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| 08 July 2021 | ESMA74-362-2087 |

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| Reply form for the Consultation Paper on the Guidelines on reporting under EMIR |
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| Date: 08 July 2021 |

Responding to this paper

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in Section 9 in the Consultation Paper on the Guidelines on reporting under EMIR published on the ESMA website.

*Instructions*

Please note that, in order to facilitate the analysis of the large number of responses expected, you are requested to use this file to send your response to ESMA so as to allow us to process it properly. Therefore, ESMA will only be able to consider responses which follow the instructions described below:

* use this form and send your responses in Word format (pdf documents will not be considered except for annexes);
* do not remove the tags of type <ESMA\_QUESTION\_REPO\_1> - i.e. the response to one question has to be framed by the 2 tags corresponding to the question; and
* if you do not have a response to a question, do not delete it and leave the text “TYPE YOUR TEXT HERE” between the tags.
* if you wish to provide comments on the validation rules and/or reconciliation tolerances for the specific reporting fields, please use for that purpose the additional response form in excel format.

Responses 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.

**Naming protocol**

In order to facilitate the handling of stakeholders’ responses please save your document using the following format:

ESMA\_REPO\_NAMEOFCOMPANY\_NAMEOFDOCUMENT.

e.g. if the respondent were ESMA, the name of the reply form would be:

ESMA\_REPO\_ESMA\_REPLYFORM or

ESMA\_REPO\_ANNEX1

***Deadline***

Responses must reach us by 30 September 2021.

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

***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 headings ‘Legal notice’ and ‘Data protection’.

# General information about respondent

|  |  |
| --- | --- |
| Name of the company / organisation | DTCC Data Repository (Ireland) PLC (DDRIE) |
| Activity | Other Financial service providers |
| Are you representing an association? |  |
| Country/Region | Ireland |

# Introduction

Please make your introductory comments below, if any:

<ESMA\_COMMENT\_REPO\_1>

DDRIE welcomes the opportunity to provide comments as part of the consultation on the draft guidelines for reporting under EMIR.

Before addressing the specific consultation questions, we would like to share a number of summarizing thoughts on those points that we believe merit special attention.

As mentioned in our response below, when constructing the Trade State Report (TSR), DDRIE supports the option in which TRs take into account the latest information for a given derivative as derived from the Event Date, given it avoids the need to restamp submissions on the counterparty side. However, TRs should not be required to update the TSR when the details of derivatives have been reported late, since this would result in endless processing and very high costs. Any historic corrections should be made available to authorities via the Trade Activity reports instead.

For further alignment, DDRIE believes that both the trade and position level reconciliation should also utilise the Event Date field to determine reconciliation eligibility. Implementing differing logics would only make it more difficult for counterparties to validate and correct data, thus reducing data quality. In that sense, we would also advise against a differentiated reconciliation approach across trade- and position-level derivatives. Furthermore, there may be other options that add more value to the enhancement of data quality than an inter- and intra-TR reconciliation, as outlined below in our response.

Guidance from ESMA is also needed with regards to reconciliation for the transition from the current to the new Technical Standards, i.e. whether reconciliation should start afresh across the entire eligible population.

Finally, we would also like to draw ESMA’s attention to the industry-wide preference for TRs producing reports in a CSV format and the costs in capability building that mandating XML format would cause for counterparties. DDRIE would therefore call upon ESMA to allow TRs to offer the choice of XML or CSV.

<ESMA\_COMMENT\_REPO\_1>

1. **Are there any other clarifications that should be provided with regards to the transition to reporting under the revised technical standards?**

<ESMA\_QUESTION\_REPO\_1>

DDRIE is supportive of the transition period for ensuring all trades get updated to the latest technical standards, however, ESMA should provide clear guidance on the following points:

1) What happens to trades that are not updated at the end of the transition period? What actions should TRs take?

2) Paragraph 14 states TRs can provide the TSRs using a relaxed schema, but critically this only states for Regulatory Authorities. Can the same concept be adopted for TR participants?

3) What happens for fields being removed under the technical standards such as Beneficiary ID? The assumption is that these will be removed from reports post the cutover to the new technical standards. <ESMA\_QUESTION\_REPO\_1>

1. Are there any additional aspects to be considered with regards to the eligibility to reporting of currency derivatives?

<ESMA\_QUESTION\_REPO\_2>

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<ESMA\_QUESTION\_REPO\_2>

1. Are there any aspects to be clarified with regards to the rest of contract types of currency derivatives? Please provide the relevant examples.

<ESMA\_QUESTION\_REPO\_3>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_3>

1. Are there any additional aspects to be considered with regards to the eligibility for reporting of the derivatives on crypto-assets? Please provide the relevant examples.

<ESMA\_QUESTION\_REPO\_4>

Further guidance on when and how to report a crypto-asset contract would benefit counterparties. This is a common question from TR participants.

<ESMA\_QUESTION\_REPO\_4>

1. Are there any additional aspects to be considered with regards to the eligibility for reporting of Total Return Swaps, liquidity swaps, collateral swaps or any other uncertainty with regards to potential overlap between SFTR and EMIR? Please provide the relevant examples.

<ESMA\_QUESTION\_REPO\_5>

These types of eligibility question are commonly directed at TRs, which is something they are unable to answer.   
  
