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| Response Form to the Consultation Paper |
| Guidelines for reporting under Articles 4 and 12 SFTR |

**Responding to this paper**

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in Annex III. Comments are most helpful if they:

* respond to the question stated;
* indicate the specific question to which the comment relates;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all comments received by **29 July 2019.**

All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

**Instructions**

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

1. Insert your responses to the questions in the Consultation Paper in the present response form.
2. Please do not remove tags of the type <ESMA\_QUESTION\_RSFTR\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
3. If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
4. When you have drafted your response, name your response form according to the following convention: ESMA\_RSFTR\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_RSFTR\_ABCD\_RESPONSEFORM.
5. Upload the form containing your responses, in Word format, to ESMA’s website ([www.esma.europa.eu](http://www.esma.europa.eu) under the heading “Your input – Open consultations” 🡪 “Consultation on Position limits and position management in commodities derivatives”).

**Publication of responses**

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publically disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA’s rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA’s Board of Appeal and the European Ombudsman.

**Data protection**

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading [Legal Notice](http://www.esma.europa.eu/legal-notice).

**Who should read this paper**

All interested stakeholders are invited to respond to this consultation. In particular, responses are sought from financial and non-financial counterparties to securities financing transactions, tri-party agents, agent lenders, central counterparties (CCPs) and trade repositories (TRs), as well as from all the authorities having access to the TR data.

**General information about respondent**

|  |  |
| --- | --- |
| Name of the company / organisation | REGIS-TR |
| Activity | Other Financial service providers |
| Are you representing an association? |  |
| Country/Region | Luxembourg |

**Introduction**

***Please make your introductory comments below, if any***

<ESMA\_COMMENT\_RSFTR\_1>

REGIS-TR is a European Trade Repository which enables market participants to report derivatives trades as required under the Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4th July 2012 on OTC derivatives, central counterparties and trade repositories (referred to as “EMIR”). REGIS-TR thanks ESMA for the opportunity to participate in this consultation paper on SFTR reporting guidelines.

<ESMA\_COMMENT\_RSFTR\_1>

**Questions**

1. : Do you agree with the above assessment? Are there any other transactions for which clarification is needed? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_1>

1. : Do you agree with the approach set out for reporting of SFTs under Article 4 of SFTR as detailed above? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_2>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_2>

1. : Do you agree with the approach for reporting repos and reverse repos as detailed in this section? Please detail the reasons for your response

<ESMA\_QUESTION\_RSFTR\_3>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_3>

1. : Are there any other types of repos and reverse repos transactions for which reporting needs to be clarified? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_4>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_4>

1. : Are there any other aspects on reporting of master agreements or other elements of BSB/SBB that need to be clarified? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_5>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_5>

1. : Do you foresee any issues relating to the non-availability of information on the counterparties and the securities by T+1? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_6>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_6>

1. : To what extent the SFTs that are cancelled and replaced bear price-forming information, i.e. does the cancellation imply an additional fee or price charged? If so, how can this information be better included in the reports? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_7>

To REGIS-TR’s understanding this question refers to the effect of a cancellation and replacement of the trade by the trading parties on their fees and on how could this information be included in the reported SFT.

Concerning reporting fees, REGIS-TR charges for each submission for SFT reports. When we receive an Early Termination (ETRM) or Error (EROR) message we charge reporting fees.

<ESMA\_QUESTION\_RSFTR\_7>

1. : Which approach would you favour in terms of reporting cash-driven SLB? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_8>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_8>

1. : Do you agree with the proposal with regards to reporting of SFTs involving commodities? What other aspects should be clarified with regards to these SFTs? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_9>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_9>

1. : Are there any aspects that need to be clarified with regards to this type of SFTs? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_10>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_10>

1. : Do you agree with the proposal with regards to reporting of margin lending? What other aspects should be clarified with regards to these SFTs? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_11>

REGIS-TR agrees with the proposal. From a TR perspective, setting margin lending to zero is the only way to be compliant with the validations and only allow one margin lending per pair of counterparties and Currency.

<ESMA\_QUESTION\_RSFTR\_11>

1. : Having in mind that position reporting of CCP-cleared SFTs is optional only when transaction-level reporting was made in accordance with paragraph 84, do you believe that additional clarifications need to be provided by ESMA? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_12>

On the basis that the new SFT report related to netted positions shall result in a new contract with a new UTI, the TR will not be able to validate point b of paragraph 84, as it cannot link the position-level report to the underlying trade-level reports. Therefore REGIS-TR will not reject position-level reports if the transaction-level reporting has not been correctly done by the counterparties.

