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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**

|  |  |
| --- | --- |
| Name of the company / organisation | German Investment Funds Association BVI |
| Activity | Investment Services |
| Are you representing an association? |[x]
| Country/Region | Germany |

**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>

Yes, we strongly agree with the key issues highlighted in chapter 3 in respect to the overlapping or inconsistent requirements across major transaction reporting frameworks (MiFIR, EMIR and SFTR).

The threatening jumble of duplicative and inconsistent data standards and formats in transaction reporting presents a huge and costly burden for both the fund industry and the Competent Authorities/ESMA in both operational and financial terms and impedes efficient supervision concerning the analyses of systemic and market abuse risk within the financial markets. Enhancing consistency of transaction reporting in terms of content is therefore strongly needed in order to enable the regulators across the board to use the stored data for the purpose of detecting (systemic) risk and to keep the administrative burden for the reporting entities at a reasonable level.

The current reporting requirements reduce the competitiveness of the EU and place a huge burden on reporting entities. There is significant scope to remove duplicative, costly and redundant requirements. ESMA found that transaction reporting costs between one and four billion a year for firms across Europe. To ensure investment fund management companies operating in the EU are not held back, we need an approach that focuses reporting requirements on information that is genuinely useful for regulators. Any reform proposal which has the aim to reformat data points should result in genuine simplification. A superficial revision - such as rewording or relocating fields without significantly reducing their number or streamlining reporting processes - could still necessitate substantial system upgrades.

In the context of a global level, the European asset management industry is operating in an extremely competitive environment. EU fund providers are contending with their peers from non-EU jurisdictions for investment opportunities as well as for investors. This challenge remains virtually unrecognised in current EU (reporting) regulation which largely focuses on consumer protection and systemic risk.

Neither the EU Commission nor the ESAs as representatives of the executive branch have a mandate to consider the competitiveness of the domestic industry as a factor in performing their duties. This has resulted in massive over-regulation in regulatory reporting for the European asset management industry which has to dedicate enormous resources to compliance with this regulation.

Other jurisdictions, such as the United States, also take investor protection and systemic resilience into account. However, they have complemented these legitimate political objectives with a third one: Fostering the global competitiveness of the domestic financial industry. In doing so, they give the relevant industries more financial leeway to invest more money in forward looking aspects of business such as artificial intelligence, big data and other technological developments, which in turn strengthens their competitiveness at the global level. We believe it is essential that the EU and the ESAs also enshrines this third objective in its regulatory (reporting) framework. In this context, the US-CFTC has installed a single-sided reporting party concept thereby alleviating significantly the reporting burden for the financial industry without negatively impacting the transparency of the whole financial market.

Therefore, we consider the dual sided reporting under EMIR and SFTR as resource-intensive, huge and costly, which leads to additional burden due to the need to implement reconciliation mechanisms without any additional value for the reporting entities. Double sided reporting has increased the reconciliation process of the reporting parties and has led to a high number of unpaired and unmatched reporting transactions to a Trade Repository (TR). A consistently high pairing and matching rate is often difficult to achieve, as individually negotiated derivative contracts cannot always be clearly assessed and reported (e.g.: different valuation methods/price sources). This complicates supervisory authorities’ supervision, analysis, and aggregation of these data in order to identify systemic risk in the OTC derivative market. Furthermore, the EMIR 3.0 active account requirements, introduce new reporting obligations (e.g. Article 7b EMIR 3.0) which will be duplicative considering the information that fund management companies and/or broker/dealers already report today.

Especially from the viewpoint of the supervised entity (e.g. investment fund management company) the intended purpose of the EMIR reporting and the proposed extension of the data points are not always clear. Looking at the amount of often diverse but also often overlapping data points collected, there is the impression that the data requirements are defined by the rule of “as much as possible” instead of “as much as necessary”. This impression is reinforced as it is not all transparent whether the data is really used or evaluated by the Competent Authorities. ESMA and the National Competent Authorities (NCAs) should make transparent to the public if the extension of new transaction reporting obligations are really justified and proportionated in respect to detect (systemic) risk in the in the financial market compared with the significant additional reporting burden for the financial counterparties (UCITS/AIF).

