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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.

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**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 | UniCredit SpA |
| Activity | Banking sector |
| Are you representing an association? |  |
| Country/Region | Italy |

**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>

We agree with the key challenges outlined by ESMA in Section 3 of the Call for Evidence.

We see the following three as the most significant cost drivers:

1. Duplicative reporting obligations (Issue 2) and Dual-sided (Issue 5): Especially the overlap between EMIR and MiFIR for derivatives, the overlap of SFT reporting under SFTR and MiFIR, but also the partially unclear potential overlaps e.g. bullion swaps reporting under SFTR, EMIR and MiFIR. Furthermore, we emphasize also the overlaps resulting out of REMIT. The removal of duplication across all the above areas is expected to realise considerable benefits and cost savings and achieve a meaningful simplification of reporting. Additionally, the dual-sided reporting requirement under EMIR and SFTR, are major cost drivers which we want to add in this sections, as it fits best when defining a new reporting framework. This remains a core and particularly burdensome feature. The requirement to report the same transaction, with overly tight reporting tolerances that are mainly based on different source datasets (e.g. no tolerances on price calculations, which are dependent on the price source and timing selected), followed by intensive reconciliation processes, generates substantial operational overhead and IT development costs. If dual-sided reporting were removed, it would be essential to clearly define which counterparty is responsible for reporting, as the nature of the business associated which each regulation diverge dramatically (e.g. SFTR collateral-taker/giver and MiFIR buyer/seller).

The lack of a central UTI allocation mechanism, fragmented UPI governance, and the absence of reporting-relevant data in front-office systems make the mapping of products and attributes extremely burdensome. Furthermore, the mandatory annual renewal of LEIs adds unnecessary costs and administrative work. A migration to one-sided reporting would significantly reduce these cost flows.

As a result, banks are forces to maintain parallel systems, controls, and reconciliations, while at the same time exposing firms to inconsistencies and the risk of sanctions.

1. Multiple reporting channels and systems (Issue 8 and 9): The fragmentation of reporting infrastructures and the need to maintain parallel systems for EMIR, REMIT, MiFIR, and SFTR significantly increase complexity and cost.

Firms must contract and manage multiple external service providers and outsourcing arrangements, which in turn increases direct costs as well as governance and monitoring requirements.

We also note that the lack of harmonised definitions and data dictionaries (Issue 3) further complicates implementation and reconciliation efforts.

1. Additional cost-intensive aspects:

* Frequent regulatory changes (Issue 1): The continuous stream of ESMA Q&As, validation rule updates, inconsistent and ambiguous Level 3 drafting, as well as at Level 2, leads to divergent interpretations of fields and necessitates constant analysis, system adjustments, and re-training. These lead to continuous IT adjustments, staff training, and compliance reviews, creating high operational costs. Additionally, each change in the regulation implies significant costs in the adjustment of the first and second level controls. The complexity of having continuous regulatory changes in a unaligned (between the different regulations) framework, leads to incalculable yearly change costs. This also contains the need to maintain historic data models to answer queries made after changes to the reporting requirements. This will become acute after major structural changes of the sort being explored in this consultation.
* **Settlement Fail Reporting under SFTR:** The obligation to report settlement fails has caused disproportionate reporting burdens and additional associated costs. This caused the industry to come up with an ad hoc method of reporting, as this was confirmed by ESMA post the launch of SFTR. This interferes with the post-trade processes of firms for instance, fails have to be reported as extensions of maturity, which then require monitoring of settlement fails for full returns. This is a severe duplication of efforts, as these events and are already monitored through other post-trade regimes such as CSDR, and is therefore deemed an unnecessary requirement to have within SFTR. We note that securities lending transacts on an actual settlement basis and not on a contractual basis. This was discussed by ISLA with ESMA prior to go live however, ESMA confirmed within the Level 3 guidelines that the industry would have to adhere to a non-standard process, which has had significant impacts to firms development and operating costs.
* **Voluntary corporate actions and depository transfers under MiFIR:** As many banks has outsourced the handling of corporate actions, it was necessary to create an extra-ordinary MiFIR specific process which implies a strong dependency to the external service provider. This created additional costs and continuous maintenance costs additional to efforts on oversights and data availability in case of ad-hoc request. In our view, the associated costs are not in proportion to the market risks resulting out of a voluntary corporate action event.
* **Back Reporting:** Furthermore, we see high costs resulting out of the back reporting. The costs of storing massive data and related reporting logics up to five years. Additionally, reflecting changes in the regulation which occurred during the time period results in an increased investment in IT infrastructure and back reporting logics. A possibility would be to limit back reporting horizons to shorter timeframes, e.g. 1-2 years.

<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>

We broadly agree with the principles outlined by ESMA in Section 4.1. The focus on proportionality, consistency, clarity, efficiency, and data quality provides a solid framework for simplifying transaction reporting while maintaining supervisory standards.

* The **principle of preserving information scope** should be subject to the proviso that “data that is costly to produce and not used should not be collected” (footnote 29). There is little evidence of SFTR data usage by the authorities in general and there is strong evidence that some fields do not provide meaningful information (see the ICMA review).