Clear delineation in reporting scope is an important aspect in providing reporting parties certainty of obligation. To that extent, we would suggest that ESMA provide a clear definition around what constitutes a collateral swap or liquidity swap by reference to SFTR in order to ensure that reporting counterparties out of scope of SFTR have a consistent interpretation of reporting scope.

<ESMA\_QUESTION\_REPO\_5>

1. Are there any additional aspects to be considered with regards to the eligibility for reporting of complex derivative contracts? Please provide the relevant examples.

<ESMA\_QUESTION\_REPO\_6>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_6>

1. Are there other situations where a clarification is required whether a derivative should be reported?

<ESMA\_QUESTION\_REPO\_7>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_7>

1. Do you agree with the above understanding?

<ESMA\_QUESTION\_REPO\_8>

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<ESMA\_QUESTION\_REPO\_8>

1. Are there other situations where a clarification is required whether a derivative involving a specific category of party should be reported?

<ESMA\_QUESTION\_REPO\_9>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_9>

1. Do you agree with the above understanding?

<ESMA\_QUESTION\_REPO\_10>

Yes

<ESMA\_QUESTION\_REPO\_10>

1. Are there other specific scenarios where a clarification is required?

<ESMA\_QUESTION\_REPO\_11>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_11>

1. Do you agree with the above understanding?

<ESMA\_QUESTION\_REPO\_12>

Yes

<ESMA\_QUESTION\_REPO\_12>

1. Are there any other clarifications required with regards to the IGT exemption from reporting?

<ESMA\_QUESTION\_REPO\_13>

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<ESMA\_QUESTION\_REPO\_13>

1. Are there any other clarifications required for the handling of derivatives between NFC- and FC?

<ESMA\_QUESTION\_REPO\_14>

NFC- entities should be encouraged to onboard with TRs to ensure they are able to view outstanding contracts on a single consistent report.

<ESMA\_QUESTION\_REPO\_14>

1. Are the current illustrative examples providing clarity and / are there other examples that should be incorporated in the guidelines?

<ESMA\_QUESTION\_REPO\_15>

Yes the examples are clear.

One recommendation to improve data quality and reduce operational burden on counterparties could be to allow TRs to accept a single submission when a trade is reported under a mandatory delegated reporting obligation. This trade could be “mirrored” by TRs to create the other side of the trade thus removing any risk of reconciliation breaks whilst simultaneously reducing the operational burden. Once a trade is “Mirrored” it could be considered both Paired and Matched.

<ESMA\_QUESTION\_REPO\_15>

1. Are there any other clarifications required for the reporting obligation related to CCPs?

<ESMA\_QUESTION\_REPO\_16>

No

<ESMA\_QUESTION\_REPO\_16>

1. Are there any other clarifications required for the reporting obligation related to Investment Funds i.e. UCITS, AIF and IORP that, in accordance with national law, does not have legal personality?

<ESMA\_QUESTION\_REPO\_17>

No

<ESMA\_QUESTION\_REPO\_17>

1. Do you see any other challenges with the delegation of reporting which should be addressed?

<ESMA\_QUESTION\_REPO\_18>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_18>

1. Do you agree that only action types ‘Margin Update’ and ‘Correct’ should be used to report collateral?

<ESMA\_QUESTION\_REPO\_19>

As outlined in paragraph 101 a submitter should utilize AT = Correct with the specific historic Event Date and Collateral Timestamp of the original collateral valuation. Further guidance is required on how this is displayed back to the clients i.e. whether this is displayed as Activity only.   
  
More generally, further guidance should be provided on how Margin Updates / Collateral data is displayed back to the client. Specifically, how this is displayed in the TSR (i.e. single report, trade and collateral provided in separate states) given that the Margin Report is to be used as a warning for when a collateral submission has not been made. If specific guidance is not provided, can this be determined by each TR?

<ESMA\_QUESTION\_REPO\_19>

1. Are there any other clarifications required with regards to the use of the action types in general (other than specific aspects covered in the sections below)?

<ESMA\_QUESTION\_REPO\_20>

No

<ESMA\_QUESTION\_REPO\_20>

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

<ESMA\_QUESTION\_REPO\_21>

Yes

<ESMA\_QUESTION\_REPO\_21>

1. Are there any specific scenarios in which the expected sequence of action types is unclear?

<ESMA\_QUESTION\_REPO\_22>

As outlined in paragraph 110 a trade can be revived if Terminated, Errored or Matured within 30 days. Further guidance is required on how this impacts the reconciliation status of both sides of the trade within this 30-day period. Specifically, as it is indicated the ERROR submission will only impact one side of the trade.  
  
As outlined in paragraph 111 counterparties must report missing lifecycle events between the time of the incorrect closure of the trade and the new UTI being submitted. DDRIE believes these events should not be reported because when reporting ‘Revive’, counterparties should provide all applicable details of the contract as of the time of revival. This means, the correct details will be populated at the time of reporting. Please also take note of the feedback outlined in Question/Answer 84.

<ESMA\_QUESTION\_REPO\_22>

1. Are any further clarifications needed with regards to the action type - event type combinations or their applicability?

