

# EUROPEAN MARKET INFRASTRUCTURE REGULATION

## EMIR: TRADE REPORTING



### REGULATION EMIR

#### SUMMARY

##### 16 August 2012

Trade reporting obligation applies to all contracts entered into before 16 August 2012 which remained outstanding on that date and all contracts entered into on or after 16 August 2012

##### January 2014

First trade repositories for the reporting of interest rate and credit derivatives not expected to be registered until September 2013; with the reporting obligation effective 90 days later, January 2014 is the expected "go live" date

##### Further information

If you wish to discuss further, please contact the BNP Paribas Fortis European Regulatory Reforms team ([Regreform.be@bnpparibasfortis.com](mailto:Regreform.be@bnpparibasfortis.com)) or your Fixed Income Sales Representative.

This document provides information for clients established in the European Economic Area (EEA) that execute interest rate and credit OTC derivative products with BNP Paribas Fortis. Additional information will follow at a later date with regard to other derivative products.

#### OBLIGATIONS & DEADLINES:

- a. EMIR contains an obligation to report details of any derivative contracts to a registered trade repository. The obligation applies to:
  - » All counterparties, i.e. Financial Counterparties (FC), Non-Financial Counterparties (NFC), Non-Financial Counterparties above the clearing threshold, (NFC+) and Central Clearing houses (CCP)
  - » OTC and exchange traded derivatives
  - » All contracts entered into before 16 August 2012 and which remained outstanding on that date and all contracts entered into on or after 16 August 2012
- b. All trade repositories must apply for registration or authorisation with ESMA. The reporting start date is 90 days after the registration of a trade repository. According to the latest information available on the ESMA website ([www.esma.europa.eu](http://www.esma.europa.eu)), we expect that the first trade repositories for the reporting of interest rate and credit derivatives will not be registered until September 2013. Accordingly, the reporting obligation will become effective 90 days later, which means an expected "go live" date some time in January 2014.
- c. Specified counterparty and trade information must be reported no later than the working day following conclusion, modification or termination of the derivative contract. There will also be "back-loading" obligations with regard to existing and historic derivatives trades. More information is available in ESMA's latest EMIR FAQ.

#### REPAPERING

All FCs and NFCs established in the EEA that execute derivatives are subject to EMIR and accordingly have a regulatory obligation to report the details of their trades to a registered trade repository. However, EMIR allows one party to report the details of the trades on behalf of both counterparties, or, alternatively, a third party is permitted to report on behalf of one or both counterparties. If this option is used, an agreement between the parties for such service would generally be expected to be in place. This would have to be agreed on a bilateral basis.



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## BNP PARIBAS FORTIS REPORTING

At this stage, BNP Paribas Fortis will only offer to report OTC derivatives trades entered into with BNP Paribas Fortis on your behalf (but not trades that you enter into with unrelated third parties or intra-group trades). Our preferred trade repository is DTCC. As set out below, BNP Paribas Fortis is offering two reporting solutions: an initial tactical solution and a long-term solution.

### 1. Initial solution

This solution has been developed in order to offer a level of service by the first reporting start date. From the relevant trade reporting start date, BNP Paribas Fortis can offer to report the following information on your behalf:

- a. Details required to be reported by all clients:
  - » Trade description referred in EMIR as 'common data' (specifying that this data is being reported on your behalf)
  - » Static counterparty data
- b. Details required to be reported by FC and NFC+ clients only: if requested by you, and without prejudice to your own valuation obligations under EMIR, BNP Paribas Fortis will report its own valuations and collateral data as your valuation and collateral data (note that reporting of collateral data only applies from the date falling 180 days after the trade reporting start date).

A restriction in the initial reporting service is that all counterparty data will be treated as static data. This data, which may be trade related, will be left blank or replaced with a static field.

Reconciliation of trade data against DTCC records will be undertaken by BNP Paribas Fortis. However, if you prefer to undertake reconciliation of data yourself, you will need to be onboarded on to and reconcile the data directly with DTCC.

*\* Further details can be provided on what LEI is and how to obtain it.*

To take advantage of BNP Paribas Fortis reporting service, you would be required to:

- Provide a Legal Entity Identifier (LEI\*) which eliminates the need to complete a number of counterparty-specific reporting fields
- Agree terms relating to the provision of the reporting service by BNP Paribas Fortis and in the case that you require full reporting (i.e. reporting of valuation and collateral data), the terms on which such data is reported
- Provide static counterparty data to BNP Paribas Fortis and advise BNP Paribas Fortis immediately of any data changes; and
- Onboard on to DTCC if you wish to reconcile common/counterparty data against the trade report submitted by BNP Paribas Fortis.

### 2. Long-term solution

In addition to the service provided pursuant to the initial proposal, BNP Paribas Fortis plans to provide reports to you on the transactions that have been reported on your behalf. This will allow you to avoid the need to be onboarded on to and use DTCC. Based upon the reports provided by BNP Paribas Fortis, you will be able to amend/complete a number of predefined fields on the submission that have been made on your behalf and can complete any missing or incorrect trade related counterparty data. BNP Paribas Fortis will then resubmit the report to DTCC in the format required by DTCC. FC and NFC+ clients will also be able to submit to BNP Paribas Fortis (using predefined formats and fields) their own valuation data and collateral data.

## LISTED DERIVATIVES

Please contact your clearing member for information on trade reporting for listed/exchange traded derivative contracts.

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