The principle means retaining data elements that are truly critical for understanding market activity, exposure, and risk. However, "preserving information scope" should not imply maintaining data fields that have proven to be of low utility, are excessively burdensome to produce accurately, are duplicative or even erroneous. There are various fields in MiFIR and EMIR that do not align clearly to the purpose of the respective reporting framework and this has created complexity and costs. For example, several of the new fields proposed by ESMA in the Consultation Paper Review of RTS 22[[1]](#footnote-2) (October 2024) to perform transparency calculations for equity instruments are inconsistent with the goal of market abuse prevention, which is the key regulatory purpose of MiFIR transaction reporting. Likewise, valuation and margin fields are arguably not necessary at the level of EMIR to ensure systemic risk management as regulators will already have access to this information, with firms separately reporting any breaches to valuations and collateral via other reporting channels.

Simplification should focus on the *quality and utility* of the information obtained, rather than merely its quantity. For the purpose of any future reform, we reiterate that any unnecessary proliferation of data reporting fields should be avoided to prevent an unintended scope creep

* **Decreasing overlaps to reduce the reporting burden**. This principle is of paramount importance to ISLA and its members, representing a key area where significant reporting burden can be alleviated. Duplicative reporting across different regimes (e.g., potential overlaps or inconsistencies between MiFIR and SFTR for certain SFTs, or varying national interpretations within SFTR itself) drives unnecessary costs, IT complexity, and reconciliation challenges. For example, SFTs involving EU central banks, where SFTR explicitly exempts these transactions under Article 2(3), but MiFIR's Delegated Regulation (EU) 2017/590, Article 2(5) includes them, creates a direct conflict and unnecessary reporting. ISLA strongly advocates for the elimination of such overlaps and inconsistencies to create a more efficient and less burdensome reporting landscape for SFTs.
* The principle of **ensuring global alignment** suggests considerable scope for simplification and for ensuring that reporting requirements do not reduce the attractiveness of the EU as a place for business.

With regards to the global nature of securities financing markets, achieving greater global alignment in reporting standards, definitions, and formats is fundamental. Divergences between EU SFTR and regimes in other major jurisdictions (e.g., UK SFTR) create fragmentation, increase compliance complexity for global firms, and can hinder efficient cross-border operations. For example, the US's proposed 10c-1a reporting requirement for securities lending transactions, that comes from the same FSB initiative as SFTR, offers a model of a single-sided reporting regime with a significantly smaller number of reportable fields compared to SFTR. This approach demonstrates that effective transparency can be achieved with a lighter reporting burden. Although global alignment of reportable fields and reporting framework is a desirable outcome, it is not something that can be ‘ensured’. Therefore, we deem advisable to replace the word ‘ensure’ which is currently used in the CfE by a more suitable term, such as ‘pursue’.

* The **balance of cost and benefit** principle is the most important. There is currently a severe asymmetry in which the cost to firms is far higher than the benefit to the regulator in terms of the utility of SFTR data. There is therefore a need to conduct a rigorous cost-benefit reassessment of SFTR in its current form, both in its current form and any future changes, which should be limited to those offering demonstrable benefits.

Designing the system with foresight is of critical importance. A forward-thinking approach during the planning and development phases helps to anticipate future requirements and challenges, thereby minimizing the need for ongoing adjustments and reactive modifications. These continual changes in the capital market reporting regimes not only disrupt operations but also lead to significant costs over time. By investing in a well-thought-out, sustainable system architecture from the outset, costly rework can be avoided, long-term efficiency ensured and limited budgets and resources will not be overstrained. Consequently, we propose to set up dedicated working groups to advice on a most efficient reporting framework.

A strong focus should be set on

* redundant identifiers: The use of overlapping data identifiers (e.g. CFI, UPI, ISIN) needs to be rationalised. A clear allocation of identifiers by instrument type should be established, for example:
* OTC derivatives → UPI only
* Exchange-traded instruments → ISIN only
* Foreign ETDs → use of generic ISIN
* Reporting-relevant data should be mandated by regulation to be made available in upstream systems (e.g. Treasury Front Office systems) at the point of trade execution. This includes a correct and unique **UTI** and **UPI** at the time of booking, rather than through downstream mapping processes, which creates inefficiencies and reconciliation issues.

Such harmonisation would significantly reduce complexity, operational costs, and error potential in reporting, while maintaining high-quality and comparable datasets for supervisors.

We therefore support ESMA’s proposed principles but believe that they should be complemented by a stronger focus on operational feasibility, mandatory upstream data provision, and clear rules on identifier usage.

<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>

We recognise that Option 1a provides clear advantages, in particular the removal of redundant reporting obligations within the existing frameworks (MiFIR, EMIR, SFTR). This reduction of duplications is certainly welcome as a corrective step and would help to decrease the absolute number of transactions reported. Especially the clear separation in terms of scope between MiFIR and EMIR. This can be seen as a first step or a part of the long-term solution. However, the benefits remain limited.

Furthermore, taking into consideration the principle of ‘preserving the information scope of each regime’ (Section 4.1 of the CfE), any new fields that were to be introduced in EMIR (for the purposes of systemic risk) or in MiFIR (or market abuse) should be justified to the extent they serve a specific regulatory goal associated with the respective reporting regime. For that reason, we believe that there will only be a very limited need for changes in EMIR to ensure that it includes any fields necessary for market abuse monitoring (given that, as per the Option 1a proposal and recommendations, OTC derivatives will no longer be subject to reporting under MiFIR but only subject to EMIR reporting). Similarly, there should only need to be a limited number of field changes to MiFID transaction reporting for the purposes of systemic risk. We refer to a point raised within our answer to question 2, that keeping the reportable fields to only those essential to the scope of the regime will allow reporting entities greater ability to ensure the data that is reported is accurate and complete.

