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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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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 Venues and Intermediaries Association [EVIA] |
| Activity | Regulated markets/Exchanges/Trading Systems |
| Are you representing an association? |  |
| Country/Region | Europe |

**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 EVIA does agree.

We especially agree with the comments in background paragraphs 5 and 6 such that, “*Transaction reporting is one of the costliest areas in the financial sector as identified in the Commission’s fitness check for supervisory reporting, and it creates significant costs for authorities as well*… *the most significant burden stemming from these reporting obligations originates from the siloed sectorial approach in the respective frameworks, which led to overlaps and misalignments*”

As a point made consistently over the last decade, the different meanings and scope of the terms “OTC Derivative” under EMIR and “OTC Instrument” under MiFID II has always been an unaddressed failure and would remain a barrier to considerations and scope of conjoined reporting. Clearly the term OTC should never include trades arranged and/or concluded on a Multilateral MiFIR trading Venue, and in doing so the distinct approach mooted for ETDs would become less relevant and distinctions perhaps better considered to be dependent on either the subjectivity to the Trading and/or Clearing Obligation.

The second initial comment to make clear is that any collectivisation or aggregation of data reporting regimes should not be overlain or confused with the use and intent of that data within the component regulations. This is the functional separation of the data collection and labelling function from the market regulation use cases themselves. We understand that industry discussions around these proposals have been couched in the potential transfer of all existing reporting fields in consideration of the use-case requirements of EMIR, MiFID, MiFIR, SFTR and REMIT as being entirely heterogeneous and spanning supervision, abuse, fraud and systemic requirements simultaneously.

Rather we would consider that ESMA needs to construct a common data portal and repository in front of these various regulations which can perform that various tasked required, such as validating, labelling and ensuring that the data items are semantic, smart and agile; and then feeds into the schema’s and underlying use-cases as required. We would henceforth term this the “*data lake*” proposition.

To this end, we would like to see any further proposals around the further developments of a data reporting system or regime consider in depth the MiFID II; MiFIR; EMIR; REMIT II and SFTR reporting requirements as a holistic matrix which determines the set of end use cases required and distinguishes where similar data sets may not simply be merged, but should require extensible expansion to fulfil disparate, but properly distinguished needs. For instance, whether data is either systemic or supervisory; whether it is continuous or periodic; whether it is forward looking or reporting; whether it requires multiple enrichment and iterative providers, and whether it is liable for backwards corrections and restatement. We would collectively term this “Smart Data.”

Beyond delineating the underlying regimes and their objectives, ESMA policy outcomes should consider the nature and specification of reportable events and their locus, especially when activities are in the European Union and whether they are occurring of a trading venue. Such items would include considering orders & quotes as opposed to other trading interests; the concept of trade execution as opposed to either arrangements or trade registrations; and the nature and extent of life-cycle events.

With the demise of the “ToTV” concept as the MiFIR pivot, ESMA should also reconsider the nature of venue trading, especially in light of the recent guidance, the current debate concerning “Off Book, On Exchange” equities trade routing[[1]](#footnote-2), the “OTC bilateral” matching facilities, dematerialised or virtual securities, and the current largely absent approach to third country trading venues.

In light of these ESMA should be clear where and when the obligation is on whom, their capability to make timely and accurate reports, especially if the relevant data is not naturally available due to chains or other reliance’s. We would highlight the current discussions around data provision under the REMIT II implementing Regulation as a real-time case example of these considerations and dependencies. Beyond RRMs and market counterparties who may be NFCs, UCITS or located in third countries; consideration as the data roles for MiFIR Trading Venues, MiFID Investment Firms and their branches; off transaction-chain agents; and other trade arranging or aggregation facilities’ such as OMS and EMS.

Clearly a further reconsideration of the multilateral trading venue perimeter is integral to this, not only because of recent discussions around equity market structure and the scope of consolidated tape data contributions; nor the parallel discussion as to the shape and substance of crypto platforms offering derivatives; but more simply in that since the ESMA guidelines were published, no supervisory actions nor outcome’s have occurred.

Beyond events and actors, ESMA policy outcomes should consider the nature and specification of reportable instruments. We consider that a narrow discussion around liquid interest rate and credit derivatives in the EMIR REFIT context as set out in this call for evidence is relevant to a certain scope, but the wider MiFID, SFT and WEP perimeters cannot be accommodated under the types of proposals put forward. Those more structured instruments, complex packages, total return derivatives or notes; cross-border trades; money markets; FX markets; digital or virtual dematerialised securities; crypto derivatives; funding arrangements or investment funds, will all have very different market protocols and legal parameters.

In a similar vein, ESMA policy outcomes should consider the benefits and costs of “Single-sided” or “Dual-sided” reporting, together with the related impact of delegated and designated responsibilities in the first instance, and of forward technology availability in the second instance. Evidenced poor match-rates hitherto should likely be resolved by smart data attributes combined with artificial intelligence. The hurdles of today are not likely to be the barriers of tomorrow.

