**Reply** **form**

Discussion Paper on the integrated collection of funds’ data

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Responding to this paper

ESMA invites comments on all matters in the Discussion Paper and in particular on the specific questions in this reply form. 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 **21 September 2025.**

Instructions

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

* Insert your responses to the questions in the Discussion Paper in this reply form.
* Please do not remove tags of the type <ESMA\_QUESTION\_ICFD\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
* 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.
* When you have drafted your responses, save the reply form according to the following convention: ESMA\_ICFD\_nameofrespondent.

For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA\_ICFD\_ABCD.

* Upload the Word reply form containing your responses to ESMA’s website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

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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# General information about respondent

|  |  |
| --- | --- |
| Name of the company / organisation | The Luxembourg Alternative Administrators Association or “L3A”) |
| Activity | Other Financial service providers |
| Are you representing an association? |  |
| Country/Region | Luxembourg |

# Questions

1. Do you confirm the findings presented in this stocktake section? If you have additional information, please provide all relevant details.

<ESMA\_QUESTION\_ICFD\_1>

#### ****1. Motivation and Context****

* The proposals stem from **Directive 2024/927**, which mandates ESMA to develop an integrated supervisory reporting system for AIFMD and UCITS.
* The goal is to **modernize and harmonize** reporting across the EU, reducing fragmentation and compliance burdens.

#### ****2. Key Challenges Identified****

* **Fragmentation**: Multiple overlapping national and EU-level reporting regimes.
* **Duplication**: Fund managers often report similar data to different authorities.
* **Inconsistencies**: Variations in definitions, formats, and reporting frequencies

#### ****3. Proposed Integration Solutions****

* **Centralisation of Reporting Infrastructure**:
  + A unified EU-level platform for data submission.
  + Shared access for national competent authorities (NCAs).
* **Template Harmonisation**:
  + Consolidation of existing templates (e.g., AIFMD Annex IV, UCITS, MMFR).
  + Standardized data definitions and formats.
* **Process Streamlining**:
  + Automation and digitization of reporting workflows.
  + Reduction of manual interventions and reconciliation efforts.
* Other EU-Level Frameworks: Such as EMIR, SFTR, and MiFID/MiFIR, which also collect data relevant to asset management.

#### ****4. Strategic Shift****

* ESMA proposes moving from **incremental sectorial changes** to a **comprehensive, integrated approach**, similar to the model used for financial transaction reporting.
* This includes a **review of the entire reporting ecosystem**, not just technical amendments.

#### ****5. Conclusions****

Agreement by L3A on the topics:

* These proposals are primarily managed by central banks and statistical authorities, focusing on macroeconomic and financial stability data.
* Often overlap with supervisory frameworks but differ in scope, granularity, and frequency.
* ESMA identifies practices that improve data quality and reduce reporting burdens, such as:
  + Use of standardized templates
  + Clear data definitions
  + Centralized data collection mechanisms

<ESMA\_QUESTION\_ICFD\_1>

1. What are the best practices for data collection for retail investment funds in EU and non-EU jurisdictions that ESMA could consider?

<ESMA\_QUESTION\_ICFD\_2>

The question is linked to the matter, whereas AIFs directly (in case supervised and regulated) or indirectly via the AIFM´s marketing passport are allowed to market to retail investors in their territory or when the investment strategies are similar to the ones of UCITS. An alignment of reporting obligations with the ones of UCITS aims to ensure that funds with similar risk profiles and similar investors (retail investors) are subject to the same regulatory treatment, particularly in terms of data collection. It also helps to reduce the reporting burden by using the same templates and data flows for both, UCITS and AIFs. Both, AIFs and UCITS, already disclose clear and concise information to investors, through a KID where the fund qualifies as a PRIIP.

This approach would make only sense if the same templates, same reporting platforms and channels are going to be used to avoid additional setup costs. The reporting data for the monthly reporting should be obtained easily out of the accounting systems, like NAV, portfolio holdings, etc. Furthermore, we strongly advocate for following a principle of collecting the underlying data from AIFs and UCITS only once by a single means (e.g. portal).

<ESMA\_QUESTION\_ICFD\_2>

1. What challenges arising from overlapping EU-level and national reporting obligations (e.g. under AIFMD, UCITS, MMFR) does your institution experience? Please describe specific reporting overlaps and their operational impact quantifying and providing examples of redundant submissions.

