



COMMODITY FUTURES TRADING COMMISSION

Agency Information Collection Activities Under OMB Review

Agency: Commodity Futures Trading Commission.

Action: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995 (PRA), this notice announces that the Information Collection Request (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for review and comment. The ICR describes the nature of the information collection and its expected costs and burden.

DATES: Comments must be submitted on or before [**30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER**].

ADDRESSES: Comments regarding the burden estimate or any other aspect of the information collection, including suggestions for reducing the burden, may be submitted directly to the Office of Information and Regulatory Affairs (OIRA) in OMB, within 30 days of the notice's publication, by email at OIRAsubmissions@omb.eop.gov. Please identify the comments by OMB Control No. 3038-0074. Please provide the Commission with a copy of all submitted comments at the address listed below. Please refer to OMB Reference No. 3038-0074, found on <http://reginfo.gov>. Comments may also be mailed to the Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for the Commodity Futures Trading Commission, 725 17th Street, NW., Washington, DC 20503, and to: Christopher Kirkpatrick, Secretary of the Commission, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, D.C. 20581 or by

Hand Deliver/Courier at the same address; or through the Agency's website at <http://comments.cftc.gov>. Follow the instructions for submitting comments through the website.

A copy of the supporting statements for the collection of information discussed above may be obtained by visiting <http://RegInfo.gov>. All comments must be submitted in English, or if not, accompanied by an English translation. Comments will be posted as received to <http://www.cftc.gov>.

FOR FURTHER INFORMATION CONTACT: Steven A. Haidar, Attorney-Advisor, Division of Market Oversight, Commodity Futures Trading Commission, (202) 418-5611; email: shaidar@cftc.gov, and refer to OMB Control No. 3038-0074.

SUPPLEMENTARY INFORMATION:

Title: Core Principles and Other Requirements for Swap Execution Facilities (OMB Control No. 3038-0074). This is a request for extension of a currently approved information collection.

Abstract: Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) added new section 5h to the Commodity Exchange Act (CEA) to impose requirements concerning the registration and operation of SEFs, which the Commission has incorporated in part 37 of its regulations.¹ These information collections are needed for the Commission to ensure that SEFs registered with the Commission (and entities applying for SEF registration) comply with these requirements. Among other requirements, part 37 of the Commission's regulations imposes SEF registration requirements for a trading platform or

¹ In general, this OMB Control Number covers all information collections in part 37 of the Commission's regulations, including Subpart A and the SEF core principles (*i.e.*, Subparts B and C). However, any information collections related to § 37.10 of the Commission's regulations are not included under this control number and are instead subject to a separate information collection with OMB Control Number 3038-0099 (Process for a Swap Execution Facility or Designated Contract Market to Make a Swap Available to Trade).

system, obligates SEFs to provide transaction confirmations to swap counterparties, and requires SEFs to comply with 15 enumerated core principles.²

The Commission initially estimated that there would be 35 SEFs registered with the Commission, but in the 60-Day Notice of Intent to Renew Collection 3038-0074 (60-Day Renewal Notice), the Commission stated that 22 SEFs, rather than 35 SEFs as initially estimated, were registered with the Commission.³ However, since the publication of the 60-Day Renewal Notice, the Commission has granted permanent registration to an additional SEF, for a total of 23 registered SEFs.⁴ Accordingly, the Commission is revising the below burden statement from the 60-Day Renewal Notice to account for the increase from 22 to 23 registered SEFs.

The Commission did not receive any relevant comments on the 60-Day Renewal Notice.

