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| Response Form to the Consultation Paper |
| Technical standards on reporting, data quality, data access and registration of Trade Repositories under EMIR REFIT |

**Responding to this paper**

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in Annex 1. 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 **19 June 2020.**

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\_CP\_TSTR\_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\_TSTR\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_TSTR\_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 MiFIR report on Systematic Internalisers in non-equity instruments”).
6. If you wish to provide comments on the definitions, formats, allowable values or reconciliation tolerances for the specific reporting fields, please use for that purpose the additional response form in excel format.

**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 paper. In particular, responses are sought from financial and non-financial counterparties of derivatives, 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 | European Federation of Energy Traders (EFET) |
| Activity | Other Financial service providers |
| Are you representing an association? |  |
| Country/Region | Europe |

**Introduction**

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

<ESMA\_COMMENT\_TSTR\_1>

TYPE YOUR TEXT HERE

<ESMA\_COMMENT\_TSTR\_1>

**Questions**

1. [: Do you see any other challenges with the information to be provided by NFC- to FC which should be addressed? In particular, do you foresee any challenges related to the FC being aware of the changes in the NFC status?](#_Toc34747676)

<ESMA\_QUESTION\_TSTR\_1>

It is our understanding that the elements that are being consulted on concern exclusively the reporting of OTC derivatives, thereby excluding:

* Any ETDs, for the avoidance of doubt also encompassing ETDs resulting from block trades or give up agreements; and
* Any transactions entered into on non-EU exchanges that have not been subject to equivalence decisions.

In this consideration EFET would like to underline that there has already been industry alignment, between FCs and NFC- on the circumstances, processes and details of the reporting by FCs of OTC derivatives entered into with NFC-.

In particular the financial industry has published a Master Regulatory Reporting Agreement, which should cover most of the operational issues that may be arising in the framework of the new reporting obligation, including the information to be provided by NFC- to FCs ahead of the reporting obligation, which is information the FC can’t be expected to possess. In our view, these elements are:

**Counterparty Data**:

* ID of the other Counterparty” (LEI code)
* “Country of the other Counterparty”
* Confirmation of NFC- status – ‘Nature of the reporting counterparty’ (“N” as default considering that the mandatory reporting obligation of FC applies only to their transactions with NFCs-)
* “Clearing threshold” (“N” as default considering that the mandatory reporting obligation of FC applies only to their transactions with NFCs-)
* “Corporate sector of the reporting counterparty”

That information should be provided as static data (i.e. the information is to be exchanged once and updated on an ongoing basis as necessary, without a new exchange of information being required ahead of the execution of each new OTC derivative contract).

<ESMA\_QUESTION\_TSTR\_1>

1. [: Do you agree with the proposals set out in this section? If not, please clarify your concerns and propose alternative solutions.](#_Toc34747677)

<ESMA\_QUESTION\_TSTR\_2>

- Field 1.19 directly linked to the commercial activity for treasury financing: As recognised by ESMA in the latest Q&A on EMIR (question 54), this field is not of a static nature, although it pertains to information that only the NFC- possesses. In practice, NFC- might in turn enter into hedging contracts or purely speculative transactions with the same FC. These transactions may be negotiated (which implies a lengthier process than enables prior notification to the FC of the information related to Field 1.19 and correct reporting), but could also occur spontaneously over a recorded phone line directly between the traders of each entity. EFET supports the approach whereby the FC and NFC- can upfront define a general profile with standard values (risk reducing /speculative) for Field 1.19 which can be varied from on a trade by trade basis. The FC would then submit the correct report without undue delay as soon as it received the relevant details.

- Field 1.19 directly linked to the commercial activity or treasury financing: the communication of this field at the moment of the trade could have as a consequence the potential frontrunning of the FC against the NFC- (where the FC would use the information it receives pertaining to a non detrimental speculative position taken by an NFC-). It could be a reason for an NFC- to decide to opt-out.

- Reporting of lifecycle events affecting OTC Derivative contracts outstanding on the 18/06/2020: ESMA’s suggestion regarding a contractual agreement between the counterparties, placing the reporting responsibility either on the FC or leaving it with the NFC- will not work in practice. When an NFC- decides to rely on the FC to report its OTC Derivative transactions, it might simultaneously choose to build down its reporting capacities. This is particularly true for smaller NFC- who may look at removing or delegating all their reporting obligations following EMIR REFIT. In this case, the NFC- does not retain any capacity to report itself, while the FC does not have access to the original report for the transaction that would allow a modification. Such access should be granted to the FCs in order to eliminate any potential issue.

<ESMA\_QUESTION\_TSTR\_2>

1. : [Do you need any further clarifications regarding the scenario in which the FC and NFC- report to two different TRs?](#_Toc34747678)

<ESMA\_QUESTION\_TSTR\_3>

It is important that no cut-off date for a transfer of data between TRs is set. An NFC- might choose to continue reporting itself after 18 June 2020 and only decide to disengage from reporting at a later point in time, where it will appoint its FC counterparties for mandatory reporting. The porting (with the reservations hereunder) of transactions from one TR to the other needs to be complete at such date, in agreement between all concerned parties.

EFET would like to use this opportunity to underline the practical difficulties that firms encounter with porting between trade repositories:

- Some TRs offer porting as a paying service, which, in case porting needs to be organised for several counterparties, might render the exercise quite expensive for the FCs and accordingly NFC-.

- While the high-level principles for porting are provided for, there are no uniform rules or guidance on technical details such as data formats, despite the application of ISO 20022. Hence, TRs are using different data standards, e.g. for the recording of timestamps. These formats are not interchangeable and hinder portability in practice.

Thus, EFET would support a harmonisation of rules between TRs, in particular on all technical details, to allow portability to function as planned and wished for by regulators.

EFET would also like to forward an alternative proposal for the (mandatory) reporting of lifecycle events by an FC: It should be assumed that the original reports of the transaction sent respectively by the NFC and the FC have meanwhile been matched and are hence easily identifiable for regulators and trade repositories. An FC reporting a lifecycle event should be offered the possibility to select that the report is being provided under EMIR REFIT and will also concern the original report sent by the NFC.

<ESMA\_QUESTION\_TSTR\_3>

1. [: Are there any other aspects related to the allocation of responsibility of reporting that should be covered in the technical standards? If so, please clarify which and how they should be addressed.](#_Toc34747679)

<ESMA\_QUESTION\_TSTR\_4>

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<ESMA\_QUESTION\_TSTR\_4>

1. [: Do you see any other challenges with the information by NFC- to FC of their decision to perform the reporting of OTC derivatives which should be addressed?](#_Toc34747680)

<ESMA\_QUESTION\_TSTR\_5>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_5>

1. [: Do you agree with the proposals set out in this section? If not, please clarify your concerns and propose alternative solutions.](#_Toc34747681)

<ESMA\_QUESTION\_TSTR\_6>

Regarding bifurcation of reporting, even the biggest FCs are not technically able to perform it. They can either report all the deals on behalf of the NFC-, or none of them, and their systems do not support the differentiation per asset class. The proposal is to erase this possibility.