It remains true that any integration of reporting under both REMIT II and SFTR will be extremely challenging given the bespoke construction of those regimes. Amongst others, the [EVIA response](https://wmbaleba-my.sharepoint.com/:b:/g/personal/amcdonald_evia_org_uk/EbL9ym3Zt21NqNPbcyIgmtsB9Vr_3YjRRrVzw_Cmltc_4w?e=A3PNql)[[2]](#footnote-3) to the EC targeted consultation on the review of the functioning of commodity derivatives markets drew out the very different rationale and substance to the c.100 fields reported under REMIT. Whilst REMIT holds a broad EMIR exemption, we note that it has come as a shock to most market counterparties trading ETDs that the Order reporting requirements under article 8 of REMIT II are excluded from that exemption and therefore adds an inclusion to the obligation not present hitherto. Lifecycle reporting under REMIT II further adds novel obligations as these are required to be submitted to that Organised Market Place [OMP] which executed the trade.

Further, EVIA and ISLA have noted that from the perspective of reporting SFTs (SLs and Repo) under SFTR, there are approaching 200 trade level fields of which c.100 are dual-sided needing matching and the other half are specific to the product and require validations to minimal tolerance. In this way, combining SFTR reporting looks as difficult as combining REMIT reporting.

Usage of a single data dictionary is possible (e.g., under ISO 20022) and highly desirable. Aside from the options proposed in this consultation, an exercise to review the existing reporting schemas and more closely align common elements against a single model would be beneficial. Were the dual-sided reporting to be entirely removed, there does need to be a water-tight way of ‘connecting’ equivalent reports from the two counterparties and other aspects of the transaction chain, clearly the UTI would gain more profile, but may need to be adapted for trade chains and extensibility for contingent transactions, trade splits, aggregations and novations.

In order to merge these into a “data lake” alongside EMIR-Refit, MiFIR and MiFID would require a more fundamental revision in data standards, integration into a global approach and adoption of digital data collection technology all together in such a fashion that its adoption via any "Quick-fix" such as options ‘1a’ or ‘1b’ is highly unlikely in any context other than a further and narrow “EMIR II- Refit”.

We would not view the possible amendments, simplification and automation of transaction reporting as aligning into any mutually exclusive series of options as presented via [1a, 1b, 2a, 2b]. We consider “Option 2” to be aligned with the ESMA proposals to rebase RTS 23 reference data on collected RTS 22 transaction data which is clearly at once both a fundamental change and one that is not EMIR-Refit specific as per the “Option 1”. Whilst the basis of an instrument-based, versus an event-based framework constitutes a helpful model, the extent of its segmentation is likely limited as several of the ideas could be complementary. These proposals are clearly longer term, and EVIA would consequently urge ESMA to discuss with both the market and the co-legislators what the expected forward development and implementation framework may shape up to be, in order to inform expectations beyond the current terms of the Commission and the Co-legislators, but moreover to make for predictable change and enable effective planning and execution by firms.

The main cost drivers for reporting are twofold:

1. the MiFID II Article 26 requirements to report extensive details as *in the shoes of* third-country market participants [“PIId”] together with Reference data fees and the absence of substituted compliance which brings about duplicated reporting into the EU for certain third country activities.
2. The requirements for back-reporting where facts change or errors are discovered. These could be mitigated by restricting the changes to firm internal record keeping only whilst submitting only very material economic changes.

Out of the 9 sources of costs identified, are the three main cost drivers for trading venues, arranging brokers and OMPs are: Reference data reporting duplications [including the significant costs to AnnaDSB]; Requirements to report both transaction-level and position-level data under EMIR, SFTR, and MiFIR commodities position reporting; and duplication of IT systems and processes.

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<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>

Whilst the four proposed principles are indeed all valid, however we would query why they are not supplicant to the “*Report Once*” principle as well as to the adherence to ISO global standards or other G20 data conventions to ensure global alignment.

In operating the same wholesale financial markets trading systems around clock and the world, EVIA reiterates the importance of global alignment to firms who need to make these operations and technologies essentially fungible under a series of national or regional permissions.

We would not view the possible amendments, simplification and automation of transaction reporting as aligning into any mutually exclusive series of options as presented via [1a, 1b, 2a, 2b]. Whilst the basis of an instrument-based, versus an event-based framework constitutes a helpful model, the extent of its segmentation is likely limited as several of the ideas could be complementary.

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<ESMA\_QUESTION\_CASR\_2>

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

<ESMA\_QUESTION\_CASR\_3>

The key advantages of option 1a mainly pertain the EMIR-Refit simplification as set out in detail by the joint association [“JTAG”] [paper on EMIR Reform](https://wmbaleba-my.sharepoint.com/:b:/g/personal/amcdonald_evia_org_uk/EUJIO0v1skZChjz97hVgs9EBL3Irzbsb_JDzI5_iNcYjgg?e=owTxe7)[[3]](#footnote-4). Therefore, from the trading venue and intermediary perspective, these would essentially be irrelevant. For trading venues, the principal cause of reporting duplication comes from Article 26 [5] where the non-MiFID counterparties may confer multiple reporting obligations. The measures proposed in option 1a do not entirely appear to address these issues.