Burden Statement: The Commission estimates that a respondent's burden for this information collection will be (i) 1,000 on-going annual burden hours per respondent registered SEF and (ii) 300 burden hours per respondent applicant for permanent SEF registration.⁵

² These 15 core principles establish standards with respect to SEFs: enforcing rules; listing contracts for trading that are not readily susceptible to manipulation; monitoring trading to prevent market manipulation; obtaining information; adopting position limits or position accountability levels; adopting rules to enforce financial integrity of swaps transactions entered on or through the SEF; adopting rules to provide for the exercise of emergency authority, in consultation with the Commission; making public information regarding prices and volume on a timely basis; maintaining records of all activities of the business of the contract market in a form and manner acceptable to the Commission for five years; avoiding rules that result in unreasonable restraints of trade or anticompetitive burden on trading; enforcing rules to minimize conflicts of interest in its decision-making process; maintaining adequate financial resources; establishing system safeguards; and designating a chief compliance officer.

³ See 81 FR 47779, 47780 (July 22, 2016).

⁴ Commission granted permanent registration to the additional SEF on August 23, 2016.

⁵ The Commission notes that SEFs did not exist prior to either the Dodd-Frank Act or the Commission's original submission of this OMB Control Number, and so the Commission is revising its burden estimate now that it has had the opportunity to observe SEFs' operations and receive feedback from market participants. The Commission notes that while its revised estimate of 1,000 annual burden hours per respondent SEF is an increase from its original estimate of 308 burden hours per respondent SEF, the Commission's estimate does not represent any new information collection burdens or adjustments to

Annual Burden Hours for Registered SEFs	
Respondents/Affected Entities:	Registered SEFs
Estimated number of respondents:	23 ¹
Estimated annual burden hours per respondent:	1,000 burden hours
Estimated total annual burden on respondents:	23,000 hours ²
Frequency of collection:	Per trade day ³
Burden Hours for Applicants for Permanent SEF Registration	
Respondents/Affected Entities:	Applicants for SEF Registration
Estimated number of respondents:	4 ⁴
Estimated annual burden hours per respondent:	300 burden hours
Estimated total annual burden on respondents:	1,200 burden hours ⁵
Frequency of collection:	Initial registration

¹ In the part 37 final rule release, the Commission estimated that there would be 35 SEFs. See 78 FR 33476, 33549 (June 4, 2013). The Commission, however, notes that 23 SEFs are currently registered with the Commission. In the 60-Day Renewal Notice, the Commission stated that there were 22 then-registered SEFs; however, since the publication of the 60-Day Renewal Notice, the Commission has granted permanent registration to an additional SEF. Accordingly, the revised aggregate burden hour

existing information collections. See 78 FR 33476, 33551 (June 4, 2013) (discussing the Commission's original PRA estimate).

The Commission further notes that the separate estimate of 300 burden hours for applicants for permanent SEF registration does not represent new information collection burdens or adjustments to existing information collections. Rather, while the Commission did consider the burden hours related to the SEF application process in its original information collection submission for this OMB Control Number, the Commission did not explicitly distinguish the burden hours related to the registration process for SEF applicants from the Commission's estimate of the on-going annual burden hours for registered SEFs, but rather provided an aggregate number. See id. at 33549-51. For the sake of clarity, the Commission is explicitly distinguishing in this notice between the burden hours for registered SEFs and for applicants for SEF registration.

estimate accounts for both the increased annual burden hours estimate to 1,000 hours per SEF as well as the revised number of SEFs to 23.

² 1,000 average annual burden hours per respondent SEF x 23 registered SEFs = 23,000 total burden hours for all registered SEFs.

³ The Commission notes that registered SEFs also are required to provide four quarterly reports and one annual report as part of their annual information collection obligations.

⁴ Based on the number of applicants that have applied for permanent SEF registration since the Commission first granted permanent registration status to SEFs on January 22, 2016, the Commission expects to receive four applications per year for permanent SEF registration.

⁵ 300 average initial burden hours per respondent SEF applicant x 4 anticipated SEF applicants = 1,200 total burden hours incurred for all anticipated SEF applicants per year.

(Authority: 44 U.S.C. 3501 et seq.)

Dated: September 20, 2016

Robert N. Sidman,

Deputy Secretary of the Commission.

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