<ESMA\_QUESTION\_TSTR\_6>

1. [: Do you see any issues with the approach outlined above? Do you see any other challenges with the delegation of reporting which should be addressed?](#_Toc34747682)

<ESMA\_QUESTION\_TSTR\_7>

EFET agrees with ESMA’s assessments but would like to underline the importance of a seamless access to TR data – on transaction and position level, both by the report submitting entities and by the delegating counterparties.

Despite the new Art 80.5(a) introduced by EMIR REFIT, counterparties to OTC Derivatives encounter problems accessing their data with Trade Repositories. Simplified processes and a general right to access via an online solution – free of charge – should be implemented.

<ESMA\_QUESTION\_TSTR\_7>

1. [: Which errors or omissions in reporting should, in your view, be notified to the competent authorities? Do you see any major challenges with such notifications to be provided to the competent authorities? If yes, please clarify your concerns.](#_Toc34747683)

<ESMA\_QUESTION\_TSTR\_8>

While there is a clear benefit in allowing report submitting entities to pass information on reporting errors or omissions to their NCA, a general obligation would overflow the NCAs with data without enabling them to address the underlying issues. Such a general reporting obligation would also cause significant increase in operating costs and regulatory burdens for NFC-. Each such escalation would only represent a benefit, where NCAs could provide relevant guidance to market participants in real time, so as to allow timely re-reporting. Without any expected response, EFET sees little benefit in terms of oversight or consistency of data reporting.

Each EFET member firm encounters daily errors in the reports submitted to the Trade Repositories. While some errors simply relate to an oversight (for example, wrong information in internal trade registration systems that is being corrected within D+1) only a few errors are of a fundamental nature and deserve reporting to the NCAs. These material errors mostly relate to

(i) a difference in interpretation of the required information between TRs or between TRs and reporting entities or

(ii) the reporting of a non-standard OTC derivative transaction for which the mandatory reporting fields are not fully suited or clear. In these cases, it would be beneficial to introduce an escalation procedure for resolution by NCAs, whereby report submitting entities can efficiently address such issues.

In addition and to remedy the above mentioned overflow of error submissions to the NCAs we would propose that counterparties (or CCPs) notify NCAs only in case of:

• a disproportionate number of resubmissions (for example 1000) due to a correction of errors affecting a relevant number of derivatives;

• failure to submit (or resubmit) an important number of derivative reports.

Appropriate thresholds should be set for the above cases, the levels of which should be set after consultation with all relevant stakeholders.

Finally, it is our view that ESMA’s request of notifying NCAS about “reporting of a derivative for which there is no obligation to report” is completely unclear and might create confusion for reporting entities and should hence be deleted. Alternatively, we propose that every correction submission could be enriched with an additional field stating the reason for the correction (system constraints, deal entry error etc.). Looking at the new planned reporting logic, this could be linked to the “Event type” called “Misreporting”.

<ESMA\_QUESTION\_TSTR\_8>

1. [: Do you see any issues with the approach outlined above? Do you see any other challenges with the reconciliation of trades which should be addressed?](#_Toc34747684)

<ESMA\_QUESTION\_TSTR\_9>

EFET understands that ESMA’s proposal to introduce a mandatory reporting reconciliation process would avoid simple errors in reporting and ensure that both counterparties have the same understanding to the transaction. Although such a process may be attractive, EFET doesn’t fully support the approach without further efforts in terms of data standardisation and harmonisation, as the absence of reports reconciliation of is due to:

- TRs having different standards and mapping formats for reporting fields – which might not be reconcilable/interoperable (e.g. Timestamps);

- Reporting being automated and often performed by third party providers who themselves may have a different understanding of mandatory fields;

- The discrepancy between the standardised reporting fields and their validation and non-standard transactions entered into in particular concerning commodity derivatives, which require reporting. For such non-standard transactions, it is likely that counterparties will not have the same perception of the notional value generated by the transaction (see additional details hereunder, Q 70).

It might be worth noting that the yearly/ quarterly reconciliation processes with OTC derivative counterparties do not, for their part, reveal much disputes on the terms of the transactions subject to the reconciliation obligation. This may indicate that the absence of a satisfactory reporting reconciliation rate may not be due to the counterparties’ understanding of their transactions.

EFET would like to underline the importance of an aligned approach to the required fields by all parties involved in the reporting process. Prior to the entry into force of any formal reconciliation requirement on reporting, we would urge ESMA to consult on an updated validation table containing a detailed and unequivocal description of reporting fields, namely taking into consideration those transactions which are currently subject to the most reconciliation failures, such as commodity specific nonstandard transactions (for example on the definition of “Price Multiplier” vs “Quantity”, on the calculation of the Notional for index products as of the trade date, or concerning the clearing obligation field (should it be filled with X or N for NFC-). This will help ensuring a common ground of understanding.

Finally, it could also prove beneficial to define a reduced scope of reporting reconciliation – limited to essential fields or key terms of a transaction - as it may be daunting to reconcile over 60 fields.

<ESMA\_QUESTION\_TSTR\_9>

1. [: Do you see any other data quality issues which should be addressed?](#_Toc34747685)

<ESMA\_QUESTION\_TSTR\_10>

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<ESMA\_QUESTION\_TSTR\_10>

1. [: Do you agree with the proposed technical format, ISO 20022, as the format for reporting? If not, what other reporting format would you propose and what would be the benefits of the alternative approach?](#_Toc34747686)

<ESMA\_QUESTION\_TSTR\_11>

EFET has mostly NFC- members, therefore only a very narrow experience with ISO 20022 (contrary to banks which have been using ISO 20022 for payments since a couple of years already), thus this is a format that currently is not in use. This situation implies that any amendment of data format will be linked to high implementation costs and efforts for our membership.

Furthermore, it may seem disproportionate compared with the purpose of EMIR REFIT, in particular as:

- ISO 20022 is only a toolkit made of blocks enabling the financial industry to agree on a common messaging language. As the content of those blocks is still being determined by each single entity, convergence and full alignment is not provided for (see current issues with Portability between TRs).

- ISO 20022 doesn’t guarantee interoperability (due to different levels of technological capability and sophistication of EMIR reporting entities).

- Introducing a new data format with foreseen implementation difficulties will increase reporting errors.

- There is no uniform interpretation of ISO 20022 formats, meaning each firm will map the format according to its own understanding, leading to inconsistencies and discrepancies.

Consequently, EFET would not recommend the introduction of ISO 200022 for the reporting by NFC- of energy derivative transactions.

At this stage, we believe that it is worth remembering that many proposals stemming from the CDE in this consultation paper pursue a laudable intention. Nevertheless, it remains important to keep in mind that they have been mainly developed by and for the banking industry. Banking technical and financial capabilities are very remote to NFC- for which the introduction of banking standards represents a major hurdle to regulatory compliance.