In addition, the move to single sided reporting for EMIR, which is suggested in Option 1a, will help ensure that fewer reports are submitted and managed, thus achieving greater global alignment (including alignment with the US and other regimes).

Nonetheless, duplications would still persist, for example the cases mentioned in question 1, but also when taking into account the target of having a cost-efficient regulatory framework, overlapping scopes between SFTR/MiFIR/EMIR and MMSR. We recognize that the target recipient is different for MMSR, but a harmonization of MMSR might also help to overcome inefficiencies. Consequently, the issue of multiple regimes capturing the same transaction is not fully resolved.

Second, Option 1a does not eliminate the parallel maintenance of separate reporting streams with their own infrastructures, reporting agents (TRs, ARMs), teams, outsourcing arrangements, and IT projects. In practice, firms would continue to bear the cost of continuous regulatory updates across all frameworks.

Moreover, the reconciliation and alignment burden would not materially decrease. Even with fewer reported transactions, the fundamental challenges remain: the absence of consistent front-office data capture (e.g. UTI (and we assume that UTI will also be required under a single-sided reporting) and UPI allocation at execution), ongoing LEI renewal requirements, and redundancies across data fields (e.g. overlapping use of ISIN, UPI, CFI). These underlying issues are not addressed by Option 1a.

Therefore, while Option 1a is a positive correction and should be supported, it cannot be considered a comprehensive simplification. In our view, more structural approaches such as Option 2a(b), in a clearly standardized and simplified manor, would deliver greater long-term efficiency by addressing the root causes of duplication and fragmentation.

It would be a missed opportunity not to implement meaningful change. The capital markets reporting framework should be fundamentally redesigned. While Option 1a may temporarily reduce burdens in specific areas, it risks reinforcing legacy structures and delaying necessary simplification. Without a clear path toward harmonisation, the reporting landscape would remain complex, costly and prone to inconsistencies. From a supervisory and operational perspective, this would not constitute meaningful progress.

<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>

The key limitation from an SFTR point of view is that Option 1a does not include SFTR.

* Consideration should be given to a clearer delineation within SFTR between the different types of SFT, given that type-specific fields are mixed together in a single set of validation rules (eg Validation Rules 2.14, 2.23, 2.75 and 2.96). This would allow SFTR to evolve to reflect the basic differences between types of SFT and ease the problems created by the current “one-size-fits-all” approach. In addition, some common fields need to be made more type-specific, in order to simplify the associated conditionality rules. This might result in an overall increase in data fields, but not for each type of SFT, and the structure would look simpler.
* Clearer delineation within SFTR also applies to the inclusion of data fields for which the data can be implied from other reported data (Cleared field, DBV Indicator, Method Used to Provide Collateral, Day Count Convention, Adjusted Rate, Principal Amount on Maturity Date, Classification of Security, Collateral Market Value, Haircut, Collateral Quality, Maturity of Security, Jurisdiction of the Issur, LEI of the Issuer, Collateral Type and Availability of Collateral for Reuse) and data that can be sourced from official databases and other golden sources.

Key limitations from a MiFIR/EMIR point of view:

* ESMA should carefully review and adjust the reporting fields in EMIR (for OTC derivatives) and MiFIR (for ETDs) to ensure that they do not include more than is absolutely necessary for regulators to perform the supervisory functions related to systemic risk and market abuse monitoring. Simply transferring all existing reporting fields in MiFIR to EMIR (and vice versa) will lead to duplication of data and increased complexity. This should not prevent ESMA from being ambitious in their approach to streamlining reporting, and instead provide the opportunity to remove duplication of reported data and improve both the relevance and quality of data received by regulators.
* Improved delineation of ETD products is required to ensure that ETD transactions, irrespective of where they are executed, are reported under MiFIR. In particular, the current regulations lead to ETDs executed on a non-recognised third country trading venue are treated as OTC derivatives for reporting. If this approach were to persist, such ETDs would be reportable under EMIR rather than MiFIR. It is essential for this approach to be remedied in order to achieve the goal of ‘report once per instrument type’ and for regulators to receive relevant and accurate information.

While Option 1a is a welcome corrective step, it has significant limitations and risks. It reduces some redundancies but does not provide genuine simplification. All reporting regimes (MiFIR, EMIR, SFTR, REMIT, MMSR) would still need to be maintained in parallel, with separate infrastructures, reporting agents, IT systems, outsourcing arrangements, and internal control frameworks.

<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>

The most significant omission in Option 1a is its exclusive focus on derivatives (ETDs and OTCs), completely leaving out SFTs from its "delineation by instrument" simplification. SFTs represent a substantial and interconnected segment of financial markets, subject to the complex and burdensome SFTR. Omitting SFTs means that a large and critical part of financial transaction reporting remains un-simplified, perpetuating fragmentation and inefficiencies across the broader market.

Additionally, the treatment of ETDs executed on 3rd country venues is missing.

ESMA should adopt a market-based definition to delineate the scope of reporting for ETDs to ensure that any transactions on ETDs, i.e. all exchange traded options and futures, irrespective of the type of trading venue (i.e. all venues with an ISO 10383 MIC code) and irrespective of any decisions on equivalence shall not be treated as OTC derivative transactions. We also stress the need for appropriate guidance and sufficient implementation time to allow firms that currently report ETDs under EMIR and are not subject to MiFIR reporting to be able to effectively report ETDs under the new scope of MiFIR.

EMIR and MiFIR were designed with different objectives and data models in mind; merging their scopes risks undermining both clarity and compliance effectiveness.