We do not consider that the EMIR reporting obligation should be extended to trading venues because MTFs and OTFs only have knowledge of a small segment of the ‘trade creation data’, essentially solely the trade identifier together with the quantity and price, which is currently and simply transmitted to the reporting counterparties within the trade confirmation. The MiFIR trading venues also have no reporting connectivity to EMIR Trade Repositories, and hold no knowledge of subsequent shaping, allocations or aggregations, counterparty reassignments, nor to the related participant trade chain, nor to any ‘continuation data’. Transactions consisting of multiple contingent trade legs, especially where package legs would be executed or registered on further trading venues would amount to a more complex outcome than is currently the case. This consideration also further sets up case for “smart data” with semantic labelling.

Moreover, a separate and discrete process for certain derivatives, whilst emulating the “Part 43” approach in the United States, would at once require the imposition of a trade repository akin to the SDRs in the US. In terms of the options posed, any construction of European version of a CEA/ Dodd-Frank Parts 42,43,45,47 and 49 reporting architecture should be a fundamental reform and therefore better ascribed to the second set of longer term reform options, and which would add substantial costs, not lease by dint of asking multiple trading venues to receive and transmit large data sets rather than the narrow set which are currently supplied in the opposite direction. It would also fragment specified derivative reporting away from all other derivatives as well as from the bulk of MiFID instruments, which we consider to be the opposite to the aims of this call for evidence.

Should ESMA consider a further REFIT of EMIR be necessary, then it follows from our comments above regarding the structure of a data portal, that this would not be the direct responsibility of this forward discussion which should be the form, effectiveness and mechanics of data reporting. This is notwithstanding that these would indeed be important to market participants, if clearly much less so to trading venues, arranging brokers and OMPs who do not report under EMIR or SFTR and have long-since made clear the fallacy of MiFID II position reporting where these metrics are not known to the venue.

Hence, there would be benefits in terms of simplification of reporting which will translate into reduced overhead for ongoing maintenance/support, and a lower barrier to entry for new participants.

Noting that a forensic analysis of the component four reporting regimes would consider:

* MiFIR – market abuse detection: Around 60 fields. Option to remove some fields though as there is some duplication.
* EMIR – risk management: >200 fields. Would be given more fields as MiFIR contains a lot of client information.
* SFTR – Transaction flows: 155 fields. Need to provide collateral instrument attributes. Note not currently covered by option 1a. Some overlap with MiFIR.
* REMIT - market abuse detection & transaction flows: 169 Fields; Option to remove some fields though as there is some duplication.

Again, we would add that the possible amendments, simplification and automation of transaction reporting as aligning into any mutually exclusive series of options as presented via [1a, 1b, 2a, 2b]. Whilst the basis of an instrument-based, versus an event-based framework constitutes a helpful model, the extent of its segmentation is likely limited as several of the ideas could be complementary.

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<ESMA\_QUESTION\_CASR\_3>

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

<ESMA\_QUESTION\_CASR\_4>

Option 1a builds from a flawed principle due to the differences in scope and regulatory objective of the reporting regimes. In order to ‘replicate’ MiFIR transaction reporting requirements in EMIR which would result in the addition of many reporting fields into EMIR and MiFIR respectively, plus the imposition of expensive trade repositories to validate non-smart data items.

We reiterate the definitional difference between EMIR and MiFID, whereas trades in the same instruments on any EU trading venues should be treated the same, and that the persisting application by EU legislators that such that transactions on MTFs and OTFs should be classified as “OTC” is counterintuitive and counterproductive. Option 1a appears to seek to cement this ambiguity further, rather than trying to rectify it. In turn this make matters such as third-country mutual recognition and the application of Basel Margin Period of Risk [“MPOR”] more idiosyncratic.

Furthermore, without collectively addressing the related set of level 1 legislations head on, it is difficult to see how any option could achieve anything other than to affect a further iterative “review” or “quick-fix” akin to those witnessed already under each of MiFID II, EMIR and REMIT a decade ago. In this way the continued change agenda offers diminishing returns and substantial costs compared to other global regimes. It appear that option 1a intends to set out a more medium-term vision under a “quick-fix” scope. This is counterintuitive, and whilst further technical changes to EMIR reporting are clearly warranted, under this discussion framework we consider that it would be better to properly consider Digital Regulatory Reporting as an overarching objective rather than any more quick-fix changes to the individual legislations, their implementing acts or amendments to guidelines.

Provided the intent is to retain market abuse detection across all MiFID asset classes, any removal of MiFIR from instrument scope (e.g. OTC derivatives) would presumably require more fields to be added to EMIR. It is unlikely that the EMIR template currently provides adequate data points for market abuse surveillance, largely because the matter concerns whether a market reconstruction and replay could be adequately built by the supervisors.

Currently we cannot identify critical gaps to the MiFID trade reports for in-scope derivatives.

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<ESMA\_QUESTION\_CASR\_4>

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

<ESMA\_QUESTION\_CASR\_5>

It appears that all financial instruments which are not derivatives are missing or not adequately addressed in option 1a. Since this forms the vast majority of trades, it renders the approach very narrow in scope. Moreover, this approach fails to address the debate as to whether reporting should be made by trading venues or market counterparties and what the role of trade repositories and ARMs should be.

