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| Reply form  for the Call for Evidence on a Comprehensive Approach for the Simplification of Financial Transaction Reporting |
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**Responding to this paper**

ESMA invites comments on all matters in this call for evidence and in particular on the specific questions. Comments are most helpful if they:

* respond to the question stated;
* indicate the specific question to which the comment relates;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all comments received by **19th** **September 2025.**

**Instructions**

In order to facilitate analysis of responses to the Call for Evidence, respondents are requested to follow the below steps when preparing and submitting their response:

1. Insert your responses to the questions in the Call for Evidence in the present response form.
2. Use this form and send your responses in Word format (**pdf documents will not be considered except for annexes**);
3. Please do not remove tags of the type <ESMA\_QUESTION \_CASR\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
4. If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
5. When you have drafted your response, name your response form according to the following convention: ESMA\_CASR\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_CASR\_ABCD\_RESPONSEFORM.
6. Upload the form containing your responses, **in Word format**, to ESMA’s website (www.esma.europa.eu under the heading “Your input – Open Consultations” -> Call for evidence on a comprehensive approach for the simplification of financial transaction reporting”).

**Publication of responses**

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA’s rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA’s Board of Appeal and the European Ombudsman.

**Data protection**

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading [Legal Notice](http://www.esma.europa.eu/legal-notice).

**Who should read this paper**

# This paper is primarily addressed to all financial market participants and in particular reporting entities and market infrastructures, as well as to trade associations and other stakeholders involved in financial regulation, investor education, and retail investment market developments. It seeks input on major cost drivers linked to derivative regulatory reporting and the identification of possibilities on integration, streamlining and simplification.

# The paper is also relevant to competent authorities, with competences in the context of MiFIR, EMIR, SFTR regulation.

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**General information about respondent**

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| --- | --- |
| Name of the company / organisation | AS SEB Pank |
| Activity | Banking sector |
| Are you representing an association? |  |
| Country/Region | Estonia |

**Questions**

1. Do stakeholders agree with the description of the key challenges outlined above? Is there any other issue linked to multiple regulatory regimes with duplicative or inconsistent requirements that is not reflected in this section? Out of the 10 sources of costs identified in this section and the ones that you may add, what are the three main cost drivers in your view?

<ESMA\_QUESTION\_CASR\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CASR\_1>

1. Do stakeholders agree with the proposed principles and related description? Is there any other aspect/principle that should be considered?

<ESMA\_QUESTION\_CASR\_2>

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<ESMA\_QUESTION\_CASR\_2>

1. What are the key advantages of option 1a and how do these benefits address the issues in section 3?

<ESMA\_QUESTION\_CASR\_3>

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<ESMA\_QUESTION\_CASR\_3>

1. What are the key limitations and potential risks of option 1a? For example, do you consider the adaptation of the emir template to cover the data points used for market abuse surveillance as meeting the general objective of reducing the reporting burden, and why?

<ESMA\_QUESTION\_CASR\_4>

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<ESMA\_QUESTION\_CASR\_4>

1. What components are missing or not adequately addressed in option 1a? Why are these elements important, and how might their inclusion change the evaluation or implementation of option 1a?

<ESMA\_QUESTION\_CASR\_5>

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<ESMA\_QUESTION\_CASR\_5>

1. What are the key advantages of option 1b and how do these benefits address the issues in section 3?

<ESMA\_QUESTION\_CASR\_6>

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<ESMA\_QUESTION\_CASR\_6>

1. What are the key limitations and potential risks of option 1b?

<ESMA\_QUESTION\_CASR\_7>

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<ESMA\_QUESTION\_CASR\_7>

1. What components are missing or not adequately addressed in option 1b? Why are these elements important, and how might their inclusion change the evaluation or implementation of option 1b?

<ESMA\_QUESTION\_CASR\_8>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CASR\_8>

1. What are the key advantages of option 2a and how do these benefits address the issues in section 3?

<ESMA\_QUESTION\_CASR\_9>

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<ESMA\_QUESTION\_CASR\_9>

1. What are the key limitations and potential risks of option 2a?

<ESMA\_QUESTION\_CASR\_10>

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<ESMA\_QUESTION\_CASR\_10>

1. What components are missing or not adequately addressed in option 2a? Why are these elements important, and how might their inclusion change the evaluation or implementation of option 2a?

<ESMA\_QUESTION\_CASR\_11>

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<ESMA\_QUESTION\_CASR\_11>

1. What are the key advantages of option 2b and how do these benefits address the issues in section 3? What regimes should be included in such an option beyond EMIR, MiFIR and SFTR?