Better transparency why the data is collected and how it is used would help to improve market comprehension and acceptance. The introduction of the EMIR reporting obligation in 2014 is a good example that central banks and national regulators face difficulties to analyse, aggregate and monitor systemic risk in the derivative market. Due to insufficient (regulatory) technical standards, the reporting entities sent their reports to the Trade Repositories without knowledge whether the reports of one reporting entity matched with the reports of the other counterparty.

The intention of EMIR REFIT, introduced at the end of April 2024, was to streamline the reporting requirements for all (financial) counterparties (UCITS/AIFs), thereby reducing the administrative burden but also ensuring that the quality of data needed for monitoring derivatives markets and identifying financial stability risk is not lost. However, our members are of the view that the EMIR Refit reporting obligations have further enhance the reporting burden and the complexity for all financial counterparties which was not the intension of EMIR REFIT as suggested by the EU Commission.

Therefore, we strongly support the recommendation of the EU Commission to introduce a single-sided reporting for exchange traded derivatives (ETDs).[[1]](#footnote-2) Only CCPs should be responsible and legally liable to report ETDs on behalf on both counterparties to a Trade Repository. The EU Commission concluded that a single sided reporting of ETDs could greatly simplify the reporting burden without adversely impacting the transparency of the derivatives market. While CCPs will face a slightly higher burden, they are well equipped for this task and the overall reporting burden will decrease as the reporting requirement concerning ETDs will be eliminated for all other counterparties.

**However, in order to avoid a different reporting system within a regulation (single sided reporting for ETDs vs. double-sided reporting for OTC derivative contracts) we urge the EU Commission/ESMA to introduce also a single-sided reporting for all OTC derivative contracts. Such a single-sided reporting, executed by the sell-side, trading venues and CCPs, could ease the reporting obligation both for all market participants and for the regulators when analysing the data. The introduction of single-sided reporting should also apply to SFTR reporting.** In this context, we strongly encourage ESMA to take into consideration the EU principle of proportionality when they finally assess the feedback obtained by the financial industry and submit a draft to the EU Commission for endorsement.

If single-sided reporting could not be implemented in the short term, the introduction of a “Hybrid Transaction Reporting Mechanism” (HTMR) could be considered as an alternative and could also benefit ESMA/NCAs. HTMR refers to a reporting regime where only one of the reporting parties provides a full report and the other party only populates a subset of the reporting fields. The lower number of fields to be reported reduces the reporting burden. We have also advocated for the HTMR approach in our position in 2020.[[2]](#footnote-3)

The applicable requirements for transaction-level reporting under EMIR, MiFID II/ MiFIR and SFT Regulation display considerable differences in terms of reporting details, reporting channels, data repositories and applicable IT standards. The same pertains to the regulatory fund reporting on positions and risks required under AIFMD, UCITS and the MMF Regulation as well as the reporting obligations for institutional investors under Solvency II/CRR which require delivery of data and further support services by asset managers. Furthermore, the investment fund management companies have also to report to the national Central Bank (Bundesbank). Such transaction and fund reportings are often insufficiently standardised and overlapped which causes significant problems in the collection of data as currently experienced under AIFMD and EMIR/SFTR.

A general overhaul of fund reporting towards mere raw data delivery can meet the demands of supervisors for more granular data to monitor systemic risks in the long run. However, this requires a fundamental overhaul of all fund reporting. For a short-term solution, this demand can be ensured through a new, yet to be defined data exchange between supervisory authorities that already have granular data (e.g. via central banks or EMIR/MiFIR transaction reporting) and maintaining the aggregated and consolidated data collection approach.

