Q1: Please share any feedback you may have on the additional topics highlighted in section 3.1. Do you believe that other specific technical topics shall be addressed on top of those described in Sections 3.1 and 3.2 above and presented in the rest of this CP?

EVIA welcomes the inclusion of CDS index tranches and total return swaps within the scope and notes to ESMA that the transparency and reporting requirements around these products would benefit from the introduction of both explicit principles as to the information to be set out, as well as a user manual standard approach to clarify and identify the data elements associated with transactions in these instruments. In this regard we would add that FX derivatives is a further product set that generates a great deal of questions in respect of both transparency and reporting expectations.

We would add that the incipient transition in European settlement protocols from T+2 to T+1 (or even to T+0) which shall likely be a direct consequence of US securities protocol changes scheduled for a little over a year from this date may well also impact the current transparency and reporting scope due to the interaction with MiFID2 PERG.

More generally, we would urge ESMA to review the general approach to derivatives classification and identification, particularly in the light of new standard global approach to data elements as well as transparency needs relating to any future EU consolidated tape in such instruments. For instance, we would urge that the term, "OTC derivatives" be removed because it divides the same instruments traded on similar organised platforms [both within the EU and in third countries] for no understandable reason, yet likely stands to hinder the instrument identification via the UPI which is intended to bring the EU into line with global standards currently being adopted around the G20 nations.

In a similar vein, we understand that ESMA is well aware of the market-wide frustration that ISINs are unsuitable for the identification, creation data, and reporting of derivatives. Moreover, as EVIA and ClarusFT have previously set out, that the EU ISINs regime actively undermines the utility of transparency information and FIRDS reference data.

As the UK authorities reflect how they should continue to identify derivatives, and other G20 countries have already embarked on the take-up of the CPMI-IOSCO-developed Unique Product Identifier (UPI) as a more suitable identifier, we also note that the absence of extensible metadata in a reformed identifier could lead to many of the same problems in relying on a hosted database look-up. We believe that the Common Data Elements ["CDEs"] should be intrinsic to the UPI, and we would support reform of derivatives product identification in the EU which encourages regulators and industry participants alike to embed the UPI augmented with a either such metadata or even a specific number of extra fields to ensure effective granularity.

Q2: Do you agree with ESMA's proposed amendments to the CFI code – MiFIR identifier mapping?

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EVIA does agree with the proposals presented and additionally notes some issues highlighted in FIX_Org working group that the CFI-MIFIR ID mapping in respect of Money Market Instruments is restricted to DY CFIs, and it does not include all the CFI codes which are being assigned for these instruments. We would support the FIX Org recommendation for revising the CFI-MIFIR ID mapping to allow other CFI prefixes to be considered money market instruments, provided they are compatible with the definition.

We would support ESMA's suggestion to reopening the CFI mapping to include SFPs as well as bonds and ESMA may then consider extending the mapping to include both SFPs and SDRVs, as well as broadening the CFI-MiFIR ID mapping to allow the 'DT' code to be mapped to MiFIR identifiers other than 'BOND.'

Q3: Referring to the section "Distinction among the different bond types", do you see the need for further clarification to be included, or further refinements to the existing CFI-MiFIR Identifier mapping?

The addition of a methodology to be deployed by market participants where an overlap between categories of bond or packages involving different categories of bonds could be useful in assembling transparency.

Q4: Do you see the need for further clarification to be included, or further refinements to the existing CFI-MiFIR Identifier mapping not presented in the previous answer?

We see no need for any further clarification at this time.

Q5: Do you agree with ESMA's Level 3 guidance for table 3 of Annex I of RTS 1?

Yes, EVIA agrees with the Level 3 guidance for table 3 of Annex I of RTS 1.

Q6: Do you agree with ESMA's proposal to include the "Number of transactions" field in table 2 of Annex II of RTS 2?

Yes, EVIA does agree with the addition of the field "Number of transactions" as set out to be a reporting fields in table 2 of Annex II in order to provide for the aggregation of several transactions.

