ L 352, 21.12.2012, p. 20.

(4) Where a corporate event takes place, the details of the entities taking part to a derivatives need to be updated. To ensure the integrity of this information which is essential for the monitoring of systemic risks to financial stability, it is necessary that the update is performed centrally by the trade repositories. For that reason, a procedure should be established to ensure that trade repositories can update the identifier of the entity in a centralised manner, thus ensuring an efficient, robust and timely process.

(5) It is to be expected that report submitting entities will over time improve their reporting, both in terms of a reduction of the number of rejected reports and in terms of reconciled reports. They should however be given sufficient time to adapt to the reporting requirements, in particular to prevent the accumulation of non-reconciled trades immediately after the reporting obligation starts to apply. It is therefore appropriate that in a first phase only a reduced set of fields should be reconciled.

(6) Report submitting entities and entities responsible for reporting, if applicable, should be able to monitor their compliance with their reporting obligations under Regulation (EU) 648/2012. They should therefore be able to access certain information, on a daily basis, in respect of those reports, including the result of the verification of those reports, including where a warning was generated, as well as the progress of the reconciliation of the reported data. It is therefore necessary to specify the information that a trade repository should make available to these entities at the end of each working day

(7) This Regulation is based on the draft regulatory technical standards submitted to the Commission by the European Securities and Markets Authority.

(8) The European Securities and Markets Authority has consulted the members of ESCB and has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the advice of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council³⁵.

(9) To enable counterparties and trade repositories to take all necessary actions to adapt to the new requirements, the date of application of this Regulation should be deferred by eighteen months.

Article 1

Verification of derivatives by trade repositories

³⁵ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing, Commission Decision 2009/77/EC
OJ L 331, 15.12.2010, p. 84.

1. A trade repository shall verify all of the following in a received derivative:
 - (a) the identity of the report submitting entity as referred to in field 2 of Table 1 and field 2 of Table 3 of Annex I to [PO please insert reference to “Annex V - Draft ITS on standards, formats, frequency and arrangements for reporting to TRs under EMIR” under Annex V of the present document ;
 - (b) that the XML template used to report a derivative complies with the ISO 20022 methodology in accordance with Commission Implementing Regulation (EU)[PO please insert reference to “Annex V - Draft ITS on standards, formats, frequency and arrangements for reporting to TRs under EMIR” under Annex V of the present document];
 - (c) that the report submitting entity, if different from the entity responsible for reporting as referred to in field 3 of Table 1 and field 3 in Table 3 of Annex I to [PO please insert reference to “Annex V - Draft ITS on standards, formats, frequency and arrangements for reporting to TRs under EMIR” under Annex V of the present document], is duly authorised to report on behalf of the Counterparty 1 or entity responsible for reporting, if different from Counterparty 1, as referred to in field 4 of Table 1 and field 4 in Table 3 of Annex I to PO please insert reference to “Annex V - Draft ITS on standards, formats, frequency and arrangements for reporting to TRs under EMIR” under Annex V of the present document ;
 - (d) that the same derivative has not been submitted previously;
 - (e) that a derivative report with action type ‘Modification’, ‘Margin Update’, ‘Valuation’, ‘Correction’, ‘Error’ or ‘Terminate’ relates to a previously submitted derivative;
 - (f) that a derivative report with action type ‘Modification’ does not relate to a derivative that has been reported as cancelled with action type ‘Error’ which has not been subsequently reported with action type ‘Revive’;
 - (g) that a derivative report does not include the action type ‘New’ in respect of a derivative that has been reported already;
 - (h) that a derivative report does not include the action type ‘Position component’ in respect of a derivative that has been reported already;
 - (i) that a derivative report does not purport to modify the details of fields ‘Counterparty 1’ or ‘Counterparty 2’ to a previously reported derivative;
 - (j) that a derivative report does not purport to modify an existing derivative by specifying an effective date later than the reported maturity date of the derivative;
 - (k) that a derivative reported with action type ‘Revive’ relates to a previously submitted derivative report with action type ‘Error’ or ‘Terminate’;
 - (l) the correctness and completeness of the derivative report.
2. A trade repository shall reject a derivative report that does not comply with one of the requirements set out in paragraph 1 and assign to it one of the rejection categories set out in Table 1 of Annex to this Regulation.
3. A trade repository shall provide the report submitting entities with detailed information on the results of the data verification referred to in paragraph 1 within sixty minutes after it has received a derivative report. A trade repository shall provide those results in an XML format and a template developed in accordance with the ISO 20022 methodology. The results shall include the specific reasons for the rejection of a derivative report in accordance with Table 1 of the Annex.

Article 2

Procedure for updates of the LEIs

1. A trade repository to which a request under Article 8 of [please insert reference to ITS on reporting] is addressed shall identify the derivatives referred to in [please insert reference to paragraphs 2 and 3 of Article 1 of ITS on reporting] at the time of the corporate restructuring event where the entity is reported with the old identifier in the field 'Counterparty 1' or 'Counterparty 2', as informed in the relevant request and shall replace the old identifier with the new LEI in the reports relating to all those derivatives at the time of the event referred to in Article 8 of [please insert reference to ITS on reporting] pertaining to that counterparty. A trade repository shall perform the procedure on the update of the identifier at the latest on the day of restructuring or within 30 calendar days as of receipt of the request if reported less than 30 calendar days prior to the date of the corporate restructuring event.

2. A trade repository shall identify the relevant derivatives referred to in [please insert reference to paragraphs 2 and 3 of Article 1 of ITS on reporting] at the time of the corporate restructuring event where the entity is identified with the old identifier in any of the fields and replace that identifier with the new LEI. Where a corporate restructuring event relates to an update of the LEI for fields other than 'Counterparty 1' or 'Counterparty 2', the trade repository shall perform such an update of the relevant derivatives only following a timely confirmation by the counterparty 1 or the entity responsible for reporting.