In respect to the ESMA consultation on the integrated collection of funds’ data[[3]](#footnote-4) we think that the transaction reportings (EMIR, SFTR, MiFiR) should not be part of a new integrated fund reporting system. An integration of the transaction reporting into a single fund reporting framework is impossible, complex and burdensome, because supervisory and transaction data are of a different nature. These are not held and accessible to the same people within an investment fund management company and respond to a different logic.

<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>

Yes, we strongly agree with the proposed principles. Beyond the proposed ESMA`s principles we suggest also to take into consideration the principle of *“fostering the global competitiveness of the domestic (reporting) financial industry”* as described in Q1. Such principle will ensure that any updated transaction reporting requirements will also be valued in respect to the competitiveness of the EU financial industry compared to their peer groups around the world (e.g. single sided reporting).

In respect to the principles mentioned in the Consultation paper, we strongly encourage ESMA to ensure that OTC derivative data standardisation/harmonisation based on the IOSCO work should have further on a high priority when ESAMA develops an updated transaction reporting framework for Europe.

We are a strong proponent of the use of ISO standards (e.g. ISIN, CFI, LEI, UPI) along the whole value chain of the financial industry. In this respect, it is of utmost importance for policymakers to choose an appropriate identifier for OTC derivatives that would best support ESMA and European Commission’s goals for burden reduction for firms, relating to financial transaction reporting.

In this regard we wish to express our strong support for the use of ISIN as the identifier for OTC derivatives (OTC ISIN) across transaction reporting under MiFIR and EMIR. As a long-standing supporter of the OTC ISIN, we support it for following reasons:

* We strongly support the move to single-sided reporting under EMIR whilst ensuring that data quality is of a requisite standard (please see our answers to Q1 and Q3).
* The role of OTC ISIN is a vital component in maintaining and improving data quality in single sided reporting.
* This is because data quality is higher when the data attributes are within the OTC ISIN because they have been harmonised enabling consistent interpretation and validation.
* Also importantly, using the OTC ISIN is the lower cost option for industry given existing infrastructure and workflows are based on the ISIN across all asset classes including for OTC derivatives.

The usage of the **OTC** ISIN will maintain data quality in a move to single-sided reporting as set out below:

* ESMA’s own data analysis (see page 5 [here](https://www.esma.europa.eu/sites/default/files/2024-01/ESMA12-766636679-105_Response_to_EC_consultation_OTC_derivative_identifier.pdf)) shows that the rate of consistent data reporting is considerably higher with less data point reported (88% versus 63%).
* The OTC ISIN was designed specifically for transaction reporting and therefore embeds more information within the identifier than the UPI. This means that more data points will be embedded by reporting a single data point with OTC ISIN.
* The UPI approach will require reporting of additional data fields separately to meet the requirements of data fields (referred to as the UPI+ approach hereafter).
* This supports the argument that data quality concerns of the authorities will be most effectively addressed with OTC ISIN.

Furthermore, the usages of the OTC ISIN support ESMA’s four principles as set out below:

* **Ensure global alignment**

The OTC ISIN is a globally recognised identifier governed by the International Organization for Standardization (ISO) standards. It is designed to be complementary to the UPI which means that the UPI can be accessed within the OTC ISIN.

* **Decrease overlaps to reduce reporting burden:**

ESMA crafted the existing EMIR ReFIT and MiFIR reporting regimes so that firms would not have to use 2 different identifiers (OTC ISIN and UPI) to report the same trade. While MiFIR reporting regime is still being determined, we wish to reiterate this principle which we supported as one way to decrease overlap.

ESMA could further build on this by not requiring firms to report data attributes separately where they are already included in the OTC ISIN.

* **Preserve information scope:** The granularity of theOTC ISIN ensures that the information scope is preserved by reporting the identifier alone, without needing to report separate data fields.

