



European Forum of  
Securities Associations

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Sent by mail

18 March 2020

### **SFTR reporting obligations: Impact of COVID-19 pandemic**

Dear Executive Vice-President Dombrovskis, Dear Chairman Maijoor,

The first phase of SFTR reporting obligations is due to apply as of 11 April 2020 to investment firms and credit institutions. EFSA members fully support the goals of this piece of legislation that aims to reinforce the safety and efficiency of capital markets and will give ESMA and the national supervisory bodies a very convenient tool to oversee and prevent market risks.

For several months, our respective members have been working hard in order to be meet this deadline in liaison with EFSA associations.

Unfortunately, the acceleration in the proliferation and intensity of the COVID-19 pandemic deeply challenges the capacities of banks and investment firms to meet the SFTR requirements in due time.

It must be noted that, due to contingency plans, many banks and investment firms have already implemented a “freeze period”, during which they will not implement new systems in production. This would be the case for SFTR reporting procedures which are currently in a testing environment.

Moreover, our members are today focused on managing the consequences of the COVID-19 pandemic in terms of staff management, business continuity and prevention of market risks.

EFSA members:

Asociación de Mercados  
Financieros (AMF)

Association for Financial  
Markets in Europe (AFME)

Association française des  
marchés financiers (AMAFI)

Associazione Intermediari  
Mercati Finanziari (ASSOSIM)

Belgian Association of Stock  
Exchange Members (BASEM)

Bundesverband der  
Wertpapierfirmen (bwf)

Danish Securities Dealers  
Association (DSDA)

The Polish Chamber of  
Brokerage Houses (IDM)

Swedish Securities Dealers  
Association (SSDA)

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Given these circumstances, EFSA members request the European Commission and ESMA ,in coordination with other authorities, to initiate an urgent procedure in order to postpone the implementation and go-live of phase 1 of SFTR until 11 October 2020, which is the start date for reporting for phase 3 of SFTR reporting. In other words, we fully support the recommendations, and reasoning provided, of the letter sent to ESMA by ICMA and ISLA on the 16<sup>th</sup> March.

We thank you in advance for your consideration and would be pleased to further elaborate as needed. Given the imminent SFTR go-live date and the need for firms to plan accordingly, a timely response by the European Commission and ESMA would be very highly appreciated.



## About EFSA:

EFSA is a forum of European Securities Associations.

EFSA is composed of the Association for Financial Markets in Europe (AFME), the French Association of Financial Markets (AMAFI), the Spanish Asociación de Mercados Financieros (AMF), the Italian Associazione Intermediari Mercati Finanziari (ASSOSIM), the Belgian Association of Stock Exchange Members (Basem, which is part of Febelfin), the Danish Securities Dealers Association (DSDA), The German Federal Association of Securities Trading Firms (bwf), The Polish Securities Dealers Association (IDM) and the Swedish Securities Dealers Association (SSDA).

EFSA is a forum for information sharing and mutual understanding. It also helps to deliver joint messages to policy makers, regulators and supervisors on policy issues in European securities markets which benefit from a coordinated approach. EFSA complements the existing activities of the Associations. EFSA maintains active collaboration with sister associations in Europe and worldwide and is open to further partnership with similar counterparts.