<ESMA\_QUESTION\_RSFTR\_12>

1. : Do you agree with the approach regarding allocation of responsibility with regards to SFTs concluded between TC-FC and EU SME-NFC? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_13>

REGIS-TR agrees with the proposed approach. REGIS-TR cannot identify TC-FC and SME-NFC that have fulfilled the reporting obligations in a third country. When there is an equivalence and the TC-FC reports that SFT as well as on behalf of the SME-NFC, if it passes successfully the validations of Article 1 2019/358. Then, it will go into reconciliation.

REGIS-TR understands that when a TC-FC, without a branch in the EU, concludes an SFT with a FC and there is an equivalence, counterparties shall be deemed to have fulfilled their reporting obligations when the counterparties complied with the relevant obligations of that third country.

<ESMA\_QUESTION\_RSFTR\_13>

1. : Do you agree with the approach regarding allocation of responsibility with regards to UCITS management company and AIFM, established in third country? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_14>

REGIS-TR agrees with the proposed approach.

Point 1: Concerning mandatory delegation:

According to par.97, REGIS-TR kindly requests ESMA to confirm if there can be cases where a fund is directly responsible for reporting. Furthermore, REGIS-TR suggests to ESMA the implementation of a “validation process” of the algorithms, the calculations and the results among different TRs to ensure the alignment of the position calculation before the deployment date.

Point 2: Concerning voluntary delegation, the current regulatory article specifies:

*““2019/358 Art1(1c)*

*A trade repository shall verify all of the following in a received SFT report:*

*………*

*(c) that the report submitting entity, if different from the reporting counterparty as referred to in Field 3 of Table 1 of Annex I to Implementing Regulation (EU) 2019/363, is duly authorised to report on behalf of the reporting counterparty, except in the case provided for in Article 4(3) of Regulation (EU) 2015/2365;””*

To our understanding it is the Entity Responsible for Reporting (ERR) the one delegating their reporting and therefore having the contractual relationship with another entity and not the Reporting Counterparty (RC). Therefore, the verification that the RSE is duly authorised to report on behalf of the RC shall be made against the ERR of the SFTs submitted. That implies that the TR needs to check that the RSE has been authorised by the ERR and not the RC. Can ESMA confirm our understanding?

<ESMA\_QUESTION\_RSFTR\_14>

1. : Do you agree with the approach for determining conclusion of SFTs by EU branches of non-EU entities? Are there any other instances in addition to the ones in paragraph 102 that would need to be clarified? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_15>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_15>

1. : Is the proposed guidance for determining whether an SFT conducted by a branch needs to be reported clear and comprehensive? Which areas require further clarification? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_16>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_16>

1. : Is the proposed guidance for reporting of intragroup SFTs clear and comprehensive? Which areas require further clarification? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_17>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_17>

1. : Do you agree with the approach for reporting by NFCs? Is there any additional aspect relating to reporting by NFCs that needs to be clarified? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_18>

From a TR perspective REGIS-TR agrees with the approach for reporting by NFCs. <ESMA\_QUESTION\_RSFTR\_18>

1. : Do you agree with the proposal for reporting conclusion of SFTs? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_19>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_19>

1. : Do you agree with the proposal for reporting modifications to SFTs? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_20>

REGIS-TR understands that the reporting of a modification / correction applies only to the SFT report sent for a specific event date.

If the report is sent with an event date in the past then REGIS-TR proposal would be to store that report and make it available to the relevant entities and the Regulators in the daily activity report on the reception date but not applying it to the final status of the SFT on the event date in the past. Additionally, the customer shall send a modification/correction message with event date “today” should any of the terms of the SFT is to be updated.

Updating the details of a trade in the past while one or more updates have been submitted past the specific event date can lead to data integrity issues and require that the RSE submits an array of corrections for each subsequent date.

If needed the reporting parties will have to send additional modification/reports if the changes shall also be applied to the current date.

<ESMA\_QUESTION\_RSFTR\_20>

1. : Do you agree with the proposal for reporting collateral updates to SFTs? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_21>

REGIS-TR understands that a collateral update applies 1.to the underlying SFT report sent for the event date specified in the COLU message. Normally the event date reported in a COLU message is the date on which the COLU is submitted.

