



European Securities and
Markets Authority

**Reply form for the Consultation Paper on
Draft technical standards on data to be made publicly available
by TRs under Article 81 of EMIR**



Responding to this paper

The European Securities and Markets Authority (ESMA) invites responses to the specific questions listed in Consultation Paper on Draft technical standards on data to be made publicly available by TRs under Article 81 of EMIR (DMPA), published on the ESMA website.

Instructions

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

- use this form and send your responses in Word format (pdf documents will not be considered except for annexes);
- do not remove the tags of type <ESMA_QUESTION_DMPA_1> - i.e. the response to one question has to be framed by the 2 tags corresponding to the question; and
- if you do not have a response to a question, do not delete it and leave the text “TYPE YOUR TEXT HERE” between the tags.

Responses are most helpful:

- if they respond to the question stated;
- contain a clear rationale, including on any related costs and benefits; and
- describe any alternatives that ESMA should consider

Naming protocol

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

ESMA_DMPA_NAMEOFCOMPANY_NAMEOFDOCUMENT.

E.g. if the respondent were XXXX, the name of the reply form would be:

ESMA_DMPA_XXXX_REPLYFORM or

ESMA_DMPA_XXXX_ANNEX1

To help you navigate this document more easily, bookmarks are available in “Navigation Pane” for Word 2010 and in “Document Map” for Word 2007.

Deadline

Responses must reach us by **15 February 2017**.

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 end of the consultation period, unless otherwise requested. **Please clearly indicate by ticking the appropriate checkbox in the website submission form if you do not wish your contribution to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure.** Note also that 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 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 headings 'Legal notice' and 'Data protection'.



General information about respondent

Name of the company / organisation	COCERAL
Activity	
Are you representing an association?	<input checked="" type="checkbox"/>
Country/Region	Europe

Introduction

Please make your introductory comments below, if any:

<ESMA_COMMENT_DMPA_1>

COCERAL is the European association of trade in cereals, rice, feedstuffs oilseeds, olive oil, oils and fats and agrosupply. It represents the interest of the European collectors, traders, importers, exporters and port silo storekeepers of the above mentioned agricultural products. **COCERAL's** full members are 21 national associations in 15 countries and 1 European association [Unistock]. With about 3500 companies as part of **COCERAL** national members, the sector trades agricultural raw materials destined to the supply of the food and feed chains, as well as for technical and energy uses. COCERAL has 1 associated member in Switzerland and 2 European Associations (EUROMALT and EUROMAISIERS). Gafta is an extraordinary member of COCERAL.

<ESMA_COMMENT_DMPA_1>



Q1: For the purpose of more accurate aggregation of ETD volumes between the CM and its clients should only the trades where the CM is reporting counterparty be taken into account or should all trades where CM is on either side of the ETDs be considered? Please elaborate.

<ESMA_QUESTION_DMPA_1>

All trades where there is a clearing member on either side of the trade should be included not just those where the CM is the reporting party. Any transactions on non EU venues are likely to be entered into with non EU clearing firms who have no EMIR reporting obligation of their own. If the volumes were restricted to transactions where the CM is the reporting counterparty significant volumes would be missed. |

<ESMA_QUESTION_DMPA_1>

Q2: For the purpose of more accurate aggregation of ETD volumes between the CM and the CCP, is the “Beneficiary ID” the appropriate field or the “Transaction reference number/Report tracking number” field should be used? Do you envisage any other alternative at this stage? What are the potential costs and benefits of implementing any of the proposed options? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_2>

We would agree that using beneficiary ID is the most appropriate approach to identify prop trades of the CM. It is important that these trades do get included in the total volume. |

<ESMA_QUESTION_DMPA_2>

Q3: For the purposes of more accurate aggregation of ETD market volume, do you agree with the proposed approach to take into account only the original ETD executions, i.e. those that are reported under the current RTS on reporting with action types “N” which would be reported under the amended TS on reporting with action type “P”? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_3>

