esma European Securities and Markets Authority

Consultation Paper

Technical standards on reporting, data quality, data access and registration of Trade Repositories under EMIR REFIT

26 March 2020 | ESMA74-362-47

Responding to this paper

The European Securities and Markets Authority (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 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 under the heading Data Protection

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.

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1 Legislative references, abbreviations and definitions

Legislative references

EMIR	European Market Infrastructures Regulation – Regulation (EU) No 648/2012 of the European Parliament and Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (OJ L 201, 27.7.2012, p. 1)
EMIR REFIT	Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012 as regards the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories (OJ L 141, 28.5.2019, p. 42)
Current ITS on reporting	Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012 as amended by Commission Implementing Regulation 2017/105 of 19 October 2016 and by Commission Implementing Regulation 2019/363, laying down implementing technical standards with regard to the format and frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories (OJ L 352, 21.12.2012, p. 20)
Current RTS on reporting	Commission Delegated Regulation (EU) No 148/2013 of 19 December 2012 as amended by Commission Delegated Regulation No 2017/104 of 19 October 2016, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards on the minimum details of the data to be reported to trade repositories (OJ L 52, 23.2.2013, p. 1)

Current RTS on risk mitigation	Commission Delegated Regulation (EU) No 149/2013 of 19 December 2012 as amended by Commission Delegated Regulation (EU) 2017/2155 of 22 September 2017, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to regulatory technical standards on indirect clearing arrangements, the clearing obligation, the public register, access to a trading venue, non-financial counterparties, and risk mitigation techniques for OTC derivatives contracts not cleared by a CCP (OJ L 52, 23.2.2013, p. 11)
Current RTS on registration	Commission Delegated Regulation (EU) No 150/2013 of 19 December 2012 as amended by Commission Delegated Regulation 2019/362 of 13 December 2018, supplementing Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards specifying the details of the application for registration as a trade repository (OJ L 52, 23.2.2013, p. 25)
Current ITS on registration	Commission Implementing Regulation (EU) No 1248/2012 of 19 December 2012 laying down implementing technical standards with regard to the format of applications for registration of trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories (OJ L 352, 21.12.2012, p. 30)
Current RTS on data access	Commission Delegated Regulation (EU) No 151/2013 of 19 December 2012 as amended by Commission Delegated Regulation (EU) 2017/1800 of 29 June 2017 and by Commission Delegated Regulation 2019/361 of 13 December 2018, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards specifying the data to be published and made available by trade repositories and operational standards for aggregating, comparing and accessing the data (OJ L 52, 23.2.2013, p. 33)

MiFIR	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (OJ L 173, 12.6.2014, p. 84)
SFTR	Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (OJ L 337, 23.12.2015, p. 1)
EMIR Q&A	Questions and Answers on the implementation of Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR)

Abbreviations

CCP	Central Counterparty
CDE	Critical Data Elements
CM	Clearing Member
CPMI	Committee on Payments and Market Infrastructures
EC	European Commission
ESMA	European Securities and Markets Authority
FC	Financial counterparty
FSB	Financial Stability Board
IOSCO	International Organization of Securities Commissions
ISO	International Organization for Standardization
ITS	Implementing Technical Standards
NCA	National Competent Authority
NFC	Non-financial counterparty

NFC-	Non-financial counterparty other than counterparty referred to in the Article 10 of EMIR
NFC+	Non-financial counterparty referred to in the Article 10 of EMIR
OTC	Over-the-counter
RTS	Regulatory Technical Standards
CDE guidance	CPMI-IOSCO Technical Guidance on Harmonisation of critical OTC derivatives data elements (other than UTI and UPI)
UPI guidance	CPMI-IOSCO Technical Guidance on the Harmonisation of the Unique Product Identifier (UPI)
UTI guidance	CPMI-IOSCO Technical Guidance on the Harmonisation of the Unique Transaction Identifier (UTI)
SFT	Securities Financing Transaction
TR	Trade repository
UPI	Unique Product Identifier
UTI	Unique Trade Identifier
XML	Extensible Mark-up Language

2 Executive Summary

Reasons for publication

ESMA, under Regulation (EU) No 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012 (EMIR REFIT), is mandated to develop implementing technical standards on reporting of derivatives to the Trade Repositories (TRs), implementing and regulatory technical standards on registration of TRs, regulatory technical standards on the procedures to be applied by the TRs to reconcile and validate the data as well as regulatory technical standards on the publication and provision of data by the TRs to the relevant authorities. The proposals on which ESMA is consulting build up on the existing rules and on the experience in implementing EMIR since 2012 thus address several essential aspects related to enhancement of the quality of the reported derivatives data.

Additionally, ESMA proposes to amend the regulatory technical standards on reporting of derivatives to the TRs pursuant to the empowerment set out in the Regulation (EU) No 648/2012 (EMIR).

Contents

This Consultation paper covers the technical standards on reporting requirements, procedures to reconcile and validate the data and access by the relevant authorities under EMIR REFIT. Additionally, ESMA proposes to revise certain aspects of reporting to the TRs in order to align the reporting requirements in the EU with the global guidance on harmonisation of OTC derivatives data elements reported to TRs, as developed by the CPMI and IOSCO working group for the harmonisation of key OTC derivatives data elements (Harmonisation Group).

In particular, the section 4 on reporting describes methods and arrangements that the counterparties should have in place in the case of mandatory allocation of responsibility for reporting and of the delegation as well as methods and arrangements to ensure the correct reporting. Furthermore, this section clarifies which data standards should be used in the reporting and explains how reporting of lifecycle events and reporting at position level should be performed. Section 4 discusses also the details of the derivatives that should be reported, including an analysis of the data elements recommended in the CPMI and IOSCO guidance. Finally, it includes considerations regarding the date of application of the revised technical standards and the treatment of derivatives that will be outstanding on that date.

Sections 5-9 contain provisions relevant for the Trade Repositories (TRs). Section 5 on data quality describes the procedures that the TRs should have in place for the data

collection, update of an LEI and reconciliation of data. Section 6 sets out types of responses that TRs are expected to provide to reporting counterparties, entities responsible for reporting and report submitting entities. Section 7 includes proposals for additional provisions related to the registration of the TRs. Section 8 proposes additional provisions concerning the data access by the authorities. Section 9 clarifies that ESMA will aim at delivering the amendment to the technical standards on publication of aggregate data by trade repositories at a later stage

Finally, section 10 contains all relevant appendices, including the summary of questions, legislative mandates, commentary on the cost-benefit analysis and the texts of the draft regulatory and implementing technical standards discussed in this consultation paper.

Next Steps

ESMA will consider the feedback it received to this consultation in Q3 2020 and expects to publish the final report and submit the draft technical standards to the European Commission for endorsement in Q4 2020.

3 Background

1. Regulation (EU) No 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012 (EMIR REFIT) introduces several empowerments for ESMA to develop implementing and regulatory technical standards related to reporting framework under EMIR. In particular, Article 9(6) of EMIR, as amended by EMIR REFIT requires ESMA to develop implementing technical standards specifying the data standards, formats, methods and arrangements for reporting, the frequency of the reports and the date by which derivatives must be reported. Articles 56(3) and 56(4) of EMIR, as amended by EMIR REFIT provide that ESMA should develop regulatory and implementing technical standards concerning the registration and the extension of registration of the TRs. Furthermore, Article 78(10) of that regulation requires ESMA to develop regulatory technical standards specifying the procedures for reconciliation of data between the TRs and for verification by the TRs of the completeness and correctness of the data reported under Article 9. Article 81(5) of that regulation requires ESMA to develop regulatory technical standards concerning the data to be published by the TRs and data to be made available by them to the relevant authorities. Finally, ESMA decided to review the regulatory technical standards on reporting pursuant to the empowerment contained in the Article 9(5) of EMIR to develop draft regulatory technical standards specifying the details and type of the reports.

2. Additionally, the CPMI and IOSCO working group for the harmonisation of key OTC derivatives data elements (Harmonisation Group) has developed global guidance to authorities regarding the definition, format and usage of key OTC derivatives data elements reported to TRs, including the Unique Transaction Identifier (UTI), the Unique Product Identifier (UPI) and other critical data elements[1]. ESMA proposes to leverage on the opportunity to revise the regulatory and implementing technical standards on reporting under Article 9 of EMIR and align, to the extent feasible, the reporting requirements in EU with the global guidance in order to foster the data harmonisation and facilitate the reporting to the entities that must comply also with the reporting requirements in other jurisdiction(s).

3. Furthermore, ESMA proposes several further improvements to the technical standards in order to clarify the aspects that have been resulting problematic to the market participants. Some of these improvements are clarifications for market participants already contained in the Q&As. Stemming from the amended mandate for ESMA some of these will be transformed into technical standards.

[1] CPMI-IOSCO Technical Guidance on Harmonisation of critical OTC derivatives data elements (other than UTI and UPI): https://www.bis.org/cpmi/publ/d175.pdf, CPMI-IOSCO Technical Guidance on the Harmonisation of the Unique Product Identifier (UPI): https://www.bis.org/cpmi/publ/d169.pdf, CPMI-IOSCO Technical Guidance on the Harmonisation of the Unique Transaction Identifier (UTI): https://www.bis.org/cpmi/publ/d158.pdf,

4 Reporting

4.1 Methods and arrangements for reporting

4.1.1 Provisions of details of OTC derivative contracts by NFC to FC

4. Article 9(1a) of EMIR as amended by EMIR REFIT provides that: “Financial counterparties shall be solely responsible, and legally liable, for reporting on behalf of both counterparties, the details of OTC derivative contracts concluded with a non-financial counterparty that does not meet the conditions referred to in the second subparagraph of Article 10(1) [of EMIR], as well as for ensuring the correctness of the details reported.” Furthermore, the same Article requires that “To ensure that the financial counterparty has all the data it needs to fulfil the reporting obligation, the non-financial counterparty shall provide the financial counterparty with the details of the OTC derivative contracts concluded between them, which the financial counterparty cannot be reasonably expected to possess. The non-financial counterparty shall be responsible for ensuring that those details are correct.”

5. The responsibility and liability of the financial counterparties (FC) for the reporting on behalf of the non-financial counterparty that does not meet the conditions referred to in the second subparagraph of Article 10(1) of EMIR (hereafter “NFC-”), is a new provision introduced by EMIR REFIT. It aims to reduce the burden of reporting OTC derivative contracts for NFC-.

6. Taking into consideration that as from 18/06/2020, FC in principle will be responsible and legally liable for the reporting of the derivatives’ details and their correctness (unless the NFC- chooses to report itself), such FC must ensure to have at their disposal all the necessary information in a timely manner in order to report all details received correctly and no later than T+1.

7. The NFC- remain responsible for ensuring that the details provided are correct. However, NFC- are not required to report data on collateral, mark-to-market, or mark-to-model valuations of the contracts (Article 3(4) of the current RTS on reporting). Therefore, the scope of data to be provided by NFC- to FC that is responsible for their reporting, remains limited.

8. Furthermore, considering that FC are a counterparty to the OTC derivative contracts concluded with NFC-, they shall already have at their disposal the information specific to the contracts (Table 2, Annex to the draft RTS on reporting) as well as all information related to the other counterparty i.e. the NFC- (fields 4 to 7 in Table 1 of the Annex to the draft RTS on reporting). In particular, the FC should possess the information related to the other counterparty, given that the FC will be expected to report it also in its own report (fields 9 and 11-13 in Table 1 of the draft RTS on reporting). ESMA is of the view that FC may not be reasonably expected to possess only the data related to the specific elements of the derivative and therefore only such elements shall be communicated by

the NFC- to the FC. NFC- shall provide at the conclusion of the OTC derivative contracts, the following information:

a. Field 1.15. Broker ID
b. Field 1.16. Clearing Member
c. Field 1.17. Type of ID of the beneficiary (if not the NFC)
d. Field 1.18. Beneficiary ID (if not the NFC)
e. Field 1.19. Directly linked to commercial activity or treasury financing.

9. The arrangements to ensure the provision of the data by NFC- to FC should also be contemplated.

10. In particular, FC and NFC- should put in place written procedures or agreements providing for the timely exchange of the data of OTC derivative contracts in order to ensure that FC comply with their reporting obligation on behalf of NFC-. Given that the required data are fields linked to a specific OTC derivative transaction, NFC- should provide these data at the conclusion of the OTC derivative transaction within agreed timeframe specified in the written agreements or procedures.

11. Such arrangements should also include the procedures to be followed for the provision of the information and for ensuring the continuity of the reporting in terms of content, timeliness and adequacy.

12. In addition, NFC- should reassess every 12 months their positions against the clearing thresholds according to Article 10 of EMIR as amended by EMIR REFIT. If further to that reassessment, the NFC exceeds one of the clearing thresholds or if the NFC does not calculate its positions (thus becoming an “NFC+”), the FC is not any more responsible and liable for the reporting of OTC derivative contracts on behalf of the NFC+. In order to avoid disruptions in the reporting of OTC derivatives contracts, NFC- that monitor the clearing thresholds should anticipate any potential threshold’s overrun and be able to take over the reporting of OTC derivative contracts once it becomes NFC+ or to take the necessary actions to ensure the reporting’s continuity. It is expected that the written procedures or agreements concluded between the FC and NFC- address any potential disruption risk to ensure continuity in the reporting and the transfer of responsibility within a reasonable delay, where relevant. Furthermore, it is acknowledged that FC may not be able to ensure continuity in the reporting, if NFC changes its status to NFC- and does not inform the FC of this fact in a timely manner.

13. The proposals specified in this section apply when the NFC- does not choose to perform the reporting of OTC derivative contracts by itself as foreseen under third subparagraph of Article 9(1a) of EMIR as amended by EMIR REFIT. The information to be provided to FC when NFC- choose to perform the reporting of OTC derivative contracts by itself is specified under section 4.1.2

14. For the avoidance of doubt, FC are only responsible and legally liable for the reporting of OTC derivative contracts (as defined in EMIR, i.e. derivative not executed on a regulated market or on a third-country market considered as equivalent to a regulated

market) on behalf on the NFC- and not for the reporting of exchange-traded derivative contracts concluded with the NFC-.

15. NFC- should provide to the FC the data needed for reporting and should remain responsible for the correctness of such data if they have been reported adequately by the FC on their behalf to a TR. In case the FC wrongly reports information duly received by NFC-, the responsibility for misreporting to the TR lies on the former. However, it is NFC- responsibility to ensure that their LEI is correct (thus also valid and duly renewed) so that FC can perform the reporting of OTC derivative transactions on their behalf. For that purpose, NFC- should renew their LEI when necessary to enable ongoing reporting. In case the LEI is not valid anymore, the FC will not be responsible for the incorrectness of the LEI.

16. Article 9(1a) of EMIR as amended by EMIR REFIT, will be applicable from 18/06/2020, meaning that from that date FC will be responsible and liable for the reporting of new OTC derivative contracts concluded with an NFC – as well as for the reporting of any modification or termination of existing OTC derivative contracts when such modification or termination takes place on or after 18/06/2020. As a matter of fact, the reporting of OTC derivatives contracts outstanding on 18/06/2020 on behalf of NFC- is expected to be limited, given that NFC- is not required to report daily valuations and margins. However, the FC and NFC- may contractually agree that the responsibility and the liability of the FC will be limited to the new OTC derivative contracts concluded as from 18/06/2020.

17. For the avoidance of doubt, FC will not be responsible and legally liable for the reporting of OTC derivative contracts concluded or modified, as well as of any updates in valuation, that should have been reported by NFC- before 18/06/2020.

18. If the FC and NFC- report to two different Trade Repositories, and the NFC- does not decide to report itself, the outstanding derivatives of the NFC- will need to be transferred to the TR of the FC prior to 18/06/2020 so that the FC can report on behalf of the NFC-. Similar transfer will need to take place each time when NFC changes its status (from NFC- to NFC+ or the other way round). Any transfer of the derivatives between the TRs will need to be performed in accordance with the guidelines on portability[2]. Alternatively, the FC may decide to become client of the TR of the NFC- and report the OTC derivatives concluded with the NFC- to that TR or the NFC- may decide to switch to the TR of the FC, in which case the transfer of derivatives will be required only once.

19. Finally, ESMA suggests adding a new field in the Annex of the draft RTS and ITS on reporting in order to identify the entity responsible for the reporting similarly to the one foreseen under SFTR[3].

[2] https://www.esma.europa.eu/document/guidelines-transfer-data-between-trade-repositories

[3] Field 10 Entity responsible for report under Table 1 of Annex to COMMISSION DELEGATED REGULATION (EU) 2019/356 of 13 December 2018 supplementing Regulation (EU) 2015/2365 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of securities financing transactions (SFTs) to be reported to trade repositories

Q1. 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?

Q2. Do you agree with the proposals set out in this section? If not, please clarify your concerns and propose alternative solutions.

Q3. Do you need any further clarifications regarding the scenario in which the FC and NFC- report to two different TRs?

Q4. 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.

4.1.2 Reporting where an NFC decides to report itself

20. As from 18/06/2020, as a rule FC are legally responsible and legally liable for the reporting of OTC derivative contracts concluded with NFC-. However, NFC- may decide to report the details of their OTC derivative contracts. The following proposals apply when NFC- choose to perform the reporting of the OTC derivative contracts by themselves as foreseen under third subparagraph of Article 9(1a) of EMIR REFIT and are made to ensure that reporting in such case is performed without duplication and in a timely manner. The information to be provided to FC when NFC- do not perform the reporting by themselves is specified under section 4.1.1

21. NFC- should inform FC, in writing or other equivalent electronic means, of their decision to perform the reporting of the data of the OTC derivative contracts concluded with FC. NFC- should inform FC of their intention to perform the reporting as soon as possible and no later than at least 5 working days before the obligation enters into force for the FC in order to avoid duplicated reporting.

22. The decision taken by NFC- should in principle cover all OTC derivative contracts concluded with the FC. However, NFC- may decide to partially perform the reporting of certain OTC derivative contracts. If so, the written procedures or agreements concluded between NFC- and FC as described under section 4.1.1 should clearly define the responsibilities of each counterparty.

23. Where NFC- decide to no longer perform the reporting of the OTC derivatives contracts, FC should be notified as soon as possible and no later than at least 5 working days in advance in writing or other equivalent electronic means. In that case, the provisions specified under section 4.1.1 apply.

24. As noted in the previous section, paragraph 19, ESMA also suggests adding a new field in the Annex of the draft RTS and ITS on reporting in order to identify the entity responsible for the reporting similarly to the one foreseen under SFTR[4].

[4] Field 10 Entity responsible for report under Table 1 of Annex to COMMISSION DELEGATED REGULATION (EU) 2019/356 of 13 December 2018 supplementing Regulation (EU) 2015/2365 of the European Parliament and of the Council with regard

Q5.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?

Q6.Do you agree with the proposals set out in this section? If not, please clarify your concerns and propose alternative solutions.

4.1.3 Delegation of reporting

25. There is no explicit definition of delegation in EMIR or EMIR REFIT. EMIR however mentions in Recital 45 and stipulates in Article 9 that counterparties should be able to delegate their reporting to another entity and that reporting on behalf of other entities is not considered as breach of any restriction on disclosure. The delegation of reporting however does not transfer the allocation of responsibility which ultimately lies with the counterparty having the reporting obligation or entity responsible for reporting on behalf of the counterparty.
26. The Commission Delegated Regulation (EU) No 148/2013, as amended by Commission Delegated Regulation (EU) 2017/104, only mentions delegation of reporting (or related issues) in Recitals 1 and 3. It does not include any other specific provisions on delegated reporting. However, in Table 1 of the Annex a specific field for identification of the report submitting entity is defined.
27. The current approach to delegation of reporting has shown a series of shortcomings.
28. Some of the reporting entities (mostly NFCs) who delegated their reporting to the other counterparty or to a third entity are often not capable to monitor whether their delegation agreement is abided by. In some instances delegating counterparties are not even aware that by delegating reporting they cannot transfer also their responsibility for the reporting. In other cases delegating counterparties are aware of their obligations, but still unable to fully develop their technological knowhow to be actually capable to monitor the reporting and/or fully control the fulfilment of their delegation agreement.
29. Another challenge is that often the delegating entity is established in a different jurisdiction than the report submitting entity. In this case the NCA of the delegating counterparty jurisdiction has no supervisory capacities over the report submitting entity to ensure the resolution of the identified reporting issues. Also the NCA of report submitting entity jurisdiction cannot ensure the correction of data because the ultimate responsibility lies with the delegating counterparty outside of its jurisdiction.
30. In this regard, the EMIR REFIT introduces substantial changes to the reporting obligation. Article 9(1) was reworded and new paragraphs (1a) to (1f) were inserted to

to regulatory technical standards specifying the details of securities financing transactions (SFTs) to be reported to trade repositories

lay down rules on the reporting obligation in some specific cases establishing who is responsible for reporting including for any liability arising therefrom.

31. These changes in reporting obligations will considerable improve the situation as the ultimate responsibility is transferred to more sophisticated and technologically developed counterparties. Also, to eliminate obstacles hindering the reporting and quality of data reported in case of delegation of reporting, new paragraph (5a) was included in Article 80 to ensure access to TR data for (and not only for) delegating counterparties.

32. In case of delegation of reporting, just like in case of allocation of responsibility for reporting pursuant to the Article 9(1a) of EMIR as amended by EMIR REFIT , the delegating counterparty should provide the report submitting entity with all the details of the derivative contracts and it should be responsible for ensuring that those details are correct. Moreover, the report submitting entity should ensure that the reporting counterparties are informed about relevant TR data processing results and relevant reporting or data quality issues should any arise. It is also worth to emphasize that EU counterparties should carefully assess any risks that might be posed to their compliance with the reporting obligations under Article 9 of EMIR in case of delegation of reporting to a non-EU27 report submitting entity.

33. Regarding the population of Field 9 (Report submitting entity ID), currently the validation rules allow this field to be populated for action types ‘N’, ‘M’, ‘R’ and ‘P’ on trade level and for action types ‘N’, ‘M’ and ‘R’ on position level. Field 9 (Report submitting entity ID) is optional in all the mentioned cases and should be populated whenever the reporting counterparty has delegated the submission of the report to a third party or to the other counterparty. This field is often not populated in the relevant cases; therefore ESMA intends to make this field mandatory. In cases where the reporting counterparty has not delegated the submission of the report to a third party or to the other counterparty, the reporting counterparty will populate its own LEI (same as Field 2 (Reporting Counterparty ID)).

Q7.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?

4.1.4 Ensuring data quality by counterparties

34. According to the Article 9 (1e) of EMIR, as amended by EMIR REFIT, counterparties and CCPs should report correctly and without duplication. The correctness of reported data is verified on two levels. Firstly, the minimum data quality requirements are ensured by the validation rules at the moment of data submission. Secondly, reconciliation process identifies possible content errors by comparing both sides of the reported derivative contract.

35. Both levels of verification of correctness currently have certain shortcomings which became apparent to NCAs based on their experience with supervision of reporting.

36. With respect to validation of the report, the NCAs receive from the TRs rejection statistics informing about the number of submitted and rejected reports. However, in the case of reporting issues that prevent the counterparty from sending the reports to the TR, NCAs currently do not receive any information about failure to comply with reporting obligation, unless such failure is communicated by the counterparty on a voluntary basis.

37. With respect to the reconciliation process, if the reports made by two counterparties with respect to the same derivative do not match, it is an indication of misreporting by at least one of the counterparties. However, many of the counterparties consider that under the current reporting requirements they do not need to take any steps to resolve reconciliation breaks to the extent they believe to have reported correctly.

38. ESMA proposes to address these shortcomings by including the provisions described below under the empowerment to specify the methods and arrangements for reporting that will further stipulate how the counterparties and CCPs should comply with the requirement to report correctly.

Notifications to NCAs of errors and omissions in reporting

39. A requirement for a counterparty or a CCP to promptly notify their competent authority when it becomes aware of misreporting would facilitate the supervision of the EMIR reporting obligation and enhance data quality.

40. As a minimum, the counterparties should notify the NCA if they experience a problem (e.g. IT incidence) that prevents them from submitting the reports to the TRs. Currently, such issues cannot be easily captured by the NCAs because they cannot not be reflected in the rejection statistics provided by the TRs.

41. Alternatively, the counterparties should notify the NCA about any error or omission in reporting.

42. It should also be noted that Article 15 (2) of Commission Delegated Regulation (EU) 2017/590 on reporting of transactions under MiFIR entails a similar provision. Including such an obligation in EMIR would further harmonise the requirements with respect to methods and arrangements for reporting under different regulatory regimes.

Q8. 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.

Resolution of reconciliation failures

43. As mentioned above, the correctness of data reported under EMIR is verified on two levels: validation of the reports by the TRs and reconciliation of the reported derivatives.

44. While in the first case, it is generally clear that counterparties can only fulfil their reporting obligation by correcting the report after its rejection and resubmitting the report to the TR, it does not seem to be equally clear that also all reconciliation breaks need to be resolved and in a swift manner. Counterparties hesitate to contact one

another to reach an agreement on the details of the reports, and in practice usually no formal arrangements and procedures for resolution of reconciliation issues are in place. Common justification given by the counterparties is the lack of legal provisions requiring any specific actions in case they themselves consider their reported data to be correct.

45. To ensure correction of data and sufficient data quality on all levels of data quality control, ESMA proposes to include a new provision to enhance the resolution of reconciliation issues, especially in cases where both sides of the trade are reported by different counterparties or the entities responsible for reporting, and to enable the supervision of the effectivity of the processes. Under this provision the counterparties should establish written procedures to be able to ensure the successful reconciliation of both sides of reported derivative contract. Counterparties should keep a log of reconciliation failures with other counterparties or entities responsible for reporting, as applicable, with the records of actions taken to resolve each reconciliation failure.

Q9.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?

Q10. Do you see any other data quality issues which should be addressed?

4.2 Use of data standards

4.2.1 Use of ISO 20022

46. The original empowerment to draft an ITS on reporting only mandated ESMA to specify the format and frequency of the reports whereas the new empowerment under Article 9(6) EMIR as amended by EMIR REFIT also includes data standards and harmonization aspects.

47. More precisely, Article 9(6) of EMIR, as amended by REFIT, provides ESMA with an empowerment to specify the data standards and formats of the reports with the objective to ensure a uniform application of the reporting obligation. In developing the standards, ESMA shall take into account the international developments and standards and their consistency with the reporting requirements under Article 26 of MiFIR (transaction reporting) and Article 4 of SFTR.

4.2.1.1 Challenges under current approach

48. The current ITS on reporting defines the formats of data to be reported, including relevant data standards (when available), length of fields and allowable values. However, these detailed rules have proved to be not sufficiently precise and they failed to cover some technical details. As a result, the harmonisation of the entire reporting system was not achieved since the TRs implemented the reporting requirements inconsistently, e.g. by developing different report structures or by using different data element names. This resulted in inconsistencies in the information reported by the

counterparties as well as in varying practices across the TRs, thereby hampering the access to data and the correct aggregation and comparison of data across TRs.

49. To address the deficiencies at the level of submissions from TRs to NCAs, ESMA proposed a review of technical standards on data access and operational standards for comparison and aggregation of data to specify that TRs should provide the details of the derivative contracts in an XML format and using a template developed in accordance with ISO 20022 methodology. The decision to require this format was based on the comprehensive analysis made to determine the most appropriate technical format for data reporting to authorities under MiFIR.

50. However, as the data standards for reporting to TRs are still not unambiguously defined via a common XML template, the challenges in complete and reliable aggregation remain. The TR-specific reporting templates also mean that the report submitting entities must accommodate a different template for reporting and feedback for each TR, creating a significant technical burden should an entity wish to start reporting to a new TR.

4.2.1.2 Usage of ISO 20022 in other reporting regimes

51. ISO 20022 has already been implemented in various reporting regimes, in addition to the reporting of EMIR data from TRs to NCAs. Most notable examples are MiFIR transaction and reference data reporting (Articles 26 and 27 of MiFIR) and reporting under Article 4 of SFTR. These regimes were also mentioned in the Level I empowerment as standards with which consistency should be sought.

52. The regulatory technical standards on reporting obligations under Article 26 of MiFIR and on the provision of financial instruments reference data under Article 27 of MiFIR require providing transaction reports and reference data in a "common XML template in accordance with the ISO 20022 methodology"[5].

53. ISO 20022 was chosen for the purpose of MiFIR reporting based on the feedback to the MiFIR Consultation Paper (CP) as well as on the results of a specific study on technical formats, undertaken by ESMA with assistance of external consultants with a view to determine the most adequate reporting format under MiFIR.

54. The study evaluated several technical formats in terms of their usability for the MiFIR reporting, governance, change control, implementation feasibility and reusability. Based on the results of the study, ESMA selected ISO 20022 owing to the high level of compliance with envisaged legal requirements as well as its performance (capacity to

[5] Article 1 of Commission Delegated Regulation (EU) 2017/585 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the data standards and formats for financial instrument reference data and technical measures in relation to arrangements to be made by the European Securities and Markets Authority and competent authorities and Article 1 of Commission Delegated Regulation (EU) 2017/590 of 28 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities.

process the volumes expected from MiFIR regime) and extensibility (capability to enable a specified modification to be implemented).

55. The implementing technical standards on reporting obligation under Article 4 of SFTR require providing SFT reports "in a common XML template in accordance with the ISO 20022 methodology"[6].

56. In the SFTR Discussion Paper (DP)[7] ESMA asked for feedback regarding the adoption of ISO 20022 methodology and a common harmonised XML schema for reporting. The respondents agreed that ISO 20022 would be an open and transparent standard, which is subject to robust governance from regulatory community, and no issues were foreseen in using XML.

57. Finally, ISO 20022 was also chosen as the most adequate international data standard for the implementation of the critical data elements (CDE) specified in the CDE guidance. As set out in the report on governance arrangements for CDE[8], the adoption of CDE within ISO 20022 will inter alia ensure free access to the standard by the public, leverage of the relevant business concepts that are already present on ISO 20022 and enhance the acceptance and use by the industry for purposes other than derivatives regulatory reporting. Development of ISO 20022 messages for the purpose of the CDE guidance, as envisaged in the CDE governance arrangements, will also facilitate use of ISO 20022 for the regulatory reporting of derivatives as the regulators would only need to adapt these messages in order to account for the possible jurisdiction-specific requirements.

4.2.1.3 Proposal for the new technical standards

58. Given the challenges in the current implementation, fully comprehensive and unambiguous rules regarding formats of information for reporting are indispensable to ensure quality and thus the usefulness of the data. Furthermore, such rules should not be limited only to the relevant data standards, the length of fields and the allowable values, but also should specify a technical format and common template in which the information should be submitted to TRs.

59. Such templates should specify not only the information reported from submitting entities to the TRs, but also the feedback from the TRs back to submitting entities. This would ensure full harmonisation for submitting participants across TRs and provide compatible data flow in both directions leading to benefits in automation and interoperability.

60. As for the choice of specific data standard, the empowerment emphasises harmonisation between the different reporting regimes already in place in the EU and

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[6] Article 1 of Commission Implementing Regulation (EU) 2019/363 of 13 December 2018 laying down implementing technical standards with regard to the format and frequency of reports on the details of securities financing transactions (SFTs) to trade repositories in accordance with Regulation (EU) 2015/2365 of the European Parliament and of the Council and amending Commission Implementing Regulation (EU) No 1247/2012 with regard to the use of reporting codes in the reporting of derivative contracts.

[7] Discussion Paper on Draft RTS and ITS under SFTR, https://www.esma.europa.eu/sites/default/files/library/2016-356.pdf

[8] https://www.bis.org/cpmi/publ/d186.pdf

elsewhere. MiFIR and SFTR reporting are specifically given as examples. Both regimes utilize XML developed using the ISO 20022 methodology. Even though the reporting requirements and instrument coverage vary between different regimes, harmonisation would still carry technical benefits. Moreover, transaction reporting under MiFIR also covers some derivatives, so there is some overlap in instrument coverage. As an open standard, ISO 20022 would provide a robust and tested process for the creation of the reporting XML schemas and incorporating future changes to EMIR reporting.

61. Creating common XML schemas for reporting would also provide processing benefits in the form of schema validations. A harmonised set of data validation rules can be defined by the schemas, thus decreasing rejection rates and enabling better process efficiency among submitting entities and TRs. Also, as the reporting from TRs to NCAs is already defined in ISO 20022 XML, choosing the same standard for reporting to the TRs would simplify the TR processing. This should lead to more harmonised data for NCAs and decreased processing costs for TRs.

62. Taking into account the reasons detailed above and the specific requirements in the ITS empowerment, the proposal is to establish an ISO 20022 technical format for the reporting to TRs. To ensure full standardisation of the reporting to be submitted to the TRs, the proposal is to use a harmonised XML schema.

Q11. 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?

Q12. Do you foresee any difficulties related to reporting using an ISO 20022 technical format that uses XML? If yes, please elaborate.

4.2.2 Unique Trade Identifier (UTI)

63. Unique Trade Identifier (hereafter “UTI”) is a critical data element in the EMIR reports that, together with the LEIs of the counterparties to the derivative contract, play a key role in the pairing and reconciliation process among trade repositories. For this purpose, it is essential that both parties agree on the UTI, and that the UTIs in both reports are strictly identical in terms of structure and content. A pair of counterparties should use a specific UTI for one single contract, and not reuse that same UTI to report any other trade under EMIR. The same principle applies to the UTIs generated for the derivatives reported at position level.

64. In the absence of a global UTI-generating solution, the current RTS on reporting essentially assigns the responsibility for generating the UTI, in case the counterparties fail to agree on it, based on the principle that this responsibility should preferably lay with a regulated entity. The waterfall approach determining the entity responsible for the generation of the UTI is also specified in Article 4a of the current ITS on reporting:

“1. A report shall be identified through a unique trade identifier agreed by the counterparties.

2. Where counterparties fail to agree on the entity responsible for generating the unique trade identifier to be assigned to the report, the counterparties shall determine the entity responsible for generating a unique trade identifier in accordance with the following:

(a) for centrally-executed and cleared trades, the unique trade identifier shall be generated at the point of clearing by the central counterparty (CCP) for the clearing member. Another unique trade identifier shall be generated by the clearing member for its counterparty;

(b) for centrally-executed but not centrally-cleared trades, the unique trade identifier shall be generated by the trading venue of execution for its member;

(c) for centrally-confirmed and cleared trades, the unique trade identifier shall be generated at the point of clearing by the CCP for the clearing member. Another unique trade identifier shall be generated by the clearing member for its counterparty;

(d) for trades that were centrally-confirmed by electronic means but were not centrally-cleared, the unique trade identifier shall be generated by the trade confirmation platform at the point of confirmation;

(e) for all trades other than those referred to in points (a) to (d), the following shall apply:

(i) where financial counterparties trade with non-financial counterparties, the financial counterparties shall generate the unique trade identifier;

(ii) where non-financial counterparties above the clearing threshold trade with non-financial counterparties below the clearing threshold, those non-financial counterparties above the clearing threshold shall generate the unique trade identifier;

(iii) for all trades other than those referred to in points (i) and (ii), the seller shall generate the unique trade identifier.

3. The counterparty generating the unique trade identifier shall communicate that unique trade identifier to the other counterparty in a timely manner so that the latter is able to meet its reporting obligation."

65. This current attribution of responsibility for generating the UTI is broadly in line with the CPMI-IOSCO guidance[9]. The subsequent paragraphs address the specific scenarios in which the current waterfall approach needs to be aligned with the UTI guidance.

66. Firstly, it is recognised that the agreement between the counterparties does not always ensure correct generation of UTIs, therefore it is no longer a first option to determine the responsibility, but rather it becomes a fallback solution limited to a subset of scenarios where the conditions for determining the responsible party cannot be determined in a straightforward manner.

67. Furthermore, the attribution of responsibility for generating the UTI needs to better take into account the cross-jurisdictional transactions, i.e. where the counterparties are

[9] For the detailed description of the rules for determining the responsibility for UTI generation under the UTI guidance, please refer to the section 3.3 of the UTI TG

subject to the reporting rules of more than one jurisdiction. In this case, for the transactions that were neither centrally executed nor cleared, the UTI-generation rules of the jurisdiction with the earliest reporting deadline should apply. It should be noted, that for the purpose of determining, following the UTI guidance, who is responsible for the UTI generation, , the EEA is deemed to be a single jurisdiction, therefore for any derivatives concluded between two EEA counterparties, the derivative is not considered “cross-jurisdictional”. Consequently, certain steps of the flowchart will not be applicable to these derivatives, e.g. in absence of equivalence decision on reporting under Article 13 of EMIR, a trade repository is not expected to generate UTI for those derivatives.

68. Finally, ESMA proposes two alternative options with respect to the rule relating to the entity status.

69. Under the policy option 1, the counterparty status is determined firstly by the counterparty nature (FC vs NFC, NFC+ vs NFC-) and then by the direction of the trade (buyer vs seller, payer vs receiver). Under this option it is understood that the direction of the trade is reported for all derivatives, therefore in all cases the reporting counterparty is either a buyer or the seller (or payer/receiver), therefore no further steps in the flowchart are needed. The benefit of this option is that it is more consistent with the current UTI generation logic under EMIR. However, it is also considered that the determination of the direction of the trade is not straightforward for all the products and therefore reliance on it could delay the timely generation of the UTI. Furthermore, under the CDE guidance, the direction of trade for some products is reported at the level of each leg by specifying who is the payer or receiver of that leg. For such products, the UTI generation rules would also need to include a clarification which leg should be considered and would further rely on the agreement between the counterparties on which leg is reported as leg 1. Finally, it is acknowledged that determination of the party responsible for UTI generation based on the direction of the trade can result in the assignment of the responsibility to the less sophisticated counterparty.

70. Under the policy option 2, the interpretation of the counterparty status is limited to the counterparty nature (FC vs NFC, NFC+ vs NFC-). In case this step is inconclusive (e.g. both counterparties are FCs), the flowchart follows the UTI guidance, making the determination of the responsible counterparty dependent on the counterparties’ agreement or, in lack thereof, on the alphabetical sorting of the LEIs. This option avoids the possible challenges related to the timely determination of the direction of the trade and also places the counterparties’ agreement above the tie-breaker logic based on alphabetical sorting (knowing that the latter may assign the generation responsibility to the less sophisticated counterparty, similarly to the logic based on the direction of the trade).

71. Regarding the rule on alphabetical sorting, the UTI guidance sets out that “one of the counterparties, based on sorting the identifiers of the counterparties with the characters of the identifier reversed and picking the counterparty that comes first in this sort sequence” should be responsible for the generation of the UTI. The guidance does not prescribe how to proceed if the identifiers of the counterparties are alphanumerical

strings, i.e. contain both letters and numbers. This is particularly important due to the fact that the last two characters of LEI codes are checksum digits.

72. The table below shows two examples of pairs of counterparties with the respective LEIs (the codes are not real LEIs but dummy 20-character strings created for the purpose of this example) and illustrates how they will be sorted under different possible methods.

73. ESMA believes that methods 2 and 3 are not commonly used and method 4 is mainly used when the numbers within strings have actual meaning (which is not the case for reversed identifiers of the counterparties). Therefore, the first method (ASCII ordering) seems to be most appropriate. It should be noted that LEIs contain only capital letters, therefore the rule placing uppercase letters prior to lowercase letters in the sorting in ASCII order is irrelevant in this case.

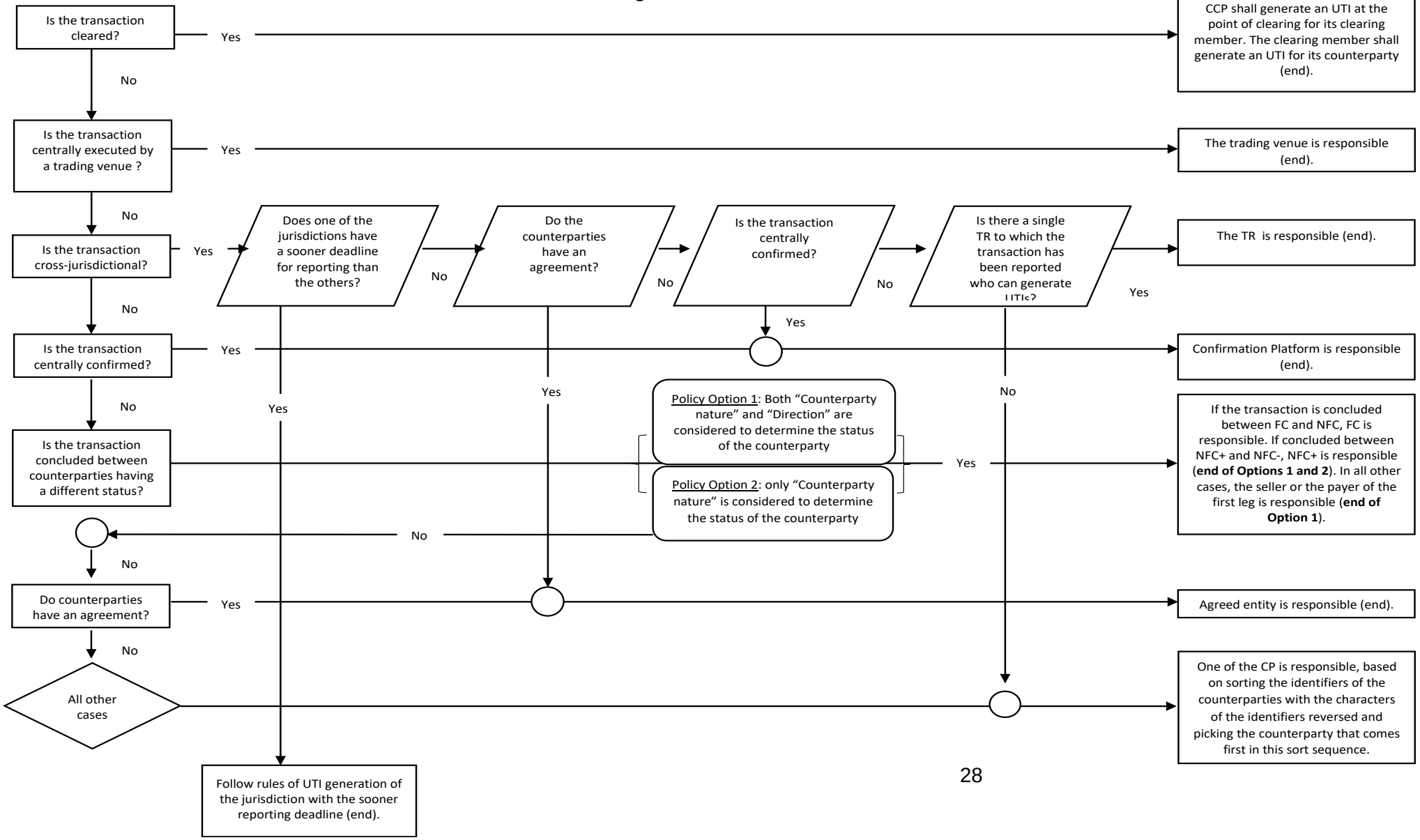
TABLE 1 EXAMPLES OF ALPHABETICAL SORTING

No	Example 1	Example 2
LEI	CP1: 1111ABCDEABCDEABC123 CP2: 1111AAAAABBBBBCCC23	CP1: ABCDEABCDEABCDE12345 CP2: ABCDEABCDEAAAAA12344
LEI in the reversed order	321CBAEDCBAEDCBA1111 32CCCBBBBBAAAAA1111	54321EDCBAEDCBAEDCBA 44321AAAAAEDCBAEDCBA
Sorting method 1: Sorted on a character by character basis, a digit comes always before a letter (ASCII order)	321CBAEDCBAEDCBA1111 because "1" (digit) comes before "C" (letter)	44321AAAAAEDCBAEDCBA because "4" comes before "5"
Sorting method 2: Sorted on a character by character basis, a letter comes always before a digit	32CCCBBBBBAAAAA1111 because "C" (letter) comes before "1" (number)	44321AAAAAEDCBAEDCBA because "4" comes before "5"
Sorting method 3: Sorted on a character by character basis, digits are sorted as they would be spelled	32CCCBBBBBAAAAA1111 because "C" comes before "one"	54321EDCBAEDCBAEDCBA because "five" comes before "four"
Sorting method 4: Alphabetical sorting except for numbers within strings which are sorted by the value of the number (numerical sorting)	32CCCBBBBBAAAAA1111 because32<321	44321AAAAAEDCBAEDCBA because 44321<54321

74. The flowchart below illustrates the proposed rules for the allocation of responsibility for generating the UTI.

75. For the avoidance of doubt, it should be noted that the rules illustrated by that flowchart apply to the derivatives both at trade and position level. For example, in the case of CCP-cleared positions, the CCP should generate the UTI for the clearing member when the position is first created.