Q7: Do you agree with the guidance provided for bonds? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

EVIA would consider that the guidance on price should seek more standardisation wherever possible, and therefore populated with a price should consistently be expressed as a percentage of notional face value unless it is not possible to calculate that percentage. In those cases where it is not possible to calculate the percentage, then market convention should be used.

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Q8: Do you agree with the guidance provided for SFPs? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

As for bonds, EVIA would consider that the price should consistently be expressed as a percentage of notional face value unless it is not possible to calculate that percentage. In those cases where it is not possible to calculate the percentage, only then should another market convention should be used.

Q9: Do you agree with the guidance provided for ETCs and ETNs? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

No response.

Q10: Do you agree with the guidance provided for bond futures, bond forwards and bond options? Do you think that it is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

We do not consider that the statement regarding intrinsic and extrinsic option pricing is helpful, nor that it constitutes any form of guidance.

More generally, we note that the section preamble around the concepts of TOTV and ETD/OTC serves to illustrate the points that neither terms are useful, and both should be removed. The legal and functional division of the same instrument traded on an RM and an MTF/OTF is without grounds, whilst the terms, "Traded on" and "trading venue" need to be conferred to ongoing definitions of the MiFIR and Multilateral perimeter.

Q11: Do you agree with the guidance provided for IR futures, FRAs and IR options? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

We do not consider that the statement regarding intrinsic and extrinsic option pricing is helpful, nor that it constitutes any form of guidance.

EVIA otherwise agrees with the guidance.

Q12: Do you agree with the guidance provided for interest rate swaps (IRS), IR, futures and IR swaptions? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

We support the introduction of field in order to report the spread on the floating leg, but query its value until appended into RTS as a requirement. Therefore ESMA should be clear that the revisions are forthcoming and all submitting entities should adopt this reporting field.

We note there may be common use-cases where the spread is known, but the price is pending at the point of making transparent. Protocols and guidance for these cases may be helpful.

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Q13: Concerning IRS (section 6.5.1.5), do you consider that a second "spread" field for the spread on the second floating leg would be necessary or in the case of swaps with two floating rates there is always one leg with the spread, if any?

Yes, we would agree that swaps with two floating rates are best identified with the spread on the second floating leg made explicit.

Q14: Concerning IRS (section 6.5.1.5), do you consider that a second "price" field for the fixed rate of the second leg in the case of fixed-to-fixed swaps even if such contracts have not been identified to be TOTV at this stage?

We would concur that in so long as the field is not mandatory, the availability of a second "price" field for the fixed rate of the second leg would be appropriate.

Q15: Concerning Bond forwards (section 6.5.1.1), do you consider that further guidance is needed? If, so please provide concrete examples and proposals.

We can only identify guidance currently on Bond Futures and Bond Options. The Manual would benefit from also having guidance on Bond forwards, and also Bond Options where not offered as designated contracts.

Q16: Do you agree with the guidance provided for equity derivatives? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

EVIA would appreciate further level three guidance on Total Return Swaps, especially where the underlying are baskets of equities or quoted indices. Clarifications and examples as to what the price represents, whether it may be a percentage of the dividend amount and expectations between the price and the basis are aspects for further detailing.

We note that validation checks will often reject the fixed leg spread being set to zero, which is common-place, and clarification as to whether reporting entities should still need to choose a format for any zero-spread report, noting that the ESMA has previously used the examples with PERC rather than BAPO.

Q17: For equity derivatives with an index as underlying (sections 6.5.2.3 and 6.5.2.4) how would you populate the price notation filed until the second RTS 2 review? After the second RTS 2 review, would you agree with ESMA's proposal to define an appropriate code for this field?

To consider the best approach for price transparency via BAPO and PERC in TRS as well as for other equity derivatives with an index as the underlier perhaps still remains challenging. EVIA would therefore encourage further evolution around these instruments under the next RTS 2 review, since it's unclear how the guidance might work for Total Return Swaps in general, and in particular where cases such as dividend spreads and other non-vanilla index trades are being reported.