[TYPE YOUR TEXT HERE |

<ESMA_QUESTION_DMPA_3>

Q4: For the purposes of calculating ETD market volume, do you agree with the proposed approach to divide by 2 the resulting aggregations in order to cater for the inherent duplication of trading volume of ETDs? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_4>

This assumes that for every buy trade there is an offsetting sell. We think this is more complicated – in the situation of transactions on third country venues it is not appropriate to divide by two unless the other side of the transaction is also a European entity (not the case generally). In order to properly assess there should be different criteria for ETD on third country venues. |

<ESMA_QUESTION_DMPA_4>

Q5: For the purpose of aggregating more accurately OTC derivatives volume of market activity, do you agree with the proposed approach to take into account only the original bilateral OTC and XOFF trades, i.e. those that are reported with action type “N”? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_5>



[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_5>

Q6: Do you consider that the approaches outlined in sections 3.1 and 3.2 should be taken into account for the purposes of calculating also total volumes of reported transactions? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_6>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_6>

Q7: Do you agree with the proposed cut-off and publication times? If not, what other aspects need to be considered? Please elaborate.

<ESMA_QUESTION_DMPA_7>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_7>

Q8: Are there any further specific additional conditions that need to be included? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_8>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_8>

Q9: Further to products and currencies, what other data elements need to be taken into account to correctly identify outliers from the aggregate position data? How should the outliers be treated – not at all included in data aggregations or included in a raw data aggregation, but removed from a cleansed one? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_9>
[Errors can potentially understate activity eg notional size understated. Given the apparent extent of errors in reporting currently we do not think it is acceptable to simply exclude outliers but instead the TR must make reasonable efforts to correct outliers or ensure that reporting counterparties amend data. Otherwise there is a risk that cleansed data significantly understates market size.]
<ESMA_QUESTION_DMPA_9>

Q10: Should the reconciliation status be taken into account? Should only reconciled trades be included? Please elaborate.

<ESMA_QUESTION_DMPA_10>
[ESMA recognises the risk that only including reconciled items risks understating the reported numbers – at least for the commodity market size data and the importance of this to non financial entities the more cautious approach would be to risk the number being overstated.]
<ESMA_QUESTION_DMPA_10>

Q11: Do you agree with the suggested aggregation per type of “Venue of execution”?

<ESMA_QUESTION_DMPA_11>
[Yes – makes sense]
<ESMA_QUESTION_DMPA_11>



Q12: What other aggregations could be provided? What additional aspects should be taken into account? Please elaborate.

<ESMA_QUESTION_DMPA_12>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_12>

Q13: Do you agree with the suggested categories? If not, what other aspects should be taken into account? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_13>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_13>

Q14: Should ESMA establish a longer period of time for keeping publicly available aggregates? What are the costs and benefits of a longer availability? Please elaborate.

<ESMA_QUESTION_DMPA_14>
[Should be longer availability of public data – RTS 20 calculations based off of three years data - the market size data should be available at least for this whole period.]
<ESMA_QUESTION_DMPA_14>

Q15: Should the data made published by the TRs be in pivoted table form or in tabular form? What are the potential costs and benefits of each alternative?

<ESMA_QUESTION_DMPA_15>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_15>

Q16: Do you agree with the proposed treatment of legacy trades? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_16>
[This has serious consequences for the commodity categories - commodity category for ETD's was not properly reported until approx. Dec 2015. If trades where the category was not properly reported are labelled as "Other" the volumes by category may well be seriously understated. This is unacceptable.]
<ESMA_QUESTION_DMPA_16>

Q17: What other aspects should be taken into account for the purposes of publication of data? Please elaborate.

<ESMA_QUESTION_DMPA_17>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_17>

Q18: Do you foresee any potential issues with identifying correctly the data to be included in the commodity derivatives aggregations? If so, please provide concrete examples of cases where you would not be able to identify the trades in scope of the aggregation. Please elaborate.

