Implementation of the 2021 Interest Rate Definitions will commence on 4 October 2021. In preparation, participants of the ISDA Data and Reporting EMEA Working Group have considered what impact the 2021 Definitions may have on regulatory reporting for EMIR and MiFID II (both for EU and UK reporting). Subject to the important disclaimer at the bottom of this document, the following conclusions were made:

- **Trades reported prior to 4 October 2021.** There are no expectations that trades reported before 4 October 2021 on the 2006 Interest Rate Definitions will require any data to be updated. Therefore, the introduction of the 2021 Definitions is not expected to result in the re-reporting of pre-existing trades.

- **Trades reported after 4 October 2021.** Trades incorporating the 2006 ISDA Definition will continue to be reported as they were prior to 4 October 2021. For trades incorporating the 2021 Definitions, the majority of EMIR and MiFID II fields are expected to be reported as they were prior to 4 October 2021. The only the fields that may be populated with a different value due to the 2021 Definitions are:
  - EMIR
    - ‘Floating Rate of Leg 1’ (field number 2.55)
    - ‘Floating Rate of Leg 2’ (field number 2.58)
  - MiFID II
    - ‘Underlying index name’ (RTS 22 field 48 and RTS 23 field 28)

For 2021 Definitions trades,

- if the name of the floating rate (such as USD LIBOR) is represented by one of the 4-letter codes identified within the EMIR / MiFID technical standards (such as ‘LIBO’), Working Group members expected that the code should continue to be used for reporting. Therefore, *there would be no change* to the values reported for these fields compared to the pre-4 October 2021 reporting requirements.

- If the floating rate is not represented by one of the 4-letter codes, and a free format string value of up to 25 alphanumerical characters is to be reported, Working Group members noted that these values *are likely to differ* depending on whether the trade is executed on the 2006 Definitions or 2021 Definitions.

**Change to reporting**

- An established [best practice](#) (for EMIR and MiFID II), determines the value to populate within these fields when reporting a free format string value. This best practice applies an algorithm that converts the ISDA/FpML Floating Rate Index name to a reportable string value which meets the EMIR and MiFID II validation rules.
These Floating Rate Index names are based on the 2006 Definitions. Therefore, the algorithm is being updated to capture the 2021 Definition Floating Rate Index names.

- As a result, depending on whether the trade is executed on the 2006 Definitions or the 2021 Definitions, the best practice algorithm will likely return a different reportable string value to populate in the fields ‘Floating Rate of Leg 1’ and ‘Floating Rate of Leg 2’ (EMIR) and ‘Underlying index name’ (MiFID II).

- The Working Group members noted that the names of floating rate options differed as between the 2006 Definitions and the 2021 Definitions in nearly all instances but that there did exist instances in which the name of the floating rate option under the 2021 Definitions was identical to that under the 2006 Definitions.

- For the avoidance of doubt, the participants of the ISDA Data and Reporting EMEA Working Group concluded that no other reporting fields beyond those noted above were expected to be impacted for EMIR and MiFID II reporting as a result of the introduction of the 2021 Definitions.