2024 Report on Quality and Use of Data

Webinar 15 May 2025

ESMA12-1209242288-856 2024 Report on Quality and Use of Data

Data reporting regimes – Factsheet 2024

EMIR	SFTR	MiFIR transactions	MiFIR transparency
• 13 Bn life cycle events *(-12%)** • 35.4 Mn average open positions *(+16%)* • 167k reporting counterparties *(-7%)*	• 656 Mn life cycle events *(+6%)* • 2.8 Mn average open SFTs *(-7%)* • 22k reporting counterparties *(0%)*	• 7.7 Bn transactions reported *(+12%)* • 21 Mn transactions reported daily *(+5%)* • 6.7k executing firms *(0%)*	• 2.3 Bn transactions reported[1] *(+21%)* • 460 Mn transactions published by APAs[2] *(+110%)*

Securitisation	Funds	Short-selling	ESEF
• 677 outstanding securitizations *(+31%)* • 823 Bn EUR aggregated CPB*(+22%)* • 363 STS public deals *(+21%)*	• 438 MMFs *(-5%)* and 125 managers[3] *(0%)* • 34,881 AIFs *(-2%)*	• About 1,400 ISINs with NSPs reported daily in 2025	• 1400 files extracted[3] and processed

(1) Transaction reported to ESMA system by trading venues and APAs. (2) Includes APAs under ESMA direct supervision only. (2) files extracted from https://filings.xbrl.org/ website.
(3) Number of funds reporting on ESMA database
** Difference from 2023*

2024 Report on Quality and Use of Data

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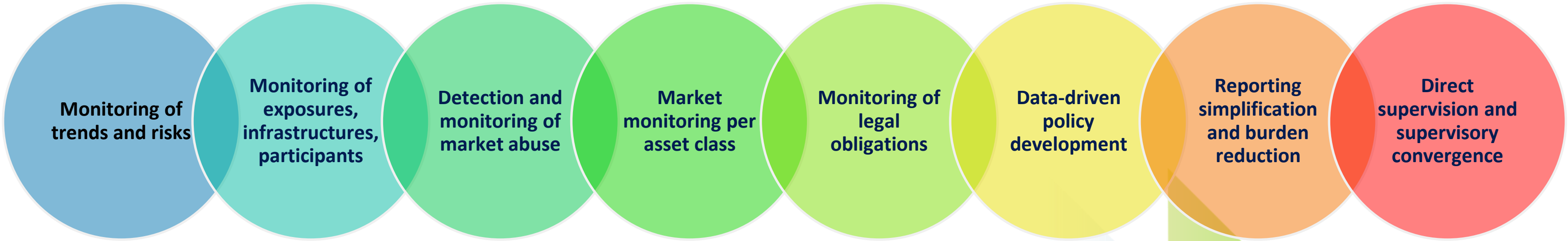
ESMA

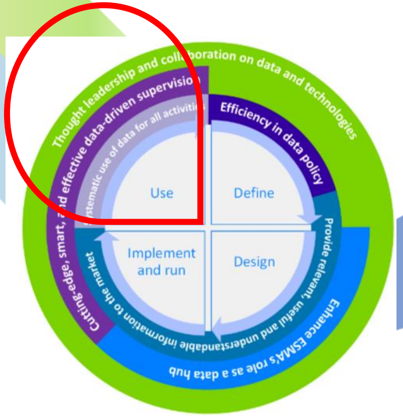
European Securities and Markets Authority

2024 Report on Quality and Use of Data

Use of financial data by EU regulators



- Data plays a critical role in the identification and monitoring of risks to the integrity, orderly functioning and stability of financial markets.
- Data directly supports ESMA, NCA, ECB and ESRB decision making in the areas of policy making, supervision and monitoring of financial markets risk analysis.
- The report provides a broad overview of use-cases implemented by data users. Where possible, links to publicly available the report included.