If the report is sent with an event date in the past then REGIS-TR proposal would be to store that report and make it available to the relevant entities and the Regulators in the daily activity report on the reception date but not applying it to the final status of the SFT on the event date in the past.

Updating the details of a trade in the past while one or more updates have been submitted past the specific event date can lead to data integrity issues and require that the RSE submits an array of corrections for each subsequent date.

<ESMA\_QUESTION\_RSFTR\_21>

1. : Do you have any issues with reporting in a timely manner valuation, margin and reuse updates pertaining to SFTs? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_22>

REGIS-TR understands that the reporting of a valuation, margin and reuse updates apply only to the SFT report sent for a specific event date. If the report is sent with an event date in the past then REGIS-TR proposal would be to store that report and make it available to the relevant entities and the Regulators in the daily activity report on the reception date but not applying it to the final status of the SFT on the event date in the past.

Updating the details of a trade in the past while one or more updates have been submitted past the specific event date can lead to data integrity issues and require that the RSE submits an array of corrections for each subsequent date.

<ESMA\_QUESTION\_RSFTR\_22>

1. : Do TRs require additional guidance in relation to how reports submitted by the entities mentioned in Article 2(2) and (3) of SFTR should be treated and the relevant procedures to follow? If so please confirm where further guidance is required.

<ESMA\_QUESTION\_RSFTR\_23>

REGIS-TR would like to request further guidance.

REGIS-TR kindly asks ESMA, on the basis that trades with the entities mentioned in Article 2(2) and (3) of SFTR are to be rejected, how are those entities to be identified (and stay up to date on ongoing basis) by TRs?

Shall the TR be provided with the detailed list, or the way to identify Entities is the one mentioned in Article 2(2) and (3) including related LEI? More specifically: "Other Members States bodies performing similar functions" and "other Union public bodies charged with or intervening in, the management of the public debt".

<ESMA\_QUESTION\_RSFTR\_23>

1. : Do you agree with the proposed rules for reporting of field 1.17? Are there any other instances that would need to be clarified? Please detail the reasons for your answer.

<ESMA\_QUESTION\_RSFTR\_24>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_24>

1. : Do you consider proposal A or proposal B to be the most efficient way to ensure that details of SFTs are reported accurately, and why? What would be the costs and benefits of each approach? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_25>

Proposal “A” is the most appropriate from Regis-TR’s point of view as it provides an immediate and clear way to manage all the lifecycle of a SFT. Nevertheless, it is Regis-TR understanding that the snapshot will only be applicable for Modification and Corrections and further guidance from ESMA shall be provided for the reasons explained here below.

During the discussions in the ISO Evaluation Team meeting that took place on the 17th July 2019, it was clarified that, if the decision is to have full reporting (proposal A), all the fields that are applicable to action type *New* will also be applicable to *Modifications* and *Corrections*, however, the current version of the schema (DRAFT2auth.052.001.01) does not support this approach for *Modifications*. There are certain fields listed below that are not included in the *Modification* node. Therefore, unless the schemas are updated, this approach will not be feasible. Additionally, ESMA shall confirm if the TRs have to implement any additional validations on fields that are currently not reportable under action type *Modification* in order to ensure that its content is not updated.

(2.12) Execution timestamp

(2.75) Type of collateral component

(2.76) Cash collateral amount

(2.77) Cash collateral currency

(2.78) Identification of a security used as collateral

(2.79) Classification of a security used as collateral

(2.80) Base product

(2.81) Sub - product

(2.82) Further sub - product

(2.83) Collateral quantity or nominal amount

(2.83) Collateral quantity or nominal amount

(2.84) Collateral unit of measure

(2.85) Currency of collateral nominal amount

(2.86) Price currency

(2.87) Price per unit

(2.88) Collateral market value

(2.89) Haircut or margin

(2.90) Collateral SctyQltyity

(2.91) Maturity of the security

(2.92) Jurisdiction of the issuer

(2.93) LEI of the issuer

(2.94) Collateral type

(2.95) Availability for collateral reuse

(2.96) Collateral basket identifier

(2.97) Portfolio code

The following analysis has been made:

The implementation of option “A” is the most efficient and accurate from a TR perspective. It guarantees any type of modification/correction without applying complex validations to allow changes in fields that trigger a different set of cross validations. An example of this type of changes is the modification of the field “2.4 – Type of SFT” that implies a completely different set of validations base on the type selected. Therefore, the XSD does not provide a way to differentiate between an optional field excluded on purpose (as it does not change) and a field that want to be erased.