This can be particularly data intensive and increase risk of data errors for OTC derivatives baskets where it is possible to have thousands of underlying basket constituents, which will mean potentially thousands of extra data fields that will need to be reported if the OTC ISIN is not adopted.

OTC ISIN also allows for easier comparability with ETDs instruments, which are also reported using ISINs. This can be of value for industry and authorities in cases where OTC and ETD instruments are similar in risk and characteristics: for example, when comparing an equity option on a specific underlier traded ETD versus OTC.

* **Balance cost and benefit:** Existing IT systems and workflow for transaction reporting are already set up for OTC ISIN and therefore retaining this approach is the most cost effective. Moving to UPI+ approach will require significant IT build and workflow changes to support the many extra fields that will need to be reported outside of the identifier, increasing the cost of implementation for firms.

The 24 January 2025 changes proposed by [European Commission Delegated Act on OTC derivative identifying reference data](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202501003) which ESMA supported in its [MIFIR Review Consultation Package 4](https://www.esma.europa.eu/sites/default/files/2025-04/ESMA74-2134169708-7311_MiFIR_Review_Consultation_Package_4_-_Derivatives__Transparency__CTP_Input_Output_.pdf), if implemented for ISIN, would further reduce burden on firms versus the current ISIN for interest rate derivatives by removing expiry date thereby addressing the issue of redundant daily ISINs creation for this asset class.

<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 generally welcome in the medium-term the implementation of option 1a. This approach supports our long-standing position to introduce a single-sided reporting for transaction reporting as described in Q1. This streamlining would significantly reduce operational complexity and improve efficiency either for the reporting entities (e.g. asset manager) or the relevant NCAs.

The introduction of a single-sided approach could reduce compliance costs related to IT infrastructure, data validation and maintaining reporting systems. Furthermore, the single-sided approach reduces the likelihood of mismatched transactions data between counterparties. Such an approach creates a single source of truth, which is easier for regulators to analyse. Regulators receive cleaner, consolidated data, reducing reconciliation issues and enabling faster risk monitoring. This aligns with global trends, as other frameworks like the U.S. Dodd-Frank Act has installed single-sided reporting.

However, a key limitation of option 1a for the German Buy-Side could be that MiFIR will be the exclusive reporting regime for ETDs. **In this context, we strongly reiterate our long-standing position[[4]](#footnote-5)** **that UCITS/AIF management companies should be excluded from any Article 26 MiFIR transaction reporting obligations.** The present transaction reporting regime requiring investment firms to report transactions in financial instruments to the competent authority is well balanced and the reporting requirements should not be extended to other types of firms. The reporting regime enables competent authorities to efficiently engage in surveillance of the EU securities markets. BVI is strongly against any propopsal to analyse whether AIFM/UCITS firms should be added to the scope of entities obliged to report transactions to NCAs. We consider this would have a huge detrimental impact on the current regime of the reporting mechanism for investment firms. It would place a disproportionate burden on firms without any benefits for market transparency or any improvement of fund supervision.

UCITS/AIF managers are today not in the scope of Article 26 MiFIR transaction reporting and have therefore not built up any technical capabilities to manage and report transactions to the NCAs.

Also, transactions in MiFID financial instruments executed between UCITS/AIF managers and investment firms are already reported today to the NCAs. According to Article 26 para 5 of MiFIR, the operator of a trading venue shall report details of transactions in financial instruments traded on its platform which are executed through its system by a firm (e.g. UCITS/AIF managers) which is not subject to the MiFIR reporting obligation. Sell-Side firms are already required today to also report transactions to the NCAs executed with their Buy-Side clients. This includes also transactions executed off venue.

In this context we strongly reiterate our position that investment funds (UCITS/AIFs) are among the

most strictly regulated and transparent financial products. Fund management companies (UCITS/AIF)

report data for each fund or share class to their respective NCAs at regular intervals. There are regulatory fund reports (UCITS, AIFM and reporting to the National Central Bank), transaction reportings (EMIR, SFTR, as well as reports to institutional investors (CRR, Solvency II). Additionally, there are numerous f special reports and ad hoc queries by regulators on various risks and reward as well as other economic factors relating to funds.

