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| Response Form to the Consultation Paper |
| MiFIR review report on the obligations to report transactions and reference data |

**Responding to this paper**

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in the Annex. 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 **20 November 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\_TRRF\_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\_TRRF\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_TRRF\_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 paper on MiFIR review report on the obligations to report transactions and reference data”).

**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 publicly 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?**

This document will be of interest to all stakeholders involved in the securities markets. It is primarily of interest to competent authorities and firms that are subject to MiFID II and MiFIR – in particular, investment firms and credit institutions performing investment services and activities and trading venues. This paper is also important for trade associations and industry bodies, institutional and retail investors and their advisers, and consumer groups, as well as any market participant because the MiFID II and MiFIR requirements seek to implement enhanced provisions to ensure the transparency and orderly running of financial markets with potential impacts for anyone engaged in the dealing with or processing of financial instruments.

**General information about respondent**

|  |  |
| --- | --- |
| Name of the company / organisation | Bloomberg L.P. |
| Activity | Other Financial service providers |
| Are you representing an association? |  |
| Country/Region | UK |

**Introduction**

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

<ESMA\_COMMENT\_CP\_TRRF\_1>

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<ESMA\_COMMENT\_CP\_TRRF\_1>

**Questions**

1. : Do you foresee any challenges for UCITS management companies and AIF managers in providing transaction reports to NCAs? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_1>

We would support this proposal and consider that the challenges imposed would likely be limited given that many firms regulated under UCITS/AIFMD already trade on EU regulated Trading Venues and therefore are already providing the same information to these Trading Venues as they would now be required to provide to an Approved Reporting Mechanism.

<ESMA\_QUESTION\_TRRF\_1>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_2>

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<ESMA\_QUESTION\_TRRF\_2>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_3>

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1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_4>

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<ESMA\_QUESTION\_TRRF\_4>

1. : Do you envisage any challenges in increasing the scope including derivative instruments traded through an SI as an alternative to the expanded ToTV concept? Please justify your position and if you disagree please suggest alternatives.

<ESMA\_QUESTION\_TRRF\_5>

We welcome the proposal to extend the scope to instruments traded exclusively by SIs. We believe there would be less issues, as it would mean that all instruments in FIRDS would be reportable. There is confusion today as to whether instruments reported exclusively by SIs are reportable, and this proposal will reduce the confusion.

<ESMA\_QUESTION\_TRRF\_5>

1. : Do you agree that the extension should include all Systematic Internalisers regardless of whether they are SI on a mandatory or voluntary basis? Please justify your position.

<ESMA\_QUESTION\_TRRF\_6>

We agree with ESMA and we believe all SIs should be in scope as the alternative would be too complex to implement. Some SIs will have opted in for some instruments and be obliged to be an SI in others. Therefore, to only require instruments to be reported where they are mandatory, would create unnecessary complexity and be prone to errors.

<ESMA\_QUESTION\_TRRF\_6>

1. : Do you envisage any challenges with the approach described in paragraphs 45-46 on the scope of transactions to be covered by the extension? Please justify your position and indicate your preferred option for SIs under the mandatory regime explaining for which reasons. If you disagree with all of the outlined options, please suggest alternatives.

<ESMA\_QUESTION\_TRRF\_7>

Option 3 would be the preferable option (i.e. only report the instruments in derivatives for which the IF qualifies as an SI and is acting in its capacity as an SI). For these instruments the SI will have obtained an ISIN, while for the other two options the IF will not necessarily have an ISIN, or will now require an ISIN in order to report.

<ESMA\_QUESTION\_TRRF\_7>

1. : Do you foresee any challenges with the proposal to replace the reference to the term “index” in Article 26(2)(c) with the term “benchmark” as defined under the BMR? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_8>

As a preliminary observation, the challenge with the existing reporting obligation for indices has been the inability to determine the composition of the index and whether it includes securities that would be reportable. Additionally we have noticed that even NCAs do not validate the reporting eligibility of instruments reported with an index underlying, therefore it has been difficult to gauge whether IFs are under or over reporting.

The amendment of Article 26(2)(c) to reference ‘benchmark’ as defined under the BMR and ensuing need to check the planned central ESMA register of data at benchmark level, would add an another layer of complexity to existing processes and require considerable logic changes for market participants. Furthermore, dependency on another ESMA register would create an additional possible challenge and, given the issues experienced by FIRDS and FITRS since the MiFID II go-live, could be the source of further data management/data quality concerns.