An additional benefit of this approach is the direct filtering for NCAs as all the fields used as filters will be fulfilled in each of the action types, facilitating the extraction of data and decreasing the implementation effort and cost. On the contrary, proposal “B” will force REGIS-TR to enrich the lifecycle messages with the information of the latest status of the SFT to be able to provide accurate data to the NCAs.

The snapshot approach will ease the daily activities of the TR, facilitating the compliance of the SLAs defined in the regulation, extremely important considering the high volumes SFTR will entail and the quick grow on the data to be manged by the TR.

<ESMA\_QUESTION\_RSFTR\_25>

1. : Do you agree with the sequences proposed? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_26>

Based on the proposed sequences, REGIS-TR understands that a trade that has been previously terminated or matured, can become again active if a modification or correction is applied on the specific date fields.

Position Component allows a subsequent Correction, but the same level of validations applies to the Correction after a Position Component message and a New message, whereas New and Position Component are not fully identical in terms of reporting. Therefore, different validations should be applicable in each case in order to be consistent with the initial action type.

In addition to that, it is REGIS-TR understanding that Correction over a Position Component message should not enable any other type of action types, i.e. after a Correction over a Position Component the only allowed action types are Correction or Error. Guidelines should be clear in this situation.

Beyond the Position Component reports case above, further guidance is required overall on the sequence of action types is order to ensure consistent use and reduce the risk for data integrity issues.

<ESMA\_QUESTION\_RSFTR\_26>

1. : Do you agree with the proposed mapping between business events and action types? Are there any additional business events that should be included? Please detail the reasons for your answer.

<ESMA\_QUESTION\_RSFTR\_27>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_27>

1. : Are there any other relationships that would need to be defined? If so, please detail which ones.

<ESMA\_QUESTION\_RSFTR\_28>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_28>

1. : Is there any aspect not covered by the ITS on reporting that would require further clarification? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_29>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_29>

1. : Do you agree with the proposed approach for reporting of counterparty side in the case of CCP-cleared SFTs? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_30>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_30>

1. : Do you agree with the proposed approach to determine which side of a transaction is the collateral provider and which is the collateral taker for unsecured lending/borrowing of securities? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_31>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_31>

1. : Please indicate how frequently is a haircut, margin or any other type of discount/add-on, applied to the loan side of SLB?

<ESMA\_QUESTION\_RSFTR\_32>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_32>

1. : Do you agree with the proposed approach? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_33>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_33>

1. : Do you agree with the proposed approach? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_34>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_34>

1. : Do you agree with the proposed approach on timing and use of FX rates? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_35>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_35>

1. : Does ESMA need to provide additional guidance on the reporting of the valuation fields? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_36>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_36>

1. : Do you have any remarks concerning the reporting of CFI? What other aspects need to be clarified to ensure that reporting is consistently performed? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_37>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_37>

1. : Do you agree with the approach for back-loading? What other aspects have to be considered to make the reporting of backloaded SFTs more efficient for counterparties and TRs, i.e. the costs of this approach are minimised and also the usefulness of the reports submitted going forward is maximised? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_38>

From a TR perspective REGIS-TR agrees with the approach.

REGIS-TR intends to apply the following logic: The backloaded SFTs will be processed as NEW reports, and will be included in the reconciliation process as done for new SFTs.

<ESMA\_QUESTION\_RSFTR\_38>

1. : What other aspects with regards to the UTI have to be clarified? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_39>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_39>

1. : Are there any other instances that need to be clarified? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_40>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_40>

1. : Please provide the relative volume of transactions for which issuer’s LEI (of securities used as collateral) or ISIN is not available in principle.

<ESMA\_QUESTION\_RSFTR\_41>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_41>

1. : Do you agree with this approach? What other aspects need to be considered? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_42>

From a TR perspective, REGIS-TR agrees with the approach. In addition, the following assumption is made:

As stated in the CP, non-banking counterparties could start SFTR reporting in advance.

REGIS-TR assumes that reconciliation shall be performed for these early-reported SFT including inter-TR reconciliation. All the trades received will be included in the reconciliation process, regardless of whether both counterparties have started their reporting. The same holds in case of early backloading.

