29 June 2026

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Email: hkjena@ccilindia.co.in
Copy: The Reserve Bank of India – Financial Markets Regulations Department
Copy: CCIL Derivatives Reporting Department

ASIFMA, GFXD and ISDA Recommendations on IRD and FX Reporting

Dear Mr Jena,

The International Swaps and Derivatives Association, Inc. (ISDA), the Asia Securities Industry & Financial Markets Association (ASIFMA) and the Global Foreign Exchange Division (GFXD) of the Global Financial Markets Association (GFMA) – hereafter "the Associations" - are keen to support their members efforts to implement the Reserve Bank of India's Master Directions on reporting of INR IRD and INR Foreign Exchange transactions.

Regulators around the world have been amending jurisdictional trade reporting rules to incorporate standardized reporting data elements arising from the 2009 post-crisis G20 commitments to improve transparency in the derivatives markets, mitigate systemic risk, and protect against market abuse. Over the past several years, the G20 commitments directly resulted in recommendations developed by the Financial Stability Board (FSB), Committee on Payments and Market Infrastructures (CPMI), International Organization of Securities Commissions (IOSCO), and governed by the Regulatory Oversight Committee (ROC).

The recent IOSCO Committee 7 roundtable delved into the specific technical drivers of reporting fragmentation in OTC Derivatives, including around (1) regulatory frameworks and multi-jurisdictional reporting, (2) reporting architectures and potential duplication, and (3) data quality review and validation thresholds in line with IOSCO's 2026 workplan which focuses on "seeking to address issues related to over-the-counter (OTC) derivatives reporting fragmentation". In addition, the industry has worked in close coordination with regulators towards harmonization of reporting between North America, UK, EU, Japan, Hong Kong, Singapore, Australia and other OTC derivatives reporting regimes.

Harmonization of reporting not only enables a much better capacity for regulators to track exposures and systemic risks carried by market participants but also paves the road for future exchange of information between regulators in order to track risks and market participants' positions.

In the context of implementing RBI's Master Directions, the reporting obligation will apply to offshore transactions with no legs in India and the reporting duty will be carried by reporting experts based outside of India who have been dealing with convergent reporting templates. Harmonization between the CCIL template and global reporting practices would lead to a much faster and smoother implementation for offshore transactions. It would also bring benefits to India in the mid to long-term by enabling easier exchange of information between Indian regulators and overseas regulators and between trade repositories.

The Associations do recognize the work done by the Joint Working Group (JWG) formed by Industry bodies FIMMDA/FEDAI consisting of members and CCIL, with regards to the new reporting formats and modalities of reporting trades to CCIL TR, as well as the recent releases of API documents shared with members and available for mock testing.

Nevertheless, significant implementation and operational challenges with respect to offshore INR positions remain in the current reporting framework. The most critical issues revolve around:

1. Divergence from global reporting standards, requiring standalone builds and creating risk of inconsistent interpretations
2. Mandatory CCIL Client ID duplicating globally accepted LEI frameworks
3. Technology infrastructure: scope of API latest release (v3) and UAT environment
4. Legal and cross-border data constraints, particularly relating to confidentiality and data transfer requirements
5. Compressed implementation timelines, given the scale of required changes and the late release of the final reporting specifications in June.

These challenges result in operational inefficiencies, increased reporting risk, and systemic inconsistency across market participants.

We understand that some of these points – especially #4 and #5 – are under RBI's authority and we will bring them to their attention.

We therefore respectfully request to continue the collaborative approach to ensure further alignment with global standards with clear data field specifications and infrastructure readiness. We also suggest broadening the JWG to include the Associations and offshore reporting members/participants to address technical gaps and align data fields to global formats which will greatly help the industry meet the reporting deadlines.

<u>Challenges details, requests for clarification, requests and recommendations</u>

1. **Reporting Format and Data fields:**

- The reporting requirements comprise an unusually high number of data fields as compared to any other reporting jurisdiction, the majority of which have names, formats and allowable values unique to RBI/CCIL. The CCIL reporting framework introduces bespoke data fields and formats that are materially different from global reporting standards applied in other jurisdictions (e.g., EMIR, CFTC, ROC CDEs)[1] such as CCIL Client ID, Pan Number, BIC code, Purpose of deals, etc. This creates significant challenges in sourcing the required data and increases reporting complexity. As a result, this will require a substantial, standalone project to design, build, and operationalize the necessary data-capture model and reporting capability.