<ESMA\_QUESTION\_CASR\_12>

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<ESMA\_QUESTION\_CASR\_12>

1. What are the key limitations and potential risks of option 2b?

<ESMA\_QUESTION\_CASR\_13>

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<ESMA\_QUESTION\_CASR\_13>

1. What components are missing or not adequately addressed in option 2b? Why are these elements important, and how might their inclusion change the evaluation or implementation of option 2b?

<ESMA\_QUESTION\_CASR\_14>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CASR\_14>

1. Which of the two main options (1. “removal of duplication in current frameworks” or 2. "report once") and related sub-options identified do you believe should be prioritised, and why?

<ESMA\_QUESTION\_CASR\_15>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CASR\_15>

1. Are there any additional options that should be considered on top of option 1 and 2? For example, do you identify other potential intermediate solutions, combinations of elements from the identified options, or phased approaches? If so, what are their main characteristics, the reasons for considering them, and the key advantages they would bring?

<ESMA\_QUESTION\_CASR\_16>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CASR\_16>

1. Should the reporting channels, and flows be modified to ensure consistent reporting, and if so, how? Under which option/s do you consider these changes should be implemented?

<ESMA\_QUESTION\_CASR\_17>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CASR\_17>

1. In this regard, and based on the current order book requirements for trading venues and the availability of information, what are the advantages and disadvantages of transferring the reporting of on-venue transactions under MiFIR and EMIR to trading venues?

<ESMA\_QUESTION\_CASR\_18>

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<ESMA\_QUESTION\_CASR\_18>

1. Additionally, what are your views on enhancing ESMA role as data hub by developing a framework where entities would report consistent and harmonised data directly to ESMA? Should this option consider direct reporting to ESMA coupled with EU and national authorities’ access to the centrally held data, eliminating multiple submissions?

<ESMA\_QUESTION\_CASR\_19>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CASR\_19>

1. In the case of centralisation of reporting, please expand on the advantages and disadvantages as well as the implementation challenges and opportunities? Under this scenario, what additional elements should be considered (i.e. Operational aspects, technical implementation, etc.)

<ESMA\_QUESTION\_CASR\_20>

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<ESMA\_QUESTION\_CASR\_20>

1. Do you consider that other technologies (e.g. DLT and Smart Contracts) should be considered as a way to simplify the reporting process?

<ESMA\_QUESTION\_CASR\_21>

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<ESMA\_QUESTION\_CASR\_21>

1. Where do you think the cost associated with dual sided reporting is generated? What would be the cost impact of removing dual-sided reporting (e.g. Substituting reconciliation requirements with other measures such as audits against internal record systems as required in the U.S. or increase interaction among counterparties and NCAs)? Do you consider that dual sided reporting may reduce the ability of reporting entities to fully control the data submitted to authorities? Do you consider that the reporting should be strictly from one side?

<ESMA\_QUESTION\_CASR\_22>

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<ESMA\_QUESTION\_CASR\_22>

1. Would you consider the modification of reporting frequency useful under the general objective of reducing the reporting burden, and why? What would be the specific proposals in this regard?

<ESMA\_QUESTION\_CASR\_23>

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<ESMA\_QUESTION\_CASR\_23>

1. Proportionality measures: how do you consider proportionality can be taken into account in the context of burden reduction in regulatory reporting? What specific measures would you propose and how would you quantify their impact?

<ESMA\_QUESTION\_CASR\_24>

We have 5 practical reporting problems to highlight, where proportionality could be addressed on further guidance is needed.

1. Reporting of Initial and Secondary Public Offerings

Pursuant to Regulation (EU) No 2017/590, Article 2(5)(i), the creation, expiration, or redemption of a financial instrument resulting from pre-determined contractual terms or mandatory events beyond the investor’s control—where no investment decision occurs at the time of such creation, expiration, or redemption—is not considered a transaction for the purposes of Article 26 of Regulation (EU) No 600/2014.

Based on our market observations, we identify the following categories of IPOs/SPOs:

(a) Offerings with Permanent ISINs. These typically involve instruments such as bonds, where the IPO is conducted using the same ISIN that will be used for subsequent trading.

(b) Offerings with Temporary ISINs. Common in secondary offerings, these involve instruments already trading on a venue. The IPO is executed under a temporary ISIN, which is later converted to a permanent ISIN via a PARI PASSU event. This conversion is a mandatory corporate action and, per the aforementioned regulation, does not constitute a reportable transaction.

According to MiFID II Guidelines, specifically Section 5.6.2.7 of the ESMA Guidelines on transaction reporting, order record keeping, and clock synchronization, IPOs, SPOs, and debt placements are to be reported. However, there are some difficulties we would like to bring to your attention.

Instruments not registered in the FIRDS system cannot be reported.

