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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 | European Association of CCP Clearing Houses (EACH) |
| Activity | Central Counterparty |
| Are you representing an association? |[x]
| Country/Region | Belgium |

**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>

EACH Members generally agree with the description of the key challenges outlined by ESMA.

In our view, the three main cost drivers are:

1. **Duplicative reporting** **for financial regulation and energy policy.** The same derivative instruments have to be reported under MiFIR, EMIR, and REMIT. Also, there are requirements to report both transaction-level and position-level data under both EMIR and SFTR. As correctly identified by ESMA, there exist inefficiencies in the arrangements for reporting of orders, transactions and positions, especially in European energy derivatives markets that arise from the overlapping and duplicative provisions. Such overlapping requirements stem from the cumulative application of EMIR, MiFID/R, MAR and REMIT which results in the redundant submission of the same activities. Overall, transactions in European gas and power derivatives are reported five times across different reporting arrangements, each with varying formats imposing a disproportionate and unnecessary burden on the industry.
2. **Frequent regulatory changes and lack of flexibility** to enable a phased implementation, synchronisation and coordination of the changes in the different reporting regimes.
3. Dual-sided reporting obligation under EMIR and SFTR.

<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>

EACH Members would like to put forward the following comments:

1. **Preserve Information Scope**

EACH understands that the simplification of financial transactions reporting should by no means endanger the robustness of supervision of European capital markets participants. However, the current reporting framework has undoubtably created unnecessary redundancies and disproportionate “red tapes”, imposing an unnecessary burden and creating confusion among market participants and potentially even supervisors.

EACH believes that regulators should be guided by a **clear statutory mandate to promote efficient, targeted, and proportionate reporting processes**, ensuring that data collection supports effective and meaningful supervision. We recommend that the EU **draws inspiration, in this context, from other jurisdictions** that have found a more balanced approach by:

* **narrowing the scope of reportable items** and emphasising the importance of **eliminating redundant identified**;
* **streamlining the overall reporting requirements**, which is crucial to ensure that only essential data is captured and that the data collected from reporting counterparties is effectively utilized by the authorities.

Specifically:

* **Access to information should be aligned with the legally defined supervisory responsibilities of each authority**, ensuring data is shared on a need-to-know basis and in line with established mandates.
* **Supervisory expectations should remain consistent** with the underlying regulatory framework, avoiding the addition of requirements that go beyond the scope of the original legislation ("gold plating"). This can be achieved by the use of Regulations instead of Directives, clear guidance from ESMA and regular peer reviews performed by ESMA.
* Regulators should make **full and effective use of the data already available to them** when conducting investigations and analysis. It is important that supervisory activities are based on complete and relevant data, particularly where such information has been provided by the industry through mandated reporting channels.

For any future reform, EACH stresses that the **unnecessary expansion of reporting fields should be avoided in order to prevent scope extension**. We further call for a thorough **review of existing requirements**, with the removal of data elements that do not serve the objectives of their respective regimes. Aligning reportable fields strictly with the purpose of each framework will ease the reporting burden on industry participants while still ensuring that regulators receive the information they need for performing effective oversight. This targeted approach would also enhance data quality, as market participants would be able to concentrate on the core elements that truly matter.

1. **Decrease overlaps to reduce reporting burden**

In relation to the principle to “Decrease overlaps to reduce reporting burden”, EACH recommends requiring data to be reported only once (single-sided) and sourced from the party best placed to provide it, ensuring efficiency and data quality across the reporting framework. Moreover, reporting should be streamlined through a central and secure access point, ensuring that all competent authorities can access the necessary information as appropriate.

1. **Ensure global alignment**

Global alignment is currently impeded by dual-sided reporting under EMIR and SFTR, as well as the reporting of ETD transactions under EMIR. Greater value would be derived from harmonising European reporting standards.

1. **Balance costs and benefits**

The scope of collected data, impact, and costs of changes needs to align with key benefits (e.g. burden reduction, market discipline and facilitating as well as enabling supervision) while considering orderly phase-outs infrastructures, if needed, and a proper and sustainable funding for centralised infrastructures. Also, the application of REMIT to financial instruments stands out as a regulatory outlier for the global financial trading community, imposing a disproportionate reporting burden on the industry.