3. A trade repository shall carry out the following actions:

a. Following the receipt of the relevant confirmation under paragraph 2, implement the change as of the date referred to in paragraph 1;

b. Broadcast the following information at the earliest possibility and no later than 5 working after the complete notification is received to all the other trade repositories and to the relevant reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) of Regulation (EU) No 648/2012, as applicable, involved in the derivatives contracts concerned by the LEI change):

(i) old identifier(s),

(ii) the new identifier,

(iii) the date as of which the change shall be done,

(iv) in case of corporate events affecting a subset of the derivatives outstanding at the date of the event, the list of the UTIs of the derivatives concerned by the LEI change.

c. Notify, at the latest the working day before the date on which the change is applied, the entities listed in Article 81(3) of Regulation (EU) No 648/2012 who have access to the data relating to the derivatives that have been updated through a specific file in machine readable format including:

(i) old identifier(s),

(ii) the new identifier,

(iii) the date as of which the change shall be done,

(iv) in case of corporate events affecting a subset of the derivatives outstanding at the date of the event, the list of the UTIs of the derivatives concerned by the LEI change.

d. Record the change in the reporting log.

4. A trade repository shall not update the LEIs reported for derivatives different from those referred to in [please insert reference to paragraphs 2 and 3 of Article 1 of ITS on reporting at the time of the corporate event].

Article 3

Reconciliation of data by trade repositories

1. A trade repository shall seek to reconcile a reported derivative by undertaking the steps set out in paragraph 3, provided that all of the following conditions are met:

(a) the trade repository has completed the verifications set out in paragraphs 1 and 2 of Article 1;

(b) both counterparties to the reported derivative have a reporting obligation;

(c) the trade repository has not received a report with the action type 'Error' in respect of the reported derivative, unless it has been followed by a report with action type 'Revive' in the subsequent thirty calendar days.

2. A trade repository shall have arrangements in place to ensure the confidentiality of the data exchanged with other trade repositories and when providing information to reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) of Regulation (EU) No 648/2012 about the values for all the fields that are subject to reconciliation.

3. Where all the conditions of paragraph 1 are met, a trade repository shall undertake the following steps, while using the latest reported value for each of the fields in Table 2 of the Annex as of the previous working day:

(a) a trade repository having received a derivative report shall verify whether it has received a corresponding report from or on behalf of the other counterparty;

(b) a trade repository that has not received a corresponding derivative report as referred to in point (a) shall attempt to identify the trade repository that has received the corresponding derivative report by communicating to all registered trade repositories the values of the following fields of the reported derivative: 'Unique Transaction Identifier', 'Counterparty 1' and 'Counterparty 2';

(c) a trade repository that determines that another trade repository has received a corresponding derivative report as referred to in point (a) shall exchange with that trade repository the details of the reported derivative in an XML format and a template developed in accordance with the ISO 20022 methodology;

(d) a trade repository shall treat a reported derivative as reconciled where the details of that derivative subject to reconciliation match the details of the corresponding derivative as referred to in point (a) of this paragraph and in accordance with the applicable tolerance limits and relevant dates of application as laid down in Table 2 of the Annex;

- (e) a trade repository shall subsequently assign values for the reconciliation categories for each reported derivatives transaction, as set out in Table 3 of the Annex;
 - (f) a trade repository shall conclude the steps in points (a) to (e) of this paragraph at the earliest opportunity and shall take no such steps after midnight Universal Coordinated Time on a given working day;
 - (g) a trade repository that cannot reconcile a reported derivative shall seek to match the details of that reported derivative on the following working day. The trade repository shall no longer seek to reconcile the reported derivative thirty calendar days after the derivative is not outstanding.
4. A trade repository shall confirm the total number of paired and the number of reconciled derivatives with each trade repository with which it has reconciled derivatives at the end of each working day. A trade repository shall have in place written procedures for ensuring the resolution of all discrepancies identified in this process.
5. No later than sixty minutes after the conclusion of the reconciliation process as set out in point (g) of paragraph 3, a trade repository shall provide the report submitting entities, with the results of the reconciliation process performed by it on the reported derivatives. A trade repository shall provide those results in an XML format and a template developed in accordance with the ISO 20022 methodology, including information on the fields that have not been reconciled.

Article 4

End-of-day response mechanisms

1. With regard to each working day, a trade repository shall make available to the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) of Regulation (EU) No 648/2012, as applicable, the following information on the relevant derivatives in an XML format and a template developed in accordance with the ISO 20022 methodology:
- (a) the derivatives reported during that day;
 - (b) the latest trade states of the outstanding derivatives;
 - (c) the derivative reports that have been rejected during that day;
 - (d) the reconciliation status of all reported derivatives subject to reconciliation pursuant to Article 3(2)(g);
 - (e) the outstanding derivatives for which no valuation has been reported, or the valuation that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated;
 - (f) the outstanding derivatives for which no margin information has been reported, or the margin information that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated;
 - (g) the derivatives that were received on that day with action type 'New', 'Position component', 'Modification' or 'Correction' whose notional amount is greater than a threshold for that class of derivatives.

2. A trade repository shall provide such information no later than 06:00 Coordinated Universal time on the following working day to which the information provided in paragraph 1 refers to.

Article 5

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from [PO: please insert date 18 months after the date of entry into force].

