

13.06.2016

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Mark Carney
Chairman
of the Financial Stability Board
Basel, Switzerland

Dear Mark,

Thank you for your letter of 13 May 2016. We have taken careful note of your reminder to prepare a detailed report on planned actions to address legal barriers in relation to trade reporting, which we are happy to provide.

Let us, first of all, take the opportunity to stress that Germany considers the FSB's thematic peer review on OTC derivatives trade reporting (the "peer review report") published by the end of last year to be a comprehensive, well-structured and concentrated report. We are of the opinion that it marks a major step towards a better usability of OTC derivatives trade repository data enhancing our abilities to monitor systemic risks. Therefore, we reiterate our strong commitment to its objectives by actively participating in the due follow-up of its findings.

As you will most certainly remember, the peer review report did not identify any legal barriers to reporting information to trade repositories (TRs) established in Germany. Therefore, no planned actions to address such barriers can be reported.

In terms of barriers to authorities' access to TR-held data, the peer review report revealed that foreign authorities' direct access to TR data is generally limited. In particular, under EU law, where a TR is established in the jurisdiction of the foreign authority, direct access to EU TR data is granted only after the execution of both an international agreement and the subsequent conclusion with the European Securities and Markets Authority (ESMA) of a dedicated memorandum of understanding. Irrespective of whether this arrangement can be considered a legal barrier or not, we would like to note that the European Union is the competent body for enacting any modifications, leaving Germany and all other EU member States with no room to enact own measures. You might also recall that the questionnaire jurisdictions have provided in preparation of the report left this point to be answered by competent European Union authorities.

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Therefore, there are no German actions or planned actions to be reported relevant to the current follow up of the peer review report.

Apart from that, please note that the European Commission will send a separate reply to your request addressing any legal barriers arising directly from relevant EU regulation.

We look forward to being kept informed of the next steps envisaged in the process, in particular the draft report collecting all member jurisdiction's replies.

Yours sincerely,



Felix Hufeld