Adapting EMIR to encompass MiFIR data would effectively represent the first step toward reintroducing the very overlaps and duplications that this approach seeks to eliminate. Rather than achieving simplification, this would likely result in a more complex, fragmented reporting landscape. From a long-term perspective, there is a risk of increasing operational burdens and regulatory uncertainty, rather than delivering the intended efficiencies.

Furthermore, we see other aspects, which are not included in the pure segregation between ETDs and OTC derivatives, where further simplifications are more than welcomed:

* Harmonization towards MMSR and REMIT
* Global harmonization, e.g. CFTC
* Key challenges such as UTI/UPI allocation, LEI renewal requirements, and redundancies in data fields are not addressed
* Costly adjustments to first- and second-level controls
* Reporting of Corporate actions and depository transfers under MiFIR
* Reporting of SFTs under MiFIR in case of members of European Central Bank system
* Clear guidance on bullion swaps reporting
* Multiple reporting channels

In summary, Option 1a should be seen as a limited correction that may offer short-term relief but leaves the structural cost drivers of the reporting framework unresolved.

<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>

We recognise that Option 1b may offer some conceptual advantages by delineating reporting obligations by event type – for example, allocating all trade transactions to MiFIR and leaving post-trade events under EMIR. This could in theory reduce certain overlaps and clarify responsibilities between regimes.

However, from a practical standpoint we do not see material benefits. Firms would still need to maintain all reporting regimes in parallel, with separate infrastructures, reporting agents, and control frameworks. The complexity of reporting would remain high, as market participants would need to distinguish not only by instrument type but also by event type, which may in fact increase operational risks.

Overall, we do not expect Option 1b to deliver meaningful cost savings or simplification compared to the status quo.

<ESMA\_QUESTION\_CASR\_6>

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

<ESMA\_QUESTION\_CASR\_7>

While Option 1b may appear attractive in theory, it has significant limitations and risks. The main drawback is that it does not reduce the parallel maintenance of all reporting regimes. Firms would still need to operate MiFIR, EMIR, SFTR, and REMIT streams simultaneously, with separate infrastructures, reporting agents, and control frameworks.

Moreover, allocating reporting obligations by event type adds operational complexity. Market participants would need to distinguish not only between instruments but also between transaction and post-trade events as the current framework is based on life-cycle events, which reflect actual changes in the financial instrument. However, this logic does not align with the current regulatory concept of post-trade events.

Aligning the reporting logic with post-trade definitions would require a complete redesign of the reporting content and structures. As a result, we expect to incur very high implementation costs to adapt the current reports, which are based on life-cycle events, to post-trade events and to eliminate possible inconsistencies.

In consequence, we cannot identify any cost savings in option 1b. On the contrary. It would require a profound and fundamental restructuring of the capital markets reporting structure which has no equivalent in the current set-up and therefore be complex, radical, and costly without providing clear added value for anyone. As a result, the reconciliation burden would persist, and there is no meaningful reduction in cost or complexity compared to the current framework.

<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>

Please refer to Q5 and Q7.

<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>

We consider Option 2a to be the most promising approach towards a genuine simplification of the EU reporting framework. In our view, it offers the best foundation for a coherent and efficient reporting system in the long term, if it is designed in a smart, comprehensive and standardized way. Unlike Options 1a and 1b, which mainly act as corrective measures, Option 2a tackles the structural duplication of reporting streams and provides the basis for a “report once – use many times” principle.

The key advantages of Option 2a are:

* **Significant burden reduction**: By consolidating reporting streams, firms would no longer need to maintain MiFIR, EMIR, SFTR, REMIT, and MMSR in parallel. This directly addresses several cost drivers identified in Section 3, including duplicative reporting, multiple reporting channels, and parallel IT and compliance infrastructures.
* **Elimination of intermediaries**: The removal of third-party reporting agents (ARMs, TRs) in favour of direct reporting to ESMA or a central hub would reduce outsourcing costs, governance overhead, and operational dependencies.
* **Improved data quality and consistency**: A single reporting stream with harmonised definitions and data fields under a standardized data model would avoid inconsistencies across regimes, leading to more reliable datasets for supervisors.
* **Future-proof framework**: One central reporting structure would make it easier to implement future regulatory changes in a coordinated way, instead of repeated parallel updates across regimes.

We also believe that further fine-tuning in the areas of **UTI/UPI allocation, ISIN/CFI usage, and LEI and natural persons identifier requirements** will be essential, independent of the “report once” principle. Clearer and more consistent rules in these areas would further enhance efficiency and reduce operational burdens.

An idea, but not necessarily required, could be that the reporting system could be structured around the origin of data, assigning reporting responsibilities to the entities that generate the respective information, for example:

* Trading venues report transaction-level data;
* CCPs report position-level data.
* Clearing members report client-related data;

This source-based approach enables a coherent “report once” regime. It ensures that each data stream is reported by the party with operational control and direct access, thereby enhancing accuracy, reducing reconciliation burdens, and improving supervisory usability. Unlike delegation models, this structure establishes a clear and systemic allocation of responsibilities, avoiding ambiguity and ensuring accountability.

The model supports scalability and long-term maintainability. It reflects the actual structure of financial markets and avoids the inefficiencies of forcing heterogeneous data into unified templates. It also enables targeted supervisory use without imposing unnecessary complexity on reporting entities.