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission

The President

ANNEX

Table 1

Reasons for rejection of a derivative report

Rejection categories	Reason
Schema	– the derivative has been rejected, because of non-compliant schema.
Permission	– the derivative has been rejected, because the report submitting entity is not permitted to report on behalf of the reporting counterparty or the entity responsible for reporting.
Logical	– the derivative has been rejected, because the action type for the derivative is not logically correct.
Business	– the derivative is rejected, because the derivative is not complying with one or more content validations.

Table 2

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
1	Parties to the derivative	Reporting timestamp	NA	NA
2	Parties to the derivative	Report submitting entity ID	NA	NA
3	Parties to the derivative	Entity responsible for reporting	NA	NA
4	Parties to the derivative	Counterparty 1 (Reporting counterparty)	Same as field 1.9	Start date of the reporting obligation
5	Parties to the derivative	Nature of the counterparty 1	NA	NA
6	Parties to the derivative	Corporate sector of the counterparty 1	NA	NA
7	Parties to the derivative	Clearing threshold of counterparty 1	NA	NA
8	Parties to the derivative	Counterparty 2 identifier type	NA	NA
9	Parties to the derivative	Counterparty 2	Same as field 1.4	Start date of the reporting obligation
10	Parties to the derivative	Country of the counterparty 2	NA	NA
11	Parties to the derivative	Nature of the counterparty 2	NA	NA
12	Parties to the derivative	Corporate sector of the counterparty 2	NA	NA

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
13	Parties to the derivative	Clearing threshold of counterparty 2	NA	NA
14	Parties to the derivative	Reporting obligation of the counterparty 2	NA	NA
15	Parties to the derivative	Broker ID	NA	NA
16	Parties to the derivative	Clearing member	NA	NA
17	Parties to the derivative	Direction	Opposite	Start date of the reporting obligation
18	Parties to the derivative	Direction of leg 1	Opposite	Start date of the reporting obligation
19	Parties to the derivative	Direction of leg 2	Opposite	Start date of the reporting obligation
20	Parties to the derivative	Directly linked to commercial activity or treasury financing	NA	NA
1	Section 2a - Identifiers and links	UTI	No	Start date of the reporting obligation
2	Section 2a - Identifiers and links	Report tracking number	No	Start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
3	Section 2a - Identifiers and links	Prior UTI (for one-to-one and one-to-many relations between transactions)	No	Two years after the start date of the reporting obligation
4	Section 2a - Identifiers and links	Subsequent position UTI	No	Two years after the start date of the reporting obligation
5	Section 2a - Identifiers and links	PTRR ID	NA	NA
6	Section 2a - Identifiers and links	Package identifier	NA	NA
7	Section 2b – Contract information	ISIN	No	Start date of the reporting obligation
8	Section 2b – Contract information	Unique product identifier (UPI)	No	Start date of the reporting obligation
9	Section 2b – Contract information	Product classification	No	Start date of the reporting obligation
10	Section 2b – Contract information	Contract type	No	Start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
11	Section 2b – Contract information	Asset class	No	Start date of the reporting obligation
12	Section 2b – Contract information	Derivative based on crypto-assets	No	Two years from the start date of the reporting obligation
13	Section 2b – Contract information	Underlying identification type	No	Start date of the reporting obligation
14	Section 2b – Contract information	Underlying identification	No	Start date of the reporting obligation
15	Section 2b – Contract information	Indicator of the underlying index	Yes	Two years from the start date of the reporting obligation
16	Section 2b – Contract information	Name of the underlying index	Yes	Two years from the start date of the reporting obligation
17	Section 2b – Contract information	Custom basket code	No	Two years from the start date of the reporting obligation
18	Section 2b – Contract information	Identifier of the basket's constituents	Yes	Two years from the start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
19	Section 2b – Contract information	Settlement currency 1	No	Two years from the start date of the reporting obligation
20	Section 2b – Contract information	Settlement currency 2	No	Two years from the start date of the reporting obligation
21	Section 2c – Valuation	Valuation amount	Yes	Two years from the start date of the reporting obligation
22	Section 2c – Valuation	Valuation currency	No	Two years from the start date of the reporting obligation
23	Section 2c – Valuation	Valuation timestamp	NA	NA
24	Section 2c – Valuation	Valuation method	No	Two years from the start date of the reporting obligation
25	Section 2c – Valuation	Delta	Yes	Two years from the start date of the reporting obligation
26	Section 2d - Collateral	Collateral portfolio indicator	NA	NA
27	Section 2d - Collateral	Collateral portfolio code	NA	NA

