

Regulatory News Alert

Local Authorities focus oversight on EMIR Reporting

18 July 2018

Four years after the entry in force of EMIR reporting obligations and the revised technical standard dated 1 November 2017, the Luxembourg authorities in charge of the EMIR requirements oversight have communicated on the key reporting requirements last week as well as the importance for the regulated counterparty to deliver a quality reporting to the Trade Repository (TR).

The Commissariat Aux Assurances (CAA) as the supervisory authority for insurance and re-insurance companies as well as the CSSF as the supervisory authority for financial and non-financial counterparty have recalled some key EMIR reporting principles:

Reporting obligation - Article 9 of regulation 648/2012: Counterparties shall ensure that the details of any derivative contract they have concluded and any modification or termination of the contract is reported to the TR. The details shall be reported no later than the working day following the conclusion, modification, or termination of the contract.

Which products should be reported? The reporting obligation is applicable for OTC derivative transactions as well as Exchange Trade Derivatives (ETDs).

Double-Sided Reporting Both counterparties shall report their own and common transaction data to the TR without duplication. TRs perform reconciliation of the reported transactions in two steps:

1. Pairing is done by the TR on both the Legal Entity Identifier (LEI) and Unique Trade Identifier (UTI)
2. When pairing is done, matching is performed on the various reported fields

Both LEI and UTI play a key role in the quality of the EMIR reporting. Transactions not paired nor matched are key indicators of unstable processes or procedures in the EMIR reporting.

Compliance with the latest technical standard (November 2017)

New fields and validation rules have been implemented in the EMIR reporting since 1 November last year in order to improve the reporting quality and integrate new information related to collateral management. The authorities restate the importance for the counterparty to be aligned on these latest requirements.

Attention is also drawn on the obligation for the counterparty to follow up on the reporting feedback provided by the TR and the corrections to be made on these non-acknowledged (NACK) transactions by the TR.



Delegation The counterparty may decide to delegate the reporting to another counterparty or a third party service provider. The delegation of reporting does not mean a delegation of the reporting responsibility.

How Deloitte can help ?

Deloitte can support your organization to assess your compliance with EMIR reporting obligations. Deloitte can assist in the design of the reporting process, implementation, and deployment of EMIR reporting solutions.

Since the entry in force of EMIR, Deloitte also provides full transaction regulatory reporting (T2R) managed services, which allows you to outsource EMIR and MiFIR reporting activities to a trusted and reliable collaborator.

Deloitte also helps you stay on top of regulatory trends with our RegWatch service.

Your contacts

Laurent Collet

Partner – Strategy, Regulatory & Corporate
Finance

Tel : +352 45145 2112

lacollet@deloitte.lu

Vincent Gouverneur

Partner – EMEA Investment Management
Leader

Tel : +352 45145 2451

vgouverneur@deloitte.lu

Thierry Flamand

Partner – Insurance Leader

Tel : +352 45145 4920

tflamand@deloitte.lu

Pascal Martino

Partner – Banking & Digital Leader

Tel : +352 45145 2119

pamartino@deloitte.lu

Simon Ramos

Partner – IM Advisory & Consulting Leader

Tel : +352 45145 2702

siramos@deloitte.lu

Deloitte Luxembourg
560, rue de Neudorf
L-2220 Luxembourg

Tel: +352 451 451

Fax: +352 451 452 401

www.deloitte.lu

Deloitte is a multidisciplinary service organisation which is subject to certain regulatory and professional restrictions on the types of services we can provide to our clients, particularly where an audit relationship exists, as independence issues and other conflicts of interest may arise. Any services we commit to deliver to you will comply fully with applicable restrictions.

Due to the constant changes and amendments to Luxembourg legislation, Deloitte cannot assume any liability for the content of this leaflet. It shall only serve as general information and shall not replace the need to consult your Deloitte advisor.

About Deloitte Touche Tohmatsu Limited:

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/lu/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

© 2018 Deloitte General Services

Designed and produced by MarCom at Deloitte Luxembourg