

[Securities Regulation Daily Wrap Up, TOP STORY—CFTC on the road to improving swap data quality and streamlining reporting processes, \(Jul. 10, 2017\)](#)

Securities Regulation Daily Wrap Up

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The CFTC's Division of Market Oversight (DMO) announced the launch of a comprehensive review of the swap data reporting regulations contained in Parts 43, 45, and 49 of the CFTC's Regulations. In [a staff letter](#) describing the undertaking, the DMO indicated it will focus on changes to the existing regulations and guidance with three goals in mind: (1) to ensure that the CFTC receives accurate, complete, and high quality data on swaps transactions for its regulatory oversight role; (2) to streamline reporting, reduce messages that must be reported, and right-size the number of data elements that are reported to meet the agency's priority use-cases for swaps data; and, (3) identify regulatory provisions that need to be updated or changed to clarify obligations for reporting counterparties and swap data repositories (SDRs).

The DMO indicated that it plans to engage with all types of entities involved in the swaps reporting process, including SDRs, swap dealers, clearinghouses, swap execution facilities, end-users and entities using swaps to hedge risk, and third party service providers involved in swap data reporting, and has opened up [a 40-day comment period to solicit input](#) from interested parties. By understanding how changes would impact entities across the swaps market, the DMO hopes to maximize efficiency in swaps reporting while minimizing any disruptions that rule changes would entail. The DMO has also issued a [Roadmap to Achieve High Quality Swaps Data](#) for the review process, which lays out two tranches of rule changes. The first tranche addresses SDR operations and the confirmation of data accuracy by swap counterparties. The second tranche addresses reporting workflows, including standardization of data fields and potential delayed reporting deadlines.

Acting CFTC Chairman J. Christopher Giancarlo expressed the importance of this initiative stating, "[t]his roadmap is essential to the process, because if you don't know where you're going, you're never going to get there." Giancarlo further noted "[t]he CFTC's Division of Market Oversight has taken stock of our progress implementing the standards agreed to at the Pittsburgh G-20 summit and codified in Dodd-Frank, and has produced a roadmap laying out future steps we could take to ensure we have complete, accurate, and high-quality data to fulfill our statutory responsibilities."

According to a joint statement by Acting Chairman Giancarlo and Commissioner Sharon Bowen, the Commission is aiming to complete the regulatory review and revision process with full industry implementation by the end of 2019. This process begins with the 40-day comment period, which will conclude on August 21, 2017. Comments may be submitted electronically through the CFTC's Comments online process. Comments will also be posted on the CFTC's website.

The letter is [No. 17-33](#).

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