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
28	Section 2e - Risk mitigation / Reporting	Confirmation timestamp	Yes	Start date of the reporting obligation
29	Section 2e - Risk mitigation / Reporting	Confirmed	No	Start date of the reporting obligation
30	Section 2f - Clearing	Clearing obligation	Yes	Start date of the reporting obligation
31	Section 2f - Clearing	Cleared	No	Start date of the reporting obligation
32	Section 2f - Clearing	Clearing timestamp	Yes	Start date of the reporting obligation
33	Section 2f - Clearing	Central counterparty	No	Start date of the reporting obligation
34	Section 2g - Details on the transaction	Master Agreement type	Yes	Start date of the reporting obligation
35	Section 2g - Details on the transaction	Other master agreement type	NA	NA
36	Section 2g - Details on the transaction	Master Agreement version	No	Start date of the reporting obligation
37	Section 2g - Details on the transaction	Intragroup	No	Start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
38	Section 2g - Details on the transaction	PTRR	No	Start date of the reporting obligation
39	Section 2g - Details on the transaction	Type of PTRR technique	No	Start date of the reporting obligation
40	Section 2g - Details on the transaction	PTRR service provider	No	Start date of the reporting obligation
41	Section 2g - Details on the transaction	Venue of execution	No	Start date of the reporting obligation
42	Section 2c - Details on the transaction	Execution timestamp	Yes	Start date of the reporting obligation
43	Section 2c - Details on the transaction	Effective date	No	Start date of the reporting obligation
44	Section 2c - Details on the transaction	Expiration date	No	Start date of the reporting obligation
45	Section 2c - Details on the transaction	Early termination date	No	Start date of the reporting obligation
46	Section 2c - Details on the transaction	Final contractual settlement date	No	Start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
47	Section 2c - Details on the transaction	Delivery type	No	Start date of the reporting obligation
48	Section 2g - Details on the transaction	Price	Yes	Start date of the reporting obligation
49	Section 2g - Details on the transaction	Price currency	No	Start date of the reporting obligation
50	Section 2g - Details on the transaction	Unadjusted effective date of the price	No	Two years from the start date of the reporting obligation
51	Section 2g - Details on the transaction	Unadjusted end date of the price	No	Two years from the start date of the reporting obligation
52	Section 2g - Details on the transaction	Price in effect between the unadjusted effective and end date	Yes	Two years from the start date of the reporting obligation
53	Section 2g - Details on the transaction	Package transaction price	Yes	Two years from the start date of the reporting obligation
54	Section 2g - Details on the transaction	Package transaction price currency	No	Two years from the start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
55	Section 2g - Details on the transaction	Notional amount of leg 1	Yes	Start date of the reporting obligation
56	Section 2g - Details on the transaction	Notional currency 1	No	Start date of the reporting obligation
57	Section 2g - Details on the transaction	Effective date of the notional amount of leg 1	No	Start date of the reporting obligation
58	Section 2g - Details on the transaction	End date of the notional amount of leg 1	No	Start date of the reporting obligation
59	Section 2g - Details on the transaction	Notional amount in effect on associated effective date of leg 1	Yes	Start date of the reporting obligation
60	Section 2g - Details on the transaction	Total notional quantity of leg 1	Yes	Start date of the reporting obligation
61	Section 2g - Details on the transaction	Effective date of the notional quantity of leg 1	No	Start date of the reporting obligation
62	Section 2g - Details on the transaction	End date of the notional quantity of leg 1	No	Start date of the reporting obligation
63	Section 2g - Details on the transaction	Notional quantity in effect on associated effective date of leg 1	Yes	Start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
64	Section 2g - Details on the transaction	Notional amount of leg 2	Yes	Start date of the reporting obligation
65	Section 2g - Details on the transaction	Notional currency 2	No	Start date of the reporting obligation
66	Section 2g - Details on the transaction	Effective date of the notional amount of leg 2	No	Start date of the reporting obligation
67	Section 2g - Details on the transaction	End date of the notional amount of leg 2	No	Start date of the reporting obligation
68	Section 2g - Details on the transaction	Notional amount in effect on associated effective date of leg 2	Yes	Start date of the reporting obligation
69	Section 2g - Details on the transaction	Total notional quantity of leg 2	Yes	Start date of the reporting obligation
70	Section 2g - Details on the transaction	Effective date of the notional quantity of leg 2	No	Start date of the reporting obligation
71	Section 2g - Details on the transaction	End date of the notional quantity of leg 2	No	Start date of the reporting obligation
72	Section 2g - Details on the transaction	Notional quantity in effect on associated effective date of leg 2	Yes	Start date of the reporting obligation
73	Section 2g - Details on the transaction	Other payment type	No	Two years from the start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
74	Section 2g - Details on the transaction	Other payment amount	Yes	Two years from the start date of the reporting obligation
75	Section 2g - Details on the transaction	Other payment currency	No	Two years from the start date of the reporting obligation
76	Section 2g - Details on the transaction	Other payment date	No	Two years from the start date of the reporting obligation
77	Section 2g - Details on the transaction	Other payment payer	Yes	Two years from the start date of the reporting obligation
78	Section 2g - Details on the transaction	Other payment receiver	Yes	Two years from the start date of the reporting obligation
79	Section 2h - Interest Rates	Fixed rate of leg 1 or coupon	Yes	Two years from the start date of the reporting obligation
80	Section 2h - Interest Rates	Fixed rate or coupon day count convention leg 1	No	Two years from the start date of the reporting obligation
81	Section 2h - Interest Rates	Fixed rate or coupon payment frequency period leg 1	No	Two years from the start date of the reporting obligation
82	Section 2h - Interest Rates	Fixed rate or coupon payment frequency period multiplier leg 1	No	Two years from the start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
83	Section 2h - Interest Rates	Identifier of the floating rate of leg 1	No	Start date of the reporting obligation
84	Section 2h - Interest Rates	Indicator of the floating rate of leg 1	No	Start date of the reporting obligation
85	Section 2h - Interest Rates	Name of the floating rate of leg 1	NA	NA
86	Section 2h - Interest Rates	Floating rate day count convention of leg 1	No	Start date of the reporting obligation
87	Section 2h - Interest Rates	Floating rate payment frequency period of leg 1	No	Start date of the reporting obligation