Clearly the principal market concerns held by trading venues and market participants alike in respect of transaction reporting burdens concerns the breadth and depth of the requirements across Article 26. In particular the requirement on trading venues to report *in the shoes of* any non-MiFID firms executing transactions. It is not apparent that where these transactions are not in derivatives, that option 1a provides for any of the required mitigations in this aspect.

So, to reiterate, Option 1a builds from a flawed principle due to the differences in scope and regulatory objective of the reporting regimes.

Without collectively addressing the related set of level 1 legislations head on, it is difficult to see how any option could achieve anything other than to affect a further iterative “review” or “quick-fix” akin to those witnessed already under each of MiFID II, EMIR and REMIT a decade ago. In this way the continued change agenda offers diminishing returns and substantial costs compared to other global regimes. It appear that option 1a intends to set out a more medium-term vision under a “quick-fix” scope. This is counterintuitive, and whilst further technical changes to EMIR reporting are clearly warranted, under this discussion framework we consider that it would be better to properly consider Digital Regulatory Reporting as an overarching objective rather than any more quick-fix changes to the individual legislations, their implementing acts or amendments to guidelines.

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<ESMA\_QUESTION\_CASR\_5>

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

<ESMA\_QUESTION\_CASR\_6>

It follows that the key advantages of a ‘*Delineation by Events*’ under Option 1b are based in this approach seeking a convergence to other global regimes, especially to the US rules where the essential delineation of Parts 42,43,45,47 and 49 set out this event driven framework approach. This allows for reference data and “trade creation” or transactional data to be set out according to the trading venues arranging these markets; and then for risk-related or “*continuation data*” to be provided by the counterparties or their onward clients.

Whilst this sufficiently addresses the debate as to whether reporting should be made by trading venues or market counterparties, it is narrowly appropriate only to those liquid (or “Trading Obligation”) derivatives that trade as fungible and around the globe every day. Clearly the common treatment of different asset-classes in the scope of this discussion provides both an extent and complexity that makes a broad approach problematic and therefore a case could be made for more segmented and tailored approaches than MiFID II has ever catered for.

The second key advantage under this approach is that it does not fragment and segregate the approach to transactions registered on “exchanges” as defined in Europe as “Regulated Markets,” where considered as a separate reporting use-case from those on the other types of regulated MiFIR trading venues [OTFs and MTFs]. A separate ETD regime holds certain attractions in the sense of vertical coordination and in alignment to some other global regimes. However, it clearly mitigates against global data standards, interoperability and competitiveness via competition.

Thirdly this approach adds in scope for SFTR life-cycle harmonisation. Reflecting our comments under question 1, whether these extensive and bespoke is can be effectively done without proper level 1 reform and the interposition of a “*data lake*” appears unlikely. In principle, the delineation by events enables position reporting to occur more effectively because it removes this from the trade creation stage and therefore removes the impossible ask from trading venues.

As per option 1a, this approach also fulfils the issues raised in the JTAG [paper on EMIR Reform](https://wmbaleba-my.sharepoint.com/:b:/g/personal/amcdonald_evia_org_uk/EUJIO0v1skZChjz97hVgs9EBL3Irzbsb_JDzI5_iNcYjgg?e=owTxe7), even if it does not treat other financial instruments.

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<ESMA\_QUESTION\_CASR\_6>

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

<ESMA\_QUESTION\_CASR\_7>

Mindful that our response is not focused on EMIR reporting, as per the prior answers, the key limitation is the narrow scope of the proposals. Most of the concerns surrounding transaction reporting apply beyond the product scope of solely liquid derivatives. Option 1b does not address the ‘Report Once’ threshold as it would to maintain situations where a single transaction may be reported at least twice, if not also under SFTR and REMIT where relevant.

This option still includes the hurdles of Option 1a to link life-cycle and other post-trade events under any transaction reported in EMIR to the arrangements and registration reported under MiFIR. We understand that Option 1b would result in market participants and trading venues collectively undertaking to implement changes across all asset classes simultaneously, likely therefore incurring substantial UAT configurations and related testing overheads. Embedding the SFTR reporting into MiFIR and EMIR would likely complicate the reporting logic and the channels deployed, leading to additional testing, validations and ultimately increased costs.

This would indeed conform to being a major change, albeit with the related legal or rules-based underpinning, and consequently both expensive and risky, whilst posing challenges across the backwards compatibility of data. Therefore, the benefits remain unclear given that most firms have already implemented much of these scope proposals and that the UK is not proposing to chang in the same way at same time.

Again, without collectively addressing the set of level 1 legislations via a “Data Lake”, it is difficult to see how any option could achieve anything other than a further iterative “review” or “quick-fix” akin to those given effect every two years since the imposition of MiFID II and EMIR in 2017.

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<ESMA\_QUESTION\_CASR\_7>

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

<ESMA\_QUESTION\_CASR\_8>

We refer to comments across Question 7 above. Furthermore, Option 1b remains unclear as to the extraterritorial impacts, and the treatment of third country trading venues and investment firms, especially across the frameworks of both equivalence and for branches versus subsidiaries.