Market participants’ workflows and reporting processes are likely to be built around programmatic acquisition and processing of FIRDS files, and automated checks. Due consideration must therefore be given to how firms can practically implement an amended scope for TOTV on a large scale and in an automated fashion.

<ESMA\_QUESTION\_TRRF\_8>

1. : Which of the three options described do you consider the most appropriate? Please explain for which reasons and specify the advantages and disadvantages of the outlined options. If you disagree with all of the outlined please suggest alternatives.

<ESMA\_QUESTION\_TRRF\_9>

As outlined in our response to question 8, we would anticipate that any departure from the status quo could require onerous changes to market participants’ processes.

Nevertheless, whatever ESMA’s retained option will be, it would be important that IFs have a manner in which they can clearly identify if the traded instrument is reportable.

<ESMA\_QUESTION\_TRRF\_9>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_10>

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<ESMA\_QUESTION\_TRRF\_10>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_11>

We do not foresee challenges, noting that there is no requirement for trading venues offering non-equity products in the secondary market to seek issuer approval, as detailed in the ESMA Q&A on MiFIR data reporting.

<ESMA\_QUESTION\_TRRF\_11>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_12>

We refer you to our response in Q11.

<ESMA\_QUESTION\_TRRF\_12>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_13>

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<ESMA\_QUESTION\_TRRF\_13>

1. : Did you experience any difficulties with the application of the defined list concept? If yes, please explain.

<ESMA\_QUESTION\_TRRF\_14>

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<ESMA\_QUESTION\_TRRF\_14>

1. : Do you foresee any challenges with the approach as outlined in the above proposal? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_15>

We disagree with this proposal considering that it would pose unnecessary operational burden on Trading Venues. We consider that ESMA could achieve the objective that it seeks through greater promotion of the Termination of FIRDS entries.

Requiring Trading Venues to submit an additive file as it is suggested will require a significant system re-build at significant expense to the industry. It will likely result in a number of Trading Venues generating extremely large (+100k instrument) lists that will be unwieldy to generate and unwieldy for FIRDS to consume.

ESMA could achieve the objective of encouraging instrument termination through sending reminder files to trading venues when an instrument is live in FIRDS beyond its maturity date.

<ESMA\_QUESTION\_TRRF\_15>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_16>

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<ESMA\_QUESTION\_TRRF\_16>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_17>

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<ESMA\_QUESTION\_TRRF\_17>

1. : Do you foresee any challenges with the approach outlined in paragraphs 75 and 76? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_18>

We consider that a thorough Cost Benefit Analysis should be performed before a new code is mandated as suggested in Para 76. ESMA should consider the cost implications of implementing such a code across the Transaction Reporting community in balance with the benefits, which are currently unclear, to NCAs.

<ESMA\_QUESTION\_TRRF\_18>

1. : Do you foresee any difficulties with the implementation of an additional code generated by the trading venue to be disseminated down the transaction chain in order to link all transactions pertaining to the same execution? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_19>

Distribution of data from systematic internalisers (i.e. SI MIC and ISINs) to their counterparties has been poor. This appears to be particularly problematic in circumstances where the transaction is executed on voice or in asset classes where FIX is not historically used to share transaction details. In many circumstances the non-SI firm is left to make an assumption as to whether their counterparty had acted as an SI in the traded. We welcome any change that will help improve the sharing of data between SIs and their IF firm clients.

However, the proposal seems to involve the creation of more identification codes purely for this reporting requirement. Any bespoke coding system such as this, which applies to only one regulation, adds unnecessary burdens to firms that may have many reporting obligations globally. It adds to the data challenges firms face.

Creating a new identifier would necessitate firms to maintain a mapping from ticker-based systems that are specific to particular venues, to this new identifier.

We would suggest that where possible existing standards are leveraged, rather than new ones being created. Especially where the mapping between tickers, other 3rd party identifiers, and international standards already exists.

For example, we would suggest that the widely used Financial Instrument Global Identifier (FIGI), a 12 character alpha-numeric code which maps to ISIN, can be leveraged. The FIGI standard provides a data model to enable the assignment and linking of identifiers at multiple hierarchical levels. For equity assets, for example, unique FIGIs exist for every traded instance, by exchange and MTF. At the same time, FIGIs exist to aggregate all venue-level FIGIs in a particular country. And finally, a unique FIGI exists on par with, and maps to, an ISIN, allowing aggregating all trading in a single common stock at multiple levels.

