

## SMARTSTREAM RDS LAUNCHES OTC DERIVATIVES DATA SOLUTION AHEAD OF EMIR REFIT

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SmartStream Reference Data Services (RDS), the subsidiary of SmartStream Technologies that focuses on financial reference data, has launched an improved derivatives data service aimed at providing detailed insights into futures transactions.

Critical or adhering to the EMIR Refit reporting requirements, the solution offers transparency and stability in the over-the-counter (OTC) derivatives trading arena. The EMIR Refit is scheduled for implementation in April in Europe and in September for the UK.

## EMIR Refit adds numerous new reportable fields for commodity and energy derivatives

The industry faces challenges, such as unexpected data quality issues and the complexity of reporting for commodity and energy derivatives. Financial entities are in search of dependable and effective solutions for managing securities reference data to comply with these new mandates.

RDS plans to enhance its Listed Derivatives service and introduce a dedicated OTC Derivatives service. These enhancements will provide comprehensive reference data support required for commodity transactions under the updated EMIR regulations.

Linda Coffman, Executive Vice President of SmartStream RDS, said: “The main challenges posed by this regulation includes completing the numerous new reportable fields for commodity and energy derivatives. Also to protect firms from poor-quality and inaccessible data, in addition to addressing regulators’ demands for increased complexity within certain commodity and energy contracts. My advice to all market participants is to be prepared and

deploy the necessary technology to ensure the highest data quality to mitigate the risk of fines and reputational damage”.

## EMIR Refit brings 203 new reportable attributes

Significant changes are on the way with the EMIR Refit regulations, affecting derivatives contract reporting in the EU and UK, effective April 29th, 2024, and September 30th, 2024, respectively.

The update will introduce 203 new reportable attributes, including about sixty related to reference data, and will require the adoption of ISO20022 XML for standardized reporting. These changes pose challenges for financial institutions, especially in dealing with the increased complexity in commodities and energy derivatives reporting.

The EMIR Refit allows for delegated reporting arrangements but emphasizes that the delegator retains legal responsibility. Financial institutions must adapt their systems to manage the new reporting fields and ensure they are prepared for the increased data requirements, particularly in commodities, which demand detailed information due to their diversity and lack of standardization.

SmartStream RDS offers a solution to these challenges by providing a data management service that ensures compliance through accurate, validated reference data. This service consolidates information from various sources, offering expert review and regular updates, supporting both exchange-traded and over-the-counter traded securities, and delivering data in XML format with accessible REST API.

Firms are advised to review their reporting processes and practices immediately to avoid regulatory penalties or reputational damage. SmartStream RDS supports firms in this transition by providing sample data and has received positive feedback from its buy-side client base.