



U.S. COMMODITY FUTURES TRADING COMMISSION

Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581
Telephone: (202) 418-5000
Facsimile: (202) 418-5521
www.cftc.gov

Division of Market Oversight

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Division of Market Oversight

Division of Market Oversight Announces Review of Swap Reporting Rules in Parts 43, 45, and 49 of Commission Regulations

The Division of Market Oversight (“Division”) of the Commodity Futures Trading Commission (“Commission”) announces that it will begin a comprehensive review of the swap data reporting regulations found in Parts 43, 45, and 49 of the Commission’s Regulations. The Division will focus on changes to the existing regulations and guidance with two goals in mind: (a) to ensure that the CFTC receives accurate, complete, and high quality data on swaps transactions for its regulatory oversight role; and (b) 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. The Division aims to complete this review, with the expectation that adoption of final rules by the Commission and full industry implementation, would occur by the end of 2019.

The Division is releasing the attached [Roadmap to Achieve High Quality Swaps Data](#) to communicate our plan to improve swap data reporting along with our proposed timelines. The Division plans to present proposed rule changes in two tranches. The first tranche will address swap data repository (“SDR”) operations, in particular SDRs’ validation of incoming swaps data and swap counterparties’ confirmation of the accuracy of swap data at SDRs. The second tranche will address reporting workflows generally, and will focus on standardizing and harmonizing data fields, reducing the number of messages that must be reported on an individual swap, and exploring whether delayed reporting deadlines will improve data quality.

The Division 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. By understanding how changes would impact entities across the swaps market, the Division hopes to maximize efficiency in swaps reporting while minimizing any disruptions that rule changes would cause.

To start this outreach effort, the Division is opening a 40-day comment period to solicit input on the attached roadmap from all entities involved in swaps reporting. Comments in response to this announcement may be submitted through [CFTC’s Comments online process](#) until August 21, 2017. While the Division is focusing its review on the areas identified in the

attached roadmap, the Division would welcome all ideas on changes to the swap reporting regulations that could help it meet the twin goals of improving data quality while streamlining reporting obligations. In particular, the Division is looking for ways to leverage existing processes that SDRs, reporting entities, and third party providers have established.

The Division will use this feedback in evaluating our roadmap and whether to recommend to the Commission changes to the current regulations. Should the Commission propose any such changes, the resulting Notice of Proposed Rulemaking would be subject to notice and comment under the Administrative Procedures Act.

The Division's review is separate from "Project KISS" launched by the Commission on May 3, 2017. The Division's review is aimed at identifying specific regulatory changes that will simplify reporting and/or improve data accuracy and completeness.

This announcement and the roadmap represent the views of the Division only and do not necessarily represent the views of the Commission or of any other office or division of the Commission. If you have any question concerning this announcement, please contact Dan Bucsa, Deputy Director, Division of Market Oversight, at (202) 418-5435 or dbucsa@cftc.gov; Andrew Ridenour, Special Counsel, Division of Market Oversight, at (202) 418-5438 or aridenour@cftc.gov; or Benjamin DeMaria, Special Counsel, Division of Market Oversight, at (202) 418-5988 or bdemaria@cftc.gov.

Sincerely,

Amir Zaidi
Director
Division of Market Oversight