Any extension of Article 26 MiFIR transaction obligation to UCITS/AIFM managers will enhance the reporting burden and the complexity for the fund industry. This approach is not in line with the SIU to reduce the reporting burden by 25% for the financial industry. The EU Commission overall objective is to have a reporting environment that delivers accurate, comparable, and timely data to supervisory authorities at EU and national level, while at the same time minimising the reporting costs and burden for supervised entities (e.g. UCITS/AIF managers) and supervisors. We strongly encourage ESMA to take into consideration the long-term supervisory reporting vision of the EU Commission and also the EU principle of proportionality when ESMA submits its report to the EU Commission for endorsement.

<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>

Please refer to our answer to question 3.

<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>

Please see our answer to Q3/4. **Option 1a works only in the case of single-sided reporting provided by the Sell-Side, trading venues and CCPs and if German UCITS/AIF managers are continued to be exempted from the transaction reporting under Article 26 MiFIR.** Only such an approach will ensure that the reporting burden is reduced for the Asset management industry.

If UCITS/AIF managers should be in the future within the MiFIR transaction reporting scope, we expect significant and complex challenges for UCITS/AIF managers to provide such a reporting to the NCAs. UCITS/AIF managers are today not in the scope of Article 26 MiFIR transaction reporting and have therefore not built up any technical capabilities to manage and report transactions to the NCAs.

<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>

Please see our answer to Q3. We consider option 1b more complex and burdensome to implement in the short term. Option 1b presents the possibility of reporting ETD trades separately. Nevertheless, considering the implementation costs and the limited incremental benefits derived from reporting under distinct regimes, this option does not justify the added complexity—particularly given that full implementation is unlikely to be realized in less than five years.

<ESMA\_QUESTION\_CASR\_6>

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

<ESMA\_QUESTION\_CASR\_7>

Please refer to our answer to question 6.

<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 our answer to question 6.

<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>

The introducing of a consolidated reporting template is in the long run the best way to reduce the transaction reporting burden for all market participants. It simplifies the reporting frameworks across EMIR, MiFIR and SFTR and reduces costs over time. However, the implementation of option 2a demands significant work and investments from the reporting entities (e.g. Asset managers), which diminishes the overall attractiveness of this option. While it reduces costs in the longer term, the upfront costs and resource requirements would be considerable.

Therefore, we are generally not in favour to implement option 2a in the short term. It could instead be viewed as a long-term objective, achievable only through a phased approach, starting with more incremental steps and option 1a as described in our answer to Q1 and Q5. This should also include the idea to introduce single-sided reporting.

<ESMA\_QUESTION\_CASR\_9>

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

<ESMA\_QUESTION\_CASR\_10>

Option 2 does not include the proposal to streamline the reporting framework by introducing single-sided reporting. As envisaged in our comments to option 1a we consider the introducing of single-sided reporting with upmost importance in order to reduce the reporting burden for UCITS/AIF managers. Therefore, we strongly encourage ESMA to ensure that single-sided reporting under option 2a is written in a way that clearly exempt asset managers from the (MIFIR) transaction obligations. Without such legal certainty, the benefits of the proposal would be substantially reduced for the Asset management industry, particularly given the IT and compliance costs involved in adapting to a new transaction reporting framework.

<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>

Please refer to our answer to question 10.

<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>

Please see our answer to Q10. Option 2b is predicated on a ‘report once’ principle, encompassing MiFIR, EMIR, SFTR, and additional regimes outside the remit of ESMA (such as REMIT and Solvency II). As this approach requires coordination among various regulatory bodies and as these regimes do not apply universally to all market participants, imposing a ‘one size fits all’ template would be unduly complex and would burden financial entities with irrelevant reporting fields.