<ESMA\_QUESTION\_RSFTR\_42>

1. : Do you believe there are other use cases that need to be further defined in this subsection? Do you agree with the applicability of those use cases to the different types of SFTs as outlined above? Please detail the reasons for your answers.

<ESMA\_QUESTION\_RSFTR\_43>

No, REGIS-TR does not believe that there are any other use cases that need to be further defined, but we need clarification regarding the population of the field *Agent Lender* for the reasons explained here below:

For the following uses cases there are discrepancies between Final report, Validation Rules and Consultation paper regarding the filling of Table 1 field 18 Agent Lender.

- Non-cleared SFT with broker, agent lender and tri-party agent

- Non-cleared SFT with broker, agent lender and tri-party agent, settled with a CSD participant different from any of the entities and voluntary delegation of reporting to a third party

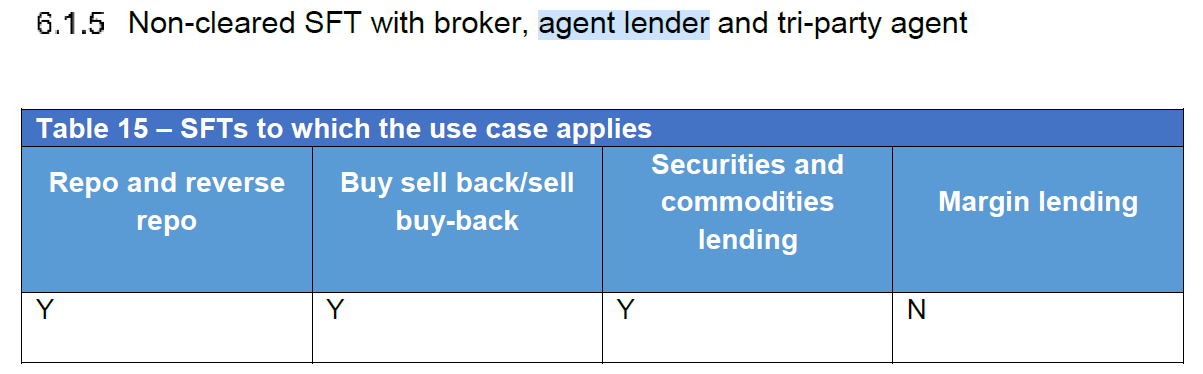
- Cleared SFT with broker, agent lender, tri-party agent

- Cleared SFT with broker, agent lender, tri-party agent settled with a CSD participant different from any of the entities and voluntary delegation of reporting to a third party

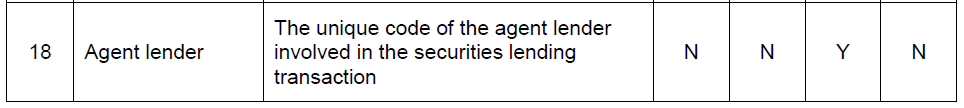
According to the Consultation paper (P.58) the field Agent lender (Table 1 field 18) is applicable to Repo, BSB and SL but REGIS-TR’s position is that the population of this field only is applicable to SL as specified in Final report (P.264). As you can see in the below tables this contradict the Technical Standards (COMMISSION DELEGATED REGULATION (EU) 2019/356).

Consultation Paper

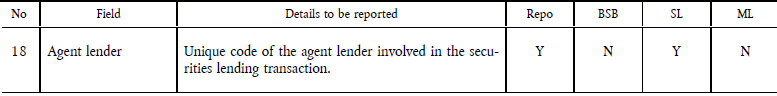
(P.58):



Final report (P.264):



Technical standards:



<ESMA\_QUESTION\_RSFTR\_43>

1. : Do you agree with the population of the counterparty data fields? Please detail the reasons for your response and indicate the table to which your comments refer.

<ESMA\_QUESTION\_RSFTR\_44>

REGIS-TR agrees, except with the population of the field *Agent Lender* for the reasons explained in Q43.

<ESMA\_QUESTION\_RSFTR\_44>

1. : Do you agree with the approach to reporting action types? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_45>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_45>

1. : Do you agree with the approach to reporting event date? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_46>

REGIS-TR would like to request further guidance.

Event date (field 2.3) definition is "Date on which the reportable event relating to the SFT and captured by the report took place."

Could you confirm that in case a modification report received by the TR contains an "event date" (field 2.3) in the past, the update is pertaining only to the SFT data on that "event date". In case the current data of the SFT needs to be modified as well, then our understanding is that parties will have to submit additional reports.