<ESMA\_QUESTION\_ICFD\_3>

These challenges affect both, fund managers and national competent authorities (NCAs), and they hinder supervisory convergence and data quality. Here's a structured overview:

### ****1. Duplication and Fragmentation of Reporting****

* Fund managers often face **duplicative reporting requirements** across different regimes (e.g., AIFMD vs. UCITS) and jurisdictions.
* **Same data points** may be requested in different formats or frequencies by NCAs and ESMA, leading to inefficiencies

### ****2. Inconsistent Data Definitions and Formats****

* Lack of **harmonized data standards** across directives results in inconsistent interpretation and reporting.
* For example, definitions of leverage, liquidity, or risk metrics may vary between AIFMD and MMFR, complicating aggregation and comparison

### ****3. Divergent Supervisory Practices****

* NCAs apply **different supervisory approaches** to cross-border activities, especially under the UCITS and AIFMD passports.
* This leads to **regulatory arbitrage** and uncertainty for fund managers operating in multiple Member States

### ****4. Operational Burden and Cost****

* Fund managers must maintain **multiple reporting systems** to comply with overlapping obligations.
* This increases **operational complexity and cost**, particularly for smaller firms with limited resources

### ****5. Limited Interoperability Between Systems****

* Reporting systems used by NCAs and ESMA are often **not interoperable**, requiring manual reconciliation and re-submission of data.
* This affects **timeliness and accuracy** of supervisory data

### ****6. Challenges in Passporting Frameworks****

* Thematic studies show **difficulties in the operation of UCITS and AIFMD passports**, including:
  + Delays in notification processing.
  + Inconsistent publication of cross-border activity data.
  + Ambiguities in supervisory responsibilities between home and host NCAs

### ****7. Lack of Centralized Data Access****

* Fund managers and NCAs lack a **single access point** for submitting and retrieving fund data.
* This impedes **data-driven supervision** and cross-jurisdictional analysis.

<ESMA\_QUESTION\_ICFD\_3>

1. Do you support the objective of developing a more integrated reporting framework covering AIFMD, UCITS, MMFR, and ECB statistical reporting? What are the key obstacles or risks linked to integrating fund reporting frameworks?

<ESMA\_QUESTION\_ICFD\_4>

Yes, the objective of developing a more integrated reporting framework covering AIFMD, UCITS, MMFR, and ECB / BCL statistical reporting is supported. However, we believe that this objective can only be achieved in case that data is collected from the supervised entities once, through a single means, and based on a single data dictionary.

The challenges out of that stem from technical, operational, legal, and supervisory complexities.

### ****1. Fragmentation of Reporting Frameworks****

* **Multiple overlapping regimes** (AIFMD, UCITS, MMFR, SFDR, EMIR, MiFIR) lead to inconsistent data requirements.
* Lack of a **unified taxonomy or data dictionary** causes semantic mismatches and reporting errors.
* National frameworks often diverge from EU-level standards, creating **regulatory friction**

### ****2. Operational and Cost Burden****

* Fund managers face **duplicative reporting obligations**, increasing administrative costs and resource strain.
* Frequent and **unsynchronised regulatory updates** require constant system adjustments and retraining
* Smaller firms are disproportionately affected due to limited compliance infrastructure.

### ****3. Data Quality and Validation Risks****

* Inconsistent validation rules across jurisdictions lead to **data integrity issues**.
* Lack of **automated and harmonized validation tools** increases manual errors and delays

### ****4. Limited Interoperability and System Integration****

* Reporting systems used by NCAs and ESMA are often **not interoperable**, hindering data exchange and supervisory convergence.
* Absence of a **centralized reporting portal** or “report-once” infrastructure complicates integration efforts

### ****5. Legal and Governance Challenges****

* **Unclear allocation of responsibilities** between home and host NCAs in cross-border fund supervision.
* Legal constraints around **data sharing and confidentiality** can obstruct centralized reporting initiatives

### ****6. Supervisory Inconsistencies****

* Divergent interpretations of reporting obligations by NCAs lead to **uneven enforcement** and supervisory outcomes.
* ESMA’s CSA on sustainability disclosures revealed **gaps in supervisory practices**, especially in SFDR and taxonomy-related reporting.

### ****7. Risk of Greenwashing and Misreporting****

* In the context of sustainability disclosures, inconsistent integration of ESG data increases the risk of **greenwashing**.
* Lack of standardized ESG metrics and templates complicates comparability and oversight.

<ESMA\_QUESTION\_ICFD\_4>

1. Please list your preferred option of those listed in this section and highlight any other option or combination of the ones listed here that you consider effective. In your response, please outline the main expected costs and benefits associated with the options proposed, and identify any preconditions or phased implementation steps that would be necessary to ensure feasibility and proportionality.

<ESMA\_QUESTION\_ICFD\_5>

We support the idea of “IR 2 – Full integrated reporting framework”. However, this can only be achieved through the development of a single means of data collection and the establishment of a single data dictionary. Achieving these two key components may take a considerable amount of time given the number of different stakeholders involved.