As per the prior answers, the key limitation is the narrow scope of the proposals. Most of the concerns surrounding transaction reporting apply beyond the product scope of solely derivatives. Again, without collectively addressing the set of level 1 legislations, it is difficult to see how any option could achieve anything other than a further iterative “review” or “quick-fix” akin to those given effect every two years since the imposition of MiFID II and EMIR in 2017.

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<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>

Clearly, the key advantage of the “Report Once Principle” under option 2a is that it fulfils what ought to be the primary objective of the approach under discussion here. Consequently, this should facilitate simplicity with both data quality and promptness.

Thematically, options 2a and 2b offer a more reassuring paradigm wherein immediate ‘quick-fixes’ and reviews to set of wholesale market regulations as witnessed, give way to an omnibus approach which builds in the fundamental changes in technology that have occurred in the two decades since each of these was conceived with the forward-looking scope of artificial intelligence. Succinctly put, any further minor changes can only embed the financial market infrastructures and models that were observed in the genesis to the global financial crisis prior to 2007, and which offer Europe none of the pathways being actively discussed under both CMU and now SIU under the Danish PRES.

Other advantages are well set out across paragraphs 41 to 44 and collectively mean that automated and digital reporting protocols are well founded together with a meaningful global alignment. We commend the central location for data combined with a single set of requirements as fundamental. Therefore, given that legacy processes, together with cross-border application complexity lies at the heart of most challenges, so options 2a and 2b offer tangible benefits to both market participants, their customers as well as to conduct supervisors and prudential authorities alike

From the considerations around adoption, the major benefit here is that the complexity of the change program is only applied to a limited number of trading venues and market participants who are better adapted to the implementation processes. It follows that there is very little scope for interplay between Option 1a and Option 2a where the role of a data reporting portal, data agility and a data lake become intrinsic. This does however align closely with the ESMA proposals for a reference data system constructed on top of the transaction reporting data set.

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<ESMA\_QUESTION\_CASR\_9>

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

<ESMA\_QUESTION\_CASR\_10>

The main limitations to option 2a would lie in the scope of the project and the likely extended timelines to adequate adoption to automate and integrate the current parallel set of reporting logics and logistics across a very heterogenous set of financial instruments.

These need to be communicated to legislators and to market participants alike, as clearly these considerations would extend well beyond the current legislative terms as well as those of the current European Commission. Such fundamental modernisation would require omnibus proposals to primary legislation in order to encompass the scope of 2a when 2b, as well as the enhanced role of ESMA and the considerations around the technical and technological build requirements.

There would also be a task to consider the appropriateness of data items under the concerns of supplying adequate and correct data items across the underlying use-cases without seeking to mix apples, pears, mangos and oranges as an analogy to the use-case of the four regulations under broader discussion. Whilst it is likely that objectives and methods may shift during the process, for instance where all qualifying transactions are made ‘on-chain’ or where the market models, an agility to the reporting scope and processes needs to be foundational.

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<ESMA\_QUESTION\_CASR\_10>

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

<ESMA\_QUESTION\_CASR\_11>

Option 2a should better address concerns as to scope creep and co-mingling by better setting out the separation of a data reporting portal and the creation of a smart data lake from the underlying regulations and use-cases that may take any parts of that data set. It could better address whether such a data reporting portal should only be a part of the ESA, a contracted third-party provider, or one of a set of “Super DRSPs”.

Because the principal market concerns held by trading venues and intermediaries in respect of transaction reporting burdens concern the breadth and depth of the requirements across Article 26, and in particular the requirement to maintain and report PIId on the intent and actions of third country customers; it is not apparent that these requirements are to be excluded under Option 2a. This should be added on the basis that such details for non-MiFID or non-EU market participants on trading venues should not be relevant to either conduct or systemic risks within the EU.

It follows that the approach to market participants acting as either branches or as subsidiaries, especially where counterparties may be in third countries, should be irrelevant to the reporting obligations held by trading venues and intermediaries, wherein smart-data could be reported twice and would automatically be filtered and assimilated by the data portal.

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<ESMA\_QUESTION\_CASR\_11>

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

<ESMA\_QUESTION\_CASR\_12>

The core advantage of Option 2b is that it properly aligns with SIU. As set out in paragraphs 45 and 46, its true that the expanded “Report Once Principle” represents the highest level of ambition for reporting, especially if REMIT and SFTR systemic and scheduling data requirements could be functionally addressed alongside the market surveillance use-cases.

The key advantages resides in the metadata whereby semantic labelling of reported data can enable to become both extensible and ‘smart’. Under artificial intelligence frameworks, the agility of such smart data items would radically reform the notions of regulatory reporting and data-quality currently held, whether by use-case or reporting processes.

In order to do this, a genuine market reporting pillar would need to be established across European wholesale markets rather than seeking to align or embed any particular part’s into the current heterogeneous suite of dossiers.