UTI generation flowchart



76. Additionally, as regards funds, in line with the allocation of the responsibility for reporting pursuant to the paragraphs 1b and 1c of Article 9 of EMIR as amended by EMIR REFIT, it is proposed that the management company generates the UTI on behalf of the funds it administers in those cases where the responsibility for generating the UTI is assigned to the fund.

77. Furthermore, ESMA is aware of the existing reporting delegation agreements between the counterparties and believes that where such delegation takes place, and allocation of UTI generation responsibility is not otherwise covered by the above rules (e.g. in the case of an OTC non-cleared and unconfirmed derivative between two financial counterparties), the generation of the UTI by the delegated entity would be more practicable. In principle it is expected that an agreement on the UTI generation responsibility in the case of delegation falls under the general case of counterparties' agreement reflected in the above flowchart, hence it is not captured as a separate rule for determining the entity responsible for the generation of the UTI. ESMA invites the respondents to clarify whether more explicit rules regarding the UTI generation responsibility in the case of the delegated reporting would be helpful.

78. As to the structure and format of the UTI, to date the annex to the current ITS on reporting merely states that the UTI should consist of up to 52 alphanumerical characters, including four special characters: ". - _."

79. A structure with a maximum length (and thus allowing for a shorter ID) is in line with the UTI guidance. However, following the same guidance, the special characters should no longer be allowed for the new UTIs, that should be constructed solely from the upper-case alphabetic characters A–Z or the digits 0–9.

80. Despite the current regulatory framework, the number of pairing breaks due to non-matching UTIs remain significant. Data quality controls regularly conducted by the national authorities identify accidental truncation of the UTI as a possible cause of pairing breaks. This would advocate for a more prescriptive definition (fixed length) and validation of the structure and format of the UTI, however this would not be consistent with the UTI guidance and might hamper a counterparty in using the same UTI for reporting purposes in different jurisdictions. Even though the delegation of reporting under EMIR as amended by EMIR REFIT will help in solving this issue, it is up to the reporting counterparties to set up the necessary controls to ensure that they report exactly the UTI that was agreed upon or communicated to them for reporting purposes. ESMA proposed to address it specifically in the technical standards by including a requirement for the counterparties to ensure that in their reports they use the UTI they agreed upon, or the UTI communicated by the generating counterparty.

81. With respect to the timeline for the generation and exchange of the UTI, the current ITS on reporting require that the UTI is communicated "in a timely manner so that the [reporting counterparty] is able to meet its reporting obligation"[10]. Notwithstanding,

[10] Article 4a(3) of Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012 as amended by Commission Implementing Regulation 2017/105 of 19 October 2016 and by Commission Implementing Regulation 2019/363,

ESMA is aware of delays in the communication of the UTI to the reporting counterparties and considers inclusion of a more specific provision on timely generation and communication of the UTI in the ITS. The timing for the generation could be specified as a fixed deadline (e.g. T+1, 12:00 a.m. UTC) or as an amount of time following to the conclusion of the contract (e.g. 12 hours). Such deadline or timeframe should be well calibrated to ensure that the UTIs can be both (i) successfully generated and communicated by the generating entity and (ii) consumed and reported by the reporting counterparty.

82. As to the structure of the UTI, the CPMI-IOSCO guidance recommends that new UTIs are a concatenated combination of:

    a. the LEI of the generating entity as it was valid at the moment of generation, and

    b. a unique value created by that entity (where this value only needs to be unique within the set of such values generated by that entity since the combination with the LEI will guarantee uniqueness).

83. If generation of the UTI has been delegated, the generating entity for the purpose of determining the LEI to be embedded in the UTI should be the entity that actually generates the UTI and not the entity that delegated the generation. Furthermore, it is not expected to update a UTI solely because the LEI of the generating entity is no longer valid or applicable for some reason.

84. When a UTI is allocated to a reportable transaction, it should remain as the UTI for that transaction throughout its lifetime. The UTI is the key to complete, correct or update the details of an EMIR report pertaining to a specific transaction or position or to terminate such transaction or position.

85. On the other hand, when – following a termination – a transaction is replaced with one or more other transactions, new UTI(s) should be used. Examples of this include:

    a. A change to either counterparty. This includes the transaction being cleared, when the CCP become a counterparty to the transaction, or any other assignment.

    b. Where a derivatives transaction is replaced by one or more other derivatives transactions, whether or not they involve the same or different counterparties, like in case of compression or netting.

    c. When an individual transaction is terminated and included into a position. The UTI of the position will be used for further updates to that position.

86. If there is more than one such change to be applied to a report at the same time, then if any one of these changes would require a new UTI, a new UTI should be used.

laying down implementing technical standards with regard to the format and frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories (OJ L 352, 21.12.2012, p. 20)

87. Where individual components of a package or strategy trade are reported separately, a different UTI should be used for each component. These separate reports should include the same linking ID, as specified in the section 4.4.11.

88. ESMA proposes to follow the UTI guidance with respect to the format and structure of the UTI, as well as the to the rules concerning impact of the lifecycle events on the UTI.

Q13. Do you expect difficulties with the proposed allocation of responsibility for generating the UTI?

Q14. Is any further guidance needed with respect to the generation and exchange of the UTI for derivatives reported at position level?

Q15. 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.

Q16. 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?

Q17. 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.

Q18. Which policy option presented in the flowchart do you prefer? Please elaborate on the reasons why in your reply.

Q19. Is the additional clarification concerning the sorting of the alphanumerical strings needed? If so, which should method of sorting should be considered?

Q20. 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.

Q21. 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.

Q22. 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?

Q23. 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.

4.2.3 Unique Product Identifier (UPI)

4.2.3.1 Background

89. Clear and consistent identification of the products traded in the derivative transactions is one of the foundations of the efficient use of the derivative data. It enables the regulators to aggregate the reported transactions into desired groupings according to the products characteristics and in this way efficiently monitor exposures and risks related to distinct products or product categories.

90. It is crucial that the product identifier used in derivatives reporting fulfils a series of conditions, such as uniqueness, persistence, consistency, neutrality, reliability, open source, scalability, accessibility, availability at a reasonable cost basis, appropriate governance framework[11].

91. Furthermore, the global aggregation of OTC data will require the adoption of a globally unique product identifier (UPI) by the relevant jurisdictions. This is one of the key commitments made by G20 leaders with respect to the reforms of OTC derivatives markets[12].

4.2.3.2 Current requirements regarding the identification of products under EMIR

92. While a variety of identifiers already exists and is used by the regulators and/or industry, in 2012, at the time when the technical standards on reporting under EMIR were first developed, as well as in 2015-2016 when revisions to these standards were proposed, there was no single identifier that would fulfil all the above criteria as well as cover the full spectrum of derivative instruments reportable under EMIR. Moreover, the international work on the technical guidance and governance arrangements for UPI is still undergoing an implementation phase. Therefore, ESMA needed to rely on other product identifiers. In the absence of a globally agreed product identifier ESMA in 2012 proposed to use ISO 6166 International Securities Identification Number (ISIN) code, where available, or if unavailable the Alternative Instrument Identifier (AII).

93. Initially, ISINs were required only for the instruments admitted to trading on the Regulated Markets, while AIIs were used for the identification of exchange-traded options and futures for which ISINs were not available. For other instruments only a general classification was reported instead of an identifier.

94. Implementation of MiFIR has resulted in the introduction of a series of new requirements, some of which had important implications for EMIR. In particular, Commission Delegated Regulation (EU) 2017/585 which became applicable from 3 January 2018 requires that all instruments admitted to trading or traded on a trading venue (Regulated Market, MTF or OTF) or a systematic internaliser are reported to the competent authorities with their respective ISINs and relevant reference data.

[11] Section 3 of the Technical Guidance on UPI describes in more detail desired technical principles for the UPI.
[12] Implementing OTC Derivatives Market Reforms: https://www.fsb.org/wp-content/uploads/r_101025.pdf

Consequently, as of 3 January 2018 all derivatives admitted to trading or traded on a trading venue or a systematic internaliser were expected to have ISIN and use of the AIIs for reporting purposes was discontinued as of that date.

95. Summing up, currently ISIN is the only identifier expected to be reported as product identifier under EMIR, however the requirement for reporting of instruments with ISINs exists only for derivatives that are admitted to trading or traded on a trading venue or a systematic internaliser. Therefore, it does not cover yet all OTC derivatives (without prejudice to the fact that ISINs might be available in principle for such instruments and might have been assigned to some of these derivatives irrespective of there being no requirement in MiFIR for ISINs to be provided for these instruments).

4.2.3.3 International developments

96. In November 2014 a Harmonisation Group (HG) established under the CPMI-IOSCO started its work on harmonisation of key OTC derivatives data elements reported to trade repositories. One of the deliverables of this group is the Technical Guidance on the Harmonisation of the Unique Product Identifier, published in September 2017[13]. The Technical Guidance (hereinafter "UPI guidance") clarifies that UPI consists both of the UPI code and UPI reference data, where each reference data element contains a set of allowable values for this data element. Furthermore, the UPI guidance provides a list of reference data elements with respective allowable values for each asset class, however it is highlighted that the complete set of values would be determined when the UPI system is set up. Finally, the guidance specifies a suggested UPI assignment process clarifying how a UPI for a given derivative product should be obtained by an entity.

97. In 2016 FSB established the Group on UTI and UPI Governance (GUUG), whose primary objective was to propose recommendations to FSB concerning the governance arrangements for UTI and UPI. As for the UPI, GUUG conducted two public consultations[14] in which views were sought with respect to key governance criteria, governance functions as well as considerations regarding one versus many UPI Service Providers.

98. In April 2019 FSB decided that the data standard for the UPI code and the UPI reference data elements will be set as international data standards and will be published and maintained by ISO. Furthermore, FSB designated the Derivatives Service Bureau (DSB) as the service provider for the future UPI system[15] and decided that DSB will perform the function of the sole issuer of UPI codes as well as operator of the UPI reference data library.

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[13] https://www.bis.org/cpmi/publ/d169.pdf

[14] https://www.fsb.org/wp-content/uploads/P031017.pdf and https://www.fsb.org/wp-content/uploads/P260418-1.pdf

[15] For more information refer to: https://www.fsb.org/2019/05/fsb-designates-dsb-as-unique-product-identifier-upi-service-provider/

99. DSB is a subsidiary of the Association of National Numbering Agencies (ANNA) and generates ISINs for derivatives reported under MiFIR. While the scope of requirements under MiFID II/MiFIR is different, given that they do not cover pure OTC derivatives (i.e. the derivatives that are not traded or admitted to trading on a trading venue or a systematic internaliser), it is ESMA's understanding that the framework established for ISINs allocation to financial instruments under MiFIR can be leveraged for the purpose of assignment of UPIs for OTC derivatives.

100. This is reflected in the "Final ISIN Principles"[16] published by ANNA, which introduce the idea of "hierarchy of ISINs" to satisfy all different granularity needs for the products relevant for industry and regulators. In particular, it is expected that the initial ISIN design delivered for the purpose of MiFID II/MiFIR reporting, should be "as far as reasonably possible, consistent with CPMI-IOSCO's thinking on UPI".

101. Furthermore, the document states the following: "The first phase implementation will focus on the single level of ISIN to meet the immediate requirement of MiFID II as articulated by RTS23[17]. Extensibility is factored into the ISIN design and the expectation is that CPMI-IOSCO requirements will be satisfied by a parent above the day 1 level while greater granularity to meet industry requirements can be created below the day 1 level as children".

102. This indicates 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 the multi-level identifier hierarchy scenario, the more granular level already used for MiFIR reporting could be retained for the purpose of identifying derivatives that are admitted or traded on the trading venue or a systematic internaliser (in reports submitted to TRs) in order to ensure consistency of reporting under MiFIR and EMIR. The hierarchy of identifiers could also enable counterparties to easily recognise and report the parent identifier (UPI) for these derivatives. For the remaining, pure OTC derivatives, only the UPI in accordance with the CPMI-IOSCO technical guidance would be used. However, these assumptions are subject to the final implementation of the UPI.

4.2.3.4 Mandate under EMIR as amended by EMIR REFIT

103. The empowerment for ESMA under Article 9(6) of EMIR as amended by EMIR REFIT to develop draft implementing technical standards explicitly mandates ESMA to specify both the data standards and formats for the information to be reported and requires inclusion of at least LEIs, ISINs and UTIs.

104. Furthermore, EMIR REFIT requires that ESMA, in developing the draft implementing technical standards, takes into account international developments and standards agreed upon at Union or global level, therefore it is understood that ESMA needs to consider also the technical guidance on the UPI and the governance arrangements for the UPI.

[16] https://www.anna-web.org/wp-content/uploads/2016/12/DSBPC-F001-Final-ISIN-Principles.pdf
[17] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R0585&from=EN

4.2.3.5 Proposal to use ISIN as a product identifier for derivatives admitted to trading or traded on a trading venue or a systematic internaliser

105. In line with the EMIR REFIT, ESMA believes that ISINs should continue to be used for certain type of derivative products for the purpose of EMIR reporting. This decision is also supported by the fact that ISINs fulfil the necessary conditions for the product identifier (such as uniqueness, persistence, consistency, neutrality, reliability, open source, scalability, accessibility, availability at a reasonable cost basis, appropriate governance framework).

106. In particular, the ISINs should continue to be used for the identification of derivatives admitted to trading or traded on a trading venue or a systematic internaliser, given that these derivatives are identified with ISIN under MiFIR. This requirement would apply both to the contracts concluded on a venue as well as to OTC conclusion of contracts that are admitted to trading or traded on a trading venue. Consistent use of the same identifier under EMIR and MiFIR is supporting regulators' capacity to cross-analyse the data.

4.2.3.6 Proposal to use UPI as a product identifier for all other derivatives

107. The international work on the development of an ISO standard for the UPI is currently ongoing. At the time of preparation of this consultation paper the timeline for the completion of the development of the ISO standard and subsequent implementation of the UPI has not been confirmed. In ESMA's understanding the ISO standard will not be available on time in order to be explicitly referenced in the draft technical standards to be submitted by ESMA to the European Commission. At the same time ESMA expects that the UPI standard will be developed and the framework for the generation of the UPIs will be set in place within a timeline allowing for the global implementation of the UPI by Q3 2022, as envisaged in the UPI governance arrangements. This means, that there is a high probability that UPI will be available when the draft technical standards on reporting under EMIR become applicable.

108. Having in mind the above considerations ESMA believes that the requirement to report UPI should be already embedded in the draft technical standards. However, counterparties should only be required to report UPI once the relevant ISO standard has been finalised and the subsequent implementation work has been completed.

109. ESMA proposes that UPI should be required to be used as a minimum for all derivatives that are not identified with ISIN (i.e. derivatives that are not admitted to trading or traded on a trading venue). Under this option all derivatives for which ISIN is assigned for the purpose of reporting under MiFIR would also be identified with ISIN under EMIR, whereas the remaining derivatives ("pure OTC") would be identified with the UPI.

110. Alternatively, UPI could be required for all derivatives reported under EMIR (assuming that the final implementation of UPI would allow for assignment of UPI to all OTC and ETD derivatives). This would mean that counterparties under EMIR would need to identify derivatives that are admitted to trading or traded on a trading venue with both

ISIN and UPI, which may increase the reporting burden. However, this would allow the authorities analysing the data to use the UPI reference data library as a single source to derive the characteristics of all derivatives reported under EMIR and thus increase feasibility of ceasing to require all reference data to be reported by counterparties to the TRs. Until the UPI becomes available, the counterparties would need to report under EMIR all instrument reference data for all derivatives, as they do currently. For further details regarding the UPI reference data please see next section.

Q24. 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?

Q25. 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? ?

4.2.3.7 Reference data

111. Currently, the framework for EMIR reporting does not envisage reliance on or use of an instrument reference data library nor there is any open-source database available that would contain reference data for all products reported under EMIR.

112. This is different from e.g. MiFIR reporting framework, where trading venues report on a daily basis reference data of all financial instruments that were traded or admitted to trading on that day. These reference data are compiled into a single database which is made available on ESMA website[18]. Owing to this database, investment firms do not need to report instrument reference data (for instruments for which the relevant ISIN has been provided in the transaction report) in each and every transaction report, when reporting transactions in accordance with MiFIR Article 26 requirements in the instruments traded or admitted to trading on a venue. On the contrary, the investment firms report only the data relevant to a specific transaction (e.g. parties involved in the transaction, venue and time of execution etc.). The competent authorities analysing the data can easily combine the static instrument reference data with the additional transaction data to get a complete picture of the trading activities. In the case of instruments that are not traded or admitted to trading on a venue, for which the transaction reporting requirement applies, the investment firms need to report full information, comprising also the characteristics of the trading instrument.

113. As specified in the UPI guidance, each UPI code would map to a set of data comprised of reference data elements with specific values that together describe the product. The reference data elements with the respective values would reside in a UPI reference data library. The UPI library would be maintained by the UPI provider and accessible to the data users.

[18] https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_firds

114. The future availability of the UPI reference data raises a question to what extent (if any), the instrument characteristics should continue to be reported under EMIR as part of the trade reports.

115. On one hand side ESMA considers that any duplication or redundancies in the reporting should be avoided, to the extent possible. It is ESMA's understanding that reliance on the reference data library instead of requirement to report the instrument reference data in trade reports could facilitate reporting, decrease reporting costs and increase the reconciliation rates.

116. At the same time it is recognised that supplementary reporting of some reference data in the trade reports may greatly facilitate the validation, analysis and determination of the access rights to the data.

117. To give an example, many of the conditional validations expected from the TRs are specific to asset classes and product types. From a technical perspective, such validations can be more easily performed, if the relevant fields are submitted in the same message rather than if the relevant values must be researched each time in a separate database.

118. Similarly, TRs need to determine the authorities' access right to the data based on a series of criteria, some of which refer to the UPI reference data (e.g. currency pair).

119. Finally, from the perspective of the data users, retaining of some basic instrument reference data in the trade reports may facilitate the analyses, in particular where the user is interested only in a subset of the data (e.g. a single asset class) or where such basic characteristics are used as dimensions in all analyses.

120. It should be noted that reporting of certain key reference data would be consistent with the approach applied under other regulations, e.g. under SFTR, where counterparties are expected to report certain characteristics of securities such as quality, maturity or type of the security.

121. Finally, given the current lack of certainty regarding the specific timeline for the complete implementation of UPI framework, unavailability of UPIs or inability to easily access the UPI reference data of the reported derivatives once the reviewed reporting requirements become applicable, the counterparties would be expected to continue to report the currently required characteristics of the derivatives until the UPIs and the associated reference data become fully available.

122. Once the UPI framework is fully implemented allowing the authorities, reporting entities and TRs to easily access the UPI reference data, ESMA could consider possibility of not requiring certain reference data to be reported by the counterparties to the TRs for those derivatives that are identified with the UPI. The table below contains the list of suggested UPI reference data elements as per the UPI guidance. The elements currently reported in EMIR (all of which would continue to be required in the absence of the fully available UPI reference data) are marked with bold font.

TABLE 2 UPI REFERENCE DATA[19]

Data element name	Data element description
Asset class	Indicates whether the asset, benchmark or another derivatives contract underlying a derivatives contract is, or references, an equity, rate, credit, commodity or foreign exchange asset.
Currency pair	A currency pair underlying a foreign exchange derivative
Delivery type	Indicates whether a derivatives contract will deliver a physical asset or a cash equivalent at settlement
Instrument type	Indicates whether an instrument is a swap, option or forward etc.
Notional schedule	Indicates whether a notional schedule is constant, amortising, accreting or custom.
Option style	Specifies when an option can be exercised. The value “European” specifies that an option can only be exercised on the expiration date; “American” specifies that an option can be exercised any time up to and including on the expiration date; and “Bermudan” specifies that an option can be exercised only at specified times during the life of the contract. Bermudan-style options include variations such as Canary- and Verde-style options.
Option type	Specifies whether an option gives the buyer the right to buy the underlying, i.e. “Call”, the right to sell the underlying, i.e. “Sell”, or the right to choose whether to buy or sell the underlying at the time of exercise, i.e. “Chooser”.
Return, pricing method or payout trigger	Return values indicate how a contract’s payout is determined. Pricing Method values indicate how a contract is valued. Payout Trigger values indicate an event that would result in a contract paying out.

[19] See page 13 of the TG on UPI

Seniority	Indicates the seniority of the debt security, or debt basket or index underlying a derivative.
Settlement currency	For a cash-settled contract, the currency to be delivered at the time of settlement.
Single or multiple currency	Indicates whether a single or multiple currencies underlie a derivative.
Single or multiple tenor	Indicates whether a single or multiple tenors of an index underlie a derivative.
Standard Contract Specification	The name of an existing document or reference that provides standard terms and conditions to be applied to the contract having the underlying asset or benchmark identified by the Underlier ID and Underlier ID source for which the UPI is assigned.
Underlier ID	An identifier that can be used to determine the asset(s), index (indices) or benchmark underlying a contract[20]
Underlier ID source	The origin, or publisher, of the associated Underlier ID.
Underlying asset or underlying contract type	A high-level description of the characteristics of an asset, index or contract underlying a derivative
Underlying asset subtype or underlying contract subtype	A lower-level description of the characteristics of an asset or contract underlying a derivative
Underlying credit index series	A number reflecting the constituents of an index for a given period of time
Underlying credit index version	A number reflecting any changes to the constituents of an index during the lifetime of the series.
Underlying rate index tenor period	The unit of time for the tenor of an index (e.g. day, week, month).
Underlying rate index tenor period multiplier	The number of time units for the tenor of an index.

[20] Underlying ID will still be required for the identification of the constituents of the custom baskets, in line with the UPI and CDE guidance.

Underlying contract tenor period	The unit of time for the tenor of an underlying contract.
Underlying contract tenor period multiplier	The number of time units for the tenor of an underlying contract
Underlier tenor period	The unit of time for the tenor of an underlying asset (e.g. bond).
Underlier tenor period multiplier	The number of time units for the tenor of an underlying asset (e.g. bond)

Q26. 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?

Q27. 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?

4.2.4 Use of Legal Entity Identifiers (LEIs)

4.2.4.1 Background

123. EMIR has been the first Regulation to require the use of the ISO 17442 LEI standard to identify the parties of a transaction. The Legal entity identifier (LEI) is a 20-character reference code to uniquely identify legal entities on a global basis.

124. Article 3 of the current ITS on reporting states that:

"A report shall use a legal entity identifier to identify:

(a) a beneficiary which is a legal entity;

(b) a broking entity;

(c) a CCP;

(d) a clearing member;

(e) a counterparty which is a legal entity;

(f) a submitting entity."

125. Since the current ITS on reporting entered into force, the LEI has officially become the unique identifier for counterparties that conclude derivatives contracts and that are legal entities.

126. Nevertheless, the current ITS does not contain precise indications about the validity (i.e. updating) of the LEI code. ESMA Q&A on EMIR and ESMA EMIR validation rules provide further clarity in that respect.

127. In particular, EMIR Q&A TR Question 10 (b)[21] clarifies that the code to be used to identify counterparties should be: "An LEI issued by, and duly renewed and maintained according to the terms of, any of the endorsed LOUs (Local Operating Units) of the Global Legal Entity Identifier System".

128. Also, EMIR validation rules[22] include a validation to be performed by the TR to verify that a valid and duly renewed LEI of the "Reporting counterparty ID", "Broker ID, "Report submitting entity ID", "Clearing member ID" and "CCP" is used in the reports. The actual validation rule for the above-mentioned fields (applicable for all reports except for those submitted with action type "Error" or "Early termination") is following:

"This field shall contain a valid LEI included in the GLEIF database maintained by the Central Operating Unit. The status of the LEI for all the above action types shall be "Issued", "Pending transfer" or "Pending archival".

129. Therefore, the LEI status needs some check controls from counterparties first and TRs then to ensure that the identifier is correct and valid.

130. Whereas EMIR Q&A TR Question 10 and the validation rules clearly specify that the LEI used should be current, the standards do not provide full clarity in this regard.

131. Therefore, with regards to the "Reporting Counterparty ID" field, it is proposed to include in the draft RTS and ITS on reporting that when reporting a transaction with action type "New" the LEI 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. This would make more enforceable the requirement to renew LEIs and would enhance the data quality by means of a reduction of the use of lapsed LEIs and the decrease in rejection rates.

132. ESMA will address the issues related to reporting of other action types with a lapsed LEI when publishing the new Validation Rules.

Q28. 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?

Q29. 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?

[21] https://www.esma.europa.eu/sites/default/files/library/esma70-1861941480-52_qa_on_emir_implementation.pdf
[22] https://www.esma.europa.eu/policy-rules/post-trading/trade-reporting

4.2.5 Inclusion of CDEs

4.2.5.1 Inclusion of CDEs (general information)

133. Technical Guidance on Harmonisation of critical OTC derivatives data elements (other than UTI and UPI)[23] (also referred to as "CDE guidance") is one of the reports delivered by the CPMI-IOSCO Harmonisation Group. It follows a request from FSB to develop global guidance on the harmonisation of data elements reported to TRs and important for the aggregation of data by authorities. The report comprises technical guidance on 101 data elements, including their definitions, formats, allowable values and existing industry standards.

134. Furthermore, the CDE guidance provides further recommendations concerning governance, maintenance and implementation of CDE. In particular, it recommends that CDE are adopted as an ISO standard and included in ISO 20022 by means of creating dedicated ISO 20022 messages. At this stage the international work on the development of these messages is ongoing and ESMA intends that the future ISO 20022 messages for reporting under EMIR are compliant with and leverage on CDE messages.

135. The CDE guidance is addressed to authorities, rather than directly to market participants. This means that it is in the remit of respective authorities to issue specific reporting requirements to market participants. In particular, it is for the authorities to decide which of the data elements covered by the guidance should be reported in their jurisdictions.

136. Section 4.4 includes a detailed analysis of the critical data elements from the perspective of the needs of reporting under EMIR. In order to facilitate the reading, it follows the structure of the CDE guidance, where each subsection is dedicated to a group of data elements related together thematically.

137. The respective subsections discuss first of all which of the data elements should be incorporated into EMIR reporting requirements, analysing if there are other related data elements that are not covered by the guidance, as well as further describing (where relevant) the standards, formats and allowable values to be used by the reporting counterparties. In this respect it should be noted that ESMA intends to follow the specifications of data elements included in the global guidance, however for some of the data elements minor adjustments are needed. For example only a subset of the data elements would be required when some of the values proposed in the CDE guidance are not relevant under EMIR. Such adjustments should not prevent the aggregation of EMIR data with data reported in other jurisdictions that follow the CDE guidance.

138. Furthermore, it should be noted that some of the data elements that are currently required to be reported will form part of the UPI reference data and therefore they will

[23] https://www.bis.org/cpmi/publ/d175.pdf

not need to be reported as separate data elements. The only exception are the fields Asset class and Product type, because these fields allow for a basic classification of the derivatives. These two variables are used as dimensions in a variety of analyses as well as preselecting trades for more targeted studies. Furthermore, they are already reported under the current RTS and ITS on reporting. Therefore, it seems that explicit reporting of these two fields will facilitate the data processing and analysis, while not increasing significantly the costs for market participants.

139. The exact definitions as well as standards and formats requirements for all the proposed reportable data fields are included in the tables in the Annexes to the Annex IV - Draft RTS on details of the reports to be reported to TRs under EMIR (Annex IV) and to the Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR (Annex V).

140. More information about content and structure of the tables of fields can be found in the introduction to the section 4.4.

Q30. Do you have any comments concerning ESMA approach to inclusion of CDEs into EMIR reporting requirements?

4.3 Reporting logic

4.3.1 Reporting of lifecycle events

141. Article 9(1) of EMIR as amended by EMIR REFIT sets out obligations with respect to reporting of lifecycle events, by stating that “Counterparties and CCPs shall ensure that the details of any derivative contract they have concluded and of any modification or termination of the contract are reported”.

142. Sufficiently detailed and transparent requirements on reporting of lifecycle events are necessary to ensure that the authorities can obtain a holistic and accurate view of the exposures in the market at any point in time. Therefore, this information is pivotal for the monitoring of the systemic risk and for increasing the transparency of the derivatives market.

143. Furthermore, it is recognised that instances of counterparties committing errors at the time of reporting do exist, e.g. a counterparty incorrectly reports the detail of a derivative contract or report trades that are not in the scope of the reporting obligations under EMIR. Such incorrect reports impact the usefulness of EMIR data and obscures the information received by the competent authorities. Therefore, it is equally important that the reporting specifications allow the counterparties to correct the inaccurate reports in a swift and efficient manner. This enables them to comply with the legal obligation to ensure the correctness of the reported information.

144. The current RTS and ITS on reporting include a dedicated reporting field “Action type” in which a counterparty must declare what is the content of the given report, in particular, whether it is triggered by a new trade, by a lifecycle event or if it is related to

correcting an previously reported inaccurate report. The action types envisaged under the current RTS and ITS on reporting are described in the Table 3 below.

TABLE 3. ACTION TYPES UNDER THE CURRENT RTS AND ITS ON REPORTING

Action type	Definition
New	A derivative contract for the first time.
Modify	A modification to the terms or details of a previously reported derivative contract, but not a correction of a report. This includes an update to a previous report that is showing a position in order to reflect new trades included in that position.
Error	A cancellation of a wrongly submitted entire report in case the contract never came into existence or was not subject to Regulation (EU) No 648/2012 reporting requirements but was reported to a trade repository by mistake.
Early Termination	An early termination of an existing contract.
Correction	A report correcting the erroneous data fields of a previously submitted report.
Compression	A compression of the reported contract.
Valuation update	An update of a contract valuation or collateral.
Position component	A derivative contract that is to be reported as a new trade and also included in a separate position report on the same day. This value will be equivalent to reporting a new trade followed by an update to that report showing it as compressed.

145. While the information provided currently in the field “Action type” is of utmost importance for the understanding of EMIR data, several deficiencies have been identified by data users over the last years in the course of analysis of the data. The main challenges related to the way this information is reported currently are following:

146. Some of the business events that are of interest to the competent authorities are not captured in the reports. For example, the same action type “Early termination” is used in the case of actual early termination of a contract, as well as in other cases including clearing, novation or exercise of an option. While this information can be in some cases implied from other characteristics of a report, there is no way to analyse such business events in an automated manner.

147. Currently, compression is the only business event that is explicitly included as a standalone category in the field “Action type”. This category should be used both for OTC portfolio compressions (without covering other post-trade risk reduction techniques) and compressions into ETD positions. However, it is used only to report a termination of a trade in relation to a compression event and does not provide information on trades that result from such an event. There is a separate field (“Compression”) that should be used to flag the trades that result from the compression, but this field applies only to the OTC portfolio compressions. ESMA and NCAs’ analysis

of data has revealed that there is a certain amount of confusion among market participants with respect to reporting compressions. Furthermore, even if the reporting was done correctly, the current setup of the relevant fields does not provide authorities with a full picture of compression events. It also does not allow to analyse use of risk-reduction techniques other than portfolio compression (the reporting of lifecycle events related to the post-trade risk reduction services is further discussed in the section 4.4.11).

148. The ability to link reports of different trades related to the same business events is currently limited. To address this deficiency it is proposed that counterparties report, where relevant, the "prior UTI" or the "PTRR[24] ID" (discussed in detail also in the section 4.4.11). Information concerning the nature of a business event will be crucial to understand the relationship between the linked trades as well as to validate that the prior UTI or the PTRR ID is provided by the counterparty in all required cases.

149. A single category "Valuation update" is currently expected to be used both for reporting of the valuations of the contract and of the collateral. In practice however, these two pieces of information are often reported separately due to (i) different business processes to determine the respective values and (ii) the fact that collateral can be reported at portfolio level for the whole set of corresponding trades.

150. Action type "Error" should be used only to cancel the reports that were sent by mistake. After a submission of this action type for a given UTI, counterparties are not allowed to submit any other action type for that UTI. This rule has been implemented to prevent counterparties from reusing the UTIs reported erroneously for the purpose of reporting other trades. However, on certain occasions counterparties cancel with action type "Error" correct trades, and then are obliged to artificially regenerate new UTIs for these trades in order to rereport them. This is creating some operational challenges both for market participants and the trade repositories.

151. To address the issues explained above, ESMA proposes a modified approach that should allow for providing more complete information and in a more straightforward manner.

152. The pivotal part of this proposal is an introduction of an additional field, "Event type" which would be dedicated to reporting the type of business event triggering a given report. The function of the field "Action type" would be limited to specifying whether a given report creates, modifies, corrects, terminates etc. a record pertaining to the trade in question.

153. This will allow the authorities to fully understand not only the status of a trade (e.g. whether it is outstanding or not), but also the nature of the event that impacted the trade. For example, it will allow to easily identify the trades that were cleared.

[24] Post-trade risk reduction. For further description please refer to the section 4.4.12

154. It is proposed to amend the field “Action type” by including in this field the following categories: New, Modify, Correct, Terminate, Error, Revive, Valuation, Collateral, Position component.

155. Furthermore, it is proposed that the new field “Event type” contains the following categories: Trade, Step-in, PTRR, Early termination. Clearing, Exercise, Allocation, Credit, Inclusion in position, Misreporting.

156. Table 4 and Table 5 provide definitions of the different action types and event types, respectively.

TABLE 4 PROPOSED ACTION TYPES

Action type	Definition
New	A report of a derivative, at a trade or position level, for the first time.
Modify	A modification to the terms or details of a previously reported derivative, at a trade or position level, but not a correction of a report.
Correct	A report correcting the erroneous data fields of a previously submitted report.
Terminate	A Termination of an existing derivative, at a trade or position level.
Error	A cancellation of a wrongly submitted entire report in case the derivative, at a trade or position level, never came into existence or was not subject to Regulation (EU) No 648/2012 reporting requirements but was reported to a trade repository by mistake.
Revive	Re-opening of a derivative, at a trade or position level, that was cancelled with action type “Error” or terminated by mistake
Valuation	An update of a valuation of a derivative, at a trade or position level
Collateral	An update of data related to collateral
Position component	A report of a new derivative that is included in a separate position report on the same day.

TABLE 5 PROPOSED EVENT TYPES

Event type	Definition
Trade	Conclusion of a derivative or renegotiation of its terms that does not result in change of a counterparty
Step-in	An event, where part or entirety of the derivative is transferred to another counterparty (and reported as a new derivative) and the existing derivative is either terminated or its notional is modified.
PTRR	Post-trade risk reduction operation

Event type	Definition
Early termination	Termination of a derivative, at a trade or position level
Clearing	Clearing as defined in Article 2(3) of Regulation (EU) No 648/2012
Exercise	The exercise of an option or a swaption by one counterparty of the transaction, fully or partially.
Allocation	Allocation event, where an existing derivative is allocated to different counterparties and reported as new derivatives with reduced notional amounts.
Credit event	Applies only to credit derivatives. A credit event that results in a modification of a derivative, at a trade or position level
Inclusion in position	Inclusion of a ETD or CfD into a position, where an existing derivative is terminated and either a new position is created or the notional of an existing position is modified.
Misreporting	Reporting of incorrect data or overreporting.

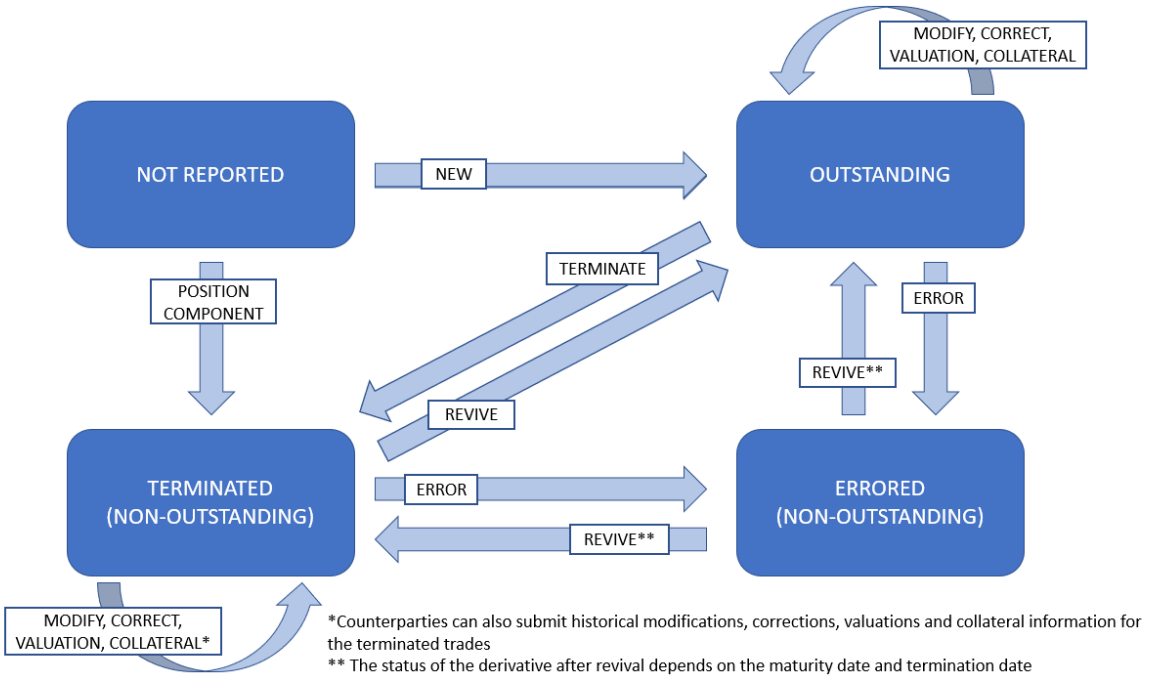
157.

158. Figure 1 below illustrates the status of the trade after submission of a given action type.

159. On top of the validation rules that help to ensure the correctness of the specific data elements as well as the internal consistency of the report, it is important to control, to the extent feasible, the logical coherence between the different reports sent for the same transaction.

160. Figure 1 below illustrate the state of the derivative after submission of a given action type and provides information on the allowable sequences of Action Types.

FIGURE 1 ALLOWABLE SEQUENCES OF ACTION TYPES AND THEIR IMPACT ON THE STATE OF THE DERIVATIVE



161. For instance, for a derivative that has not yet been reported (“Not reported”), the only allowable action types that are allowed when sending a report with a given UTI for a first time are either ‘New’ or ‘Position component’, and they change the state of that derivative to “Outstanding” and “Terminated (non-outstanding)” respectively.

162. An outstanding or terminated derivative (“Outstanding”, “Terminated (non-outstanding)”) can be modified and corrected multiple times and collateral and valuation reports can be sent for these derivatives multiple times (in any order), because none of the respective action types changes the state of the derivative. It should be noted though, that in the case of terminated derivatives, the reports in questions are expected to relate to the past events only. This is to allow for late reporting of e.g. missing collateral reports if they were not reported in due time.

163. Both terminated and outstanding trades can be errored and once an action type “Error” is sent, the derivative report is deemed to be erroneous and TRs should not accept any other report for that UTI. The only exception is when the action type “Error” was submitted by mistake, in which case the counterparty should subsequently send the action type “Revive”. Action type “Revive” changes the state of the derivative either to “Outstanding” (if the derivative had not been previously terminated and the maturity date is in the future) or to “Terminated (non-outstanding)” (if the derivative had been previously terminated or the maturity date is in the past). In both cases the submission of “Revive” after “Error” enables the submission of other reports for that UTI again, such as modifications or collateral updates, as shown in the above diagram.

164. Table 6 clarifies which combinations of Action type and Event type are feasible at trade and/or position level (for more details concerning reporting at position level please

refer to the section 4.3.2). Reporting of valuation and collateral updates (Action types "Valuation" and "Collateral"), is a daily, snapshot reporting not related to any specific business events, therefore no Event type is expected to be reported for these Action types. As for the Action type "Position component", it is used in the very specific scenario where a trade is concluded and immediately included into a position, therefore Event type is also not expected to be reported in this scenario. Consequently, the field "Event type" should be left blank when a report is submitted with Action Type "Valuation", "Collateral" or "Position component". The Action type "Position component" can be submitted only at trade level.

TABLE 6 COMBINATIONS OF ACTION TYPES AND EVENT TYPES

		Event Type									
		TRADE	STEP-IN	PTRR	EARLY TERMINATION	CLEARING	EXERCISE	ALLOCATION	CREDIT EVENT	INCLUSION IN POSITION	MISREPORTING
Action Type	NEW	T	T,P	T, P		T	T	T		P	
	MODIFY	T,P	T,P	T,P			T	T	T,P	P	
	CORRECT										T,P
	TERMINATE		T,P	T,P	T,P	T	T	T		T,P	
	ERROR										T,P
	REVIVE										T,P
	VALUATION										
	COLLATERAL										
	POSITION COMPONENT										

T- feasible at transaction level, P – feasible at position level

165. Table 7 further below clarifies under which circumstances each of the combinations of action type and event type should be used.

TABLE 7 APPLICABILITY OF COMBINATIONS OF ACTION TYPES AND EVENT TYPES

Action Type	Event Type	Applicability
New	Trade	When a derivative with a new UTI is created for the first time through trade and not because of another prior event.