In addition, we suggest separating general and product-specific data while maintaining a harmonized core structure. This approach would promote clarity, reduce operational burden for reporting entities, and support better data quality and supervisory outcomes. As regards the content of the reports, it should be made sure that the data fields remain fit for purpose and aligned with the actual characteristics of the respective financial products. For example, derivative-related information should not be forced into templates primarily designed for securities — a practice that is conceptually flawed and often leads to inconsistencies and inefficiencies. Such a structure would prevent overlaps between reports, since each product type would be reported in a targeted and appropriate way.

Five aspects are essential that this new framework is properly working:

1. There must be a clear standardized data model without space for interpretation
2. SFTs must be added to the concept in a way that they can be reported by their nature and not be forced into a framework which is not fitting. E.g. for repos the cash is the driving elements and not the collateral. The cash is agreed on a platform, but the collateral might be outside under a triparty collateral arrangement. This cannot be equalized with securities or derivatives reporting.
3. A clear understanding of each parties, of which data is really required to ensure and follow the intended goals of each existing regulation.
4. A strong collaboration between the industry and the regulator to create a well-defined new reporting framework. Best way, in our opinion, would be in creating working group(s) and considering the advices of the industry.
5. As option 1a. can be seen as a first step into the direction of establishing a new framework, we propose a step-wise go-live plan based on the asset classes instead of a big bang. With that approach, keeping it under the legislative rules of MiFIR, the legislator is not to be forced to run two changes in the legislative process, which would be unlikely to happen.

In our view, Option 2a offers the highest potential for real cost savings and long-term efficiency, while at the same time providing supervisors with more consistent and higher-quality data.

<ESMA\_QUESTION\_CASR\_9>

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

<ESMA\_QUESTION\_CASR\_10>

There is a significant risk that the reporting framework will not be fundamentally rethought, but rather extended by linking existing systems. Such an approach would likely result in high implementation costs without delivering meaningful burden reduction. Simply merging legacy structures increases complexity and operational risk, while failing to address the root causes of inefficiency.

We recognise that Option 2a would involve a higher initial implementation effort. Migrating from multiple existing reporting streams to a consolidated “report once” framework will require substantial investments in IT systems, processes, and governance. The transition may also carry risks of temporary inconsistencies or duplications during the migration phase.

However, these short-term costs should be seen in the context of the long-term benefits. Once established, a single reporting channel would deliver significant cost savings, reduce operational complexity, and provide greater consistency of data. In our view, the initial effort is justified and will be more than offset over time by the efficiency gains and stability that Option 2a creates.

<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>

While we strongly support Option 2a, we believe that certain elements need to be explicitly addressed to ensure its effectiveness:

* Alignment of SFTR and MMSR (ECB): Currently, duplications between SFTR and MMSR remain a significant burden. A proper coordination or integration of these regimes should be part of the simplification.
* Front-office system requirements: It is crucial that reporting-relevant data are captured already at the point of trade execution in front-office systems. This includes UTI/UPI assignment, product attributes, and counterparty/client identifiers. Establishing minimum data requirements for front-office systems would avoid costly downstream mapping and reduce interpretation risks in reporting databases.
* Identifier usage: Clearer rules for the use of ISIN, CFI, and UPI should be established to avoid redundancy. For example, OTC derivatives should rely solely on UPI, while exchange-traded instruments use ISIN, and foreign ETDs a generic ISIN.
* LEI requirements: The obligation for annual LEI renewals remains costly and of limited supervisory benefit. Revisiting this requirement could further reduce unnecessary reporting costs.
* National identifiers: A harmonized approach of identifiers and clear handling of priorities is essential to be reworked.

To ensure that the resulting framework is effective, proportionate and operationally viable, we strongly recommend establishing a dedicated supervisory-industry dialogue that goes beyond existing consultation formats. This process should:

* Be goal-driven, with supervisory objectives clearly defined and communicated from the outset.
* Enable iterative and structured engagement with market participants — not only through written consultations, but also via working groups, technical workshops and bilateral exchanges.
* Focus on jointly identifying critical data elements, assessing their actual supervisory use, and aligning them with what is realistically reportable in practice.
* Allow for phased implementation, with realistic timelines, transitional arrangements and early testing of reporting logic and infrastructure.

Such a process is essential to ensure that the integrated reporting regime under Option 2a delivers on its promise of real simplification, cost efficiency and regulatory effectiveness — while maintaining trust and alignment between supervisors and the reporting industry.

Incorporating these elements into Option 2a would maximise its potential for genuine burden reduction and ensure that the framework delivers sustainable long-term efficiency.

Ultimately, as the plan is to keep the MiFID II / MiFIR regulation, it is essential consider also other aspects of the regulations, besides the transaction reporting. For example, with the MiFIR Review, new Post Trade Transparency requirements incl. the DPE regime was established. This should either be clearly separated or included into the regulation. Also clearing obligation under EMIR must be taken into consideration to have a consistent regulation. It should be avoided to create a complexity in the legislation by cross-referencing between any regulations.

<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>

From a theoretical perspective, Option 2b again, aims for the highest degree of reporting simplification by consolidating all transaction data into a single EU data hub.

With regards to other regimes, we are concerned that there may be too little overlap between the different reporting regimes and too many data fields that are irrelevant to the respective different transaction types or reporting entities. This well-intentioned idea has the potential to compromise the purpose of streamlining the reporting regimes. For example, Solvency is a reporting regime primarily designed for insurance companies, whereas EMIR, MiFIR, and SFTR are mainly relevant for investment firms.

Nonetheless, we see strong potential for some specific regimes, which can be seen as a key advantage to harmonize:

* MMSR: as already mentioned in other questions, we see a strong overlap between MMSR and other regimes (FX Swaps segment, secured segment, OIS segment.
* Commodity Position Reporting
* REMIT

<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>

The limitations of Option 2b are similar to those of Option 2a.

