


Chapter 2

Commission Delegated Regulation (EU) 2016/2021



Article 1 Information to be made available to CCPs and trading venues

(1) A person with proprietary rights to a benchmark shall, upon request, make available to central counterparties (CCPs) and trading venues the information necessary for performing their clearing or trading functions, as appropriate to the specific type of benchmark to which access is sought and to the relevant financial instrument to be traded or cleared.

(2) A CCP or trading venue shall in its request explain why such information is required for clearing or trading purposes.

(3) For the purposes of paragraph 1, relevant trading and clearing functions shall at least include the following:

(a) for a trading venue:

(i) the initial assessment of the characteristics of the benchmark;

(ii) the marketing of the relevant product;

(iii) the support of the price formation process for the contracts admitted or being admitted to trading;

(iv) the on-going market surveillance activities;

(b) for a CCP:

(i) appropriate risk management of relevant open positions in exchange-traded derivatives, including netting;

(ii) compliance with relevant obligations set out in Regulation (EU) No 648/2012 of the European Parliament and of the Council.

(4) Relevant information in respect of price and data feeds referred to in Article 37(1)(a) of Regulation (EU) No 600/2014 shall at least include:

(a) a feed of the benchmark's values;

(b) prompt notification of any inaccuracy in the calculation of the benchmark values and of the updated or corrected benchmark values;

(c) historical benchmark values where the person with proprietary rights to the benchmark maintains such information.

(5) In respect of composition, methodology and pricing, the information provided shall allow CCPs and trading venues to understand how each benchmark value is created, and the actual methodology used to make the benchmark values. Relevant information in respect of composition, methodology and pricing shall at least include:

(a) the definitions for all key terms used in relation to the benchmark;

(b) the rationale for adopting a methodology and procedures for the review and approval of the methodology;

(c) the criteria and procedures used to determine the benchmark, including a description of the input data, the priority given to different types of input data, the use of any models or methods of extrapolation and any procedure for rebalancing the constituents of a benchmark;

(d) the controls and rules that govern any exercise of discretion or judgement, to ensure consistency in the use of such discretion or judgment;

(e) the procedures which govern benchmark determination in periods of stress, or periods where transaction data sources may be insufficient, inaccurate or unreliable and the potential limitations of the benchmark in such periods;

(f) the hours during which the benchmark is calculated;

(g) the procedures which govern the benchmark's rebalancing methodology and the resulting weightings of the constituents of the benchmark;

(h) the procedures for dealing with errors in input data, or the benchmark determination, including when a re-determination of the benchmark may be required;

(i) information regarding the frequency for any internal reviews and approvals of the composition and methodology and, where applicable, information regarding the procedures and frequency for external review of the composition and methodology.