<ESMA\_QUESTION\_CASR\_12>

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

<ESMA\_QUESTION\_CASR\_13>

Please see our answer to Q10. Option 2b is predicated on a ‘report once’ principle, encompassing MiFIR, EMIR, SFTR, and additional regimes outside the remit of ESMA (such as REMIT and Solvency II). As this approach requires coordination among various regulatory bodies and as these regimes do not apply universally to all market participants, imposing a ‘one size fits all’ template would be unduly complex and would burden financial entities with irrelevant reporting fields.

<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>

Please see our answer to Q10. Option 2b is predicated on a ‘report once’ principle, encompassing MiFIR, EMIR, SFTR, and additional regimes outside the remit of ESMA (such as REMIT and Solvency II). As this approach requires coordination among various regulatory bodies and as these regimes do not apply universally to all market participants, imposing a ‘one size fits all’ template would be unduly complex and would burden financial entities with irrelevant reporting fields.

<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>

Please see our answer to Q3. We are generally supportive of option 1a.

<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>

Please see our answer to Q3 and Q5. **Option 1a works only in the case of single-sided reporting provided by the Sell-Side, trading venues and CCPs and if German UCITS/AIF managers are continued to be exempted from the transaction reporting under Article 26 MiFIR.** Only such an approach will ensure that the reporting burden is reduced for the Asset management industry.

<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 have no comments.

<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>

Please see our comments to Q3/4. Transactions in MiFID financial instruments executed between UCITS/AIF managers and investment firms are already reported today to the NCAs. According to Article 26 para 5 of MiFIR, the operator of a trading venue shall report details of transactions in financial instruments traded on its platform which are executed through its system by a firm (e.g. UCITS/AIF managers) which is not subject to the MiFIR reporting obligation. Sell-Side firms are already required today to also report transactions to the NCAs executed with their Buy-Side clients. This includes also transactions executed off venue. This reporting market practise should be ensured as it is a prerequisite for single-sided reporting in option 1a.

<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>

We are very sceptical to enhance ESMA role as a data hub by developing a framework where reporting entities (e.g. asset manager) would directly report to ESMA. There are more effective and appropriate means for enhancing supervisory convergence and strengthening the Single Market for investment funds than reshaping the very structure of financial (reporting) supervision:

* Evolving ESMA’s role as the supervisory data hub for capital markets to improve data sharing among public authorities. Data sharing would enable NCAs to obtain a more comprehensive picture of the prevalent risks while reducing the reporting burden for asset managers, particularly during periods of market stress. Asset managers should continue to report to NCAs and trade repositories through the established reporting channels based on validated and EU-harmonised specifications, but this information should be automatically passed to ESMA. In addition, ESMA should get access to other EU databases, such as the ECB statistics on investment funds and securities holdings. This compiled data should be then made available to relevant authorities (i.e. NCAs, ECB, ESRB and other EU agencies).

In case of fund reporting (UCITS/AIFs) we prefer a solution where all reporting entities would be required to submit their data to the competent national authority which would then continue distributing the relevant information to other authorities currently receiving it. In any case, we reject direct reporting to a centralised system. The competent national supervisory authorities should continue to have data sovereignty in each case. However, the specific data exchange between authorities (in the case of multiple reports) would still have to be regulated separately. To this end, ESMA has already been mandated under the AIFMD review to develop draft implementing technical standards for the exchange of information between the competent authorities, the ESAs, the ESRB and the members of the ESCB (see Article 50(6) AIFMD and Article 101(9) UCITS Directive). ESMA should therefore make swift use of this mandate.

* Entrusting ESMA with a competitiveness mandate that would put the competitiveness of the EU financial industry at the same level as consumer protection and proper functioning / stability of the EU financial markets. Acknowledging competitiveness as a strategic supervisory priority is urgently needed to align ESMA’s mandate with that of other leading global financial supervisors (such as in the US, the UK, Japan or Singapore). It would enable ESMA to pay due regard to proportionality issues or administrative burden concerns and facilitate developing a supervisory agenda that truly aims at promoting retail investors’ participation in capital markets.