<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>

In our view, the key distinction is between incremental adjustments within the current frameworks (Option 1a/1b) and a fundamental simplification through the “report once” principle (Option 2a/b). While Option 1a/1b would reduce some duplications, they leave the underlying fragmentation of reporting regimes untouched. The only way forward is merging EMIR, MiFIR and SFTR into one common framework as outlined in Option 2a. These regimes have developed side by side in an often-piecemeal fashion, and there is significant and growing duplication between them. Investment firms should be able to report a superset of data once across all EU regimes, to be used many times by various regulators for their respective purposes.

Simplification and focus

The new regime must significantly reduce complexity. Often, each individual data field can be justified in isolation. But taken together, they create a system that is overly complex and burdensome. A cultural shift is needed—from justifying every possible field to questioning what is truly necessary. The differences between MiFIR (focused on market surveillance) and EMIR/SFTR (focused on financial stability) are not so big as to require entirely separate reporting infrastructures. Many current data fields are "nice to have" but do – form our point of view - not meaningfully support supervisory objectives, in particular where the relevant data is already available through other sources. Only fields that are truly necessary for effective oversight should be retained.

It must absolutely be ensured that three reports containing a total of more than 400 fields do not get merged into a single report with 400 fields – that would only make things worse. Furthermore, it has to be ensured that the report is not repeatedly “optimized” because each department within the supervisory authorities has its own interests.

Complexity could be drastically reduced by leveraging existing registers. For example:

* Reporting of LEI is sufficient - ESMA can retrieve the related date from the LEI register.
* Reporting of ISIN - for securities and listed derivatives - is sufficient.
* Reporting of UPI – for OTC derivatives – is sufficient.
* Reporting of CFI is sufficient – fields such as Asset Class can then be omitted.

It is highly inefficient for thousands of institutions across Europe to import data into their own systems solely for reporting purposes, when ESMA could perform this centrally. Only then can data quality truly be improved, and only then will the supervisory authorities genuinely benefit.

Eliminate unnecessary matching requirements

Certain data points, like market valuations, are inherently institution-specific and will never match between counterparties. Forcing alignment in such areas creates inefficiencies without adding supervisory value. Each firm uses its own models and data/price sources and instances; it would be unrealistic and operationally unfeasible to expect them to adjust their valuations to match those of a counterparty. The same applies to transaction types—e.g., whether to report two forwards or one swap. These kinds of reporting mismatches are a persistent challenge under EMIR and are unlikely to ever be resolved definitively, as no institution is technically "wrong," but the transactions still don’t reconcile.

Built jointly by ESMA and the market

The new regime should be developed collaboratively by ESMA and market participants. It must be developed through a structured, transparent and collaborative process. This requires more than a one-time consultation — it calls for a dedicated and ongoing dialogue between supervisors and the reporting industry. Supervisory objectives must be clearly defined and translated into practical, proportionate solutions in close coordination with those who will implement them. Only through such a joint design phase can the regime achieve both regulatory effectiveness and operational feasibility

<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>

Beyond Options 1 and 2, we believe that the following additional measures would be key to achieving meaningful burden reduction:

1. **Front-office system requirements**: Reporting-relevant data such as UTI, UPI, ISIN and counterparty identifiers should be generated at trade execution in front-office systems, avoiding downstream mapping and interpretation.
2. **Standardisation of product representation and confirmations**: Consistent formats and taxonomies for both products and confirmations would reduce inconsistencies, manual effort, and operational risks.
3. **Identifier and LEI simplification**: Overlaps between identifiers (CFI, ISIN, UPI) should be removed with clear allocation rules, and the annual LEI renewal requirement should be reconsidered given its cost without clear supervisory benefit.
4. **Elimination of depository transfers and corporate actions**: As outlined above, the costs and efforts associated with the two topics, especially the external incoming depository transfers and the unclear assessment of reporting relevant voluntary corporate actions are to be eliminated.
5. **Refinement of national identifiers**: A clear guidance on how the priority table is to be used and what are the consequences if prio 1 is not available, is essential for internal processes. Potential simplifications of the current status-quo might also overcome the massive control and process costs which have been implemented within the industry.
6. Possible prioritization of initiatives such as:
   * The development and adoption of a Common Data Model (CDM).
   * The implementation of Digital Regulatory Reporting (DRR), enabling machine-readable and executable reporting (MRER).

This would be a clearly standardized reporting framework and model.

These measures, in combination with a “report once” framework, would deliver real simplification and cost efficiency for market participants.

We note here again, that we highly recommend to rethink the treatment of SFTs against Members of the European Central Bank system.

<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>

We believe that changes to reporting channels and flows are a prerequisite for implementing Option 2 (“report once”). Under such a framework, firms should be able to submit their data once through a harmonised channel, which is then distributed to all relevant regimes. This implies moving away from today’s fragmented set of intermediaries (TRs, ARMs, RRMs) and replacing them with a single reporting flow.

Having a single reporting pathway would significantly reduce complexity, lower the risk of inconsistent data submissions, and ease the operational burden on reporting entities. Multiple reporting channels often lead to duplication of efforts and higher compliance costs.

While the elimination of intermediaries in itself may not bring significant cost savings for firms, it would provide the necessary consistency and simplification to make the “report once” principle operational. In this sense, changes to reporting channels are not optional but fundamental to Option 2.