88	Section 2h - Interest Rates	Floating rate payment frequency period multiplier of leg 1	No	Start date of the reporting obligation
89	Section 2h - Interest Rates	Floating rate reference period of leg 1 – time period	No	Start date of the reporting obligation
90	Section 2h - Interest Rates	Floating rate reference period of leg 1 – multiplier	No	Start date of the reporting obligation
91	Section 2h - Interest Rates	Floating rate reset frequency period of leg 1	No	Start date of the reporting obligation
92	Section 2h - Interest Rates	Floating rate reset frequency multiplier of leg 1	No	Start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
93	Section 2h - Interest Rates	Spread of leg 1	Yes	Two years form the start date of the reporting obligation
94	Section 2h - Interest Rates	Spread currency of leg 1	No	Two years form the start date of the reporting obligation
95	Section 2h - Interest Rates	Fixed rate of leg 2	Yes	Two years form the start date of the reporting obligation
96	Section 2h - Interest Rates	Fixed rate day count convention leg 2	No	Start date of the reporting obligation
97	Section 2h - Interest Rates	Fixed rate payment frequency period leg 2	No	Start date of the reporting obligation
98	Section 2h - Interest Rates	Fixed rate payment frequency period multiplier leg 2	No	Start date of the reporting obligation
99	Section 2h - Interest Rates	Identifier of the floating rate of leg 2	No	Start date of the reporting obligation
100	Section 2h - Interest Rates	Indicator of the floating rate of leg 2	No	Start date of the reporting obligation
101	Section 2h - Interest Rates	Name of the floating rate of leg 2	NA	NA
102	Section 2h - Interest Rates	Floating rate day count convention of leg 2	No	Start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
103	Section 2h - Interest Rates	Floating rate payment frequency period of leg 2	No	Start date of the reporting obligation
104	Section 2h - Interest Rates	Floating rate payment frequency period multiplier of leg 2	No	Start date of the reporting obligation
105	Section 2h - Interest Rates	Floating rate reference period of leg 2 – time period	No	Start date of the reporting obligation
106	Section 2h - Interest Rates	Floating rate reference period of leg 2 – multiplier	No	Start date of the reporting obligation
107	Section 2h - Interest Rates	Floating rate reset frequency period of leg 2	No	Start date of the reporting obligation
108	Section 2h - Interest Rates	Floating rate reset frequency multiplier of leg 2	No	Start date of the reporting obligation
109	Section 2h - Interest Rates	Spread of leg 2	Yes	Two years from the start date of the reporting obligation
110	Section 2h - Interest Rates	Spread currency of leg 2	No	Two years from the start date of the reporting obligation
111	Section 2h - Interest Rates	Package transaction spread	Yes	Two years from the start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
112	Section 2h - Interest Rates	Package transaction spread currency	No	Two years from the start date of the reporting obligation
113	Section 2i – Foreign Exchange	Exchange rate 1	Yes	Two years from the start date of the reporting obligation
114	Section 2i – Foreign Exchange	Forward exchange rate	Yes	Two years from the start date of the reporting obligation
115	Section 2i – Foreign Exchange	Exchange rate basis	No	Two years from the start date of the reporting obligation
116	Section 2j - Commodities and emission allowances (General)	Base product	No	Two years from the start date of the reporting obligation
117	Section 2j - Commodities and emission allowances (General)	Sub-product	No	Two years from the start date of the reporting obligation
118	Section 2j - Commodities and emission allowances (General)	Further sub-product	No	Two years from the start date of the reporting obligation
119	Section 2k - Commodities and emission allowances (Energy)	Delivery point or zone	No	Two years from the start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
120	Section 2k - Commodities and emission allowances (Energy)	Interconnection Point	No	Two years from the start date of the reporting obligation
121	Section 2k - Commodities and emission allowances (Energy)	Load type	No	Two years from the start date of the reporting obligation
122	Section 2k - Commodities and emission allowances (Energy)	Delivery interval start time	Yes	Two years from the start date of the reporting obligation
123	Section 2k - Commodities and emission allowances (Energy)	Delivery interval end time	Yes	Two years from the start date of the reporting obligation
124	Section 2k - Commodities and emission allowances (Energy)	Delivery start date	No	Two years from the start date of the reporting obligation
125	Section 2k - Commodities and emission allowances (Energy)	Delivery end date	No	Two years from the start date of the reporting obligation
126	Section 2k - Commodities and emission allowances (Energy)	Duration	No	Two years from the start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
127	Section 2k - Commodities and emission allowances (Energy)	Days of the week	No	Two years from the start date of the reporting obligation
128	Section 2k - Commodities and emission allowances (Energy)	Delivery capacity	Yes	Two years from the start date of the reporting obligation
129	Section 2k - Commodities and emission allowances (Energy)	Quantity Unit	No	Two years from the start date of the reporting obligation
130	Section 2k - Commodities and emission allowances (Energy)	Price/time interval quantity	Yes	Two years from the start date of the reporting obligation
131	Section 2k - Commodities and emission allowances (Energy)	Currency of the price/time interval quantity	No	Two years from the start date of the reporting obligation
132	Section 2l - Options	Option type	No	Start date of the reporting obligation
133	Section 2l - Options	Option style	No	Start date of the reporting obligation
134	Section 2l - Options	Strike price	Yes	Two years from the start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
135	Section 2l - Options	Effective date of the strike price	No	Two years from the start date of the reporting obligation
136	Section 2l - Options	End date of the strike price	No	Two years from the start date of the reporting obligation
137	Section 2l - Options	Strike price in effect on associated effective date	Yes	Two years from the start date of the reporting obligation
138	Section 2l - Options	Strike price currency/currency pair	No	Two years from the start date of the reporting obligation
139	Section 2l - Options	Option premium amount	Yes	Two years from the start date of the reporting obligation
140	Section 2l - Options	Option premium currency	No	Two years from the start date of the reporting obligation
141	Section 2l - Options	Option premium payment date	No	Two years from the start date of the reporting obligation
142	Section 2i - Options	Maturity date of the underlying	No	Start date of the reporting obligation
143	Section 2m – Credit derivatives	Seniority	No	Start date of the reporting obligation
144	Section 2m – Credit derivatives	Reference entity	No	Start date of the reporting obligation