<ESMA\_QUESTION\_TSTR\_11>

1. [: Do you foresee any difficulties related to reporting using an ISO 20022 technical format that uses XML? If yes, please elaborate.](#_Toc34747687)

<ESMA\_QUESTION\_TSTR\_12>

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<ESMA\_QUESTION\_TSTR\_12>

1. [: Do you expect difficulties with the proposed allocation of responsibility for generating the UTI?](#_Toc34747688)

<ESMA\_QUESTION\_TSTR\_13>

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<ESMA\_QUESTION\_TSTR\_13>

1. [: Is any further guidance needed with respect to the generation and exchange of the UTI for derivatives reported at position level?](#_Toc34747689)

<ESMA\_QUESTION\_TSTR\_14>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_14>

1. [: Is it clear which entity should generate the UTI for the derivatives that are executed bilaterally and brought under the rules of the market (‘XOFF’)? Are there any other scenarios where it may be unclear whether a derivative is considered to be “centrally executed”? Please list all such specific scenarios and propose relevant clarifications in this respect.](#_Toc34747690)

<ESMA\_QUESTION\_TSTR\_15>

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<ESMA\_QUESTION\_TSTR\_15>

1. [: Should the hierarchy on UTI generation responsibility include further rules on how to proceed when the responsibility for generating the UTI is allocated to an entity (e.g. trading venue or a CCP) from a jurisdiction that has not implemented the UTI guidance?](#_Toc34747691)

<ESMA\_QUESTION\_TSTR\_16>

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<ESMA\_QUESTION\_TSTR\_16>

1. [: Should the hierarchy on UTI generation responsibility include more explicit rules for the case of the delegated reporting? If so, propose a draft rule and its placement within the flowchart.](#_Toc34747692)

<ESMA\_QUESTION\_TSTR\_17>

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<ESMA\_QUESTION\_TSTR\_17>

1. [: Which policy option presented in the flowchart do you prefer? Please elaborate on the reasons why in your reply.](#_Toc34747693)

<ESMA\_QUESTION\_TSTR\_18>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_18>

1. [: Is the additional clarification concerning the sorting of the alphanumerical strings needed? If so, which should method of sorting should be considered?](#_Toc34747694)

<ESMA\_QUESTION\_TSTR\_19>

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<ESMA\_QUESTION\_TSTR\_19>

1. [: Are there any other rules that should be added to the hierarchy on UTI generation responsibility? To the extent that such rules are not contradictory to the global UTI guidance, please provide specific proposals and motivate why they would facilitate the generation and/or exchange of the UTIs.](#_Toc34747695)

<ESMA\_QUESTION\_TSTR\_20>

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<ESMA\_QUESTION\_TSTR\_20>

1. [: Do you support including more specific rules provision on the timing of the UTI generation? If so, do you prefer a fixed deadline or a timeframe depending on the time of conclusion of the derivative? In either case, please specify what would be in your view the optimal deadline/timeframe. Please elaborate on the reasons why in your response.](#_Toc34747696)

<ESMA\_QUESTION\_TSTR\_21>

EFET agrees with ESMA that delays in the exchange of UTI between counterparties should be avoided, also considering that more specific provisions on timely generation and communication of the UTI would contribute to increasing the pairing of reports.

However we think that the regulatory requirement for the timely exchange of UTIs is sufficient and that the possible definition of a deadline for such exchange should be left to the agreement of the parties (if considered necessary by them) and not be imposed.

Should ESMA maintain its view, EFET would prefer the second option proposed in the consultation paper, as the introduction of a fixed deadline at T+1, 12:00 a.m. UTC (option 1) could be in contrast with the choice of some operators of submitting transactions by the end of the trade date.

To further increase pairing rates between counterparties, the UTI could be a mandatory part of the confirmation that should be subject to checks and controls. As the “timely confirmation” is already a main pillar of EMIR, it would not be necessary to add a separate deadline for the communication of the UTI.

<ESMA\_QUESTION\_TSTR\_21>

1. [: Do you expect issues around defining when you will need to use a new UTI and when the existing UTI should be used in the report? Are there specific cases that need to be dealt with?](#_Toc34747697)

<ESMA\_QUESTION\_TSTR\_22>

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<ESMA\_QUESTION\_TSTR\_22>

1. [: Do you expect any challenges related to the proposed format and/or structure of the UTI? If yes, please elaborate on what challenges you foresee.](#_Toc34747698)

<ESMA\_QUESTION\_TSTR\_23>

EFET sees the benefits of ESMA proposal of introducing more detailed rules for the generation of the UTI code.

Nevertheless, ESMA should consider that:

(i) Counterparties already have existing and operational reporting arrangements, therefore, introducing a possible unique generator (like the one recommend by the CPMI-IOSCO guidance- page. 30) would certainly represent an additional cost for them.

(ii) Moreover, based on the experience with REMIT, reporting parties had to update the tool (after the publication of the second version of the algorithm) to ensure proper functioning of the generator with a further increase in costs over the years.

As an alternative a less burdensome solution for counterparties may be requiring that UTI generation simply avoids special characters, solely admit upper-case alphabetic characters A–Z or the digits 0–9 and have a fix length. Such provisions should first of all be implemented by the TRs at first level of reconciliation.

<ESMA\_QUESTION\_TSTR\_23>

1. [: Do you have any comments concerning the use of ISINs as product identifiers under EMIR for the derivatives that are admitted to trading or traded on a trading venue or a systematic internaliser?](#_Toc34747699)

<ESMA\_QUESTION\_TSTR\_24>

As of 3 January 2018, all derivatives admitted to trading or traded on a trading venue were expected to have ISIN under EMIR reporting obligation.

The main problems encountered by the NFC- that are reporting submitting entities with regard to ISINs are related to the derivatives traded through OTF brokers, for example. In order to submit EMIR reports they are supposed to possess the ISIN codes generated by the OTFs on ANNA.

However, to date, OTF brokers are not able to communicate such codes immediately after the execution of the deals. Therefore, the counterparties currently provide the ISIN codes to the TR only after receiving such information from the trading venues under MiFID regime - with possible delays in submitting it or an obligation to correct all previously submitted reports.

If ESMA insists on using ISINs as identification code, it should also be a mandatory part of the confirmation. We expect a lot of mismatches and disputes for OTC trades on OTFs – maybe even on MTFs – which could be minimized through the confirmation process.

Finally, if several different identifies should be implemented and accepted, EFET would strongly recommend the introduction of fallbacks / hierarchy setting out the identifier to be used by preference (such as UPI only for all OTC derivatives), and a default identifier in the event of failure of the preferred option.

<ESMA\_QUESTION\_TSTR\_24>

1. [: Do you have any comments concerning the use of UPIs as product identifiers under EMIR? Should in your view UPI be used to identify all derivatives or only those that are not identified with ISIN under MiFIR? ?](#_Toc34747700)

<ESMA\_QUESTION\_TSTR\_25>

Report submitting entities currently use two different codes that provide almost the same information: ISIN and CFI code (see ANNA-DSB Product Committee Final ISIN Principles p. 6).

EFET therefore suggests that ESMA better clarifies (and then limits) the use of the three codes (UPI, CFI and ISIN) in order to facilitate the reporting activities, considering the difficulties for the counterparties (in particular for the NFCs-) to generate or access to such codes.

Moreover, to properly submit records which include UPIs, counterparties should timely match the derivatives negotiated with the appropriate code, this implies that such codes are available in their system. An UPI library (for example as FIRDS that collect ISINs from trading venues and NCAs post generation) would not allow automatically reporting activities for non-financial counterparties in a timely manner.