Action Type	Event Type	Applicability
New	Step-in	When a derivative or position with a new UTI is created for the first time due to a Step-in event.
New	PTRR	When a derivative or position with a new UTI is created for the first time due to a PTRR event.
New	Clearing	When a derivative with a new UTI is created for the first time due to a Clearing event.
New	Exercise	When a derivative with a new UTI is created for the first time due to an Exercise event.
New	Allocation	When a derivative with a new UTI is created for the first time due to an Allocation event.
New	Inclusion in position	When a new position is created by inclusion of trades in that position for the first time
Modify	Trade	When a derivative or position with an existing UTI is modified due to renegotiation of the terms of the trade, because of the changes to the terms of the trade agreed upfront in the contract (except for when such changes are already reported e.g. notional schedule) or because previously not available data elements become available.
Modify	Step-in	When a derivative or position with an existing UTI is modified due to a Step-in Event
Modify	PTRR	When a derivative or position with an existing UTI is modified due to a PTRR event.
Modify	Credit event	When a derivative or position with an existing UTI is modified due to a credit event
Modify	Allocation	When a derivative with an existing UTI is partially allocated. This is used to report the amended notional of the existing derivative.
Modify	Inclusion in position	When a position with an existing UTI is modified because of inclusion of a new trade
Modify	Exercise	When a derivative or position, is amended due to the exercise of an option or swaption
Correct	Misreporting	When a derivative or position with an existing UTI is corrected because of an earlier submission of incorrect information.
Terminate	Step-in	When a derivative or position with an existing UTI is terminated due to a Step-in event. This is used for terminating the old UTI post Step-in.
Terminate	PTRR	When a derivative or position with an existing UTI is terminated due to a PTRR event. This is used for terminating the old UTI(s) after PTRR operation.
Terminate	Early termination	When a derivative or position with an existing UTI is terminated due to an early termination (and when no other cause/event is known as the reason for that termination)
Terminate	Clearing	When a derivative with an existing UTI is terminated due to a Clearing event. This is used for terminating alpha trades.
Terminate	Exercise	When a derivative with an existing UTI is terminated due to an Exercise event. E.g. this is used for terminating options/swaptions when these are being exercised.
Terminate	Allocation	When a derivative with an existing UTI is terminated due to an Allocation event. This is used for terminating the old UTI post allocation.

Action Type	Event Type	Applicability
Error	Misreporting	When a derivative or position with an existing UTI is cancelled due to an earlier submission of incorrect information. E.g. this is used to cancel the UTI of a derivative or position that should not have been reported (e.g. it is not a derivative transaction)
Revive	Misreporting	When a derivatives or position that has been cancelled is reinstated due to an earlier submission of incorrect information. E.g. this is used to reinstate the UTI of a derivative or position that has been erroneously terminated

Q31. Is the list of Action types and Event types complete? Is it clear when each of the categories should be used?

Q32. 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?

Q33. Is it clear what are the possible sequences of Action Types based on the Figure 1?

Q34. Are the possible combinations of Action type and Event type determined correctly? Is their applicability at trade and/or position level determined correctly?

166. With respect to the reporting of compressions and other post-trade risk reduction operations, it is important that authorities can easily identify the trades that are compressed or result from such operations.

167. Therefore, it is proposed that Event Type “PTRR” should only be used in the case of the OTC compressions and not in the case of a compression which results in the inclusion of a derivative in an ETD position.

168. For the compressed trades or trades terminated due to other PTRR operations, a counterparty should report Action Type “Terminate” and Event Type “PTRR”.

169. For the trades resulting from compression or other PTRR operations a counterparty should report Action Type “New” and Event Type “PTRR”.

170. Trades resulting from an OTC compression should additionally be flagged in the separate new field entitled “PTRR”.

171. A similar field (“Compression”) is already present in the current RTS and ITS on reporting. It is used only in the case of compressions as defined under Article 2(1)(47) of MiFIR. This field should also continue to be used when relevant, for the compressions defined in Article 2(1)(47) of MiFIR.

172. Finally, an ETD trade which is concluded and immediately included in a position, should be reported with Action Type “Position component” as required currently. If an ETD is first reported with Action Type “New” and it is included in a position on a later date, it should be terminated with a combination of Action Type “Terminate” and Event

Type “Inclusion in position”. The respective position should be created or modified at the same time.

Q35. Is the approach to reporting Compression sufficiently clear? If not, please explain what should be further clarified or propose alternatives.

173. ESMA proposes to include two separate action types for reporting respectively of the collateral and valuation of the contract: action type “Valuation” and action type “Collateral” respectively. This will allow to better validate the content of each of the reports as well as to verify the timely provision of both sets of information. Furthermore, it is ESMA’s understanding that many entities already send separate reports for valuation and for collateral, in particular when the collateral is exchanged at portfolio level.

Q36. 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?

174. ESMA has been made aware that on some occasions reports are mistakenly submitted by counterparties with the Action Type “Error” or “Termination” when that derivative is in reality valid and still outstanding.

175. Under the current reporting framework counterparties must then generate a new UTI in order to rereport the cancelled/terminated report. This situation creates some challenges from an operational perspective. While it is important that the counterparties have procedures in place to prevent this kind of errors, ESMA proposes to include an additional Action Type “Revive” which will allow counterparties to remediate this reporting mistake.

176. This Action Type should only be used in the case where a valid derivative’s report has been incorrectly cancelled or terminated by one or both counterparties.

177. In such a situation the counterparty or counterparties which submitted that cancellation or termination should report again using the same UTI and with Action Type “Revive” and subsequently continue to report the lifecycle events for that trade, as needed.

178. In order to ensure that this Action Type is not used incorrectly to modify the terms of the derivative, counterparties should only populate Action type, ID of the reporting counterparty, ID of the other counterparty, ID of the report submitting entity and UTI when submitting the report. Following the use of ‘”Revive” for this remediation exercise, the trade state report for the derivative should be the same as before the cancellation or termination.

Q37. 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?

4.3.2 Reporting at position level

179. Under the current RTS and ITS on reporting, counterparties are allowed to report post-trade events at position level in addition to trade-level reporting providing that certain conditions are met. EMIR Q&As (TR Question 17) provide further clarity in this regard. In particular, position-level reporting can be used if the legal arrangement is such that the risk is at a position level, all trade reports made to the TR relate to products that are fungible with each other and the individual trades previously reported to the TR have been subsequently replaced by the position report, for example in the case of trades between a clearing member and a CCP. If counterparty reports at position level, any subsequent updates, modifications and life cycle events (including revaluations) should be applied to the report of the position and not to the reports of the original trades.

180. To avoid double-counting of the reports of trades and those of positions in EMIR, the reports of the original trades must be updated to have an appropriate status so that it is clear that they are no longer open. In practice this is currently done by using the Action Type “Compression” or by using Action Type “Position component” when reporting a new trade that is immediately included in the position. A separate field “Level” is used to indicate whether a given report is submitted for a trade or for a position.

181. ESMA proposes to maintain this approach under the draft RTS and ITS on reporting with the only difference that the counterparties would need to use Action Type “Terminate” with Event Type “Inclusion in position” to report inclusion in a position of previously reported trades.

182. Furthermore, ESMA clarifies that the reporting at position level should be agreed between the two counterparties, i.e. the two counterparties to a trade should either both include it in a position or both continue to report the relevant lifecycle events at trade level.

Q38. Is the approach to reporting at position level sufficiently clear? If not, please explain what should be further clarified?

Q39. 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.

Q40. Are there any products other than derivatives concluded on a venue and CfDs that may need to be reported at position level?

4.4 Content of the report

183. Under the current RTS and ITS on reporting the reportable details are split between two tables: Table 1 Counterparty data and Table 2 Common data. The reason behind this structure is that certain elements are specific to the given counterparty (e.g. its identifier, business sector and location, the broker used by the counterparty to execute the derivative etc.) whereas other elements are descriptors of the derivative and are

common for both counterparties (e.g. characteristics of the product traded, notional, execution timestamp etc.). Data elements in the second table are further grouped into sections, e.g. contract type, contract information, details of the transaction etc.

184. ESMA believes that this differentiation between counterparty-specific and common data is helpful, and therefore it should be maintained. However, ESMA proposes some changes to the structures of the tables to further improve their readability.

185. Firstly, an additional table is provided for the reporting of margins. This is because margins are often exchanged on a portfolio level rather than for a single derivative and in practice are often reported in a separate report not related to a specific derivative. The newly introduced Table 3 contains fields relevant for reporting of collateral, including also the "UTI" and "Portfolio code" which will allow to link the reported margins either to the report of a specific derivative (via UTI) or to all derivatives in the collateralised portfolio (via Portfolio code that will also be reported in the individual derivatives' reports). This way of representing the data elements related to the reporting of margins is also consistent with the approach taken in the technical standards on reporting under SFTR[25]. Furthermore, including these data elements in the Table 1 (as in the current RTS and ITS on reporting under EMIR) may lead to impression that they are counterparty-specific, whereas in fact it is expected that the margins are reported consistently by both counterparties (even if currently this information is not reconciled).

186. Similarly, the data elements related to the valuation of the contract are moved from the Table 1 to Table 2, given that the value of the contract reported by the two counterparties should not diverge significantly. Additionally, ESMA is consulting on including the Valuation of the contract into the scope of fields subject to the reconciliation (please refer to the section 5.2 for further details).

187. ESMA also amended ordering of certain data elements and their classification into different sections of the tables, with a view to group similar data elements together and make the tables more transparent.

188. Finally, an additional column "CDE/UPI" was included for information purposes. Fields that are included in the CDE guidance are marked with "CDE", whereas the data elements that are expected to be covered by the UPI reference data are flagged with "UPI". As explained in the section 4.2.3.7, in the future when UPIs are available and regulators can access the relevant information via the UPI reference data library, it may be unnecessary to require all the data elements concerned in the derivatives reports.

189. Overall, the number of reportable fields proposed for the draft technical standards on reporting is higher than required currently (increase from 129 to 203 data fields). It should be noted though that majority of the data elements (121) is stemming from the globally agreed CDE guidance. These data elements are deemed crucial for the global aggregation of OTC derivatives data.

[25] Commission Delegated Regulation (EU) 2019/356 of 13 December 2018 supplementing Regulation (EU) 2015/2365 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of securities financing transactions (SFTs) to be reported to trade repositories (OJ L 81, 22.3.2019, p.1).

190. Furthermore, part of the increase in the number of fields can be attributed to the better specification thereof and should actually facilitate the reporting. For instance, currently there is no dedicated field to report spread on a floating rate and some counterparties were providing this information in the fields Fixed rate or Price/rate. The revised table of fields contains dedicated fields to report spread and currency in which it is expressed for each leg of the derivative (4 new fields in total) to ensure accurate reporting in all scenarios. Similarly, the revised table includes several fields to report notional and price schedules (when a derivative involves such schedules). These additional fields will allow to report the notional or price schedule upfront at the conclusion of the contract, as opposed to sending a modification report each time the notional or price changes according to such schedule. This amendment is also expected to alleviate the reporting burden, decreasing the number of reports that the counterparty has to submit as well as limiting the risk of reporting errors.

191. Finally, it should be noted that only a subset of the fields included in the tables is applicable to all trades. Many reporting fields are required only for a specific asset class (e.g. credit derivatives), contract type (e.g. options) or post-trade event (e.g. clearing).

Q41. 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.

4.4.1 Data elements related to dates and timestamps

192. In developing draft technical standards, ESMA shall take into account international developments and standards agreed upon at Union or global level (see Article 9(6), second subparagraph, of EMIR as amended by EMIR REFIT).

193. It is proposed that the data elements related to dates and timestamps are aligned with the specifications in the CDE guidance.

4.4.1.1 Effective date

194. The CDE guidance defines the “effective date” as the date at which obligations under the OTC derivative transaction come into effect, as included in the confirmation, whereas the current RTS on reporting simply refers to the “Date when obligations under the contract come into effect”[26].

195. ESMA proposes to align the definition of Effective date to the CDE guidance by referring to the confirmation date.

196. The reporting of “Effective date” is further clarified in EMIR TR Q&A 48, where it is explained that, where the counterparties did not specify the effective date as part of the

[26] Table 2, Field 26 of the Annex to Commission Delegated Regulation (EU) No 148/2013 of 19 December 2012 as amended by Commission Delegated Regulation No 2017/104 of 19 October 2016, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards on the minimum details of the data to be reported to trade repositories (OJ L 52, 23.2.2013, p. 1).

terms of the contract, Field 2.26 shall be populated with the date of execution of the derivative.

197. ESMA considers that the proposed definition of “Effective date”, as clarified by the EMIR Q&A, does not need further explanations, and proposes to retain it.

Q42. 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?

4.4.1.2 Expiration date / Maturity date

198. The CDE guidance defines “expiration date” as “Unadjusted date at which obligations under the OTC derivative transaction stop being effective, as included in the confirmation. Early termination does not affect this data element.” This data element is already included in the current RTS[27] and ITS[28] on reporting, though it is named “maturity date”.

199. Differently from the definition of “maturity date” under the current RTS and ITS on reporting, the CDE guidance also refers to the date as included in the confirmation.

200. ESMA proposes to align the name and the definition of “maturity date” to the international standards and include reference to confirmation.

201. The current RTS on reporting[29] defines maturity date as the “Original date of expiry of the reported contract. An early termination shall not be reported in this field”.

202. The EMIR TR Q&A 12 and 34 provide further clarifications concerning the reporting of maturity date in specific scenarios or for a specific type of instruments. Furthermore, the Q&As specify that the counterparties should report unadjusted maturity date (in line with the definition contained in the CDE guidance).

203. ESMA considers that both the general procedure of when the maturity date should be reported and some particular cases are thoroughly explained in the current RTS on

[27] Table 2, Field 27 of the Annex to Commission Delegated Regulation (EU) No 148/2013 of 19 December 2012 as amended by Commission Delegated Regulation No 2017/104 of 19 October 2016, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards on the minimum details of the data to be reported to trade repositories (OJ L 52, 23.2.2013, p. 1).

[28] Table 2, Field 27 of the Annex to Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012 as amended by Commission Implementing Regulation 2017/105 of 19 October 2016 and by Commission Implementing Regulation 2019/363, laying down implementing technical standards with regard to the format and frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories (OJ L 352, 21.12.2012, p. 20).

[29] Table 2, Field 21 of the Annex to Commission Delegated Regulation (EU) No 148/2013 of 19 December 2012 as amended by Commission Delegated Regulation No 2017/104 of 19 October 2016, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards on the minimum details of the data to be reported to trade repositories (OJ L 52, 23.2.2013, p. 1).

reporting and further clarified in the ESMA Q&As . ESMA proposes not to include further provisions in this regard in the technical standards.

Q43. 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?

4.4.1.3 (Early) termination date

204. The CDE guidance include in the definition of “early termination date” a series of examples of circumstances triggering early termination. This is not the case with the definition of “termination date” under the current RTS on reporting.

205. ESMA does not intend to include examples specified in the CDE guidance within the definition of the field, however, considers that these examples correctly indicate in which circumstances early termination should be reported. Otherwise ESMA intends to align the definition of the “termination date” with the one included in the CDE guidance.

Q44. Do you agree with the proposed definition? Are there any other aspects that should be covered in the technical standards?

4.4.1.4 Reporting timestamp

206. The current definition of reporting timestamp is already aligned to the CDE guidance. No change appears necessary.

4.4.1.5 Execution timestamp

207. As regards the definition of the content of the Execution timestamp field there are some differences between the CDE guidance and the current RTS on reporting. These differences are due to the fact that the definition under the EU legislation was drafted in order to also apply to ETDs reporting, whereas the CDE definition only applies to OTC contracts. Therefore, in this case, a misalignment with IOSCO standards appears justified by the different purposes pursued. ESMA proposes to enrich the definition provided in the CDE guidance in order to address also the reporting at position level.

Q45. Do you agree with the proposed definition? Are there any other aspects that should be covered in the technical standards?

4.4.1.6 Event date

208. The field “Event date” should be implemented consistently with the SFTR reporting requirements, i.e. this field should be applicable for all reports and should refer to the date when a given event took place or when a modification became “effective” (rather than to the date of agreement to modify the trade).

Q46. Do you foresee any difficulties with the reporting of Event date? Please flag these difficulties if you see them.

4.4.2 Data elements related to counterparties and beneficiaries

4.4.2.1 Use of identifiers

209. Since the entry into force of EMIR great focus was set on importance of a unique identifier for legal entities involved in derivatives transactions. This was a key requirement to ensure the correct and unique identification of all the relevant entities involved in a transaction.

210. Under the current ITS and RTS on reporting, the reporting counterparty of the contract must be identified with a unique code, the ISO 17442 Legal Entity Identifier (LEI).

211. The other counterparty of the contract (in the perspective of the reporting counterparty) must also be identified with the LEI, unless the other counterparty is a private individual, in which case a client code must be used in a consistent manner to identify that individual.

212. The beneficiary[30] of the contract must be identified in the same manner, i.e. with the LEI if it is a legal entity or with a consistently assigned client code otherwise.

213. The CDE guidance provides that Reporting Counterparty (CP1) and the other counterparty (CP2) shall be identified and recommends the LEI as the identifier. In relation to the identification of the beneficiary of the transaction, the CDE guidance also recommends the identification with the LEI.

214. Furthermore, both for the Other counterparty and the Beneficiary, the CDE guidance states that the natural persons who are acting as private individuals (not business entities) should be identified with a 72-character code being a concatenation of the LEI of the reporting counterparty followed by a unique identifier assigned and maintained consistently by the reporting counterparty for that natural person(s) for regulatory reporting purpose. This way of identifying natural persons is intended to ensure global uniqueness of the identifiers, meaning that the same code will never be assigned to two different individuals. It does not however guarantee globally consistent identification of individuals, as the same individual will be identified differently in its trades with different legal entities.

215. The current approach to the reporting of data elements for counterparties and beneficiaries raises a series of issues. The main one, related to the validity of the LEI code used as identifier in the report, has already been assessed under section 4.2.4. Similarly to what has been previously discussed, ESMA proposes to specify in the 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)

[30] According to the current RTS on reporting, Annex, Table 1, Field 11, beneficiary is "The party subject to the rights and obligations arising from the contract. […]"

of the Global Legal Entity Identifier System, in order to enforce the requirements and enhance the data quality.

216. In regard to the identification of private individuals, ESMA proposes to implement the CDE guidance by requiring reporting of client code in the format “LEI of Reporting Counterparty + Internal Identifier of Individuals”. Alternatively, the second option is to replace the Client Code with the National Client Identifier as required in MIFIR transaction reporting. This second option would result in a more consistent identification of private individuals involved in derivatives transactions and therefore would increase supervisors’ capacity to monitor market abuse. On the other hand, it should be kept in mind that EMIR data is accessed by many authorities, not only NCAs, therefore use of the identifiers including personal data may trigger data privacy issues.

Q47. 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.

Q48. 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.

4.4.2.2 Update of the identifier

217. In July 2018, ESMA updated its EMIR Q&A by including TR Question 40 relating to the process to be applied by TRs and counterparties in the case of changes in the LEI related to mergers, acquisitions or 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. ESMA is of the opinion that due the importance of such events, it should be included in the Technical Standards.

218. The proposal is to include certain clarifications covered by the text of the TR Question 40 in the draft RTS on procedures for ensuring data quality with limited changes. The changes pertain (i) including time-bound elements both for the TRs and the counterparties, (ii) including the ability to update transactions that are terminated at the time where the TR is performing the updates of the LEI and (ii) including a process amongst TRs to ensure an update of all transactions where the LEI to be changed, appears as LEI of the counterparties or as the identifier of any other party that intervene in the transaction.

219. The timely bound elements that ESMA proposes to include are related to the delay between the announcement by the counterparty to the TR of the event and the update of the LEI or other identifier by the TRs. ESMA proposes to perform the process within one month.

220. ESMA is of the opinion that the LEI or other identifier update should apply to all outstanding trades at the time when the event is processed by the TRs but as well to all transactions that were outstanding at the time the event took place and between these two dates, irrespective of the moment when the TR processes the change of LEI or other identifier.

221. ESMA considers as well that TRs should communicate between them as the event might require to be processed by several TRs. Indeed, it is possible that a counterparty not affected by a corporate restructuring event has reported transactions involving the LEI of another party affected by a corporate restructuring event (e.g. as other counterparty, reporting submitting entity, broker, CM, CCP). In this case ESMA is of the opinion that the change in the LEI or other identifier should be processed by all the TRs where the original LEI or identifier is included in any field of the reports. Therefore the TRs should communicate amongst them in order to be able to process the modifications consistently.

222. Similarly, counterparties who have reported transaction involving an entity that is impacted by the update of the identifier (where the identifier has been reported in a field such as other counterparty / counterparty 2, CCP, Clearing Member, Beneficiary ...) should be informed of the change by the TR as well. Therefore the TR should communicate the change to all entities that have reported transactions impacted by the change. In case the event is partial i.e. only a subset of the derivatives are impacted by the modification of identifier, it should be clarified whether the entity to which the change in identifier pertains should identify all derivatives impacted, even though it is not counterparty of the transactions e.g. in case of a Clearing Member or a Broker. Ideally, the entity to which the change in identifier pertains should provide the list of impacted Trade IDs, however ESMA understands that the entity might not have the information. For example, where the entity is Clearing Member, it might not have access to the UTIs exchanged by its indirect clearing member and its client. Similarly, the broker may not know the UTIs of the derivatives executed for his clients. In such cases, the entity should provide the TR with sufficient information for the TR to be able to process the information such as the list of impacted entities or the type of instruments impacted.

223. In cases where the counterparty is not responsible and legally liable for reporting transactions, it might be unclear which entity is responsible for notifying the TR of the update of identifier. ESMA has identified 2 main options:

- Option 1: The counterparty affected by the event is responsible for communicating the change. The counterparty can delegate this to a report submitting entity or to the counterparty responsible for reporting.

- Option 2: Where the counterparty is not responsible and legally liable for reporting, the entity who is responsible and legally liable for reporting shall communicate with the TR. The counterparty shall nevertheless provide all information the entity cannot be reasonably expected to possess.

Q49. Do you agree on the proposal to include this process in the draft RTS on procedures for ensuring data quality?

Q50. 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?

Q51. 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?

Q52. 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?

Q53. Which entity should identify all transactions that should be amended due to a partial modification of the identifier of an entity?

Q54. 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?

Q55. 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?

4.4.2.3 Fields "Beneficiary" and "Trading capacity"

224. The CDE guidance states that many non-EU countries (such as US and India) do not differentiate counterparties from beneficiary, as opposed to EU and China.

225. The EMIR Q&As (Q&A General Question 1 (c)) identify one use case where Beneficiary is different from the reporting counterparty, namely when a derivative is concluded at the level of umbrella fund, in which case it should be identified as the counterparty and the sub-fund – as the beneficiary.

226. ESMA and other authorities have observed that at present in most of the cases the Beneficiary and the Reporting Counterparty are the same entities. In some other case the field appears not to be reported in a consistent manner, thus limiting the usefulness of the information provided therein. In particular, it appears that the field is misinterpreted by some reporting counterparties who consider their client (mostly when they are natural persons) to be the beneficiary of the transaction, when in fact these clients are indeed counterparties to the transactions.

227. In the light of the above considerations, ESMA considers removing the field from the reporting requirements. However, it is important to understand if there are scenarios in which such a decision would result in loss of a relevant information.

228. The field "Trading capacity" is used to specify whether " […] the reporting counterparty has concluded the contract as principal on own account (on own behalf or behalf of a client) or as agent for the account of and on behalf of a client"[31]. It is understood that under EMIR the counterparties always report themselves as "Principal" in the transactions. For this reason, the value of this field with regards to EMIR counterparties is questionable. Considering that the elimination of this field would have a small impact

[31] Annex, Table 1, Field 12 of the current RTS on reporting; Annex, Table 1, Field 12 of the current ITS on reporting.

on supervisory activity, and that this field is not mandated by the CDE guidance, ESMA proposes to eliminate the field.

Q56. 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)?

Q57. 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?

4.4.2.4 Direction of the trade

229. The CDE guidance include, also, a section dedicated to the "Direction of Trades", setting up a hybrid approach involving two different approaches according to the type of instrument concerned.

230. Another issue related to the misalignment between the CDE guidance and the current RTS and ITS on reporting is the determination of direction of trades. While the current ITS on reporting has established a set of detailed rules to determine the buyer and the seller for different types of instruments, the CDE guidance recommends a hybrid approach with two mutually exclusive ways or reporting the direction of the derivative. Determination which of the two ways should be applied for a given derivative is based on the type of instrument concerned. In the case of instruments like forwards (except for FX forwards), options, swaptions, CDS, CfDs, spreadbets and variance, volatility and correlation swaps, the counterparties should report buyer and seller as determined at the time of the transactions. For other instruments, for which the identification of the buyer and seller is not straightforward, including for IRS, TRS, most equity swaps, FX swaps and FX forwards, the counterparties should determine the payer and the receiver of the leg as determined at the time of the transaction.

231. Furthermore, the CDE guidance proposes two ways of reporting the direction of trade. Under first option, the counterparties would report (by using an indicator in a dedicated field) whether the reporting counterparty is buyer/seller (for the first group of instruments) or payer/receiver of the leg (for the second group of instruments). This approach is more aligned with the current reporting of direction specifying in the field "Counterparty side" whether the reporting counterparty is the buyer or the seller. Under the alternative approach, 4 additional fields ("Buyer", "Seller", "Payer" and "Receiver") would be added, and the counterparties would need to report in these field the LEI or client code of the relevant counterparty.

232. ESMA proposes to align the reporting of the direction of the trade with the CDE guidance by adopting the hybrid approach referred to in paragraph 230.

233. With respect to the two alternative ways of representing this information, as set out in the CDE guidance and referred to in paragraph 231, ESMA proposes to implement the first option which is more aligned with the current reporting requirements.

Q58. 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.

Q59. 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.

4.4.3 Data elements related to clearing, trading, confirmation and settlement

4.4.3.1 Clearing

234. Article 2 of the current RTS on reporting prescribes that where a derivative contract whose details have already been reported pursuant to Article 9 EMIR is subsequently cleared by a CCP, that contract shall be reported as terminated using the action type "Early Termination". The new contracts resulting from clearing shall be reported with action type "New".

235. The same Article also provides that where a contract is both concluded on a trading venue and cleared on the same day, only the contracts resulting from clearing shall be reported.

236. Furthermore, for cleared contracts the counterparties should identify in the report the CCP and the clearing member, as well as specify the clearing timestamp.

237. ESMA proposes to maintain this reporting logic and maintain the relevant fields.

238. With respect to the field "Cleared", under the current ITS on reporting only two statuses are reportable, namely cleared ("Yes") and non-cleared ("No"). In contrast, the CDE guidance introduces a third option: "Intent to clear".

239. ESMA considers that the need to align to international guidance as regards allowable values shall be assessed on a case by case basis, as some of the critical data elements may not be relevant or applicable for specific jurisdictions. In this case, the value "Intent to clear" is not deemed useful for supervisory purposes and its absence should not have an impact on the global aggregation of data.

Q60. 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.

Q61. Do you have any other comments concerning the fields related to clearing?

4.4.3.2 Confirmation

240. Article 12 of the current RTS on risk mitigation dictates a series of rules on timely confirmation.

241. Date and time of confirmation, as determined pursuant to Article 12 of the current RTS on clearing arrangements constitute the “confirmation timestamp” that should be reported under the current RTS on reporting. Furthermore, the current RTS on reporting require reporting of the “Confirmation means”.

Q62. 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.

4.4.3.3 Settlement

242. The current RTS on reporting indicates “Settlement date” as “date of settlement of the underlying” and sets this field as repeatable. This description is not aligned to the one in the CDE guidance, which refers to the final settlement date.

243. ESMA suggests aligning the description of settlement date to the CDE guidance. However, it should be possible to report the field twice, to report accurately certain products such as FX swaps for which a settlement date for each leg should be reported.

244. The CDE guidance suggest the reporting of “Settlement location” for derivatives traded in off-shore currency. At this stage ESMA does not see reporting of this field as necessary and proposes that for the derivatives traded in off-shore currencies, the counterparties report onshore currency in the relevant fields.

245. As regards the field “Deliverable currency” ESMA proposes to rename it “Settlement currency” to align it with the CDE guidance as well as to harmonise its definition with the one included in the guidance.

246. ESMA proposes to eliminate the field “Delivery currency 2” given that the “Settlement currency” as proposed in the CDE guidance should be specified for each leg of the multicurrency products, therefore it is not necessary to maintain a separate field “Delivery currency 2”.

Q63. Do you have any comments concerning the fields related to settlement?

4.4.3.4 Trading venue

247. The current RTS and ITS on reporting require identification of the venue of execution with the MIC of that venue and clarify that for OTC derivatives the field should be populated with ‘XOFF’ or ‘XXXX’ depending on whether the respective instrument is admitted to trading/traded on a trading venue or not.

248. These requirements are broadly aligned with the recommendations included in the CDE guidance for the data element “Platform identifier”, with the only exception of an

additional value specified in that guidance, namely the value “BILT” denoting that the reporting counterparty cannot determine whether the instrument is listed or not, as per jurisdictional requirements. ESMA recalls that in the EU all instruments admitted to trading or traded on a trading venue are made publicly available on ESMA website[32], therefore the counterparties are expected to be able to determine whether they should report ‘XOFF’ or ‘XXXX’. Consequently, it is proposed that the value ‘BILT’ is not allowed in the reporting under EMIR.

249. Nevertheless, ESMA acknowledged certain shortcomings in the current reporting of the identifier of the trading venue. In particular, the description included in the current RTS on reporting states that for OTC derivatives counterparties should report ‘XOFF’ or ‘XXXX’, meaning that the actual MIC of a venue should be reported only for regulated markets and third-country venues equivalent to the regulated markets. On the other hand the validation rules allow for reporting of specific MICs for any type of a venue (in particular – the MTFs and OTFs) and such granular information reporting by the counterparties is useful for the supervisors. Consequently, it is proposed to revise the definition and format for this field and align it with the ones used under MiFIR for transaction reporting. In practice, this would mean that the reporting of the specific MIC code will also be required for the MTFs, OTFs, SIs and organised trading platforms outside of the Union, even if the derivatives concluded on these venues are OTC derivatives under the definition set out in EMIR.

Q64. Do you have any comments concerning the proposed way of reporting of the trading venue?

4.4.4 Data elements related to regular payments

250. The current RTS on reporting specify content of reporting of data elements related to regular payments in Table 2, Section 2f of the Annex.

251. Furthermore, the ITS on reporting specify the format in which this information should be provided:

a. For fixed legs: Day count convention: “Numerator/Denominator where both Numerator and Denominator are numerical characters or alphabetic expression “Actual”, e.g. 30/360 or Actual/365”[33];

b. For fixed and floating legs: Payment frequency-time: “Time period describing how often the counterparties exchange payments, whereby the following abbreviations apply: Y = Year M = Month W = Week D = Day”[34];

[32] https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_firds
[33] Annex, Table 2 Field 41 of the current RTS on reporting.
[34] Annex, Table 2 Field 45 of the current RTS on reporting.

c. For fixed and floating legs: Payment frequency-multiplier: “Integer multiplier of the time period describing how often the counterparties exchange payments. Up to 3 numerical characters.”[35]

d. For floating legs: Reset frequency- time period: Time period describing how often the counterparties reset the floating rate, whereby the following abbreviations apply: Y = Year M = Month W = Week D = Day”[36]

e. For floating legs: Reset frequency- multiplier: Integer multiplier of the time period describing how often the counterparties reset the floating rate. Up to 3 numerical characters.”[37]

f. For floating legs: reference period- time period: Time period describing reference period, whereby the following abbreviations apply: Y = Year M = Month W = Week D = Day”[38]

g. For floating legs: reference period- multiplier: integer multiplier of the time period describing the reference period.”[39]

252. This way of reporting is not aligned to the CDE guidance, which contains different definitions and allowable values for some of the above-mentioned fields:

a. Day count convention: “day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments are calculated. It is used to compute the year fraction of the calculation period and indicates the number of days in the calculation period divided by the number of days in the year”. Allowable values: • A001 • A002 • A003 • A004 • A005 • A006 • A007 • A008 • A009 • A010 • A011 • A012 • A013 • A014 • A015 • A016 • A017 • A018 • A019 • A020 • NARR.

b. Payment frequency-time: “For each leg of the transaction, where applicable: time unit associated with the frequency of payments, e.g. day, week, month, year or term of the stream.” • DAIL = daily; WEEK = weekly; MNTH = monthly; YEAR = yearly; ADHO = ad hoc which applies when payments are irregular; TERM = payment at term.

c. Payment frequency-multiplier: “For each leg of the transaction, where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur.” Allowable values: any value greater than or equal to zero.

253. Furthermore, the use of “day count convention” is not limited to the fixed rate legs.

[35] Annex, Table 2 Field 44 of the current RTS on reporting.
[36] Annex, Table 2 Field 53 of the current RTS on reporting.
[37] Annex, Table 2 Field 54 of the current RTS on reporting.
[38] Annex, Table 2 Field 56 of the current RTS on reporting.
[39] Annex, Table 2 Field 57 of the current RTS on reporting.

254. ESMA proposes to align the allowable values under Table 2, Section 2f, of the current RTS and ITS on reporting with the relevant values specified in the CDE guidance as well as make the data element “Day count convention” applicable to the floating rate legs.

Q65. Do you foresee any difficulties related to the proposal for reporting the data elements related to the regular payments?

4.4.5 Data elements related to valuation

255. The value of an existing contract is a key field to determine exposures and consequently assess counterparty credit risk and identify vulnerabilities in the financial system. Currently, there are 4 fields that relate to valuation. All of these are also reflected in the CDE guidance:

    a. Field 1.17 Value of the contract (CDE 2.25)

    b. Field 1.18 Currency of the value (CDE 2.26)

    c. Field 1.19 Valuation timestamp (CDE 2.27)

    d. Field 1.20 Valuation type (CDE 2.28)

256. The value of the contract can be determined using various methodologies. It is important to clearly set out how the value is determined. The market value should represent the total value of the contract, rather than a daily change in the valuation of the contract.

257. The valuation by the CCP – if applicable – takes precedent. For uncleared contracts, valuations should be performed in accordance with International Financial Reporting Standard 13 Fair Value Measurement as adopted by the Union and referred to in the Annex to Commission Regulation (EC) No 1126/2008[40]. Valuation adjustments such as credit valuation adjustments (CVA) and debit valuation adjustments (DVA) can also be included in the fair value under IFRS 13. However, ESMA considers it most appropriate to exclude these from the value of the contract reported under EMIR. The main argument for this approach lies in the fact that the contract value is used to determine counterparty exposure and that collateralisation and margining are reported separately for this purpose.

258. This does not imply that in the case of a derivative not cleared by a CCP, counterparties do need to agree exactly on the valuation reported, i.e. the value of the contract is not considered to be common data. Nonetheless, the value as reported by

[40] Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council (OJ L 320, 29.11.2008, p. 1).

both counterparties should not differ markedly. Margins - as reported in the collateral fields - are separate from the contract value, i.e. margins should not be deducted from the value of the contract.

259. By the end of the day following execution (reporting time limit) the contract and all its characteristics, including valuation, should be reported. The valuation should be submitted daily even if the value is unchanged. The value can be either positive or negative and should reflect the full value of contract and not the marginal change in the value.

260. The valuation timestamp reflects the date and time of the last valuation marked to market, provided by the central counterparty (CCP) or calculated using the current or last available market price of the inputs. If for example a currency exchange rate is the basis for a transaction's valuation, then the valuation timestamp reflects the moment in time that exchange rate was current.

261. The valuation type should be in accordance with the determination of valuation method applied. This means that CCP-cleared trades should have a valuation type indicating that the value as determined by the CCP is reported. A contract is considered to be marked to market as long as all inputs are derived directly from (quoted or transacted) market prices. If at least one valuation input is used that is classified as mark-to-model, the whole valuation is classified as mark-to-model.

262. ESMA proposes to leave the valuation fields and the guidance unchanged. The formats are also to be kept unchanged with the exception of the "Value of the contract" which is to be set up to 25 numerical characters including up to 5 decimal places.

Q66. Do you agree to leave the valuation fields unchanged? If not, what changes do you propose?

Q67. Do you agree that the contract value is most relevant for authorities when reported as the IFRS 13 Fair Value without applying valuation adjustments?

Q68. 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)?

Q69. 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?

4.4.6 Data elements related to collateral, margins and counterparty rating triggers

263. In order to effectively monitor exposures, it is necessary to have detailed information on the collateralisation of derivatives. Currently, there are 15 fields that relate to collateralisation. All of these are also reflected in the CDE guidance:

a. Field 1.21 Collateralisation (CDE 2.47);

b. Field 1.22 Collateral Portfolio (CDE 2.29);

c. Field 1.23 Collateral Portfolio Code (CDE 2.30);

d. Field 1.24 Initial margin posted (CDE 2.31);

e. Field 1.25 Currency of the initial margin posted (CDE 2.33);

f. Field 1.26 Variation margin posted (CDE 2.37);

g. Field 1.27 Currency of the variation margins posted (CDE 2.39);

h. Field 1.28 Initial margin received (CDE 2.34);

i. Field 1.29 Currency of the initial margin received (CDE 2.36);

j. Field 1.30 Variation margin received (CDE 2.40);

k. Field 1.31 Currency of the variation margins received (CDE 2.42);

l. Field 1.32 Excess collateral posted (CDE 2.43);

m. Field 1.33 Currency of the excess collateral posted (CDE 2.44);

n. Field 1.34 Excess collateral received (CDE 2.45);

o. Field 1.35 Currency of the excess collateral received (CDE 2.46).

264. The collateral fields are not applicable to transactions by non-financial counterparties. However, in order to identify and monitor undercollateralized sectors of the financial system, a field on the collateralisation category has been applied in the current RTS and ITS on reporting. This data element also helps authorities to monitor potentially risky activities, such as excessive risk-taking or lack of compliance with EMIR's collateralisation requirements.

265. ESMA proposed to keep this field in place. The current format provides sufficient information under a dual-sided reporting regime, but it is not compatible with information gathered under a single-sided regime. Therefore, in order to facilitate global aggregation of derivatives information, ESMA proposes, to extend the categories that need to be reported in this field in order to capture the collateralisation by both counterparties to the transaction. ESMA proposes that the following collateralisation categories are reported, in line with the CDE guidance:

a. Uncollateralised - where no collateral agreement exists between the counterparties or where the collateral agreement between the counterparties stipulates that the counterparties do not post neither initial margin nor variation margin

b. Partially collateralised: counterparty 1 only - where the collateral agreement between the counterparties stipulates that the reporting counterparty only posts regularly variation margins and that the other counterparty does not post any margin.

c. Partially collateralised: counterparty 2 only - where the collateral agreement between the counterparties stipulates that the other counterparty only posts regularly variation margin and that the reporting counterparty does not post any margin.

d. Partially collateralised - where the collateral agreement between the counterparties stipulates that both counterparties only post regularly variation margin.

e. One-way collateralised: counterparty 1 only - where the collateral agreement between the counterparties stipulates that the reporting counterparty posts the initial margin and regularly posts variation margins and that the other counterparty does not post any margins.

f. One-way collateralised: counterparty 2 only - where the collateral agreement between the counterparties stipulates that the other counterparty posts the initial margin and regularly posts variation margins and that the reporting counterparty does not post any margins.

g. One-way/partially collateralised: counterparty 1 - where the collateral agreement between the counterparties stipulates that the reporting counterparty posts the initial margin and regularly posts variation margin and that the other counterparty regularly posts only variation margin.

h. One-way/partially collateralised: counterparty 2 - where the collateral agreement between the counterparties stipulates that the other counterparty posts the initial margin and regularly posts variation margin and that the reporting counterparty regularly posts only variation margin.

i. Fully collateralised - where the collateral agreement between the counterparties stipulates that both counterparties post initial margin and regularly post variation margins.

266. . The table below shows different scenarios of collateralisation and how they should be reported using the new categories.

TABLE 8 COLLATERALISATION CATEGORIES

Scenarios					Current rules		Proposed rules	
Nr.	Collateral to be posted (acc. to the agreement)				CP A report	CP B report	CP A report	CP B report
	CPA		CPB					
	IM	VM	IM	VM				
1	-	-	-	-	U	U	**UNCO**	**UNCO**
2	-	Y	-	-	PC	U	**PAC1**	**PAC2**
3	-	-	-	Y	U	PC	**PAC2**	**PAC1**
4	-	Y	-	Y	PC	PC	**PAC0**	**PAC0**
5	Y	Y	-	-	OC	U	**OWC1**	**OWC2**
6	-	-	Y	Y	U	OC	**OWC2**	**OWC1**
7	Y	Y	-	Y	OC	PC	**O1PC**	**O2PC**
8	-	Y	Y	Y	PC	OC	**O2PC**	**O1PC**
9	Y	Y	Y	Y	FC	FC	**FULL**	**FULL**

*UNCO – uncollateralised, PAC1 – Partially collateralised: Counterparty 1, PAC2 - Partially collateralised: Counterparty 2, PACO - Partially collateralised, OWC1 - One-way collateralised: Counterparty 1 only, OWC2 - One-way collateralised: Counterparty 2 only, O1PC – One-way/partially collateralised: Counterparty 1, O2PC – One-way/partially collateralised: Counterparty 2, FULL – Fully collateralised

267. Collateralisation of derivative transactions often occurs at portfolio level. Hence it is necessary to know whether this is the case or not. If collateralisation in done at portfolio level it is necessary to receive a code that uniquely identifies the portfolio. This reporting requirement is already in place under the current RTS and ITS on reporting. ESMA proposes to keep these fields unchanged. The collateral portfolio may be used for instruments other than derivatives. This makes it more difficult to determine counterparty exposures for the users of EMIR data, but ESMA is not aware of a practicable solution to this.

268. Fields related to margins help authorities in monitoring market participants' compliance with EMIR's margin requirements. They also allow authorities to assess the impact of margins on balance sheets and liquidity. In addition, data related to the value of collateral and how it is made up of initial and variation margin both posted and received and excess collateral provides important information to authorities which allows them to monitor counterparty risk exposures. ESMA proposes to keep the current fields on margins as they are.

269. The current RTS and ITS on reporting only require the reporting of margins before haircuts have been applied. However, providing both pre- and post-haircut information would enable authorities to identify emerging risks on derivatives markets due to changes in the applied haircuts. On an aggregated basis, they could also be used to determine the weighted average level of haircuts applied per portfolio as well as its evolution over time. Such information would help authorities to measure the quality of the collateral, assess the evolution of leverage in the financial system and the potential build-up of stress and systemic risk, from a financial stability point of view. For these reasons, ESMA proposes to add in the new TS a field for the reporting of post haircut margins.

270. The current RTS and ITS on reporting do not include an element that indicates the presence of collateral rating triggers in collateral arrangements. In the event of market stress such triggers can contribute to adverse feedback in the market for the collateral asset. Consequently, information on the existence and characteristics of collateral rating triggers is a valuable addition to the standards and one which is also included in the CDE guidance. For this reason ESMA proposes to require the existence of collateral rating triggers and to limit the reporting of the characteristics of the collateral rating triggers to one where the rating of the reporting counterparty falls below single A or equivalent.

271. In the light of the above, ESMA proposes the following:

a) amend the current collateralisation fields in order to align the formats to the CDE guidance. The new allowable values are: “UNCO”, “PAC1”, “PAC2”, “PACO”, “OWC1”, “OWC2”, “O1PC”, “O2PC”, “FULL”;
b) Change the format of the field “collateralisation portfolio” from “Y/N” to True/False” to bring in line with the CDE guidance;
c) Change the format of the margin fields to up to 25 numerical characters including up to 5 decimal places.

272. In addition, the following additional fields are proposed to be included in line with the CDE guidance:

a) Initial margin posted by the reporting counterparty (post-haircut) (CDE 2.32)
b) Initial margin collected by the reporting counterparty (post-haircut) (CDE 2.35)
c) Variation margin posted by the reporting counterparty (post-haircut) (CDE 2.37)
d) Variation margin collected by the reporting counterparty (post-haircut) (CDE 2.41)
e) Counterparty rating trigger indicator (CDE 2.48);
f) Counterparty rating threshold indicator (CDE 2.49).

Q70. Do you agree that the fields IM/VM Posted/Received fields are provided in with both a pre- and post-haircut value?

Q71. Do you agree to change the format of the collateralisation field to one that is compatible with single sided reporting?