For offerings with permanent ISINs, the instrument is usually registered in FIRDS on the first trading day. However, according to Regulation (EU) No 2017/590, Table 2, field 28, the trading date and time should reflect when the transaction was actually executed. This is typically the allocation day, when both parties agree on key details such as quantity, price, and currency. Since the allocation day always comes before the first trading day, trying to report the trade after allocation day leads to Error CON-411, because the instrument is not yet listed in FIRDS. If the report is submitted after the instrument is registered, it triggers Error CON-412, which also prevents successful reporting. As a result, it becomes impossible to report the transaction with the correct details.

ESMA documents do not include information about offerings that use temporary ISINs. These ISINs are never registered in FIRDS, making it impossible to report such transactions. The PARI PASSU conversion to permanent ISIN is a mandatory event and thus not a reportable transaction. Consequently, only trades involving permanent ISINs already listed on a trading venue can be practically reported.

It has been our understanding that all IPO and SPO transactions should be reportable, regardless of whether a permanent or temporary ISIN is used. However, under the conditions currently outlined in the applicable regulations, this is not feasible in practice.

As a result, there are obstacles to submit certain transactions in exact accordance with the reporting requirements.

We respectfully request that this issue would be reviewed and that further clarification or adjustments be considered to ensure consistent and achievable reporting standards for all types of offerings.

1. Validation of Danish, Icelandic, Swedish and Norwegian Personal Identification Codes

We also wish to raise concerns regarding the validation of Danish, Icelandic, Swedish and Norwegian personal identification codes. These citizens possess ID codes containing hyphens. However, under ESMA validation schema (auth.016.001.01\_ESMAUG\_Reporting\_1.1.0.xsd), only Finland (FI) and Latvia (LV) are granted exceptions allowing hyphenated formats. On the other hand general customer data validations which are implemented based on Lithuanian regulations, also coming from the same Commission Delegated Regulation (EU) 2017/590 expect the Danish, Icelandic, Swedish and Norwegian ID-codes to contain hyphen.

This omission creates a validation barrier for Danish, Icelandic, Swedish and Norwegian identifiers, which should be reconsidered to ensure consistent and inclusive reporting across all EEA jurisdictions.

1. Reporting of custody customers OTC transactions

According to MiFID II Guidelines, specifically Section 5.6.2.2 of the ESMA Guidelines on transaction reporting, delivery/payment instructions within transfers, the clearing and/or settlement counterparties (including CSDs) are not subject to reporting requirements as per Commission Delegated Regulation (EU) 2017/590 Article 2(5)(b), only the investment firm executing the transaction must report.

However, Article 3 of the same Regulation specifies that an investment firm is deemed to have executed a transaction when it performs the transfer of financial instruments to or from accounts, or when it executes orders on behalf of clients.

This creates uncertainty in the case of OTC transactions carried out for custody customers. Custody services generally involve safekeeping the customer’s securities and carrying out settlement instructions on their behalf. Yet, if the custody agreement does not explicitly allocate MiFID II transaction reporting responsibility between the investment firm and the customer, such transactions may appear indistinguishable from those of regular clients — where the customer has found the counterparty and agreed all transaction details before instructing the investment firm to carry out the securities transfer.

Therefore, further clarification is needed to determine in which circumstances an investment firm may exclude custody customer transactions from MiFID II reporting under Article 2(5)(b), given that settlement activity also involves performing the transfer of securities to and from accounts, which according to Article 3 falls under the meaning of execution.

1. Use of a lower priority level national identifier

According to Article 6(1) of Commission Delegated Regulation (EU) 2017/590, investment firms are required to identify natural persons using a national client identifier listed in Annex II, based on the person's nationality. Article 6(2) further states the highest priority identifier must be used regardless of whether that identifier is already known to the investment firm.

In practice, where the client is a national of a third country or holds multiple nationalities, the identifiers listed in Annex II are often not required for other internal processes of the investment firm. This creates an administrative burden, as firms must collect such identifiers solely for transaction reporting purposes.

Additionally, in some cases, the use of a so-called lower-level identifier for client identification is questionable. For example, for Lithuanian citizens, the primary identifier is the personal code, the secondary is the national passport number, and the third is the CONCAT. To our knowledge, Lithuanian citizens must have a personal code, so the question is: when can the passport number be used (the personal code should be indicated in the passport), and when can CONCAT be used for a Lithuanian citizen?  The same question applies to Swedish citizens – a personal identity code is assigned after birth, and it is unlikely that a newborn would be involved in investment activities before receiving a personal identity code. Therefore, the possibility of using CONCAT for Swedish citizens should practically not occur.