<ESMA\_QUESTION\_ICFD\_5>

1. To what extent should the integration or alignment of supervisory and statistical reporting extend beyond the asset management frameworks, such as EMIR, SFTR, or MiFID/MiFIR? What challenges do you foresee? Are there additional reporting regimes that should be considered for future alignment with asset management reporting?

<ESMA\_QUESTION\_ICFD\_6>

Recommended extent of cross-framework alignment (beyond asset management):

Principle: go as far as *data and method* alignment enables genuine “report once, use many times,” without forcing an artificial single template across all sectors.

Scope – three tiers :

1. **Foundational (do everywhere, first):**
   * Identifiers & code lists: mandatory LEI, ISIN, UPI/UTI where relevant; harmonised counterparty, instrument, collateral, asset-class and CFI code lists.
   * Common EU data dictionary: shared definitions (exposure, leverage, collateral quality, haircuts, liquidity buckets, delta adjustment, look-through rules).
   * Payload & transport: converge on ISO 20022 messages (or mapped schemas) and standard validation rules.
2. **Operational reuse (high-value use cases):**
   * Pre-population from other regimes:
     + From EMIR: derivatives notionals/market values, collateral, counterparties → populate AIFMD/UCITS derivatives sections.
     + From SFTR: SFT volumes, collateral attributes, reuse metrics → populate AIFMD/MMFR SFT & collateral blocks.
     + From MiFIR: transaction/venue data → support turnover, execution metrics, concentration by counterparty/instrument.
   * Shared “golden source” services at EU level (via ESMA/ESRB/ECB cooperation) that aggregate TR/ARM/APA feeds and expose fund-level views through APIs to NCAs/ESMA/ECB and (where appropriate) pre-fill returns for reporters.
3. **Targeted substitution (only when mature):**
   * Eliminate duplicative data points in UCITS/AIFMD/MMFR once quality thresholds are met in EMIR/SFTR/MiFIR feeds (with transparent derivation formulas and audit trails).
   * Cross-sector metrics (interconnectedness, collateral chains, market liquidity, leverage) computed once and reused for multiple supervisory mandates.

 <ESMA\_QUESTION\_ICFD\_6>

1. How should this approach be implemented to ensure proportionality, efficiency, and data quality?

<ESMA\_QUESTION\_ICFD\_7>

We recommend for a top-down approach that prioritizes supervisory and policy-driven needs. This method ensures that only data with high regulatory relevance is collected, thereby reducing unnecessary reporting burdens. To enhance efficiency and data quality, each data point should be precisely defined using a dedicated data dictionary, supported by conversion tables to ensure consistency across entities and jurisdictions. By focusing on essential information and standardizing its interpretation, this approach promotes proportionality and facilitates streamlined, high-quality reporting.

<ESMA\_QUESTION\_ICFD\_7>

1. How can semantic data integration best be achieved across reporting frameworks? Please identify areas where alignment would be most beneficial?

<ESMA\_QUESTION\_ICFD\_8>

From our perspective, the dictionary-based approach is the most effective method for achieving semantic integration. A common data dictionary ensures that each data point is clearly defined and consistently interpreted across reporting frameworks, which is essential for interoperability and supervisory clarity.

However, to make this approach truly functional and adaptable, we recommend incorporating:

1. Conversion mechanisms that allow for the translation of similar statistics and metrics between different frameworks or methodologies and reporting. This would support comparability and reduce friction when integrating legacy systems or sector-specific standards.
2. Proxy definitions for cases where certain data points are not readily available. This would ensure continuity in reporting and allow for meaningful supervisory insights even when full data granularity is not achievable.

A well-structured dictionary, complemented by conversion tools and proxy logic, would significantly enhance semantic integration while maintaining flexibility and proportionality across diverse reporting entities.

Precise definitions, the use of a specific data dictionary, and conversion tables should be employed to standardize reporting elements. This approach enhances consistency, comparability, and data quality while minimizing the burden on reporting entities.

Practical example taking in consideration current regulatory reporting, data availability taking in consideration Product type, Fund Type and asset type would help the full industry to plan any material change in the process that I have in place allowing also small manager to implement the change

<ESMA\_QUESTION\_ICFD\_8>

1. Which of the proposed options do you consider most efficient? If possible, please quantify the expected cost and benefits for each option. Would you support an alternative option involving additional actors, such as centralised reporting infrastructures?