<ESMA_QUESTION_DMPA_18>



The proposal is to exclude affiliate transactions and transactions between non-EU counterparties (eg between a non EU entity and a non EU clearing firm). We believe these transactions are included in the numerator of the RTS 20 Market size calculation. It can not make sense to exclude from the market size denominator if included in the numerator. Alternatively could be excluded from the numerator.
Note also the point in the response to Q1 – where concern that trades on non EU markets with a foreign clearing firm are not included. Also as it relates to historical transactions – we believe that there was a period where ETD Commodity transactions could be reported without identifying the commodity category. |
<ESMA_QUESTION_DMPA_18>

Q19: Do you agree with the proposed types of aggregation of commodities derivatives? If not, what other aspects should be taken into account? Please elaborate.

<ESMA_QUESTION_DMPA_19>
We agree that it will be important that there is sufficient granularity to separate volumes on EEA venues from OTC and non EU venue data. This should include all activity on the EEA venues and will allow for a reasonableness reconciliation of the data available from the EEA venues. |
<ESMA_QUESTION_DMPA_19>

Q20: Is there any issue that could potentially prevent TRs from performing aggregation on classes of commodity derivatives on historical data reported before the date of application of the amended TS on reporting? Please provide concrete examples.

<ESMA_QUESTION_DMPA_20>
We believe that many ETD commodity trades were reported prior to Dec 2015 without including the category. They were simply reported as Commodities – we believe that this will make it extremely difficult for TR's to be able to properly aggregate the volumes into the the correct category. |
<ESMA_QUESTION_DMPA_20>

Q21: Do you foresee any issues in publishing a single aggregate figure per class of commodity derivative and a TR in accordance with the aforementioned rules?

<ESMA_QUESTION_DMPA_21>
TYPE YOUR TEXT HERE |
<ESMA_QUESTION_DMPA_21>

Q22: Which alternative, weekly or lower frequency, is more accurate and useful to the entities relying on the data? What are the potential costs and benefits of aligning the frequency of publication of commodity derivatives data with other data aggregations? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_22>
TYPE YOUR TEXT HERE |
<ESMA_QUESTION_DMPA_22>

Q23: Are there any other types of derivatives than those mentioned in paragraph 117 that need to be taken into account in order to provide more comprehensive aggregations of derivatives that reference indexes? Please provide concrete examples. Please elaborate.

<ESMA_QUESTION_DMPA_23>
TYPE YOUR TEXT HERE |
<ESMA_QUESTION_DMPA_23>

Q24: What practical issues would you foresee in aggregating data on interest rate indexes? What mechanisms should be put in place to ensure that a TR is in a possession of accurate reference data to identify derivatives that have an underlying interest rate index? How the objective of publishing accurate aggregations can be achieved in the most efficient way? Please elaborate

<ESMA_QUESTION_DMPA_24>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_24>

Q25: Do you consider this approach feasible? What type of information should be provided by the benchmark administrators? Which other entities should be involved in the reference data collection? How timely should be the provision of reference data to update the ISO 20022 data catalogue? What are the potential costs of such solution? Please elaborate.

<ESMA_QUESTION_DMPA_25>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_25>

Q26: What alternative solutions are available? Please elaborate.

<ESMA_QUESTION_DMPA_26>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_26>

Q27: Do you foresee any difficulties in implementing the suggested approach on data aggregation in the case of baskets? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_27>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_27>

Q28: Is the limit of 5 billion EUR per index and TR, where there are at least 6 different counterparties to trades, sufficient to provide the sufficient transparency over those transactions, while not undermining the confidentiality of the data? Please elaborate on the reasons for your response.

<ESMA_QUESTION_DMPA_28>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_28>

Q29: Do you foresee any issues in publishing a single aggregate figure per index and a TR in accordance with the aforementioned rules?

<ESMA_QUESTION_DMPA_29>
[TYPE YOUR TEXT HERE]
<ESMA_QUESTION_DMPA_29>