In the same way, futures and options across strikes can be aggregated by the CME and LCH.

This model can be extended for other asset classes if required, without amending the standard.

Additionally, as noted, FIGI already maintains a publicly accessible, global mapping to standards such as ISIN, SEDOL, and CUSIP, as well as to tickers and other national codes. This mapping carries no restrictions on access, and no licensing requirements, as it is provided under the MIT Open Source dedication.

Enabling use of FIGI in this way would allow firms to continue to use identifiers they currently have embedded in their systems, yet easily be able to provide a consistent identifier without imposing significant systems changes, incur charges for a new identifier.

Finally, ESMA would not need to wait for the standards development process, and the related delays, in regards to implementing helpful data elements and identifiers that would enhance transparency and greatly increase data quality at little impact to the industry as a whole, in regards to disruption, development and costs.

The trading venue is implicit in the FIGI assignment structure, and this could assist with the fulfilment of ESMA’s requirements here. As the issuer of FIGI, which is available openly outside of Bloomberg, we would be pleased to discuss this further with ESMA.

In terms of transaction identification, it may be possible to leverage the recently released ISO UTI standard for this purpose.

<ESMA\_QUESTION\_TRRF\_19>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_20>

We strongly support the LEI standard and want to see greater take-up of the identifier in the EU and globally. However, it is important that ESMA considers possible unintended consequences stemming from the proposal that 'clients shall be categorised according to Article 24 of Directive 2014/65/EU'. Any requirement that puts an onus on EU Trading Venues to collect yet more data from non-EU/market participants outside the scope of MIFID, could unintentionally direct trading flow to third country venues or indeed OTC, if participants are not willing to provide the data to Trading Venues. This would clearly run counter to the policy objectives of EU policymakers.

EU Trading Venues have long pointed out that the operational burdens placed upon them with reference to Article 26(5) are extensive and create an unlevel playing field with regard to the requirements of Systematic Internalisers. Any new requirement must not serve to increase the imbalance.

<ESMA\_QUESTION\_TRRF\_20>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_21>

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<ESMA\_QUESTION\_TRRF\_21>

1. : Which of the two approaches do you consider the most appropriate? Please explain for which reasons.

<ESMA\_QUESTION\_TRRF\_22>

We believe the difficulty with this identifier has been to determine the exact population of instruments in scope, particularly when firms are trading equities and debt instruments in global markets. Therefore we would support option a) to remove this information, unless ESMA is willing provide a way for IFs to clearly identify which instruments are in scope, such as an indicator in FIRDS at the ISIN level.

<ESMA\_QUESTION\_TRRF\_22>

1. : Do you foresee any challenges with the outlined approaches? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_23>

We do not foresee and challenges with pursuing Option 91a (removing the short sale indicator from the transaction report).

<ESMA\_QUESTION\_TRRF\_23>

1. : Do you foresee any challenges with the outlined approach to pre-trade waivers? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_24>

It would be first of all important for ESMA to clarify whether the waiver should be included in both counterparties’ reports, or only the SI. If the waiver must be populated by both firms, as the distribution of data from systematic internalisers (i.e. SI MIC and ISINs) to their counterparties has been poor, it is likely that reporting errors would occur.

<ESMA\_QUESTION\_TRRF\_24>

1. : Have you experienced any difficulties with providing the information relating to the indicators mentioned in this section? If yes, please explain and provide proposals on how to improve the quality of the information required.

<ESMA\_QUESTION\_TRRF\_25>

There is a lack of clarity on some key reporting issues. Please see below some examples of the questions which we think it would be useful for ESMA to clarify.

Post-Trade Indicator

* We believe the use of the AMND flag in transaction reports is not clear. When should IFs report the AMND flag? Is it where a previously published trade report has been amended? What if the trade report is amended after the submission of the transaction report? Should the transaction report also be corrected? We assume that the AMND flag, when it is required to be populated, would only be populated by the firm with the publishing responsibility.
* We believe the use of the CANC flag in transaction reports requires further clarification. Cancel flag, while the Q&A notes that it is not required, we note that trade reports can be cancelled when the transaction itself has not been cancelled (i.e. when a report was published when it was not required to be because the other party had the publication obligation). In this case should the CANC flag be populated? Or as the trade report and subsequent cancellation were erroneous, then is it the case that the CANC flag should never be populated in the transaction report.