<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>

As part of a move to single-sided reporting that will provide a clear methodological framework to determine the entity responsible for reporting, it is expected that requiring trading venues or the CCPs to submit transaction reports for on-venue transactions will achieve simplification of the reporting process. However, based on experience from transactions that are currently reported by trading venues, there are instances where trading venues request additional information from the parties to a transaction to complete their transaction reports (such as for the IDM field in MiFIR RTS 22 reports). This can create additional costs and challenges for firms who should provide to trading venues information on a timely fashion. Therefore, should trading venues be required to report all on-venue transactions, further analysis would be needed by ESMA to streamline reporting fields and ensure that venues can seamlessly submit transaction reports by relying on existing order book data.

Nonetheless, we see advantages in adapting on-venue reporting flows. Trading venues and CCPs already hold the original transaction data (e.g. LCH, Eurex), and in many cases data are already processed externally. Leveraging these sources would reduce duplication of effort and enhance data quality, since venues are the originators of the data and can provide consistent identifiers and trade details.

Under a “report once” framework, on-venue data should therefore be integrated into the consolidated reporting flow, ensuring that firms do not need to re-report information that is already reliably captured by venues.

<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>

From our perspective, the role of intermediaries should be reconsidered under a “report once” framework. Maintaining multiple channels and intermediaries does not provide additional value to firms and creates unnecessary complexity and governance overhead.

The removal of TRs, ARMs and RRMs would eliminate duplicative infrastructures and allow for a streamlined and consistent reporting process. This would in turn improve supervisory oversight and data integrity.

However, the development and operation of a central ESMA data hub would require considerable investments in technology to ensure that this proposal can be effectively implemented. If ESMA would proceed with that, reporting firms should not incur costs and charges when they use this service.

Additionally, we have concerns about ESMA taking on the role of a full-scale reporting hub. Currently, for example derivatives transactions are reported to trade repositories that are specifically designed and specialized to receive, validate and match such data reports. The experience with EMIR Refit has shown that even these technical entities – which operate in a competitive environment and have strong incentives to invest in robust infrastructure – were at times pushed to their limits in handling the increased complexity.

If these challenges already exist for specialized and technologically advanced companies, we have serious doubts whether a public authority could realistically meet the same demands at the required scale and efficiency.

Furthermore, it is not clear what will be the role and monitoring powers of NCAs if ESMA takes on a more centralised role in the transaction reporting process.

Nonetheless, if above mentioned potential burdens/limitations will be eliminated, which is for example possible when moving to a common and standardized data model, we see a strong benefit in having one central hub which will also lead to an equal treatment of each market participant.

<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>

We see clear advantages in centralising reporting. As ESMA already prescribes the reporting format and validation rules, we do not expect significant additional implementation costs. A centralised system would provide direct access for ESMA and NCAs, leading to higher data quality and more efficient supervision.

A common data model will contribute to this approach and will also reduce the costs of future amendments. For sure there will be initial costs for technical implementations, but this is also the case in the current situation when moving from one TR/ARM to another.

A single, centralised channel would simplify the operational reporting process for firms by removing the need to interact with multiple authorities and intermediaries with different reporting logics and formats, as highlighted in the CFE.

From a supervisory perspective, a centralised reporting utility would provide regulators with a single point of access to high-quality, consistent data. This would eliminate the need for them to reconcile and aggregate data from multiple, disparate sources (e.g., NCAs, Trade Repositories, ACER), streamlining supervisory processes and enhancing their ability to monitor for systemic risk.

Overall, centralisation reduces complexity, increases transparency, and ensures more consistent application of regulatory requirements for all market participants and the supervisory bodies (e.g. when thinking of adding also MMSR, ECB and related central banks could be added to the central hub. By that, we assume to increase the interaction between all interested supervisory bodies and consequently, increase further the market stability and integrity.)

<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>

DLT and Smart Contracts could, in the long term, represent a fundamentally different approach to reporting. Instead of treating reporting as a separate process, trade data could be captured and transmitted automatically at execution, for example via SWIFT messages into a distributed ledger. This would effectively eliminate the reporting process as we know it, while at the same time driving genuine standardisation, especially in the OTC space.

Whether such a solution proves viable will depend on the development of global standards and the cost of implementation. However, if these challenges can be addressed, it could become a very practical and cost-efficient model for the future, with reporting embedded in the transaction lifecycle rather than managed as a parallel infrastructure.

As a precondition, we see a common data model as a first step which will support also future integration into DLT or smart contracts and by that limiting future implementation costs.

<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>

Dual-sided reporting imposes significant operational burdens without delivering commensurate supervisory value. The reconciliation of institution-specific data—such as valuations or transaction classifications—has proven inefficient, time consuming, error-prone and very costly. These mismatches are inherent and cannot be resolved through forced alignment.

Factual dual-sided reporting under EMIR and SFTR, i.e. two entities reporting the same transaction, due to delegations does not occur as frequently as one might assume (less than 30%). As a result, much of the reporting today is already effectively handled by a single counterparty on behalf of both sides. However, this double reporting of essentially the same facts has little to no added value in terms of content for the supervisory authority and consumes large amounts of data. We, therefore, propose to replace the dual-sided reporting under EMIR and SFTR with a source-based model, as outlined under our response to Q9. Each entity should report only the data it originates. This allocation reflects operational realities and ensures accountability without duplication.

