

Press Release

ESMA contributes to simplification and burden reduction

The European Securities and Markets Authority (ESMA), the EU’s financial markets regulator and supervisor, will be supporting the European Commission’s objective to simplify and reduce the reporting burden in the financial sector.

The ESMA Board of Supervisors discussed in December 2024 how to best contribute to efficient simplification and burden reduction actions, while preserving the main objectives of financial stability, orderly markets and investor protection.

Verena Ross, ESMA Chair, said:

“At ESMA we aim to play our part in simplifying the regulatory framework and in reducing unnecessary reporting burdens where feasible. This work should not be about deregulation but about avoiding duplications and streamlining some of the reporting requirements for market participants”.

“A concrete example is the proposed change related to data reporting for transparency purposes under the MiFIR regime. The reuse of already reported transaction data allows for the removal of duplicative reporting obligations and related IT-systems that have been used to make these calculations so far.”

This and other future initiatives will help to reduce cost and complexity for companies, saving time that can be redirected towards other business activities.

ESMA will look across its entire remit, including data, policy and supervision, to identify ways to ensure that the measures applicable to market participants are proportionate.

The first areas on which ESMA has focused are the following:

- Transparency and volume cap regimes

ESMA has introduced [changes in the transparency framework](#) under the MiFIR Review that will contribute to a significant reduction in the reporting burden for market participants.

Since 2018, the transparency and volume cap regimes have relied on data reported by trading venues to ESMA specifically for these purposes. Going forward, ESMA intends to discontinue these reporting flows and instead perform the calculations relying on the transaction data that is already reported to NCAs and ESMA under Article 26 of MiFIR.

ESMA will publish the calculations based on transaction data following the entry into force of the revised technical standards on equity transparency, expected by the end of 2025. Similar changes will be proposed to the technical standards on volume cap later this year.

ESMA will also discontinue voluntary publication of quarterly SI calculations data from the beginning of 2025 and focus on further streamlining the relevant internal processes.

- Transaction reporting

Other initiatives under the MiFIR Review aiming to reduce or ease the reporting burden include the [consolidation and alignment of reference data for the purpose of transaction reporting and transparency](#) and the alignment of specific requirements related to transaction data [with other reporting regimes](#), such as EMIR.

- Digitalising sustainability and financial disclosure

In the corporate reporting area, ESMA is currently consulting on proposals, in accordance with the European Single Electronic Format (ESEF), to digitalise sustainability disclosures in a phased way to spread the reporting burden over a number of years. The [consultation](#) also points at easing the burden associated with electronic disclosures of the notes to the financial statements.

Next steps

ESMA will continue to engage with its wide range of stakeholders to actively identify areas where further simplification and burden reduction could be achieved, in order to contribute to a more effective and attractive EU capital market.

Notes for editors

- Strategy on supervisory data in EU financial services [EUR-Lex - 52021DC0798 - EN - EUR-Lex](#)
- ESMA Data Strategy [ESMA50-157-3404 ESMA Data Strategy 2023-2028ESMA50-157-3404 ESMA Data Strategy 2023-2028](#)
- Final report on Equity Transparency:
https://www.esma.europa.eu/sites/default/files/2024-12/ESMA74-2134169708-7636_MiFIR_Review_Final_Report_on_Equity_transparency.pdf

ESMA is the European Union's EU's financial markets regulator and supervisor. Its mission is to enhance investor protection and promote stable and orderly financial markets.

- It achieves this objective through three strategic priorities:
 - fostering effective markets and financial stability,
 - strengthening supervision of EU financial markets,
 - enhancing protection of retail investors,
- and two thematic drivers:
- enabling sustainable finance; and
 - facilitating technological innovation and effective use of data.

ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), the European Systemic Risk Board, and with national authorities with competencies in securities markets (NCAs).

Further information:



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