Q72. Do you agree that the fields “Counterparty rating trigger indicator” and “Counterparty rating threshold indicator” are added?

Q73. Do you agree that a single A rating is the most relevant trigger for the “Counterparty rating threshold indicator” field?

Q74. Is it possible to separate the value of a collateral portfolio exclusively for derivatives?

4.4.7 Data elements related to prices

273. To achieve consistency with global derivative reporting guidance and ensure that EU authorities have access to the data required to monitor financial stability, ESMA considers the following changes necessary to enhance reporting of data related to derivative prices.

274. ESMA is conscious that the existing EMIR reporting fields separate the data fields related to prices into different sections of the reporting tables. For example, some price related fields are in the sub-section for interest rate derivatives or foreign exchange derivatives etc. In line with the CDE guidance ESMA proposes that the field Price should be populated only when the price related information is not provided in other fields such as e.g. fixed rate. This approach should improve consistency of reporting

and address the current situation where e.g. in the case of options some counterparties reported the option premium as a price, whereas other – the strike price.

275. Furthermore, ESMA proposes to amend the definitions and formats of certain existing price related data elements to align them to the CDE guidance.

276. These changes will allow counterparties to follow a common standard for reporting price related fields which is aligned to global reporting guidance. The basis for the proposals is the CDE guidance, with consideration of the existing EMIR reporting fields for price information.

277. ESMA proposes that the following fields are included in the draft RTS and ITS on reporting in relation to prices (some of these fields already exist):

a. Price (currently Field 2.17 Price/rate)
b. Price Currency (currently Field 2.19 Currency of price)
c. Price notation (currently Field 2.18 Price notation)
d. Price schedule[41]
e. Fixed rate (currently Field 2.39 Fixed rate of leg 1 and Field 2.40 Fixed rate of leg 2)
f. Spread
g. Spread Currency
h. Spread notation
i. Strike Price (currently Field 2.80 Strike price (cap/floor rate))
j. Strike price currency/currency pair
k. Strike price notation (currently Field 2.81 Strike price notation)
l. Option premium amount
m. Option premium currency
n. Option premium payment date
o. Exchange rate (currently Field 2.62 Exchange rate 1)
p. Exchange rate basis (currently Field 2.64 Exchange rate basis)

278. Please refer to the Annexes IV and V to this paper which specifies the definitions and formats which should accompany the proposed price reporting fields. These definitions are aligned to those in the IOSCO CDE guidance.

[41] The approach to reporting price schedules should be aligned with the one on reporting Notional amount schedules. Please refer to the section 4.4.8 for further details.

a. It should be noted that the CDE guidance envisages two allowable formats for the reporting of rates (e.g. in the field Fixed rate), namely percentage and decimal. At the same time the CDE guidance provides that "[these] allowable values might be restricted based on jurisdictional requirements (e.g. certain jurisdictions might require the value to be reported as a decimal instead of percentage).".

b. In order to enable reconciliation of the reports and not to alter the current reporting requirements and practices, ESMA proposed that the rates are reported as percentage rather than decimal (unless explicitly stated otherwise in the format of a given reporting field).

Q75. 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?

Q76. Do you think that there are other additional fields which would be necessary to fully understand the price of a derivative?

Q77. 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.

Q78. 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.

4.4.8 Data elements related to notional amount and quantities

279. The notional is a key field and it is crucial that this field is populated correctly. Article 3a of the current RTS on reporting state how the notional should be populated for certain derivative contract types. The current RTS on reporting also provide definitions of "notional amount" and "quantity", while the current ITS on reporting prescribe in what format the relevant fields shall be populated.

280. EMIR Q&A TR 41 provides additional explanations on reporting of notional in position reports.

281. The CDE guidance provides detailed instructions regarding the reporting of notional for different OTC products. ESMA proposes that the content of that guidance is used for reporting of notional under EMIR for OTC derivatives and be included into the draft RTS on reporting.

282. There is however limited guidance/clarity on how the quantity field should be populated, which causes data quality issues with the population of this field. In some instances, counterparties populated the same value in the quantity and notional field.

In other instances, counterparties seem to assume that the total quantity of the underlying should be reported in this field.

283. Furthermore, the applicability of this field, as well as of the field “price multiplier” is limited to the products traded in lots. For the remaining products, the requirement to report these fields creates confusion and results in inconsistent practices. Consequently, it is proposed to remove the fields “Price multiplier” and “Quantity”. Instead, it is proposed to add the field “Total notional quantity” as envisaged in the CDE guidance.

284. Furthermore, ESMA proposed to consider two alternative approaches for reporting of notional amount schedules. Under the first option, in line with the CDE guidance, the counterparties would report the notional amount schedules upfront (when reporting with Action type New) using a repeatable section of fields (unadjusted date on which the associated notional amount becomes effective, unadjusted end date of the notional amount, notional amount which becomes effective on the associated unadjusted effective date). Alternatively, the counterparties would not be required to report notional schedules but would need to update the notional (by sending a report with action type Modification) each time when it changes according to the schedule.

285. Finally, the CDE guidance includes the data element Delta which enables the regulators to assess the delta-adjusted exposures. ESMA proposes to include this element as a new reportable field but only for the reporting of options.

286. The field is described in the CDE guidance as "the ratio of the absolute change in price of an OTC derivative transaction to the change in price of the underlier, at the time a new transaction is reported or when a change in the notional amount is reported". Thus, the CDE guidance does not envisage this value being updated over time.

287. ESMA views delta as a useful value for measuring risk and notes the importance of understanding an options delta as it changes over time. Delta is an important metric in assessing the exposures of counterparties taking positions in options, complementing the reported valuations and collaterals. ESMA proposes to require in the draft RTS and ITS on reporting the reporting of this value for options.

288. ESMA recognises the burden of updating reports on a daily basis as delta changes. Therefore it is proposed that this field should only be updated when a counterparty is required to submit a valuation update.

289. Article 3(4) of the current RTS on reporting specifies that non-financial counterparties other than those referred to in Article 10 of EMIR are not required to provide valuation updates. Therefore ESMA proposes that an option’s delta should be reported for new trades, and then whenever a valuation update occurs (which means only financial counterparties and non-financial counterparties above the clearing threshold will provide updated delta values as it changes over time).

Q79. 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?

Q80. 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?

Q81. 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?

Q82. Do you foresee any challenges with reporting of the Total notional quantity?

Q83. Which of the two described approaches to reporting the notional amount schedules is preferable? Please motivate your view.

Q84. 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?

4.4.9 Data elements related to credit derivatives

290. CDS index tranches give investors the opportunity to take on exposures to specific segments of the CDS index default loss distribution. Each tranche has a different sensitivity to credit risk correlations among entities in the index. One of the main benefits of index tranches is higher liquidity. This has been achieved mainly through standardization and due to the liquidity in the single-name CDS and CDS index markets.

291. Tranches of a CDS index that absorb losses sequentially are defined by an attachment and a detachment point. The attachment point indicates the minimum of pool-level losses at which a given tranche begins to suffer losses. In turn, the detachment point corresponds to the amount of pool losses that completely wipe out the tranche. The riskiness of a tranche decreases with the tranche's seniority in the securitisation's capital structure. A junior tranche, for example, could have attachment and detachment points equal to 0% and 10%, respectively, of the pool exposure. Such a tranche would be intact if there are no losses but would be partly eroded with the first losses. The erosion will be complete when losses reach 10% of the pool exposure. By contrast, a senior tranche with attachment and detachment points of 20% and 100% respectively will be the most protected, starting to incur losses only when both the junior and mezzanine tranches are wiped out. For given attachment and detachment points, the risk of a tranche would depend on the risk characteristics of the underlying pool.

292. The CDS index attachment point and CDS index detachment point data are relevant elements to evaluate counterparties' exposures to CDS index tranches and thus allow authorities to examine the size, concentration, interconnectedness and structure of this market. In addition, the data elements allow authorities to more closely supervise market participants.

293. The CDE guidance includes definitions, formats and the allowable values for the attachment and detachment point. In particular, the proposed formats slightly differ from the ones prescribed under the current ITS on reporting: the CDE guidance allows for up to 11 numerical characters including up to 10 decimal places, whereas the current ITS on reporting – for "up to 10 numerical characters including decimals"[42]. ESMA proposes modifying these fields in the draft ITS in order to align the current format with the one indicated by the CDE guidance.

294. It is ESMA's understanding that the suggested changes should have a minimal impact on reporting entities since the new proposed format is less restrictive than the current one

295. Finally, it is noted that the names of these elements in the CDE guidance make a reference to CDS indices, and the respective definitions further clarify that the attachment and detachment point are not applicable to transactions that are "not a CDS tranche transaction (index or custom basket)".

Q85. Do you agree with the proposal for reporting of attachment and detachment point?

Q86. 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?

4.4.10 Data elements related to other payments

296. Other payments are those payments linked to derivatives which are not regularly scheduled. For example this could be an upfront payment made by a counterparty either to bring a transaction to fair value or for any other reasons that may be the cause of an off-market transaction; an unwind/full termination i.e. the final settlement payment made when a transaction is unwound prior to its end date or payments which result from the full termination of a derivative; principal exchange i.e. the exchange of notional values for cross-currency swaps.

297. The CDE guidance refers to six fields related to other payments: other payment amount, other payment type, other payment currency, other payment date, other payment payer and other payment receiver.

298. The current RTS and ITS on reporting include only one field relating to other payments. This is for up-front payments, reported by both counterparties, with a minus sign reported to indicate if the reporting counterparty has made the payment, and no minus sign reported if the reporting counterparty has received the up-front payment. However, there are limitations to the information currently collected for these payments.

[42] Table 2 Field 91, Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012 as amended by Commission Implementing Regulation 2017/105 of 19 October 2016 and by Commission Implementing Regulation 2019/363, laying down implementing technical standards with regard to the format and frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories (OJ L 352, 21.12.2012, p. 20).

299. ESMA recognises the need to ensure that the detail reported can be used by authorities. ESMA recognises that there may be different types of other payments in addition to those performed at the start of a transaction.

300. For the abovementioned reasons, ESMA proposes to align the draft RTS and ITS on reporting to the CDE guidance by introducing a number of fields related to other payments.

301. ESMA proposes to remove the field 'Up-front payments' and replace it with a new field entitled 'Other payment amount'. This will ensure that different types of non-regular payment can be reported, up-front or otherwise. This field is aligned to the CDE guidance. ESMA proposes that it may be populated more than one time, in the event there are multiple other payments taking place.

302. To further align to the CDE guidance, ESMA also proposes five other new fields. These will ensure that it is clear as to what the other payment relates to, the size of the other payment, the currency it is in and the direction in which the payment flows.

303. In summary ESMA is proposing to remove the 'Up-front payment' field from the current RTS on reporting and to include instead the following six fields in the draft RTS on reporting:

a. Other payment type (report either 1 = upfront payment, 2 = unwind of full termination payment, or 3 = Principal Exchange i.e. exchange of notional values for cross-currency swaps);

b. Other payment amount;

c. Other payment currency (report currency using ISO 4217);

d. Other payment date (ISO 8601 UTC);

e. Other payment payer (LEI);

f. Other payment receiver (LEI).

Q87. Do respondents believe that any of these new fields would be problematic to report? If so, please explain why.

4.4.11 Data elements related to packages and links

4.4.11.1 Package

304. A package is a combination of two or more trades that are combined in a strategy. Recital 3 of the current RTS on reporting mentions that it should be apparent from the transaction report if the transaction is part of an overall strategy. Therefore, derivative contracts relating to a combination of derivative contracts should be reported in separate legs for each derivative contract with an internal identifier to provide a linkage between the legs.

305. Furthermore, Article 1 of the current RTS on reporting provides that the reporting counterparty shall link the separate reports by an identifier that is unique at the level of

the counterparty to the group of transaction reports. Field 14 of Table 2 in the Annex to the current RTS on reporting, on “Complex trade component ID”, represents this linkage of separate reports. This field is applicable only where a firm executes a derivative contract composed of two or more derivative contracts and where this contract cannot be adequately reported in a single report. Pursuant to Article 1 of the current RTS on reporting both counterparties to the contracts need to agree on the number of reports to be sent.

306. In addition, the regulatory technical standards on reporting obligation under Article 26 of MiFIR (Commission Delegated Regulation (EU) 2017/590)[43] define in Article 12 an ID that links separate reports of an execution for a combination of financial instruments. This ID is also described as an internal ID within the investment firm that executes the transactions. Field 40 of Table 2 in Annex I of that Regulation, “Complex trade component id”, is specified as a code that must be unique at the level of the firm for the group of reports related to the execution.

307. The regulatory technical standards on transparency requirements for trading venues and investment firms (Commission Delegated Regulation (EU) 2017/583)[44] have also a definition for “package transactions” in Article 1(1):

“(1) ‘package transaction’ means either of the following:

(a) a transaction in a derivative contract or other financial instrument contingent on the simultaneous execution of a transaction in an equivalent quantity of an underlying physical asset (Exchange for Physical or EFP);

(b) a transaction which involves the execution of two or more component transactions in financial instruments; and:

(i) which is executed between two or more counterparties;

(ii)where each component of the transaction bears meaningful economic or financial risk related to all the other components;

(iii)where the execution of each component is simultaneous and contingent upon the execution of all the other components;”

308. The CDE guidance introduces seven new fields related to packages and links (see fields 2.89 to 2.95). While field 2.89 already exists (“Complex trade component ID”), the others introduce information on the package price, its currency and notation, and spread, combined with currency and notation.

[43] Commission Delegated Regulation (EU) 2017/590 of 28 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities (OJ L 87, 31.3.2017, p. 449).

[44] Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives (OJ L 87, 31.3.2017, p. 229).

309. ESMA proposes to implement the following fields as per the CDE guidance:

a. Package transaction price
b. Package transaction price currency
c. Package transaction price notation
d. Package transaction spread
e. Package transaction spread currency
f. Package transaction spread notation

4.4.11.2 Prior UTI

310. Certain post trade events (e.g. clearing or novation) result in a termination of an existing derivative and replacement thereof with a new derivative. In order to have a holistic view of the market, the supervisors should be able to link the terminated derivatives with the newly created ones. Currently, this is not possible due to a lack of the appropriate linking ID.

311. In majority of scenarios, namely for all these post trade events where a single derivative is replaced with one or more new derivatives, the linking can be ensured by means of the prior UTI. Under this solution the counterparties report the UTI of the terminated derivative ("prior UTI") in a dedicated field within the report(s) pertaining to the newly created derivative(s).

312. This solution is proposed in the CDE guidance which includes a data element "prior UTI". The CDE guidance clarifies that this field should be applicable for one-to-one and one-to-many relations between transactions, e.g. in the case of a novation, when a transaction is terminated, and a new transaction is generated or if a transaction is split into several different ones.

4.4.11.3 PTRR (post-trade risk reduction) ID

313. Prior UTI is not a suitable solution in the case of many-to-one or many-to-many relationships, where multiple existing derivatives are replaced with a single or several new derivatives. The most relevant example of such scenario is compression.

314. Compression is the practise of replacing/modifying several derivative contracts with one or more contracts which exhibit the same risk profile. This reduces the number of contracts and associated notional and thus reduces (among others) the leverage ratio and operational risk. Under EMIR counterparties exceeding certain thresholds need to compress their derivatives portfolio to lower these risk factors.

315. While the normal compression cycle itself should be risk-free market participants can also engage cycles where the compression combines highly correlated instruments to further lower the gross notional and associated regulatory requirements. The inherited risk in these transactions is the high dependence on the correlation which can change over time, especially during adverse market scenarios. To ensure financial stability,

analyse systemic risk and to ensure reporting consistency tracking of the transaction(s) going into and resulting from the compression cycle is key for regulators.

316. Having in mind the above considerations ESMA proposes that reports pertaining to derivatives going into and resulting from the same compression exercise are linked via a common identifier. Such linking identifier should be assigned by the compression service provider. To ensure its global uniqueness, the identifier should be composed of the LEI of the compression service provider followed by a code unique at the level of that provider. The identifier should be provided to the reporting counterparties in a timely manner for them to comply with their reporting obligation. The counterparties should report this identifier in all relevant reports of the derivatives entering into compression (reported with Action type Termination) and derivatives resulting from the compression (reported with Action type New). In the case of compressed derivatives entering again a compression exercise, the counterparties should report the new identifier when reporting termination of these derivatives (thus overwriting the previously reported code).

317. ESMA is aware of the practice of compression of cleared derivatives (both at trade and position level). Currently, the reporting of compression is limited only to OTC non-cleared derivatives45, however the revision of the technical standards provides an opportunity for better specification of the relevant fields to account for reporting of compression of cleared derivatives. ESMA proposes that in this scenario the compression service provider should generate the linking identifier in the same way as for the non-cleared derivatives. If such compression is performed by the CCP itself, the identifier should be generated by the CCP.

318. Furthermore, other post-trade risk reduction (hereinafter “PTRR”) services different from the portfolio compression (e.g. rebalancing) should also be considered[46].

319. ESMA therefore proposes to call the linking identifier “PTRR ID” and to use it to link derivatives not only in the event of compression, but also where any derivatives are terminated or created due to a PTRR event.

320. Furthermore, ESMA is of the view that the following adjustments to the reporting requirements are needed in order to allow for accurate reporting of PTRR services other than portfolio compression:

    a. Definition of the field 2.30 “Compression” and of the value “Compression” in the field 2.136 Event type need to be amended, as currently they refer explicitly to the portfolio compression as defined in Article 2(1)(47) of MiFIR and therefore not cover other PTRR techniques such as e.g. rebalancing.

    b. Additional field “Type of PTRR service” is added to specify the type of post-trade risk reduction service (compression/rebalancing/other).

[45] As clarified in the TR Q&A 17

[46] ESMA is currently consulting on such services with a view to provide a report to the EC on whether any trades resulting from such services should be exempted from the clearing obligation. For more information please refer to: ESMA70-151-2852 Report on post trade risk reduction services with regards to the clearing obligation (EMIR Article 85(3a))

4.4.11.4 Subsequent position UTI

321. A separate and different scenario involving many-to-one relationship is inclusion of trades into a position. Also in this case regulators would benefit from a code that would allow to link in a straightforward manner the derivatives reported at trade level and included in a position with the resulting report at position level.

322. ESMA believes that in this case it is not necessary to require a generation of a new code, but rather it will be more efficient to leverage on the UTI of the derivative reported at position level. In practice, ESMA proposes that counterparties reporting inclusion of a trade into a position (either with action type “Position component” or “Termination”, and the event type “Inclusion in a position”), should report in these reports in the additional dedicated field “Position UTI”, the UTI of the position that will be created or modified due to inclusion of the trades in question.

Q88. Do you foresee any difficulties related to reporting of the additional fields for package transactions? Please motivate your reply.

Q89. Do you foresee any difficulties related to the reporting of prior UTI? Please motivate your reply.

Q90. 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.

Q91. Do you foresee any difficulties related to the generation and reporting of the PTRR ID for cleared derivatives? Please motivate your reply.

Q92. 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?

Q93. 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.

4.4.12 Data elements related to custom baskets

323. A custom basket is a group of financial instruments, e.g. equities or bonds whose composition in most cases is customised and determined on a case-by-case basis. This is in contrast to e.g. an equity index like EUROSTOXX50 containing fifty of the largest and most liquid stocks in Europe.

324. With reference to the current RTS on reporting, fields “Underlying identification type” and “Underlying identification”, are used to indicate that the underlying is a basket and to specify the components of the basket.

325. The CDE guidance introduces five fields related to custom baskets: custom basket code, identifier of the basket’s constituents, basket constituent’s unit of measure,

basket constituents number of units and source of the identifier of the basket constituents.

326. ESMA proposes to add the five fields in relation to “custom baskets” as prescribed in the CDE guidance as it is understood that these fields would enhance ESMA authorities’ capacities to perform economic analysis and to analyse the OTC derivative market structure.

Q94. Do you foresee any difficulties related to the reporting of any of the additional data elements related to custom baskets? Please motivate your reply.

4.4.13 Data elements relevant for REMIT reporting

327. Regulation (EU) No 1227/2011 (“REMIT”)[47] requires market participants to report the wholesale energy market transactions to the Agency for the Cooperation of Energy Regulators (“ACER”). However, in the case of energy derivatives reportable under EMIR, the market participants that comply with EMIR requirements and report to Trade Repositories are deemed to satisfy their reporting obligation under REMIT.

328. Consequently, the details of derivative contracts required to be reported under EMIR contain a series of fields related to the energy derivatives that are relevant for the monitoring of energy markets (fields 2.67-2.77 in the current RTS and ITS on reporting).

329. ESMA liaises with ACER on a regular basis to reply to ensure that the reporting requirements under two regimes remain aligned. In this context ESMA became aware of some inconsistencies and ambiguities that ESMA proposes to amend in this revision of the technical standards. The proposed changes should help not only to achieve consistency with the reporting requirements under REMIT and increase the usefulness of the collected data for the supervision of energy markets but also facilitate the market participants’ compliance with their reporting obligation.

330. Most of the proposed changes are straightforward, e.g. expanding the list of allowable values in the field Quantity Unit to account for additional values allowed under REMIT or providing two separate fields to clearly specify the start and the end of a delivery interval. Should the respondents have any comments on any of the proposed amendments, ESMA invites to submit such comments in the excel template containing the draft table of fields.

331. Additionally, ESMA seeks stakeholders’ views on one question in particular, namely whether the delivery start and end time should be expressed in UTC time or local time.

332. Under REMIT, the delivery intervals are reported in local time. This way of reporting is considered more helpful for the analyses conducted by energy regulators. It is also ESMA understanding that specifying the delivery times in local time would simplify the reporting given that this is how the delivery intervals are set in the contracts and

[47] Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency

counterparties would not need to convert to UTC (with all possible complexities involved, such as accounting for the summer time).

333. On the other hand, all other timestamps in EMIR reports are expressed in UTC, therefore introducing an exception for two fields in the report may lead to confusion and, ultimately, inconsistent reporting. Furthermore, so far the counterparties were expected to report this information in UTC therefore they would need to implement changes in their systems to start reporting in local time.

Q95. 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.

4.4.14 Reporting of derivatives on crypto-assets

334. While the market capitalisation of Crypto-Assets (CAs) remains small at this point, we are seeing a growing interest for investment products using CAs as underlying. In January 2019, ESMA published an Advice on Initial Coin Offerings (ICOs) and CAs to the European Commission, Parliament and Council [48]. The Advice clarifies the circumstances under which certain CAs may qualify as financial instruments and the regulatory issues that arise when applying the existing set of EU rules to those CAs. In addition, it highlights the important risks that remain unaddressed where CAs fall outside of the regulated space. The Advice requests that the EU policymakers address these risks and issues.

335. Following on the ESMA's Advice, on 19 December 2019 the European Commission launched a consultation49 on EU regulatory framework for CAs. The purpose of that consultation is to prepare potential proposals aiming at promoting digital finance in Europe, while adequately regulating its risks.

336. The consultation covers various aspects of CAs, including their current use and classification as well as stakeholders' views on a possible regulatory approach to those crypto-assets that currently fall outside the scope of the EU financial services legislation. Moreover, the consultation seeks stakeholders' views on issues relevant for the application of the existing regulatory framework to those CAs that qualify as MiFID II financial instruments. In particular, section IV.8 of the consultation includes a question whether stakeholders foresee any legal, operational or technical issues with the application of current EMIR provisions (incl. reporting) in the distributed ledger technology environment.

[48] https://www.esma.europa.eu/sites/default/files/library/esma50-157-1391_crypto_advice.pdf
[49] https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/2019-crypto-assets-consultation-document_en.pdf

337. Acknowledging the existence of derivatives on crypto-assets in the scope of EMIR reporting obligation, ESMA in this Consultation Paper is seeking stakeholders' views on possible changes to the reporting technical standards necessary to enable more accurate, comprehensive and efficient reporting of such derivatives.

Q96. 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?

Q97. 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?

4.5 Reporting of outstanding derivatives under the revised rules

338. The revised technical standards on reporting introduce new reportable details (e.g. Option premium amount), make some of the existing fields more granular (e.g. Commodity base) and enhance the formats of some of the existing fields (e.g. introducing standardised codes for the Master Agreement type). Following to the date of application of the revised technical standards (hereinafter "reporting start date" or "RSD"), all the reports submitted by the counterparties to the trade repositories will have to comply with the amended requirements. This concerns in particular the reports of derivatives concluded after the RSD but also any modifications or terminations send after that date, irrespective of when the derivative that is modified or terminated was concluded.

339. ESMA is mindful that a material proportion of derivatives has long maturity dates or it is reported without maturity date. Unless there is a reportable lifecycle event or the derivative is terminated, the reports pertaining to these outstanding derivatives would remain not updated in line with the amended requirements and therefore supervisors would not have full picture of the outstanding exposures. Furthermore, persistence of reports conforming to different levels of data quality requirements creates operational challenges for the parties involved in data processing. For example, implementation of reports constructed by trade repositories for regulators is more complex as it has to account for missing information or information that was reported in a different manner under the previous standards. Similarly, the regulators analysing the data need to continuously make an adjustment for the lower-quality data in the reports pertaining to the legacy trades. Moreover, counterparties would need to incur in important ongoing costs to maintain several reporting systems to conform the reporting of different sets of data.

340. These challenges materialised very clearly following to the previous revision of the technical standards on reporting which became applicable on 1 November 2017. At that point of time ESMA considered that counterparties should be required to submit

the reports related to the old outstanding trades only when a reportable event (i.e. modification or termination of the trade) takes place[50].

341. Based on the experience gained during the previous transition to the updated reporting standards and acknowledging the operational complexities resulting from the approach applied at that time, ESMA proposes that all derivatives outstanding on the RSD should be updated in order to bring them in line with the revised reporting requirements.

342. ESMA is conscious that this operation may require reporting counterparties to retrieve certain information about derivatives that may not be readily available for reporting in the entities' own systems. Having that in mind ESMA is seeking stakeholders' views on whether additional time should be envisaged for the counterparties to update the outstanding derivatives.

343. For the avoidance of doubt, ESMA does not expect updates to the non-outstanding derivatives unless a reportable event takes place. For example, if a counterparty becomes aware of an error in a report pertaining to a non-outstanding derivative, that counterparty should make a report with action type "Correction" and that report should conform to the new reporting requirements.

Q98. 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?

Q99. 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.

Q100. 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?

4.6 The date by which derivatives should be reported

344. Successful implementation of any new reporting requirements can only take place if the industry is granted sufficient time to prepare for reporting under the new rules. Moreover, the industry can work efficiently on the implementation only once all the requirements, including any technical details thereof, are finalised. Too limited timelines as well as lack of detailed guidance and technical requirements make the implementation costly, inefficient and, often, close to impossible to be finalised in a correct and timely manner.

345. These concerns were voiced by many respondents to the EC's Fitness Check. As highlighted in the report on results of the Fitness Check, longer implementation

[50] The relevant clarifications were provided in EMIR Q&A document under TR Question 44

timelines, starting from the finalisation of the detailed technical requirements, would decrease the reporting burden and enable companies to better comply with the new requirements.

346. Having in mind the above, ESMA proposes to defer the date of application of EMIR technical standards on reporting by 18 months. In ESMA's assessment this timeline should provide the industry with sufficient timeline for implementation once the relevant technical guidance (Guidelines on reporting and accompanying validation rules and ISO 20022 messages) is finalised.

Q101. Do you agree with the proposed timelines for implementation, i.e. 18 months from the entry into force of the technical standards?

5 Data quality provisions

347. The data quality aspect has been among the most widely discussed topics of the EMIR reporting regime. Recital 28 of EMIR REFIT reads that "The insufficient quality and transparency of data made available by trade repositories makes it difficult for entities that have been granted access to those data to use them to monitor derivatives markets and prevents regulators and supervisors from identifying financial stability risks in due time." Moreover, the same Recital mentions that "further harmonisation of the reporting rules and requirements is necessary". This need for further harmonisation is then specified as "further harmonisation of the procedures to be applied by trade repositories for the validation of data reported as to their completeness and correctness and of the procedures for the reconciliation of data with other trade repositories."

348. To address this, three new provisions have been included under Article 78(9) EMIR, as amended by EMIR REFIT. The empowerments under the data quality provisions are comprised of four different subsections: (i) Procedures for data collection, (ii) procedures for reconciliation of derivatives and (iii) response mechanisms to report submitting entities and (iv) policies for the orderly transfer of data to other trade repositories where requested by the counterparties or CCPs referred to in Article 9 or where otherwise necessary. The following subsections outline the relevant proposals on these four topics.

349. The proposals with regards to data collection, reconciliation and response mechanisms are harmonised with those under Commission Delegated Regulation 2019/358.

5.1 Procedures on data collection

350. A key element for the correct functioning of the reporting regime under EMIR and ensuring the quality of derivative reporting is the validation by TRs of the data submission by the counterparties that are subject to the reporting obligation. Although Article 9(1e) EMIR as amended by EMIR REFIT, provides that "Counterparties and CCPs that are required to report the details of derivative contracts shall ensure that such details are reported correctly and without duplication.", EMIR also places responsibility regarding the completeness and correctness of data on the TRs. Moreover, in accordance with Article 78(9) EMIR as amended by EMIR REFIT TRs are required to have in place "procedures to verify the completeness and correctness of the data reported". Then the empowerment under Article 78(10) EMIR as amended by EMIR REFIT specifically establishes which aspects the procedures should cover, namely "the procedures to be applied by the trade repository to verify the compliance by the reporting counterparty or submitting entity with the reporting requirements and to verify the completeness and correctness of the data reported under Article 9."

351. ESMA proposes below the detailed characteristics of the relevant practical rules for data validation. All the reference below made to the report submitting entity are to better identify the entity that would report to the TR, notwithstanding the fact that it can be at the same time either the reporting counterparty or the entity responsible for reporting. The rules cover the following aspects:

    a. Authentication of participants - the TR should establish a secure data exchange protocol with the report submitting entities using (i) web identification for those using web upload, (ii) secure public/private key authentication for automated secure connections or (iii) other advanced authentication protocols.

    b. Schema validation – ESMA proposes that all the submissions to the TRs should be made in Extensible Mark-up Language (XML) template based on an ISO 20022 universal financial industry message schema for derivatives reporting. Moreover, a submission should be validated against and compliant with the XML Schema Definition (XSD) defined as the ISO 20022 reporting standard for derivatives[51]. Finally, ESMA also proposes that the TRs should automatically reject the submissions that are not compliant with the XSD. The XSD will be made available in advance of the reporting start date.

    c. Authorization / permission – ESMA considers the capability of TRs to ensure that they process only derivative data from entities which are entitled to report it as an essential requirement. The report submitting entities should clearly identify on behalf of which entity they have made the submission. This can be either (i) the reporting counterparty or (ii) the entity responsible for reporting of the OTC derivative[52]. The TR will have to check whether the reporting entity, i.e. the one

[51] An XSD specifies the building blocks of the derivative reporting, including the number of (and order of) child elements, data types for elements and attributes and default and fixed values for elements and attributes.
[52] This is particularly important in the case of the submissions referred to in Articles 9(1a)-9(1d) EMIR

submitting messages to the TR, is permissioned to report for the entities / parties to the contract which are indicated on the trade message. The TR should verify that the entities reporting on behalf of others, except in those cases defined under Articles 9(1a)-9(1d) EMIR are duly authorised to do so. To perform this, the TR has to create and update the relevant internal databases to verify that the LEI pertaining to the report submitting entity is permissioned to report on behalf of the LEI of the "reporting counterparty" and "entity responsible for the report. The TR should be able to reject the submissions made by report submitting entities that are not permissioned.

d. Logical validation – It is critical to ensure that the data at the TR follows a logical integrity. Therefore, the TR should check for each submission whether the report submitting entity is not intending to modify a derivative which has not been reported or which has been cancelled[53] and not revived. The TR should use the UTI and the LEIs (or exceptionally in the cases of individuals - client codes) of the counterparties to determine the uniqueness of the derivatives and should be able to reject those submissions made by report submitting entities when intending to amend UTIs, which are cancelled and not revived or not reported. ESMA understands that other situations, such as amendments of terminated or matured derivatives, can happen and should be allowed to the extent that the reported amendment took place prior to the termination or following the revival of the derivative.[54]

e. Business rules or content validation[55] – the content validation will be based on the values included in the draft ITS on reporting and the additional validation rules. The additional validation rules will be made available to the TRs and market participants prior to the commencement of the application of the amended reporting standards. The additional rules would specify dependencies between certain fields, such as execution timestamp and maturity date.

352. ESMA also considers that compared with a warning notification, an outright rejection of a derivative that lacks compliance with either of the above validations provides greater legal certainty with regards to the compliance with the reporting obligation to the TR, the report submitting entity, the entity responsible for reporting and the reporting counterparty. In order to support the automatic treatment of this information, ESMA proposed that a specific response message describing the error is sent by the TR to the reporting counterparty, entity responsible for reporting or report submitting entity, as applicable.

353. The proposed framework is already in place under SFTR and represents an enhanced version of the currently existing system for validation of submissions under EMIR.

[53] Under the current reporting rules for EMIR, cancelling of trade would mean that the contract has not taken place and has been reported in mistake. Same is proposed for SFTR.
[54] The detailed descriptions of allowed logical sequences of action types is included in the section 4.3.1
[55] For the avoidance of doubt, these validations are additional to the ISO ones which will be embedded in the schema

Q102. Do you agree with the proposed framework for verification of data submission? Please detail the reasons for your response.

Q103. 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.

Q104. 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.

5.2 Procedures for update of an LEI

354. To ensure a holistic treatment of the update to LEI, ESMA proposes to define also the procedures to be followed by the TRs when they receive a request to update an LEI. This is needed to set an appropriate framework for data collection, recordkeeping and data availability to authorities.

355. ESMA proposes that the below multistep process is followed by the TRs. This process complements the procedures established for counterparties.in section 4.4.2.2.

356. Moreover, a trade repository to which a request for update of an LEI is addressed should identify the derivatives outstanding at the time of the corporate restructuring event where the entity is reported with the old identifier in the field "Counterparty 1" or "Counterparty 2", as informed in the relevant request and should replace the old identifier with the new LEI in the reports relating to all derivatives outstanding at the time of the event referred to and pertaining to that counterparty.

357. Furthermore, the trade repository should perform this procedure on the date of the corporate restructuring event or within 30 calendar days from receiving the request if such request was received later than 30 days prior to that event.

358. The TR should identify the relevant derivatives outstanding at the time of the corporate restructuring event where the entity is identified with the old identifier in any of the fields and replace that identifier with the new LEI.

359. A trade repository should carry out the following actions:

a. Implement the change as of the date specified

b. Broadcast the following information at the earliest possibility and no later than 5 working after the notification is received to all the other TRs and to the relevant reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR:

(i) old identifier(s),

(ii) the new identifier,

(iii) the date as of which the change shall be done

(iv) in case of corporate restructuring events affecting a subset of the derivatives outstanding at the date of the event, the list of the UTIs of the derivatives concerned by the LEI change.

c. Notify, at the latest the working day before the date on which the change is applied, the entities listed in Article 81(3) of Regulation 648/2012 who have access to the data relating to the derivatives that have been updated through a specific file including:

(i) old identifier(s),

(ii) the new identifier,

(iii) the date as of which the change shall be done

(iv) in case of corporate restructuring events affecting a subset of the derivatives outstanding at the date of the event, the list of the UTIs of the derivatives concerned by the LEI change.

d. Record the change in the reporting log.

Q105. 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.

5.3 Reconciliation of data

5.3.1 Scope and start of the reconciliation process

360. Looking back to the start of reporting under Article 9 EMIR, the lack of initial specification of the reconciliation process by ESMA, due to the absence of legal mandate, led to (i) inconsistent reconciliation procedures, (ii) inconsistent reconciliation timings, (iii) tolerances and categorisation of fields decided by TRs, (iv) lengthy change request implementation times. This situation, together with specific discretionary issues of particular TRs, resulted in accumulation of significant number of non-reconciled trades and required the implementation of costly ad-hoc processes at authorities (ESMA included) and counterparties to understand the extent of the problem, to put in place solutions, to monitor the subsequent evolution of the reconciliation rates and to assess the suitability of the proposed solutions. Low reconciliation rates and the lengthy process to increase them put at stake any reporting regime.

361. Once the data is validated by the TRs, the TRs should reconcile the details of the two sides of the derivative that are reported. Article 78(9)(a) EMIR, as amended by EMIR REFIT provides that the TR shall establish “procedures for the effective reconciliation of data between trade repositories”. Furthermore, Article 78(10)(a) EMIR, as amended by EMIR REFIT mandates ESMA to develop RTS specifying those procedures.

362. Therefore, building on the EMIR experience, ESMA understands that:

a. It is key to set out strict rules on the fields that are reconciled and on the tolerances to be applied;

b. there is a learning curve and entities improve their reporting both in terms of reduction of number of rejected reports and in terms of reconciled reports;

c. it is key to prevent the accumulation of non-reconciled trades;

d. it is essential to ensure the access of authorities to high-quality data, which has been subject to consistent validation and reconciliation processes;

e. it might be desirable that there is certain flexibility in the kick-off of the full reconciliation of all the details of the derivatives.

363. As the regulator and supervisor of the TRs, ESMA is entrusted with the rule–making and the surveillance of the functioning of the TRs and has vast experience dealing with data quality issues. ESMA is adequately placed to monitor the evolution of the reconciliation rates and to propose, direct, coordinate and evaluate the implementation of the relevant corrective actions.

364. Given the objective for further harmonisation of the reporting rules and requirements and in particular, further harmonisation of the procedures for the reconciliation of data with other trade repositories and following on the process already developed under SFTR, ESMA proposes the following general principles for performing reconciliation:

a. The reconciliation process should start at the earliest possible after the deadline for reporting by counterparties in accordance with Article 9(1) EMIR as amended by EMIR REFIT (i.e. T+1).

b. The reconciliation process should include all the derivatives, irrespective of their level (transaction or position), that were submitted during the previous day and which, even if submitted before, have not been successfully reconciled. The amended derivatives, following the modifications made, including those reported under the different action types, by the relevant counterparties to the derivative, should be included in the next reconciliation cycle.

c. The derivatives that have expired or that have been terminated more than a month before the date on which the reconciliation process takes place and were not revived should be removed from reconciliation.

d. The daily reconciliation cycle should follow the same time schedule across all the TRs and should be terminated at the earliest possible time.

e. There should be a comparison of the relevant reported details of the derivative in accordance with section 5.3.5.

365. Before the end of the day on which the reconciliation takes place, the TRs should notify the relevant counterparties to the derivative regarding any reported fields which did not reconcile for each derivative reported by them in accordance with the response mechanisms included in section 6.2.

366. In summary, taking into account the policy objectives of the reconciliation in a dual-sided reporting regime, ESMA would specify the requirement for reconciliation as pertaining to all the derivatives where:

a. both counterparties have a reporting obligation, irrespective of whether the reporting obligation is delegated or mandatorily allocated under Articles 9(1a)-9(1d) EMIR as amended by EMIR REFIT to another entity;

b. the derivative has not been terminated, has not matured, has not been cancelled with action type “Error” or reported with action type “Position component”;

c. the derivative (i) has been terminated and not been revived, (ii) has been cancelled with action type “Error” and not been ”Revived”, (iii) has matured, or (iv) has been reported with action type “Position component”.

Q106. 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.

5.3.2 *Framework of the reconciliation process*

367. In order to ensure comparability of data and smooth functioning of the reconciliation process, ESMA proposes that the TRs reconcile only the latest state of a given derivative at the end of a given day. This includes the relevant data elements of the counterparty data set and the common data set.

368. Since the start of reporting in 2014, the TRs have been reconciling derivatives data. This has been done following a process that was developed by the TRs, and that has evolved over time to (i) address identified deficiencies and (ii) to cater for amendments in the reporting rules.

369. Currently, there are two different stages of the reconciliation process that take place under EMIR. The proposals in this respect build on the already existing structure and enhance it.

370. During the first stage, called Intra-TR reconciliation, the TRs should intend to find the derivative in its own databases, based on the UTI and the LEIs of the counterparties, regardless of whether or not both counterparties to each derivative have reported to the given TR. If so, the TR compares the latest state of the reports and notifies the counterparties about the reconciliation status of the derivative.

371. Only after the completion of the intra-TR reconciliation process, those trades for which no other side has been found are included in the second stage called inter-TR reconciliation.

Q107. Are there any aspects related to the intra-TR reconciliation that need to be clarified? Please detail the reasons for your response.

372. Once the TR has determined that it has not received both sides of a derivative, it includes it in the inter-TR reconciliation process that consists of two sub-processes.

373. In the first sub-process, called pairing, the TR seeks the peer that has the other side of the derivative. This is done on the basis of the LEIs of the two counterparties and the UTI of the derivative. ESMA understands that the level of implementation of LEI should be a stable basis for performance of successful reconciliations. The implementation of the globally agreed UTI with this review of the reporting standards is also expected to facilitate the performance of reconciliation.

374. Once the TR determines the TR holding the other side, the TRs initiate the second sub-process, termed matching during which the respective TRs exchange the actual economic terms of the trade. The subsequent sections specify the details relating to the file format, the relevant fields subject to reconciliation, as well as the admissible tolerances for mismatch.

375. On a given business day, the TRs will have to complete the full reconciliation process, consisting of the intra-TR reconciliation and both sub-processes of the inter-TR reconciliation.

376. To ensure effective reconciliation between TRs, they should have arrangements in place to ensure the confidentiality of the data exchanged. The existence of such arrangements includes the provision of information to reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR about the conflicting values for all the fields that are subject to reconciliation. It is of the utmost importance that the existence of any type of reconciliation break or lack of pairing is made available to the relevant entities as soon as possible and in a standardised, harmonised way.

Q108. 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.

5.3.3 Integrity of the reconciled derivatives

377. ESMA also proposes that there should be a confirmation of the number of common paired and reconciled records between each pair of TRs for the purposes of establishing the data integrity of the reconciliation process.

378. ESMA understands that the corresponding relevant information can be included as additional data in the relevant XML files.

Q109. 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.

5.3.4 Format of the files to be exchanged

379. As established under EMIR, ESMA proposes that the format and encoding of data files which are exchanged for the purposes of the inter-TR reconciliation between the TRs should be the same. Furthermore, with regards to establishing common format

and encoding of the data files exchanged between the TRs for the reconciliation of derivative data reported to two TRs, ESMA proposes the use of an ISO 20022 XSD containing a subset of all the reportable fields.

380. Given that the submission to the TRs will be made in ISO 20022 XSD and the provision of data to authorities will be instrumented in a similar fashion, ESMA considers that the use of ISO 20022 XSD for the inter-TR reconciliation will further enhance the process from compatibility perspective and will reduce any potential data transformation issues that might affect the quality of the data or otherwise hinder the process. The use of common XSD will ensure high-quality data and reduce the risk related to non-reconciling records where the counterparties have reported identical data, but where the data transformations at the TR level led to differences. ESMA considers that the relevant cost impact to TRs will be significantly reduced given that they will be implementing ISO 20022 XSD processing at the counterparty reporting level and at the regulatory reporting level.

Q110. 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.

381. Finally, ESMA would like to align the time for performance of the reconciliation process with the one under SFTR. The inter-TR reconciliation process cannot be initiated prior to the deadline for submission of data. Since the entities can submit data both on trade date and T+1, ESMA understands that the inter-TR reconciliation process would start as early as possible after the reporting deadline and would include all applicable non-reconciled trades.