<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>

EACH Members **welcome the proposed integration of EMIR and MiFIR reporting frameworks**. Given their shared focus on derivatives, a swift and coordinated combination – particularly when paired with single-sided reporting – offers a practical path to significantly reducing data volumes and operational complexity. The key **advantages** that EACH sees in the option 1a are listed below:

1. **Reduction in costs** for Trade Repository services and low implementation expenses for reporting counterparties.
2. The combination of EMIR and MIFIR with single-sided reporting significantly reduces the reporting burden.
3. **Synchronising two regulations** is easier and faster to achieve compared to combining multiple regulations.

Our opinion is based under the assumption, that instead of ETD post-trade events, the **ETD positions EOD (end-of-day) are included**. This would include its EOD valuations, but would not consider any post-trade events such as average pricing or position transfers.<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>

We consider that the key limitations and potential risks are the following:

1. **The necessity of additional points for the EMIR template is questionable**. If ETD and OTC are separated, additional fields should not be required. The aim should be to ensure that only the information strictly necessary for regulators to monitor systemic risk and detect market abuse is included. Simply transferring all existing fields from MiFIR to EMIR (or vice versa) would create unnecessary duplication and add complexity. Instead, this process should be seen as an opportunity for ESMA to take an ambitious approach to streamlining reporting, eliminating redundancies, and enhancing both the relevance and quality of the data provided to regulators.
2. **The venue of execution should not be considered for the differentiation of ETD vs OTC.** For instance, lifecycle events of OTC currently classified as XOFF should be considered OTC and reported under EMIR. There is a risk that it may not be adequately classified.
3. **The purpose and benefit of post-trade reporting for the regulator are unclear**. The process is complicated by the involvement of venues, CCPs, data exchanges, and different systems. This could potentially be replaced by EOD position reporting.
4. **Key limitations are that this option is limited in scope and hence does not address the overlaps in financial regulation and energy policy as described above**.The burden relief for market participants is thus limited. The level of ambition should be higher considering the EU Commission target of reducing reporting burden by 25 %.

<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>

**Point 3 of the Option 1a** (ETD Post-trade events, i.e., valuation/margins will need to be sourced from the CCPs and ETD and OTC positions to be calculated based on transaction data) **does not seem feasible**. **CCPs have different systems and reflect post-trade events very differently** therefore calculating positions from transaction data would be burdensome and might lead to inaccurate information.

We believe that the **data should be sourced directly from its point of origination** to ensure accuracy and reliability, therefore we suggest the **below structure for Option 1a**:

* **Trade Data**: ETD and OTC transactions should be obtained directly from trading venues or MTFs.
* **Reference Data**: Should be sourced from the primary originator, either the trading venue (TV) or the central securities depository (CSD).
* **End of day position, Collateral, and Valuation Data**: Must be provided by central counterparties (CCPs).
* **Client Data**: Should be delivered by the client or the respective clearing member.

Furthermore, Option 1a aims to address the duplication of reporting in MiFIR and EMIR, and should therefore be **expanded to the other regimes named above (REMIT, MAR)**.

<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>

EACH Members believe that **Option 1b is more complex to implement and manage** operationally compared to Option 1a, making it less preferable. However, we recognise that this option also has the potential to reduce duplication across MiFIR, EMIR, and SFTR by delineating reportable event types between the respective regimes.

<ESMA\_QUESTION\_CASR\_6>

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

<ESMA\_QUESTION\_CASR\_7>

**Option 1b is more complex to implement and operationally manage than Option 1a**. It seems that Option 1b links post-trade events under EMIR to the transaction reported under MiFIR. This will be a more complex and costly process to manage compared to a transaction being submitted to one regime only. Many post-trade events are trade specific, e.g. give ups and novations, and as such it may prove very challenging to report these events when the initial trade being given up or novated is not present in the reporting data set.

**Combining securities and derivatives under the same template for transaction reporting is not feasible due to the differing nature of these instruments**. Given the distinct structural characteristics of securities financing transactions (SFTs) and derivatives, it is inappropriate to apply a uniform reporting model across both instrument types. Incorporating SFTs into the frameworks of both MiFIR and EMIR would result in increased complexity and impose additional burdens on reporting processes.

<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>

**Extending MiFIR reporting to encompass OTC transactions is neither necessary nor aligned with the objective of simplification**. The primary goal of streamlining regulatory reporting frameworks is to reduce complexity and eliminate redundancies, not to broaden the scope of MiFIR beyond its original design. OTC instruments are already comprehensively covered under existing EMIR provisions, and duplicating this coverage within MiFIR would introduce unnecessary reporting burdens without delivering corresponding supervisory benefits.