Commodity Derivative Indicator

* We note there is a poor understanding of this field, and many IFs are under the misunderstanding that the field is to identify an instrument as a commodity derivative.

<ESMA\_QUESTION\_TRRF\_25>

1. : Do you foresee any challenges with this proposal? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_26>

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<ESMA\_QUESTION\_TRRF\_26>

1. : Do you agree with this approach? If not, please clarify your concerns and propose alternative solutions

<ESMA\_QUESTION\_TRRF\_27>

We believe fields 25 to 27 are the least understood fields in ARM reporting.

The proposed approach to mandating that a receiving firm to report a transmitted order fails to recognise that most IFs did not want to report on behalf of other IFs due to the need to receive client and decision maker personal data (i.e. national IDs) from the transmitting firm. Additionally it places a burden on the receiving firm to ensure reporting accuracy, when the accuracy of their transaction report is dependent on the transmitting firm.

Under certain circumstances, we believe receiving firms would be more willing to provide transaction reporting data (i.e. the trade economics and instrument identifiers) to their small IF firm clients, to allow them to report on their own behalf. Tools created by technology vendors to allow the smaller firms to supplement the trade economics with their own client, decision maker data and trading capacity, would ensure the receiving firm isn't obliged to assume the reporting responsibility of the other firm, while providing the smaller firm with accurate data to include in their own reports.

We believe the proposal set out by ESMA would result in a similar practice that occurred under MiFID I, whereby many buy-side firms place reliance on their sell-side counterparty's reporting. Many sell-side firms were not aware that they were being relied upon. Even where the sell-side firms were aware of this reliance, the content of the reports were not shared, which meant that these buy-side firms were unable to determine with certainty the accuracy of the reports.

We also believe there is further need to clarify the requirements of field 25, Transmission of Order Indicator. We believe the guidance requires further clarification and should be supplemented with a clear definition of transmission, particularly how this relates to the investment service of 'reception and transmission of orders in relation to one or more financial instruments', which we also note has not been defined in MiFID Article 4.

<ESMA\_QUESTION\_TRRF\_27>

1. : Do you agree with this analysis? If not, please clarify your concerns and propose alternative solutions.

<ESMA\_QUESTION\_TRRF\_28>

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<ESMA\_QUESTION\_TRRF\_28>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_29>

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<ESMA\_QUESTION\_TRRF\_29>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_30>

As we mentioned in our response to the recent ESMA Consultation Paper on Technical standards on reporting, data quality, data access and registration of Trade Repositories under EMIR REFIT, we regard the use of ISINs in the derivatives space as having been misconceived from the start. We do not believe that the way ISIN has been implemented has brought meaningful transparency to the OTC derivatives space.

We have been supportive of the development in this space of the UPI standard, and regard this as offering a better approach, subject to the caveats below.

We are concerned that ESMA is once again confusing the OTC ISIN standard and the UPI as if they are all part of one standard.

ESMA states that: ‘*Accordingly, ESMA proposals in the review of the EMIR technical standards on reporting assume that the implementation of the UPI under EMIR could in principle be consistent with the ISIN framework. In particular, in the case of realisation of a multi-level identifier hierarchy, the more granular level already used for MiFIR reporting could be retained for the purpose of identifying derivatives that are currently reported under MiFIR (in reports submitted to TRs) in order to ensure consistency of reporting under MiFIR and EMIR.’*

The ISIN standard, however, is not built to enable hierarchies, and does not provide a ready framework whereby such linkage might be delivered. Other instrument identifier standards such as the Financial Instrument Global Identifier (FIGI) are already implemented to enable instrument hierarchies within a single standard, and this is something ESMA should consider if identifier hierarchies are considered helpful in this context.

Furthermore it is clear that the UPI is a standalone ISO standard, not part of the existing ISO 6166 ISIN, nor are there plans within ISO to change this fact, or to incorporate one standard within the other.

Given this reality we suggest that contrary to the view expressed by ESMA that UPI would only be used for instruments falling within any ultimately expanded scope of MiFIR reporting, we believe that ESMA needs to consider that UPI should be leveraged for all OTC derivatives instruments to which UPI can be assigned, in lieu of ISIN.