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<ESMA\_QUESTION\_CASR\_12>

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

<ESMA\_QUESTION\_CASR\_13>

The principle limitations would be those that apply to any “*Grands Projets*”, which are that the objectives and constraints prevalent at the genesis of the scheme alter substantially or fundamentally during the journey.

It’s likely that any incorporation of proposals 1a or 1b as a stepping stone to option 2b would result in distraction and failure to the objectives, as very often witnessed in physical infrastructure projects.

Furthermore, it perhaps remains clear to general observers that the scale and the role for data over the next two decades will continue to expand exponentially and therefore matters of data privacy and related cyber fraud or market abuse will be amplified in an architectural framework underpinned by quantum computing and AI. Whilst any such considerations could mitigate for a distinctly analogue approach to be maintained where the scale of the markets and the risks are large, we advocate for data standards and extensible foundations in order to provide the capabilities for scale and functions perhaps not even currently anticipated.

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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>

Given the scope and breadth of the expanded ambition for the “*Report Once Principle*,” the missing components likely constitute “unknown-unknowns” which only appear in the course of the process. Clearly reporting around market activities outside the current scope of the three dossiers could be included, but the wide scope of option 2b as presented appears to be adequate.

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<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>

It follows from previous answers that we would suppose that the “*Report Once Principle*” should be prioritised. The reason for this is not only the efficiency of reporting, but also the resulting data quality and its international interoperability.

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<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>

We would suppose the question is less that other options may be available, and more so that the aspects across the four proposals are not mutually exclusive.

It follows from previous answers that we question why ESMA has not proposed a more fundamental revision to Article 26 of MiFID II rather than to concentrate on EMIR reporting. These proposals should foremost address the simplification across Article 26, especially paragraph (5) wherein trading venues are asked to provide personal and intent details of individuals sited in third countries. This is both hard to validate and burdensome in the extreme as well as being entirely extraterritorial.

Similarly, the digital and automated provision of SFTR reporting is not touched upon and likely should be addressed given the deferral of any more fundamental SFTR review. Clearly, in light of ongoing industry led initiatives to embed the Common Domain Model [CDM] as a core utility for reporting SFTs, ESMA could reconsider the approach to prescribing or supporting automated reporting via this set of reviews.

Further aspects that should be considered include:

1. How changes should be implemented. We would propose a single or a discrete number of large reform points rather than any costly and repetitive iterative process. Clearly there is a role for an industry taskforce here, as recently demonstrated by the EUT1 implementation project and consequent [industry report](https://wmbaleba-my.sharepoint.com/:b:/g/personal/amcdonald_evia_org_uk/EVANhjHl9VZFjYF4UFmSqUQBiZh_Gwqav1UOvOswaD9e8Q?e=mwPtZB)[[4]](#footnote-5).
2. Clean up the existing reporting regimes to eliminate friction – move to common data elements/components where possible, remove inconsistencies, remove ‘unnecessary’ data elements (e.g., that are reported by another party)
3. Move EMIR and SFTR to a single-sided reporting regime. Removing the dual-sided reporting would require some lineage of reports across trading counterparties, noting this has been identified by ESMA as an issue with MiFIR (as per the 2024 CP). It would, however, speed up reporting by moving the reconciliation requirement up to ESMA.

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<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>

The form and format of the reporting data should be both standardised and automated, whilst the reporting channels themselves ought to be technology or operator agnostic and interoperable.

Costs are paramount, with the risks for monopolies and oligopolies being very real. Clearly any measures that facilitate competition between reporting channels ought to be both essential and warmly welcomed; so, the place for ESMA to conceive this architecture would be to avoid anointing any single connectivity provider or bespoke connectivity protocols, in favour of a common architecture with open and standard protocols.

Entities holding dual reporting obligations would directly suffer in any regional or national approach where the requirements and protocols diverge; whereas the deployment of international reporting service providers in a multilateral or decentralised model under global data standards would likely create more efficient and effective outcome – in alignment with EC SIU/ CMU objectives. Indeed, we consider that the consolidated tape process would have been better without a series of national, but separate monopolies and operators.

We note these possible points of friction:

1. Identification of financial instrument perimeters and reference data scope.
2. Consistent use of extensible instrument data via CFI encoding accessing the common data elements. This should enable the removal of duplicated reporting where the same data is also reported by other parties.
3. Removal of counterparty and transaction chain data, especially where entities are in third countries.

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<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>

EVIA firmly disagree that transferring the reporting of on-venue transactions under MiFIR and EMIR to trading venues should be considered. This would lower data quality, raise costs and fragment the scope and geography of reporting. Moreover, it would act as a disincentive to trading on a trading venue, undermining the essence of the G20 reforms.

We note this question appears to consider liquid or trading obligation derivatives, rather than the wider superset of MiFID financial instruments. If so, we query the wider phrasing used and the intent to fragment processes on an instrument basis.

We also note that any such change to the reporting architecture across the different regulations would constitute a significant change to the set of primary legislations and therefore constitute an Option 2 event. We consider that any such scale of Level 2 change should be more fundamental and ambitious, i.e. a data portal as set out, in which case the notion or concept of *transferring the reporting of on-venue transactions under MiFIR and EMIR to trading venues* would be subsumed into proper automated data reform across the trading and instrument life-cycle and therefore essentially redundant.