Data lifecycle

Use of financial data by EU regulators

Transparency and VCAP calculations data PoC – reporting burden reduction

Table 1

Transparency calculation results

Policy indicator	Matching ratio* 2022	Matching ratio* 2023	Statistical indicator
Liquidity status	97.5%	98.1%	Traded on a regulated market, market capitalisation (ADT, ADNTE)
Tick-size	96.3%	97.2%	Average daily number of transactions on the most relevant market in terms of liquidity (ADNTE on the MRMTL)
SMS, standard market size	95.1%	95.1%	Average value of transaction (AVT)
MRMTL	94.1%	95.5%	Most relevant market in terms of liquidity (MRMTL)
LIS, large in scale threshold	70.1%	70.5%	Average daily turnover (volume) (ADT)

Table 2

Volume cap calculation results

Matching indicator in:	September	October	November
All instruments	80%	97%	99%
Focus on suspended instruments only	15%	49%	90%

- In 2024, ESMA performed a PoC to test the possibility of using MiFIR Article 26 transaction data to perform Transparency and Volume Cap calculations.
- Through several runs of the PoC for fine-tunning the calculation methodology, ESMA succeeded to closely replicate all key policy indicators of the two regimes.
- Decision to discontinue in 2025 the two specific reporting flows and systems, thus reducing reporting burden.
- Next steps in 2025: implementation of the calculation methodologies in production and development of specific DQEF* to address remaining data quality issues.

*DQEF: Data Quality Engagement Framework

Key development impacting data quality: SHARE

Project SHARE: sharing information and cooperation with NCAs

- Inaugurated in 2024
- BIG Data and cloud-based solution
- 30 EEA NCAs + 2 ESAs onboarded
- > 250 users
- Data analytics: EMIR & SFTR DQ dashboards
- Code sharing: 12SupTech* projects (7 ESMA + 5 NCAs)

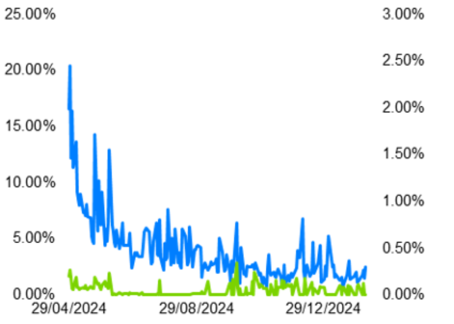
*SupTech projects examples: market abuse detection, ESG text mining, automatic generation feedback emails on data quality overview and issues, short selling data quality checks and prospectus scrutiny.

Key development impacting data quality: EMIR REFIT

Go-live of the revised technical standards under EMIR REFIT

Chart 1

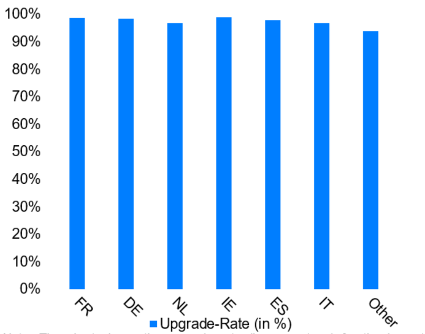
Rejection rate after the REFIT go-live



Note: This chart show the rejection rates at file (rhs) an derivatives (lhs) level.
Sources: EMIR REFIT Rejection Reports and ESMA calculations.

Chart 2

Upgrade rate per country



Note: The chart shows the upgrade rate (in percentage) for the largest jurisdictions measured by the amount of legacy records on the EMIR REFIT go-live date. A higher upgrade rate indicates a greater proportion of updated records. The bars are arranged in descending order by the amount of legacy records.
Sources: EMIR REFIT Trade State/Activity Reports and ESMA calculations.

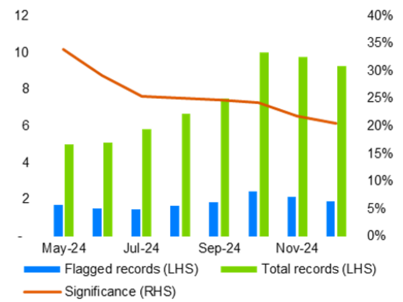
- The rejection rate demonstrates a substantial improvement from approx. 20% at go-live down to 1% - 2,5% in Feb 2025.
- At go-live, 12 mln derivatives transactions (approx. 36% of trade state dataset) needed upgrading. In Feb 2025, only 2% of derivatives subject to upgrading have not been upgraded.