382. In order to further streamline the reconciliation process, ESMA proposes that the inter-TR stage of the reconciliation process should be terminated by 18.00 UTC on each day of the TARGET2 calendar. This timeline is consistent with the one under SFTR and is part of the harmonisation of the process. It will align the processes at the TRs, it will facilitate data processing at the report submitting entities and streamline the amendment of the relevant derivatives. In addition, by aligning it with the SFTR timeline, it will allow the entities that report under both regimes to exploit additional processing synergies.

383. Following the completion of the inter-TR reconciliation process, ESMA expects that the TRs provide the relevant response, as described in section 5.4, to reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable. This information should also be included in the report generated to authorities. When providing the response to the report submitting entities, the TRs should take due care of safeguarding the confidentiality of the data.

Q111. 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.

5.3.5 Data elements to be compared during the reconciliation process

384. High data quality under EMIR is closely linked with reconciled data. Status "reconciled" is understood as the lack of difference between the values reported for each field by the two counterparties in their respective submissions to the TRs thus allowing the authorities to understand the economic terms of the derivative.

385. Based on the experience with EMIR, ESMA understands that certain fields, such as the free text ones could not be subject to reconciliation. [to be excluded if no free text fields]

386. Additionally, ESMA also considers that certain data fields might not be fully matched and proposes that some degree of tolerance should be applied. While determining the actual rules on this aspect, ESMA proposes to take into account the potential trade-offs (i) between quality of data and degrees of tolerance and (ii) between the degrees of tolerance and the completion of the reconciliation process. There are different levels of tolerance applied in the industry and across systems. In order to harmonise EMIR and SFTR reporting regimes, ESMA specifies the fields where tolerance can be applied and the level of tolerance:

    a. Timestamp fields, such as execution timestamp where a difference of 1 hour between the times reported by the derivative's counterparties would be tolerated.

    b. Numerical value fields where there might be different sources of information, such as valuation, when reported by the two counterparties, where a 5-basis point from the midpoint would be tolerated.

    c. Percentage values, where matching up to the third digit after the decimal would be tolerated.

Q112. Do you agree with the proposed approach to establish tolerances for certain fields? Please detail the reasons for your response.

Q113. Do you agree with the proposed set of fields? Please detail the reasons for your response.

Q114. 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.

387. Moreover, ESMA is considering the merits for establishing a staged approach for inter-TR reconciliation where only a few "no tolerance" fields are included initially, and the list is subsequently extended.

388. Stemming from the considerations above, ESMA proposes to establish a two-staged approach to reconciliation. The first stage, which will comprise a reduced number of fields, will start together with the start of the reporting obligation under Article 9 EMIR as amended by EMIR REFIT.

389. The second phase, which will add the rest of relevant common data fields, would kick off only when the rate of reconciled trades is sufficient to support the introduction of

new reconciliation requirements without adding excessive burden to TRs and reporting counterparties. It is proposed that the start of the second phase of the reconciliation process, where the full set of fields will become subject to reconciliation, should be two years after the start of the reporting obligation referred to in Article 9 EMIR. The purpose of this delay is to allow the industry to adapt to the reporting requirements and reconciliation rules, to build know-how on dealing with all the relevant new fields and to prevent the accumulation of non-reconciled trades that are never reconciled.

390. ESMA proposes that some of the data fields that are added as part of the implementation of the CDE guidance in the EU are excluded from the first stage of reconciliation and are included only in the second one.

Q115. 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.

5.4 Procedures for portability

391. The amendment to EMIR introduced by EMIR REFIT includes also a reference in Article 78(9)(c) EMIR that a TR shall establish policies and procedures "for the orderly transfer of data to other trade repositories where requested by the counterparties or CCPs referred to in Article 9 or where otherwise necessary."

392. In this regard it is worth noting that ESMA published in August 2017 "Guidelines on the transfer of data between Trade Repositories"[56]. First of all, they clarified the necessary arrangements to foster and facilitate a consistent application of the relevant EMIR requirements that underpin a competitive TR environment. Furthermore, these Guidelines help ensuring high quality data available to authorities, including the aggregations carried out by TRs, even in those cases where the TR participant changes the TR to which their derivatives were reported. In addition, the Guidelines propose a consistent and harmonised way to transfer records from one TR to another TR and support the continuity of reporting and reconciliation in all cases including the withdrawal of registration of a TR. Finally, to ensure consistent implementation across TRs, the Guidelines better clarify the expected compliance with the requirement established in Article 79(3) EMIR for the transfer of reporting flow in the case of withdrawal of registration of a TR.

393. Furthermore, the current RTS on registration, that entered into force in April 2019, included an update to Article 21(2) as follows: "An application for registration as a trade repository shall contain the procedures to ensure the orderly substitution of the original trade repository where requested by a reporting counterparty, or where requested by a third party reporting on behalf of non-reporting counterparties, or whereby such substitution is the result of a withdrawal of registration, and shall include the procedures for the transfer of data and the redirection of reporting flows to another trade repository."

[56] https://www.esma.europa.eu/sites/default/files/library/esma70-151-552_guidelines_on_transfer_of_data_between_trade_repositories.pdf

Q116. 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.

6 Common response on reporting

6.1 Rejection response

394. As part of the use of the ISO 20022 methodology, ESMA proposes that standardised response messages compliant with ISO 20022 are sent by the TRs to the report submitting entities and, where relevant, reporting counterparties or entities responsible for reporting. As indicated in section 5.1, the TR should enable the reporting counterparties or entities responsible for reporting to access the data reported on their behalf.

395. In light of Article 80(5) EMIR, ESMA proposes that the response messages indicate, at the latest one hour after the submission is received by the TR, whether the submission (i) is accepted by the TR or (ii) is rejected, and if so, specify the type of failure - schema, permission, logical or business and the relevant field or fields affected. Although not all entities might have a similar capacity of reaction to amend the incorrect submission, ESMA understands that having a standardised process will benefit the market as a whole and will ensure that the relevant entities can fulfil the requirement for a timely amendment of derivatives.

396. It is worth noting that under EMIR, reporting-wise, it is not necessary to provide response in the scope of the EMIR reporting in case of a problem with authentication of the users, given that such violation might not be uniquely attributable to derivative reporting and even more, it will be extremely difficult, if not impossible to relate this information with specific derivatives.

397. ESMA also proposes that TRs should be able to reject individual derivatives in a reporting file when these derivatives were not compliant with the validation rules and to request the report submitting entity to correct the relevant data as soon as possible.

398. Similarly to the framework under SFTR, ESMA proposes the introduction of the following minimum set of rejection categories at UTI level, which will specify the relevant errors:

    a. Schema – the derivative has been rejected, because of a non-compliant schema.

    b. Permission – the derivative has been rejected because the report submitting entity is not permissioned to report on behalf of the reporting counterparty or entity responsible for reporting.

    c. Logical – the derivative has been rejected because the action type for it is not logically correct.

d. Business – the derivative is rejected because the derivative was not compliant with one or more content validations.

Q117. Do you agree with the proposed framework for rejection responses? Please detail the reasons for your response.

6.2 Reconciliation response and relevant statuses

399. In order to ensure alignment with Commission Delegated Regulation 2019/358, ESMA proposes that at the latest one hour following the conclusion of the reconciliation process, the TRs should provide to the reporting counterparties or the entities acting on their behalf response messages describing whether the derivative is reconciled or not. In the latter case, the TRs should detail the relevant data elements where reconciliation breaks take place and provide both values reported. Furthermore, for each UTI reported, the TR should assign the following values with regards to the reconciliation of the derivative:

Table 9 - Reconciliation data	
Reconciliation categories	**Allowable values**
Reporting type	Single-sided/dual-sided
Reporting requirement for both counterparties	Yes/No
Pairing Status	Paired/unpaired
Reconciliation status	Reconciled/not reconciled
Further modifications:	Yes/No

400. The reconciliation categories and the allowable values are described as follows:

a. Reporting type will inform whether both counterparties to a derivative have reported to the same TR, i.e. dual-sided, or whether the TR is aware of only one side, i.e. single-sided.

b. Reporting requirement for both counterparties relates to the existence or not of reporting obligation for both counterparties. If there is reporting obligation for only one of the parties, the derivative will not be intended to be reconciled. It is worth noting that the allocation of reporting responsibility under Article 9(1a) and (1d) EMIR as amended by EMIR REFIT does not exempt the report of both sides of the derivative but establishes a rule for the reporting.

c. Pairing status will inform to what extent on the basis of the information provided on the data elements used to find the other side of a derivative, the TR has succeeded in doing so or not.

d. Reconciliation status will inform whether the common data pertaining to derivative subject to reconciliation has been fully reconciled.

e. The category “Further modifications” will flag whether the derivative has been amended following the establishment of the latest values for reconciliation.

401. The exact content of the response messages and the establishment of “Error codes” will be part of the definition of the XSD and the relevant response messages.

Q118. Do you agree with the proposed framework for reconciliation responses? Please detail the reasons for your response.

Q119. Do you agree with the suggested reconciliation categories? Please detail the reasons for your response.

Q120. 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?

6.3 End-of-day (EoD) response

402. Moreover, ESMA understands that, further to the immediate feedback, TRs should provide the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR as applicable, with certain end-of-day information which should allow them to enhance the quality of the data reported under EMIR.

403. First and utmost, the aforementioned entities should receive information regarding all the derivatives reports that they submitted during the reporting day, as well as the latest state of the outstanding derivatives.

404. ESMA considers that having end-of-day information on rejected trades is practical information for the entities (i) to corroborate their submissions, (ii) to act on any potential derivative that has not yet been corrected, and (iii) to enable straight-through processing and workflow automation.

405. With regards to the reconciliation status of trades, it is worth noting that the trade state report will contain only the outstanding derivatives, but not only the outstanding derivatives are subject to reconciliation, hence a separate, more detailed report relating to all the derivatives subject to reconciliation should be provided to reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR.

406. Furthermore, and to enhance the reporting of valuations, the TRs should provide to the those entities, as applicable, a report with the outstanding derivatives for which valuation data has not been reported, or the valuation data that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated.

407. In addition, and taking into account the proposed change of the reporting of information on margins, it is proposed that the TRs provide to the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable, information relating to the outstanding derivatives for which margin

information has not been reported, or the margin information that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated.

408. Finally and to facilitate the resolution of one important reporting issue, namely the reporting of abnormal values, ESMA is proposing that TRs provide the reporting counterparty, the entity responsible for reporting and the report submitting entity with information about derivatives that were received on that day with Action type “New”, “Position component”, “Modification” or “Correction” whose details such as “Notional” or “notional quantity” do not represent a “normal” value. Two approaches could be envisaged:

    a. A single absolute value threshold for each asset class (credit, commodity, currency, equity and interest rate) and level (transaction or position), above which the derivatives are considered to have abnormal value.

    b. A TR-specific approach which leverages on the existing processes for calculation of positions as per the Guidelines on positions.

409. Based on the above, a minimum set of end-of-day reports, generated in accordance with an XSD following uniform business specification, are to be made available by the TRs to the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable.

    a. Daily activity report – this report should contain all validated submissions made during the day either by the participant or an entity to which it has delegated its derivative reporting. This report should contain all reported data.

    b. Trade-state report – this report should contain the last state of each outstanding derivative, as well as its reconciliation status.

    c. Rejection report – this report should contain all UTIs of derivatives reports which have been rejected, together with the relevant error code for rejection.

    d. Reconciliation status report – this report should contain the reconciliation status of all the derivatives reported so far, except those derivatives that have expired or that have been terminated more than a month before the date on which the reconciliation process takes place and were not revived.

    e. the outstanding derivatives for which no valuation has been reported, or the valuation that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated;

    f. the outstanding derivatives for which no margin information has been reported, or the margin information that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated;

    g. the derivatives that were received on that day with Action type “New”, “Position component”, “Modification” or “Correction” which contain abnormal values.

410. In terms of the way in which the information is provided, ESMA agrees that all files might not be sent to the reporting counterparties, the entities responsible for reporting

or where appropriate, the report submitting entities, but they should be accessible through the TR interface.

Q121. 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.

Q122. 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.

7 Registration of the TRs

7.1 Additional provisions

411. In accordance with Article 72(1) EMIR, the supervisory fees charged by ESMA to the TRs "shall fully cover ESMA's necessary expenditure relating to the registration and supervision of trade repositories and the reimbursement of any costs that the competent authorities may incur carrying out work pursuant to this Regulation in particular as a result of any delegation of tasks in accordance with Article 74". In that respect, and in order to align with the existing provisions under SFTR, ESMA is proposing to include the payment of the relevant fees as a condition for the TR to be registered under EMIR.

Q123. 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.

7.2 Provisions for extension of registration

412. Article 56(3) of EMIR has been updated to include a reference to a provision mirroring the one in Article 5(7)(c) SFTR with regards to the extension of registration under EMIR for the TRs registered under SFTR. In that context ESMA is empowered to define the details of the simplified application for the extension of the registration.

413. It is worth noting that the process and timelines for new registration and for an extension of registration are the same.

414. To ensure consistency with the requirements under SFTR and alignment of the regulatory objectives to streamline the registration process for entities that are already registered by ESMA, in the following paragraphs are included the references to the relevant provisions for which additional information should be provided. It is worth noting that, where the applicant TR for extension of registration has experienced

changes compared with the latest information provided under SFTR, it should submit it without undue delay.

a. Article 1, except paragraph k) of Article 1(2);
b. Article 2;
c. Article 5;
d. Article 7, except paragraph d of Article 7(2);
e. Article 8(b);
f. Article 9(1) and 9(d);
g. Article 11;
h. Article 12(2);
i. Article 13;
j. Article 14 (2);
k. Article 15;
l. Article 16, except paragraph c);
m. Article 17;
n. Article 18;
o. Article 19;
p. Article 20;
q. Article 21;
r. Article 22;
s. Article 23;
t. Article 23a;
u. Article 23b; and
v. Article 25.

Q124. 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.

7.3 Format of the application for registration and extension of registration

415. Article 56(4) EMIR as amended by EMIR REFIT has been updated to include an empowerment for ESMA to develop an ITS specifying "the format of the application for an extension of the registration referred to in point (b) of paragraph 1". This empowerment is in addition with the previously exisiting one to develop an ITS specifying the format of the application for registration.

416. The empowerment in Article 56(4) EMIR is covered by the current ITS on registration. Besides the inclusion of "extension of registration", ESMA understands that the wording of the current ITS on registration provides a solid basis with regards to the format of the application for registration. ESMA therefore proposes to add a reference to the applications for extension of registration in all the paragraphs of Article 1. Furthermore, ESMA updates also the references to registration to include the extension of registration in the Annex to the ITS on registration.

417. Moreover, this amendment of the current ITS on registration aligns it with the ITS on registration under SFTR.

Q125. 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.

8 Data access by authorities

418. Article 81(5) EMIR has been amended by EMIR REFIT as follows:

"5. In order to ensure the consistent application of this Article, ESMA shall, after consulting the members of the ESCB, develop draft regulatory technical standards specifying the following:

(a) the information to be published or made available in accordance with paragraphs 1 and 3;

(b) the frequency of publication of the information referred to in paragraph 1;

(c) the operational standards required to aggregate and compare data across trade repositories and for the entities referred to in paragraph 3 to access that information;

(d) the terms and conditions, the arrangements and the required documentation under which trade repositories grant access to the entities referred to in paragraph 3.

[…]"

419. The aforementioned amendment has aligned the legal framework on data access between EMIR and SFTR. In this regard it is worth mentioning that the requirements under points (a) and (c) of Article 81(5) EMIR have already been covered by two

amendments of Commission Delegated Regulation 151/2013 by the Commission Delegated Regulation 2017/1800 [57] and the Commission Delegated Regulation 2019/361[58].

420. Moreover, this amendment of EMIR has aligned the legal requirements regarding terms and conditions for granting access to data under EMIR and SFTR. This aspect addresses a long-standing issue related to the data access to individual TRs. Some of the TRs put in place contractual documentation and in certain occasions this led to undue delays or even impossibility of access to data by some authorities who were prohibited from signing legal agreements with any type of supervised entities. The co-legislators thus included in EMIR, similarly to what was already in place under SFTR, a particular provision for ESMA to develop the terms and conditions for granting access to data, as well as the arrangement and the required documentation.

421. Moreover, to address the aforementioned issue, ESMA proposes to include a specific provision in the draft RTS on access levels that would define the precise and exhaustive procedure for granting access to data. The harmonising exercise carried out should ensure that the application of the envisaged provisions avoids divergence across the Union and achieves the same goal throughout. The terms and conditions for data access include a procedure for getting access to the data as well as the technical and operational arrangements to access the data given that the access to data is required under EMIR, the trade repository should not require any further documentation to the authority besides the templates and tables to establish the relevant access to data. The latter aspect, i.e. technical and operational arrangements for data access, has already been in place for EMIR following the amendment of RTS 151/2013 by RTS 2017/1800.

422. It is important to mention that when ensuring the access to data of the relevant authorities listed under Article 81(3) EMIR as amended by EMIR REFIT, the TR should ensure the confidentiality, protection and integrity of the data reported under Article 9 EMIR.

423. The terms of access are detailed in a procedure and they should include the following:

a. a template registration form for the entities entitled under Article 81(3) EMIR as amended by EMIR REFIT to access derivatives data

b. a table where the relevant aspects of the supervisory responsibilities and mandates, e.g. entities, instruments, etc. will be defined.

c. a maximum timespan of 30 days needed to establish the direct and immediate access to data

d. the applicable technical arrangements to access the data in accordance with the RTS.

[57] Commission Delegated Regulation (EU) 2017/1800 of 29 June 2017 amending Delegated Regulation (EU) No 151/2013 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council, OJ L 259, 7.10.2017, p. 14–17
[58] Commission Delegated Regulation (EU) 2019/361 of 13 December 2018 amending Delegated Regulation (EU) No 151/2013 with regard to access to the data held in trade repositories, OJ L 81, 22.3.2019, p. 69–73

424. The following aspects should be taken into account when defining the procedure:

a. The trade repository should designate a person or persons as responsible for relationship with authorities listed under Article 81(3) EMIR as amended by EMIR REFIT

b. The trade repository should publish on its website the relevant instructions (email, etc.) for submission of tables and templates for data access by authorities

c. The trade repository should provide the relevant authorities with the relevant templates and tables to be able to assess their access levels.

d. The trade repository should revert at the earliest opportunity to the authority.

425. The template form to be submitted by an authority should include the following information:

a. Name of the authority

b. Contact person at the authority

c. Legal mandate to access TR data – EMIR and the relevant EU or national regulations

d. List of authorised users

e. Credentials for secure SSH FTP connection

f. Other relevant technical information to ensure timely access to data

426. The table relating to the responsibilities and mandates to be provided by the authority should include the following information:

a. Territory, such as e.g. Member State, euro area or EU, for which the authority is competent

b. Types of counterparties for which the authority is competent in accordance with field “Corporate sector” of the two counterparties[59]

c. Types of derivatives for which the authority is competent

d. Types of underlyings to derivatives for which the authority is competent

e. Venues of execution for which the authority is competent

f. CCPs that are supervised or overseen

g. Currency of issue

h. Delivery and interconnection points

i. Benchmarks used in the Union, for which the authority is competent

Q126. Do you agree with the proposed amendments to the data access requirements with respect to the terms and conditions of data access?

[59] Table 1, fields 6 and 12 of the Draft ITS on reporting.

Q127. What other aspects need to be clarified with regards to the definition of elements for the establishment of direct and immediate access to data?

9 Publication of data

427. On 10 July 2017 ESMA submitted to the European Commission amendments to the RTS on data access regarding the publication of aggregate position data by trade repositories pursuant to Article 81 of Regulation (EU) No 648/2012.

428. ESMA proposed to amend the aforementioned RTS as its practical implementation highlighted particular situations where improvements could be made to facilitate a better market-wide aggregation and comparison of the data published by trade repositories. In addition, ESMA set out additional requirements, in line with the mandate, to better specify and enhance the data made publicly available by trade repositories and to allow the publication of certain aggregate figures that are required by EU legislations such as MiFID II and the Benchmarks Regulation.

429. In order to ensure that the end users are able to compare the aggregate position data published by the TRs, ESMA proposed, in the draft amendments to the RTS, the general rules for making the data publicly available as well as the specific rules to perform aggregations at the level of the individual TRs by defining the following aspects:

a. the frequency and timeliness of publication;

b. the general technical aspects of aggregation for the purpose of publication;

c. the details of aggregations for the purpose of benchmarks' thresholds; and

d. the details of aggregations for the purpose of trading size of commodity derivatives.

430. Currently, the aforementioned amendments are not yet endorsed neither rejected by the European Commission. Nevertheless, as a result of the proposed amendments to the details of derivatives to be reported to trade repositories contained in section 4 of this consultation paper, those amendments have resulted obsolete and not applicable.

431. ESMA will aim at delivering the amendment to the technical standards on publication of aggregate data by trade repositories at a later stage.

10 Annexes

10.1 Annex I - Summary of questions

Q1. 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?

Q2. Do you agree with the proposals set out in this section? If not, please clarify your concerns and propose alternative solutions.

Q3. Do you need any further clarifications regarding the scenario in which the FC and NFC- report to two different TRs?

Q4. 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.

Q5. 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?

Q6. Do you agree with the proposals set out in this section? If not, please clarify your concerns and propose alternative solutions.

Q7. 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?

Q8. 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.

Q9. 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?

Q10. Do you see any other data quality issues which should be addressed?

Q11. 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?

Q12. Do you foresee any difficulties related to reporting using an ISO 20022 technical format that uses XML? If yes, please elaborate.

Q13. Do you expect difficulties with the proposed allocation of responsibility for generating the UTI?

Q14. Is any further guidance needed with respect to the generation and exchange of the UTI for derivatives reported at position level?

Q15. 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.

Q16. 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?

Q17. 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.

Q18. Which policy option presented in the flowchart do you prefer? Please elaborate on the reasons why in your reply.

Q19. Is the additional clarification concerning the sorting of the alphanumerical strings needed? If so, which should method of sorting should be considered?

Q20. 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.

Q21. 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.

Q22. 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?

Q23. 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.

Q24. 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?

Q25. 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? ?

Q26. 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?

Q27. 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?

Q28. 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?

Q29. 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?

Q30. Do you have any comments concerning ESMA approach to inclusion of CDEs into EMIR reporting requirements?

Q31. Is the list of Action types and Event types complete? Is it clear when each of the categories should be used?

Q32. 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?

Q33. Is it clear what are the possible sequences of Action Types based on the Figure 1?

Q34. Are the possible combinations of Action type and Event type determined correctly? Is their applicability at trade and/or position level determined correctly?

Q35. Is the approach to reporting Compression sufficiently clear? If not, please explain what should be further clarified or propose alternatives.

Q36. 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?

Q37. 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?

Q38. Is the approach to reporting at position level sufficiently clear? If not, please explain what should be further clarified?

Q39. 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.

Q40. Are there any products other than derivatives concluded on a venue and CfDs that may need to be reported at position level?

Q41. 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.

Q42. 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?

Q43. 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?

Q44. Do you agree with the proposed definition? Are there any other aspects that should be covered in the technical standards?

Q45. Do you agree with the proposed definition? Are there any other aspects that should be covered in the technical standards?

Q46. Do you foresee any difficulties with the reporting of Event date? Please flag these difficulties if you see them.

Q47. 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.

Q48. 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.

Q49. Do you agree on the proposal to include this process in the draft RTS on procedures for ensuring data quality?

Q50. 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?

Q51. 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?

Q52. 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?

Q53. Which entity should identify all transactions that should be amended due to a partial modification of the identifier of an entity?

Q54. 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?

Q55. 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?

Q56. 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)?

Q57. 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?

Q58. 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.

Q59. 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.

Q60. 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.

Q61. Do you have any other comments concerning the fields related to clearing?

Q62. 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.

Q63. Do you have any comments concerning the fields related to settlement?

Q64. Do you have any comments concerning the proposed way of reporting of the trading venue?

Q65. Do you foresee any difficulties related to the proposal for reporting the data elements related to the regular payments?

Q66. Do you agree to leave the valuation fields unchanged? If not, what changes do you propose?

Q67. Do you agree that the contract value is most relevant for authorities when reported as the IFRS 13 Fair Value without applying valuation adjustments?

Q68. 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)?

Q69. 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?

Q70. Do you agree that the fields IM/VM Posted/Received fields are provided in with both a pre- and post-haircut value?

Q71. Do you agree to change the format of the collateralisation field to one that is compatible with single sided reporting?

Q72. Do you agree that the fields “Counterparty rating trigger indicator” and “Counterparty rating threshold indicator” are added?

Q73. Do you agree that a single A rating is the most relevant trigger for the “Counterparty rating threshold indicator” field?

Q74. Is it possible to separate the value of a collateral portfolio exclusively for derivatives?

Q75. 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?

Q76. Do you think that there are other additional fields which would be necessary to fully understand the price of a derivative?

Q77. 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.

Q78. 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.

Q79. 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?

Q80. 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?

Q81. 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?

Q82. Do you foresee any challenges with reporting of the Total notional quantity?

Q83. Which of the two described approaches to reporting the notional amount schedules is preferable? Please motivate your view.

Q84. 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?

Q85. Do you agree with the proposal for reporting of attachment and detachment point?

Q86. 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?

Q87. Do respondents believe that any of these new fields would be problematic to report? If so, please explain why.

Q88. Do you foresee any difficulties related to reporting of the additional fields for package transactions? Please motivate your reply.

Q89. Do you foresee any difficulties related to the reporting of prior UTI? Please motivate your reply.

Q90. 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.

Q91. Do you foresee any difficulties related to the generation and reporting of the PTRR ID for cleared derivatives? Please motivate your reply.

Q92. 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?

Q93. 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.

Q94. Do you foresee any difficulties related to the reporting of any of the additional data elements related to custom baskets? Please motivate your reply.

Q95. 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.

Q96. 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?

Q97. 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?

Q98. 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?

Q99. 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.

Q100. 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?

Q101. Do you agree with the proposed timelines for implementation, i.e. 18 months from the entry into force of the technical standards?

Q102. Do you agree with the proposed framework for verification of data submission? Please detail the reasons for your response.

Q103. 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.

Q104. 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.

Q105. 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.

Q106. 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.

Q107. Are there any aspects related to the intra-TR reconciliation that need to be clarified? Please detail the reasons for your response.

Q108. 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.

Q109. 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.

Q110. 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.

Q111. 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.

Q112. Do you agree with the proposed approach to establish tolerances for certain fields? Please detail the reasons for your response.

Q113. Do you agree with the proposed set of fields? Please detail the reasons for your response.

Q114. 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.

Q115. 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.

Q116. 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.

Q117. Do you agree with the proposed framework for rejection responses? Please detail the reasons for your response.

Q118. Do you agree with the proposed framework for reconciliation responses? Please detail the reasons for your response.

Q119. Do you agree with the suggested reconciliation categories? Please detail the reasons for your response.

Q120. 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?

Q121. 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.

Q122. 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.

Q123. 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.

Q124. 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.

Q125. 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.

Q126. Do you agree with the proposed amendments to the data access requirements with respect to the terms and conditions of data access?

Q127. What other aspects need to be clarified with regards to the definition of elements for the establishment of direct and immediate access to data?

10.2 Annex II - Legislative mandate to develop technical standards

Article 9(5) of EMIR establishes that "*In order to ensure consistent application of this Article, ESMA shall develop draft regulatory technical standards specifying the details and type of the reports referred to in paragraphs 1 and 3 for the different classes of derivatives.*

The reports referred to in paragraphs 1 and 3 shall specify at least:

(a) the parties to the derivative contract and, where different, the beneficiary of the rights and obligations arising from it;

(b) the main characteristics of the derivative contracts, including their type, underlying maturity, notional value, price, and settlement date.

ESMA shall submit those draft regulatory technical standards to the Commission by 30 September 2012.

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010."

Article 9(6) of EMIR as amended by EMIR REFIT establishes that *"To ensure uniform conditions of application of paragraphs 1 and 3, ESMA shall, in close cooperation with the ESCB, develop draft implementing technical standards specifying:*

(a) the data standards and formats for the information to be reported, which shall include at least the following:

(i) global legal entity identifiers (LEIs);

(ii) international securities identification numbers (ISINs);

(iii) unique trade identifiers (UTIs);

(b) the methods and arrangements for reporting;

(c) the frequency of the reports;

(d) the date by which derivative contracts are to be reported.

In developing those draft implementing technical standards, ESMA shall take into account international developments and standards agreed upon at Union or global level, and their consistency with the reporting requirements laid down in Article 4 of Regulation (EU) 2015/2365 […] and Article 26 of Regulation (EU) No 600/2014.

ESMA shall submit those draft implementing technical standards to the Commission by 18 June 2020.

Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010."

Article 56(3) of EMIR as amended by EMIR REFIT establishes that "*To ensure the consistent application of this Article, ESMA shall develop draft regulatory technical standards specifying the following:*

> *(a) the details of the application for the registration referred to in point (a) of paragraph 1;*
>
> *(b) the details of the simplified application for the extension of the registration referred to in point (b) of paragraph 1.*

ESMA shall submit those draft regulatory technical standards to the Commission by 18 June 2020.

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010."

Article 56(4) of EMIR REFIT establishes that "*To ensure uniform conditions of application of paragraph 1, ESMA shall develop draft implementing technical standards specifying the following:*

> *(a) the format of the application for registration referred to in point (a) of paragraph 1;*
>
> *(b) the format of the application for an extension of the registration referred to in point (b) of paragraph 1.*

With regard to point (b) of the first subparagraph, ESMA shall develop a simplified format.

ESMA shall submit those draft implementing technical standards to the Commission by 18 June 2020.

Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010"

Article 78(10) of EMIR as amended by EMIR REFIT establishes that "*To ensure the consistent application of this Article, ESMA shall develop draft regulatory technical standards specifying:*

> *(a) the procedures for the reconciliation of data between trade repositories;*

(b) the procedures to be applied by the trade repository to verify the compliance by the reporting counterparty or submitting entity with the reporting requirements and to verify the completeness and correctness of the data reported under Article 9.

ESMA shall submit those draft regulatory technical standards to the Commission by 18 June 2020.

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010"

Article 81(5) of EMIR as amended by EMIR REFIT establishes that: "*In order to ensure the consistent application of this Article, ESMA shall, after consulting the members of the ESCB, develop draft regulatory technical standards specifying the following:*

(a) the information to be published or made available in accordance with paragraphs 1 and 3;

(b) the frequency of publication of the information referred to in paragraph 1;

(c) the operational standards required to aggregate and compare data across trade repositories and for the entities referred to in paragraph 3 to access that information;

(d) the terms and conditions, the arrangements and the required documentation under which trade repositories grant access to the entities referred to in paragraph 3. ESMA shall submit those draft regulatory technical standards to the Commission by 18 June 2020.

In developing those draft regulatory technical standards, ESMA shall ensure that the publication of the information referred to paragraph 1 does not reveal the identity of any party to any contract.

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010"

10.3 Annex III - Cost-benefit analysis

ESMA's choices in this review are of a pure technical nature and do not imply strategic decisions or policy choices.

ESMA's options are limited to the approach it took to drafting these particular regulatory and implementing technical standards and the need to ensure clarity, consistency or reporting and uniformity of formats.

The main policy decisions have already been analysed and published by the European Commission under the primary legislation, i.e.: Regulation (EU) No 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012.

ESMA is looking forward to the information provided in response to this Consultation Paper to further inform its cost-benefit analysis which will accompany the submission of the technical standards to the European Commission.

10.4 Annex IV - Draft RTS on details of the reports to be reported to TRs under EMIR

Article 1

Details to set out in reports pursuant to Article 9(1) and (3) of Regulation (EU) No 648/2012

1. Reports to trade repositories made pursuant to Article 9 of Regulation (EU) No 648/2012 shall include the complete and accurate details set out in Tables 1, 2 and 3 of the Annex that pertain to the derivative concerned.
2. When reporting the conclusion, modification or termination of the derivative, a counterparty shall specify in its report the action type and event type as defined in the fields 149 and 150 in Table 2 of the Annex to which that conclusion, modification or termination is related.
3. The details referred to in paragraph 1 shall be reported within a single report.

   By way of derogation from the first subparagraph, the details referred to in paragraph 1 shall be reported in separate reports where the fields in the Tables 1, 2 and 3 of the Annex do not allow for the effective reporting of those details . This includes where the derivative contract is composed of a combination of derivative contracts that are negotiated together as the product of a single economic agreement.

   Counterparties to a derivative contract composed of a combination of derivative contracts referred to in the second subparagraph shall agree, before the reporting deadline, on the number of separate reports to be sent to a trade repository in relation to that derivative contract.

   The reporting counterparty shall link the separate reports by an identifier that is unique at the level of the counterparty to the group of derivative reports, in accordance with field 6 in Table 2 of the Annex.
4. Where one report is made on behalf of both counterparties, it shall contain the details set out in Tables 1, 2 and 3 of the Annex in relation to each of the counterparties.
5. Where one counterparty reports the details of a derivative to a trade repository on behalf of the other counterparty, or a third entity reports a contract to a trade repository on behalf of one or both counterparties, the details reported shall include the full set of details that would have been reported had the derivatives been reported to the trade repository by each counterparty separately.

Article 2

Cleared trades

1. Where a derivative whose details have already been reported pursuant to Article 9 of Regulation (EU) No 648/2012 is subsequently cleared by a CCP, that derivative shall be reported as terminated by specifying in fields 149 and 150 in Table 2 of the Annex the action

type ‘Early Termination’ and event type ‘Clearing’. New derivatives resulting from clearing shall be reported by specifying in fields 149 and 150 in Table 2 of the Annex action type ‘New’ and event type ‘Clearing’.

2. Where a derivative is both concluded on a trading venue or on an organised trading platform located outside of the Union and cleared on the same day, only the derivatives resulting from clearing shall be reported. These derivatives shall be reported by specifying in fields 149 and 150 in Table 2 of the Annex either action type ‘New’, or action type ‘Position component’, in accordance with Article 3(2), and event type ‘Clearing’.

Article 3

Reporting at position level

1. Following to the reporting of the details of a derivative it has concluded and the termination of that derivative due to inclusion in a position, a counterparty shall be allowed to use position level reporting provided that all of the following conditions are fulfilled:

(a) the risk is managed at position level, the reports relate to derivatives concluded on a trading venue or on an organised trading platform located outside of the Union or to contracts for difference that are fungible with each other and have been replaced by the position.

(b) the derivatives, i.e. at trade level as referred to in field 152 in Table 2 of the Annex, have been correctly reported prior to their inclusion in the position;

(c) other events that affect the common fields in the report of the position are separately reported;

(d) the derivatives referred to in point (b) were duly terminated by indicating action type ‘Termination’ in field 149 in Table 2 of the Annex and event type ‘Inclusion in a position’ in the field 150 in Table 2 of the Annex;

(e) the resulting position was duly reported either as a new position or as an update to an existing position;

(f) the report of the position is made correctly filling in all the applicable fields in Tables 1 and 2 of the Annex and by indicating ‘P’ in field 152 in Table 2 of the Annex.

2. When an existing derivative is to be included in a position level report on the same day, such derivative shall be reported with action type “position component” in field 149 in Table 2 of the Annex.

3. The subsequent updates, including valuation updates, collateral updates and other modifications and lifecycle events shall be reported at position level and they shall not be reported for the original derivatives that were terminated and included in that position.

Article 4

Reporting of exposures

1. The data on collateral required in accordance with Article 11(3) of the Regulation (EU) No 648/2012] shall include all posted and received collateral in accordance with fields 1 to 30 in Table 3 of the Annex.

2. Where a counterparty collateralises on a portfolio basis, the reporting counterparty or the entity responsible for reporting shall report to a trade repository collateral posted and received on a portfolio basis in accordance with fields 1 to 30 in Table 3 of the Annex and specifying a code identifying the portfolio in accordance with field 10 in Table 3 of the Annex.

3. Non-financial counterparties other than those referred to in Article 10 of Regulation (EU) No 648/2012 or the entities responsible for reporting on their behalf shall not be required to report collateral, mark-to-market, or mark-to-model valuations of the contracts set out in Table 1 and Table 3 of the Annex to this Regulation.

5. For derivatives cleared by a CCP, the counterparty or the entity responsible for reporting shall report the valuation of the derivative provided by the CCP in accordance with fields 15 to 18 in Table 2 of the Annex.

6. For derivatives not cleared by a CCP, the counterparty or the entity responsible for reporting shall report, in accordance with fields 15 to 18 in Table 2 of the Annex, the valuation of the derivative performed in accordance with the methodology defined in International Financial Reporting Standard 13 Fair Value Measurement as adopted by the Union and referred to in the Annex to Commission Regulation (EC) No 1126/2008 (*), without applying any adjustment to the fair value.

Article 5

Notional amount

1. The notional amount of a derivative referred to in fields 50 and 59 in Table 2 of the Annex shall be specified as follows:

(a) in the case of swaps, futures, forwards and options traded in monetary units, the reference amount;

(b) in the case of options other than those referred to in point (a) calculated using the strike price;

(c) in the case of forwards other than those referred to in point (a), the product of the forward price and the total notional quantity of the underlying;

(d) in the case of equity dividend swaps, the product of the period fixed strike and the number of shares or index units;

(e) in the case of equity volatility swaps, the variance amount;

(f) in the case of equity variance swaps, the vega notional amount;

(g) in the case of financial contracts for difference, the resulting amount of the initial price and the total notional quantity;

(h) in case of commodity fixed/float swaps, the product of the fixed price and the total notional quantity;

(i) in case of commodity basis swaps, the product of the last available spot price at the time of the transaction of the underlying asset of the leg with no spread and the total notional quantity of the leg with no spread;

(j) in case of swaptions, the notional amount of the underlying contract;

(k) in the case of a derivative not referred to in the subparagraphs (a)-(j) above, where the notional amount is calculated using the price of the underlying asset and such price is only available at the time of settlement, the end of day price of the underlying asset at the date of conclusion of the contract.

2. The initial report of a derivative contract whose notional amount varies over time shall specify the notional amount as applicable at the date of conclusion of the derivative contract and the notional amount schedule.

When reporting the notional amount schedule, counterparties shall indicate:

(i) the unadjusted date on which the associated notional amount becomes effective;

(ii) the unadjusted end date of the notional amount;

(iii) the notional amount which becomes effective on the associated unadjusted effective date.

Article 6

Price

1. The price of a derivative referred to in field 40 in Table 2 of the Annex shall be specified as follows:

(a) in the case of swaps with periodic payments relating to commodities, the fixed price;

(b) in the case of forwards relating to commodities and equities, the forward price of the underlying;

(c) in the case of swaps relating to equities and contracts for difference, the initial price of the underlying.

2. The field ”price” of a derivative shall not be reported when the price is already reported in another field in the Table 2 of the Annex.

Article 7

Linking of reports

The reporting counterparty or entity responsible for reporting shall link the reports related to the derivatives concluded or terminated as a result of the same event referred to in the field 150 in Table 2 as follows:

(a) in the case of clearing, step-in, allocation and exercise, the counterparty shall report the unique trade identifier (UTI) of the original derivative that was terminated as a result of the event referred to in the field 150 in Table 2 in the field 3 in Table 2 of the Annex within the report or reports pertaining to the derivative or the derivatives resulting from that event;

(b) in the case of inclusion of a derivative in a position, the counterparty shall report the UTI of the position in which that derivative has been included in the field 4 in table 2 of the Annex within the report of that derivative sent with action type ‘Position component’ or a combination of action type ‘Early termination’ and event type ‘Inclusion in a position’;

(c) in the case of post-trade risk reduction (PTRR) event, the counterparty shall report a unique code identifying this event as provided by the PTRR service provider in the field 5 in Table 2 of the Annex within all the reports pertaining to the derivatives that were either terminated due to or result from that event.

Article 8

Reporting log

Modifications to the data registered in trade repositories shall be kept in a log identifying the person or persons that requested the modification, including the trade repository itself if applicable, the reason or reasons for such modification, a date and timestamp and a clear description of the changes, including the old and new contents of the relevant data as set out in fields 149 and 150 in Table 2 of the Annex.

Article 9

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from [PO: please insert date 18 months after the date of entry into force].

This Regulation shall be binding in its entirety and directly applicable in all Member States.

ANNEX I

Table 1

Counterparty data

	Field	Details to be reported
1	Reporting timestamp	Date and time of the submission of the report to the trade repository.
2	Report submitting entity ID	In the case where the counterparty 1 has delegated the submission of the report to a third party or to the counterparty 2, this entity has to be identified in this field by a unique code. Otherwise this field shall be left blank.
3	Entity responsible for reporting	Where a financial counterparty is solely responsible, and legally liable, for reporting on behalf of both counterparties in accordance with Article 9(1)(a) of Regulation (EU) No 648/2012 of the Parliament and of the Council, the unique code identifying that financial counterparty. Where a management company is responsible, and legally liable, for reporting on behalf of an Undertaking for Collective Investment in Transferable Securities (UCITS) in accordance with Article 9(1)(b) of that Regulation, the unique code identifying that management company. Where an Alternative Investment Fund Manager (AIFM) is responsible, and legally liable, for reporting on behalf of an Alternative Investment Fund (AIF) in accordance with Article 9(1)(c) of that Regulation, the unique code identifying that AIFM. Where an authorised entity that is responsible for managing and acting on behalf of an IORP is responsible, and legally liable, for reporting on its behalf in accordance with Article 9(1)(d) of

		that Regulation, the unique code identifying that entity. This field is applicable only to the OTC derivatives.
4	Counterparty 1 (Reporting counterparty)	Identifier of the counterparty to a derivative transaction who is fulfilling its reporting obligation via the report in question. In the case of an allocated derivative transaction executed by a fund manager on behalf of a fund, the fund and not the fund manager is reported as the counterparty.
5	Nature of the counterparty 1	Indicate if the counterparty 1 is a CCP, a financial, non-financial counterparty or other type of counterparty in accordance with point 5 of Article 1 or points 1, 8 and 9 of Article 2 of Regulation (EU) No 648/2012 of the European Parliament and of the Council.
6	Corporate sector of the counterparty 1	Nature of the counterparty 1's company activities. If the counterparty 1 is a Financial Counterparty, this field shall contain all necessary codes included in the Taxonomy for Financial Counterparties and applying to that Counterparty. If the counterparty 1 is a Non-Financial Counterparty, this field shall contain all necessary codes included in the Taxonomy for Non-Financial Counterparties and applying to that Counterparty. Where more than one activity is reported, the codes shall be populated in order of the relative importance of the corresponding activities.
7	Clearing threshold of counterparty 1	Information whether the counterparty 1 is above the clearing threshold referred to in Art. 4(a)(3) or 10(3) of Regulation (EU) No 648/2012 at the moment when the transaction was concluded.
8	Counterparty 2 identifier type	Indicator of whether LEI was used to identify the Counterparty 2.