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Q18: Do you agree with the guidance provided for credit derivatives (CDS and options on CDSs)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

EVIA does consider the guidance to be sufficient by dint of most multilateral swaps to be quite standardised because they are principally arranged as cleared CDS contracts or indices. It may be the case that examples for non-linear transactions, baskets and spreads could be useful going forward, but currently the interest in CCP novation has restricted the interdealer market to more standardised product.

Q19: Concerning options on Index CDSs and single-name CDSs (section 6.5.3.2), do you consider that further guidance is needed? If, so please provide concrete examples and proposals.

See question 18.

Q20: Do you agree with the guidance provided for FX derivatives (forwards, options and swaps)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

EVIA notes that the level 3 guidance for FX options should not be constrained to MONE as it would be more standard practice to arrange the price as a percentage of the notional value or of specified legs of any spreads involved.

In respect of FX Swaps, both deliverable and cash-settled, ESMAs guidance should be more specific to consider and delineate each of Cross Currency Swaps, Foreign Exchange Swaps, FX Swap Packages, and also non-Deliverable swaps. We note here that the virtual entirety of global FX swaps tend to be arranged and traded as FX Swap Packages, yet ESMA tends to focus guidance on FX Swap instruments which do not trade as a market standard practice.

In light of both the T+1 reform likely to soon cover securities settlement across much of the G20 scope; and also the evolving "on-chain" and CBDC technological basis that allows for immediate tokenised collateral exchange; FX markets may well shift to a settlement basis more prompt than T+2. Therefore ESMA guidance should be specific as to how this impacts C4 and C10 PERG in relation to both transparency and transaction reporting obligations.

Q21: Do you agree with the guidance provided for commodity derivatives (futures, options and swaps)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

EVIA notes that because most swaps on commodities are novated into CCP clearing, there are already well evolved market standards and protocols concerning transparency.

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We would support ESMA's level three guidance separating futures and swaps as "Lot Size" is a not a term used outside of designated contract markets. We are puzzled as to why ESMA appears to have omitted "Commodity Forwards" for those derivatives defined under PERG C6, C7 and C10.

Whilst ESMA considers guidance on ETD Options, we would also query why it does not also extend the manual to cover options on commodity forwards and swaps.

Q22: Do you agree with the guidance provided for emission allowances and derivatives thereof? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Whilst Compliance Units are largely traded in the form of futures and therefore a guidance which considers "Lot Size" may be an appropriate quantity transparency, albeit that Tons of CO2 would be more useful and generally preferable. It is less likely that the emerging Voluntary Emission Reduction Units markets will be as constrained to designated contract markets and therefore we would suggest that the guidance separately considers Compliance Units from emerging Voluntary Emission Reduction Units.

Q23: Do you agree with the guidance provided for securitised derivatives? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

No comment on Securitised derivatives.

Q24: Do you agree with the guidance provided for CFDs and spread bets? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

No comment on Contract for difference (CFDs) and spread bets

Q25: Do you believe that further guidance is needed? Is there any specific use case for which you deem it necessary to provide further guidance?

EVIA does not currently see the need for further guidance for flags on equity instruments.

Q26: Would you agree with ESMA's proposal to further specify the differences between portfolio transactions and portfolio trades? What are the main differences between a package transaction and a portfolio transaction involving? Please provide details.

EVIA disagrees with the proposal that the Portfolio Transaction flag should have preference over the Package Transaction Flag where both are applicable. By dint of the Package Transaction holding specific deferral rules that apply across all constituent trade legs, its flag carries more relevant information and therefore should take preference over any Portfolio Transaction flag.

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Since the two transaction types are neither mutually inclusive, nor exclusive, nor subsets; we do not understand why both should not stand for applications independently and upon their own merit, especially since the market should be able to comprehend why any trade in a liquid bond below the SSTI threshold was not published in real-time.

It could therefore be helpful for the Level 3 guidance to set out how a Portfolio Transaction is a "Transaction in five or more different financial instruments where those transactions are traded at the same time by the same client and against a single lot price and that is not a 'package transaction' as referred to in Article 1(1)," whereas a package transaction turns on the MEFRROC interdependency. It also follows that any Portfolio Transaction should not be constrained to just corporate bonds – since many or most portfolio's will be more diverse than that, most especially those involving emerging markets debt.

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