

PUBLIC STATEMENT

ESMA registers DTCC Data Repository (Ireland) PLC as trade repository under EMIR and SFTR

The European Securities and Markets Authority (ESMA), the EU supervisor of trade repositories (TRs), has registered today DTCC Data Repository (Ireland) PLC as a TR under the European Market Infrastructure Regulation (EMIR) and the Securities Financing Transactions Regulation (SFTR), with effect from 23 December 2020.

DTCC Data Repository (Ireland) PLC is based in Ireland and this registration is part of the DTCC Group strategy to ensure it continues to offer services to EU clients after the end of the transition period. After 31 December 2020, the UK-based TR of the Group (DTCC Data Repository PLC – DDRL UK) will cease to be registered with ESMA and DTCC Data Repository (Ireland) PLC will be the only TR of the Group operating in the EU.

DTCC Data Repository (Ireland) PLC will cover all derivative asset classes (commodities, credit, foreign exchange, equities and interest rates) and all types of securities financing transactions (SFT) (repurchase transactions, securities or commodities lending and securities or commodities borrowing transactions, buy-sell back or sell-buy back transactions and margin lending transactions).

Background

TRs are commercial firms that centrally collect and maintain the records of derivatives contracts and/or SFTs reported to them. The registration of a TR means that it can be used by counterparties to a derivative transaction and/or SFT to fulfil their trade reporting obligations under EMIR and/or SFTR respectively.

To be registered as a TR under EMIR or SFTR, a company must be able to demonstrate to ESMA that it can comply with the requirements of both Regulations, including, most importantly, on:

- operational reliability;
- safeguarding and recording; and
- transparency and data availability.

EMIR was introduced to improve transparency, establish common rules for central counterparties (CCPs) and TRs as well as to reduce the risks associated with the OTC

derivatives market. It provides for the obligation to centrally clear OTC derivative contracts or to apply risk mitigation techniques such as the exchange of collateral.

Similarly, SFTR was introduced with the aim of enhancing the transparency of the securities financing market, requiring all counterparties to SFTs to report the details of any SFT they have concluded, as well as any modification or termination, to a registered TR.

Both Regulations also provide for the direct supervision and the registration of TRs by ESMA which also carries responsibility for the recognition of non-EU TRs.