This applies also to corrections, and updates as indicated in the replies provided for Q20, Q21, Q22:

*“If the report is sent with an event date in the past then REGIS-TR proposal would be to store that report and make it available to the relevant entities and the Regulators in the daily activity report on the reception date but not applying it to the final status of the SFT on the event date in the past. Additionally, the customer shall send a modification/correction message with event date “today” should any of the terms of the SFT is to be updated.*

*Updating the details of a trade in the past while one or more updates have been submitted past the specific event date can lead to data integrity issues and require that the RSE submits an array of corrections for each subsequent date.”*

<ESMA\_QUESTION\_RSFTR\_46>

1. : Do you agree with the approach to reporting clearing? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_47>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_47>

1. : Do you agree with the approach to reporting trading venue field? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_48>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_48>

1. : Do you have any remarks or questions concerning the reporting of master agreements? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_49>

It would be worth to note all the difficulties that entail the reporting at net exposure level. The validation rules define as mandatory the UTI for action type NEW. This action type also allows setting the flag “Collateralisation of net exposure” to true and fulfilling the collateral fields. Afterwards, when updating the collateral data via a COLU, several UTIs could be affected by a message at net exposure level, obliging the TRs to update the data at trade level in order to avoid an inconsistency in the data stored. Therefore, either the validations should be enhanced to avoid the reporting of the collateral data for action type NEW or it becomes mandatory the update at UTI level of the latest state of the trade for any COLU messages received at net exposure.

<ESMA\_QUESTION\_RSFTR\_49>

1. : Do you agree with the approach to reporting conclusion and beginning of an SFT? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_50>

To our understanding, the Value Date specified in the future in these examples is the Requested Settlement Date (Tables 59, 60).

<ESMA\_QUESTION\_RSFTR\_50>

1. : Do you agree with the approach to reporting term of the SFT? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_51>

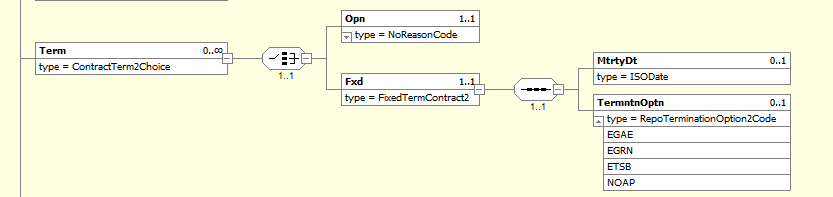
TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_51>

1. : Do you see any issues with the approach to reporting termination optionality? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_52>

REGIS-TR has identified an inconsistency between what is defined in the Consultation Paper and the current version of the XSD (DRAFT2auth.052.001.01). According to the Consultation Paper (*6.2.2.8)* open term repos can be evergreen or have no optionality, however, the schema does not allow to select Open term and to populate field 2.22 Termination optionality, which, according to the Validation Rules is a mandatory field.



<ESMA\_QUESTION\_RSFTR\_52>

1. : Which of these approaches do you favour for reporting general and specific collateral? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_53>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_53>

1. : Do you agree with the approach to reporting collateral arrangements? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_54>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_54>

1. : Do you agree with the approach to reporting fixed and floating rates of SFTs? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_55>

We would appreciate to receive confirmation if the action "NEW" shall be reported in table 70. To our view it should be a <Mod>, see extract of the XML message below

*<SctiesFincgRptgTxRpt>*

*<TradData>*

*<New>*

<ESMA\_QUESTION\_RSFTR\_55>

1. : Do you see any issues with the approach to reporting repo and BSB/SBB principal amounts? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_56>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_56>

1. : Do you agree with the approach regarding reporting fields 2.51 and 2.90? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_57>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_57>

1. : Do you agree with the approach to reporting securities on loan? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_58>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_58>

1. : Do you agree with the approach to reporting SFTs involving commodities? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_59>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_59>

1. : Do you agree with the approach to reporting cash rebate SLBs? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_60>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_60>

1. : Do you agree with the approach to reporting non-cash collateral SLBs? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_61>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_61>

1. : Do you agree with the approach to reporting margin loan data? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_62>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_62>

1. : Do you agree with the approach to reporting collateralisation? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_63>

REGIS-TR does not agree with the approach defined in the Consultation Paper (section 328) where the field 2.96 shall be populated with NTAV in case a transaction is not collateralised by a collateral basket.