<ESMA\_QUESTION\_REPO\_23>

No

<ESMA\_QUESTION\_REPO\_23>

1. Is it clear when the linking IDs should be used, and in which reports they should be provided? Do you agree that the linking IDs should be reported only in the reports pertaining to a given lifecycle events and should not be included in all subsequent reports submitted for a given derivative? Are any further clarifications on linking IDs required?

<ESMA\_QUESTION\_REPO\_24>

As indicated in Paragraph 125 the "linking IDs" are to be reported for a given lifecycle event. Clear and concise guidance should be provided on:  
  
a) whether TRs should persist historic linking ID values in the TSR even if no subsequent submission has been received.   
  
b) how this interacts with reconciliation. For example, if one counterparty reports a subsequent modification without including these IDs and the other counterparty has not reported since the lifecycle event in question then this will cause a break.

<ESMA\_QUESTION\_REPO\_24>

1. Do you agree with the ESMA´s approach related to leaving the Event type blank in the case of multiple events impacting the same position on a given day? How often multiple events/single events impact the same position on a given day? Have you assessed the single versus multiple events impacting positions on a given day? Do you have systems or methods to distinguish between one or multiple events impacting the positions on a given day?

<ESMA\_QUESTION\_REPO\_25>

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<ESMA\_QUESTION\_REPO\_25>

1. Do you agree with the proposed clarifications concerning population of certain fields at position level?

<ESMA\_QUESTION\_REPO\_26>

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<ESMA\_QUESTION\_REPO\_26>

1. Do you need any other clarification with regards to the position level reporting?

<ESMA\_QUESTION\_REPO\_27>

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<ESMA\_QUESTION\_REPO\_27>

1. Are there any other aspects that should be clarified with regards to reporting of on-venue derivatives?

<ESMA\_QUESTION\_REPO\_28>

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<ESMA\_QUESTION\_REPO\_28>

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

<ESMA\_QUESTION\_REPO\_29>

Yes

<ESMA\_QUESTION\_REPO\_29>

1. Do you agree with the proposal for reporting modifications and corrections to derivatives? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_30>

Modification reporting should be reported at the time it is agreed between counterparties and not withheld if this modification is effective at a future date. Delaying the reporting of future dated events is likely to add additional cost and complexity for counterparties’ reporting systems. TRs can accommodate future dated Event Dates.

<ESMA\_QUESTION\_REPO\_30>

1. Do you agree with the specification of the ‘Event date’ for different action types?

<ESMA\_QUESTION\_REPO\_31>

Yes

<ESMA\_QUESTION\_REPO\_31>

1. Do you agree with the interpretation of the business events and the suggested action and event types?

<ESMA\_QUESTION\_REPO\_32>

Yes

<ESMA\_QUESTION\_REPO\_32>

1. Are there other business events that would require clarification? If so, please describe the nature of such events and explain how in your view they should be reported under EMIR (i.e. which action type and event type should be used).

<ESMA\_QUESTION\_REPO\_33>

No

<ESMA\_QUESTION\_REPO\_33>

1. Which approach do you prefer to determine the entity with the soonest reporting deadline? Please clarify the advantages and challenges related to each of the approaches.

<ESMA\_QUESTION\_REPO\_34>

TRs may not be able to validate the UTI under EMIR if the UTI is generated under the so called 'Follow the Sun' principle within a regime that has differing UTI rules. Example: a UTI that is generated by an entity to meet a HKMA reporting obligation may not meet the validation rules for reporting under EMIR. In this case a TR may not be able to validate the UTI value.  
  
The step in the UTI generation waterfall that includes the TR generating the UTI should be removed. Otherwise, it would require counterparties to establish an additional source to consume UTIs from, it would require more reference data to be maintained (i.e. what TR each client reports to), and is contrary to the primary purpose of TRs, i.e. to consume, validate and reconcile trade data, rather than generating data to be consumed by TR users.

<ESMA\_QUESTION\_REPO\_34>

1. Are there any other aspects that need to be clarified on UTI generation?

<ESMA\_QUESTION\_REPO\_35>

No

<ESMA\_QUESTION\_REPO\_35>

1. Are there any other types of contracts for which the determination of the counterparty side needs more clarity?

<ESMA\_QUESTION\_REPO\_36>

No

<ESMA\_QUESTION\_REPO\_36>

1. Are there any other clarifications required with regard to the determination of the counterparty side (other than specific aspects covered in other sections)?

<ESMA\_QUESTION\_REPO\_37>

No

<ESMA\_QUESTION\_REPO\_37>

1. Are there any other clarifications requested with regards to the identification of counterparties?

<ESMA\_QUESTION\_REPO\_38>

As outlined in paragraph 218, TRs should not validate the GLEIF status when a client submits a Terminate or Error message. Clear and concise guidance should be provided on whether this is to check if it is a valid LEI in GLEIF, regardless of registration status, or just check it is 20 characters.

Paragraph 218 states that the only case where Counterparty 1 or the entity responsible for reporting can successfully report with a lapsed LEI is for Action types Terminate and Error. Were an entity with a lapsed LEI to report one of these Action types in error and move a trade to a non-outstanding status, it should be possible to revive the trade without having to re-new the LEI first.

Therefore, we recommend that Action type Revive is included as one of the Action types where a lapsed LEI is permitted.