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
145	Section 2m – Credit derivatives	Series	No	Two years from the start date of the reporting obligation
146	Section 2m – Credit derivatives	Version	No	Two years from the start date of the reporting obligation
147	Section 2m – Credit derivatives	Index factor	Yes	Start date of the reporting obligation
148	Section 2m – Credit derivatives	Tranche	No	Start date of the reporting obligation
149	Section 2m – Credit derivatives	CDS index attachment point	Yes	Two years from the start date of the reporting obligation
150	Section 2m – Credit derivatives	CDS index detachment point	Yes	Two years from the start date of the reporting obligation
151	Section 2n - Modifications to the derivative	Action type	NA	NA
152	Section 2n - Modifications to the derivative	Event type	NA	NA
153	Section 2n - Modifications to the derivative	Event date	NA	NA

Item	Section	Field	Reconciliation tolerance	Reconciliation start date
154	Section 2n - Modifications to the derivative	Level	No	Start date of the reporting obligation

Table 3

Reconciliation categories	Allowable values
Reporting requirement for both counterparties	Yes/No
Reporting type	Single-sided/dual-sided
Pairing	Paired/unpaired
Reconciliation	Reconciled/not reconciled
Valuation reconciliation	Reconciled/not reconciled
Revived	Yes/No
Further modifications:	Yes/No

10.9 Annex IX – RTS on operational standards for aggregation and comparison of data and on terms and conditions for granting access to data

COMMISSION DELEGATED REGULATION (EU) YYYY/XXX

of

laying down draft regulatory technical standards amending Delegated Regulation (EU) No 151/2013 with regard to operational standards for aggregation and comparison of data and on terms and conditions for granting access to data

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ⁽³⁶⁾, and in particular Article 81(5) thereof,

Whereas:

(1) In order to enable the effective and efficient comparison and aggregation of data across trade repositories, XML format templates and XML messages developed in accordance with ISO 20022 methodology should be used for access to data and for communication between the entities referred to in Article 81(3) of Regulation (EU) No 648/2012 and the trade repositories. This should not exclude the possibility that trade repositories and the relevant entities may agree amongst themselves to provide access or to communicate using a different format in addition to XML.

(2) The trade repositories should ensure that the details of derivatives which are included in the relevant reports for the entities listed in Article 81(3) of Regulation (EU) No 648/2012 provided in XML format and a template developed in accordance with ISO 20022 methodology ISO 20022 include the same information as the ones provided to the counterparties, entities responsible for reporting and report submitting entities, as applicable.

(3) Access by the entities listed in Article 81(3) of Regulation (EU) No 648/2012 to all details of derivatives, including details of derivatives that have not been accepted by the trade repository or details of derivatives which have been accepted by the trade repository, but for which the trade repository has made a warning notification, as well as the details following the performance of the reconciliation process for derivatives referred to in Article 19 of Commission

³⁶ OJ L 201, 27.7.2012, p. 1.

Delegated Regulation (EU) No 150/2013³⁷, is of utmost importance to ensure that those entities are able to fulfil their responsibilities and mandates.

(4) Where the Commission has adopted an implementing act determining that the legal framework in a third country fulfils the conditions provided in Article 76a(2) of Regulation (EU) No 648/2012, a trade repository should ensure that the access to the data by a relevant authority of that third country is established taking account of the third country authority's mandate and responsibilities.

(5) To ensure the standardisation and consistency of the access to details of derivatives and to reduce the administrative burden for both the entities listed in Article 81(3) of Regulation (EU) No 648/2012 that have access to those details and trade repositories holding those details, trade repositories should follow a specific procedure for establishing the terms and conditions under which that access will be provided, more specifically the setting up of that access and ongoing operational arrangements.

(6) Therefore, Delegated Regulation 151/2013 should be amended. This Regulation is based on the draft regulatory technical standards submitted to the Commission by the European Securities and Markets Authority.

(7) The European Securities and Markets Authority has consulted the members of ESCB and has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the advice of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council³⁸.

(8) Account taken of the time needed to enable counterparties and trade repositories to take all necessary actions to adapt to the new requirements under [PO please insert reference to "Annex V - Draft ITS on standards, formats, frequency and arrangements for reporting to TRs under EMIR" under Annex V of the present document], the date of application of the provisions relating to the new data fields introduced should be deferred.

Article 1

Amendments to Delegated Regulation (EU) No 151/2013

(1) Article 2 is replaced by the following:

Article 2

³⁷ Commission Delegated Regulation (EU) No 150/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards specifying the details of the application for registration as a trade repository Text with EEA relevance, OJ L 52, 23.2.2013, p. 25.

³⁸ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC, OJ L 331, 15.12.2010, p. 84.

Granting access to details of derivatives

1. A trade repository shall provide the entities listed in Article 81(3) of Regulation (EU) No 648/2012, including where delegation under Article 28 of Regulation (EU) No 1095/2010 exists, with direct and immediate access to details of derivatives contracts in accordance with this Article and Article 3 of this Regulation.

For the purposes of the first subparagraph, a trade repository shall use an XML format and a template developed in accordance with ISO 20022 methodology.