Whilst it may be that certain vertically integrated exchange groups could supply data from designated contracts; this is not widely applicable. Whilst there is one counterparty to each side of a trade, there may often be many trading venues.

Essentially trading venues such as MTFs and OTFs see only a snapshot of the point of trade and only have access to a small set of trade creation data such as the instrument, the immediate counterparty and the price. In this way, it remains far more efficient and effective, and less duplicative, for the arranging intermediary to transmit the small set of core economic terms to the two counterparties as is currently the case, than for the wider set of legal and assignment data, together with any continuation data to be transmitted by the counterparties to all the trading venues either arranging or executing the set of trades within any transaction. This is especially the case in large in scale trades, packages, and those with complex transaction chains, multiple components, allocations or with arrangers who are acting as agents.

Additionally, many counterparties may not reside in the EU making any such data submission requirements unenforceable and impossible to check or validate. This is already a core problem in relation to the PIId data requirements under Article 26 (5).

Furthermore, the concept of the multilateral trading venue perimeter is far from settled following the ESMA guidance, and we consider that any such move to add EMIR reporting complexities, costs and burdens to trading venues would simply shift transactions outside the trading venue perimeter, or indeed outside the EU.

Clearly, MiFIR trading venues currently have no reporting connectivity to EMIR Trade Repositories, and hold no knowledge of subsequent shaping, allocations or aggregations, counterparty reassignments, nor to the related participant trade chain, nor to any ‘continuation data’. Transactions consisting of multiple contingent trade legs, especially where package legs would be executed or registered on further trading venues would amount to a more complex outcome than is currently the case. This consideration also further sets up case for “smart data” with semantic labelling.

This would be feasible so long as the current data requirements across MiFIR and EMIR are constrained to those under Part 43 in the United States. However, that would require a significant restructuring of the scope of the current fields and a similar scope of restructuring for scenarios such as packages, allocations, assignments, agency and cross-border transactions.

Moreover, a separate and discrete process for certain derivatives, whilst emulating the “Part 43” approach in the United States, would at once require the imposition of a trade repository akin to the SDRs in the US. In terms of the options posed, any construction of European version of a CEA/ Dodd-Frank Parts 42,43,45,47 and 49 reporting architecture should be a fundamental reform and therefore better ascribed to the second set of longer term reform options, and which would add substantial costs, not lease by dint of asking multiple trading venues to receive and transmit large data sets rather than the narrow set which are currently supplied in the opposite direction. It would also fragment specified derivative reporting away from all other derivatives as well as from the bulk of MiFID instruments, which we consider to be the opposite to the aims of this call for evidence.

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<ESMA\_QUESTION\_CASR\_18>

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

<ESMA\_QUESTION\_CASR\_19>

EVIA agrees that the establishment of a central data hub could better create the conditions for the simplification of the reporting process. Such an approach appears to be entirely logical under the transition to more automated reporting processes as well as the report once priority.

However, in theory the identity of any recipient of the reporting should be agnostic in an automated approach unless validation and dialogue is envisaged at the point of reception. Any ESMA data hub should be open to intermediated reporting via the existing TRs and ARMs, as opposed to it being the only means to submit reports.

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<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>

Any centralisation of reporting should assist the adoption of forward-looking digital reporting protocols, not least because ESMA is an active participant in the relevant global fora and should in any case hold a requirement to further automation and digital processes.

The UK MRT and the CFTC Data Portal provide good examples of such centralised reporting portals, whereas perhaps the array of Canadian Securities Regulators provide an example of a more federated or European approach. Commercial considerations remain important, either by any NCA or ESA being inefficient, or any delegated or anointed monopoly holding back change or demanding high economic rents. Therefore, governance, access and competitiveness will be as important as any other considerations.

Entities holding dual reporting obligations would directly suffer in any regional or national approach where the requirements and protocols diverge; whereas the deployment of international reporting service providers in a multilateral or decentralised model under global data standards would likely create more efficient and effective outcome – in alignment with the EC SIU/ CMU objectives.

Other critical considerations would include the latency and operational dialogue protocols for fully automated data submission and validation. In theory this could be done as a distributed function, on-chain, or fully centralised without impeding or defining the functional architecture. There are certainly a wide range of technical options currently under development around the world.

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<ESMA\_QUESTION\_CASR\_20>

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

<ESMA\_QUESTION\_CASR\_21>

Yes, although there will always be a need for fallbacks, manual interventions, products and scenarios not catered for.

Clearly there are a great number of initiatives ongoing, ranging from central banks and regulators through industry joint initiatives to individual firm level projects. We would like to highlight the set of Fintech Open-Source Foundation [[FINOS](https://www.bing.com/ck/a?!&&p=3303cf849b001a11a07bdf0486b60071a9e1cb76b03a67c7d8a2bafbbf1a06d2JmltdHM9MTc1ODI0MDAwMA&ptn=3&ver=2&hsh=4&fclid=01c4b769-39d2-6d6e-3ef8-a13438a86c5b&psq=FINOS&u=a1aHR0cHM6Ly93d3cuZmlub3Mub3JnLw)] initiatives together with the Common Domain Model [[5]](#footnote-6)[[CDM](https://www.finos.org/common-domain-model)] under industry led Digital Regulatory Reporting initiatives. In order for widespread adoption, these would also require a standard or reference to machine executable logic to be set out in technical standards.