<ESMA\_QUESTION\_REPO\_38>

1. Are there any other aspects to clarify in the LEI update procedure when a counterparty undergoes a corporate action?

<ESMA\_QUESTION\_REPO\_39>

Per paragraph 227, the TR must administer the LEI change within 30 days of receiving the request. This guidance should state 30 days from receiving the full and correct notification of the corporate event (including relevant proof if applicable). If these full details are not provided the TR will not be obligated within the 30-day period.

Paragraph 242 says TRs are to provide information on updated LEIs in a machine-readable format. We request additional clarification on the expectations for the machine-readable format, for example, what format should be used, how would it be communicated, etc.

<ESMA\_QUESTION\_REPO\_39>

1. Are there any other aspects to be considered in the procedure to update from BIC to LEI?

<ESMA\_QUESTION\_REPO\_40>

No

<ESMA\_QUESTION\_REPO\_40>

1. Do you require any further clarification on the use of UPI, ISIN or CFI for derivatives?

<ESMA\_QUESTION\_REPO\_41>

Clear guidance is required for TRs on the specific action required on the UPI. For example, should TRs check the validity of the UPI but not check the data elements? If a Rates UPI is submitted on a Credit trade, would TRs accept it if it was a valid UPI regardless of asset class designation?

Clear and concise guidance is required on whether OTC trades open at the time of cutover to the new technical standards should be updated to include a UPI value.

<ESMA\_QUESTION\_REPO\_41>

1. Do you require any further clarification with regards to the reporting of fields covered by the UPI reference data? Which fields in the future should /should not be sourced exclusively from the UPI reference data rather than being reported to the TRs?

<ESMA\_QUESTION\_REPO\_42>

DDRIEs expectation is that at the point the new technical standards come into force no further validations will be required on the UPI, other than that it is a valid UPI. Further UPI validations will need to be introduced at a later date post EMIR Refit go live. Clear and concise guidance is required on these further validations in addition to a notice period for implementation, noting this will be a large change for counterparties.

<ESMA\_QUESTION\_REPO\_42>

1. Do you require any further clarification on the reporting of details of the underlying?

<ESMA\_QUESTION\_REPO\_43>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_43>

1. Is any further guidance required in relation to the population of the notional field?

<ESMA\_QUESTION\_REPO\_44>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_44>

1. Is any further guidance required in relation to the population of the Total notional quantity field? How should the Total notional quantity field be populated, distinguishing between ETD and OTC and asset class?

<ESMA\_QUESTION\_REPO\_45>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_45>

1. Are there other instances when we would expect to see a zero notional for Position Reports? Please provide examples. Are there any instances when we would expect to see a notional of zero for Trade Level Reports? Please provide examples.

<ESMA\_QUESTION\_REPO\_46>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_46>

1. Are there any other aspects in reporting of valuations that should be clarified?

<ESMA\_QUESTION\_REPO\_47>

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<ESMA\_QUESTION\_REPO\_47>

1. Are there any other aspects in reporting of delta that should be clarified? Are there instrument types (in addition to swaption) where further guidance is needed with regards to the calculation of delta?

<ESMA\_QUESTION\_REPO\_48>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_48>

1. Are there any further clarifications required with regards to the reporting of margins?

<ESMA\_QUESTION\_REPO\_49>

Paragraph 291 states that the Collateral portfolio code cannot include any special characters. Current EMIR reporting permits four special characters. This means that any market participants who currently include special characters in the collateral portfolio codes will need to re-issue any such codes to meet the new validation requirements. This will create additional development costs and unnecessary reporting for seemingly no benefit. Therefore, we would suggest that the four special characters currently allowed for reporting the collateral portfolio code are retained for EMIR Refit reporting.

<ESMA\_QUESTION\_REPO\_49>

1. Are there any further clarifications required with regards to the reporting of the trading venue?

<ESMA\_QUESTION\_REPO\_50>

Regarding paragraph 311: The validation rule on the Intragroup and Clearing Obligation field is not explicitly related to Brexit, but determines what value should be populated based upon the date of execution (this inherently impacts Brexit due to the lack of equivalence). If a Third Country Equivalent Market is no longer considered equivalent, then TRs require pre- and post-effective dates for this validation rule to work.

These dates are critical as the rule determines what should be populated based upon the execution date of the trade. DDRIE is awaiting feedback on this request.

<ESMA\_QUESTION\_REPO\_50>

1. Are there any further clarifications required with regards to the reporting of clearing?

<ESMA\_QUESTION\_REPO\_51>

In line with paragraph 319, could guidance be provided on whether a TR should validate whether a submitted CCP ID is indeed a CCP?

<ESMA\_QUESTION\_REPO\_51>

1. Are there any further clarifications required with regards to the reporting of confirmation timestamp and confirmation means?

<ESMA\_QUESTION\_REPO\_52>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_52>

1. Are there any further clarifications required with regards to the reporting of settlement currencies?

<ESMA\_QUESTION\_REPO\_53>

There are two ISO lists on the Six website: live currencies and historic currencies. Please provide guidance on which list (or whether both) should be used.