2. A trade repository shall ensure that the details of transaction data on derivatives made accessible to the entities listed in Article 81(3) of Regulation (EU) No 648/2012 in accordance with this Article and pursuant to the timelines provided in Article 4 and 5 include the following data:

(a) the reports of derivatives reported in accordance with Tables 1, 2 and 3 of the Annex to Delegated Regulation (EU) [PO please insert reference to “Annex IV – Draft RTS on details of the reports to be reported to TRs under EMIR” under Annex IV of the present document], including the latest trade states of outstanding derivatives referred to in Article 1(4) of that Regulation;

(b) the relevant details of derivative reports rejected or warned by the trade repository during the previous working day and the reasons for their rejection or warning as specified in [please insert reference to the RTS on procedures for ensuring data quality];

(c) the reconciliation status of all derivatives for which the trade repository has carried out the reconciliation process in accordance with Article 3 of [PO please insert reference to “Annex VIII – RTS on procedures for ensuring data quality” under Annex VIII of this document].

3. A trade repository shall provide the entities that have several responsibilities or mandates under Article 81(3) of Regulation (EU) No 648/2012 with a single access point to the derivatives covered by those responsibilities and mandates.

4. A trade repository shall provide ESMA with access to all transaction data for derivatives to exercise competences in accordance with its responsibilities and mandates.

5. A trade repository shall provide the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Systemic Risk Board (ESRB) with access to all transaction data for derivatives.

6. A trade repository shall provide the Authority for the Cooperation of Energy Regulators (ACER) with access to all transaction data on derivatives where the underlying is energy or emission allowances.

7. A trade repository shall provide an authority which supervises trading venues with access to all transaction data for derivatives executed on those trading venues.

8. A trade repository shall provide a supervisory authority designated pursuant to Article 4 of Directive 2004/25/EC with access to all transaction data on derivatives where the underlying is a security issued by a company that meets one or more of the following conditions:

(a) the company is admitted to trading on a regulated market established within the Member State of that authority and the takeover bids on the securities of that company fall under that authority's supervisory responsibilities and mandates;

(b) the company has its registered office or head office in the Member State of that authority and the takeover bids on the securities of that company fall under that authority's supervisory responsibilities and mandates;

(c) the company is an offeror as defined in Article 2(1)(c) of Directive 2004/25/EC for the companies as referred to in points (a) and (b) and the consideration it offers includes securities.

9. A trade repository shall provide an authority referred to in Article 81(3)(j) of Regulation (EU) No 648/2012 with access to all transaction data on derivatives for markets, contracts, underlyings, benchmarks and counterparties that fall under the supervisory responsibilities and mandates of that authority.

10. A trade repository shall provide a member of the ESCB, including the ECB, whose Member State's currency is the euro with access to:

(a) all transaction data on derivatives where the reference entity of the derivative is established within the Member State of that ESCB member or within a Member State whose currency is the euro and falls within the scope of the member according to that member's supervisory responsibilities and mandates, or where the reference obligation is sovereign debt of the Member State of that ESCB member or of a Member State whose currency is the euro;

(b) position data for derivatives contracts in euro.

11. A trade repository shall provide an authority listed in Article 81(3) of Regulation (EU) No 648/2012 that monitors systemic risks to financial stability in the euro area and whose Member State's currency is the euro, including the ECB, with access to all transaction data on derivatives concluded on trading venues or by CCPs and counterparties that fall under the responsibilities and mandates of that authority when monitoring systemic risks to financial stability in the euro area.

12. A trade repository shall provide a member of the ESCB whose Member State's currency is not the euro with access to:

(a) all transaction level data on derivatives where the reference entity of the derivative is established within the Member State of that ESCB member and falls within the scope of the member according to that member's supervisory responsibilities and mandates, or where the reference obligation is sovereign debt of the Member State of that ESCB member;

(b) position data for derivatives in the currency issued by that member of the ESCB.

13. A trade repository shall provide an authority listed in Article 81(3) of Regulation (EU) No 648/2012 that monitors systemic risks to financial stability and whose Member State's currency is not the euro, with access to all transaction data on derivatives concluded on trading venues or by CCPs and counterparties that fall under the responsibilities and mandates of that authority when monitoring systemic risks to financial stability in a Member State whose currency is not the euro.

14. A trade repository shall provide the ECB, when carrying out its tasks within the single supervisory mechanism under Council Regulation (EU) No 1024/2013, with access to all transaction data on derivatives concluded by any counterparty which, within the single supervisory mechanism, is subject to the ECB's supervision pursuant to Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions³⁹.

15. A trade repository shall provide a competent authority listed in points (o) and (p) of Article 81(3) of Regulation (EU) No 648/2012 with access to all transaction data on derivatives concluded by all counterparties that fall under the responsibilities and mandates of that authority.

16. A trade repository shall provide a resolution authority as referred to in point (m) of Article 81(3) of Regulation (EU) No 648/2012 with access to all transaction data on derivatives concluded by counterparties that fall under the responsibilities and mandates of that authority.

17. A trade repository shall provide the SRB with access to all transaction data on derivatives concluded by counterparties that fall under the scope of Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010⁴⁰.

18. A trade repository shall provide an authority supervising a central counterparty (CCP), and the relevant member of the European System of Central Banks (ESCB) overseeing that CCP, where applicable, with access to all transaction data on derivatives cleared by that CCP.

(2) In Article 3, the following paragraph is added:

3. In relation to a relevant authority of a third country for which the Commission has adopted an implementing act determining that the legal framework fulfils the conditions provided in Article 76a(2) of Regulation (EU) No 648/2012, a trade repository shall provide access to the data, taking account of the third country authority's mandate and responsibilities.

