

# EMIR Timeline

ESMA's timeline is constantly changing but a few things have been confirmed



EMIR timeline						
		27-Sep-12	26-Mar-13	22-Sep-13	21-Mar-14	17-Sep-14
Standards	ESMA publication of draft technical standards	27-Sep-12				
	Endorsement by the European Commission	19-Dec-12				
	Non-objection by European Council and Parliament	07-Feb-13				
	Publication of regulations in the EU Office Journal	23-Feb-13				
	<b>A:</b> Entry into force	15-Mar-13				
OTC	Initial notifications for the clearing obligation under Art. 89 (5), for preparatory work [ <b>A</b> + 1 month]	15-Apr-13				
	Notifications for the clearing obligation under Art. 5 of EMIR [immediately after <b>C</b> ]	16-Apr-13 to 16-Mar-14				
	ESMA to submit draft Regulatory Technical Standards on the clearing obligation [ <b>C</b> + 6months]	16-Oct-13 to 16-Sep-14				
CCP	<b>B:</b> CCPs to apply for authorization [ <b>A</b> , <b>A</b> + 6 months]	15-Mar-13 to 15-Sep-13				
	<b>C:</b> National Competent Authority (NCA) to authorize CCPs [ <b>B</b> + 1 month, <b>B</b> + 6 months]	15-Apr-13 to 15-Mar-14				
Trade Repository (TR)	<b>D:</b> TR to start sending application to ESMA (=A)	15-Mar-13				
	<b>E:</b> Registration of a TR [ <b>D</b> + 60 working days]	25-Jun-13				
	TR reporting start date (IRS, CDS) [ <b>E</b> + 90 days]	23-Sep-13				
	TR reporting start date (all other asset classes)	01-Jan-14				

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## Explanation on „Standards“

**The steps depicted herein show the codified steps in European legislation for any regulation to enter into force**

- **ESMA publishes the regulatory standards for review by European Commission, European Council and European Parliament (the so-called Trilogue process)**
- **The European Commission endorses the standards**
- **The European Council and Parliament do not have any objections to the standards as set out by ESMA**
- **The standards are being published in the Office Journal of the European Union**
- **20 days later officially published regulations enter into force**

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## Explanation on „OTC“

**This section is about the clearing obligation being defined and put into a respective regulatory standard. The clearing obligation is nothing more than defining which products are ought to be cleared via a clearing house and by when.**

- **The national competent authorities (NCAs) will have 1 month to notify ESMA of the classes of OTC derivatives already cleared by CCPs in their jurisdiction**
- **With the authorisation of a CCP by a national competent authority (NCA) a notification of the clearing obligation should be issued to all market participants**
- **ESMA then has up to 6 months to draw up a draft regulatory technical standard (RTS) on the clearing obligation, which defines the classes of derivatives to be cleared and from which time on**
- **As for the clearing obligation, following the submission by ESMA of the draft regulatory technical standards, as indicated in the graph below, these draft RTS will need to be endorsed by the European Commission (1-3 months) and non-objected by the European Parliament and the Council (1-3 months). The actual date of application of the clearing obligation will depend on the date of entry into force of these RTS and the expected phase-in period per type of counterparty, to be defined in the RTS.**

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## Explanation on „CCP“

**This section is about the authorization process of CCPs under EMIR.**

- **CCPs (also third country CCPs) apply for authorization with ESMA to be recognized as an official CCP endorsed by ESMA – I would expect that to happen rather sooner than later – CCPs will have the required paperwork at the ready to submit as soon as the RTS enter into force on 15.3.2013**
- **The national competent authority than has up to 6 months to check and approve the CCP application and thus authorize the CCP**
- **A CCP's competent authority shall establish a regulatory college when considering an application to authorise a CCP. Each college shall consists of members representing ESMA, the national competent authority supervising the CCP and other Member States' competent authorities supervising entities which might be impacted by that CCP's operations. EMIR contains detailed measures to ensure that national protectionism does not affect the CCP authorisation process.**
- **Only section “OTC” and “CCP” together, once both are completed, will enforce clearing via clearing houses**

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## Explanation on „Trade Repository“

**This section focuses on the application and authorization process of TRs and the resulting reporting start dates.**

- **After the RTS enter into force TRs can immediately start sending their applications to ESMA. I know that the two big TRs in Europe (DTCC and REGIS-TR) are in the process of sending their application to ESMA**
- **ESMA then has up to 2 months to authorize and register said TRs; the exact duration of the registration process of a TR will depend on whether the application is complete when it is filed and whether additional information has to be submitted to ESMA; the registration decision takes effect on the fifth working day following its adoption**
- **Once the TRs have been registered, ESMA has up to 90 working days to enforce reporting to TRs for IRS and CDS (there are discussions ongoing whether this already includes listed products or OTC only)**
- **All other product types will need to be reported from Jan 1<sup>st</sup>, 2014 onwards**
- **Reporting start dates for certain asset classes are only applicable if a TR has been registered for this asset class**