<ESMA\_QUESTION\_REPO\_53>

1. Are there any additional clarifications to be considered related to reporting of regular payments?

<ESMA\_QUESTION\_REPO\_54>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_54>

1. Are there any further clarifications needed with regards to the reporting of other payments?

<ESMA\_QUESTION\_REPO\_55>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_55>

1. How would you define effective day for novations and cash-settled commodity derivatives?

<ESMA\_QUESTION\_REPO\_56>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_56>

1. What are reporting scenarios with regards to dates and timestamps which you would like to be clarified in the guidelines? Are there any other aspects that need to be clarified with respect to dates and timestamp fields?

<ESMA\_QUESTION\_REPO\_57>

Per paragraph 340, Expiration Date can be used to determine whether the trade is outstanding or not. Clear and concise guidance is required on how TRs should determine whether a trade is outstanding, including the interaction and priority of expiration date and maturity date as it relates to TSR and reconciliation.

Paragraph 348: If TRs are required to follow individual Member States’ holiday calendar it introduces a huge amount of complexity for TRs and counterparties. Applying Member State holiday calendar logic would require complex logic from ingestion through to report generation (all reports including the Valuation and Margin reports) and reconciliation. Additionally, guidance is required on whether this holiday calendar is applicable for RC, ERR or RSE. ESMA should publish a holiday calendar per Member State.

Paragraph 349 states that each counterparty should follow its own local calendar to determine the deadline for reporting. Market participants that support delegated reporting (voluntary delegated reporting and/or an FC reporting on behalf of NFC- clients) will be required to maintain multiple regional calendars. This will introduce additional layers of complexity to managing reporting deadlines, but this would not be an issue if there were a single calendar applicable to all EMIR reporting. Therefore, we propose that counterparties should not follow their own local calendar to determine the reporting deadline, but rather that a single EMIR-wide calendar is applied.

<ESMA\_QUESTION\_REPO\_57>

1. Are there any other aspects that need to be clarified with respect to the derivatives on crypto assets?

<ESMA\_QUESTION\_REPO\_58>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_58>

1. Do you consider any scenarios in which more clarification on the correct population of the fields related to package transaction is needed?

<ESMA\_QUESTION\_REPO\_59>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_59>

1. Which of the proposed alternatives with regard to significance assessment method do you prefer? Should ESMA consider different metrics and thresholds for assessing the scope of notifications sent to the NCAs? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_60>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_60>

1. Do you prefer Option 1 or Option 2 with regard to the number of affected reports notified to the NCAs? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_61>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_61>

1. Should significance of a reporting issue under Article 9(1)(c) of the draft ITS on reporting also be assessed against a quantitative threshold or the qualitative specification only is appropriate? In case threshold should be also applied, would you agree to use the same as under Alternative A or B? Is another metric or method more appropriate for these types of issues? Please elaborate on your response.

<ESMA\_QUESTION\_REPO\_62>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_62>

1. Are there any other aspects or scenarios that need to be clarified with respect to ensuring data quality by counterparties? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_63>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_63>

1. Are there any other aspects in reporting of IRS that should be clarified?

<ESMA\_QUESTION\_REPO\_64>

ISDAs best practices have been produced to determine the leg 1 and leg 2 of swap trades. These are captured within the published best practice document (https://www.isda.org/2020/03/03/emir-reporting-best-practices/). These best practices are captured within the guidance document so that they are adopted consistently by market participants.

<ESMA\_QUESTION\_REPO\_64>

1. Are there any other aspects in reporting of swaptions that should be clarified?

<ESMA\_QUESTION\_REPO\_65>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_65>

1. Are there any other aspects in reporting of FRAs, cross-currency swaps, caps and floors or other IR derivatives that should be clarified?

<ESMA\_QUESTION\_REPO\_66>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_66>

1. In the case of FX swaps, what is the rate to be used for notional amount of leg 2? Should it be the forward exchange rate of the far leg as it is in the example provided? Or the spot exchange rate of the near leg?

<ESMA\_QUESTION\_REPO\_67>

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<ESMA\_QUESTION\_REPO\_67>

1. In the case of FX swaps, considering that the ‘Final contractual settlement date’ is not a repeatable field, should the settlement date of the near leg be reported, for example using the other payments fields?

<ESMA\_QUESTION\_REPO\_68>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_68>

1. Do you have any questions with regarding to reporting of FX forwards?

<ESMA\_QUESTION\_REPO\_69>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_69>

1. Do you have any questions with regarding to reporting of FX options?

<ESMA\_QUESTION\_REPO\_70>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_70>

1. What is the most appropriate way to report direction of the derivative and of the currencies involved with an objective to achieve successful reconciliation? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_71>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_71>

1. Do you agree with the population of the fields for NDF as illustrated in the above example? Should other pairs of NDFs be considered? Please provide complete details and examples if possible.

<ESMA\_QUESTION\_REPO\_72>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_72>

1. Do you agree with the population of the fields for CFD as illustrated in the above example? Do you require any other clarifications?

<ESMA\_QUESTION\_REPO\_73>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_REPO\_73>

1. Specifically, in the case of equity swaps, portfolio equity swaps and equity CFDs how should the notional and the price be reported in the case of corporate event and in particular “free” allocations?