In our view, ESMA should focus on the implementation of the UPI as a primary identifier for OTC derivative products of all types. ESMA should not require that products are identified in MiFIR reporting with both an ISIN and a UPI, where both could in theory be allocated. Mandating both identifiers going forward would negate all the advantages of the UPI, and the role of the ISIN in such circumstances would be superfluous in terms of delivering regulatory transparency.

It will be noted that amongst the metadata of the UPI is the underlier. ESMA needs to consider a broader range of options for how underliers are identified as well. In IRS products for example an underlier benchmark is often unlikely to have an ISIN assigned, but in most cases will have a Financial Instrument Global Identifier (FIGI). ESMA should make provision for the use of FIGI in this attribute of the UPI going forward.

Finally it is important to note, as we stated in our EMIR REFIT response, that our support for the UPI is conditional on a fairer and more effective governance model being in place than that for the OTC ISIN. The DSB has been chosen as the only issuer of UPIs and controller of the databased of issued UPIs. It is essential that proper industry involvement in the commercial governance of the UPI is forthcoming. It is also essential for both industry and regulatory authorities that a robust plan B is in place for if the DSB is not able to perform its duties.

A second provider of UPI services in this space would provide greater assurance around service continuity and potentially a greater incentive to keep costs down (as with the LEI scheme).

We are particularly concerned that this single point of failure could become more acute should ESMA rely on some form of additional mapping service from the DSB to solve the fact that UPI and ISIN are separate standards. This would be a sticking plaster solution, and one likely to cost the industry further licencing costs on top of those already being charged for full access to OTC ISINs, as well as adding to single point of failure concerns.

<ESMA\_QUESTION\_TRRF\_30>

1. : Are there any specific aspects relating to the ISIN granularity reported in reference data which need to be addressed? Is the current precision and granularity of ISIN appropriate or is (for certain asset classes) a different granularity more appropriate?

<ESMA\_QUESTION\_TRRF\_31>

The ISIN regime for OTC instruments post MiFID II/MiFIR, as implemented, has not delivered transparency. As it has been noted repeatedly we have the situation whereby different ISINs refer to the same products, while in other cases different products have the same ISINs.

The granularity has not been calibrated appropriately, and we would urge ESMA to listen to industry input in order to correct the problems that have arisen.

<ESMA\_QUESTION\_TRRF\_31>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_32>

We do not see any need for the level of extra detail ESMA is proposing to insert in the level one text articles concerning lists of reference data standards used in MiFIR reporting. Standards changes (especially where the landscape is still evolving e.g. UPI) can be managed in the level 2 technical standards more effectively, which can be adapted as standards choices change and develop.

In addition, in our capacity as a data provider, we continue to see issues with the assignment of official CFI codes for cash instruments and exchange-traded derivatives. The lack of an official CFI (assigned by a National Numbering Agency) is still widespread for many instruments and is a major source of questions from our clients.

We would also note that there are still cases of invalid CFI codes (i.e. codes that are no longer in line with the prevailing ISO standard), and incorrect CFIs, which do not accurately capture the attributes of the instrument, are frequent.

Our perspective would therefore be that the explicit inclusion of data standards and formats in the Level 1 (or indeed Level 2) text is of little value unless measures are taken at the regulator-level to ensure that the data in question is consistently made available by the official sources and is quality controlled (in the case of CFI codes, for example).

<ESMA\_QUESTION\_TRRF\_32>

1. : Do you foresee any challenges with the outlined approach? If yes, please explain and provide alternative proposals.

<ESMA\_QUESTION\_TRRF\_33>

As outlined in response to Q20, we strongly support the LEI standard and want to see greater take-up of the identifier in the EU and globally.

However, it is important that ESMA considers possible unintended consequences for EU Trading Venues, which face a number of hurdles in obtaining LEIs of issuers. Requirement that puts an onus on EU Trading Venues to collect data from non-EU/market participants outside the scope of MiFID, could unintentionally direct trading flow to third country venues or indeed OTC, if participants are not willing to provide the data to Trading Venues. This would clearly run counter to the policy objectives of EU policymakers.

We would strongly support ESMA coordinating closely with third country competent authorities so that they step up action to ensure issuers in their jurisdiction obtain LEIs. This would be in line with the global objective of further promoting this key international standard.

<ESMA\_QUESTION\_TRRF\_33>