<ESMA\_QUESTION\_ICFD\_9>

Option 2 is preferred, as it allows NCAs to maintain direct contact with reporting entities, ensuring alignment with local market practices and supervisory continuity. Under this model, NCAs would feed data into a central EU database, acting as intermediaries that validate and monitor submissions before they reach ESMA, ECB, and other institutions. Controls and updates should be shared with reporting entities to promote transparency and data quality. The EU database interface should support both automated imports and manual input forms, enabling flexible and efficient data submission and oversight by NCAs.

Option 2 (single national entry + EU-level hub) delivers most of Option 3’s benefits with materially lower cost, lower legal friction, and faster time-to-value.

The target end-state would be to build Option 2 to be “Option-3-ready,” so the EU hub can accept direct reporting later.

**Our Recommendation would be to**

1. Adopt Option 2 now, with a clear architecture pathway to Option 3.
2. Centralise validation at the EU hub (extend AIFMD/MMFR practices) to stop duplicative national checks.
3. Pair with semantic measures from §5.2 (EU data dictionary, harmonised code lists) to un-lock the full benefit.
4. Pilot a hybrid rollout: start with the largest managers and high-value reports (AIFMD/UCITS core + TR cross-links), then phase in others.
5. Leverage additional actors via a federated centralised reporting infrastructure:

* Public-utility governance: ESMA (policy/validation), ESCB (statistical enrichment), NCAs/NCBs (supervision).
* Operate/build: competitively tendered provider(s) under strict EU data-sovereignty, security, and SLA regimes.
* Reuse proven rails (TR-like ingestion, API gateways, common validations, data lake/ware-house with role-based access).

**Conclusion:**

Option 2 offers the best efficiency-to-feasibility ratio now; design it to evolve into Option 3, and use a federated centralised infrastructure (under EU governance) to deliver faster with lower risk

<ESMA\_QUESTION\_ICFD\_9>

1. How important is it to retain the supervising NCA as an intermediary between the reporting entity and the centralised system in the reporting process?

<ESMA\_QUESTION\_ICFD\_10>

The intermediary role of the supervising NCA is essential to the effectiveness of the reporting process. Maintaining a local contact point at the country level allows for smoother handling of national specificities and differences across EU jurisdictions. NCAs are well-positioned to support reporting entities in adapting to evolving requirements and can play a proactive role in facilitating change through closer collaboration, including the organization of working groups and conferences.

Under this model, NCAs would feed validated data into the central EU database, acting as a quality gate before the data reaches ESMA, ECB, and other institutions.

The EU database interface should support both automated imports and manual input forms, enabling NCAs to monitor and manage submissions effectively with the reporting entities. Controls and updates should be shared transparently with reporting entities to optimize data quality, streamline workflows, and ensure alignment with evolving regulatory standards. This setup reinforces proportionality, enhances supervisory engagement, and supports a more resilient and responsive reporting framework.

It is important to retain the supervising NCA as an intermediary in the reporting process, but primarily for supervisory and enforcement purposes, not for duplicative data collection or vali-dation.

**Why NCAs matter:**

* + NCAs are the direct supervisors of reporting entities and remain best placed for day-to-day oversight, contextual interpretation, and enforcement of reporting obligations.
  + They provide the necessary link between local regulatory requirements, national specificities, and EU-wide consistency.
  + Keeping NCAs in the loop preserves accountability and avoids creating a perception that supervision has shifted to the EU level.

**Where their role should be limited:**

* + NCAs should not act as a bottleneck for technical validation or as redundant data processors if a centralised system (EU hub) can apply uniform checks.
  + Their role should evolve to “supervisory gateway” rather than “technical clearing house”: they receive the same data as the EU hub, can monitor compliance locally, but do not duplicate validation already done centrally.

<ESMA\_QUESTION\_ICFD\_10>

1. Are there any other data sharing arrangements, either within or beyond asset management, that you believe would be beneficial for burden reduction?

<ESMA\_QUESTION\_ICFD\_11>

We strongly encourage the adoption of additional data-sharing arrangements based on the principle of “report once, use many times”. Existing precedents such as EMIR/SFTR trade repository reporting and the banking sector’s Joint Bank Reporting Committee clearly demonstrate that cen-tralised data collection with systematic redistribution to all relevant authorities can significantly reduce duplicative reporting while enhancing supervisory quality.

Within asset management, we see particular value in strengthening links between supervisory and statistical reporting (e.g. UCITS/AIFMD filings reused for ECB statistical purposes) and ensuring consistency of fund-level data across ESMA, NCAs, NCBs and the ESRB. Beyond asset manage-ment, we recommend pursuing cross-sector integration of data standards where metrics are com-mon (exposures, liquidity, leverage, counterparty risks) and extending alignment with sustainabitity frameworks (SFDR, CSRD/ESRS, EU Taxonomy, Pillar 3).