Key development impacting data quality: EMIR REFIT

EMIR REFIT DQIs and dissemination of the results to NCAs

Chart 3

EMIR REFIT DQI 1a - Number of Outstanding Trades

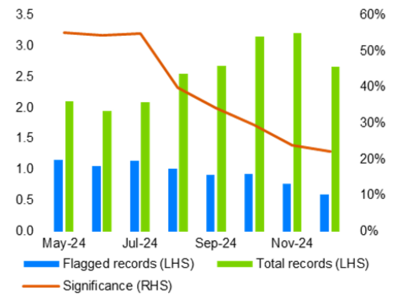


Note: LHS axis (millions of records): "*Flagged records*" refers to the number of outstanding derivatives at trade level for which there is no reporting from both sides, where both sides are obliged to report. "*Total records*" refers to the number of outstanding derivatives at trade level where both sides are obliged to report.
RHS axis (%): "*Significance*" refers to the percentage of "*Flagged records*" over the "*Total records*".

Sources: EMIR REFIT Trade State Reports and ESMA calculations

Chart 4

EMIR REFIT DQI 1b - Number of Outstanding Positions

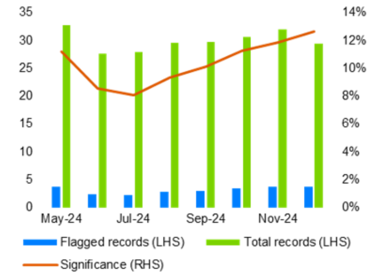


Note: LHS axis (millions of records): "*Flagged records*" refers to the number of outstanding derivatives at position level for which there is no reporting from both sides, where both sides are obliged to report. "*Total records*" refers to the number of outstanding derivatives at position level where both sides are obliged to report.
RHS axis (%): "*Significance*" refers to the percentage of "*Flagged records*" over the "*Total records*".

Sources: EMIR REFIT Trade State Reports and ESMA calculations

Chart 7

EMIR REFIT DQI 5a - Missing Valuation

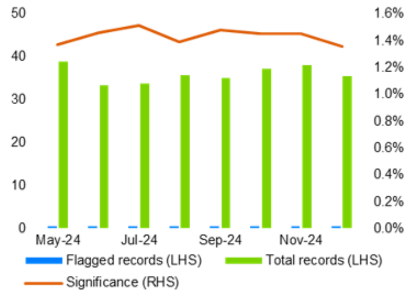


Note: LHS axis (millions of records): "*Flagged records*" refers to the number of outstanding derivatives with missing valuation - only for FCs, NFCs+ and CCPs. Derivatives executed on T and T-1 as well as derivatives at position level where notional amount and notional quantity are excluded. "*Total records*" refers to the number of outstanding derivatives under the scope as described above.
RHS axis (%): "*Significance*" refers to the percentage of "*Flagged records*" over the "*Total records*".

Sources: EMIR REFIT Trade State Reports and ESMA calculations

Chart 8

EMIR REFIT DQI 9a – Entity Responsible for Reporting



Note: LHS axis (millions of records): "*Flagged records*" refers to the number of outstanding derivatives with incorrect ERR. ETD derivatives are excluded. "*Total records*" refers to the number of outstanding derivatives other than ETDs.
RHS axis (%): "*Significance*" refers to the percentage of "*Flagged records*" over the "*Total records*".

Sources: EMIR REFIT Trade State Reports and ESMA calculations

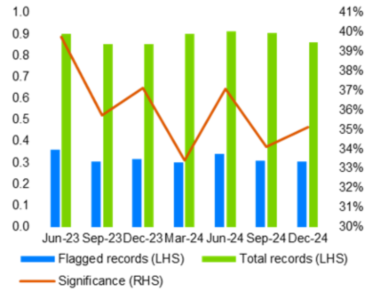
- A steady decrease in DQI 1a and DQI 1b. This shows a clear reduction in the difference between number of trades (DQI 1a) and positions (DQI 1b) reported by two counterparties trading with each other.
- The percentage of outstanding derivatives with missing valuations has been increasing, reaching 13% at the end of 2024 (similar to the situation before REFIT).
- The DQI for the new EMIR REFIT field “Entity Responsible for Reporting” stands below 1.5% showing a good reporting quality.

