

EU Securities Financing Transaction Regulation (SFTR) The Essentials

What does it do?

- encourages transparency in repo and other securities financing transaction markets in Europe
- introduces, among other things, extensive transaction reporting requirements for SFTs, including repos (repurchase transactions and buy/sell-backs), securities lending and borrowing, commodities lending and borrowing, and margin lending

Reporting live dates

- sell-side firms: 13 July 2020 (postponed from March 2020)
- CCPs and CSDs: 13 July 2020
- buy-side firms: 12 October 2020
- non-financial counterparties: January 2021 (only in the EU)

Scope

- SFTs to be reported to an authorized or recognized trade repository (TR), generally by the end of T+1
- applies to any financial or non-financial SFT counterparty established in the EU, or established in a third country, if the SFT is concluded in the course of the operations of an EU branch of that counterparty.
- Post-Brexit, UK firms need to report under UK SFTR to a UK-authorized trade repository (but: UK NFCs are exempt)

How does this impact my business?

- if based in Europe, you should report all repo or securities lending business to an authorised EU TR (currently DTCC, Regis-TR, UnaVista and KDPW)
- the same applies to UK counterparties, who report to a UK authorized TR (currently DTCC and UnaVista)
- if based in a third country, you only need to report if the trade is executed (and booked) by your EU branch or subsidiary

What is ICMA doing for its members?

- dedicated [SFTR Task Force](#) established under the ICMA European Repo & Collateral Council
- over 150 firms represented, including buy-side, sell-side, market infrastructure providers, but also trade repositories and other service providers
- developed detailed [best market practice](#) in relation to SFTR reporting, complementing guidance provided by regulators
- aggregates public SFTR data each week from all EU and UK TRs

Resources

[SFTR news and resources](#)

[ICMA Recommendations for Reporting under SFTR](#)

[SFTR Public Data](#)

[ICMA SFTR checklist for non-European firms](#)

[ICMA Podcast: Introduction to SFTR](#)

ICMA contacts

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