

**To:** All LME Clear Members

**Date:** 22 December 2023

**Ref:** 23-056

**Classification:** Technical

**Subject:** **LMEClear EMIR REFIT – Revision to Technical Notice 23-052**

## Summary

1. On Thursday 23 November 2023 LME Clear published Technical Notice 23-052 providing an overview of the changes that LME Clear would be implementing in relation to EMIR Refit. This notice (“Revised Notice”), provides updates and clarification on the subjects listed in section 2.

## Revision to Technical Notice 23-052

2. This Revised Notice contains corrected information with regards to the below points from notice 23-052.
  - (a) For point 8, the list of new fields in the new Cover Distribution file (COD\_REG) has been amended following the finalisation of our approach to collateral reporting under EMIR Refit. This file will now contain the three additional fields detailed in point 9 of this revised notice.
  - (b) For point 9, the information provided concerning the Harmonised Position File has been updated to reflect that the existing version of the file and the new version of the file will be produced concurrently between April 2024 and September 2024 between the ESMA EMIR and FCA EMIR go-live dates. This is detailed in point 12 of this revised notice.
  - (c) For point 11, the information provided concerning Trade UTI has been updated to clarify that the new Trade UTI format will always be 47 characters in length and not up to this figure. This is detailed in point 15 of this revised notice.
  - (d) For point 12, the information provided concerning Position UTI has been updated to clarify that the Account Name element of the new Position UTI format is separate from the Member Mnemonic and Type of Position Account elements. This is detailed in point 16 of this revised notice.
  - (e) For point 15, the information provided concerning Mirror files has been updated to reflect that LME Clear will be providing four separate Mirror files, including a Valuations file, to Members. This is detailed in point 21 of this revised notice.



3. We apologise for the errors made in Notice 23-052 and any inconvenience caused.

## Introduction

- ESMA published their Final Report “Technical standards on reporting, data quality, data access and registration of Trade Repositories under EMIR REFIT” on 17<sup>th</sup> December 2020. The go live date is 29<sup>th</sup> April 2024.
- The FCA published a joint FCA/Bank of England Policy Statement (PS 23/2) alongside the final amendments to Technical Standards and new rules for Trade Repositories (TRs) in relation to changes to the derivatives reporting framework under UK EMIR, on 24<sup>th</sup> February 2022. The go live date is 30<sup>th</sup> September 2024.
- Changes to LME Clear Member reports will be required to facilitate Members’ individual reporting. This document will focus on these changes.
- We encourage all Members to use these reports for their EMIR reporting. However, LME Clear will provide further advice for Members who want to access the data from alternative sources.

## Summary of changes

### April 2024

- Additional data will be provided by creating three additional end of day reports with a suffix of “\_REG”. Members can choose to utilise the additional reports provided at a suitable time dependent upon their reporting obligations.
- The three new end of day reports will be provided via SFTP and will be available in .csv format. The reports will include additional fields to assist Members conducting EMIR reporting post EMIR Refit.

File Name	File Description	New fields
[YYYYMMDD_HHMMSS]_[MEM]_TRD_REG.csv	Trades Data File	<ul style="list-style-type: none"><li>Report Tracking Number</li><li>Subsequent Position UTI</li><li>ISIN</li><li>Execution Timestamp</li><li>Traded Price Clean</li></ul>
[YYYYMMDD_HHMMSS]_[MEM]_OPP_REG.csv	Open Positions Data File	<ul style="list-style-type: none"><li>Prior UTI</li><li>Position UTI,</li><li>ISIN</li><li>Option Delta</li><li>Execution Timestamp</li><li>Event Type</li></ul>



[YYYYMMDD_HHMMSS]_[MEM]_COD_REG.csv	Cover Distribution File	<ul style="list-style-type: none"> <li>• Cash Collateral Pre-Haircut</li> <li>• Non Cash Collateral Pre-Haircut</li> <li>• RVM</li> </ul>
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10. Existing LMEmercury end of day reports will remain unchanged.
11. Ad hoc reports generated by Members in LMEmercury will remain unchanged.
12. CCP Harmonised Position File – A new version of the CCP Harmonised Position file will be available to Members from April 2024. The new version will include the additional fields relating to EMIR Refit as agreed in the European Association of Clearing Houses (EACH) and Futures Industry Association (FIA) EMIR Working Groups. The data within the new version will continue to reflect LME Clear’s reporting up until UK EMIR go live. For example, UTI formats will continue to be in the current EMIR 2.0 format. The current version of the CCP Harmonised Position file will continue to be produced up until UK EMIR go live.
13. Report Tracking Number (RTN) – The RTN will be provided as a new field on the new TRD\_REG file referred to in point 9. In the event members choose to not utilise the RTN from the TRD\_REG file, FIX Tags as per below points 13 (a) and (b) can be used to construct the RTN.