9	Counterparty 2	Identifier of the second counterparty to a derivative transaction. In the case of an allocated derivative transaction executed by a fund manager on behalf of a fund, the fund and not the fund manager is reported as the counterparty.
10	Country of the counterparty 2	In case the counterparty 2 is a natural person, the code of country of residence of that person
11	Nature of the counterparty 2	Indicate if the counterparty 2 is a CCP, a financial, non-financial counterparty or other type of counterparty in accordance with point 5 of Article 1 or points 1, 8 and 9 of Article 2 of Regulation (EU) No 648/2012 of the European Parliament and of the Council.
12	Corporate sector of the counterparty 2	Nature of the counterparty 2's company activities. If the counterparty 2 is a Financial Counterparty, this field shall contain all necessary codes included in the Taxonomy for Financial Counterparties and applying to that Counterparty. If the counterparty 2 is a Non-Financial Counterparty, this field shall contain all necessary codes included in the Taxonomy for Non-Financial Counterparties and applying to that Counterparty. Where more than one activity is reported, the codes shall be populated in order of the relative importance of the corresponding activities.
13	Clearing threshold of counterparty 2	Information whether the counterparty 2 is above the clearing threshold referred to in Art. 4(a)(3) or 10(3) of Regulation (EU) No 648/2012 at the moment when the transaction was concluded.
14	Reporting obligation of the counterparty 2	Indicator of whether the counterparty 2 has the reporting obligation under EMIR (irrespective of who is responsible and legally liable for its reporting)

15	Broker ID	In the case a broker acts as intermediary for the counterparty 1 without becoming a counterparty himself, the counterparty 1 shall identify this broker by a unique code
16	Clearing member	Identifier of the clearing member through which a derivative transaction was cleared at a central counterparty. This data element is applicable to cleared transactions.
17	Beneficiary 1 identifier type	Indicator of whether LEI was used to identify the beneficiary 1.
18	Beneficiary 1	Identifier of the beneficiary of an OTC derivative transaction for Counterparty 1. For each transaction that is executed, this data element identifies the party that becomes subject to the rights and obligations arising from the contract, rather than any party who executes the transaction on behalf of or otherwise represents such party. If a beneficiary is a structure such as trust or collective investment vehicle, this data element would identify the structure, rather than the entities that hold ownership interests in the structure.
19	Direction	Indicator of whether the counterparty 1 is the buyer or the seller as determined at the time of the transaction.
20	Direction of leg 1	Indicator of whether the counterparty 1 is the payer or the receiver of leg 1 as determined at the time of the of the conclusion of the derivative
21	Direction of leg 2	Indicator of whether the counterparty 1 is the payer or the receiver of leg 2 as determined at the time of the conclusion of the derivative
22	Directly linked to commercial activity or treasury financing	Information on whether the contract is objectively measurable as directly linked to the counterparty 1's commercial or treasury financing activity, as referred to in Art. 10(3) of Regulation (EU) No 648/2012. This field shall be left blank in the case where the counterparty

		1 is a financial counterparty, as referred to in Article 2 (8) Regulation of (EU) No 648/2012.

Table 2

Common data

	Field	**Details to be reported**
1	UTI	Unique Trade Identifier as referred to in Article 7 of the [ITS]
2	Report tracking number	A unique number for the group of reports which relate to the same execution of a derivative contract
3	Prior UTI (for one-to-one and one-to-many relations between transactions)	UTI assigned to the predecessor transaction that has given rise to the reported transaction due to a lifecycle event, in a one-to-one relation between transactions (eg in the case of a novation, when a transaction is terminated, and a new transaction is generated) or in a one-to-many relation between transactions (eg in clearing or if a transaction is split into several different transactions). This data element is not applicable when reporting many-to-one and many-to-many relations between transactions (eg in the case of a compression)
4	Subsequent position UTI	The UTI of the position in which a derivative is included. This field is applicable only for the reports related to the termination of a derivative due to its inclusion in a position.
5	PTRR ID	Identifier generated by the PTRR service provider or CCP performing the compression in order to connect all derivatives entering into a given compression event and resulting from that PTRR event
6	Package identifier	Identifier (determined by the counterparty 1) in order to connect derivatives in the same package in accordance with Article 1(2)(a)

7	ISIN	ISIN identifying the product if that product is admitted to trading or traded on a regulated market, MTF, OTF or systematic internaliser.
8	Unique product identifier (UPI)	UPI identifying the product
9	Product classification	Classification of Financial Instrument (CFI) code pertaining to the instrument
10	Contract type	Each reported contract shall be classified according to its type
11	Asset class	Each reported contract shall be classified according to the asset class it is based on
12	Underlying identification type	The type of relevant underlying identifier
13	Underlying identification	The direct underlying shall be identified by using a unique identification for this underlying based on its type. For Credit Default Swaps, the ISIN of the reference obligation should be provided.
14	Underlying custom basket identification	In case of custom baskets composed, among others, of financial instruments traded in a trading venue, only financial instruments traded in a trading venue shall be specified.
15	Settlement currency 1	Currency for the cash settlement of the transaction when applicable. For multicurrency products that do not net, the settlement currency of the first leg. This data element is not applicable for physically settled products (eg physically settled swaptions).
16	Settlement currency 2	Currency for the cash settlement of the transaction when applicable. For multicurrency products that do not net, the settlement currency of the second leg. This data element is not applicable for physically settled products (eg physically settled swaptions).

17	Valuation amount	Mark to market valuation of the contract, or mark to model valuation as referred to in Article 4 of the [RTS] The CCP's valuation to be used for a cleared trade.
18	Valuation currency	Currency in which the valuation amount is denominated.
19	Valuation timestamp	Date and time of the last valuation marked to market, provided by the central counterparty (CCP) or calculated using the current or last available market price of the inputs.
20	Valuation method	Source and method used for the valuation of the transaction by the counterparty 1. If at least one valuation input is used that is classified as mark-to-model in the below table, then the whole valuation is classified as mark-to-model. If only inputs are used that are classified as mark-to-market in the table below, then the whole valuation is classified as mark-to-market.
21	Collateral portfolio indicator	Indicator of whether the collateralisation was performed on a portfolio basis. Under portfolio, it is understood the set of transactions that are margined together (either on a net or a gross basis) rather than an individual transaction.
22	Collateral portfolio code	If collateral is reported on a portfolio basis, unique code assigned by the counterparty 1 to the portfolio. This data element is not applicable if the collateralisation was performed on a transaction level basis, or if there is no collateral agreement or if no collateral is posted or received.
23	Confirmation timestamp	Date and time of the confirmation, as set out in Article 12 of Commission Delegated Regulation (EU) No 149/2013. Applicable only to OTC derivative contracts not cleared by a CCP.
24	Confirmed	For new reportable transactions, whether the legally binding terms of an OTC derivatives contract were documented and agreed upon (confirmed) or not (unconfirmed). If documented and agreed, whether such confirmation was done: • via a shared confirmation facility or platform, or a private/bilateral

		electronic system (electronic); • via a human-readable written document, such as fax, paper or manually processed e-mails (non-electronic). Applicable only to OTC derivative contracts not cleared by a CCP
25	Clearing obligation	Indicates, whether the reported contract belongs to a class of OTC derivatives that has been declared subject to the clearing obligation and both counterparties to the contract are subject to the clearing obligation under Regulation (EU) No 648/2012, as of the time of execution of the contract. Applicable only to OTC derivative contracts.
26	Cleared	Indicator of whether the derivative has been cleared by a CCP
27	Clearing timestamp	Time and date when clearing took place. Applicable only to derivatives cleared by a CCP.
28	Central counterparty	Identifier of the central counterparty (CCP) that cleared the transaction. This data element is not applicable if the value of the data element "Cleared" is "N" ("No, not centrally cleared")
29	Master Agreement type	Reference to the master agreement type under which the counterparties concluded a derivative.
30	Other master agreement type	Name of the master agreement. This field shall only be completed where 'OTHR' is reported in field 2.29
31	Master Agreement version	Reference to the year of the master agreement relevant to the reported trade, if applicable.
32	Intragroup	Indicates whether the contract was entered into as an intragroup transaction, defined in Article 3 of Regulation (EU) No 648/2012
33	PTRR	Identify whether the contract results from a PTRR operation
34	Type of PTRR technique	Indicator of a type of a PTRR operation. Applicable only to the contracts resulting from the PTRR service.
35	PTRR service provider	LEI identifying the PTRR service provider

36	Venue of execution	Identification of the venue where the transaction was executed. Use the ISO 10383 segment MIC for transactions executed on a trading venue, Systematic Internaliser (SI) or organised trading platform outside of the Union. Where the segment MIC does not exist, use the operating MIC. Use MIC code 'XOFF' for financial instruments admitted to trading, or traded on a trading venue or for which a request for admission was made, where the transaction on that financial instrument is not executed on a trading venue, SI or organised trading platform outside of the Union, or where a counterparty does not know it is trading with a counterparty 2 acting as an SI. Use MIC code '????' for financial instruments that are not admitted to trading or traded on a trading venue or for which no request for admission has been made and that are not traded on an organised trading platform outside of the Union.
37	Execution timestamp	Date and time a transaction was originally executed, resulting in the generation of a new UTI. This data element remains unchanged throughout the life of the UTI. For position level reporting it should refer to the time when position was opened for the first time
38	Effective date	Unadjusted date at which obligations under the OTC derivative transaction come into effect, as included in the confirmation.
39	Expiration date	Unadjusted date at which obligations under the derivative transaction stop being effective, as included in the confirmation. Early termination does not affect this data element.
40	Early termination date	Effective date of the early termination (expiry) of the reported transaction. This data element is applicable if the termination of the transaction occurs prior to its maturity due to an ex-interim decision of a counterparty (or counterparties).

41	Final contractual settlement date	Unadjusted date as per the contract, by which all transfer of cash or assets should take place and the counterparties should no longer have any outstanding obligations to each other under that contract. For products that may not have a final contractual settlement date (eg American options), this data element reflects the date by which the transfer of cash or asset would take place if termination were to occur on the expiration date.
42	Delivery type	Indicates whether the contract is settled physically or in cash
43	Price	Price specified in the derivative transaction. It does not include fees, taxes or commissions. Where the price is not known when a new transaction is reported, the price is updated as it becomes available. For transactions that are part of a package, this data element contains the price of the component transaction where applicable.
44	Price currency	Currency in which the price is denominated. Price currency is only applicable if price is expressed as monetary value
45	Unadjusted effective date of the price	Unadjusted effective date of the price
46	Unadjusted end date of the price	Unadjusted end date of the price (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period)
47	Price in effect between the uandjusted effective and end date	Price in effect between the unadjusted effective date and inclusive of the unadjusted end date
48	Package transaction price	Traded price of the entire package in which the reported derivative transaction is a component. This data element is not applicable if • no package is involved, or • package transaction spread is used. Prices and related data elements of the transactions (Price currency,

		Price unit of measure) that represent individual components of the package are reported when available. The package transaction price may not be known when a new transaction is reported but may be updated later.
49	Package transaction price currency	Currency in which the Package transaction price is denominated. This data element is not applicable if • no package is involved, or • Package transaction spread is used, or • Package transaction price is expressed as percentage
50	Notional amount of leg 1	Notional amount of leg 1 as referred to in Article 5 of the [RTS]
51	Notional currency 1	Where applicable: the currency in which the notional amount of leg 1 is denominated.
52	Effective date of the notional amount of leg 1	Unadjusted date on which the associated notional amount of leg 1 becomes effective
53	End date of the notional amount of leg 1	Unadjusted end date of the notional amount of leg 1 (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period)
54	Notional amount in effect on associated effective date of leg 1	Notional amount of leg 1 which becomes effective on the associated unadjusted effective date
55	Total notional quantity of leg 1	Aggregate Notional quantity of the underlying asset of leg 1 for the term of the transaction. Where the Total notional quantity is not known when a new transaction is reported, the Total notional quantity is updated as it becomes available.
56	Effective date of the notional quantity of leg 1	Unadjusted date on which the associated notional quantity of leg 1 becomes effective
57	End date of the notional quantity of leg 1	Unadjusted end date of the notional quantity of leg 1 (not applicable if the unadjusted end date of a given schedule's

		period is back-to-back with the unadjusted effective date of the subsequent period);
58	Notional quantity in effect on associated effective date of leg 1	Notional quantity of leg 1 which becomes effective on the associated unadjusted effective date.
59	Notional amount of leg 2	Where applicable, notional amount of leg 2 as referred to in Article 5 of the [RTS]
60	Notional currency 2	Where applicable: the currency in which the notional amount of leg 2 is denominated.
61	Effective date of the notional amount of leg 2	Unadjusted date on which the associated notional amount of leg 2 becomes effective
62	End date of the notional amount of leg 2	Unadjusted end date of the notional amount of leg 2 (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period)
63	Notional amount in effect on associated effective date of leg 2	Notional amount of leg 2 which becomes effective on the associated unadjusted effective date
64	Total notional quantity of leg 2	Aggregate Notional quantity of the underlying asset of leg 2 for the term of the transaction. Where the Total notional quantity is not known when a new transaction is reported, the Total notional quantity is updated as it becomes available.
65	Effective date of the notional quantity of leg 2	Unadjusted date on which the associated notional quantity of leg 2 becomes effective
66	End date of the notional quantity of leg 2	Unadjusted end date of the notional quantity of leg 2 (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period);

67	Notional quantity in effect on associated effective date of leg 2	Notional quantity of leg 2 which becomes effective on the associated unadjusted effective date.
68	Delta	The ratio of the absolute change in price of a derivative transaction to the change in price of the underlier, at the time a new transaction is reported or when a change in the notional amount is reported. Updated delta shall be reported on a daily basis by financial counterparties and non-financial counterparties referred to in Article 10 of Regulation (EU) No 648/2012
69	Other payment type	Type of Other payment amount. Option premium payment is not included as a payment type as premiums for option are reported using the option premium dedicated data element.
70	Other payment amount	Payment amounts with corresponding payment types to accommodate requirements of transaction descriptions from different asset classes.
71	Other payment currency	Currency in which Other payment amount is denominated.
72	Other payment date	Unadjusted date on which the other payment amount is paid.
73	Other payment payer	Identifier of the payer of Other payment amount.
74	Other payment receiver	Identifier of the receiver of Other payment amount.
75	Fixed rate of leg 1	An indication of the fixed rate leg 1 used, where applicable
76	Fixed rate day count convention leg 1	Where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the number of days in the year.
77	Fixed rate payment frequency period leg 1	Where applicable: time unit associated with the frequency of payments, eg day, week, month, year or term of the stream for the fixed rate of leg 1.

78	Fixed rate payment frequency period multiplier leg 1	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur for the fixed rate of leg 1. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTH" (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is "ADHO". If payment frequency period is "TERM", then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is "DAIL" and the payment frequency multiplier is 0.
79	Identifier of the floating rate of leg 1	Where applicable: an identifier of the interest rates used which are reset at predetermined intervals by reference to a market reference rate
80	Indicator of the floating rate of leg 1	An indication of the interest rate, where available
81	Name of the floating rate of leg 1	The full name of the interest rate as assigned by the index provider
82	Floating rate day count convention of leg 1	Where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments for the floating rate of leg 1 are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the number of days in the year.
83	Floating rate payment frequency period of leg 1	Where applicable: time unit associated with the frequency of payments, eg day, week, month, year or term of the stream for the floating rate of leg 1.
84	Floating rate payment frequency period multiplier of leg 1	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur for the floating rate of leg 1. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTH"

		(monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is “ADHO”. If payment frequency period is “TERM”, then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is “DAIL” and the payment frequency multiplier is 0.
85	Floating rate reference period of leg 1 – time period	Time period describing the reference period for the floating rate of leg 1
86	Floating rate reference period of leg 1 – multiplier	Multiplier of the time period describing the reference period for the floating rate of leg 1
87	Floating rate reset frequency period of leg 1	Where applicable: time unit associated with the frequency of payments resets, eg day, week, month, year or term of the stream for the floating rate of leg 1.
88	Floating rate reset frequency multiplier of leg 1	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment resets dates occur for the floating rate of leg 1. For example, a transaction with payments occurring every two months is represented with a payment frequency period of “MNTH” (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is “ADHO”. If payment frequency period is “TERM”, then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is “DAIL” and the payment frequency multiplier is 0.
89	Spread of leg 1	An indication of the spread of leg 1, where applicable: for OTC derivative transactions with periodic payments (eg interest rate fixed/float swaps, interest rate basis swaps, commodity swaps), • spread on the individual floating leg(s) index reference price, in the case where there is a spread on a floating leg(s). • difference between the reference prices of the two floating leg indexes.

90	Spread currency of leg 1	Where applicable: currency in which the spread of leg 1 is denominated. This data element is only applicable if Spread is expressed as monetary amount
91	Fixed rate of leg 2	An indication of the fixed rate leg 2 used, where applicable
92	Fixed rate day count convention leg 2	Where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the number of days in the year.
93	Fixed rate payment frequency period leg 2	Where applicable: time unit associated with the frequency of payments, eg day, week, month, year or term of the stream for the fixed rate of leg 2.
94	Fixed rate payment frequency period multiplier leg 2	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur for the fixed rate of leg 2. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTH" (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is "ADHO". If payment frequency period is "TERM", then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is "DAIL" and the payment frequency multiplier is 0.
95	Identifier of the floating rate of leg 2	Where applicable: an identifier of the interest rates used which are reset at predetermined intervals by reference to a market reference rate
96	Indicator of the floating rate of leg 2	An indication of the interest rate, where available

97	Name of the floating rate of leg 2	The full name of the interest rate as assigned by the index provider
98	Floating rate day count convention of leg 2	Where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments for the floating rate of leg 2 are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the number of days in the year.
99	Floating rate payment frequency period of leg 2	Where applicable: time unit associated with the frequency of payments, eg day, week, month, year or term of the stream for the floating rate of leg 2.
100	Floating rate payment frequency period multiplier of leg 2	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment dates occur for the floating rate of leg 2. For example, a transaction with payments occurring every two months is represented with a payment frequency period of "MNTH" (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is "ADHO". If payment frequency period is "TERM", then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is "DAIL" and the payment frequency multiplier is 0.
101	Floating rate reference period of leg 2 – time period	Time period describing the reference period for the floating rate of leg 2
102	Floating rate reference period of leg 2 – multiplier	Multiplier of the time period describing the reference period for the floating rate of leg 2
103	Floating rate reset frequency period of leg 2	Where applicable: time unit associated with the frequency of payments resets, eg day, week, month, year or term of the stream for the floating rate of leg 2.
104	Floating rate reset frequency multiplier of leg 2	Where applicable: number of time units (as expressed by the payment frequency period) that determines the frequency at which periodic payment resets dates occur for the floating rate of leg 2.

		For example, a transaction with payments occurring every two months is represented with a payment frequency period of “MNTH” (monthly) and a payment frequency period multiplier of 2. This data element is not applicable if the payment frequency period is “ADHO”. If payment frequency period is “TERM”, then the payment frequency period multiplier is 1. If the payment frequency is intraday, then the payment frequency period is “DAIL” and the payment frequency multiplier is 0.
105	Spread of leg 2	An indication of the spread of leg 2, where applicable: for OTC derivative transactions with periodic payments (eg interest rate fixed/float swaps, interest rate basis swaps, commodity swaps), • spread on the individual floating leg(s) index reference price, in the case where there is a spread on a floating leg(s). • difference between the reference prices of the two floating leg indexes.
106	Spread currency of leg 2	Where applicable: currency in which the spread of leg 2 is denominated. This data element is only applicable if Spread is expressed as monetary amount
107	Package transaction spread	Traded price of the entire package in which the reported derivative transaction is a component of a package transaction. Package transaction price when the price of the package is expressed as a spread, difference between two reference prices. This data element is not applicable if • no package is involved, or • Package transaction price is used Spread and related data elements of the transactions (spread currency) that represent individual components of the package are reported when available. Package transaction spread may not be known when a new transaction is reported but may be updated later.
108	Package transaction spread currency	Currency in which the Package transaction spread is denominated. This data element is not applicable if

		• no package is involved, or • Package transaction price is used, or • Package transaction spread is expressed as percentage or basis points
109	Exchange rate 1	Exchange rate between the two different currencies specified in the derivative transaction agreed by the counterparties at the inception of the transaction, expressed as the rate of exchange from converting the unit currency into the quoted currency.
110	Forward exchange rate	Forward exchange rate as agreed between the counterparties in the contractual agreement It shall be expressed as a price of base currency in the quoted currency.
111	Exchange rate basis	Currency pair and order in which the exchange rate is denominated, expressed as unit currency/quoted currency.
112	Base product	Base product as specified in the classification of commodities in Table 4 of Annex I of the [ITS]
113	Sub-product	Sub — product as specified in the classification of commodities in Table 4 of Annex I of the [ITS] This field requires a specific base product in field
114	Further sub-product	Further sub product as specified in the classification of commodities in Table 4 of Annex I of the [ITS] This field requires a specific sub product in field
115	Delivery point or zone	Delivery point(s) or market area(s)
116	Interconnection Point	Identification of the border(s) or border point(s) of a transportation contract
117	Load type	Identification of the delivery profile
118	Delivery interval start time	The start time of the delivery interval for each block or shape
119	Delivery interval end time	The end time of the delivery interval for each block or shape
120	Delivery start date	Start date of delivery
121	Delivery end date	End date of delivery

122	Duration	The duration of the delivery period
123	Days of the week	The days of the week of the delivery
124	Delivery capacity	The number of units included in the transaction for each delivery interval specified in field 70
125	Quantity Unit	The unit of measurement used
126	Price/time interval quantity	If applicable, price per quantity per delivery time interval
127	Currency of the price/time interval quantity	The currency in which the price/time interval quantity is expressed
128	Option type	Indication as to whether the derivative contract is a call (right to purchase a specific underlying asset) or a put (right to sell a specific underlying asset) or whether it cannot be determined whether it is a call or a put at the time of execution of the derivative contract. In case of swaptions it shall be: - "Put", in case of receiver swaption, in which the buyer has the right to enter into a swap as a fixed-rate receiver. -"Call", in case of payer swaption, in which the buyer has the right to enter into a swap as a fixed-rate payer. In case of Caps and Floors it shall be: -"Put", in case of a Floor. -"Call", in case of a Cap.
129	Option style	Indicates whether the option may be exercised only at a fixed date (European, and Asian style), a series of pre-specified dates (Bermudan) or at any time during the life of the contract (American style)
130	Strike price	• For options other than FX options, swaptions and similar products, price at which the owner of an option can buy or sell the underlying asset of the option. • For foreign exchange options, exchange rate at which the option can be exercised, expressed as the rate of exchange from converting the unit currency into the quoted currency. In the example 0.9426 USD/EUR, USD is the unit currency and EUR is the quoted

		currency; USD 1 = EUR 0.9426.Where the strike price is not known when a new transaction is reported, the strike price is updated as it becomes available. • For volatility and variance swaps and similar products the volatility strike price is reported in this data element.
131	Effective date of the strike price	Unadjusted effective date of the strike price
132	End date of the strike price	Unadjusted end date of the strike price (not applicable if the unadjusted end date of a given schedule's period is back-to-back with the unadjusted effective date of the subsequent period)
133	Strike price in effect on associated effective date	Strike price in effect between the unadjusted effective date and unadjusted end date inclusive.
134	Strike price currency/currency pair	For equity options, commodity options, and similar products, currency in which the strike price is denominated. For foreign exchange options: Currency pair and order in which the strike price is expressed. It is expressed as unit currency/quoted currency.
135	Option premium amount	For options and swaptions of all asset classes, monetary amount paid by the option buyer. This data element is not applicable if the instrument is not an option or does not embed any optionality.
136	Option premium currency	For options and swaptions of all asset classes, currency in which the option premium amount is denominated. This data element is not applicable if the instrument is not an option or does not embed any optionality.
137	Option premium payment date	Unadjusted date on which the option premium is paid.
138	Maturity date of the underlying	In case of swaptions, maturity date of the underlying swap

139	Seniority	Indicates the seniority of the debt security, or debt basket or index underlying a derivative.
140	Reference entity	Identification of the underlying reference entity
141	Frequency of payment	The frequency of payment of the interest rate or coupon
142	The calculation basis	where applicable: day count convention (often also referred to as day count fraction or day count basis or day count method) that determines how interest payments are calculated. It is used to compute the year fraction of the calculation period, and indicates the number of days in the calculation period divided by the number of days in the year.
143	Series	The series number of the composition of the index if applicable
144	Version	A new version of a series is issued if one of the constituents defaults and the index has to be re-weighted to account for the new number of total constituents within the index
145	Index factor	The factor to apply to the Notional (Field 2.44) to adjust it to all the previous credit events in that Index series.
146	Tranche	Indication whether a derivative contract is tranched.
147	CDS index attachment point	Defined lower point at which the level of losses in the underlying portfolio reduces the notional of a tranche. For example, the notional in a tranche with an attachment point of 3% will be reduced after 3% of losses in the portfolio have occurred. This data element is not applicable if the transaction is not a CDS tranche transaction (index or custom basket).
148	CDS index detachment point	Defined point beyond which losses in the underlying portfolio no longer reduce the notional of a tranche. For example, the notional in a tranche with an attachment point of 3% and a detachment point of 6% will be reduced after there have been 3% of losses in the portfolio. 6% losses in the portfolio deplete the notional of the tranche. This data element is not applicable if the transaction is not a CDS tranche transaction (index or custom basket).

149	Action type	• New: A report of a derivative, at a trade or position level, for the first time. • Modify: A modification to the terms or details of a previously reported derivative, at a trade or position level, but not a correction of a report. • Correct: A report correcting the erroneous data fields of a previously submitted report. • Terminate: A Termination of an existing derivative, at a trade or position level. • Error: A cancellation of a wrongly submitted entire report in case the derivative, at a trade or position level, never came into existence or was not subject to Regulation (EU) No 648/2012 reporting requirements but was reported to a trade repository by mistake. • Revive: Re-opening of a derivative, at a trade or position level, that was cancelled with action type "Error" or terminated by mistake. • Valuation: An update of a valuation of a derivative, at a trade or position level • Collateral: An update of data related to collateral • Position component: A report of a new derivative that is included in a separate position report on the same day.
150	Event type	• Trade: Conclusion of a derivative or renegotiation of its terms that does not result in change of a counterparty • Step-in: An event, where part or entirety of the derivative is transferred to a counterparty 2 (and reported as a new derivative) and the existing derivative is either terminated or its notional is modified. • PTRR: Post-trade risk reduction operation • Early termination: Termination of a derivative, at a trade or position level • Clearing: Clearing as defined in Article 2(3) of Regulation (EU) No 648/2012 • Exercise: The exercise of an option or a swaption by one counterparty of the transaction, fully or partially. • Allocation: Allocation event, where an existing derivative is

		allocated to different counterparties and reported as new derivatives with reduced notional amounts. • Credit event: Applies only to credit derivatives. A credit event that results in a modification of a derivative, at a trade or position level • Inclusion in position: Inclusion of an ETD or CFD into a position, where an existing derivative is terminated and either a new position is created or the notional of an existing position is modified. • Misreporting: Reporting of incorrect data or overreporting.
151	Event date	Date on which the reportable event relating to the derivative contract and captured by the report took place or, in case of a modification when the modification become effective.
152	Level	Indication whether the report is done at trade or position level. Position level report can be used only as a supplement to trade level reporting to report post-trade events and only if individual trades in fungible products have been replaced by the position.

Table 3

Margins

	Field	**Details to be reported**
1	Reporting timestamp	Date and time of the submission of the report to the trade repository.
2	Report submitting entity ID	In the case where the counterparty 1 has delegated the submission of the report to a third party or to the other counterparty, this entity has to be identified in this field by a unique code. Otherwise this field shall be left blank.

3	Entity responsible for reporting	Where a financial counterparty is solely responsible, and legally liable, for reporting on behalf of both counterparties in accordance with Article 9(1)(a) of Regulation (EU) No 648/2012 of the Parliament and of the Council, the unique code identifying that financial counterparty. Where a management company is responsible, and legally liable, for reporting on behalf of an Undertaking for Collective Investment in Transferable Securities (UCITS) in accordance with Article 9(1)(b) of that Regulation, the unique code identifying that management company. Where an Alternative Investment Fund Manager (AIFM) is responsible, and legally liable, for reporting on behalf of an Alternative Investment Fund (AIF) in accordance with Article 9(1)(c) of that Regulation, the unique code identifying that AIFM. Where an authorised entity that is responsible for managing and acting on behalf of an IORP is responsible, and legally liable, for reporting on its behalf in accordance with Article 9(1)(d) of that Regulation, the unique code identifying that entity. This field is applicable only to the OTC derivatives.
4	Counterparty 1 (Reporting counterparty)	Identifier of the counterparty to a derivative transaction who is fulfilling its reporting obligation via the report in question. In the case of an allocated derivative transaction executed by a fund manager on behalf of a fund, the fund and not the fund manager is reported as the counterparty.
5	Counterparty 2 identifier type	Indicator of whether LEI was used to identify the Counterparty 2.
6	Counterparty 2	Identifier of the second counterparty to a derivative transaction. In the case of an allocated derivative transaction executed by a fund manager on behalf of a fund, the fund and not the fund manager is reported as the counterparty.
7	Collateral timestamp	Date and time as of which the values of the margins are reported

8	Collateral portfolio indicator	Indicator of whether the collateralisation was performed on a portfolio basis. Under portfolio, it is understood the set of transactions that are margined together (either on a net or a gross basis) rather than an individual transaction.
9	Collateral portfolio code	If collateral is reported on a portfolio basis, unique code assigned by the counterparty 1 to the portfolio. This data element is not applicable if the collateralisation was performed on a transaction level basis, or if there is no collateral agreement or if no collateral is posted or received.
10	UTI	Unique Trade Identifier as referred to in Article 7 of the [ITS]
11	Collateralisation category	Indicate whether a collateral agreement between the counterparties exists. This data element is provided for each transaction or each portfolio, depending on whether the collateralisation is performed at the transaction or portfolio level, and is applicable to both cleared and uncleared transactions.
12	Initial margin posted by the counterparty 1 (pre-haircut)	Monetary value of initial margin that has been posted by the counterparty 1, including any margin that is in transit and pending settlement unless inclusion of such margin is not allowed under the jurisdictional requirements. If the collateralisation is performed at portfolio level, the initial margin posted relates to the whole portfolio; if the collateralisation is performed for single transactions, the initial margin posted relates to such single transaction. This refers to the total current value of the initial margin, rather than to its daily change. The data element refers both to uncleared and centrally cleared transactions. For centrally cleared transactions, the data element does not include default fund contributions, nor collateral posted against liquidity

		provisions to the central counterparty, ie committed credit lines. If the initial margin posted is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.
13	Initial margin posted by the counterparty 1 (post-haircut)	Monetary value of initial margin that has been posted by the counterparty 1, including any margin that is in transit and pending settlement unless inclusion of such margin is not allowed under the jurisdictional requirements. If the collateralisation is performed at portfolio level, the initial margin posted relates to the whole portfolio; if the collateralisation is performed for single transactions, the initial margin posted relates to such single transaction. This refers to the total current value of the initial margin after application of the haircut (if applicable), rather than to its daily change. The data element refers both to uncleared and centrally cleared transactions. For centrally cleared transactions, the data element does not include default fund contributions, nor collateral posted against liquidity provisions to the central counterparty, ie committed credit lines. If the initial margin posted is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.
14	Currency of the initial margin posted	Currency in which the initial margin posted is denominated. If the initial margin posted is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of posted initial margins.

15	Variation margin posted by the counterparty 1 (pre-haircut)	Monetary value of the variation margin posted by the counterparty 1 (including the cash-settled one), and including any margin that is in transit and pending settlement unless inclusion of such margin is not allowed under the jurisdictional requirements. Contingent variation margin is not included. If the collateralisation is performed at portfolio level, the variation margin posted relates to the whole portfolio; if the collateralisation is performed for single transactions, the variation margin posted relates to such single transaction. This data element refers to the total current value of the variation margin, cumulated since the first reporting of variation margins posted for the portfolio/transaction. If the variation margin posted is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.
19	Variation margin posted by the counterparty 1 (post-haircut)	Monetary value of the variation margin posted by the counterparty 1 (including the cash-settled one), and including any margin that is in transit and pending settlement unless inclusion of such margin is not allowed under the jurisdictional requirements. Contingent variation margin is not included. If the collateralisation is performed at portfolio level, the variation margin posted relates to the whole portfolio; if the collateralisation is performed for single transactions, the variation margin posted relates to such single transaction. This data element refers to the total current value of the variation margin after application of the haircut (if applicable), cumulated since the first reporting of posted variation margins for the portfolio /transaction. If the variation margin posted is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.

17	Currency of the variation margins posted	Currency in which the variation margin posted is denominated. If the variation margin posted is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of posted variation margins.
18	Excess collateral posted by the counterparty 1	Monetary value of any additional collateral posted by the counterparty 1 separate and independent from initial and variation margin. This refers to the total current value of the excess collateral before application of the haircut (if applicable), rather than to its daily change. Any initial or variation margin amount posted that exceeds the required initial margin or required variation margin, is reported as part of the initial margin posted or variation margin posted respectively rather than included as excess collateral posted. For centrally cleared transactions, excess collateral is reported only to the extent it can be assigned to a specific portfolio or transaction.
19	Currency of the excess collateral posted	Currency in which the excess collateral posted is denominated. If the excess collateral posted is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of posted excess collateral.

20	Initial margin collected by the counterparty 1 (pre-haircut)	Monetary value of initial margin that has been collected by the counterparty 1, including any margin that is in transit and pending settlement unless inclusion of such margin is not allowed under the jurisdictional requirements. If the collateralisation is performed at portfolio level, the initial margin collected relates to the whole portfolio; if the collateralisation is performed for single transactions, the initial margin collected relates to such single transaction. This refers to the total current value of the initial margin, rather than to its daily change. The data element refers both to uncleared and centrally cleared transactions. For centrally cleared transactions, the data element does not include collateral collected by the central counterparty as part of its investment activity. If the initial margin collected is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.
21	Initial margin collected by the counterparty 1 (post-haircut)	Monetary value of initial margin that has been collected by the counterparty 1, including any margin that is in transit and pending settlement unless inclusion of such margin is not allowed under the jurisdictional requirements. If the collateralisation is performed at portfolio level, the initial margin collected relates to the whole portfolio; if the collateralisation is performed for single transactions, the initial margin collected relates to such single transaction. This refers to the total current value of the initial margin after application of the haircut (if applicable), rather than to its daily change. The data element refers both to uncleared and centrally cleared transactions. For centrally cleared transactions, the data element does not include collateral collected by the central counterparty as part of its investment activity. If the initial margin collected is denominated in more than one

		currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.
22	Currency of initial margin collected	Currency in which the initial margin collected is denominated. If the initial margin collected is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of collected initial margins.
23	Variation margin collected by the counterparty 1 (pre-haircut)	Monetary value of the variation margin collected by the counterparty 1 (including the cash-settled one), and including any margin that is in transit and pending settlement unless inclusion of such margin is not allowed under the jurisdictional requirements. Contingent variation margin is not included. If the collateralisation is performed at portfolio level, the variation margin collected relates to the whole portfolio; if the collateralisation is performed for single transactions, the variation margin collected relates to such single transaction. This refers to the total current value of the variation margin, cumulated since the first reporting of collected variation margins for the portfolio/transaction. If the variation margin collected is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.

24	Variation margin collected by the counterparty 1 (post-haircut)	Monetary value of the variation margin collected by the counterparty 1 (including the cash-settled one), and including any margin that is in transit and pending settlement unless inclusion of such margin is not allowed under the jurisdictional requirements. Contingent variation margin is not included. If the collateralisation is performed at portfolio level, the variation margin collected relates to the whole portfolio; if the collateralisation is performed for single transactions, the variation margin collected relates to such single transaction. This refers to the total current value of the variation margin collected after application of the haircut (if applicable), cumulated since the first reporting of collected variation margins for the portfolio /transaction. If the variation margin collected is denominated in more than one currency, those amounts are converted into a single currency chosen by the counterparty 1 and reported as one total value.
25	Currency of variation margin collected	Currency in which the variation margin collected is denominated. If the variation margin collected is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of collected variation margins.
26	Excess collateral collected by the counterparty 1	Monetary value of any additional collateral collected by the counterparty 1 separate and independent from initial and variation margin. This data element refers to the total current value of the excess collateral before application of the haircut (if applicable), rather than to its daily change. Any initial or variation margin amount collected that exceeds the required initial margin or required variation margin, is reported as part of the initial margin collected or variation margin collected respectively, rather than included as excess collateral collected.

		For centrally cleared transactions excess collateral is reported only to the extent it can be assigned to a specific portfolio or transaction.
27	Currency of excess collateral collected	Currency in which the excess collateral collected is denominated. If the excess collateral is denominated in more than one currency, this data element reflects one of those currencies into which the counterparty 1 has chosen to convert all the values of collected excess collateral.
28	Counterparty rating trigger indicator	Indicator of whether a counterparty rating trigger has been agreed by the counterparties for the collateral posted by counterparty 1.
29	Counterparty rating threshold indicator	Indicator of whether the counterparty rating trigger(s) include one that increases collateral requirements when the counterparty 1 falls below the threshold of single-A or equivalent. This data element is not applicable if the Counterparty rating trigger indicator is false.

10.5 Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR

Article 1

Standard and format of derivative reports

The details of a derivative in a report to be submitted pursuant to Article 9 of Regulation (EU) No 648/2012 shall be provided in accordance with the standards and formats specified in Tables 1 to 3 of Annex I.

That report shall be provided in a common electronic and machine-readable form and in a common XML template in accordance with the ISO 20022 methodology.

Article 2

Frequency of derivative reports

1. All reports of the details of a derivative specified under Article 1 of Commission Delegated Regulation (EU) XXX/XXX [RTS on details of the reports to be reported to TRs under EMIR] shall be provided in the chronological order in which the reported events occurred.
2. A counterparty to a derivative that
    a. has not matured and has not been the subject of a report with Action type 'ETRM', 'EROR' or 'POSC' as referred to in field 139 in Table 2 of the Annex to Commission Implementing Regulation (EU) No XXXX [ITS on standards, formats and frequency of reporting]; or
    b. was subject to a report with Action type 'REVI" not followed by another report with Action type "ETRM" or "EROR as referred to in field 139 in Table 2 of the Annex to Commission Implementing Regulation (EU) No XXXX [ITS on standards, formats and frequency of reporting]

    and that is a financial counterparty or a non-financial counterparty referred to in Article 10 of Regulation (EU) No 648/2012 shall report any modification of the details relating to the collateral data in fields 1 to 30 of Table 3 of Annex I with action type 'Collateral update'. The counterparty shall report those modified details as they stand at the end of each day.
3. A counterparty to a derivative referred to in paragraphs 2(a) and 2(b) that is a financial counterparty or a non-financial counterparty referred to in Article 10 of Regulation (EU) No 648/2012 shall report the end-of-day mark-to-market or mark-to-model valuation of the contract in fields 15 to 18 of Table 2 of Annex I with action type 'Valuation update'. The counterparty shall report that valuation as it stands at the end of each day.

Article 3

Identification of counterparties and other entities

1. A report shall use an ISO 17442 Legal Entity Identifier (LEI) code to identify:

(a) a beneficiary which is a legal entity;

(b) a broking entity;

(c) a CCP;

(d) a clearing member;

(e) a counterparty which is a legal entity;

(f) a report submitting entity;

(g) an entity responsible for reporting

(h) a post-trade risk reduction service provider.

2. A counterparty to a derivative shall ensure that the reference data related to its ISO 17442 LEI code is renewed in accordance with the terms of any of the accredited Local Operating Units of the Global LEI System.

Article 4

Direction of the derivative

1. The counterparty side to the derivative contract referred to in fields 19 to 21 of Table 1 of the Annex shall be determined at the time of the conclusion of the derivative in accordance with paragraphs 2 to 14.

2. In the case of options and swaptions, the counterparty that holds the right to exercise the option shall be identified as the buyer and the counterparty that sells the option and receives a premium shall be identified as the seller.

3. In the case of forwards related to currencies, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields in the opposite way to the counterparty 1

4. In the case of swaps related to currencies where multiple exchanges of currencies take place, each counterparty for both legs of the trade shall be identified as either the payer or the receiver of the leg based on the exchange of currencies that takes place closest to the expiration date.

5. In the case of forwards other than forwards relating to currencies and in the case of futures, the counterparty buying the instrument shall be identified as the buyer and the counterparty selling the instrument shall be identified as the seller.

6. In the case of financial contracts for difference and spreadbets the counterparty which goes short the contract should be identified as the seller, and the counterparty going long the contract should be identified as the buyer.

7. In the case of swaps related to dividends, the counterparty, receiving the equivalent dividend amount payments shall be identified as the buyer and the counterparty paying that equivalent dividend amount payments shall be identified as the seller.

8. In the case of swaps related to securities other than dividend swaps, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields in the opposite way to the counterparty 1.

9. In the case of swaps related to interest rates or inflation indices, including the cross-currency swaps, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields in the opposite way to the counterparty 1.

10. With the exception of options and swaptions, in the case of derivative instruments for the transfer of credit risk, the counterparty buying the protection shall be identified as the buyer and the counterparty selling the protection shall be identified as the seller.

12 In the case of swaps related to commodities, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields in the opposite way to the counterparty 1.

13. In the case of forward-rate agreements, the counterparty 1 shall be identified as either the payer or the receiver for leg 1, and the opposite for leg 2. The counterparty 2 shall populate these two fields in the opposite way to the counterparty 1.

14. In the case of derivatives related to variance, volatility and correlation, the counterparty profiting from an increase in the underlying shall be identified as the buyer and the counterparty profiting from a decrease in the price of the underlying shall be identified as the seller.

Article 5

Collateralisation

1. The type of collateralisation of the derivative contract referred to in field 12 of Table 3 of the Annex shall be identified by the reporting counterparty in accordance with paragraphs 2 to 10.

2. Where no collateral agreement exists between the counterparties or where the collateral agreement between the counterparties stipulates that the counterparties do not post neither initial margin nor variation margin with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “uncollateralised”.

3. Where the collateral agreement between the counterparties stipulates that the reporting counterparty only posts regularly variation margins and that the other counterparty does not post any margin with respect to the derivative or a portfolio of derivatives the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “partially collateralised: counterparty 1 only”.

4. Where the collateral agreement between the counterparties stipulates that the other counterparty only posts regularly variation margin and that the reporting counterparty does not post any margin with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “partially collateralised: counterparty 2 only”.

5. Where the collateral agreement between the counterparties stipulates that both counterparties only post regularly variation margin with respect to the derivative or a portfolio of derivatives the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “partially collateralised”.

6. Where the collateral agreement between the counterparties stipulates that the reporting counterparty posts the initial margin and regularly posts variation margins and that the other counterparty does not post any margins with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “one-way collateralised: counterparty 1 only”.

7. Where the collateral agreement between the counterparties stipulates that the other counterparty posts the initial margin and regularly posts variation margins and that the reporting counterparty does not post any margins with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “one-way collateralised: counterparty 2 only”.

8. Where the collateral agreement between the counterparties stipulates that the reporting counterparty posts the initial margin and regularly posts variation margin and that the other counterparty regularly posts only variation margin with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “one-way/partially collateralised: counterparty 1”.

9. Where the collateral agreement between the counterparties stipulates that the other counterparty posts the initial margin and regularly posts variation margin and that the reporting counterparty regularly posts only variation margin with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “one-way/partially collateralised: counterparty 2”.

10. Where the collateral agreement between the counterparties stipulates that both counterparties post initial margin and regularly post variation margins with respect to the derivative with respect to the derivative or a portfolio of derivatives, the type of collateralisation of the derivative or a portfolio of derivatives shall be identified as “fully collateralised”.