Preventing a customer from executing investment transactions solely because the highest priority national identifier has not been obtained and entered into the system appears unreasonable, particularly when a lower-priority identifier could already be available. In light of this, we see the benefit to allow greater flexibility in the use of lower priority identifiers.

1. Reporting of the transactions related to inheritance

We also wish to raise concerns regarding the reporting of transactions related to inheritance. According to Section 5.10.2 of the ESMA Guidelines on transaction reporting under MiFID II, the inheriting party must be reported as the seller. In cases where the inheriting party is not a client of the investment firm, the responsibility to obtain the necessary national client identifier and citizenship information lies with the investment firm. This presents a challenge, as certificates of inheritance do not typically include the nationality or the specific identifier required for transaction reporting under Annex II of Commission Delegated Regulation (EU) 2017/590. Although inheriting party is required to add information about ID code or document number to a certificate of inheritance, such identifiers may not correspond to the nationality or priority levels outlined in Annex II, thereby complicating compliance with reporting obligations.

Additionally, transactions related to inheritance can only be reliably identified when securities are transferred from the account of a deceased person, who is a client of the investment firm, to the inheriting party. If the inheriting party is a client of the investment firm but the deceased person was a client of another firm, it becomes impossible to determine whether the free of payment transfer relates to inheritance, a gift, or another type of transaction, as the only mandatory field for OTC transaction orders is the counterparty’s securities account holder LEI. This creates a reporting inconsistency, since the deceased person’s transaction is reported against the inheriting party, while the other firm reports the inheriting party’s transaction against the deceased person’s securities account holder LEI, in accordance with Section 5.20.2 of the ESMA Guidelines on transaction reporting under MiFID II.”

One possible solution would be to allow investment firms to report transactions related to inheritance in the same manner as regular transfers between clients of two separate investment firms, in accordance with Section 5.20.2 of the ESMA Guidelines on the transaction reporting Under MiFID II. If this approach is not feasible, it may be considered, in cases where the inheriting party is a client of another investment firm, firms to be allowed to use the same ID code or document number specified in the certificate of inheritance or a CONCAT code, when reporting the inheriting party’s personal details. Requiring firms to obtain and manage additional personal data from third parties solely for transaction reporting purposes places an unnecessary administrative burden on firms and may hinder timely compliance with reporting obligations.

<ESMA\_QUESTION\_CASR\_24>

1. Question for reporting entities under EMIR: what is the one-off cost of implementing EMIR requirements to date? This cost should include all cost lines, such as familiarisation with obligations, staff recruitment, training, legal advice, consultancy fees, project management and investment/updating in it. Do you identify any other relevant one-off cost line?

<ESMA\_QUESTION\_CASR\_25>

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<ESMA\_QUESTION\_CASR\_25>

1. Question for reporting entities under EMIR: what is your estimated average cost per transaction (on-going cost) to comply with the reporting requirements under EMIR? This cost should include not only the fees associated with reporting through trade repositories (which usually includes data collection and information storage) but also the total cost, including any other cost lines, such as, IT maintenance and support, training, data processing and audit fees. Do you identify any other relevant ongoing cost line?

<ESMA\_QUESTION\_CASR\_26>

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<ESMA\_QUESTION\_CASR\_26>

1. Question for reporting entities under MiFIR: what is the one-off cost of implementing mifir requirements to date? This cost should include all cost lines, such as familiarisation with obligations, staff recruitment, training, legal advice, consultancy fees, project management and investment/updating in it. Do you identify any other relevant one-off cost line?

<ESMA\_QUESTION\_CASR\_27>

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<ESMA\_QUESTION\_CASR\_27>

1. Question for reporting entities under MiFIR: what is your estimated average cost per transaction (on-going cost) to comply with the reporting requirements under MiFIR? This cost should include not only the fees associated with reporting through Approved Reported Mechanisms but also the total cost, including any other cost lines, such as, IT maintenance and support, training, data processing and audit fees. Do you identify any other relevant ongoing cost line?

<ESMA\_QUESTION\_CASR\_28>

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<ESMA\_QUESTION\_CASR\_28>

1. Question for reporting entities under EMIR or MiFIR: Are there other cost-factors that we should consider when estimating the cost saving over a long term horizon?

<ESMA\_QUESTION\_CASR\_29>

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<ESMA\_QUESTION\_CASR\_29>

1. What are the anticipated investments and transition costs associated with implementing option 1a, 1b, 2a and 2b (e.g. Decommissioning of legacy systems, adapting systems to new changes and future evolving requirements, etc.)? Please provide a detailed breakdown of these costs, including any one-off and ongoing expenses. What is the estimated average cost saving per transaction?

<ESMA\_QUESTION\_CASR\_30>

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<ESMA\_QUESTION\_CASR\_30>