Key development impacting data quality: SFTR

SFTR DQIs and dissemination of the results to NCAs

Chart 9

SFTR DQI 1a - Number of Outstanding Trades

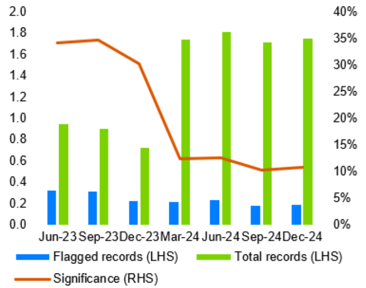


Note: LHS axis (millions of records): "*Flagged records*" refers to the number of outstanding SFTs at trade level for which there is no reporting from both sides, where both sides are obliged to report. "*Total records*" refers to the number of outstanding SFTs at trade level where both sides are obliged to report.
RHS axis (%): "*Significance*" refers to the percentage of "*Flagged records*" over the "*Total records*".

Sources: SFTR Trade State Reports and ESMA calculations

Chart 10

SFTR DQI 1b - Number of Outstanding Positions

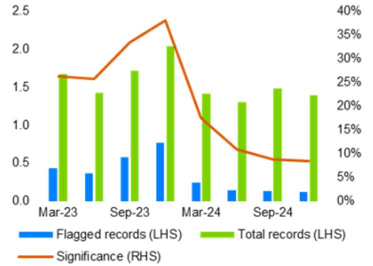


Note: LHS axis (thousands of records): "*Flagged records*" refers to the number of outstanding SFTs at position level for which there is no reporting from both sides, where both sides are obliged to report. "*Total records*" refers to the number of outstanding SFTs at position level where both sides are obliged to report.
RHS axis (%): "*Significance*" refers to the percentage of "*Flagged records*" over the "*Total records*".

Sources: SFTR Trade State Reports and ESMA calculations

Chart 11

SFTR DQI 5a – Missing Market Value

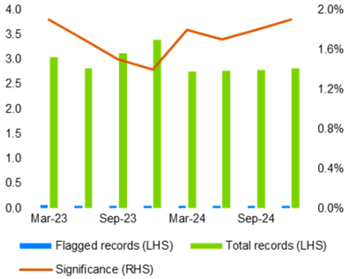


Note: LHS axis (millions of records): "*Flagged records*" refers to the number of outstanding securities lending transactions with missing market value. "*Total records*" refers to the number of outstanding SFTs under the scope as described above.
RHS axis (%): "*Significance*" refers to the percentage of "*Flagged records*" over the "*Total records*".

Sources: SFTR Trade State Reports and ESMA calculations

Chart 13

SFTR DQI 9a – Entity Responsible for Reporting



Note: LHS axis (millions of records): "*Flagged records*" refers to the Number of outstanding SFTs with incorrect ERR (CP1 is a FC other than UCITs or AIF and the ERR is different from CP1, or CP1 is UCITS or AIF and the ERR is same as CP1). "Total records" refers to the outstanding number of SFTs.
RHS axis (%): "*Significance*" refers to the percentage of "*Flagged records*" over the "*Total records*". The value depicted on the LHS as a percentage of the total number of outstanding SFTs, where counterparty from a given jurisdiction is CP1.