<ESMA\_QUESTION\_REPO\_74>

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<ESMA\_QUESTION\_REPO\_74>

1. Are there any other clarifications required with regards to the reporting of equity derivatives?

<ESMA\_QUESTION\_REPO\_75>

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<ESMA\_QUESTION\_REPO\_75>

1. Are there any other clarifications required with regards to the reporting of credit derivatives?

<ESMA\_QUESTION\_REPO\_76>

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<ESMA\_QUESTION\_REPO\_76>

1. Are there any other aspects in reporting of commodity derivatives that should be clarified?

<ESMA\_QUESTION\_REPO\_77>

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<ESMA\_QUESTION\_REPO\_77>

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

<ESMA\_QUESTION\_REPO\_78>

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<ESMA\_QUESTION\_REPO\_78>

1. Is there any other use case related to the population of counterparty data which requires clarifications or examples? Please detail which one and indicate which aspect requires clarification.

<ESMA\_QUESTION\_REPO\_79>

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<ESMA\_QUESTION\_REPO\_79>

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

<ESMA\_QUESTION\_REPO\_80>

In the examples provided there are scenarios where the Event Type is left blank. Clear and concise guidance should be provided, at a field by field level, on whether blank fields correctly reported in by a counterparty should be reported out by a TR as blank or whether the historic value should be persisted from the previous submission.

<ESMA\_QUESTION\_REPO\_80>

1. Are there any additional clarifications required with regard to the reporting of other payments?

<ESMA\_QUESTION\_REPO\_81>

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<ESMA\_QUESTION\_REPO\_81>

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

<ESMA\_QUESTION\_REPO\_82>

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<ESMA\_QUESTION\_REPO\_82>

1. Which of the two approaches provide greater benefits for data reporting and data record-keeping? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_83>

As DDRIE we think that Option B would be the most appropriate approach where the latest Event Date is used to determine eligibility for the TSR. Whilst this would be the most appropriate option to ensure clients do not have to restamp submissions, DDRIE feels strongly that TSRs should never be updated historically.

<ESMA\_QUESTION\_REPO\_83>

1. In case Approach B is followed, should the TRs update the TSR when counterparties have reported lately the details of derivatives? If so, do you agree with the time limit ten years for such an update? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_84>

DDRIE feels strongly that TSRs should never be updated historically because:

The trade state should be considered as a point in time state. This should be considered as a similar concept to a bank account or accounting ledger that would only apply adjustments or corrections at the time they are made without going back to correct the original record (or resend a corrected bank statement for example).

Historic corrections would be made available to authorities via the Trade Activity reports. .

If there was any expectation that TRs would have to correct historic TSRs based upon historic Event Dates submitted it would result in endless processing and very high costs. Example: if a submission is received with an historic event date in the past TRs would potentially be required to rerun its EoD process for every reporting day from that historic event date to the next submission. This concept, extrapolated out over multiple clients and a 10-year period, would have a drastic impact on processing and add costs for TRs.

ESMA should note the industry-wide preference for TRs producing reports in a CSV format. Mandating XML format will greatly increase costs as counterparties will either a) build or buy an XML to CSV conversion tool or b) pay for a third-party vendor to convert these files into a readable CSV format. Based upon client feedback, we believe this to be preferable over building capabilities to work with XML reports. <ESMA\_QUESTION\_REPO\_84>

1. Are there any fields that should be taken into account in a special way not allow change in values?

<ESMA\_QUESTION\_REPO\_85>

No

<ESMA\_QUESTION\_REPO\_85>

1. Is the guidance on treatment of action type “Revive” clear? What additional aspects should be considered? Please detail the reason for our answer.

<ESMA\_QUESTION\_REPO\_86>

As outlined in paragraphs 551 and 552, "the TR should update its own records, but not the TSR". Clear guidance is required on whether "own records" means this should be considered as Activity or a historic Trade State.

<ESMA\_QUESTION\_REPO\_86>

1. Should the TR remove after 30 calendar days the other side of a derivative for which only one counterparty has reported “Error” and no action type ”Revive”? Please detail the reasons for your answer.

<ESMA\_QUESTION\_REPO\_87>

Clear and concise guidance is required on whether this means the derivative (both sides of the trade) is removed from the TSR or only the side that has submitted the Error.

Additionally, when a counterparty submits an ERROR, what Reconciliation status does each side of the trade fall into (particularly if only one side submits it)?.

<ESMA\_QUESTION\_REPO\_87>

1. Which alternative relating to the provision of the notional schedules and other payments data would be more beneficial? Which of the two alternatives has higher costs? Please detail the reasons for your answer.

<ESMA\_QUESTION\_REPO\_88>

On the basis the Notional Schedules are reconcilable fields, the full schedule should be displayed in the Reconciliation status report. The TSR should only display the current notional, as this report should reflect current exposures.

Clear and concise guidance should be provided on how schedules are reconciled. For example, if counterparties report these in different orders, should they be sorted into date order and then be reconciled? <ESMA\_QUESTION\_REPO\_88>

1. Do you agree with the described process of update of the TSR? What other aspects should be taken into account? Please elaborate on the reasons for your answer.

<ESMA\_QUESTION\_REPO\_89>

Paragraph 565d (related to TRs terminating trades under counterparties that no longer exist) states that the TR must "flag the derivatives accordingly" but it only mentions that these trades should not be taken into account for subsequent aggregations. Clear and concise guidance is required on how these trades are reflected in the reconciliation.