(3) Article 4 is replaced by the following:

³⁹ OJ L 287, 29.10.2013, p. 63–89

⁴⁰ (OJ L 225, 30.7.2014, p. 1–90)

Article 4

Granting access to details of derivatives

1. A trade repository shall:

- (a) designate a person or persons responsible for liaising with the entities listed in Article 81(3) of Regulation (EU) 648/2012;
- (b) publish on its website the instructions that the entities listed in Article 81(3) of Regulation (EU) 648/2012 are to follow to access details of derivatives transactions;
- (c) provide the entities listed in Article 81(3) of Regulation (EU) 648/2012 with a form as referred to in paragraph 2;
- (d) set up access to details of derivatives transactions by the entities listed in Article 81(3) of Regulation (EU) 648/2012 only based on information contained in the form provided;
- (e) set up the technical arrangements necessary for the entities listed in Article 81(3) of Regulation (EU) 648/2012 to access derivatives transactions' details in accordance with paragraph 2.
- (f) provide the entities listed in Article 81(3) of Regulation (EU) 648/2012 with direct and immediate access to details of derivatives within thirty calendar days after that entity submitted a request for setting up such access;

2. To define the access to the details of derivatives, the trade repository shall make use of a form developed and made available by that trade repository that was submitted by the entity listed in Article 81(3) of Regulation (EU) 648/2012, specifying at least:

- (a) the name of the entity;
- (b) the contact person at the entity;
- (c) the entity's legal responsibilities and mandates;
- (d) credentials for a secure SSH FTP connection;
- (e) any other technical information relevant to the entity's access to details of derivatives.
- (f) whether the entity is competent for counterparties in its Member State, the euro area or the Union;
- (g) the types of counterparties for which the entity is competent as per the classification in Table 1 of Annex I to [PO please insert reference to "Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR" under Annex V of the present document];

- (h) types of underlyings to derivatives for which the authority is competent;
- (i) the trading venues that are supervised by the entity, if any;
- (j) the CCPs that are supervised or overseen by the entity, if any;
- (k) the currency that is issued by the entity, if any;
- (l) delivery and interconnection points;
- (m) the benchmarks used in the Union, the administrator of which the entity is competent for;
- (n) the characteristics of underlyings that are supervised by that entity;
- (o) the characteristics of the parties referred to in fields 16 'Clearing member', 15 'Broker' in table 1 and field 142 'Reference entity' in table 2 of [PO please insert reference to "Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR" under Annex V of the present document] that are supervised by the entity, if any.

(4) Article 5 is amended as follows:

- a. Paragraph 4 is deleted
- b. Paragraph 5 is replaced by the following:

5. A trade repository shall establish and maintain the necessary technical arrangements to enable the entities listed in Article 81(3) of Regulation (EU) No 648/2012 to establish predefined periodic requests to access details of derivatives, as determined in Articles 2 and 3, necessary for those entities to fulfil their responsibilities and mandates.

c. Paragraph 6 is replaced by the following:

6. Upon request, a trade repository shall provide the entities listed in Article 81(3) of Regulation (EU) No 648/2012 with access to details of derivatives contracts according to any combination of the following fields as referred to in the Annex to Implementing Regulation (EU) No [PO please insert reference to "Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR" under Annex V of the present document]:

- (a) reporting timestamp;
- (b) counterparty 1;
- (c) counterparty 2;
- (d) entity responsible for reporting
- (e) corporate sector of the counterparty 1;

- (f) nature of the counterparty 1;
 - (g) broker ID;
 - (h) report submitting entity ID;
 - (i) asset class;
 - (j) product classification
 - (k) contract type;
 - (l) ISIN;
 - (m) Unique Product Identifier (UPI);
 - (n) underlying identification;
 - (o) venue of execution;
 - (p) execution timestamp;
 - (q) effective date;
 - (r) valuation timestamp;
 - (s) expiration date;
 - (t) early termination date;
 - (u) CCP;
 - (v) clearing member;
 - (w) level;
 - (x) action type;
- and
- (y) event type.

d. Paragraph 7 is replaced by the following:

7. A trade repository shall establish and maintain the technical capability to provide direct and immediate access to details of derivatives necessary for the entities listed in Article 81(3) of Regulation (EU) No 648/2012 to fulfil their mandates and responsibilities. That access shall be provided as follows:

(a) where an entity listed in Article 81(3) of Regulation (EU) No 648/2012 requests access to details of outstanding derivatives or of derivatives which have either matured or for which reports with action types 'Error', 'Terminate' or 'Position Component' as referred to in field 149 in Table 2 of the Annex to Implementing Regulation (EU) No [PO please insert reference to "Annex V – Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR" under Annex V of the present document] were made or were subject to a report with action type 'Revive' not followed by a report action type 'Error' or 'Terminate' not more than one year before the date on which the request was submitted, a trade repository shall fulfil that request no later than 12:00 Universal Coordinated Time on the first calendar day following the day on which the request to access is submitted.

(b) where an entity listed in Article 81(3) of Regulation (EU) No 648/2012 requests access to details of derivatives which have either matured or for which reports with action types 'Error', 'Terminate' or 'Position Component' as referred to in field 149 in Table 2 of the Annex to Implementing Regulation (EU) No [PO please insert reference to "Annex V – Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR" under Annex V of the present document] were made or were subject to a report with action type 'Revive' not followed by a report action type 'Error' or 'Terminate' more than one year before the date on which the request was submitted, a trade repository shall fulfil that request no later than three working days after the request to access is submitted.

(c) where a request to access data by an entity listed in Article 81(3) of Regulation (EU) No 648/2012 relates to derivatives falling under both points (a) and (b), the trade repository shall provide details of those derivatives no later than three working days after that request to access is submitted.

Article 2

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from twentieth day following that of its publication in the Official Journal of the European Union, except for points (c) and (d) of Article 1(4) which should apply from [PO: please insert date 18 months after the date of entry into force].

This Regulation shall be binding in its entirety and directly applicable in all Member States.



Done at Brussels,

For the Commission

The President