In this regard, if ESMA deems necessary the introduction of UPIs, it could be useful to define how the counterparties, which are not allowed to generate them (in particular NFCs-), could timely access such codes to be compliant with the reporting deadline. UPIs could be, for example, a mandatory part of the information exchanged at trade level or of the confirmation. We expect a lot of mismatches and disputes for pure OTC trades, which could be minimized through the confirmation process. Our view is that the UPI will play a vital role in EMIR reports especially when considering that the UPI reference data will no longer be part of the reports.

Finally, non standardized OTC derivatives should in our view be expressly exempted from the use of such codes, as in this specific case the use of a code provides little valuable information to supervising authorities.

<ESMA\_QUESTION\_TSTR\_25>

1. [: Do you agree with the assessment of the advantages and disadvantages of the supplementary reporting of some reference data? Are there any other aspects that should be considered?](#_Toc34747701)

<ESMA\_QUESTION\_TSTR\_26>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_26>

1. [: Some of the instruments’ characteristics that are expected to be captured by the future UPI reference data are already being reported under EMIR, meaning that they have already been implemented in the counterparties’ reporting systems. If this data or its subset were continued to be required in trade reports under EMIR, what would be the cost of compliance with this requirement (low/moderate/high)? Please provide justification for your assessment. Would you have any reservations with regard to reporting of data elements that would be covered by the UPI reference data?](#_Toc34747702)

<ESMA\_QUESTION\_TSTR\_27>

EFET view with regards to data to be reported is as follows:

- Data that is currently required to be reported can continue to be reported without additional efforts;

- Where ESMA considers changing reference data (and introduce for example an UPI) redundancies should be identified and eliminated. For instance, we understand that the CFI can be derived from the UPI, which, consequently, should lead to the deletion of the CFI requirement).

<ESMA\_QUESTION\_TSTR\_27>

1. [: Do you foresee any issues in relation to inclusion in the new reporting standard that the LEI 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?](#_Toc34747703)

<ESMA\_QUESTION\_TSTR\_28>

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<ESMA\_QUESTION\_TSTR\_28>

1. [: Do you foresee any challenges related to the availability of LEIs for any of the entities included in the Article 3 of the draft ITS on reporting?](#_Toc34747704)

<ESMA\_QUESTION\_TSTR\_29>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_29>

1. [: Do you have any comments concerning ESMA approach to inclusion of CDEs into EMIR reporting requirements?](#_Toc34747705)

<ESMA\_QUESTION\_TSTR\_30>

EFET understands that the harmonization of the data elements reported to TRs would help to ensure that authorities can obtain a comprehensive view of the OTC derivatives market. However, ESMA should consider that the inclusion of CDEs into EMIR reporting would mean an increase of the costs for counterparties, in particular for the NFCs- that use derivatives mainly for hedging purpose.

<ESMA\_QUESTION\_TSTR\_30>

1. [: Is the list of Action types and Event types complete? Is it clear when each of the categories should be used?](#_Toc34747706)

<ESMA\_QUESTION\_TSTR\_31>

In our view, the reporting of the event type “Misreporting” is not clear enough.

<ESMA\_QUESTION\_TSTR\_31>

1. [: Is it clear what is the impact of the specific Action Types on the status of the trade, i.e. when the trade is considered outstanding or non-outstanding?](#_Toc34747707)

<ESMA\_QUESTION\_TSTR\_32>

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<ESMA\_QUESTION\_TSTR\_32>

1. [: Is it clear what are the possible sequences of Action Types based on the Figure 1?](#_Toc34747708)

<ESMA\_QUESTION\_TSTR\_33>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_33>

1. [: Are the possible combinations of Action type and Event type determined correctly? Is their applicability at trade and/or position level determined correctly?](#_Toc34747709)

<ESMA\_QUESTION\_TSTR\_34>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_34>

1. [: Is the approach to reporting Compression sufficiently clear? If not, please explain what should be further clarified or propose alternatives.](#_Toc34747710)

<ESMA\_QUESTION\_TSTR\_35>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_35>

1. [: Do you agree with the proposal to include two separate action types for the provision of information related to the valuation of the contract and one related to margins?](#_Toc34747711)

<ESMA\_QUESTION\_TSTR\_36>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_36>

1. [: Do you agree with the proposal to include the Action Type “Revive”? Are there any further instances where this Action Type could be used? Are there any potential difficulties in relation to this approach?](#_Toc34747712)

<ESMA\_QUESTION\_TSTR\_37>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_37>

1. [: Is the approach to reporting at position level sufficiently clear? If not, please explain what should be further clarified?](#_Toc34747713)

<ESMA\_QUESTION\_TSTR\_38>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_38>

1. [: Are all reportable details (as set out in the Annex to the draft RTS on details of the reports to be reported to TRs under EMIR (Annex IV)) available for reporting at position level? If not, please clarify which data elements and why.](#_Toc34747714)

<ESMA\_QUESTION\_TSTR\_39>

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<ESMA\_QUESTION\_TSTR\_39>

1. [: Are there any products other than derivatives concluded on a venue and CfDs that may need to be reported at position level?](#_Toc34747715)

<ESMA\_QUESTION\_TSTR\_40>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_40>

1. [: Do you have any general comments regarding the proposed representation of the reporting requirements in the table of fields? Please use the separate excel table to provide comments on the specific fields in the table.](#_Toc34747716)

<ESMA\_QUESTION\_TSTR\_41>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_41>

1. [: Is the proposed definition adequate? Can you think of any cases where further clarification would be needed or further problems might be expected? What would you expect to be reported as effective date when the trade is not confirmed?](#_Toc34747717)

<ESMA\_QUESTION\_TSTR\_42>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_42>

1. [: Is the proposed definition adequate? Can you think of any cases where further clarification would be needed, or further problems might be expected? What would you expect to be reported as maturity date when the trade is not confirmed?](#_Toc34747718)

<ESMA\_QUESTION\_TSTR\_43>

We think an example for “Maturity date” would make understanding this definition easier. In the Q&A TR question 46 there is already an electricity swap. It would be beneficial if this example would be extended with a last payment date of 6th July 2018 and the reportable maturity date. Our experience is that there are several different opinions on how to fill this field. One or two examples (including option contracts) to clarify the use of the field “Maturity Date” would highly decrease disputes on reporting mismatches.