Article 6

Specification, identification, and classification of derivatives

1. A report shall specify a derivative on the basis of contract type and asset class in accordance with fields 10 and 11 of Table 2 of the Annex.

2. Where derivatives do not fall within one of the asset classes specified in field 11 of the Table 2 of the Annex, the counterparties shall specify in the report the asset class most closely resembling the derivative. Both counterparties shall specify the same asset class.

3. The derivative that is admitted to trading or traded on a trading venue or a systematic internaliser shall be identified in field 7 of Table 2 of the Annex using an ISO 6166 International Securities Identification Number (ISIN) code.

4. The derivative other that derivative referred to in paragraph 3 shall be identified in field 8 of Table 2 of the Annex using a UPI code in accordance with the ISO standard implemented pursuant to the FSB governance arrangements for the Unique Product Identifier.

5. The derivative shall be classified in field 9 of Table 2 of the Annex using an ISO 10692 Classification of Financial Instrument (CFI) code.

Article 7

Unique Trade Identifier

1 A derivative, reported either at transaction or position level, shall be identified through a unique trade identifier in field 1 of Table 2 of the Annex. The unique trade identifier shall be composed by the LEI of the entity which generated that unique trade identifier followed by a code containing up to 32 characters and unique at the level of the generating entity.

2. The counterparties shall determine the entity responsible for generating a unique trade identifier in accordance with the following:

(a) for cleared derivatives, the unique trade identifier shall be generated at the point of clearing by the central counterparty (CCP) for the clearing member. A different unique trade identifier shall be generated by the clearing member for its counterparty for a trade in which the CCP is not a counterparty;

(b) for centrally-executed but not centrally-cleared derivatives, the unique trade identifier shall be generated by the venue of execution for its member;

(c) for derivatives, where either counterparty is subject to the reporting requirements in a third country, the unique trade identifier shall be generated by the counterparty that must comply first with those reporting requirements.

(i) Where the applicable laws of the relevant third country prescribe the same reporting deadline, the counterparties shall agree on the entity responsible for generating a unique trade identifier.

(ii) Where the counterparties fail to agree, and the derivative was centrally-confirmed by electronic means, the unique trade identifier shall be generated by the trade confirmation platform at the point of confirmation.

(iii) If the unique trade identifier cannot be generated pursuant to paragraph 2, point (c)(ii) of this Article, the trade repository to which the derivative has been reported shall be responsible for generating the unique trade identifier.

(iv) If the unique trade identifier cannot be generated pursuant to paragraph 2 point (c)(iii) of this Article, the counterparty whose LEI is first based on sorting the identifiers of the counterparties with the characters of the identifier reversed shall be responsible for the generation;

(d) for derivatives other than those referred to in points (a) to (c), that were centrally-confirmed by electronic means, the unique trade identifier shall be generated by the trade confirmation platform at the point of confirmation;

(e) for all derivatives other than those referred to in points (a) to (d), the following shall apply:

(i) where financial counterparties conclude a derivative with non-financial counterparties, the financial counterparties shall generate the unique trade identifier;

(ii) where non-financial counterparties above the clearing threshold conclude a derivative with non-financial counterparties below the clearing threshold, those non-financial counterparties above the clearing threshold shall generate the unique trade identifier;

[OPTION 1:]

(iii) for all derivatives other than those referred to in points (i) and (ii), the seller or the payer in the first leg of the derivative, as identified in accordance with Article 4, shall generate the unique trade identifier.

[OPTION 2:]

(iii) for all derivatives other than those referred to in points (i) and (ii), the counterparties shall agree on the entity responsible for generating a unique trade identifier. Where the counterparties fail to agree, the counterparty whose LEI is first based on sorting the identifiers of the counterparties with the characters of the identifier reversed shall be responsible for the generation.

[OPTION 1:]

3. The entity generating the unique trade identifier shall communicate that unique trade identifier to the other counterparty in a timely manner and no later than 12:00 a.m. UTC of the working day following the date of the conclusion of the derivative.

[OPTION 2:]

3. The entity generating the unique trade identifier shall communicate that unique trade identifier to the other counterparty in a timely manner and no later than 12 hours following the conclusion of the derivative.

4. Notwithstanding the paragraph 2, the generation of the unique trade identifier can be delegated to another entity. The entity generating the unique trade identifier shall comply with the requirements set out in the paragraphs 1 and 3 of this Article.

5. The counterparties shall ensure that they report derivatives using the unique trade identifier generated in accordance with paragraphs 1 and 2 of this Article.

Article 8

Reporting LEI changes and update of identification code to LEI

1. In cases where the counterparty identified in a derivative report undergoes a corporate restructuring event resulting in a change of its LEI, that counterparty or the counterparty to

which the new LEI pertains, or the entity responsible for reporting on behalf of either of these counterparties pursuant to the Article 9(1)(a) to 9(1)(d) or the entity to which either of the counterparties delegated the reporting, shall notify the trade repositories to which the former counterparty reported its derivatives about the change and request an update of the identifier in the derivatives concerned outstanding at the date of the merger, acquisition or other corporate restructuring event resulting in a change of LEI or contracts reported after that date.

2. Where possible, the request to update of the identifier in the derivatives outstanding shall be made at least one month prior to the merger, acquisition or other corporate restructuring event resulting in a change of LEI. In case the entity referred to in paragraph 1 cannot provide this information to the TR one month prior to the merger, acquisition or other corporate restructuring event resulting in a change of LEI, it shall notify the TR as soon as possible.

3. The request referred to in the paragraph 1 shall contain at least the following:

a. the LEI(s) of the entities participating in the corporate restructuring event,

b. the LEI of the new counterparty,

c. the date on which the change will take place or has taken place,

d. the UTIs of the outstanding derivatives concerned in case where the corporate restructuring event affects only a subset of outstanding derivatives

e. evidence or proof that the corporate restructuring event has taken or will take place, subject to the requirements under […]

4. When counterparties notify mistakenly a trade repository about a change in an LEI, they shall follow the procedure set out in paragraphs 1 to 3 to undo the change.

5. In case where a counterparty which was previously identified with another identifier obtains an LEI, the procedures under paragraphs 1 to 3 of the present Article apply.

6. In case the LEI update concerns a non-EEA counterparty, its EEA reporting counterparty or the entity responsible for reporting pursuant to the Article 9(1)(a) to 9(1)(d) or the entity to which the EEA reporting counterparty delegated the reporting shall initiate the procedure under paragraphs 1 to 3 of the present Article.

7. Where the change in the code under paragraph 6 occurs due to the obtaining of the LEI by the non-EEA counterparty each EEA reporting counterparty affected by this change or the entity responsible for reporting pursuant to the Article 9(1)(a) to 9(1)(d) or the entity to which the EEA reporting counterparty delegated the reporting shall request the update of the identifier of the non-EEA counterparty to its respective TR.

Article 9

Methods and arrangements for reporting derivatives

1. Where the counterparty or CCP becomes aware of any of the following instances, it shall promptly notify the competent authority of this fact:

a. any error or omission within a derivative report submitted to a trade repository,

b. any failure to submit a derivative report including any failure to resubmit a rejected derivative report for derivatives that are reportable,

c. the reporting of a derivative for which there is no obligation to report.

2. Where a financial counterparty is solely responsible and legally liable for reporting of the details of OTC derivative contracts on behalf of a non-financial counterparty pursuant to Article 9(1a) of Regulation (EU) No 648/2012, it shall put in place at least the following arrangements to ensure the correct reporting and reporting without duplications of the details of derivatives:

a. Arrangements for the timely provision by the non-financial counterparty of the following details of the OTC derivative contracts that the financial counterparty cannot be reasonably expected to possess:

   i. Broker ID (if unknown by the financial counterparty)

   ii. Clearing Member (if unknown by the financial counterparty)

   iii. Type of ID of the beneficiary (if different from the non-financial counterparty)

   iv. Beneficiary ID (if different from the non-financial counterparty)

   v. Directly linked to commercial activity or treasury financing.

b. Arrangements for timely information by the non-financial counterparty to the financial counterparty of any change in its legal obligations pursuant to Article 10(1) of Regulation (EU) No 648/2012. The arrangements shall at least ensure that this information is provided in writing or other equivalent electronic means at least 5 working days before such change.

c. Arrangements for duly renewals by the non-financial counterparty of its LEI

d. Arrangements for timely notification by the non-financial counterparty to the financial counterparty of its decision to start or to cease reporting the details of OTC derivative contracts concluded with the financial counterparty. Such arrangements shall at least ensure that the notification is done in writing or other equivalent electronic means at least 5 working days before the date on which the non-financial counterparty wants to start or to cease reporting.

e. Arrangements specifying which derivative contracts shall be reported by each of the two counterparties, in cases where the non-financial counterparty decides to report the details of only some of the OTC derivative contracts concluded with the financial counterparty.

4. For the timely and correct reporting without duplication, the counterparties, the entities responsible for reporting and the report submitting entities, as applicable, shall have in place

arrangements which ensure that the feedback on the reconciliation failures provided pursuant to [please insert reference to Article 3 of RTS on data quality] is taken into account.

Article 10

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from [PO: please insert date 18 months after the date of entry into force].

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Table 1

Counterparty Data

	Field	**Format**
1.	Reporting timestamp	ISO 8601 date in the format and Coordinated Universal Time (UTC) time format YYYY-MM-DDThh:mm:ssZ
2.	Report submitting entity ID	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
3.	Entity responsible for reporting	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
4.	Counterparty 1 (Reporting counterparty)	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
5.	Nature of the counterparty 1	F = Financial Counterparty N = Non-Financial Counterparty C = Central Counterparty O = Other
6.	Corporate sector of the counterparty 1	Taxonomy for Financial Counterparties: 'INVF' - Investment firm authorised in accordance with Directive 2014/65/EU of the European Parliament and of the Council; 'CDTI' - Credit institution authorised in accordance with Directive 2013/36/EU;

	Field	Format
		‘INUN’ - an insurance undertaking or reinsurance undertaking authorised in accordance with Directive 2009/138/EC of the European Parliament and of the Council; ‘UCIT’ - a UCITS and, where relevant, its management company, authorised in accordance with Directive 2009/65/EC, unless that UCITS is set up exclusively for the purpose of serving one or more employee share purchase plans; ‘ORPI’ - an institution for occupational retirement provision (IORP), as defined in point (1) of Article 6 of Directive (EU) 2016/2341 of the European Parliament and of the Council; ‘AIFD’ - an alternative investment fund (AIF), as defined in point (a) of Article 4(1) of Directive 2011/61/EU, which is either established in the Union or managed by an alternative investment fund manager (AIFM) authorised or registered in accordance with that Directive, unless that AIF is set up exclusively for the purpose of serving one or more employee share purchase plans, or unless that AIF is a securitisation special purpose entity as referred to in point (g) of Article 2(3) of Directive 2011/61/EU, and, where relevant, its AIFM established in the Union; ‘CSDS’ - a central securities depository authorised in accordance with Regulation (EU) No 909/2014 of the European Parliament and of the Council; Taxonomy for Non-Financial Counterparties. The categories below correspond to the main sections of NACE classification as defined in Regulation (EC) No 1893/2006 of the European Parliament and of the Council(10) ‘A’ - Agriculture, forestry and fishing; ‘B’ - Mining and quarrying; ‘C’ - Manufacturing;

	Field	Format
		'D' - Electricity, gas, steam and air conditioning supply; 'E' - Water supply, sewerage, waste management and remediation activities; 'F' - Construction; 'G' - Wholesale and retail trade, repair of motor vehicles and motorcycles; 'H' - Transportation and storage; 'I' - Accommodation and food service activities; 'J' - Information and communication; 'K' - Financial and insurance activities; 'L' - Real estate activities; 'M' - Professional, scientific and technical activities; 'N' - Administrative and support service activities; 'O' - Public administration and defence; compulsory social security; 'P' - Education; 'Q' - Human health and social work activities; 'R' - Arts, entertainment and recreation; 'S' - Other service activities; 'T' - Activities of households as employers; undifferentiated goods – and services – producing activities of households for own use; 'U' - Activities of extraterritorial organizations and bodies. Where more than one activity is reported, list the codes in order of the relative importance of the corresponding activities. Leave blank in the case of CCPs and other type of counterparties in accordance with Article 1 (5) of Regulation (EU) No 648/2012.
7.	Clearing threshold of counterparty 1	Boolean value: TRUE = Above the threshold FALSE = Below the threshold

	Field	Format
8.	Counterparty 2 identifier type	Boolean value: • TRUE • FALSE, for natural persons who are acting as private individuals (not business entities).
9.	Counterparty 2	• ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System. The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.
10.	Country of the counterparty 2	ISO 3166 - 2 character country code
11.	Nature of the counterparty 2	F = Financial Counterparty N = Non-Financial Counterparty C = Central Counterparty O = Other
12.	Corporate sector of the counterparty 2	Taxonomy for Financial Counterparties: 'INVF' - Investment firm authorised in accordance with Directive 2014/65/EU of the European Parliament and of the Council; 'CDTI' - Credit institution authorised in accordance with Directive 2013/36/EU; 'INUN' - an insurance undertaking or reinsurance undertaking authorised in accordance with Directive 2009/138/EC of the European Parliament and of the Council;

	Field	Format
		‘UCIT’ - a UCITS and, where relevant, its management company, authorised in accordance with Directive 2009/65/EC, unless that UCITS is set up exclusively for the purpose of serving one or more employee share purchase plans; ‘ORPI’ - an institution for occupational retirement provision (IORP), as defined in point (1) of Article 6 of Directive (EU) 2016/2341 of the European Parliament and of the Council; ‘AIFD’ - an alternative investment fund (AIF), as defined in point (a) of Article 4(1) of Directive 2011/61/EU, which is either established in the Union or managed by an alternative investment fund manager (AIFM) authorised or registered in accordance with that Directive, unless that AIF is set up exclusively for the purpose of serving one or more employee share purchase plans, or unless that AIF is a securitisation special purpose entity as referred to in point (g) of Article 2(3) of Directive 2011/61/EU, and, where relevant, its AIFM established in the Union; ‘CSDS’ - a central securities depository authorised in accordance with Regulation (EU) No 909/2014 of the European Parliament and of the Council; Taxonomy for Non-Financial Counterparties. The categories below correspond to the main sections of NACE classification as defined in Regulation (EC) No 1893/2006 of the European Parliament and of the Council(10) ‘A’ - Agriculture, forestry and fishing; ‘B’ - Mining and quarrying; ‘C’ - Manufacturing; ‘D’ - Electricity, gas, steam and air conditioning supply; ‘E’ - Water supply, sewerage, waste management and remediation activities;

	Field	Format
		'F' - Construction; 'G' - Wholesale and retail trade, repair of motor vehicles and motorcycles; 'H' - Transportation and storage; 'I' - Accommodation and food service activities; 'J' - Information and communication; 'K' - Financial and insurance activities; 'L' - Real estate activities; 'M' - Professional, scientific and technical activities; 'N' - Administrative and support service activities; 'O' - Public administration and defence; compulsory social security; 'P' - Education; 'Q' - Human health and social work activities; 'R' - Arts, entertainment and recreation; 'S' - Other service activities; 'T' - Activities of households as employers; undifferentiated goods – and services – producing activities of households for own use; 'U' - Activities of extraterritorial organizations and bodies. Where more than one activity is reported, list the codes in order of the relative importance of the corresponding activities. Leave blank in the case of CCPs and other type of counterparties in accordance with Article 1 (5) of Regulation (EU) No 648/2012.
13.	Clearing threshold of counterparty 2	Boolean value: TRUE = Above the threshold FALSE = Below the threshold
14.	Reporting obligation of the counterparty 2	Boolean value: • TRUE, if the counterparty 2 has the reporting obligation • FALSE, if the counterparty 2 does not have the reporting obligation

	Field	Format
15.	Broker ID	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
16.	Clearing member	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
17.	Beneficiary 1 identifier type	Boolean value: • TRUE • FALSE, for natural persons who are acting as private individuals (not business entities).
18.	Beneficiary 1	• ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System. The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.
19.	Direction	4 alphabetic characters: BYER = buyer SLLR = seller Populated in accordance with Article 3a

	Field	Format
20.	Direction of leg 1	4 alphabetic characters: MAKE = payer TAKE = receiver Populated in accordance with Article 3a
21.	Direction of leg 2	4 alphabetic characters: MAKE = payer TAKE = receiver Populated in accordance with Article 3a
22.	Directly linked to commercial activity or treasury financing	Boolean value: TRUE = Yes FALSE= No

Table 2

Common Data

	Field	Format
	Section 2a – Identifiers and links	
1.	UTI	Up to 52 alphanumeric characters, only the he upper-case alphabetic characters A–Z and the digits 0–9 are allowed
2.	Report tracking number	An alphanumeric field up to 52 characters
3.	Prior UTI (for one-to-one and one-to-many relations between transactions)	Up to 52 alphanumeric characters, only the he upper-case alphabetic characters A–Z and the digits 0–9 are allowed
4.	Subsequent position UTI	Up to 52 alphanumeric characters, only the he upper-case alphabetic characters A–Z and the digits 0–9 are allowed

	Field	Format
5.	PTRR ID	Up to 52 alphanumeric characters, only the he upper-case alphabetic characters A–Z and the digits 0–9 are allowed. The first 20 characters represent the LEI of the compression provider
6.	Package identifier	Up to 35 alphanumeric characters.
	Section 2b – Contract information	
7.	ISIN	ISO 6166 ISIN 12 character alphanumeric code
8.	Unique product identifier (UPI)	UPI code in accordance with the ISO standard implemented pursuant to the FSB governance arrangements for the UPI
9.	Product classification	ISO 10692 CFI, 6 characters alphabetic code
10.	Contract type	CFDS = Financial contracts for difference FRAS = Forward rate agreements FUTR = Futures FORW = Forwards OPTN = Option SPDB = Spreadbet SWAP = Swap SWPT = Swaption OTHR = Other
11.	Asset class	COMM = Commodity and emission allowances CRDT = Credit CURR = Currency EQUI = Equity INTR = Interest Rate

	Field	Format
12.	Underlying identification type	1 alphabetic character: I = ISIN B = Basket X = Index
13.	Underlying identification	For underlying identification type I: ISO 6166 ISIN 12 character alphanumeric code For underlying identification type X: ISO 6166 ISIN if available, otherwise full name of the index as assigned by the index provider
14.	Underlying custom basket identification	For underlying identification type B: All individual components identification through ISO 6166 ISIN
15.	Settlement currency 1	ISO 4217 Currency Code, 3 alphabetic characters
16.	Settlement currency 2	ISO 4217 Currency Code, 3 alphabetic characters
	Section 2c - Valuation	
17.	Valuation amount	Positive and negative value up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
18.	Valuation currency	ISO 4217 Currency Code, 3 alphabetic characters
19.	Valuation timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ
20.	Valuation method	4 alphabetic characters: MTMA = Mark-to-market MTMO = Mark-to-model CCPV = CCP's valuation.
	Section 2d - Collateral	

	Field	Format
21.	Collateral portfolio indicator	Boolean value: TRUE = collateralised on a portfolio basis FALSE = not part of a portfolio
22.	Collateral portfolio code	Up to 52 alphanumeric characters Special characters are not allowed
	Section 2e - Risk mitigation / Reporting	
23.	Confirmation timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ
24.	Confirmed	4 alphabetic characters: • NCNF = unconfirmed • ECNF = electronic • YCNF = non-electronic
	Section 2f - Clearing	
25.	Clearing obligation	TRUE = the contract belongs to a class of OTC derivatives that has been declared subject to the clearing obligation and both counterparties to the contract are subject to the clearing obligation FLSE = the contract belongs to a class of OTC derivatives that has been declared subject to the clearing obligation but one or both counterparties to the contract are not subject to the clearing obligation or value 'UKWN' - the contract does not belong to a class of OTC derivatives that has been declared subject to the clearing obligation
26.	Cleared	1 alphabetic character: Y= yes, centrally cleared, for beta and gamma transactions. N= no, not centrally cleared.
27.	Clearing timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ
	Section 2g - Details on the transaction	

	Field	Format
28.	Central counterparty	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).
29.	Master Agreement type	4 alphabetic characters: ‘ISDA’ - ISDA '????' - FIA-ISDA Cleared Derivatvies Execution Agreement '????' - European Master Agreement '????' - FOA Professional Client Agreement '????' - FBF Master Agreement relating to transactions on forward financial instruments '????' - Deutscher Rahmenvertrag für Finanztermingeschäfte (DRV) '????' - Contrato Marco de Operaciones Financieras '????' - Swiss Master Agreement '????' - Islamic Derivative Master Agreement '????' - EFET Master Agreement 'GMRA' - GMRA 'GMSL' - GMSLA 'BIAG' - bilateral agreement Or ‘OTHR’ if the master agreement type is not included in the above list
30.	Other master agreement type	Up to 50 alphanumeric characters.
31.	Master Agreement version	ISO 8601 date in the format YYYY
32.	Intragroup	Boolean value: TRUE = contract entered into as an intragroup transaction FALSE = contract not entered into as an intragroup transaction
33.	PTRR	Boolean value: TRUE = contract results from compression FALSE = contract does not result from compression
34.	Type of PTRR technique	4 alphabetic characters: ????- compression

	Field	Format
		???? - rebalancing OTHR - other
35.	PTRR service provider	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).
36.	Venue of execution	ISO 10383 Market Identifier Code (MIC), 4 alphanumeric characters
37.	Execution timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ
38.	Effective date	ISO 8601 date in the UTC format YYYY-MM-DD.
39.	Expiration date	ISO 8601 date in the UTC format YYYY-MM-DD.
40.	Early termination date	ISO 8601 date in the UTC format YYYY-MM-DD.
41.	Final contractual settlement date	ISO 8601 date in the UTC format YYYY-MM-DD.
42.	Delivery type	4 alphabetic characters: CASH = Cash PHYS = Physical OPTL = Optional for counterparty or when determined by a third party
43.	Price	• If price is expressed as monetary value - any value up to 18 numeric characters including up to 13 decimal places. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If price if expressed as percentage - any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). Should the value have more than 10 digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
44.	Price currency	ISO 4217 Currency Code, 3 alphabetic characters

	Field	Format
45.	Unadjusted effective date of the price	ISO 8601 date in the UTC format YYYY-MM-DD.
46.	Unadjusted end date of the price	ISO 8601 date in the UTC format YYYY-MM-DD.
47.	Price in effect between the unadjusted effective and end date	• If price is expressed as monetary value- any value up to 18 numeric characters including up to 13 decimal places. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If price if expressed as percentage - any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). Should the value have more than 10 digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
48.	Package transaction price	• If package transaction price is expressed as monetary value - any value up to 18 numeric characters including up to 13 decimal places. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If Package transaction price if expressed as percentage - any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). Should the value have more than 10 digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
49.	Package transaction price currency	ISO 4217 Currency Code, 3 alphabetic characters

	Field	Format
50.	Notional amount of leg 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
51.	Notional currency 1	ISO 4217 Currency Code, 3 alphabetic characters
52.	Effective date of the notional amount of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD
53.	End date of the notional amount of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD
54.	Notional amount in effect on associated effective date of leg 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
55.	Total notional quantity of leg 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
56.	Effective date of the notional quantity of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD
57.	End date of the notional quantity of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD
58.	Notional quantity in effect on associated effective date of leg 1	ISO 8601 date in the UTC format YYYY-MM-DD

	Field	Format
59.	Notional amount of leg 2	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
60.	Notional currency 2	ISO 4217 Currency Code, 3 alphabetic characters
61.	Effective date of the notional amount of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD
62.	End date of the notional amount of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD
63.	Notional amount in effect on associated effective date of leg 2	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
64.	Total notional quantity of leg 2	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
65.	Effective date of the notional quantity of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD
66.	End date of the notional quantity of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD
67.	Notional quantity in effect on associated effective date of leg 2	ISO 8601 date in the UTC format YYYY-MM-DD

	Field	Format
68.	Delta	Up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. Any value between 0 and 1 (including 0 and 1) is allowed.
69.	Other payment type	4 alphabetical characters: UFRO = Upfront Payment, ie the initial payment made by one of the counterparties either to bring a transaction to fair value or for any other reason that may be the cause of an off-market transaction UWIN = Unwind or Full termination, ie the final settlement payment made when a transaction is unwound prior to its end date; Payments that may result due to full termination of derivative transaction(s) PEXH = Principal Exchange, ie Exchange of notional values for cross-currency swaps
70.	Other payment amount	Up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. Any value greater than or equal to zero is allowed.
71.	Other payment currency	ISO 4217 Currency Code, 3 alphabetic characters
72.	Other payment date	ISO 8601 date in the UTC format YYYY-MM-DD.

	Field	Format
73.	Other payment payer	• ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System. The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.
74.	Other payment receiver	• ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System. The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.
	Section 2h - Interest Rates	

	Field	Format
75.	Fixed rate of leg 1	Positive and negative values up to 11 numeric characters including up to 10 decimal places expressed as percentage (e.g. 2.57 instead of 2.57%). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
76.	Fixed rate day count convention leg 1	4 alphanumeric characters: A001 = IC30360ISDAor30360AmericanBasicRule A002 = IC30365 A003 = IC30Actual A004 = Actual360 A005 = Actual365Fixed A006 = ActualActualICMA A007 = IC30E360orEuroBondBasismodel1 A008 = ActualActualISDA A009 = Actual365LorActuActubasisRule A010 = ActualActualAFB A011 = IC30360ICMAor30360basicrule A012 = IC30E2360orEurobondbasismodel2 A013 = IC30E3360orEurobondbasismodel3 A014 = Actual365NL A015 = ActualActualUltimo A016 = IC30EPlus360 A017 = Actual364 A018 = Business252 A019 = Actual360NL A020 = 1/1 NARR = Narrative

	Field	Format
77.	Fixed rate payment frequency period leg 1	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term
78.	Fixed rate payment frequency period multiplier leg 1	Any integer value greater than or equal to zero up to 18 numeric characters.
79.	Identifier of the floating rate of leg 1	If the floating rate has an ISIN, the ISIN code for that rate.
80.	Indicator of the floating rate of leg 1	The indication of the floating rate index. 4 alphabetic characters: ESTR = ESTER SONA = SONIA SOFR = SOFR EONA = EONIA EONS = EONIA SWAP EURI = EURIBOR EUUS = EURODOLLAR EUCH = EuroSwiss GCFR = GCF REPO ISDA = ISDAFIX LIBI = LIBID LIBO = LIBOR MAAA = Muni AAA PFAN = Pfandbriefe TIBO = TIBOR STBO = STIBOR BBSW = BBSW JIBA = JIBAR BUBO = BUBOR

	Field	Format
		CDOR = CDOR CIBO = CIBOR MOSP = MOSPRIM NIBO = NIBOR PRBO = PRIBOR TLBO = TELBOR WIBO = WIBOR TREA = Treasury SWAP = SWAP FUSW = Future SWAP ???? = FedFunds
81.	Name of the floating rate of leg 1	Up to 50 alphanumeric characters. Special characters are allowed if they form part of the full name of the index.
82.	Floating rate day count convention of leg 1	4 alphanumeric characters: A001 = IC30360ISDAor30360AmericanBasicRule A002 = IC30365 A003 = IC30Actual A004 = Actual360 A005 = Actual365Fixed A006 = ActualActualICMA A007 = IC30E360orEuroBondBasismodel1 A008 = ActualActualISDA A009 = Actual365LorActuActubasisRule A010 = ActualActualAFB A011 = IC30360ICMAor30360basicrule A012 = IC30E2360orEurobondbasismodel2 A013 = IC30E3360orEurobondbasismodel3 A014 = Actual365NL A015 = ActualActualUltimo A016 = IC30EPlus360 A017 = Actual364 A018 = Business252

	Field	Format
		A019 = Actual360NL A020 = 1/1 NARR = Narrative
83.	Floating rate payment frequency period of leg 1	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term
84.	Floating rate payment frequency period multiplier of leg 1	Any integer value greater than or equal to zero up to 18 numeric characters.

	Field	Format
85.	Floating rate reference period of leg 1 – time period	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term
86.	Floating rate reference period of leg 1 – multiplier	Any integer value greater than or equal to zero up to 18 numeric characters.
87.	Floating rate reset frequency period of leg 1	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term
88.	Floating rate reset frequency multiplier of leg 1	Any integer value greater than or equal to zero up to 18 numeric characters.
89.	Spread of leg 1	• If Spread is expressed as monetary amount - any value up to 18 numeric characters including up to 13 decimal places. • If Spread is expressed as percentage- any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). • If Spread is expressed as basis points - any integer value up to 5 numeric characters expressed in basis points (eg 257 instead of 2.57%).
90.	Spread currency of leg 1	ISO 4217 Currency Code, 3 alphabetic characters

	Field	Format
91.	Fixed rate of leg 2	Positive and negative values up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
92.	Fixed rate day count convention leg 2	4 alphanumeric characters: A001 = IC30360ISDAor30360AmericanBasicRule A002 = IC30365 A003 = IC30Actual A004 = Actual360 A005 = Actual365Fixed A006 = ActualActualICMA A007 = IC30E360orEuroBondBasismodel1 A008 = ActualActualISDA A009 = Actual365LorActuActubasisRule A010 = ActualActualAFB A011 = IC30360ICMAor30360basicrule A012 = IC30E2360orEurobondbasismodel2 A013 = IC30E3360orEurobondbasismodel3 A014 = Actual365NL A015 = ActualActualUltimo A016 = IC30EPlus360 A017 = Actual364 A018 = Business252 A019 = Actual360NL A020 = 1/1 NARR = Narrative

	Field	Format
93.	Fixed rate payment frequency period leg 2	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term
94.	Fixed rate payment frequency period multiplier leg 2	Any integer value greater than or equal to zero up to 18 numeric characters.
95.	Identifier of the floating rate of leg 2	If the floating rate has an ISIN, the ISIN code for that rate.
96.	Indicator of the floating rate of leg 2	The indication of the floating rate index. 4 alphabetic characters: ESTR = ESTER SONA = SONIA SOFR = SOFR EONA = EONIA EONS = EONIA SWAP EURI = EURIBOR EUUS = EURODOLLAR EUCH = EuroSwiss GCFR = GCF REPO ISDA = ISDAFIX LIBI = LIBID LIBO = LIBOR MAAA = Muni AAA PFAN = Pfandbriefe TIBO = TIBOR STBO = STIBOR BBSW = BBSW JIBA = JIBAR BUBO = BUBOR

	Field	Format
		CDOR = CDOR CIBO = CIBOR MOSP = MOSPRIM NIBO = NIBOR PRBO = PRIBOR TLBO = TELBOR WIBO = WIBOR TREA = Treasury SWAP = SWAP FUSW = Future SWAP ???? = FedFunds
97.	Name of the floating rate of leg 2	Up to 50 alphanumeric characters. Special characters are allowed if they form part of the full name of the index.
98.	Floating rate day count convention of leg 2	4 alphanumeric characters: A001 = IC30360ISDAor30360AmericanBasicRule A002 = IC30365 A003 = IC30Actual A004 = Actual360 A005 = Actual365Fixed A006 = ActualActualICMA A007 = IC30E360orEuroBondBasismodel1 A008 = ActualActualISDA A009 = Actual365LorActuActubasisRule A010 = ActualActualAFB A011 = IC30360ICMAor30360basicrule A012 = IC30E2360orEurobondbasismodel2 A013 = IC30E3360orEurobondbasismodel3 A014 = Actual365NL A015 = ActualActualUltimo A016 = IC30EPlus360 A017 = Actual364 A018 = Business252

	Field	Format
		A019 = Actual360NL A020 = 1/1 NARR = Narrative
99.	Floating rate payment frequency period of leg 2	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term
100.	Floating rate payment frequency period multiplier of leg 2	Any integer value greater than or equal to zero up to 18 numeric characters.
101.	Floating rate reference period of leg 2 – time period	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term
102.	Floating rate reference period of leg 2 – multiplier	Any integer value greater than or equal to zero up to 18 numeric characters.
103.	Floating rate reset frequency period of leg 2	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term

	Field	Format
104.	Floating rate reset frequency multiplier of leg 2	Any integer value greater than or equal to zero up to 18 numeric characters.
105.	Spread of leg 2	• If Spread is expressed as monetary amount - any value up to 18 numeric characters including up to 13 decimal places. • If Spread is expressed as percentage- any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). • If Spread is expressed as basis points - any integer value up to 5 numeric characters expressed in basis points (eg 257 instead of 2.57%).
106.	Spread currency of leg 2	ISO 4217 Currency Code, 3 alphabetic characters
107.	Package transaction spread	• If Package transaction spread is expressed as monetary amount - positive and negative value up to 18 numeric characters including up to 13 decimal places. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If Package transaction spread is expressed as percentage- positive and negative value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.57 instead of 2.57%). Should the value have more than 10 digits after the decimal, reporting counterparties should round half-up. • If Package transaction spread is expressed as basis points -any integer value up to 5 numeric characters expressed in basis points (eg 257 instead of 2.57%). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
108.	Package transaction spread currency	ISO 4217 Currency Code, 3 alphabetic characters

	Field	Format
	Section 2i – Foreign Exchange	
109.	Exchange rate 1	Any value greater than zero up to 18 numeric digits including upt to 13 decimal places. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
110.	Forward exchange rate	Any value greater than zero up to 18 numeric digits including upt to 13 decimal places. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
111.	Exchange rate basis	7 characters representing two wo ISO 4217 currency codes separated by "/" without restricting the currency pair ordering. The first currency code shall indicate the base currency, and the second currency code shall indicate the quote currency.
	Section 2j - Commodities and emission allowances (General)	
112.	Base product	Only values in the 'Base product' column of the classification of commodities derivatives table are allowed.
113.	Sub-product	Only values in the 'Sub — product' column of the classification of commodities derivatives table are allowed.
114.	Further sub-product	Only values in the 'Further sub — product' of the classification of commodities derivatives table are allowed.
115.	Delivery point or zone	EIC code, 16 character alphanumeric code Repeatable field.

	Field	Format
116.	Interconnection Point	EIC code, 16 character alphanumeric code
117.	Load type	BSLD = Base Load PKLD = Peak Load OFFP = Off-Peak HABH = Hour/Block Hours SHPD = Shaped GASD = Gas Day OTHR = Other
118.	Delivery interval start time	Option A: hh:mm:ssZ Option B: hh:mm:ss
119.	Delivery interval end time	Option A: hh:mm:ssZ Option B: hh:mm:ss
120.	Delivery start date	ISO 8601 date in the format YYYY-MM-DD
121.	Delivery end date	ISO 8601 date in the format YYYY-MM-DD
122.	Duration	MNUT=Minutes HOUR= Hour DASD= Day WEEK=Week MNTH=Month QURT = Quarter SEAS= Season YEAR= Annual OTHR=Other

	Field	Format
123.	Days of the week	WDAY = Weekdays WEND = Weekend MOND = Monday TUED = Tuesday WEDD = Wednesday THUD = Thursday FRID = Friday SATD = Saturday SUND = Sunday XBHL - Excluding bank holidays IBHL - Including bank holidays Multiple values are permitted
124.	Delivery capacity	Up to 20 numeric digits including decimals The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
125.	Quantity Unit	KW = KW KWHH = KWh/h KWHD = KWh/d MW = MW MWHH = MWh/h MWHD = MWh/d GW = GW GWHH = GWh/h GWHD = GWh/d THMD = Therm/d KTHD = KTherm/d MTMD = MTherm/d

	Field	Format
		???? = cm/d MCMD = mcm/d ???? = Btu/d ???? = MMBtu/d ???? = MJ/d ???? = 100MJ/d ???? = MMJ/d ???? = GJ/d
126.	Price/time interval quantity	Up to 20 numeric characters including decimals. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
127.	Currency of the price/time interval quantity	ISO 4217 Currency Code, 3 alphabetical character code
	Section 2l - Options	
128.	Option type	4 alphabetic character: PUTO = Put CALL = Call OTHR = where it cannot be determined whether it is a call or a put
129.	Option style	4 alphabetic characters: AMER = American BERM = Bermudan EURO = European ASIA = Asian More than one value is allowed

	Field	Format
130.	Strike price	• If Strike price is expressed as monetary amount: any value up to 18 numeric characters including up to 13 decimal places (eg USD 6.39) expressed as 6.39, for equity options, commodity options, foreign exchange options and similar products. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If Strike price is expressed as percentage: any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.1 instead of 2.1%), for interest rate options, interest rate and credit swaptions quoted in spread, and similar products. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
131.	Effective date of the strike price	ISO 8601 date in the UTC format YYYY-MM-DD.
132.	End date of the strike price	ISO 8601 date in the UTC format YYYY-MM-DD.

	Field	Format
133.	Strike price in effect on associated effective date	• If Strike price is expressed as monetary amount: any value up to 18 numeric characters including up to 13 decimal places (eg USD 6.39) expressed as 6.39, for equity options, commodity options, foreign exchange options and similar products. Should the value have more than 13 digits after the decimal, reporting counterparties should round half-up. • If Strike price is expressed as percentage: any value up to 11 numeric characters including up to 10 decimal places expressed as percentage (eg 2.1 instead of 2.1%), for interest rate options, interest rate and credit swaptions quoted in spread, and similar products. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot. The negative symbol, if populated, is not counted as a numeric character.
134.	Strike price currency/currency pair	ISO 4217 Currency Code, 3 alphabetic characters; or for foreign exchange options: 7 characters representing two wo ISO 4217 currency codes separated by "/" without restricting the currency pair ordering. The first currency code shall indicate the base currency, and the second currency code shall indicate the quote currency.
135.	Option premium amount	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
136.	Option premium currency	ISO 4217 Currency Code, 3 alphabetic characters
137.	Option premium payment date	ISO 8601 date in the UTC format YYYY-MM-DD.
138.	Maturity date of the underlying	ISO 8601 date in the UTC format YYYY-MM-DD.

	Field	Format
	Section 2m – Credit derivatives	
139.	Seniority	4 alphabetic characters: SNDB = Senior, such as Senior Unsecured Debt (Corporate/Financial), Foreign Currency Sovereign Debt (Government), SBOD = Subordinated, such as Subordinated or Lower Tier 2 Debt (Banks), Junior Subordinated or Upper Tier 2 Debt (Banks), OTHR = Other, such as Preference Shares or Tier 1 Capital (Banks) or other credit derivatives
140.	Reference entity	ISO 3166 - 2 character country code, or ISO 3166-2 - 2 character country code followed by dash "-" and up to 3 alphanumeric character country subdivision code, or ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code
141.	Frequency of payment	4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly ADHO = ad hoc which applies when payments are irregular TERM = payment at term
142.	The calculation basis	4 alphanumeric characters: A001 = IC30360ISDAor30360AmericanBasicRule A002 = IC30365 A003 = IC30Actual A004 = Actual360 A005 = Actual365Fixed A006 = ActualActualICMA A007 = IC30E360orEuroBondBasismodel1

	Field	Format
		A008 = ActualActualISDA A009 = Actual365LorActuActubasisRule A010 = ActualActualAFB A011 = IC30360ICMAor30360basicrule A012 = IC30E2360orEurobondbasismodel2 A013 = IC30E3360orEurobondbasismodel3 A014 = Actual365NL A015 = ActualActualUltimo A016 = IC30EPlus360 A017 = Actual364 A018 = Business252 A019 = Actual360NL A020 = 1/1 NARR = Narrative
143.	Series	Integer field up to 5 characters
144.	Version	Integer field up to 5 characters
145.	Index factor	Any value up to 11 numeric characters, including up to 10 decimal places, expressed as a decimal fraction (eg 0.05 instead of 5%) between 0 and 1 (including 0 and 1). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
146.	Tranche	Boolean value: TRUE = Tranched FALSE = Untranched
147.	CDS index attachment point	Any value up to 11 numeric characters, including up to 10 decimal places, expressed as a decimal fraction (eg 0.05 instead of 5%) between 0 and 1 (including 0 and 1). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.

	Field	Format
148.	CDS index detachment point	Any value up to 11 numeric characters, including up to 10 decimal places, expressed as a decimal fraction (eg 0.05 instead of 5%) between 0 and 1 (including 0 and 1). The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
	Section 2n - Modifications to the derivative	
149.	Action type	4 alphabetic characters: NEWT = New MODI = Modify CORR = Correct ETRM = Terminate EROR = Error REVI = Revieve VALU = Valuation COLU = Collateral POSC = Position component
150.	Event type	4 alphabetic characters: TRDE = Trade STPN = Step-in ???? = PTRR ETRM = Early termination CLRG = Clearing EXER = Exercise ALLO = Allocation CRDT = Credit event INCP = Inclusion in position MISR = Misreporting
151.	Event date	ISO 8601 date in the UTC format YYYY-MM-DD.

	Field	Format
152.	Level	4 alphabetic characters: TCTN = Trade PSTN = Position

Table 3

Margins

	Field	Format
1	Reporting timestamp	ISO 8601 date in the format and Coordinated Universal Time (UTC) time format YYYY-MM-DDThh:mm:ssZ
2	Report submitting entity ID	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
3	Entity responsible for reporting	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
4	Counterparty 1 (Reporting counterparty)	ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System.
5	Counterparty 2 identifier type	Boolean value: • TRUE • FALSE, for natural persons who are acting as private individuals (not business entities).

