

# Digital Regulatory Reporting

Digital Regulatory Reporting (DRR) will enable all firms to implement regulatory reporting rules consistently using the open-source Common Domain Model (CDM)

## What is DRR?

DRR using the CDM<sup>1</sup> allows a scalable implementation of regulations by using one standardized representation of required reportable data and turning trade reporting regulations into unambiguous, human-readable, machine-executable, open-source code for any reporting jurisdiction. DRR can be used as core internal reporting logic or can be used to validate an internal (or external) implementation.

## Benefits of DRR

DRR can provide numerous benefits to institutions and the regulatory community, including:

- A mutualized industry effort to create a digital interpretation<sup>2</sup> of reporting requirements;
- Eliminates the need for firms to dedicate significant resources and budget to changing their systems for each new or amended reporting rule, allowing more time to be spent on implementation;
- Requires only incremental effort to extend the DRR model to other jurisdictions and future changes once the core regulatory reporting ruleset is established;
- Decreases inconsistencies in the way individual institutions prepare for a trade reporting rule or implement industry best practice;
- Increases interoperability between firms' reporting processes;
- Reduces reconciliation breaks in dual-sided reporting regimes;
- Results in efficient and consistent implementation of global recommendations, including critical data elements, unique product identifiers, unique transaction identifiers and legal entity identifiers;
- Improves the quality of reported data for regulators to evaluate systemic risk effectively;
- Will ultimately enable regulators to publish reporting rules as executable code that can be automatically read and interpreted by the technology systems of reporting entities.

## The ISDA DRR Initiative

**What:** A global, collaborative industry program using technology to standardize and accelerate efficient implementation of transaction reporting rules and rule amendments (eg, by the Commodity Futures Trading Commission (CFTC)<sup>3</sup>, in the European Market Infrastructure Regulation (EMIR) and by the Australian Securities and Investments Commission (ASIC)).

**Who:** Open to all, including counterparties, trade repositories, market infrastructure providers, third parties and others.

**When:** Efforts are now underway on multiple trade reporting rules, including the CFTC rewrite (December 5, 2022 compliance date), EMIR Refit (April 29, 2024), ASIC/Monetary Authority of Singapore (Q4 2024) and other forthcoming rules and amendments.

How Do I Find Out More or Get Involved With DRR?

Contact ISDA: [ISDADataReporting@isda.org](mailto:ISDADataReporting@isda.org) | [www.isda.org](http://www.isda.org)

<sup>1</sup> [bit.ly/3TknXBj](https://bit.ly/3TknXBj) <sup>2</sup> Using Rosetta technology ([bit.ly/3yAvCU4](https://bit.ly/3yAvCU4)) <sup>3</sup> The CFTC swap data reporting amendments ([bit.ly/3yvd3AH](https://bit.ly/3yvd3AH))