Such arrangements would materially reduce the reporting burden for fund managers, while providing supervisors with higher quality, more comparable datasets. We therefore support the development of an EU-level data-sharing hub, supported by harmonised taxonomies and validation standards, which would enable regulators at both national and European level to access the same data in a consistent and efficient manner.

<ESMA\_QUESTION\_ICFD\_11>

1. Would a phased implementation of the potential changes outlined in the sections on “Integrated reporting” and “Reporting flows and data sharing” help ensure proportionality and facilitate smoother transition?

<ESMA\_QUESTION\_ICFD\_12>

A phased implementation would be highly beneficial to ensure proportionality and a smoother transition. A gradual rollout would allow both reporting entities and competent authorities to adapt systems, processes, and governance without creating disruption.

We would suggest the following sequencing:

**Phase 1:** Target the largest cross-border managers and high-value datasets (AIFMD/UCITS core metrics, leverage, liquidity, counterparty exposures), which cover the majority of AuM and systemic risk relevance.

**Phase 2:** Extend to medium-sized entities and additional frameworks (MMFR, ECB statis-tical reporting, MiFIR), with harmonised validation rules applied through the central hub.

**Phase 3:** Incorporate smaller managers and national-specific reports, leveraging lessons learned and ensuring alignment with ESG/CSRD/SFDR data streams.

This approach would distribute implementation costs more evenly, reduce the risk of operational bottlenecks, and give authorities the opportunity to test and refine data quality controls before full deployment. It would also ensure that supervisory needs for systemic-risk monitoring are met early, while respecting the principle of proportionality for smaller firms.

In a nutshell Phased implementation is strongly recommended. It prioritises systemic risk relevance, allows progressive alignment of national and EU processes, and avoids undue burden on smaller managers

<ESMA\_QUESTION\_ICFD\_12>

1. Do you consider that it would be beneficial to introduce a common standard, such as ISO 20022, across all reporting obligations within the asset management domain? What would be the costs and benefits for reporting entities of transitioning all reported data to a single standard? If ISO 20022 is not the preferred solution, what alternatives could be considered?

<ESMA\_QUESTION\_ICFD\_13>

We believe that introducing a common reporting standard is necessary to improve consistency, interoperability, and data quality across the asset management domain. However, the adoption of such a standard—whether ISO 20022 or an alternative—should be considered a strategic objective to be implemented only after other key decisions are taken. These include:

* Clarification of reporting flows and responsibilities between NCAs and centralised EU systems.
* Definition of the data dictionary and conversion tables to ensure semantic alignment.
* Establishment of the EU database interface and controls, including import and manual input options.
* Agreement on phased implementation timelines to ensure proportionality and operational readiness.

Once these foundational elements are in place, the transition to a common standard can be phased in gradually, allowing reporting entities to adapt and ensuring that the standard is fit for purpose. While initial costs may be significant, the long-term benefits include streamlined reporting, reduced duplication, and enhanced supervisory oversight.

Furthermore, introducing a common standard across asset-management reporting is beneficial, provided it is paired with a single EU semantic data dictionary (definitions, code lists, validation rules). We sup-port using ISO 20022 as the primary standard for granular, machine-to-machine reporting, with XBRL for periodic financial statements and SDMX retained for aggregated exchanges. Where appropriate, JSON serialisations of the same logical model (API-first) should be permitted to future-proof integrations. We would not be in favor to completely remove ISO 20022 as preferred solution but we think that I might be interesting to have an Adopt a hybrid, pragmatic standardisation:

1. ISO 20022 XML as the primary format for granular AIFMD/UCITS/MMFR (and adjacent) reporting.
2. XBRL/iXBRL for periodic financial statements and accounting-style disclosures.
3. Allow JSON serialisations of the same messages (API channels), with strict equivalence to ISO 20022 schemas.
4. Anchor all formats in a single EU semantic data dictionary + shared validations.
5. Implement phased, proportional migration with authority-provided tooling and clear depre-cation timelines.

**Conclusion:**

A common standard pays off if it rides on a common semantics/validation backbone. ISO 20022 as primary, complemented by XBRL and JSON where each is strongest, delivers the best cost-to-benefit outcome for firms and supervisors alike.

<ESMA\_QUESTION\_ICFD\_13>

1. What would be the main advantages and disadvantages of using respective syntaxes (XML, JSON, XBRL) for reporting frameworks in the asset management sector?