Additionally, the costs are exacerbated by ambiguities in data field definitions and a lack of clear reporting guidance, which often leads to inconsistent interpretations between counterparties. For example, SFTR has 96 reconcilable fields and 83 of those have zero tolerance. Many breaks stem from these restrictive tolerances, timing mismatches and booking discrepancies.

The validation function currently embedded in dual-sided reporting could be preserved through targeted consistency checks and supervisory audits. These mechanisms can be designed to ensure data quality without requiring redundant submissions. This approach aligns with the “report once” principle and supports a scalable, future-proof reporting framework.

A move to one-sided reporting could reduce these reconciliation costs substantially, but it would require robust audit mechanisms to ensure data quality and trust. Internal controls should already be in place and will still apply. In our view, the real burden reduction would come from ensuring that reporting-relevant data are already complete and consistent at the point of trade execution in front-office systems and is provided by the relevant source. Clean allocation of UTI, UPI and LEI at the time of booking would make reconciliation/internal controls far less resource-intensive and provide a lasting simplification, regardless of whether one- or two-sided reporting is chosen.

<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>

We are skeptical that modifying reporting frequency would bring meaningful burden reduction. While reducing the frequency could lower the daily operational workload, it would in practice only shift the burden: volumes would accumulate and need to be processed in larger batches, which could increase operational risk and complexity.

In addition, many short-term transactions would be reported only after they have already matured, which reduces the supervisory value of the data.

Once systems and processes are properly adjusted to the “report once” principle and harmonised data standards, we see no compelling reason to change the current frequency. Maintaining daily reporting ensures timely data for supervisors without creating new inefficiencies.

Therefore, we recommend maintaining the current T+1 reporting frequency. Within the existing framework, we do not see any meaningful burden reduction from adjusting the frequency.

<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>

From our perspective, proportionality could be achieved primarily through the definition of thresholds and a clearer focus on relevant data fields. For example, non-financial counterparties could be taken out of scope altogether, as the supervisory value of their data is limited while the associated compliance, advisory, and administrative effort is disproportionately high – both for firms and their clients.

We believe that systemic risk is primarily a function of the overall scale of market activity, rather than the intricate details of individual transactions. Consequently, many of the required data fields impose a significant burden on firms while providing minimal value for regulatory oversight. A stronger focus on which data fields are genuinely relevant for supervision would also support proportionality. Supervisors should evaluate whether certain details (such as interest calculation methods or payment frequencies) add material supervisory value, particularly when such information can already be inferred from the product definition (e.g. an EURIBOR-linked contract).

We propose that a number of specific data fields should be eliminated, including those that can be derived from other reported information or sourced from official databases and a thorough quantification of the regulatory use of the data is essential.

Additionally, duplication of data should be avoided. For example, attributes inherent within identifiers should be fully utilised, thereby reducing the total number of data points to be submitted per transaction.

Another option could be the use of thresholds based on activity or risk, where more detailed reporting is only required once a certain scale is reached. Below that level, simplified reporting requirements could apply.

Additionally, we would highlight that in MiFIR, different priorities exist for the use of personal identifiers (e.g. CONCAT, national personal IDs, tax IDs), often applied inconsistently across Member States. Developing a more harmonised and standardised approach to CONCAT would significantly reduce complexity and interpretation issues, while improving consistency of reported data across jurisdictions.

Finally, as already stated, we see limited added value but quite high costs of data resulting from:

* Voluntary corporate actions
* Depository transfers

<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>

In addition to the direct implementation and ongoing IT costs, we believe that several other factors should be taken into account when assessing long-term cost savings:

The continuous need to adjust to regulatory changes (RTS/ITS updates, new Q&As, validation rules), which requires significant resources for IT, compliance and internal controls.

The maintenance of 1st- and 2nd-level control frameworks, audits and reconciliation processes with counterparties.

Client-related processes, especially for delegated reporting, which generate recurring administrative and advisory costs.

Costs linked to identifiers such as LEI renewals, ISIN allocations and UPI usage, which are repetitive and add little supervisory value.

Ongoing dependence on external vendors (TRs, ARMs, reporting platforms) including fees, integration and governance costs.

All of these factors represent significant long-term costs and should be taken into account when assessing the potential savings of simplified reporting frameworks.

<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>

It is difficult to provide precise figures for investment and transition costs. Based on our experience with the implementation of EMIR, MiFIR and SFTR, we would expect one-off costs for IT development, project management, consultancy, training and legal review in a similar order of magnitude.

* **Option 1a/1b:** Transition costs would be moderate, but ongoing expenses would remain essentially unchanged, as parallel reporting streams, intermediaries (TRs/ARMs) and reconciliation processes would continue to exist. Savings per transaction would be limited.
* **Option 2a/2b:** Transition costs would be significantly higher due to the structural change, but once established, ongoing costs would decrease substantially. Eliminating duplicative reporting and moving to direct reporting to NCAs/ESMA would reduce external fees and lower reconciliation effort. This would lead to clear savings on a per-transaction basis, which we consider the most important long-term benefit.

In summary, while the transition to Option 2a/2b would be more resource-intensive initially, it offers the greatest potential for sustainable cost reductions at the transaction level.

<ESMA\_QUESTION\_CASR\_30>

1. [ESMA12-2121844265-3745 Consultation Paper - Review of RTS 22 on transaction data reporting under Art. 26 and RTS 24 on order book data to be maintained under Art. 25 of MiFIR](https://www.esma.europa.eu/sites/default/files/2024-10/ESMA12-2121844265-3745_Consultation_Paper_Review_of_RTS_22_on_transaction_data_reporting.pdf) [↑](#footnote-ref-2)