<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>

There is an interplay between Option 1a and Option 2a. However, with proper calibration, **Option 1a can achieve the objective** of reporting each instrument type under a single regime (i.e., reported once), thereby leading to a similar outcome as Option 2a (whose scope is too limited) but **in a more cost-efficient manner**.

<ESMA\_QUESTION\_CASR\_9>

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

<ESMA\_QUESTION\_CASR\_10>

To effectively integrate the three reporting regimes – MiFIR, EMIR, and SFTR – a clearly defined structure is essential. Each regime serves a distinct regulatory purpose: MiFIR is designed to promote market transparency, while EMIR focuses on mitigating systemic risk. As such, the data requirements and data points for each framework differ substantially, and attempting to merge them into a single reporting model risks undermining the goal of simplification.

While the concept of a **unified “report once” principle** is appealing**, its implementation must be approached with caution and thorough preparation**. The inherent differences in the characteristics of ETD, OTC, and SFT instruments present significant challenges to harmonisation. These complexities should be addressed collaboratively through dedicated working groups to ensure that any proposed solution is both operationally feasible and regulatory compliant.

A potential solution could involve the **establishment of a centralised data hub**. This hub would be capable of receiving differentiated data inputs—such as transaction data from trading venues (TVs), collateral and valuation data from CCPs, and reference data from TVs or central securities depositories (CSDs). From this central repository, relevant stakeholders, including national competent authorities (NCAs) and ESMA, could access the specific data sets required for their supervisory functions. **Such a model would support data integrity, reduce duplication, and facilitate more efficient regulatory oversight**.

<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>

The implementation should be pursued through a structured, transparent, and collaborative process that actively involves the reporting industry. This should include **clearly defined objectives**, **iterative engagement through working groups** and **technical workshops**, and a **joint assessment of critical data elements** based on supervisory relevance and reporting feasibility. A **phased implementation** with realistic timelines, transitional measures, and early testing is essential to avoid a disruptive rollout. This approach would help ensure that Option 2a delivers genuine simplification, cost efficiency, and regulatory effectiveness while maintaining trust and alignment between supervisors and the industry.

Integrating different products (ETD/OTC/SFT) into a single template is feasible only if their distinct characteristics are considered and separate sub-templates are created. Point 4 reiterates that **positions will no longer be reported but instead calculated from transaction-level information**. It remains **unclear** whether this approach will also be applied to MiFID II Commodities position reporting.

Other regimes such as **REMIT and MAR reporting are missing in option 2a**. If not included, the overhaul will not appropriately address the reporting burden in energy derivatives markets.

<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>

Option 2b offers **several key advantages** that address the issues outlined in section 3. It **significantly reduces the reporting burden** for market participants by eliminating overlapping and inconsistent reporting obligations. The "report once" principle, applied in full, simplifies reporting rules for entities, streamlines data access and data sharing, and enhances the integration of analytical and risk monitoring activities for a broader set of authorities compared to Option 2a. This approach ensures that data is reported once and utilized across multiple regulatory frameworks, thereby improving efficiency and reducing redundancy.

Beyond EMIR, MiFIR, and SFTR, **other regimes that could be included** in this option are **REMIT and Solvency II**, as they also involve transaction reporting requirements that could benefit from harmonisation. By including REMIT and MAR reporting frameworks, the extended Option 2b would be able to fully address the existing overlaps present in European energy derivatives markets (see also explanations under Q1) and bring maximum burden relief to market participants.

<ESMA\_QUESTION\_CASR\_12>

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

<ESMA\_QUESTION\_CASR\_13>

The key limitations and potential risks of Option 2b include its **complexity and the longer implementation time required**. The approach involves a significant number of authorities and is subject to more frequent reviews linked to the underlying wider set of legislations. Additionally, the **implementation cost is expected to be high**, and the different purposes of the regimes and the instruments subject to common reporting may pose challenges.

EACH also stresses the **importance of involving energy regulators** in the overhaul to ensure the creation of a comprehensive and coherent framework. Some Members observe that ACER is currently drafting a significant expansion in the structure of REMIT reporting, which, rather than work toward the Commission burden reduction ambition, will lead to increased reporting burden. To ensure an effective overhaul, EACH asks the EU Commission and ESMA to **involve ACER in the simplification exercise for ACER to pause their current approach**.

<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>

Option 2b may **not adequately address the need for clear guidelines on the delineation** of reportable event types between the respective regimes. This is important to ensure that the data collected is relevant and useful for supervisory purposes. Additionally, the option should include provisions for **regular stakeholder engagement and feedback** to ensure that the implementation process is transparent and that the concerns of market participants are addressed. Including these elements would enhance the evaluation and implementation of Option 2b by ensuring that it is practical, effective, and aligned with the needs of all stakeholders.