<ESMA\_QUESTION\_ICFD\_14>

1. **XML (ISO 20022-compliant)**

Advantages

* Mature and widely adopted in fund reporting (AIFMD, UCITS, MMFR, ECB statistics).
* Rich structure & flexibility – can handle complex hierarchical datasets (e.g. portfolio expo-sures, leverage metrics).
* Built-in validation via XSD schema: required fields, enumerations, data types, reducing errors.
* Interoperability – consistent with existing EU reporting systems (ESMA, NCBs, ECB).
* Industry familiarity reduces transition and training costs.

Disadvantages

* Verbose and heavy – large file sizes, higher transmission/storage costs compared to JSON.
* Steep learning curve for smaller firms lacking XML expertise.
* Less future-oriented for API-based reporting without transformation layers.

1. **JSON**

Advantages

* Lightweight, efficient, modern syntax; smaller file sizes, faster transmission and pro-cessing.
* API-native – facilitates web-based submissions, cloud integration, and real-time supervi-sory access.
* Easier to parse by modern programming languages; widely adopted by fintech/regtech solutions.
* Future-proof for integrating with AI/analytics platforms.

Disadvantages

* Limited regulatory adoption to date – would require building new supervisory infrastructures.
* Weaker built-in validation – JSON Schema less mature than XML/XBRL validation frame-works.
* Transition costs for firms currently set up for XML/XBRL.
* Possible bandwidth overhead due to text-based format in very large datasets.

1. **XBRL (incl. iXBRL)**

Advantages

* Strong in financial statements & periodic reporting – widely used in banking, insurance, corporate disclosures.
* Semantic tagging of data points enables cross-framework comparability (e.g. linking NAV, AUM across reports).
* Robust validation (taxonomy-driven, cross-field checks).
* Alignment potential with corporate sustainability reporting (CSRD/ESRS) and prudential frameworks.

Disadvantages

* Less suited for high-frequency, granular fund data (e.g. detailed portfolio exposures, derivatives).
* Heavier technical implementation (taxonomy creation, tagging processes).
* Steeper costs for filers not already using XBRL.
* Primarily designed for aggregated/periodic data, not transactional flows.

**Conclusion / Recommendation**

* XML remains the most efficient and realistic choice for granular, frequent AIFMD/UCITS reporting, given existing infrastructure and familiarity.
* XBRL should be leveraged for periodic and accounting-style disclosures (financial state-ments, investor reports), ensuring alignment with other EU financial and sustainability frameworks.
* JSON is best considered as a complementary format for API-based, cloud-enabled, or future supervisory use cases piloted in parallel, but not yet mandated as the sole standard.

In short:

* XML = best for core AIFMD/UCITS granular flows.
* XBRL = best for periodic/aggregated disclosures.
* JSON = promising for modernisation but suited as a future-proof add-on rather than mediate replacement.

<ESMA\_QUESTION\_ICFD\_14>

1. Would an increase of data granularity contribute to improved data quality, usability and reduced duplications? To what extent can the greater use of international standards (e.g. CFI codes, LEIs) and master data reduce the compliance costs and improve interoperability in regulatory reporting?

<ESMA\_QUESTION\_ICFD\_15>

Yes, increased data granularity has a clear potential to improve both the quality and usability of reported information. By moving closer to source-level data, granular reporting reduces the need for multiple transformations and reconciliations, which are often error-prone, subject to interpretation, and resource-intensive. It also enables more flexible aggregation across relevant dimensions (e.g. geography, asset class, counterparty), allowing supervisors to derive tailored risk metrics without the need for additional ad hoc data requests.

Regarding classification, a strengthened/enhanced version of the CFI code — or an equivalent coding system with extended criteria defined at European level — could provide the most effective solution. Unlike existing allocations, such a system could be based on a carefully defined structure designed to embed all attributes required by authorities. Relying on such codes ensures the provision of detailed instrument characteristics rather than relying only on unique identifiers. This approach enables supervisors to obtain sufficiently granular data, while maintaining proportionality by limiting unnecessary complexity and preventing an excessive increase in the reporting burden for fund managers. To ensure accuracy and comparability, the enhanced code should be supported by extensive implementation guidelines, ideally structured to also allow for straightforward use by AI-based validation models.

As a complement, the CFI code can be accompanied by issuer data, such as the name of the issuing company. This provides flexibility to accommodate future needs for more detailed reporting.

Finally, granular frameworks, when supported by robust data dictionaries and master data structures, lead to improved supervisory agility, earlier detection of risks, and reduced compliance costs for reporting institutions.

<ESMA\_QUESTION\_ICFD\_15>

1. What are your views on implementing security-by-security as the baseline granularity? What are the main benefits and costs of the presented options? What solutions should be envisaged to ensure a proportionate approach?

