

SWEDISH
SECURITIES DEALERS
ASSOCIATION

EUROPEAN SECURITIES AND MARKETS AUTHORITY

www.esma.europa.eu

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**RESPONSE TO
CALL FOR EVIDENCE ON TRANSACTION REPORTING/ESMA/2012/278**

The Swedish Securities Dealers Association (SSDA, register id 7777147632-40) represents the common interest of banks and investment firms active on the Swedish securities market. The mission of SSDA is to work for a sound, strong and efficient securities market in Sweden. The SSDA's main tasks include to promote high confidence in the securities market (inter alia through self-regulation, standards and guidance) and to promote members' views with regard to regulatory, market and infrastructure related issues. The SSDA also provides services to members by distribution of information and know-how in matters of common interest.

The SSDA has a close cooperation with other trade associations in Sweden, the Nordic area and Europe.

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In addition to this reply, the SSDA refers to the response provided by European Banking Federation, EBF.

General remarks

Many of the members of the Swedish Securities Dealers Association do not have just Sweden as their home market. They are pan Nordic or in some cases they have Northern Europe as their home market. When they meet the reporting requirements, it has become clear that reporting requirements are not harmonized in the various countries. Different standards for reporting makes the reporting unnecessary troublesome and expensive. The requirements are sometimes so different that the members are forced to report the same transaction to several countries - and are then subsequently criticized for double reporting – which is against the rules. Introduction of fully harmonized rules for reporting is essential. An alternative is that all reports are submitted to TREM in Paris or any Competent Authority free of choice according to the standard that exists for exchanging information between the different Competent Authorities.

Detailed remarks

Q1 What transaction schemes should ESMA consider in its work on harmonised transaction reporting guidelines? Please explain and justify

The SSDA urge for harmonized transaction reporting where the need for information should be based on a rationale need for relevant information to fulfil the specified purpose for transaction reporting.

Q2 What updates and clarifications need to be introduced to the OTC derivatives reporting guidelines?

Descriptions regarding CFD are not in line with market practice, there is a need for clarifications regarding

- that each contract should be reported and not the total position related to the underlying instrument

- when there are more than one event per day related to a contract, each event should be reported as such

Q3 What other aspects of transaction reporting should ESMA consider in its work on harmonised guidelines? Please explain and justify.

Today requirements from the various Competent Authorities are inconsistent, which in some cases lead to double reporting and difficulties for Competent Authorities to monitor the trades. With the purpose to decrease the costs for transaction reporting in the long run and make it easier for the Competent Authorities' monitoring transaction reporting SSDA propose that firms may choose to report all trades to either one Competent Authority or directly to TREM.

We foresee a risk that required harmonised information will be a list of to many local requirements that exists today. That would increase the cost for transaction reporting to an unreasonable level for all involved parties. It is important to make the reporting efficient and limit the information to the most relevant fields.

In addition the SSSA would like to comment on the coming double reporting obligation regarding Exchange traded/listed derivatives - all cleared through a CCP. In a near future the reporting obligation will apply both to (i) Competent Authorities according to MiFid Transaction Reporting obligation and (ii) to Trade Repositories according to the coming EMIR. Transaction reporting to TREM should be enough for these types of trades in order to decrease number of double reporting and cost for the financial industry.

Swedish Securities Dealers Association

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