Sources: SFTR Trade State Reports and ESMA calculations

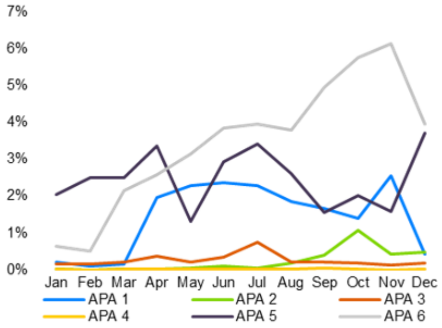
- The number of outstanding SFTs at trade level and position level for which the double reporting is not fulfilled remains high (at around 34% and 10% respectively).
- SFTR DQI 5a, reflecting the number of securities lending transactions with missing market value, had a dramatic improvement in the reporting during 2024, due to amelioration of reporting by a few of the major reporting entities.
- Similarly to EMIR, the reporting of the new field "Entity Responsible for Reporting" shows good level of reporting.

Key development impacting data quality : MiFIR

Supervision of ARMs and APAs

Chart 18

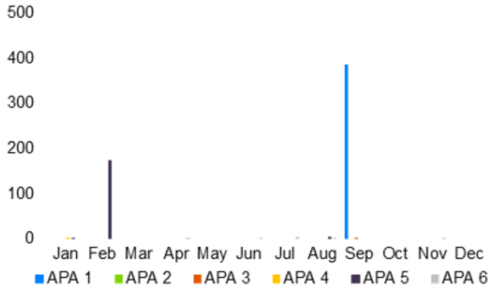
ESMA's supervised APAs rejected ratio



Note: Monthly average rejected ratio per APA supervised by ESMA (in percentage)

Chart 19

Average time to make public transactions from submission to ESMA's supervised APAs



Note: Monthly average time to publish transactions per APA supervised by ESMA (in seconds)

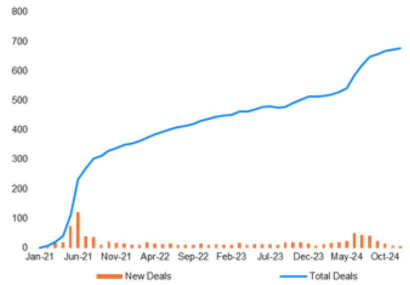
- While ARMs rejection ratios remained low in 2024, APAs rejected a higher number of transactions from their customers during certain months, due to specific operational issues on the customer side.
- The average time for publication by APAs is typically immediate, highlighting the efficiency and swiftness of the process. However, there have been instances where the average time has been extended for some APAs due to specific issues on their end.

Key development impacting data quality: Securitisation

Securitisation

Chart 22

Total outstanding deals vs. new deals



Note: Total outstanding deals and new reported deals.
Sources: Securitisation repositories, ESMA.

Chart 23

Data completeness score

	ND1 = 0%	0% < ND1 <=10%	10%<ND1 <=30%	ND1> 30%
ND2-4 = 0%	43.7%	12.9%	1.8%	0.3%
0% < ND2-4 <=20%	20.8%	17.3%	0.9%	0.0%
20% < ND2-4 <=40%	1.5%	0.4%	0.0%	0.0%
ND2-4 <=40%	0.4%	0.0%	0.0%	0.0%

Note: ND1: Percentage of fields entered as 'ND1', ND2-4: Percentage of fields entered as 'ND2', 'ND3' or 'ND4'. ND1: where the required information has not been collected because it was not required by the lending or underwriting criteria at the time of origination of the underlying exposure; ND2: where the required information has been collected at the time of origination of the underlying exposure but is not loaded into the reporting system of the reporting entity at the data cut-off date; ND3: where the required information has been collected at the time of origination of the underlying exposure but is loaded into a separate system from the reporting system of the reporting entity at the data cut-off date; ND4: where the required information has been collected but it will only be possible to make it available at a date taking place after the data cut-off date Sources: Securitisation repositories, ESMA

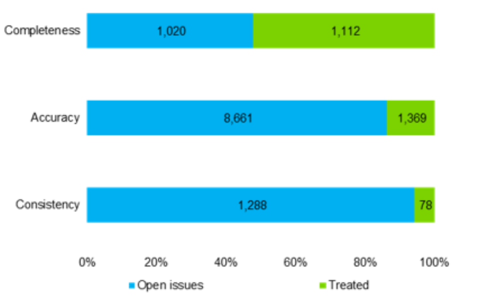
- Daily monitoring of simple, transparent and standardised (STS) register.
- Increase of number of deals in 2024, primarily due to the catch-up effect in the data collection process, following the conclusion of the transition period on 1 October 2024 (after which EU securitisations were required to be reported using only the ESMA reporting templates instead of ECB ones).
- The use of “No Data” (ND) Option (calculated through the ‘data completeness score’) remains widespread.