(a) For trades executed Inter-Office & Basis Ring, this value is a concatenation of the below two values:

Field Name	Length	LMEsmart Fix Tag	Example
<b>Matching Date</b>	8 characters	First 8 characters of Tag 5935 – MatchingRefNo	20240930
<b>Slip ID</b>	8 characters	Tag 5442 – MatchingSlipID	10565249

(b) For trades executed on Select or in the Ring, this value is a concatenation of the below two values:

Field Name	Length	LMEsmart Fix Tag	Example
<b>Report Date</b>	8 characters	N/A (first 8 characters of TRD_REG file name are the Report Date in YYYYMMDD format).	20240930
<b>Slip ID</b>	8 characters	Tag 5442 – MatchingSlipID	10565249

RTN example:

“2024093010565249”



## September 2024

14. Existing end of day reports and ad hoc reports generated by Members in LMEmercury will be enhanced to include the updated UTI formats.
15. The new Trade UTI will consist of 47 characters.

New Trade UTI format:

Field Name	Length	LMESmart Fix Tag	Example
<b>LME Clear LEI</b>	20 characters	N/A (hardcoded)	213800L8AQD59D3JRW81
<b>Matching Reference Number</b>	16 characters	Tag 5935 – MatchingRefNo	2024093000012345
<b>Slip ID</b>	8 characters	Tag 5442 - SlipID	10436251
<b>Member Mnemonic</b>	3 characters	Tag 5322 - FirmID	ABC

Trade UTI example:

“213800L8AQD59D3JRW81202409300001234510436251ABC”

16. The new Position UTI will consist of up to 52 characters.

New Position UTI format:

Field Name	Length	LMESmart Fix Tag	Example
<b>LME Clear LEI</b>	20 characters	N/A (hardcoded)	213800L8AQD59D3JRW81
<b>ISIN</b>	12 characters	N/A	GB0123456789
<b>Member Mnemonic</b>	3 characters	Tag 5322 - FirmID	ABC
<b>Type of Position Account</b>	1 character	Tag 1 - Account	H
<b>Account Name</b>	Up to 16 characters	Tag 20011 – AccountCode	1

Position UTI example:

“213800L8AQD59D3JRW81GB0123456789ABCH1”



17. Please be advised that due to the ISIN now being included as an element in the construction of the Position UTI, this value can no longer be constructed through the concatenation of Fix Tags. The Position UTI will be available as a field on the OPP\_REG file and Members can choose to share this file with any third parties who they may use to facilitate their reporting obligations. In the event members choose to not utilise the OPP\_REG file for the Position UTI and use FIX Tag to construct the Position UTI, the ISIN details can be sourced from Tradable Instrument (TIF) File.
18. The three additional reports with the suffix of “\_REG” will change to include the updated UTI formats.
19. UTIs created in the legacy (pre-30<sup>th</sup> September 2024) format will remain the same and there will be no re-reporting of open derivative positions to update the UTI to the new format. This is due to regulatory guidance stating that UTIs previously reported should not be terminated and reported again under an updated format.
20. CCP Harmonised Position File – The new version will be updated to reflect LME Clear’s reporting post UK EMIR go live. This will reflect UTI formats being updated for positions created on or after Monday 30<sup>th</sup> September 2024. The old version of the Harmonised Position File will no longer be generated.
21. Mirror files – LME Clear will provide Clearing Members with a copy of what LME Clear has reported to the TR with that Clearing Member as the counterparty to aid with reconciliation. LME Clear currently plans to provide the following files:
  - ETD Trade
  - ETD Position
  - ETD Valuation
  - Collateral

### **Technical Changes and Specifications**

22. Technical specifications documents for the new Trade Data, Open Positions and Cover Distribution files as well as the new version of the CCP Harmonised Position file will be provided to Members in due course.
23. The LMEsmart and LMEmercury FIX API feeds will not change in terms of data provided in April 2024 or September 2024.

### **Member Testing**

24. LME Clear intend to provide support for any Member testing by providing sample copies of reports. For those Members who report to ESMA and who wish to conduct testing, we ask that ESMA reporting Members provide a list of test scenarios (including instruments, products, trading venues etc) and LME Clear will capture these trades and generate the applicable reporting output for Members.
25. Initial member testing to support the ESMA regulated Members is scheduled for March 2024. Further information concerning Member testing for UK domiciled Members reporting to the FCA, and whose go-live date is 30<sup>th</sup> September 2024, will be provided at a later date.



## **Queries**

26. Any queries from Members regarding EMIR reporting or EMIR Refit should be directed to the Regulatory Reporting team at [regulatoryreporting@lme.com](mailto:regulatoryreporting@lme.com).
27. Any queries from Members regarding connectivity to LME environments to access reports from LMEmercury should be directed to the LME Technical Account Management team at [tam@lme.com](mailto:tam@lme.com).

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