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<ESMA\_QUESTION\_CASR\_21>

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

<ESMA\_QUESTION\_CASR\_22>

We note that trading venues, arranging brokers and OMPs are not subject to dual sided reporting and its associated pairing and matching. We also understand that the topic has been extensively discussed at the level of Trade Repositories and their contributing firms. We note that EMIR-Refit introduced delegated reporting which was intended to defray the cost and data-quality deficiencies associated with dual sided reporting.

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<ESMA\_QUESTION\_CASR\_22>

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

<ESMA\_QUESTION\_CASR\_23>

EVIA agrees with the considerations around the modification of reporting frequency, noting that under option 2 the approach with a data portal could be altogether more ambitious.

The deployment of digital reporting and its articulation by artificial intelligence should facilitate the provision of static data, reference data, trade-level data and continuation data far more effectively. This may also involve the automated “pulling” of data alongside the reporting or “pushing” of transactions once semantic labelling and associated logic is able to recognise how trades form chains or are components of transactions.

There should also be some proportionality provisions such that entities with small volumes could make periodic batch reporting which could better facilitate validation tools without the costly real-time system infrastructures.

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<ESMA\_QUESTION\_CASR\_23>

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

<ESMA\_QUESTION\_CASR\_24>

As a part of the package of changes EVIA concurs that intrinsic to this would be a comprehensive review of all the data elements to be collected by the portal and then available to authorities in order to meet the requirements of each regime. This should negate the concept of duplication of data, whilst allowing trading venues to be agnostic as to whether their matched counterparties intend to book the trades as branches or as subsidiaries.

Under this approach we would urge that the requirements for trading venues to report PIId data or indeed any data more granular than LEI under Article 26(5) should be considered disproportional to either market conduct or systemic risks under MiFID II.

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<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>

No comment. We note that trading venues, arranging brokers and OMPs are not usually subject to reporting under EMIR unless they act as the counterparty to a derivatives transaction.

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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>

No comment. We note that trading venues, arranging brokers and OMPs are not usually subject to reporting under EMIR unless they act as the counterparty to a derivatives transaction.

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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>

We have no comment on individual firm costs at Trade association level. However, it is likely that other relevant one-off cost lines include: IT implementation; IT licencing; APA costs and Internal audit amongst others.

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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>

We have no comment on individual firm costs at Trade association level. However, it is likely that other relevant one-off cost lines include: IT implementation; IT licencing; APA costs and Internal audit amongst others.

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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>

We consider that some other relevant long-term cost-factors would include: consolidated tape provision; the simplicity of risks accruing; dealing with validations; any regulatory enforcement; the competitiveness and longevity of outsourced reporting providers, their auditors and their technology.

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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>

We have no comment on individual firm costs at Trade association level.

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<ESMA\_QUESTION\_CASR\_30>

1. [EVIA Response to FCA CP25\_20; SI regime for bonds & derivatives including Discussion Paper on equity markets](https://wmbaleba-my.sharepoint.com/:b:/g/personal/amcdonald_evia_org_uk/ERTHOw7JjNtDgQA07ipdTbEBNCMmMy99fRQWhP68vSwbzQ?e=Vg4YCt) [↑](#footnote-ref-2)
2. [EVIA & LEBA Response; EU Targeted consultation review functioning of commodity derivatives markets & spot energy markets; 23Apr2025](https://wmbaleba-my.sharepoint.com/:b:/g/personal/amcdonald_evia_org_uk/EbL9ym3Zt21NqNPbcyIgmtsB9Vr_3YjRRrVzw_Cmltc_4w?e=A3PNql)  [↑](#footnote-ref-3)
3. [Joint-Paper-on-UK-EMIR-Reform](https://wmbaleba-my.sharepoint.com/:b:/g/personal/amcdonald_evia_org_uk/EUJIO0v1skZChjz97hVgs9EBL3Irzbsb_JDzI5_iNcYjgg?e=owTxe7) [↑](#footnote-ref-4)
4. [High-level Roadmap to T+1 Securities Settlement in the EU](https://wmbaleba-my.sharepoint.com/:b:/g/personal/amcdonald_evia_org_uk/EVANhjHl9VZFjYF4UFmSqUQBiZh_Gwqav1UOvOswaD9e8Q?e=mwPtZB) [↑](#footnote-ref-5)
5. The CDM is a standardised, machine-readable and machine-executable data and process model facilitating the trade processing of repo, securities lending, bond and derivatives transactions and is based on cross-industry collaboration. As an open-source model, the CDM is freely available to all market participants, including regulators, and can be applied as the foundation for producing machine executable reporting rules. [↑](#footnote-ref-6)