Key development impacting data quality : Funds

AIFMD and MMFR DQIs and dissemination of the results to NCAs

Alternative investment funds

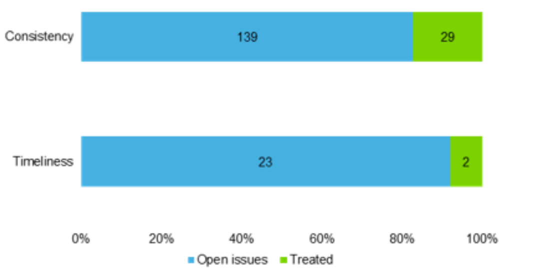
Chart 24
Data quality indicators for AIFMD



Note: Number of warnigns flagged with the risk-based approach and number of warning treated (i.e. corrected or flagged as false positive by the NCAs).
Sources: ESMA

Money market funds

Chart 25
Data quality indicators for MMFR



Note: Number of warnings flagged with the risk-based approach and number of warnings treated (i.e. corrected with a resubmission or flagged as false positives)
Sources: ESMA

- Update of the DQEF*: inclusion of risk-based approach and increase of frequency of data quality cycles run.
- The share of warnings actively addressed at EEA level remains low**, in line with the previous data quality cycles for funds data, despite the introduction of the risk-based approach.
- In 2025, ESMA and NCAs will proactively review the DQEFs to introduce further actions and enhancements, including increasing the correction rates and redefining the tests generating large number of false positives.

*DQEF: Data Quality Engagement Framework

** The process of following up with the reporting managers is still ongoing for the AMF, which accounts for a large share of outstanding issues for both MMFR and AIFMD.

Key development impacting data quality : SSR

Short-selling data – new DQEF

Table 4

Evolution of SSR data completeness

NCA	Missing reports 03/01/2025	Missing reports 10/02/2025
AT	0	0
BE	3	1
BG	167	0
CY	1	0
CZ	2	0
DE	1	0
DK	64	22
EE	256	281
ES	51	0
FI	4	0
FR	0	0
GR	2	0
HR	175	0
HU	5	8
IE	1	1
IS	191	22
IT	2	0
LI	256	5
LT	146	0
LU	11	0
LV	254	12
MT	159	0
NL	53	1
NO	1	1
PL	125	6
PT	0	0
RO	58	0
SE	3	0
SI	58	55
SK	40	0
Total	2089	415

Note: Number of days with no SSREP shares data or empty reports received by ESMA from NCAs for the cut-off dates 03/01/2025 and the 10/02/2025
Source: SSREP, NCAs, ESMA

- First inclusion of SSR data in the report.
- Development of a risk-based approach DQEF to monitor the completeness and accuracy of the data. It covers only shares, considered as most important for the market analysis by NCAs.
- Use of an in-house developed tool to automatically generate personalised emails containing detailed information on data quality to flag missing or suspicious records and provide summary statistics (code shared on SHARE platform).
- The DQEF was agreed in Feb 2025, but applied on a voluntary basis starting with Jan 2025, with an immediate significant impact on the number of issues that have been addressed (either corrected or flagged as false positive) – e.g. completeness check.