REGIS-TR understands that this field shall only be populated when a collateral basket exists, otherwise, it shall be left blank, as established in Article 3 Paragraph 5 of the COMMISSION DELEGATED REGULATION (EU) 2019/356 of 13 December 2018.

Further to the above, the conditional validations defined in fields 2.78, 2.79 and 2.83 to 2.95 (except 2.84 and 2.91) *"If field 2.75 is populated with 'SECU' and field 2.96 is not populated with ‘NTAV’[…]”* may provoke the no population of each of the mentioned fields in the case of 2.75=SECU and 2.96=NTAV. This would not be in line with the Article 3 Paragraph 6 of the Technical Standards[[1]](#footnote-2). Therefore, REGIS-TR proposes to remove the second part of the wording “*and field 2.96 is not populated with ‘NTAV’”* in order to avoid this situation.

"[…]the counterparty shall also specify the complete and accurate details of all the individual collateral components of that SFT in Fields 75 to 94 of Table 2 of the Annex […]". COMMISSION DELEGATED REGULATION (EU) 2019/356 of 13 December 2018

<ESMA\_QUESTION\_RSFTR\_63>

1. : Do you agree with the approach to reporting cash collateral? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_64>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_64>

1. : Do you agree with the proposed approach? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_65>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_65>

1. : Do you agree with the proposed approach for calculating collateral haircuts or margin? Please provide justification for your response.

<ESMA\_QUESTION\_RSFTR\_66>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_66>

1. : Do you agree with the proposed approach for reporting collateral type field? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_67>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_67>

1. : Do you agree with the proposed approach for reporting Availability for collateral reuse? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_68>

REGIS-TR would appreciate confirmation from ESMA if the field 2.95 ("Availability for collateral reuse") validation rule will be updated according to CP 345 (see extract below).

Currently the rule for field 2.95 is only stating: If field 2.75 is populated with 'SECU' and field 2.96 is not populated with "NTAV, this field shall be populated When populated, this field shall contain one of the values: 'true' or 'false'.

*CP : Availability for collateral reuse 345. : Counterparties should populate the field only taking into account contractual ability to reuse collateral, not any operational/technical constraints (such as temporary unavailability or asset encumbrance). Therefore, when “Method used to provide collateral” (field 2.20) is reported as “TTCA” or “SIUR”, “Availability for collateral reuse” (field 2.95) should be populated with “TRUE”, even though the entity might be bound operationally to not use it, e.g. CCP when it passes the SFT collateral from one CM to the other.*

<ESMA\_QUESTION\_RSFTR\_68>

1. : Do you agree with the proposed approach for reporting fields Identification of security and LEI of issuer? Are you aware of instances where securities provided as collateral do not have an ISIN? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_69>

TRs will not be able to verify if there is a correspondence between the ISIN and the LEI of the Issuer. It will be the responsibility of the counterparties to ensure the information provided is correct.

<ESMA\_QUESTION\_RSFTR\_69>

1. : Do you agree with the proposed approach for reporting plain vanilla bonds as collateral? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_70>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_70>

1. : Do you agree with the proposed approach for reporting perpetual bonds as collateral? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_71>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_71>

1. : Do you agree with the proposed approach for reporting main index equities as collateral? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_72>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_72>

1. : Do you agree with the proposed approach for reporting variation margining with additional provision of securities by the collateral provider? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_73>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_73>

1. : Do you agree with the proposed approach for reporting variation margining with return of the same securities to collateral provider? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_74>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_74>

1. : Do you agree with the proposed approach for reporting variation margining with return of different securities to the collateral provider? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_75>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_75>

1. : Do you agree with the proposed approach for reporting prepaid collateral? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_76>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_76>

1. : Do you agree with the proposed approach for reporting portfolio code? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_77>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_RSFTR\_77>

1. : Do you agree with the approach to reporting margin data? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_78>

From a TR perspective REGIS-TR agrees with the approach.

REGIS-TR understands that there is not linkage to be implemented between the SFTs (auth.052) and the Margins (auth.070) reported.

<ESMA\_QUESTION\_RSFTR\_78>

1. : Do you have any comments on the scope of the non-cash collateral re-use measure, and are there practical obstacles to the reporting? In the case of margin lending, do you agree with the exclusion of securities that cannot be transferred to the prime broker’s account due to rehypothecation limits agreed contractually?