Last, the option should **include order and trade reporting to NCAs under MAR**. As explained above, MAR reporting is part of the reporting framework applicable in the context of energy derivatives markets.

<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>

Ideally, any **transaction, order or position would be reported once**. EACH thus encourages EU policy makers to work on a respective policy initiative following Option 2b – whilst carefully taking into consideration the concerns expressed above.

However, we are aware that such a comprehensive overhaul will take time. We thus suggest that in the meanwhile, **overlapping data requirements and reports are being streamlined** as much as possible such as proposed under **Option1a**, provided that certain points (such as EOD position reporting) are adequately addressed.

Option 1a focuses on the **removal of duplication in current frameworks**, which aligns with the goal of reducing complexity and streamlining reporting processes. By addressing specific concerns like EOD position reporting, this option can effectively **simplify the reporting requirements** while ensuring that **critical data is captured accurately and efficiently**.

Specifically, **choosing Option 1, with a preference for 1a**, would allow the **dual-sided reporting approach to be overcome**, resulting in an improvement in the data quality indicators influenced by dual-sided reporting (CCPs and counterparties) and monitored by national and international authorities. In particular, this refers to the following indicators from the *ESMA Data Quality Dashboard for EMIR REFIT[[1]](#footnote-2):*

* 2A Unpaired reports
* 2B Reconciliation
* 2C Valuation reconciliation
* 2D Consistent margins (pre-haircut)
* 2E Consistent margins (post-haircut)
* 2F Consistent notional.

<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>

An additional option to consider is a **phased approach that combines elements from both Option 1 and Option 2.** This intermediate solution could involve initially focusing on the removal of duplication in current frameworks (Option 1) to achieve quick wins and reduce immediate reporting burdens. Subsequently, the implementation of the "report once" principle (Option 2) could be phased in, allowing for a gradual transition and minimising disruption. This approach would provide the benefits of both options, such as immediate simplification and long-term efficiency, while managing the complexity and cost of implementation in a more controlled manner.

<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>

A **single reporting channel** would **reduce complexity and operational costs**. In addition, it could **minimise the risk of inconsistent data submission**. On the other hand, the migration costs need to be considered and weighted against each other.

The preference would be for a slightly modified version of 1a, where **ETD positions are not calculated from transactions but reported by CCPs**. Post-trade actions and cleared trades would not be reported, and this would therefore avoid a lot of unnecessary complexity.

The inclusion of existing multiple repositories should be discontinued as it leads to avoidable fragmentation of the data. EACH thinks that a **single central repository of reported data** needs to be the EU’s goal. Transitioning to a central body should start with directing the existing files to a different location, rather than requiring changes in data format. Ideally the collecting body should have the facility to process both EMIR and MiFID/MiFIR data.

By centralising the mechanism for consolidating data, supervision would be improved for the following reasons:

* It would be **easier for NCAs to access all orders and transactions** on the markets they supervise. The legacy system fragments this information in reporting it to Home Regulators, not Host Regulators;
* **Improvements in data quality** would benefit all users of the data;
* **ACER would get easier access to MiFID data** that it cannot access today;
* It would be **easier for ESMA to monitor activity across the EU**.

EACH believes the aim should be to transition to the described mechanism should be pursued for all the options presented by ESMA.

<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>

In an effort to implement single-sided reporting, which would establish a clear methodological framework for identifying the entity responsible for reporting, it is anticipated that **mandating trading venues or CCPs to submit transaction reports for on-venue transactions will simplify the reporting process**. On-venue transactions are in fact key to understanding market abuse, cleared trades and post-trade actions have little role in understanding systemic risk. The removal of cleared trade and post-trade action reporting will reduce overlaps.

However, based on current practices where trading venues report transactions, there are occasions when TVs request additional information from transaction parties to complete their reports. Therefore, if TVs are required to report all on-venue transactions, ESMA would need to conduct further analysis to streamline reporting fields and ensure that venues can efficiently submit transaction reports using existing order book data.

<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 recognize the potential benefits of centralising access to harmonised data for NCAs. Such centralisation could streamline processes, enhance data consistency, and improve regulatory oversight. In particular, if **single-sided reporting** was introduced, it would **significantly reduce reporting costs**. However, we believe it is crucial to carefully evaluate the implications of assigning ESMA the role of a comprehensive reporting hub. It is essential that **any proposed data hub operates on a cost-neutral basis**, ensuring that the **charges imposed are strictly limited to the actual costs incurred**. This approach would prevent unnecessary financial burdens on the entities involved and ensure that the system remains efficient and sustainable.