Key development impacting data quality : ESEF

European Single Electronic Format: data accessibility and usability

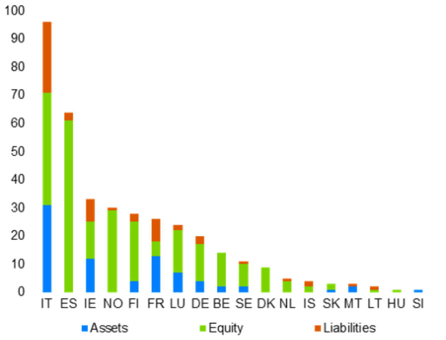
Chart 26

Number of files extracted, per sector

Note: Number of files extracted from https://filings.xbrl.org/ , covering issuers from EEA countries, except DE, BG and SK. The NACE code was the one used for the sector identification, and it is calculated by ESMA using FIRDS, Eikon and the EC website. In ESAP, this information will be immediately available and no other computations will be needed.
Sources: https://filings.xbrl.org/. EC, FIRDS, ESMA

Chart 27

Number of anchored non-IFRS elements



Note: Number of anchored elements that do not follow the IFRS taxonomy, per country. Data sample excludes issuers from DE, BG and SK.
Sources: ESEF reporting, ESMA

- Development and share of a code for reading and extracting the information included in the XBRL files, as a first step in improving the accessibility and use of data by NCAs.
- A first data quality assessment was done on approx. 1400 files*.
- Main issue identified: excessive usage of issuer-specific extension elements. While justified in some cases, such extensive use in other cases hinders data usability.
- Among 2025 priorities: enforcers will look into common ESEF filing errors in the Statement of Financial Position including the justified creation of extension taxonomy elements and their proper anchoring.

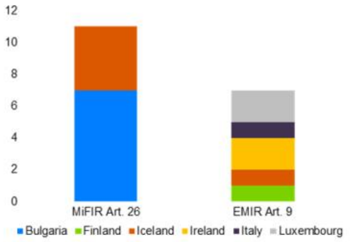
* Files used for this exercise were extracted from https://filings.xbrl.org/ website

Enforcement on reporting and data quality

ESMA consolidated report on sanctions

Chart 28

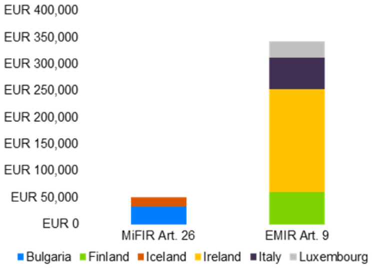
Total number of measures and sanctions regarding reporting obligations (2023)



Note: Number of administrative measures and sections imposed in 2023 under regulatory regimes in ESMA's remit in the area of data quality

Chart 29

Total amount of administrative fines regarding reporting obligations (2023)



Note:Amount of adminisrtative measures and sanction imposed in 2023 under regulatory regimes in ESMA's remit in the area of data quality

- The enforcement activity remains limited in the area of data quality: in 2023, measures and sanctions were imposed for infringements only on Article 26 MiFIR (11, totalling 51 204 EUR) and Article 9 of EMIR (7, totalling 342 705 EUR).
- ESMA also conducted a stocktake of formal enforcement actions adopted by NCAs from 2020 through 2023 regarding data quality under EMIR, SFTR and MiFIR: 11 NCAs adopted 158 enforcement sanctions and measures (mostly on MiFIR – 144 and none on SFTR). All EMIR sanctions were pecuniary, whereas under MiFIR, the types of measures were more diverse (e.g. warnings, remedial actions). Settlements or accelerated procedures are common for certain NCAs.
- Overall, the available data highlights that there is still room for more convergence between NCAs in the exercise of their sanctioning powers.

Next steps on data quality and use

- ESMA and NCAs will continue their endeavours on mutualising codes for data analyses, carry out common data monitoring initiatives and foster an enhanced use of the data available through the ESMA Data Platform.
- Implementation of the Transparency and DVCAP calculations using MiFIR transaction data.
- Continued cooperation with NCAs and stakeholders such as Repositories, DRSPs and reporting entities is crucial to achieving further improvements to data quality under the relevant reporting regimes, with a focus in 2025 on EMIR, SFTR and Funds.
- Update ESMA’s Data Strategy 2023-2028, to ensure it remains best suited to deliver on all its objectives with a primary focus on making the most efficient use of available data and resources. This includes leveraging technological innovations (e.g. generative AI) and exploring new ways to reuse existing data to reduce duplicative reporting and simplify the regulatory and supervisory reporting landscape, ultimately reducing the reporting burden to the industry.

Q&A