<ESMA\_QUESTION\_TSTR\_43>

1. [: Do you agree with the proposed definition? Are there any other aspects that should be covered in the technical standards?](#_Toc34747719)

<ESMA\_QUESTION\_TSTR\_44>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_44>

1. [: Do you agree with the proposed definition? Are there any other aspects that should be covered in the technical standards?](#_Toc34747720)

<ESMA\_QUESTION\_TSTR\_45>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_45>

1. [: Do you foresee any difficulties with the reporting of Event date? Please flag these difficulties if you see them.](#_Toc34747721)

<ESMA\_QUESTION\_TSTR\_46>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_46>

1. [: In relation to the format of the “client code”, do you foresee any difficulties with reporting using the structure and format of the code as recommended in the CDE guidance? If you do, please specify the challenges.](#_Toc34747722)

<ESMA\_QUESTION\_TSTR\_47>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_47>

1. [: Alternatively, would you prefer to replace the internal client codes with national identification number as defined in MIFIR transaction reporting? Please specify the advantages and disadvantages of both alternatives.](#_Toc34747723)

<ESMA\_QUESTION\_TSTR\_48>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_48>

1. [: Do you agree on the proposal to include this process in the draft RTS on procedures for ensuring data quality?](#_Toc34747724)

<ESMA\_QUESTION\_TSTR\_49>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_49>

1. [: Do you agree that one month is the good timespan between the notification by the counterparty to the TR the corporate restructuring event and the actual update of the LEI by the TR?](#_Toc34747725)

<ESMA\_QUESTION\_TSTR\_50>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_50>

1. [: Do you agree on the fact that transactions that have already been terminated at the date when the TR is updating the LEIs should be included in the process?](#_Toc34747726)

<ESMA\_QUESTION\_TSTR\_51>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_51>

1. : [In the case of transactions where an impacted entity is identified in any role other than the reporting counterparty (e.g. Counterparty 2, Broker etc), when the TRs should inform the reporting counterparties of the change in the identifier of that entity?](#_Toc34747727)

<ESMA\_QUESTION\_TSTR\_52>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_52>

1. [: Which entity should identify all transactions that should be amended due to a partial modification of the identifier of an entity?](#_Toc34747728)

<ESMA\_QUESTION\_TSTR\_53>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_53>

1. [: In cases where the counterparty is not responsible and legally liable for reporting transactions, which entity should be in charge of notifying the TR and what should be the related requirements between the counterparty itself and the entity who is responsible and legally liable for the reporting?](#_Toc34747729)

<ESMA\_QUESTION\_TSTR\_54>

We think that the delegating party should always stay responsible for notifying the TR. As the report submitting entity would still need to know about the updated identifier as soon as possible and because it has direct contact with the TR, we think it should be possible that the delegating counterparty can delegate the notification needs to the report submitting entity.

<ESMA\_QUESTION\_TSTR\_54>

1. [: Do you see any other challenges related to LEI updates due to mergers and acquisitions, other corporate restructuring events or where the identifier of the counterparty has to be updated from BIC (or other code) to LEI because the entity has obtained the LEI?](#_Toc34747730)

<ESMA\_QUESTION\_TSTR\_55>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_55>

1. [: In relation to the field “Beneficiary ID”, do you have any concerns regarding the elimination of this field? Based on your reporting experience, which trading scenario may be missed if this field is eliminated, with exception of the cases explained in Q&A General Question 1 (c)?](#_Toc34747731)

<ESMA\_QUESTION\_TSTR\_56>

We welcome the elimination of the field “Beneficiary ID” as we agree that there comes no additional benefit from this information.

<ESMA\_QUESTION\_TSTR\_56>

1. [: In relation to the field “Trading capacity”, do you have any concerns regarding the elimination of this field? Based on your reporting experience, which trading scenario may be missed if this field is eliminated?](#_Toc34747732)

<ESMA\_QUESTION\_TSTR\_57>

We welcome the elimination of the field “Trading capacity” as we agree that there comes no additional benefit from this information

<ESMA\_QUESTION\_TSTR\_57>

1. [: In relation to the “Direction of trade”, do you foresee any difficulties with the adoption of CDE guidance approach? Please provide a justification for your response.](#_Toc34747733)

<ESMA\_QUESTION\_TSTR\_58>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_58>

1. [: Are there any products for which the direction of the trade cannot be determined according to the rules proposed in the draft technical standards (based on the CDE guidance)? If so, please specify the products and propose what rules should be applied.](#_Toc34747734)

<ESMA\_QUESTION\_TSTR\_59>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_59>

1. [: Do you foresee any difficulties with reporting in case the value “Intent to clear” is not included in the list of allowable values for Field « Cleared » ? Please motivate your answer.](#_Toc34747735)

<ESMA\_QUESTION\_TSTR\_60>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_60>

1. [: Do you have any other comments concerning the fields related to clearing?](#_Toc34747736)

<ESMA\_QUESTION\_TSTR\_61>

The burden of reporting one deal twice is too high

<ESMA\_QUESTION\_TSTR\_61>

1. [: 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 ETD derivatives by some counterparties, leading to problems with reconciliation of the reports. ESMA proposes to clarify that the abovementioned fields should be reported only for OTC non-cleared derivatives. Do you agree with the proposed approach for clarifying the population of the fields “Confirmation timestamp” and “Confirmation means”? Please motivate your response.](#_Toc34747737)

<ESMA\_QUESTION\_TSTR\_62>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_62>

1. [: Do you have any comments concerning the fields related to settlement?](#_Toc34747738)

<ESMA\_QUESTION\_TSTR\_63>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_63>

1. [: Do you have any comments concerning the proposed way of reporting of the trading venue?](#_Toc34747739)

<ESMA\_QUESTION\_TSTR\_64>

We think that alignment with SFTR rather than MiFIR is favourable. All derivatives concluded on a trading venue (RM, MTF, OTF, SI) should be reported with the segment MIC of the venue. “XOFF” would be used when the derivative was not concluded on a trading venue but “brought into the rules of the venue”. All other OTC cases should be reported with “XXXX”.

<ESMA\_QUESTION\_TSTR\_64>

1. : [Do you foresee any difficulties related to the proposal for reporting the data elements related to the regular payments?](#_Toc34747740)

<ESMA\_QUESTION\_TSTR\_65>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_65>

1. [: Do you agree to leave the valuation fields unchanged? If not, what changes do you propose?](#_Toc34747741)

<ESMA\_QUESTION\_TSTR\_66>

In general we agree with leaving the valuation fields unchanged. From our experience there haven’t been any clarity issues with those definitions.

However it is not clear to us how “the value as reported by both counterparties should not differ markedly” (point 258) is to understand. As you confirmed there is no obligation to reconcile the daily reported valuations and they are not seen as common data.

Therefore it is impossible for each counterparty to know what valuations the respective other counterparty has calculated and reported. Hence, none of the parties can guarantee that such a difference is small enough. We think it should be clarified that the counterparties should report the value that they see as correct, without any necessity to be near the value of the other counterparty.

<ESMA\_QUESTION\_TSTR\_66>

1. [: Do you agree that the contract value is most relevant for authorities when reported as the IFRS 13 Fair Value without applying valuation adjustments?](#_Toc34747742)

<ESMA\_QUESTION\_TSTR\_67>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_67>

1. [: Do you anticipate practical issues with reporting IFRS 13 Fair Value without applying valuation adjustments? If so, what measures can be taken to address these or what alternative solutions can be considered (that would ensure consistent reporting of valuation by the counterparties)?](#_Toc34747743)

<ESMA\_QUESTION\_TSTR\_68>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_68>

1. [: Is more guidance needed for the determination of the “valuation type”, e.g. similar to the guidance provided in the CDE guidance on page 41-42?](#_Toc34747744)

<ESMA\_QUESTION\_TSTR\_69>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_69>

1. [: Do you agree that the fields IM/VM Posted/Received fields are provided in with both a pre- and post-haircut value?](#_Toc34747745)

<ESMA\_QUESTION\_TSTR\_70>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_70>

1. [: Do you agree to change the format of the collateralisation field to one that is compatible with single sided reporting?](#_Toc34747746)

<ESMA\_QUESTION\_TSTR\_71>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_71>

1. [: Do you agree that the fields “Counterparty rating trigger indicator” and “Counterparty rating threshold indicator” are added?](#_Toc34747747)

<ESMA\_QUESTION\_TSTR\_72>

We agree that this information is valuable for the NCAs as a changing rating might trigger a massive amount of collateral posted. However, in practice, this information is usually not stored with the trade data that is used for transaction reporting purposes.

