

MEMO# 31104

February 22, 2018

Draft Letter Urging the European Commission to Simplify Derivatives Reporting Requirements; Member Comment Requested by Thursday, March 1

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TO: Derivatives Markets Advisory Committee

ICI Global Trading & Markets Committee RE: Draft Letter Urging the European Commission to Simplify Derivatives Reporting Requirements; Member Comment Requested by Thursday, March 1

ICI Global has been asked to join the attached letter urging the European Commission to simplify reporting requirements for derivatives as part of its review of the European Market Infrastructure Regulation (EMIR).^[1] If you have comments or concerns about the letter, please contact George Gilbert at george.gilbert@ici.org by **4:00 pm on Thursday, March 1**. We likely will join the letter unless we receive adverse comment from members.

The points in the draft letter generally echo prior ICI Global positions, including the letter we submitted last summer in response to the EMIR review.^[2] Specifically, the draft encourages the European Commission to replace EMIR's dual-sided reporting requirements for derivatives with a single-sided reporting framework where the sole reporting responsibility is assigned to one party, typically a dealer or central counterparty. The draft explains that EMIR's dual-sided reporting framework is unnecessarily costly and has created data quality challenges for market participants and EU authorities that could be addressed by migrating to single-sided reporting. The draft also notes that EU authorities do not need to rely on reporting requirements to match transaction terms between counterparties because EMIR's trade confirmation and reconciliation requirements ensure that counterparties verify the terms of their derivatives transactions.

George M. Gilbert
Assistant General Counsel

[Attachment No. 1](#)

[Attachment No. 2](#)

endnotes

[1] For more details about this review, see ICI Memorandum 30696 (May 10, 2017), **available at** <https://www.iciglobal.org/iciglobal/pubs/memos/ci.memo30696.global>.

[2] See Letter from Dan Waters to Directorate-General for Financial Stability, Financial Services, and Capital Markets Union, dated July 18, 2017, **available at** <https://www.iciglobal.org/pdf/30783a.pdf>.

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