<ESMA\_QUESTION\_RSFTR\_79>

It would be useful if ESMA could provide an example to illustrate the usage of action NEW in the context of Collateral reuse reporting under table 4.

<ESMA\_QUESTION\_RSFTR\_79>

1. : Do you have any comments on cash collateral reinvestment, and do you agree with the scope?

<ESMA\_QUESTION\_RSFTR\_80>

It would be useful if ESMA could provide an example to illustrate the usage of action NEW in the context of cash collateral reinvestment reporting under table 4.

<ESMA\_QUESTION\_RSFTR\_80>

1. : Do you agree with the proposed approach for reporting reuse, reinvestment and funding sources? Please detail the reasons for your response and include a reference to the specific table.

<ESMA\_QUESTION\_RSFTR\_81>

Table 105 to 113 are reporting the reuse of securities / reinvestment of cash via action TYPE REUU and not NEW. REGIS-TR assumes that these are updates and that an initial reporting of the reuse/reinvestment has already been submitted to the TR.

<ESMA\_QUESTION\_RSFTR\_81>

1. : What other aspects need to be considered with regards to the aforementioned approach with regards to treatment of rejection feedback? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_82>

REGIS-TR intends to provide the rejection feedback related to permission, logical and business validations to the reporting counterparty, the Entity responsible for the reporting, and to the Report submitting entity when one or more of these entities have a contractual relationship with REGIS-TR and as long as this can be identified in the rejected report.

Additionally, ESMA shall publish full list of error codes in order to ensure consistency in the reporting across TRs.

*CP. 395. : Further to the above information, TRs will provide to each reporting counterparty, entity responsible for reporting or report submitting entity, as applicable, with an end of day report containing the following information: ( … ).*

<ESMA\_QUESTION\_RSFTR\_82>

1. : What other aspects need to be considered with regards to the aforementioned approach with regards to treatment of reconciliation feedback? Please detail the reasons for your response.

<ESMA\_QUESTION\_RSFTR\_83>

REGIS-TR intends to provide the reconciliation feedback to the reporting counterparties, the Entity responsible for the reporting and the Report submitting entity (CP 397) when one or more of these entities have a contractual relationship with REGIS-TR.

<ESMA\_QUESTION\_RSFTR\_83>

1. : What other aspects need to be considered to make the process more efficient? Please elaborate on the reasons for your response?

<ESMA\_QUESTION\_RSFTR\_84>

In regards to article 4(2) of SFTR Regulation, ideally it should also be specified how TRs are expected to filter such information (which fields have to be used) as there is certain unclearness under REGIS-TR´s perspective with letters (k), (n) and (o) of such article. Having that defined to that level of detail, would help to create a unique access form for Regulators among the different TRs, which is being demanded by NCAs.

<ESMA\_QUESTION\_RSFTR\_84>

1. : Do you have any comments on the aforementioned practicalities relating to the provision of access to SFT data to authorities? What other aspects need to be considered to make the process more efficient? Please elaborate on the reasons for your response?

<ESMA\_QUESTION\_RSFTR\_85>

With regard to point 410, section b, recurrent queries states the following: “the output file for such data query is generated automatically and repeatedly according to the frequency defined by the user. In case no frequency is established, the TR should provide the information on a daily basis”. In the BRD Access to Trade Repositories Project (Phase III – SFTR scope) v.1.0 (SFTR BRD) it is written “the output file for such data query is generated automatically and repeatedly according to the frequency defined by the user”. In Trace III of EMIR the statement in the BRD Access to Trade Repositories Project v1.11 is the same as the second one and the system will be up and running with that condition: frequency is mandatory therefore the user has to define it. In order to be aligned with the rest of the regulations and also with the SFTR BRD, the reports should not be provided on a daily basis in case the frequency is not established because frequency should be mandatory. From an IT perspective, we agree with the approach above but if it will be mandatory to set up a frequency in case of no frequency is established, it will be better for the functioning of the system to choose a higher frequency (such as monthly).

<ESMA\_QUESTION\_RSFTR\_85>

1. "[…]the counterparty shall also specify the complete and accurate details of all the individual collateral components of that SFT in Fields 75 to 94 of Table 2 of the Annex […]". COMMISSION DELEGATED REGULATION (EU) 2019/356 of 13 December 2018 [↑](#footnote-ref-2)