Although this seems to be a small addition of an allegedly easy-to-obtain information to the collateral reporting, we see a great burden to import this information for EMIR reporting, especially for smaller companies.

If ESMA insist on adding both fields, we think there needs to be more clarity on “Counterparty rating threshold indicator”.

<ESMA\_QUESTION\_TSTR\_72>

1. [: Do you agree that a single A rating is the most relevant trigger for the “Counterparty rating threshold indicator” field?](#_Toc34747748)

<ESMA\_QUESTION\_TSTR\_73>

As already stated in Q72, we do not think it is easy to obtain this kind of information for transaction reporting. However, if these fields were to be added, we think that the rating “BBB-“ also plays a big role in terms of collateral triggers.

<ESMA\_QUESTION\_TSTR\_73>

1. [: Is it possible to separate the value of a collateral portfolio exclusively for derivatives?](#_Toc34747749)

<ESMA\_QUESTION\_TSTR\_74>

In practice, a collateral agreement is concluded between two counterparties with regards to their whole portfolio. Sometimes it is agreed on single asset classes only, but we have not seen collateral that could be broken down to single derivatives.

<ESMA\_QUESTION\_TSTR\_74>

1. [: Are there any limitations with regard to ESMA’s proposed adjustments to these EMIR reporting fields? If so please specify what the limitations are and how they could be overcome?](#_Toc34747750)

<ESMA\_QUESTION\_TSTR\_75>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_75>

1. [: Do you think that there are other additional fields which would be necessary to fully understand the price of a derivative?](#_Toc34747751)

<ESMA\_QUESTION\_TSTR\_76>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_76>

1. [: Are there any further pieces of clarification in relation to these fields (beyond the information in the definitions in the annex) which could be added to the amended standards to ensure reporting is done in a consistent manner? If so, please expand on how ESMA can ensure the standards are clear to reporting entities and reduce ambiguity with regard to what should be reported for different fields.](#_Toc34747752)

<ESMA\_QUESTION\_TSTR\_77>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_77>

1. [: Do you agree with the clarification in relation to the approach to populating fields which require reference to a fixed rate? If you believe that an alternative approach would be more effective and ensure a consistent approach is followed by reporting counterparties, please explain that approach.](#_Toc34747753)

<ESMA\_QUESTION\_TSTR\_78>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_78>

1. [: Should there be any further guidance provided in relation to the population of the ‘notional’ field on top of the content of the CDE guidance? What should this guidance say? Do you foresee any difficulties with reporting of notional in line with the CDE guidance?](#_Toc34747754)

<ESMA\_QUESTION\_TSTR\_79>

While the CDE guidance is most helpful the following elements should be considered:

1. The selected methodology for calculation of notional amounts should be aligned with the current market understanding and Commission Delegated Regulation (CDR) 2017/104, art.3a.The suggested amendments to this Article are not particularly helpful as they add uncertainty and might lead to a fundamental change in calculation methodologies (and accordingly of the positions measured against the clearing threshold) for market participants (see point 3 hereunder) who have been guided by the principle that the notional amount generally is the amount from which contractual payments are determined.

2. Terminology in the CDE should be consistent with EU terminology in financial regulation. Some terms used in draft Art. 5 are undefined, which could lead to legal and operational uncertainty. This is the case for example for the terms “reference amount” or “commodity basis swap”, which don’t seem to correspond to a contractual reality in EU commodity markets.

3. While the CDE guidance provides a general framework for calculation, it does not cover non-standard commodity derivatives. The amendmed draft Art. 5 of Annex IV does not offer workable alternatives to commodity traders. The types of transactions listed in points (a) to (k) are difficult to understand and differenciate in practice. While the attempt to define different categories of transactions is appreciated, the list provides a too high level description which doesn’t match the contractual realities, in particular for the following non standard transactions:

o Contracts in the form of EPADs (electricity price area differences) including floating for floating contracts (or “swaps” whereby the counterparties to the transaction agree to exchange cash flows on different financial instruments). Under such agreements, the parties agree to settle a fixed notional quantity of commodity (such as power) against 2 floating prices. Party A would for example pay the spot price on the day of settlement, while party B would pay the closing price for a determined forward (both prices reference to a particular Regulated Market). In this case, the notional amount (and the contractual payments) should be calculated as the product of the difference between both prices (as published on the day of the transaction) and the total notional quantity. This is in line with Art. 3a CDR and reflects the “reference amount from which contractual payments are determined”

o Fixed for floating derivatives for which a similar methodology should be used. These are swaps under which Party A would pay a predetermined fixed price, while Party B remains payer of a floating price.

o Contracts without fixed volume which are not uncommon in the energy derivatives market. Under one type of such agreements, a utility would, for example, grant an industrial consumer the possibility to financially settle (at a defined price of X EUR and for a defined hourly amount of f.ex 5 MWh) up to 8760 hours of electricity per year. This would leave the consumer with the possibility to financially purchase power only during those hours where he requires a price hedge. These hours are unknown on the day of the transaction and remain uncertain until the last hours of the transaction before expiry date. Calculating the notional amount using the total 8760 hours (and assuming that there will be a financial settlement for each hour of the year) would be a considerable overstatement (as it is evident at the time of the transaction that the consumer will not seek to settle each hour of the year – in which case he would have purchased a yearly contract). There are numerous possible variations of this type of transaction (including in terms of temperature triggered options) for which:

(i) notional amount calculations are very complex and

(ii) counterparties will not be able agree on the notional amount to be reported, as it depends on a party’s view on the profitability of a transaction and its internal risk models which can’t be disclosed as they are commercially sensitive. The current practice for such transactions is to report a conservative estimate notional amount, which is periodically reviewed when the transaction is in delivery.

The definition of a unique/uniform notional amount will remain challenging as there are as many variants of non standard transactions in the markets as there are market participants, which all follow different trading strategies. A practical approach to the notional amount question would hence be welcome involving either a screening of the agreements generally exchanged in the EU OTC derivatives markets or the optionalisation of the notional amount reporting field (where the main terms of the transaction can be derived from other data elements).

