

ESMA publishes opinion on proposed amendments to SFTR technical standards

ESMA has declined to amend the draft technical standards as proposed by the EC, which relate to provisions on the use of legal entity identifiers (LEI) for branches and unique transaction identifiers (UTI) for reporting to trade repositories, being of the view that the proposed amendments:

- a) will hinder the possibility to take into account international developments and reporting standards agreed at global level and risk timely alignment with international reporting standards;
- b) will deviate from and create inconsistency with the currently applicable EMIR reporting standards;
- c) will not provide certainty, clarity, predictability and consistency, which is essential for the market and public authorities in relation to reporting standards; and
- d) would result in a significantly extended timeline for the introduction of global standards in the EU.

ESMA has therefore not amended the draft technical standards.

ESMA's Regulation requires it to adopt a formal opinion on proposed amendments to its draft technical standards by the EC within a six-week period. The draft technical standards may now be adopted or amended by the EC.