<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>

Please see our answer to Q19.

<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>

We have no comments.

<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>

Since the introduction of the EMIR reporting framework in 2014, our members have heavily invested in operational resources (staff, IT infrastructure etc) in order to adhere to the requirements. Many resources within our membership are used to identify and resolve mismatches and unpaired trades, investigate reporting errors, and ensure consistency and legal certainty across both counterparties to transaction. This makes dual-sided reporting more resource-intensive compared to a single-sided approach where pairing/matching is not necessary.

The associated costs with dual-sided EMIR/SFTR reporting depends also on the aspect if the reporting obligation has been delegated to a third party (e.g. fund custodians, data vendor, sell-side firm) or made by the investment fund management company. Our members use a mixture of delegation or self-reports.

However, the cost drivers for dual-sided reporting are mainly generated by human-intensive factors like clarifying unpaired trades etc. Furthermore, in the case of outsourced reporting arrangements, our members have already implemented today delegated reporting agreements with third party vendors thereby fulfilling the EMIR requirements which should also be legally applicable for single-sided contracts. Therefore, we do not see the necessity to introduce additional legal tools (e.g. new audit requirements) if single-sided reporting is introduced. This would be counterproductive if the aim is to reduce the reporting burden for the financial industry as whole (e.g. asset manager).

<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>

No, we believe that the reporting frequence is carefully calibrated.

<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>

Please see our answers to Q1 and Q3.

<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>

We have no comments.

<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>

We have no comments.

<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>

We have no comments.

<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>

We have no comments.

<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>

Yes, the relevant cost factors are mainly generated through the concept of dual-sided reporting (EMIR, SFTR) in respect to reconciliation issues and oversight function to monitor delegated reporting frameworks. Introducing single-sided reporting will significantly alleviate the reporting burden for the Buy-Side. A streamlined model (e.g. single-sided reporting with clear liability) would free up resources, reduce reliance on external tools and service providers, and allow compliance teams to focus on higher-value tasks such as exception-based monitoring.

<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>

As we are generally supportive of option 1a, we think that this approach should be prioritised as it offers the most immediate and cost-efficient way to remove duplication without requiring a complete overhaul of the transaction reporting systems. **Option 1a works only in the case of single-sided re-porting provided by the Sell-Side, trading venues and CCPs and if German UCITS/AIF managers are continued to be exempted from the transaction reporting under Article 26 MiFIR.** Only such an approach will ensure that the reporting burden is reduced for the Asset management industry.

A large proportion of market participants have already had positive experiences with option 1a (“one-sided reporting”), as under Dodd-Frank, typically only one party is required to report a swap transac-tion to a registered Swap Data Repository (SDR), rather than both counterparties. Aligning the EU re-porting requirements accordingly would therefore represent an adaptation to processes that market participants are already implementing in the US market today.

<ESMA\_QUESTION\_CASR\_30>

1. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2017%3A208%3AFIN> [↑](#footnote-ref-2)
2. [2020\_07\_03\_BVI\_position\_EMIR\_reporting.pdf](https://www.bvi.de/fileadmin/user_upload/2020_07_03_BVI_position_EMIR_reporting.pdf) [↑](#footnote-ref-3)
3. [ESMA12-2121844265-4904 Discussion Paper on the integrated collection of funds’ data](https://www.esma.europa.eu/sites/default/files/2025-06/ESMA12-2121844265-4904_DP_on_integrated_reporting.pdf) [↑](#footnote-ref-4)
4. [201120\_BVI\_position\_ESMA\_cons\_Art-26\_final.pdf](https://www.bvi.de/fileadmin/user_upload/201120_BVI_position_ESMA_cons_Art-26_final.pdf) [↑](#footnote-ref-5)