<ESMA\_QUESTION\_REPO\_89>

1. Should only the Field 1.14 be used for determining the eligibility of derivative for reconciliation? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_90>

Yes, field 1.14 is sufficient for determining reconciliation eligibility. Although this does mean that if an entity that falls outside of the noted conditions does choose to report it would be subject to reconciliation. <ESMA\_QUESTION\_REPO\_90>

1. Is there any additional aspect that should be clarified with regards to the derivatives subject to reconciliation? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_91>

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<ESMA\_QUESTION\_REPO\_91>

1. From reconciliation perspective do you agree with the proposed differentiated approach for the latest state of derivatives subject to reconciliation depending on the level at which they are reported? What are the costs of having such a differentiation? Should the timeline for reconciliation of derivatives at trade level be aligned with the one for positions? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_92>

DDRIE feels strongly that the approach should be aligned across Trade and Position Level derivatives. Bifurcating the logic would create confusion for counterparties. The proposed logic for Position Level reporting would provide the environment for the cleanest reconciliation. Noting the TSR proposals in section 8.1.2, a preferable approach would be to align the use of Event Date across TSR and Reconciliation so as not to cause great confusion and uncertainty. Implementing differing logic would only make it more difficult for counterparties to validate and correct data, thus reducing data quality.

Given the low number of trades being eligible for reconciliation since Brexit (i.e. the total exempt trade population hovers around 65%) and the high cost to the industry of having to resource and build technical capability to analyse and remediate breaks, there may be other options that add more value to the enhancement of data quality than an inter- and intra-TR reconciliation. Other options could include stricter validations rules, enhanced best practices and global harmonization.

For the cutover from the current to the new technical standards, ESMA should provide guidance on whether the reconciliation should start afresh across the entire eligible population (i.e. all outstanding and non-outstanding up to 30 days post maturity or termination). This would mean any existing pre-EMIR Refit reconciliation statuses would be dropped. It would allow for a cleaner start to the reconciliation if this were to start afresh on the entire eligible trade population and would also provide an incentive for counterparties to update their outstanding trades into the latest technical standards. The alternative is for the existing pre-EMIR Refit reconciliation statuses to continue to be associated with trades during the six month transition period until the trade is upgraded to the latest technical standard by a counterparty, thus entering the reconciliation via the standard process.

<ESMA\_QUESTION\_REPO\_92>

1. From data use perspective, should the information in the TSR and in the reconciliation report be different? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_93>

Whilst operationally the main report that counterparties look at is the TSR it would create challenges for firms looking to substantiate their data if these reports are different, particularly with the TSR status also being reflected in the TSR report. As per the answer to question 92, the logic should be consistent across all reports.

<ESMA\_QUESTION\_REPO\_93>

1. Which alternative do you prefer? What are the costs for your organisation of each alternative? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_94>

Alternative B is the most appropriate option as it simplifies the logic for TRs (from an implementation and ongoing support perspective) and counterparties (from a operational perspective).

Alternative A may create erroneous gaps in the valuation data, as data from counterparties that should be reporting valuations but have not would also be excluded.

Please also note the answers to questions 92 and 93.

<ESMA\_QUESTION\_REPO\_94>

1. Which alternative do you prefer? What are the costs for your organisation of each alternative? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_95>

Whilst option A is the simplest for TRs to implement, option B would ensure the legs are appropriately reconciled.

<ESMA\_QUESTION\_REPO\_95>

1. Do you agree with the proposed approach for reconciliation of notional schedules? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_96>

It should be mandatory for notional schedules to be reported in date order to simplify TR processing.

Further guidance is required on whether the full schedule is displayed in the TSR report. On this basis, clear and concise guidance should be provided on how schedules are reconciled. For example, if counterparties report these in different orders, should they be sorted into date order and then be reconciled? <ESMA\_QUESTION\_REPO\_96>

1. Do you agree with the proposed approach for reconciliation of venues and the clarification in case of SIs? Please elaborate on the reasons for your response.

<ESMA\_QUESTION\_REPO\_97>

Clear and concise guidance should be provided on how TRs identify entities that are also SIs. Will this information be provided to TRs in a static data list and in an automated manner (i.e. data feed or API)?

<ESMA\_QUESTION\_REPO\_97>

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

<ESMA\_QUESTION\_REPO\_98>

As outlined in paragraphs 586 and 587 TRs must provide immediate feedback to RSEs, but can also provide the EOD feedback file to CP and ERRs. Clear and concise guidance should be provided on whether any of the provisions of these reports can be suppressed and, if so, who ultimately owns this decision. As an example, is it possible for a counterparty to suppress a report being sent to a third-party vendor that only submits collateral on their behalf?

<ESMA\_QUESTION\_REPO\_98>

1. Do you agree with the approach outlined above with regards to the missing valuations report? Are there any other aspects that need to be considered? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_99>

NFC- entities should not be included in the valuation warning reports or there should be a clear distinction in these reports that NFC- entitles are not required to report valuations.

Clear and concise guidance should be provided on whether any of the provisions of these valuation reports can be suppressed and, if so, who ultimately owns this decision.

National holiday calendar logic should not be included on the valuation warning report so as not to create unnecessary complexity for TRs and counterparties.

DDRIE sees no reason why any reports should be delivered by 6am UTC. It is unlikely operational teams would look at these reports before 9am UTC. It is DDRIEs view that this mandated time puts unnecessary pressure on TRs to meet an SLA that serves no operational value.