<ESMA\_QUESTION\_ICFD\_16>

The scenarios proposed by ESMA are not fully consistent, as the methodology to be applied depends on the type of instrument. This creates complexity and undermines comparability. A more effective and proportionate solution would be to rely on a single, harmonised methodology for all instruments.

In our view, this can be achieved by using an enhanced CFI code as the standard basis for identification. Such a code would capture the essential characteristics of instruments (asset type, maturity, seniority, collateralisation, etc.), thereby allowing regulators to obtain the required level of granularity without the need to design separate scenarios or fallback rules per asset class.

such an approach would:

- Ensure consistency across all asset types, listed and unlisted;

- Reduce operational burden for reporting entities, as the same methodology applies to the full portfolio;

* Improve data comparability and reusability, since CFI is already aligned with international standards and referenced in several reporting frameworks (EMIR, SFTR, MiFID);
* Allow authorities to derive both granular and aggregated views from the same underlying classification, while minimising duplication of data submissions.

In addition, adopting SbS as baseline ensures that fund managers themselves can better fulfil their regulatory obligations. The availability of detailed, standardised data supports internal risk monitoring, compliance checks, and supervisory reporting requirements. By having a granular and harmonised dataset, managers can perform their own calculations and controls more accurately and consistently, reinforcing accountability and reducing reliance on fragmented or duplicative data sources. This creates a virtuous circle: data reported once at security level can serve both supervisory and internal governance purposes, ultimately lowering long-term costs and increasing transparency.

<ESMA\_QUESTION\_ICFD\_16>

1. With respect to share classes, what data should be considered for reporting at the share class level? What operational challenges do you face when reporting at the share class level?

<ESMA\_QUESTION\_ICFD\_17>

We suggest adopting option SC1. A model requiring consistent reporting of key data across all share classes ensures comparability, transparency, and supervisory effectiveness. It avoids the risk of creating a fragmented reporting framework where certain funds or share classes would provide only partial data, thereby undermining data quality and limiting supervisory insight.

We believe that the following items represent the core set of data that should be reported at share-class level: Net Asset Value (NAV), currency, ISIN and denomination details, subscription/redemption amount, frequency, commitments, fees, performance and costs, investor concentration indicators (where relevant), and type of investment allocation (if applicable).

From an operational perspective, the main challenge is that most accounting, risk management, and reporting processes are designed and executed at the fund level, not per share class. While some information is directly attributable to each share class, other data points — such as valuations, exposures, or risk metrics — are calculated on an aggregate basis for the fund. Breaking these down at the share class level may require complex assumptions, additional system developments, and manual allocations, which can increase compliance costs and create inconsistencies across the industry.

Nevertheless, these operational challenges do not outweigh the supervisory benefits. Ensuring consistent reporting under SC1 remains the most effective option, as it balances proportionality with the need for robust investor-facing data, thereby enhancing both transparency and supervisory oversight.

<ESMA\_QUESTION\_ICFD\_17>

1. In your opinion, is it feasible to substitute aggregated reporting data with more granular data within supervisory and statistical reporting frameworks? If yes, what kind of data?

<ESMA\_QUESTION\_ICFD\_18>

It appears feasible to replace aggregated reporting with a framework based on more granular data. A possible way forward would be the establishment of a single central database into which reporting entities provide detailed information at a high level of granularity. Such a database could serve as the common source for national and European authorities, allowing them to extract the specific data sets required for supervisory and statistical purposes, and to calculate their own aggregate indicators directly from the granular inputs.

The types of data provided could include SbS as well as detailed information on their share classes. This approach would reduce duplication of reporting efforts, limit reconciliation issues across frameworks, and provide authorities with the flexibility to generate aggregated indicators as needed.

A key challenge in implementing such a model would be the definition of a unique identifier for funds within the database. At present, funds are assigned different identifiers by different authorities or frameworks, creating fragmentation and complexity. The design of a harmonised identifier will therefore be essential to ensure consistency across jurisdictions and reporting regimes.

It should nevertheless be underlined that, while authorities could compute many aggregates themselves from the granular data provided, certain aggregated indicators would still need to be calculated and maintained by fund managers. This remains important for legal or contractual reasons, and also to ensure managers carry out their own internal controls.

<ESMA\_QUESTION\_ICFD\_18>

1. What additional areas should be investigated under the integrated reporting initiative in terms of data granularity and standardisation?

<ESMA\_QUESTION\_ICFD\_19>

In addition to instruments and entities, we suggest exploring granularity and standardisation in the following areas:

1. **Fund Classification & Strategy** – Develop a harmonised classification system to reduce the excessive use of “other” categories, which currently hampers comparability and reduces supervisory insight.
2. **Central Fund Database** – As a natural follow-up to data standardisation, ESMA could envisage establishing a central database of all European UCITs / AIF, containing at least a minimal set of core information. This would help simplify research, reduce duplication of data collection, and make investment analysis more seamless across jurisdictions.