	Field	Format
6	Counterparty 2	• ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/) or up to 72 alphanumeric character code for natural persons who are acting as private individuals (not business entities). The LEI must be duly renewed in accordance with the terms of any of the accredited Local Operating Units of the Global Legal Entity Identifier System. The code identifying a natural person shall be composed by the LEI of the counterparty 1 followed by a unique identifier assigned and maintained consistently by the counterparty 1 for that natural person(s) for regulatory reporting purpose.
7	Collateral timestamp	ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ
8	Collateral portfolio indicator	Boolean value: TRUE = collateralised on a portfolio basis FALSE = not part of a portfolio
9	Collateral portfolio code	Up to 52 alphanumeric characters Special characters are not allowed
10	UTI	Up to 52 alphanumeric characters, only the he upper-case alphabetic characters A–Z and the digits 0–9 are allowed
11	Collateralisation category	4 alphabetic characters: UNCO = uncollateralised PAC1 = partially collateralised: counterparty 1 only PAC2 = partially collateralised: counterparty 2 only PAC0 = partially collateralised OWC1 = one way collateralised: counterparty 1 only OWC2 = one way collateralised: counterparty 2 only O1PC = one way/partially collateralised: counterparty 1 O2PC = one way/partially collateralised: counterparty 2 FULL = fully collateralised Populated in accordance with Article 5 of the [ITS]

	Field	Format
12	Initial margin posted by the counterparty 1 (pre-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
13	Initial margin posted by the counterparty 1 (post-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
14	Currency of the initial margin posted	ISO 4217 Currency Code, 3 alphabetic characters
15	Variation margin posted by the counterparty 1 (pre-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
19	Variation margin posted by the counterparty 1 (post-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
17	Currency of the variation margins posted	ISO 4217 Currency Code, 3 alphabetic characters
18	Excess collateral posted by the counterparty 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
19	Currency of the excess collateral posted	ISO 4217 Currency Code, 3 alphabetic characters

	Field	Format
20	Initial margin collected by the counterparty 1 (pre-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
21	Initial margin collected by the counterparty 1 (post-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
22	Currency of initial margin collected	ISO 4217 Currency Code, 3 alphabetic characters
23	Variation margin collected by the counterparty 1 (pre-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
24	Variation margin collected by the counterparty 1 (post-haircut)	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
25	Currency of variation margin collected	ISO 4217 Currency Code, 3 alphabetic characters
26	Excess collateral collected by the counterparty 1	Any value greater than or equal to zero up to 25 numeric characters including up to 5 decimal places. Should the value have more than five digits after the decimal, reporting counterparties should round half-up. The decimal mark is not counted as a numeric character. If populated, it shall be represented by a dot.
27	Currency of excess collateral collected	ISO 4217 Currency Code, 3 alphabetic characters
28	Counterparty rating trigger indicator	Boolean value: • TRUE • FALSE
29	Counterparty rating threshold indicator	Boolean value: • TRUE • FALSE

Table 4

Classification of commodities

Base product	Sub - product	Further sub - product
‘AGRI’ - Agricultural	'GROS’ - Grains Oil Seeds	'FWHT’ - Feed Wheat 'SOYB’ - Soybeans 'CORN’ - Maize ‘RPSD’ – Rapeseed ‘RICE’ - Rice ‘OTHR’ - Other
	'SOFT’ - Softs	'CCOA’ - Cocoa 'ROBU’ - Robusta Coffee 'WHSG’ - White Sugar ‘BRWN’ - Raw Sugar ‘OTHR’ - Other
	'POTA'- Potato	
	'OOLI’- Olive oil	'LAMP’ – ‘Lampante' ‘OTHR’ - Other
	'DIRY’- Dairy	
	'FRST’ - Forestry	
	'SEAF’ - Seafood	
	'LSTK’ - Livestock	
	'GRIN’ - Grain	‘MWHT’ - Milling Wheat ‘OTHR’ - Other
	‘OTHR’ - Other	
'NRGY’ –‘Energy	'ELEC’ -Electricity	'BSLD’- Base load 'FITR’ - Financial Transmission Rights 'PKLD’- Peak load ‘OFFP’- Off-peak ‘OTHR’- Other
	'NGAS’ - Natural Gas	'GASP’- GASPOOL 'LNGG’ - LNG 'NBPG’ - NBP 'NCGG’ - NCG 'TTFG’ – TTF ‘OTHR’ - Other

Base product	Sub - product	Further sub - product
	'OILP' -Oil	'BAKK' - Bakken 'BDSL' - Biodiesel 'BRNT' - Brent 'BRNX' - Brent NX 'CNDA' - Canadian 'COND' - Condensate 'DSEL' - Diesel 'DUBA' - Dubai 'ESPO' - ESPO ''ETHA' - Ethanol 'FUEL' - Fuel 'FOIL' - Fuel Oil 'GOIL' - Gasoil 'GSLN' - Gasoline 'HEAT' - Heating Oil 'JTFL' - Jet Fuel 'KERO' - Kerosene 'LLSO' - Light Louisiana Sweet (LLS) 'MARS' - Mars 'NAPH' - Naphta 'NGLO' - NGL 'TAPI' - Tapis 'URAL' - Urals 'WTIO' – WTI 'OTHR' - Other
	'COAL'- Coal 'INRG' - Inter Energy 'RNNG' - Renewable energy 'LGHT' - Light ends 'DIST' – Distillates 'OTHR' - Other	
'ENVR' - Environmental	'EMIS' - Emissions	'CERE' - CER 'ERUE' - ERU 'EUAE' - EUA 'EUAA' – EUAA 'OTHR'-Other
	'WTHR' - Weather 'CRBR' - Carbon related' 'OTHR' - Other	
'FRGT' -'Freight'	'WETF' - Wet	'TNKR' –Tankers 'OTHR' - Other
	'DRYF' - Dry	'DBCR' - Dry bulk carriers 'OTHR' - Other

Base product	Sub - product	Further sub - product
	‘CSHP’ - Containerships	
	‘OTHR’ - Other	
'FRTL’ -‘Fertilizer'	'AMMO’ - Ammonia 'DAPH' - DAP (Diammonium Phosphate) 'PTSH’ - Potash 'SLPH’ - Sulphur 'UREA’ - Urea 'UAAN' - UAN (urea and ammonium nitrate) ‘OTHR’ - Other	
'INDP’ - Industrial products'	'CSTR’ - Construction 'MFTG’ - Manufacturing	
'METL’ - Metals'	'NPRM’ - Non Precious	'ALUM’ - Aluminium 'ALUA’ - Aluminium Alloy 'CBLT’ - Cobalt 'COPR’ - Copper 'IRON’ - Iron ore 'LEAD’ - Lead 'MOLY’ - Molybdenum 'NASC’ - NASAAC 'NICK’ - Nickel 'STEL’ - Steel 'TINN’ - Tin 'ZINC’ - Zinc ‘OTHR’ - Other
	‘PRME’ - Precious	'GOLD’ - Gold 'SLVR’ - Silver 'PTNM’ - Platinum ‘PLDM’ - Palladium ‘OTHR’ - Other
'MCEX’ - Multi Commodity Exotic'		
'PAPR’ - Paper'	'CBRD’ - Containerboard 'NSPT’ - Newsprint 'PULP’ - Pulp 'RCVP’ - Recovered paper ‘OTHR’ - Other	

Base product	Sub - product	Further sub - product
'POLY' - Polypropylene'	'PLST' – Plastic 'OTHR' - Other	
'INFL' - Inflation'		
'OEST' - Official economic statistics'		
'OTHC' - Other C10 'as defined in Table 10.1 Section 10 of Annex III to Commission Delegated Regulation (EU) 2017/583[60]		
'OTHR' - Other		

[60] Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives (OJ L 87, 31.3.2017, p. 229)

10.6 Annex VI - RTS on registration and extension of registration of TRs under EMIR

COMMISSION DELEGATED REGULATION (EU) YYYY/XXX

of

amending Delegated Regulation (EU) No 150/2013 as regards regulatory technical standards specifying the details of the application for registration as a trade repository

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (1), and in particular Article 56(3) thereof,

Whereas:

[…]

Article 1

Amendments to Delegated Regulation (EU) No 150/2013

(1) The following Article 23b is inserted:

Article 23b

Payment of fees

An application for registration or extension of registration as a trade repository shall include proof of payment of the relevant registration or extension of registration fees established in Commission Delegated Regulation (EU) 1003/2013.

(2) The following Article 23c is inserted:

“Article 23c

Extension of registration

For the purposes of Article 56(1)(b) of Regulation (EU) 648/2012, as amended by Regulation (EU) 2019/834, the application for extension of an existing registration under Regulation 2015/2365 shall contain the information specified in:

a. Article 1, except paragraph k) of Article 1(2);
b. Article 2;
c. Article 5;
d. Article 7, except paragraph d of Article 7(2);
e. Article 8(b);
f. Article 9(1) and 9(d);
g. Article 11;
h. Article 12(2);
i. Article 13;
j. Article 14 (2);
k. Article 15;
l. Article 16, except paragraph c);
m. Article 17;
n. Article 18;
o. Article 19;
p. Article 20;
q. Article 21;
r. Article 22;
s. Article 23;
t. Article 23a;
u. Article 23b;
v. Article 23c and
w. Article 25."

Article 2

Entry into force and application

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

10.7 Annex VII - ITS on registration and extension of registration of TRs under EMIR

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 648/2012 of the European Parliament and of the Council of 16 July 2012 and in particular Article 56(4) thereof,

Whereas:

(1) A uniform format for applications to the European Securities and Markets Authority (ESMA) for registration and extension of registration of trade repositories should ensure that all information required pursuant to Commission Delegated Regulation (EU) 150/2013, as amended by Commission Delegated Regulation 2019/362 is submitted to, and easily identified by, ESMA.

(2) In order to facilitate the identification of the information submitted by the trade repository, every document contained in the application should bear a unique reference number.

(3) In accordance with Article 1(3) of Delegated Regulation (EU) 150/2013, as amended by Commission Delegated Regulation 2019/362, where an applicant trade repository considers that a requirement of Delegated Regulation (EU) 150/2013 is not applicable to it, it must clearly indicate that requirement in its application and provide an explanation why such requirement does not apply. Those requirements and explanations should be clearly identified in the application for registration or extension of registration.

(4) Any information submitted to ESMA in an application for registration or extension of registration of a trade repository should be provided in a durable medium as defined in Directive 2009/65/EC of the European Parliament and of the Council to enable its storage for future use and reproduction.

Article 1

Amendments to Delegated Regulation (EU) No 150/2013

(1) Article 1 is replaced as follows

Article 1

Format of the application for registration and extension of registration

1.An application for registration or extension of registration shall be submitted in the format set out in the Annex.

2.The trade repository shall give a unique reference number to each document it submits and shall clearly identify which specific requirement in Delegated Regulation (EU) 150/2013 as amended by Delegated Regulation 2019/362 the document refers to.

3.An application for registration or extension of registration shall clearly indicate the reasons why information referring to a certain requirement is not submitted.

4.An application for registration or extension of registration shall be submitted in a durable medium as defined in Article 2(1)(m) of Directive 2009/65/EC.

Article 2

Entry into force and application

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Annex

ANNEX	
FORMAT FOR AN APPLICATION FOR REGISTRATION OR EXTENSION OF REGISTRATION AS A TRADE REPOSITORY	
GENERAL INFORMATION	
Date of application	
Corporate name of trade repository	
Legal address	
The classes of derivatives for which the trade repository is applying to be registered	
Name of the person assuming the responsibility of the application	
Contact details of the person assuming the responsibility of the application	
Name of other person responsible for the trade repository compliance	
Contact details of the person(s) responsible for the trade repository compliance	
Identification of any parent company	

DOCUMENT REFERENCES			
Article of Commission Delegated Regulation 150/2013	Unique reference number of document	Title of the document	Chapter or section or page of the document where the information is provided or reason why the information is not provided

10.8 Annex VIII – RTS on procedures for ensuring data quality

Article 1

Verification of derivatives by trade repositories

1. A trade repository shall verify all of the following in a received derivatives transaction report:

(a) the identity of the report submitting entity as referred to in field 2 of Table 1 and field 3 of Table 3 of Annex I to Commission Implementing Regulation (EU) 148/2013;

(b) that the XML template used to report a derivative complies with the ISO 20022 methodology in accordance with Implementing Regulation (EU)[PO please insert reference to "draft ITS on standards, formats, frequency and arrangements for reporting to TRs under EMIR" under Annex V of the present document];

(c) that the report submitting entity, if different from the Counterparty 1 as referred to in field 3 of Table 1 and field 5 in Table 3 of Annex I to Implementing Regulation (EU) 1274/2012, is duly authorised to report on behalf of the reporting counterparty;

(d) that the same derivative report has not been submitted previously;

(e) that a derivatives transaction report with action type 'Modification' relates to a previously submitted derivative report;

(f) that a derivative report with action type 'Modification' does not relate to a derivative that has been reported as cancelled;

(g) that the derivative report does not include the action type 'New' in respect of a derivative that has been reported already;

(h) that the derivative report does not include the action type 'Position component' in respect of a derivative that has been reported already;

(i) that the derivative report does not purport to modify the details of, the reporting counterparty or the other counterparty to a previously reported derivative;

(j) that the derivative report does not purport to modify an existing derivative by specifying an effective date later than the reported maturity date of the derivative;

(k) that a derivative transaction report with action type 'Revive' relates to a previously submitted derivative report with action type 'Error' or 'Termination'

(l) the correctness and completeness of the derivative report.

3. A trade repository shall reject a derivative report that does not comply with one of the requirements set out in paragraph 1 and assign to it one of the rejection categories set out in Table 2 of Annex I to this Regulation.

4. A trade repository shall provide the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable, with detailed information on the results of the data verification referred to in paragraph 1 within sixty minutes after it has received a derivative report. A trade repository shall provide those results in an XML format and a template developed in accordance with the ISO 20022 methodology. The results shall

include, where applicable, the specific reasons for the rejection of a derivative report in accordance with paragraph 3.

Article 2

Procedure for updates of the LEIs

1. A trade repository to which a request under Article 8 of [please insert reference to ITS on reporting] is addressed shall identify the derivatives outstanding at the time of the corporate restructuring event where the entity is reported with the old identifier in the field “counterparty 1” or “counterparty 2”, as informed in the relevant request and shall replace the old identifier with the new LEI in the reports relating to all derivatives outstanding at the time of the event referred to in Article 8 of [please insert reference to ITS on reporting] pertaining to that counterparty. A trade repository shall perform this procedure on the date of the corporate restructuring event or within 30 calendar days from receiving the request if such request was received later than 30 days prior to that event.
2. The TR shall identify the relevant derivatives outstanding at the time of the corporate restructuring event where the entity is identified with the old identifier in any of the fields and replace that identifier with the new LEI.
3. A trade repository shall carry out the following actions:

a. Implement the change as of the date specified in paragraph 1 of this Article

b. Broadcast the following information at the earliest possibility and no later than 5 working after the notification is received to all the other trade repositories and to the relevant reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable, involved in the derivatives contracts concerned by the LEI change):

   (i) old identifier(s),

   (ii) the new identifier,

   (iii) the date as of which the change shall be done

   (iv) in case of corporate events affecting a subset of the derivatives outstanding at the date of the event, the list of the UTIs of the derivatives concerned by the LEI change.

c. Notify, at the latest the working day before the date on which the change is applied, the entities listed in Article 81(3) of Regulation 648/2012 who have access to the data relating to the derivatives that have been updated through a specific file including:

   (i) old identifier(s),

   (ii) the new identifier,

   (iii) the date as of which the change shall be done

(iv) in case of corporate events affecting a subset of the derivatives outstanding at the date of the event, the list of the UTIs of the derivatives concerned by the LEI change.

d. Record the change in the reporting log.

Article 3

Reconciliation of data by trade repositories

1. A trade repository shall seek to reconcile a reported derivative by undertaking the steps set out in paragraph 2, provided that all of the following conditions are met:

(a) the trade repository has completed the verifications set out in paragraphs 1 and 2 of Article 1;

(b) both counterparties to the reported derivative have a reporting obligation;

(c) the trade repository has not received a report with the action type 'Error' in respect of the reported derivative, unless it has been followed by report with action type "Revive".

2. A trade repository shall have arrangements in place to ensure the confidentiality of the data exchanged with other trade repositories and when providing information to reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR about the values for all the fields that are subject to reconciliation.

3. Where all the conditions of paragraph 1 are met, a trade repository shall undertake the following steps, while using the latest reported value for each of the fields in Table 1 of Annex I :

(a) a trade repository having received a derivative report shall verify whether it has received a corresponding report from or on behalf of the other counterparty;

(b) a trade repository that has not received a corresponding derivative report as referred to in point (a) shall attempt to identify the trade repository that has received the corresponding derivative report by communicating to all registered trade repositories the values of the following fields of the reported derivative: 'Unique Transaction Identifier', 'Counterparty 1' and 'Counterparty 2';

(c) a trade repository that determines that another trade repository has received a corresponding derivative report as referred to in point (a) shall exchange with that trade repository the details of the reported derivative in an XML format and a template developed in accordance with the ISO 20022 methodology;

(d), a trade repository shall treat a reported derivative as reconciled where the details of that derivative subject to reconciliation match the details of the corresponding derivative as referred to in point (a) of this paragraph and in accordance with the tolerance limits and relevant dates of application laid down in Table 1 of Annex I

(e) a trade repository shall subsequently assign values for the reconciliation categories for each reported derivatives transaction, as set out in Table 3 of Annex I

(g) a trade repository shall conclude the steps in points (a) to (e) of this paragraph at the earliest opportunity and shall take no such steps after 18:00 Universal Coordinated Time on a given working day;

(h) a trade repository that cannot reconcile a reported derivative shall seek to match the details of that reported derivative on the following working day. The trade repository shall no longer seek to reconcile the reported derivative thirty calendar days after the derivative is not outstanding.

4. A trade repository shall confirm the total number of reconciled, reported derivatives with each trade repository with which it has reconciled reported derivatives at the end of each working day. A trade repository shall have in place written procedures for ensuring the resolution of all discrepancies identified in this process.

5. No later than sixty minutes after the conclusion of the reconciliation process as set out in point (g) of paragraph 3, a trade repository shall provide the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable, with the results of the reconciliation process performed by it on the reported derivatives. A trade repository shall provide those results in an XML format and a template developed in accordance with the ISO 20022 methodology, including information on the fields that have not been reconciled.

Article 4

End-of-day response mechanisms

By the end of each working day, a trade repository shall make available to provide the reporting counterparties, report submitting entities, entities responsible for reporting as well as third parties which have been granted access to information under Article 78(7) EMIR, as applicable, the following information on the relevant derivatives in an XML format and a template developed in accordance with the ISO 20022 methodology:

(a) the derivatives reported during that day;

(b) the latest trade states of the outstanding derivatives;

(c) the derivative reports that have been rejected during that day;

(d) the reconciliation status of all reported derivatives subject to reconciliation pursuant to Article 3(2(h);

(e) the outstanding derivatives for which no valuation has been reported, or the valuation that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated;

(f) the outstanding derivatives for which no margin information has been reported, or the margin information that was reported is dated more than fourteen calendar days earlier than the day for which the report is generated;

[Option 1]

(g) the derivatives that were received on that day with Action type “New”, “Position component”, “Modification” or “Correction” whose notional amount is greater than a

value determined by the TR for the given asset class and level of the reported derivative.

[Option 2]

the derivatives that were received on that day with Action type “New”, “Position component”, “Modification” or “Correction” whose notional amount is greater than the threshold for the given asset class and level of the reported derivative.

Article 5

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from [PO: please insert date 18 months after the date of entry into force].

This Regulation shall be binding in its entirety and directly applicable in all Member States.

ANNEX

Table 1

Reconciliation fields, tolerance levels and start date of the reconciliation phase

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Counterparty data	Parties to the derivative	Reporting timestamp	NA	NA
Counterparty data	Parties to the derivative	Report submitting entity ID	NA	NA
Counterparty data	Parties to the derivative	Entity responsible for reporting	NA	NA
Counterparty data	Parties to the derivative	Counterparty 1 (Reporting counterparty)	Same as field 1.9	Start date of the reporting obligation
Counterparty data	Parties to the derivative	Nature of the counterparty 1	NA	NA
Counterparty data	Parties to the derivative	Corporate sector of the counterparty 1	NA	NA
Counterparty data	Parties to the derivative	Clearing threshold of counterparty 1	NA	NA
Counterparty data	Parties to the derivative	Counterparty 2 identifier type	NA	NA
Counterparty data	Parties to the derivative	Counterparty 2	Same as field 1.4	Start date of the reporting obligation
Counterparty data	Parties to the derivative	Country of the counterparty 2	NA	NA

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Counterparty data	Parties to the derivative	Nature of the counterparty 2	NA	NA
Counterparty data	Parties to the derivative	Corporate sector of the counterparty 2	NA	NA
Counterparty data	Parties to the derivative	Clearing threshold of counterparty 2	NA	NA
Counterparty data	Parties to the derivative	Reporting obligation of the counterparty 2	NA	NA
Counterparty data	Parties to the derivative	Broker ID	NA	NA
Counterparty data	Parties to the derivative	Clearing member	NA	NA
Counterparty data	Parties to the derivative	Beneficiary 1 identifier type	NA	NA
Counterparty data	Parties to the derivative	Beneficiary 1	NA	NA
Counterparty data	Parties to the derivative	Direction	Opposite	Start date of the reporting obligation
Counterparty data	Parties to the derivative	Direction of leg 1	Opposite	Start date of the reporting obligation
Counterparty data	Parties to the derivative	Direction of leg 2	Opposite	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Counterparty data	Parties to the derivative	Directly linked to commercial activity or treasury financing	NA	NA
Common data	Section 2a - Identifiers and links	UTI	No	Start date of the reporting obligation
Common data	Section 2a - Identifiers and links	Report tracking number	No	Start date of the reporting obligation
Common data	Section 2a - Identifiers and links	Prior UTI (for one-to-one and one-to-many relations between transactions)	No	Two years after the start date of the reporting obligation
Common data	Section 2a - Identifiers and links	Subsequent position UTI	No	Two years after the start date of the reporting obligation
Common data	Section 2a - Identifiers and links	PTRR ID	NA	NA
Common data	Section 2a - Identifiers and links	Package identifier	NA	NA
Common data	Section 2b – Contract information	ISIN	No	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2b – Contract information	Unique product identifier (UPI)	No	Start date of the reporting obligation
Common data	Section 2b – Contract information	Product classification	No	Start date of the reporting obligation
Common data	Section 2b – Contract information	Contract type	No	Start date of the reporting obligation
Common data	Section 2b – Contract information	Asset class	No	Start date of the reporting obligation
Common data	Section 2b – Contract information	Underlying identification type	No	Start date of the reporting obligation
Common data	Section 2b – Contract information	Underlying identification	No	Start date of the reporting obligation
Common data	Section 2b – Contract information	Underlying custom basket identification	No	Two years from the start date of the reporting obligation
Common data	Section 2b – Contract information	Settlement currency 1	No	Two years from the start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2b – Contract information	Settlement currency 2	No	Two years from the start date of the reporting obligation
Common data	Section 2c – Valuation	Valuation amount	0,0005% and opposite sign	Two years from the start date of the reporting obligation
Common data	Section 2c – Valuation	Valuation currency	No	Two years from the start date of the reporting obligation
Common data	Section 2c – Valuation	Valuation timestamp	NA	NA
Common data	Section 2c – Valuation	Valuation method	No	Two years from the start date of the reporting obligation
Common data	Section 2d - Collateral	Collateral portfolio indicator	NA	NA
Common data	Section 2d - Collateral	Collateral portfolio code	NA	NA

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2e - Risk mitigation / Reporting	Confirmation timestamp	One hour	Start date of the reporting obligation
Common data	Section 2e - Risk mitigation / Reporting	Confirmed	No	Start date of the reporting obligation
Common data	Section 2f - Clearing	Clearing obligation	No	Start date of the reporting obligation
Common data	Section 2f - Clearing	Cleared	No	Start date of the reporting obligation
Common data	Section 2f - Clearing	Clearing timestamp	One hour	Start date of the reporting obligation
Common data	Section 2f - Clearing	Central counterparty	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Master Agreement type	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Other master agreement type	NA	NA

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2g - Details on the transaction	Master Agreement version	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Intragroup	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	PTRR	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Type of PTRR technique	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	PTRR service provider	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Venue of execution	No	Start date of the reporting obligation
Common data	Section 2c - Details on the transaction	Execution timestamp	One hour	Start date of the reporting obligation
Common data	Section 2c - Details on the transaction	Effective date	No	Start date of the reporting obligation
Common data	Section 2c - Details on the transaction	Expiration date	No	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2c - Details on the transaction	Early termination date	No	Start date of the reporting obligation
Common data	Section 2c - Details on the transaction	Final contractual settlement date	No	Start date of the reporting obligation
Common data	Section 2c - Details on the transaction	Delivery type	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Price	0,0005% if expressed in monetary value; up to the third digit after the decimal if expressed as a percentage	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Price currency	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Unadjusted effective date of the price	No	Two years from the start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Unadjusted end date of the price	No	Two years from the start date of the

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
				reporting obligation
Common data	Section 2g - Details on the transaction	Price in effect between the unadjusted effective and end date	0,0005% if expressed in monetary value; up to the third digit after the decimal if expressed as a percentage	Two years from the start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Package transaction price	0,0005% if expressed in monetary value; up to the third digit after the decimal if expressed as a percentage	Two years from the start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Package transaction price currency	No	Two years from the start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Notional amount of leg 1	No	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2g - Details on the transaction	Notional currency 1	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Effective date of the notional amount of leg 1	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	End date of the notional amount of leg 1	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Notional amount in effect on associated effective date of leg 1	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Total notional quantity of leg 1	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Effective date of the notional quantity of leg 1	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	End date of the notional quantity of leg 1	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Notional quantity in effect on associated effective date of leg 1	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Notional amount of leg 2	No	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2g - Details on the transaction	Notional currency 2	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Effective date of the notional amount of leg 2	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	End date of the notional amount of leg 2	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Notional amount in effect on associated effective date of leg 2	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Total notional quantity of leg 2	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Effective date of the notional quantity of leg 2	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	End date of the notional quantity of leg 2	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Notional quantity in effect on associated effective date of leg 2	No	Start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Delta	0,0005%	Two years from the start date of the

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
				reporting obligation
Common data	Section 2g - Details on the transaction	Other payment type	No	Two years from the start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Other payment amount	0,0005%	Two years from the start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Other payment currency	No	Two years from the start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Other payment date	No	Two years from the start date of the reporting obligation
Common data	Section 2g - Details on the transaction	Other payment payer	No	Two years from the start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2g - Details on the transaction	Other payment receiver	No	Two years from the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Fixed rate of leg 1	Up to the third digit after the decimal	Two years from the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Fixed rate day count convention leg 1	no	Two years from the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Fixed rate payment frequency period leg 1	No	Two years from the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Fixed rate payment frequency period multiplier leg 1	No	Two years from the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Identifier of the floating rate of leg 1	No	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2h - Interest Rates	Indicator of the floating rate of leg 1	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Name of the floating rate of leg 1	NA	NA
Common data	Section 2h - Interest Rates	Floating rate day count convention of leg 1	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate payment frequency period of leg 1	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate payment frequency period multiplier of leg 1	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate reference period of leg 1 – time period	No	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2h - Interest Rates	Floating rate reference period of leg 1 – multiplier	NO	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate reset frequency period of leg 1	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate reset frequency multiplier of leg 1	NA	NA
Common data	Section 2h - Interest Rates	Spread of leg 1	0,0005% if expressed in monetary value; up to the third digit after the decimal if expressed as a percentage; 5 basis points if expressed as basis points	Two years form the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Spread currency of leg 1	No	Two years form the start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2h - Interest Rates	Fixed rate of leg 2	0,0005% if expressed in monetary value; up to the third digit after the decimal if expressed as a percentage; 5 basis points if expressed as basis points	Two years form the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Fixed rate day count convention leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Fixed rate payment frequency period leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Fixed rate payment frequency period multiplier leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Identifier of the floating rate of leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Indicator of the floating rate of leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Name of the floating rate of leg 2	NA	NA

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2h - Interest Rates	Floating rate day count convention of leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate payment frequency period of leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate payment frequency period multiplier of leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate reference period of leg 2 – time period	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate reference period of leg 2 – multiplier	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate reset frequency period of leg 2	No	Start date of the reporting obligation
Common data	Section 2h - Interest Rates	Floating rate reset frequency multiplier of leg 2	No	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2h - Interest Rates	Spread of leg 2	0,0005% if expressed in monetary value, up to the third digit after the decimal if expressed as a percentage, 5 basis points if expressed as basis points.	Two years from the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Spread currency of leg 2	No	Two years from the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Package transaction spread	0,0005% if expressed in monetary value, up to the third digit after the decimal if expressed as a percentage, 5 basis points if expressed as basis points.	Two years from the start date of the reporting obligation
Common data	Section 2h - Interest Rates	Package transaction spread currency	No	Two years from the start

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
				date of the reporting obligation
Common data	Section 2i – Foreign Exchange	Exchange rate 1	0,0005%	Two years from the start date of the reporting obligation
Common data	Section 2i – Foreign Exchange	Forward exchange rate	0,0005%	Two years from the start date of the reporting obligation
Common data	Section 2i – Foreign Exchange	Exchange rate basis	No	Two years from the start date of the reporting obligation
Common data	Section 2j - Commodities and emission allowances (General)	Base product	No	Two years from the start date of the reporting obligation
Common data	Section 2j - Commodities and emission allowances (General)	Sub-product	No	Two years from the start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2j - Commodities and emission allowances (General)	Further sub-product	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Delivery point or zone	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Interconnection Point	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Load type	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Delivery interval start time	One hour	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission	Delivery interval end time	One hour	Two years from the start date of the

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
	allowances (Energy)			reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Delivery start date	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Delivery end date	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Duration	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Days of the week	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Delivery capacity	0,0005%	Two years from the start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2k - Commodities and emission allowances (Energy)	Quantity Unit	No	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Price/time interval quantity	0,0005%	Two years from the start date of the reporting obligation
Common data	Section 2k - Commodities and emission allowances (Energy)	Currency of the price/time interval quantity	No	Two years from the start date of the reporting obligation
Common data	Section 2l - Options	Option type	No	Start date of the reporting obligation
Common data	Section 2l - Options	Option style	No	Start date of the reporting obligation
Common data	Section 2l - Options	Strike price	0,0005% if expressed in monetary value, up to the third digit after the decimal if	Two years from the start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
			expressed as a percentage.	
Common data	Section 2l - Options	Effective date of the strke price	No	Two years from the start date of the reporting obligation
Common data	Section 2l - Options	End date of the strike price	No	Two years from the start date of the reporting obligation
Common data	Section 2l - Options	Strike price in effect on associatied effective date	0,0005% if expressed in monetary value, up to the third digit after the decimal if expressed as a percentage.	Two years from the start date of the reporting obligation
Common data	Section 2l - Options	Strike price currency/currency pair	No	Two years from the start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2l - Options	Option premium amount	0,0005%	Two years from the start date of the reporting obligation
Common data	Section 2l - Options	Option premium currency	No	Two years from the start date of the reporting obligation
Common data	Section 2l - Options	Option premium payment date	No	Two years from the start date of the reporting obligation
Common data	Section 2i - Options	Maturity date of the underlying	No	Start date of the reporting obligation
Common data	Section 2m – Credit derivatives	Seniority	No	Start date of the reporting obligation
Common data	Section 2m – Credit derivatives	Reference entity	No	Start date of the reporting obligation
Common data	Section 2m – Credit derivatives	Frequency of payment	No	Start date of the reporting obligation

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
Common data	Section 2m – Credit derivatives	The calculation basis	No	Start date of the reporting obligation
Common data	Section 2m – Credit derivatives	Series	No	Two years from the start date of the reporting obligation
Common data	Section 2m – Credit derivatives	Version	No	Two years from the start date of the reporting obligation
Common data	Section 2m – Credit derivatives	Index factor	0,0005%	Start date of the reporting obligation
Common data	Section 2m – Credit derivatives	Tranche	No	Start date of the reporting obligation
Common data	Section 2m – Credit derivatives	CDS index attachment point	0,0005%	Two years from the start date of the reporting obligation
Common data	Section 2m – Credit derivatives	CDS index detachment point	0,0005%	Two years from the start date of the

Table	Section	Field	Reconciliation tolerance	Reconciliation start date
				reporting obligation
Common data	Section 2n - Modifications to the derivative	Action type	NA	NA
Common data	Section 2n - Modifications to the derivative	Event type	NA	NA
Common data	Section 2n - Modifications to the derivative	Event date	NA	NA
Common data	Section 2n - Modifications to the derivative	Level	No	Start date of the reporting obligation

10.9 Annex IX – RTS on operational standards for aggregation and comparison of data and on terms and conditions for granting access to data

Article 1

Amendments to Delegated Regulation (EU) No 151/2013

(1) Article 2 is replaced as follows:

Granting access to details of derivatives

1. A trade repository shall provide the entities listed in Article 81(3) of Regulation (EU) No 648/2012 with direct and immediate access, including where delegation under Article 28 of Regulation (EU) No 1095/2010 exists, to details of derivatives contracts in accordance with paragraph 2 and Articles 2 and 3 of this Regulation.

For the purposes of the first subparagraph, a trade repository shall use an XML format and a template developed in accordance with ISO 20022 methodology.

2. A trade repository shall ensure that the details of transaction data on derivatives made accessible to the entities listed in Article 81(3) of Regulation (EU) No 648/2012 in accordance with Article 2 and pursuant to the timelines provided in Article 4 include the following data:

(a) the reports of derivatives reported in accordance with Tables 1, 2 and 3 of the Annex to Delegated Regulation (EU) [PO please insert reference to “Annex IV - Draft RTS on details of the reports to be reported to TRs under EMIR” under Annex IV of the present document], including the latest trade states of outstanding derivatives referred to in Article 1(4) of that Regulation,

(b) the relevant details of derivative reports rejected or warned by the trade repository during the previous working day and the reasons for their rejection as specified in RTS on under Article 78(10) EMIR.

(c) the reconciliation status of all derivatives for which the trade repository has carried out the reconciliation process in accordance with Article 3 of [PO please insert reference to “Annex VIII – RTS on procedures for ensuring data quality” under Annex VIII of this document].

3. A trade repository shall provide the entities that have several responsibilities or mandates under Article 81(3) of Regulation (EU) No 648/2012 with a single access point to the derivatives covered by those responsibilities and mandates.

4. A trade repository shall provide ESMA with access to all transaction data for derivatives to exercise competences in accordance with its responsibilities and mandates.

5. A trade repository shall provide the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Systemic Risk Board (ESRB) with access to all transaction data for derivatives.

6. A trade repository shall provide the Authority for the Cooperation of Energy Regulators (ACER) with access to all transaction data on derivatives where the underlying is an energy.

7. A trade repository shall provide an authority which supervises trading venues with access to all transaction data for derivatives executed on those trading venues.

8. A trade repository shall provide a supervisory authority designated pursuant to Article 4 of Directive 2004/25/EC with access to all transaction data on derivatives where the underlying is a security issued by a company that meets one or more of the following conditions:

(a) the company is admitted to trading on a regulated market established within the Member State of that authority and the takeover bids on the securities of that company fall under that authority's supervisory responsibilities and mandates;

(b) the company has its registered office or head office in the Member State of that authority and the takeover bids on the securities of that company fall under that authority's supervisory responsibilities and mandates;

(c) the company is an offeror as defined in Article 2(1)(c) of Directive 2004/25/EC for the companies as referred to in points (a) and (b) and the consideration it offers includes securities.

9. A trade repository shall provide an authority referred to in Article 81(3)(j) of Regulation (EU) No 648/2012 with access to all transaction data on derivatives for markets, contracts, underlyings, benchmarks and counterparties that fall under the supervisory responsibilities and mandates of that authority.

10. A trade repository shall provide a member of the ESCB whose Member State's currency is the euro with access to:

(a) all transaction data on derivatives where the reference entity of the derivative is established within the Member State of that ESCB member or within a Member State whose currency is the euro and falls within the scope of the member according to that member's supervisory responsibilities and mandates, or where the reference obligation is sovereign

debt of the Member State of that ESCB member or of a Member State whose currency is the euro;

(b) position data for derivatives contracts in euro.

11. A trade repository shall provide an authority listed in Article 81(3) of Regulation (EU) No 648/2012 that monitors systemic risks to financial stability and whose Member State's currency is the euro, with access to all transaction data on derivatives concluded on trading venues or by CCPs and counterparties that fall under the responsibilities and mandates of that authority when monitoring systemic risks to financial stability in the euro area.

12. A trade repository shall provide a member of the ESCB whose Member State's currency is not the euro with access to:

(a) all transaction level data on derivatives where the reference entity of the derivative is established within the Member State of that ESCB member and falls within the scope of the member according to that member's supervisory responsibilities and mandates, or where the reference obligation is sovereign debt of the Member State of that ESCB member;

(b) position data for derivatives in the currency issued by that member of the ESCB.

13. A trade repository shall provide an authority listed in Article 81(3) of Regulation (EU) No 648/2012 that monitors systemic risks to financial stability and whose Member State's currency is not the euro, with access to all transaction data on derivatives concluded on trading venues or by CCPs and counterparties that fall under the responsibilities and mandates of that authority when monitoring systemic risks to financial stability in a Member State whose currency is not the euro.

14. A trade repository shall provide the ECB, when carrying out its tasks within the single supervisory mechanism under Council Regulation (EU) No 1024/2013, with access to all transaction data on derivatives concluded by any counterparty which, within the single supervisory mechanism, is subject to the ECB's supervision pursuant to Council Regulation (EU) No 1024/2013 (1).

15. A trade repository shall provide a competent authority listed in points (o) and (p) of Article 81(3) of Regulation (EU) No 648/2012 with access to all transaction data on derivatives concluded by all counterparties that fall under the responsibilities and mandates of that authority.

16. A trade repository shall provide a resolution authority as referred to in point (m) of Article 81(3) of Regulation (EU) No 648/2012 with access to all transaction data on derivatives concluded by counterparties that fall under the responsibilities and mandates of that authority.

17. A trade repository shall provide the SRB with access to all transaction data on derivatives concluded by counterparties that fall under the scope of Regulation (EU) No 806/2014.

18. A trade repository shall provide an authority supervising a central counterparty (CCP), and the relevant member of the European System of Central Banks (ESCB) overseeing that CCP, where applicable, with access to all transaction data on derivatives cleared by that CCP.

(2) Article 3 is replaced as follows:

Article 3

Third country authorities

1. In relation to a relevant authority of a third country that has entered into an international agreement with the Union as referred to in Article 75 of Regulation (EU) No 648/2012, a trade repository shall provide access to the data, taking account of the third country authority's mandate and responsibilities and in line with the provisions of the relevant international agreement.

2. In relation to a relevant authority of a third country that has entered into a cooperation arrangement with ESMA as referred to in Article 76 of Regulation (EU) No 648/2012, a trade repository shall provide access to the data, taking account of the third country authority's mandate and responsibilities and in line with the provisions of the relevant cooperation arrangement.

3. In relation to a relevant authority of a third country for which the Commission has adopted an implementing act determining that the legal framework fulfils the conditions provided in Article 76a(2) of Regulation (EU) No 648/2012, a trade repository shall provide access to the data, taking account of the third country authority's mandate and responsibilities.

(3) Article 4 is replaced as follows:

Article 4

Operational standards for aggregation and comparison of data and on access to data

1. A trade repository shall record information regarding the access to data given to the entities listed in Article 81(3) of Regulation (EU) No 648/2012.

2. The information referred to in paragraph 1 shall include:

(a) the scope of data accessed;

(b) a reference to the legal provisions granting access to such data under Regulation (EU) No 648/2012 and this Regulation.

3. A trade repository shall establish and maintain the necessary technical arrangements to enable the entities listed in Article 81(3) of Regulation (EU) No 648/2012 to connect using a secure machine-to- machine interface in order to submit data requests and to receive data.

For the purposes of the first subparagraph, a trade repository shall use the SSH File Transfer Protocol. The trade repository shall use standardised XML messages developed in accordance with the ISO 20022 methodology to communicate through that interface. A trade repository may in addition, after agreement with the entity concerned, set up a connection using another mutually agreed protocol.

4. A trade repository shall establish and maintain the necessary technical arrangements to enable the entities listed in Article 81(3) of Regulation (EU) No 648/2012 to establish predefined periodic requests to access details of derivatives contracts, as determined in paragraph 4, necessary for those entities to fulfil their responsibilities and mandates.

5. Upon request, a trade repository shall provide the entities listed in Article 81(3) of Regulation (EU) No 648/2012 with access to details of derivatives contracts according to any combination of the following fields as referred to in the Annex to Implementing Regulation (EU) No [PO please insert reference to “Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR” under Annex V of the present document]:

(a) reporting timestamp;

(b) counterparty 1;

(c) counterparty 2;

(d) entity responsible for reporting

(e) corporate sector of the counterparty 1;

(f) nature of the counterparty 1;

(g) broker ID;

(h) report submitting entity ID;

(i) beneficiary 1 identifier type;

(j) asset class;

(k) product classification

(l) contract type;

(m) ISIN

(n) Unique Product Identifier (UPI);

(o) underlying identification;

(p) venue of execution;

(r) execution timestamp;

(s) effective date

(t) valuation timestamp

(u) expiration date;

(v) early termination date;

(w) CCP;

(x) clearing member;

(y) level;

(z) action type;

and

(aa) event type.

6. A trade repository shall establish and maintain the technical capability to provide direct and immediate access to details of derivatives contracts necessary for the entities listed in Article 81(3) of Regulation (EU) No 648/2012 to fulfil their mandates and responsibilities. That access shall be provided as follows:

(a) where an entity listed in Article 81(3) of Regulation (EU) No 648/2012 requests access to details of outstanding derivatives or of derivatives which have either matured or for which reports with action types 'E', 'C' or 'P' as referred to in field 149 in Table 2 of the Annex to Implementing Regulation (EU) No [PO please insert reference to "Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR" under Annex V of the present document]were made or were subject to a report with Action type [Revive] not followed by a report Action type "E" or "C" not more than one year before the date on which the request was submitted, a trade repository shall fulfil that

request no later than 12:00 Universal Coordinated Time on the first calendar day following the day on which the request to access is submitted.

(b) where an entity listed in Article 81(3) of Regulation (EU) No 648/2012 requests access to details of derivatives which have either matured or for which reports with action types ‘E’, ‘C’ or ‘P’ as referred to in field 149 in Table 2 of the Annex to Implementing Regulation (EU) No [PO please insert reference to “Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR” under Annex V of the present document]were made or were subject to a report with Action type [Revive] not followed by a report Action type “E” or “C” more than one year before the date on which the request was submitted, a trade repository shall fulfil that request no later than three working days after the request to access is submitted.

(c) where a request to access data by an entity listed in Article 81(3) of Regulation (EU) No 648/2012 relates to derivatives falling under both points (a) and (b), the trade repository shall provide details of those derivatives no later than three working days after that request to access is submitted.

7. A trade repository shall confirm receipt and verify the correctness and completeness of any request to access data submitted by the entities listed in Article 81(3) of Regulation (EU) No 648/2012. It shall notify those entities of the result of that verification no later than sixty minutes after the submission of the request.

8. A trade repository shall use electronic signature and data encryption protocols to ensure the confidentiality, integrity, and protection of the data made available to the entities listed in Article 81(3) of Regulation (EU) No 648/2012.

(4) Article 5 is replaced as follows:

Article 5

Granting access to details of derivatives transactions.

1. A trade repository shall:

(a) designate a person or persons responsible for liaising with the entities listed in Article 81(3) of Regulation (EU) 648/2012;

(b) publish on its website the instructions that the entities listed in Article 81(3) of Regulation (EU) 648/2012 are to follow to access details of derivatives transactions;

(c) provide the entities listed in Article 81(3) of Regulation (EU) 648/2012 with a form as referred to in paragraph 2;

(d) grant access to details of derivatives transactions by the entities listed in Article 81(3) of Regulation (EU) 648/2012 only based on information contained in the form provided;

(e) set up the technical arrangements necessary for the entities listed in entities listed in Article 81(3) of Regulation (EU) 648/2012 to access derivatives transactions' details in accordance with paragraph 2.

(f) grant the entities listed in Article 81(3) of Regulation (EU) 648/2012 with direct and immediate access to details of derivatives transactions within thirty calendar days after that entity submitted a request for setting up such access;

2. A trade repository shall prepare a form to be used by the entities listed in Article 81(3) of Regulation (EU) 648/2012 when submitting a request for granting access to details of derivatives transactions. That form that shall contain the following entries:

(a) the name of the entity;

(b) the contact person at the entity;

(c) the entity's legal responsibilities and mandates;

(d) a list of authorised users of the requested details of derivatives;

(e) credentials for a secure SSH FTP connection;

(f) any other technical information relevant to the entity's access to details of derivatives.

(g) whether the entity is competent for counterparties in its Member State, the euro area or the Union;

(h) the types of counterparties for which the entity is competent as per the classification in Table 1 of Annex I to [PO please insert reference to "Annex V - Draft ITS on standards, formats, frequency and methods and arrangements for reporting to TRs under EMIR" under Annex V of the present document];

(i) the types derivatives transactions that are supervised by the entity;

(l) the trading venues that are supervised by the entity, if any;

(m) the CCPs that are supervised or overseen by the entity, if any;

(n) the currency that is issued by the entity, if any;

(o) the benchmarks used in the Union, the administrator of which the entity is competent for, if any."

Article 2

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.