ESMA should note the industry-wide preference for TRs producing reports in a CSV format. Mandating XML format will greatly increase costs as counterparties will either a) build or buy an XML to CSV conversion tool or b) pay for a third-party vendor to convert these files into a readable CSV format. Based upon client feedback, we believe this to be preferable over building capabilities to work with XML reports. <ESMA\_QUESTION\_REPO\_99>

1. Do you agree with the approach outlined above with regards to the missing margin information report? Are there any other aspects that need to be considered? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_100>

Clear and concise guidance should be provided on whether any of the provisions of these margin reports can be suppressed and, if so, who ultimately owns this decision.

National holiday calendar logic should not be included on the margin warning report so as not to create unnecessary complexity for TRs and counterparties.

DDRIE sees no reason why any reports should be delivered by 6am UTC. It is unlikely operational teams would look at these reports before 9am UTC. It is DDRIEs view that this mandated time puts unnecessary pressure on TRs to meet an SLA that serves no operational value.

ESMA should note the industry-wide preference for TRs producing reports in a CSV format. Mandating XML format will greatly increase costs as counterparties will either a) build or buy an XML to CSV conversion tool or b) pay for a third party vendor to convert these files into a readable CSV format. Based upon client feedback, we believe this to be preferable over building capabilities to work with XML reports. <ESMA\_QUESTION\_REPO\_100>

1. Do you agree with the approach outlined above with regards to the detection of abnormal values and the corresponding end-of-day report? Are there any other aspects that need to be considered? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_101>

Given the low number of trades being eligible for reconciliation since Brexit (i.e. the total exempt trade population hovers around 65%) and the high cost to the industry of having to resource and build technical capability to analyse and remediate breaks, there may be other options that add more value to the enhancement of data quality than an inter- and intra-TR reconciliation. Other options could include stricter validations rules, enhanced best practices and global harmonization.

Clear and concise guidance is required on what is meant by an outlier detection method. In line with paragraph with 620, should the TRs align on the outlier detection method?

ESMA should note the industry-wide preference for TRs producing reports in a CSV format. Mandating XML format will greatly increase costs as counterparties will either a) build or buy an XML to CSV conversion tool or b) pay for a third-party vendor to convert these files into a readable CSV format. Based upon client feedback, we believe this to be preferable over building capabilities to work with XML reports. <ESMA\_QUESTION\_REPO\_101>

1. Is there any additional aspect related to the provision of reconciliation feedback by TRs that should be clarified? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_102>

DDRIE does not see much value in providing two similar reports to counterparties within a few hours of each other. Reconciliation data should be provided in a single report.

Additionally, the immediate feedback report may drive behaviour where counterparties only focus on the latest reconciled data rather than all data up to 30 days post maturity, which will ultimately impact data quality.

DDRIE sees no reason why any reports should be delivered by 6am UTC. It is unlikely operational teams would look at these reports before 9am UTC. It is DDRIEs view that this mandated time puts unnecessary pressure on TRs to meet an SLA that serves no operational value.

<ESMA\_QUESTION\_REPO\_102>

1. Is there any additional aspect related to the rejection of reports with action type “Revive” by TRs that should be clarified? Please detail the reasons for your response.

<ESMA\_QUESTION\_REPO\_103>

Clear and concise guidance should be provided on the use of Action Type Revive for Terminations or Maturities, alongside Errored trades.

<ESMA\_QUESTION\_REPO\_103>

1. Regarding the requirements in the RTS on registration, as amended, and the RTS on data access, as amended, do you need any further specifications and/or clarification?

<ESMA\_QUESTION\_REPO\_104>

(Referencing paragraph 641) ESMA should provide an automated feed of Indices so as to remove any manual work for TRs, as manual work is resource-intensive and prone to error.

<ESMA\_QUESTION\_REPO\_104>

1. Are there any specific aspects related to the access to data based on UPI that need to be clarified? Please detail which ones.

<ESMA\_QUESTION\_REPO\_105>

Not at this time given the UPI is not available from the ANNA-DSB

<ESMA\_QUESTION\_REPO\_105>

1. What access rights would you like to be clarified and/or which access scenarios examples would you consider to be inserted in the guidelines? Please list them all, if appropriate.

<ESMA\_QUESTION\_REPO\_106>

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<ESMA\_QUESTION\_REPO\_106>

1. Are there any aspects, or procedures you would like to be clarified? If yes, please describe in detail.

<ESMA\_QUESTION\_REPO\_107>

Per paragraph 652a, TRs must regenerate historic TSR reports with relevant updates or corrections included. DDRIE believes this would not be an accurate reflection of the counterparties ability to report at the original time of reporting. Any corrections to historic data should be reflected as activity. For more information please see the response to Question 84.

Re-running of reports within one week may not be possible given the size of data within TRs. Clear and concise SLAs should be provided to TRs that outline reasonable deliverable timelines dependent on report size.

<ESMA\_QUESTION\_REPO\_107>

1. Is there any other information that should be provided by the entity listed in Article 81(3) EMIR to facilitate the swift and timely establishment of access to data?

<ESMA\_QUESTION\_REPO\_108>

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<ESMA\_QUESTION\_REPO\_108>