- In addition, a product identification system for 5 asset classes with relevant product attributes is already (a) established by ANNA DSB per the FSB[2] as a result of post-crisis G20 commitments, (b) mandated by multiple global reporting regulators, and (c) built into industry OTC Derivatives reporting flows. Therefore, RBI/CCIL's product-specific requirements introduce unnecessary duplication and will likely result in a reporting entity having to report product attributes to RBI/CCIL with formats and allowable values that will clash with the FSB-designated DSB product specifications resulting from the G20 commitments.

- We are consolidating a more detailed list of these impediments that we will share with you in the next few weeks. We have listed, below, some examples of impediments we respectfully ask CCIL to consider ahead of the detailed list of impediments being submitted.

- Examples:
    - For certain data fields, it is difficult to enhance systems in order to produce the necessary reportable data, such as:
        - Reversal/PTRL Consideration Amount: a new logic to be built upstream in various trade capture systems
        - Partial Reversal Percentage: a derived field based on new logic to be built for the above field in question

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[1] EMIR (European Market Infrastructure Regulation), CFTC (Commodity Futures Trading Commission), ROC CDE (Regulatory Oversight Committee Critical Data Elements)
[2] ANNA DSB (Association of National Numbering Agencies' Derivatives Service Bureau), FSB (Financial Stability Board)

- Reporting of offshore internal trades (between branches and Headquarters/branches) is a new development not required under global reporting data templates.

- Lack of clear regulatory definitions and context for reportable data fields: regulatory text from other regulators in the region, such as HKMA, are descriptive and clear. However, based on the RBI / CCIL notifications, there are still questions such as:
    - Start Date is the contract start date or the first cashflow start date?
    - Partial Reversal Percentage: unsure how to arrive at the percentage
- Absence of allowed value lists and validation rules: for columns that require a list of values, is it possible to provide all the allowed values i.e. columns like Transaction Type for example where the allowed values must be from a list? In addition, if there are instances where a certain domain value would infer a few optional columns become mandatory, it needs to be mentioned.
- Transaction Types that are reportable: expected values are "AMND, CANC, PTRL, REVS, SCAN, UTIL, EVNT and POS (POS1, POS2)" Definition of "SCAN" - Special Cancellation, POS (POS1, POS2) are events that clarity is required.
- Structural differences in key fields (e.g., reversal logic, B2B trade identification)

Clarification requested:

- The SWIFT BIC or LEI are used by financial institutions or in some cases, major or large corporation, while CCIL Client ID and Permanent Account Number (PAN) are India registration IDs and likely will not be applicable for these offshore corporates.
- While we acknowledge that reporting entities can choose any of these acceptable identifier types to report the counterparty's identifier however, for trades where the counterparty is an offshore non-financial client e.g. corporates that have not registered or does not use SWIFT BIC, we would like to seek guidance on which counterparty identifier type to use for our related party/offshore entity reporting.

Recommendations:

- For most major jurisdictions, OTC Derivatives reporting was harmonized using the Regulatory Oversight Committee (ROC)'s Critical Data Elements (CDEs). This ROC document serves as the master document of regulatory reporting requirements for each CDEs and was used as a reference by major regulators in their respective reporting. RBI's OTCD reporting uses a different set of data elements where most are not aligned or not listed on ROC's CDE. Given these data elements are confined only to India, we seek for CCIL or RBI to issue a "ROC-like" document detailing the regulatory reporting requirements of each of the data elements required for this offshore related parties reporting.

2. **Mandatory Use of CCIL Client ID**

   Although the Associations understand that this point is currently under consideration, we would like to reiterate our concerns. The current requirement to obtain and use a CCIL Client ID for each counterparty prior to trade reporting creates significant operational frictions for reporting entities, especially in the context of offshore INR IRD and offshore FX reporting:

   - Breaks the straight-through processing (STP) for trades with new counterparties
   - Delays the regulatory reporting
   - Introduces manual dependency on CCIL for ID creation and internal mapping
   - Increases risk of errors and reconciliation breaks

   This requirement acts as a pre-condition for reporting, rather than a backend reference, thereby impacting efficiency. In the context of trades done across the world, this breaks the ease of reporting through APIs.