<ESMA\_QUESTION\_TSTR\_79>

1. [: Is the guidance provided in ESMA Q&A TR 41 clear? Should any further guidance be provided in addition to ESMA Q&A TR 41?](#_Toc34747755)

<ESMA\_QUESTION\_TSTR\_80>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_80>

1. [: Do you foresee any challenges with the interpretation of the EMIR data should the fields “Quantity” and “Price multiplier” be removed? In case these fields are maintained, should there be further clarity as to what should be reported therein? What should this guidance say? Should this guidance be per asset class? Should this guidance distinguish between OTC and ETD derivatives?](#_Toc34747756)

<ESMA\_QUESTION\_TSTR\_81>

EFET agrees that the current guidance on the fields “Price Multiplier” and “Quantity” is a source of confusion for the report submitting entities today.

We fully support the proposal to remove the above mentioned fields for OTC derivatives for the following considerations: according to our understanding, “Quantity” and “Price Multiplier” are connected to each other.

In other words, “Quantity” should be the number of the trading lots and “Price multiplier” the number of the units contained in a trading lot (i.e., for emissions 1=1000 units). Both provide to the competent authority information on the size of the underlying.

While for ETDs such equivalence (the number of units contained in a trading lot) is provided by the regulated markets, for OTC derivatives the concept of lots itself does not apply and therefore the requirement to report these fields creates confusion and produces inconsistent practices among reporting parties.

<ESMA\_QUESTION\_TSTR\_81>

1. [: Do you foresee any challenges with reporting of the Total notional quantity?](#_Toc34747757)

<ESMA\_QUESTION\_TSTR\_82>

EFET does not foresee major challenges in the implementation of a field “Total notional quantity” for OTC derivatives, provided that it is connected to a field expressing the unit measure used therein.

<ESMA\_QUESTION\_TSTR\_82>

1. [: Which of the two described approaches to reporting the notional amount schedules is preferable? Please motivate your view.](#_Toc34747758)

<ESMA\_QUESTION\_TSTR\_83>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_83>

1. [: Do you foresee challenges in relation to the proposed approach for reporting of Delta? Are there any challenges regarding the reporting of Delta every time there is a valuation update?](#_Toc34747759)

<ESMA\_QUESTION\_TSTR\_84>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_84>

1. [: Do you agree with the proposal for reporting of attachment and detachment point?](#_Toc34747760)

<ESMA\_QUESTION\_TSTR\_85>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_85>

1. [: Do you consider that the fields Attachment point and Detachment point serve to report additional data or are applicable to other products than those foreseen in the CDE guidance?](#_Toc34747761)

<ESMA\_QUESTION\_TSTR\_86>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_86>

1. [: Do respondents believe that any of these new fields would be problematic to report? If so, please explain why.](#_Toc34747762)

<ESMA\_QUESTION\_TSTR\_87>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_87>

1. [: Do you foresee any difficulties related to reporting of the additional fields for package transactions? Please motivate your reply.](#_Toc34747763)

<ESMA\_QUESTION\_TSTR\_88>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_88>

1. [: Do you foresee any difficulties related to the reporting of prior UTI? Please motivate your reply.](#_Toc34747764)

<ESMA\_QUESTION\_TSTR\_89>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_89>

1. [: Do you foresee any difficulties related to the reporting of PTRR ID? Please motivate your reply. Are you aware of alternative solutions that would enable regulators to link derivatives entering into and resulting from the same post-trade risk reduction event? Please provide details of such solutions.](#_Toc34747765)

<ESMA\_QUESTION\_TSTR\_90>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_90>

1. [: Do you foresee any difficulties related to the generation and reporting of the PTRR ID for cleared derivatives? Please motivate your reply.](#_Toc34747766)

<ESMA\_QUESTION\_TSTR\_91>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_91>

1. [: Do you see a need for further adjustment of the reporting requirements to allow for effective reporting of PTRR events, in addition to the ones proposed in the section 4.4.11.3?](#_Toc34747767)

<ESMA\_QUESTION\_TSTR\_92>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_92>

1. [: Do you foresee any difficulties related to the reporting of position UTI in the reports pertaining to the derivatives included in a position? Please motivate your reply.](#_Toc34747768)

<ESMA\_QUESTION\_TSTR\_93>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_93>

1. [: Do you foresee any difficulties related to the reporting of any of the additional data elements related to custom baskets? Please motivate your reply.](#_Toc34747769)

<ESMA\_QUESTION\_TSTR\_94>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_94>

1. [: With regard to reporting of delivery interval times, which alternative do you prefer: (A) reporting in UTC time or (B) reporting in local time? Please provide arguments.](#_Toc34747770)

<ESMA\_QUESTION\_TSTR\_95>

We think that it is useful to have all used time formats to be in UTC time. This should also be the case for delivery interval times. A standard over all fields would simplify technical implementation and decrease mismatches.

<ESMA\_QUESTION\_TSTR\_95>

1. [: Are you currently reporting derivatives on crypto-assets under EMIR? If so, please describe how they are reported. In particular, please clarify how do you identify and classify these derivatives in the reports under EMIR?](#_Toc34747771)

<ESMA\_QUESTION\_TSTR\_96>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_96>

1. [: Would you see the need to add further reporting details or amend the ones envisaged in the table of fields (see Annex V) in order to enable more accurate, comprehensive and efficient reporting of derivatives on crypto-assets?](#_Toc34747772)

<ESMA\_QUESTION\_TSTR\_97>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_97>

1. [: Do you support the proposal that reports pertaining to the derivatives outstanding on the reporting start date should be updated in order to ensure consistent level of quality of data and limit the operational challenges?](#_Toc34747773)

<ESMA\_QUESTION\_TSTR\_98>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_98>

1. [: Do you foresee challenges with the update of reports pertaining to outstanding derivatives in line with the revised requirements? If so, please describe these challenges. In particular, if they relate to some of the newly added or amended reporting fields, please mention these fields.](#_Toc34747774)

<ESMA\_QUESTION\_TSTR\_99>

EFET wishes to underline that the updating of reports of outstanding transactions would represent a non detrimental burden for NFC- in terms of costs and time, which may seem in contradiction with the aims of EMIR Refit. Firms will need to update and test their own IT systems to ensure that the new required fields are identified in internal transaction registration tools, and properly exported towards the external reporting tools. We would like to highlight:

* That the updating of reports will require system developpments (also from third party service providers)
* That testing and interconnectivity will need to be tested
* That it is unsure whether firms have recorded the necessary data internally in order to populate the new fields.

EFET would hence welcome a proportionate approach, taking into account the number of non matched and outstanding transactions and the benefits expected from the updating exercise. If ESMA should require the updating of all outstanding reports, sufficient implementation time and clear guidance should be provided to all involved entities, in the light of the EFET’s comments above.

<ESMA\_QUESTION\_TSTR\_99>

1. [: Do you think that additional time after the reporting start date should be granted for the counterparties to update the reports pertaining to the outstanding derivatives? If so, how much additional timeline would be required?](#_Toc34747775)

<ESMA\_QUESTION\_TSTR\_100>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_100>

1. [: Do you agree with the proposed timelines for implementation, i.e. 18 months from the entry into force of the technical standards?](#_Toc34747776)

<ESMA\_QUESTION\_TSTR\_101>

Whilst no initial objections have been raised in relation to the proposed timeline, this is subject to a number of conditions:

- The level to which ESMA takes in account the industry’s feedback on the proposed rule changes set out in the industry’s response to this consultation paper; and,

- The provision of guidance and clarity on the validation rules. This is critical to adequately determine the volume of changes/size of the build compared to the current reporting framework.