<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>

See response to Q19. We would particularly like to emphasise that one of the advantages, in addition to reducing reporting costs, would come from single sided reporting, e.g. removing complexity of UTI pairing.

<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>

While distributed ledger technology **(DLT) and smart contracts** may offer **potential benefits** within payment systems, their integration into existing financial and regulatory reporting infrastructures poses **significant challenges**. From our perspective, we do not currently perceive any tangible advantages in applying DLT or smart contracts for reporting purposes, given the complexity and limited compatibility with established reporting frameworks.

<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>

The primary costs associated with dual-sided reporting stem from two areas:

1. **Trade Repository Submissions**: Both counterparties are required to report to Trade Repositories, resulting in duplicated effort and increased operational and financial burden.
2. **Reconciliation Workload**: A significant amount of time and resources is spent resolving reconciliation breaks, many of which arise from optional fields or data elements that do not materially contribute to data quality. This process often leads to inefficiencies without delivering proportional improvements in accuracy.

CCPs believe that transitioning to single-sided reporting would not only reduce these costs but also enhance data quality. A more focused reporting model—where a smaller set of entities are responsible for reporting—would allow for greater control and accountability. This would also enable industry groups such as EACH to play a more active role in ensuring consistency and standardization across the market.

To maintain and even improve data integrity under a single-sided regime, **validation rules and business checks should be defined in collaboration with regulators and the industry[[2]](#footnote-3)**.

In our view, dual-sided reporting may actually limit the ability of reporting entities to fully control the data submitted to authorities, as it introduces dependencies on counterparties’ interpretations and systems. A strictly single-sided reporting framework, supported by robust validation and audit mechanisms, would **streamline processes, reduce costs, and improve the overall quality and reliability of reported data**.

<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>

EACH Members **do not see any advantage linked to this proposal**. The reporting is T+1 EOD and the processes are automated. Loosening the frequency or the reporting deadline would not contribute to burden reduction.

<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>

The originally proposed focus areas remain highly relevant and should be prioritised, regardless of the chosen implementation model. Clear regulatory objectives must guide the process, particularly in the following areas:

* **Elimination of duplicative reporting**
* **Removal of dual-sided reporting**
* **Avoidance of uncoordinated changes and inconsistent field definitions**

In addition, attention should be given to the **removal or refinement of problematic data fields** that create significant operational burdens in day-to-day reporting. These include:

* **Fields with unclear or ambiguous definitions**
* **Optional fields lacking clearly defined conditions for use**
* **Vague distinctions between ETD and OTC instruments**, particularly where classification relies solely on the “venue” field

We reiterate our recommendation to apply the Primary Source Principle, whereby data is reported directly by the entity that originates it. For example:

* **Transaction data should be reported by trading venues** (TVs, MTFs)
* **Position data** including open OTC contracts, valuation, and collateral data should be **provided by CCPs**
* **Client-related data should be submitted by the respective client or clearing member**

This approach would enhance data quality, reduce reconciliation efforts, and support a more efficient and coherent reporting framework.

<ESMA\_QUESTION\_CASR\_24>

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

<ESMA\_QUESTION\_CASR\_25>

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<ESMA\_QUESTION\_CASR\_25>

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

<ESMA\_QUESTION\_CASR\_26>

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<ESMA\_QUESTION\_CASR\_26>

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

<ESMA\_QUESTION\_CASR\_27>

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<ESMA\_QUESTION\_CASR\_27>

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

<ESMA\_QUESTION\_CASR\_28>

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<ESMA\_QUESTION\_CASR\_28>

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

<ESMA\_QUESTION\_CASR\_29>

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<ESMA\_QUESTION\_CASR\_29>

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

<ESMA\_QUESTION\_CASR\_30>

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<ESMA\_QUESTION\_CASR\_30>

1. https://www.esma.europa.eu/sites/default/files/2025-05/ESMA12-1406959660-2398\_Data\_quality\_dashboard\_for\_EMIR\_REFIT.pdf [↑](#footnote-ref-2)
2. Please see as examples Dodd-Frank Final Rules 39 and 45: <https://www.cftc.gov/LawRegulation/DoddFrankAct/Dodd-FrankFinalRules/index.htm> [↑](#footnote-ref-3)