Both areas would directly contribute to improving transparency, facilitating supervisory convergence, and supporting a more efficient reporting ecosystem.

<ESMA\_QUESTION\_ICFD\_19>

1. Do you consider that frequency should be aligned across reporting regimes and jurisdictions? If yes, what frequency (monthly or another) would provide the best balance of costs and benefits? What kind of challenges would you expect in implementing it?

<ESMA\_QUESTION\_ICFD\_20>

We support the alignment of reporting frequencies across EU regimes and jurisdictions, as it would reduce fragmentation and improve data comparability. The monthly frequency seems reasonable as between daily, monthly and quarterly reporting frequency. The reporting frequency must take in consideration the characteristics of the Fund, for example the predominant investment strategies, the securities and the instruments which are used to pursue the investment strategies, the valuation cycle. The frequency maybe changes across different data points therefore it is key to assigned to each of the data points a frequency of calculation and when it is available. A dictionary may also provide the definition to support the estimate (proxy) for missing information. The challenge is the developing of an infrastructure that can be integrated in the workflow of the operations of the managers including small entities with a limitation of exceptions. IT development should be driven by the EU and allow all the market participant to choose the solution that is more adequate for their profile.

<ESMA\_QUESTION\_ICFD\_20>

1. What solutions and criteria should be envisaged to ensure a proportionate approach with respect to the reporting frequency?

<ESMA\_QUESTION\_ICFD\_21>

**Asset class sensitivity:** Funds investing in illiquid or infrequently valued assets should be allowed to report the last available data approved by the governance body of the Fund even on monthly basis.

**Stable criteria:** Avoid frequent changes in reporting obligations due to minor fluctuations in AUM or leverage. Criteria should be robust and predictable. The mapping of the frequency of the availability of the data maybe critical for the reporting of the required statistics and the monitoring of the systemic risk and other dimensions.

.<ESMA\_QUESTION\_ICFD\_21>

1. Given that daily reporting requirements are already implemented in certain Member States, how such a frequency could be set up to ensure an integrated approach while avoiding a disproportionate burden for reporting entities?

<ESMA\_QUESTION\_ICFD\_22>

Daily reporting should be limited to critical indicators, Fund families, regulatory requirements and liquidity / counterparties metrics. The proportionality maybe achieved with a predefined set of fields which are the results of market practice and a daily operators’ regulatory obligations.

**Monthly submission of daily data:** Allow reporting entities to submit daily data in a monthly batch, reducing operational strain.

**Automation support:** Templates should be machine-readable and compatible with existing systems to facilitate automation.

<ESMA\_QUESTION\_ICFD\_22>

1. How the reporting template for use in exceptional circumstances be designed to minimise the complexity for reporting entities, while ensuring sufficient flexibility to adapt to the specific nature of a crisis situation?

<ESMA\_QUESTION\_ICFD\_23>

We recommend a predefined crisis reporting template with the following features:

* Basic Core indicators include NAV, liquidity management tools, derivatives exposures, credit facility, leverage, investors default rate and redemption activity.
* More templates that can be used from, authority web interface to JSON/XML and CSV depending on the crisis we should identify the different possibility for filing.
* Advance publication: The template should be made available ahead of time, with simulation exercises encouraged to ensure preparedness.

<ESMA\_QUESTION\_ICFD\_23>

1. Are there any other dimensions not considered in this discussion paper that are relevant for the establishment of a more integrated reporting system? If yes, please provide specific examples and your views on potential improvements that can be made and their priority.

<ESMA\_QUESTION\_ICFD\_24>

An important additional dimension would be the establishment of a centralised EU-level database of static data on funds and fund managers. Such a database would:

* Map the workflow of data sources used in regulatory reporting, thereby improving transparency of how reported figures are derived.
* Enhance the granularity and interpretability of reported data by providing contextual information (e.g. fund characteristics, investment strategy, valuation cycle, reporting perimeter).
* Support more consistent data calculation definitions and improve clarity around availability, timeliness, and the reporting cycle.
* Facilitate cross-jurisdictional analysis and reduce duplication of static data requests from reporting entities.

This initiative should be prioritised as a foundational layer of integrated reporting, ensuring that supervisory authorities share a common reference framework for interpreting reported information. Fund and Fund manager static data database will help to map the workflow of the data source which are used for regulatory reporting. This will help the understanding of the data provided in more granular basis and will support additional analysis for the data calculation definition availabilities, cycle of the data.

<ESMA\_QUESTION\_ICFD\_24>