Furthermore, ESMA is asked to consider the regulatory book of work which requires industry participants to work on various global reporting initiatives, including but not limited to, the CFTC updating Dodd Frank rules and the ongoing MiFID II review. The proposed 18 month timeline for entry into force of changes proposed under EMIR Refit is likely to take effect during a multitude of global regulatory reporting changes.

The 18 month timeframe should be considered with contingency in mind. Open dialogue with ESMA and a review of delivery dates should be performed ahead of go-live to enable the industry to provide feedback on implementation and advise on current limitations and/or whether the 18 month timeline remains feasible.

For long dated contracts, clarity is required on how to manage the reporting of these contracts as the industry moves from one ITS format to another. Guidance is required to account for the inventory of existing open positions at the trade repositories which will need to meet the new standards/requirements.

A mid-week go-live date is considered to be essential. In addition, the go-live date should take into consideration any month-end expiry or key market events.

<ESMA\_QUESTION\_TSTR\_101>

1. [: Do you agree with the proposed framework for verification of data submission? Please detail the reasons for your response.](#_Toc34747777)

<ESMA\_QUESTION\_TSTR\_102>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_102>

1. [: Are there any additional aspects that would need to be clarified or specified with regards to the verification of logical integrity of submissions with different Action types such as “Revive”? Please detail the reasons for your response.](#_Toc34747778)

<ESMA\_QUESTION\_TSTR\_103>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_103>

1. [: Do you consider that the proposed procedure will allow the TRs to verify the compliance by the reporting counterparty or the submitting entity with the reporting requirements, and the completeness and correctness of the data reported under Article 9 EMIR? If not, what other aspects should be taken into account? Please detail the reasons for your response.](#_Toc34747779)

<ESMA\_QUESTION\_TSTR\_104>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_104>

1. [: Are there any additional aspects that would need to be clarified or specified with regards to the updates to the LEI that are to be performed by the TRs? Please detail the reasons for your response.](#_Toc34747780)

<ESMA\_QUESTION\_TSTR\_105>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_105>

1. [: Are there any other aspects that should be considered with regards to the scope and start of the reconciliation process? Please detail the reasons for your response.](#_Toc34747781)

<ESMA\_QUESTION\_TSTR\_106>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_106>

1. [: Are there any aspects related to the intra-TR reconciliation that need to be clarified? Please detail the reasons for your response.](#_Toc34747782)

<ESMA\_QUESTION\_TSTR\_107>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_107>

1. [: What additional aspects with regards to inter-TR reconciliation will need to be considered? Should additional fields be considered for pairing? Please detail the reasons for your response.](#_Toc34747783)

<ESMA\_QUESTION\_TSTR\_108>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_108>

1. [: What other aspects should be considered to ensure the integrity of the number and values of the reconciled derivatives? Please detail the reasons for your response.](#_Toc34747784)

<ESMA\_QUESTION\_TSTR\_109>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_109>

1. [: What other aspects should be considered to reduce data transformation and format issues in the inter-TR reconciliation process? Please detail the reasons for your response.](#_Toc34747785)

<ESMA\_QUESTION\_TSTR\_110>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_110>

1. [: What other aspects should be taken into account with regards to the timeline for completion of the inter-TR reconciliation process? Please detail the reasons for your response.](#_Toc34747786)

<ESMA\_QUESTION\_TSTR\_111>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_111>

1. [: Do you agree with the proposed approach to establish tolerances for certain fields? Please detail the reasons for your response.](#_Toc34747787)

<ESMA\_QUESTION\_TSTR\_112>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_112>

1. [: Do you agree with the proposed set of fields? Please detail the reasons for your response.](#_Toc34747788)

<ESMA\_QUESTION\_TSTR\_113>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_113>

1. [: Do you foresee any problem in the reconciliation of field “Valuation amount”? How should the valuation amount be reconciled in the case of derivatives which are valued in different currency by the counterparties, such as currency derivatives? Please detail the reasons for your response.](#_Toc34747789)

<ESMA\_QUESTION\_TSTR\_114>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_114>

1. [: Do you agree with excluding the newly added fields from the first stage of the inter-TR reconciliation process? Please detail the reasons for your response.](#_Toc34747790)

<ESMA\_QUESTION\_TSTR\_115>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_115>

1. [: Do you consider that any additional requirement in relation with the policies and procedures referred to in Article 78(9) EMIR needs to be added to ensure better performance of the data transfer by TRs? Please detail the reasons for your response.](#_Toc34747791)

<ESMA\_QUESTION\_TSTR\_116>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_116>

1. [: Do you agree with the proposed framework for rejection responses? Please detail the reasons for your response.](#_Toc34747792)

<ESMA\_QUESTION\_TSTR\_117>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_117>

1. [: Do you agree with the proposed framework for reconciliation responses? Please detail the reasons for your response.](#_Toc34747793)

<ESMA\_QUESTION\_TSTR\_118>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_118>

1. [: Do you agree with the suggested reconciliation categories? Please detail the reasons for your response.](#_Toc34747794)

<ESMA\_QUESTION\_TSTR\_119>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_119>

1. [: Are there any relevant aspects related to the application of action type “Revive” that should be considered for the purposes of carrying out the reconciliation process?](#_Toc34747795)

<ESMA\_QUESTION\_TSTR\_120>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_120>

1. [: Are there any aspects that need to be further specified regarding the end-of-day reports to be provided to reporting counterparties, the entities responsible for reporting and, where relevant, the report submitting entities? Is there any additional information that should be provided to these entities to facilitate their processing of data and improve quality of data? Please detail the reasons for your response.](#_Toc34747796)

<ESMA\_QUESTION\_TSTR\_121>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_121>

1. [: Especially regarding the abnormal values, please indicate which of the two approaches you prefer and which other aspect should be taken into account. Please detail the reason for your response.](#_Toc34747797)

<ESMA\_QUESTION\_TSTR\_122>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_122>

1. [: Do you believe that there are any other aspects that need to be aligned between the current RTS on registration under SFTR and the ones under EMIR? Please detail the reasons for your response.](#_Toc34747798)

<ESMA\_QUESTION\_TSTR\_123>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_123>

1. [: Do you agree with the above proposals for provision of information in the case of extension of registration? Please elaborate on the reasons for your response.](#_Toc34747799)

<ESMA\_QUESTION\_TSTR\_124>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_124>

1. [: Do you believe that there are any other aspects that need to be covered by the draft ITS on registration under EMIR? Please detail the reasons for your response.](#_Toc34747800)

<ESMA\_QUESTION\_TSTR\_125>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_125>

1. [: Do you agree with the proposed amendments to the data access requirements with respect to the terms and conditions of data access?](#_Toc34747801)

<ESMA\_QUESTION\_TSTR\_126>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_126>

1. [: What other aspects need to be clarified with regards to the definition of elements for the establishment of direct and immediate access to data?](#_Toc34747802)

<ESMA\_QUESTION\_TSTR\_127>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TSTR\_127>