   If the CCIL Client ID remains mandatory,

   - Firms require client consent to register on behalf on client (this will require significant time to do scoping, outreach and lead time for acceptance/ rejection from clients globally which are not onboarded to India)
   - CCIL is not on open source for its "CCIL Client ID" like GLEIF for the Legal Entity Identifier (LEI) for each of the reporting entities to consume the updated information
   - New processes would have to be developed via client onboarding and operating models in each reporting entity

   By contrast, the LEI is globally standardized and widely adopted; already embedded in systems and available at trade execution and will materially enhance efficiency, timeliness, and robustness of trade reporting.

   Recommendations:

   - LEI to be permitted as the primary identifier, or
   - At minimum, LEI to be accepted as an alternative to CCIL Client ID

3. Technology Infrastructure and Reporting Capability

- We understand that CCIL released version 3 of the API on June 20th. Our members are reviewing the API and we will provide you our feedback at a later date.
- Bulk Reporting: we understand that provisions for bulk upload capability have been included in the latest API releases. This is a welcomed development as certain trades will no longer need to be reported individually which is not operationally sustainable. Our members will provide feedback on the upgraded functionality at a later date.
- Data description, not clear or not specific, creates uncertainty and prevents firms from completing build and testing. Having the appropriate regulatory requirement will help reporting entities understand the definition of each data element, the required or acceptable values and formats and assess on how to appropriately report and comply with the reporting. Without such regulatory information, reporting of these data elements will be subject for interpretation and may result in incorrect or inaccurate reporting
- Separate templates for Interest Rates and Foreign Exchange products add further complexity and fragmentation
- The UAT environment has limited testing capability, high dependency on CCIL support and there is an absence of self-service functionality

Recommendations:

- Clarity in Data description, clear data templates
- A robust self-service UAT environment

4. Legal and cross-border data constraints:

There are concerns that sending some data onshore to India may represent a breach of client confidentiality or home jurisdictions' data regulations.

Recommendations:

- Accept masking of client reference or use of a generic ID consistent with the "Privacy Law Identifier (PLI)" recommended by the ROC CDE and already mandated and built by industry participants for several reporting regimes such as CFTC and Canada, when consent has not been received. As this is likely a decision made by the RBI, we will bring this to their attention.

5. **Implementation Timeline**

   The current implementation timeline presents significant challenges. The trade reporting specifications were only published early June, and the industry still requires clarity on many aspects of the new reporting template. Technology builds do not start until the template is finalized and there is clarity on which value is needed to populate each data field with. Consequently, a go-live date of January 2027 may not be possible, especially when most firms and vendors go into technology lockdown in December, limiting their ability to implement large-scale changes within required timelines. In addition, there are multiple reporting requirements running in parallel, which present their own set of complexities, e.g., implementation of UTI and INR IRD reporting are both for 1st January 2027.

   Recommendations:

   - We will assess, by the middle of September 2026, the industry's readiness for the first set reporting mandate in January 2027. Should it appear by that time that there will be significant issues to meet the required deadlines, we will request the RBI to consider a revised and phased implementation timeline

In summary we respectfully request:

1. Comprehensive technical specifications and field definitions review
2. Full API-based reporting
3. Acceptance of LEI as primary or alternative identifier
4. Enablement of bulk reporting across all products
5. Development of a robust UAT environment

Based on the above, and as mentioned earlier, we respectfully request to continue the collaborative approach to ensure further alignment with global standards with clear field specifications and infrastructure readiness. We also suggest broadening the JWG to include offshore Trade Associations and offshore/international reporting participants to address technical gaps and alignment of data fields which will facilitate the industry timely readiness.

ASIFMA, GFXD and ISDA would appreciate if CCIL would consider our recommendations favourably and issue appropriate clarifications on the questions and would welcome the opportunity to engage further with RBI and CCIL to support a successful implementation.

We also would very much welcome the opportunity to discuss with you the content of the templates and the process in an online meeting that could take place in the first half of July.

With our best regards,

For the **International Swaps and Derivatives Association, Inc**.

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