

# TRANSACTION REPORTING SIMPLIFICATION

## ESMA'S CONSULTATION

### AMAFI's answer

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*AMAFI is the trade association representing financial markets' participants of the sell-side industry located in France. It has a wide and diverse membership of more than 170 global and local institutions notably investment firms, credit institutions, broker-dealers, exchanges and private banks. They operate in all market segments, such as equities, bonds and derivatives including commodities derivatives. AMAFI represents and supports its members at national, European and international levels, from the drafting of the legislation to its implementation. Through our work, we seek to promote a regulatory framework that enables the development of sound, efficient and competitive capital markets for the benefit of investors, businesses and the economy in general.*

## GENERAL OBSERVATIONS

**AMAFI fully supports the European Commission's objective of reducing regulatory burden and strengthening the EU's competitiveness<sup>1</sup>.** In this spirit, **we welcomed ESMA's decision, which we called for, to suspend the finalisation of RTS 22, 23 and 24<sup>2</sup>.** This pause offers a rare opportunity to review the reporting framework, bring coherence across regimes, and ensure long-term efficiency and stability.

In this context, AMAFI thanks ESMA for the opportunity to contribute to simplifying financial transaction reporting, an initiative that is indeed necessary.

AMAFI had already undertaken internal work on this topic, independently of this Call for Evidence. This resulted in the proposals presented in [AMAFI / 25-54 - Simplifying transaction reporting](#), based on in-depth reflections with experts from member firms. This response builds on these proposals, refined in light of the questions raised by the CfE. **It reflects the consensus reached among AMAFI's members**, which includes a broad range of investment firms, banks and market infrastructures subject to transaction reporting and active across all asset classes.

Before addressing the CfE's specific questions, we set out below some key observations:

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<sup>1</sup> [Annual Single Market and Competitiveness Report highlights challenges and opportunities to EU competitiveness - European Commission](#) ; [A Competitiveness Compass for the EU](#) ; Communication of 11 February 2025 entitled '[A simpler and faster Europe: Communication on implementation and simplification](#)'.

<sup>2</sup> [Streamlining financial transaction reporting: ESMA calls for input](#).

- The complexity and cost of the current framework have reached a point where **simplification is no longer optional, but necessary** to support the efficient functioning of EU capital markets and their competitiveness. This requires a focus on collecting only the **minimum data necessary** for supervisory objectives, while safeguarding the **strategic autonomy** of the EU financial system in an increasingly adversarial international context (Section I.)
- A more effective regime should rest on **clear principles** (Section II) and be pursued through a **phased approach**: immediate relief through an enhanced Option 1a, leading to a long-term “report once” model built around ESMA’s Data Hub (Option 2a) (Section III).

## I. REVIEWING THE DATA SCOPE AND SEEKING COST-EFFICIENCY WHILE MEETING SUPERVISORY OBJECTIVES

The EU reporting framework has become **increasingly complex and burdensome** over time, driven by frequent regulatory changes and the overlapping requirements of MiFIR, EMIR and SFTR. While each regime pursues legitimate objectives<sup>3</sup>, their application has led to significant duplications and overall incoherences.

In practice, the same transaction may need to be reported several times, through different channels and formats, each subject to specific rules and timelines. This fragmentation increases costs and operational risks, and burdens firms disproportionately, particularly smaller ones.

Complexity has also been exacerbated by **successive layers of Level 2 and Level 3 rules**, sometimes extending beyond the scope of Level 1 mandates. The MiFIR RTS 22 proposal, for instance, would have expanded the number of fields from 65 to 127, 81%<sup>4</sup> of which duplicating data already reported under EMIR and SFTR, at significant cost and added complexity but with limited supervisory benefit, as widely reflected in the responses<sup>5</sup> to the consultation on the RTS 22 and 24.

Against this background, **AMAFI is concerned by ESMA’s stated intention<sup>6</sup> to maintain the current scope of data collection**. Any meaningful simplification must start with a **reassessment of the supervisory relevance of each data point** (*see point 1. below*).

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<sup>3</sup> EMIR aims to ensure systemic risk monitoring and derivatives transparency, MiFIR focuses on market abuse surveillance and market transparency, while SFTR enables the monitoring of securities financing transactions (SFTs) and collateral reuse to safeguard financial stability.

<sup>4</sup> See [AMAFI/25-54](#) Appendix II: analysis of new fields proposed in the ESMA consultation for MiFIR Transaction reporting review (RTS 22)

<sup>5</sup> See [Final report](#) on RTS 22 on transaction data reporting under art.26 and RTS 24 on order book data to be maintained under art.25 of MiFIR.

<sup>6</sup> See footnote 29 and paragraphs 43-44 of the [consultation document](#).

Finally, **reliance on intermediaries, such as TRs<sup>7</sup>, ARMs<sup>8</sup> or APAs<sup>9</sup> has become disproportionately costly.** Under EMIR, reporting via TRs accounts for nearly half of overall reporting costs, making EMIR almost three times more expensive than MiFIR despite far fewer transactions. The scarcity of EU providers also raises strategic autonomy concerns, with sensitive data concentrated in non-EU infrastructures. A more balanced approach is therefore needed, reconciling cost-efficiency with the safeguarding of EU interests.

## II. PRINCIPLES FOR A MORE EFFECTIVE AND STABLE REPORTING FRAMEWORK

An in-depth review of the reporting framework should rest on two guiding principles:

1. **Focus on the necessary data.** Only collect information that is strictly required for the specific supervisory purposes of each regulation (MiFIR, EMIR, SFTR), thereby eliminating redundant or low-value data points.
2. **A clear regulatory hierarchy.** A clearer articulation of the regulatory hierarchy is essential. Level 1 should be used to define principles, Level 2 to set the details and Level 3 to bring clarification when needed. Over time, the multiplication of Level 2 and 3 measures has created an overly complex and fragmented framework, with measures coming into force at different times and sometimes contradicting each other. It is important to stabilise the framework and ensure more consistent timelines, while also accelerating legislative and regulatory revision cycles. The current horizon of up to eight years for major reviews such as the simplification of transaction reporting is incompatible with the need for flexibility and undermines the EU's competitiveness, especially compared with faster processes in jurisdictions such as the United States.

## III. OPTION 2A AS THE LONG-TERM OBJECTIVE WITH INTERMEDIATE “QUICK WINS” OF AN ENHANCED OPTION 1A

### *Cumulating the options through a phase approach*

As a preliminary remark, we note some ambiguity as to whether the proposed options are exclusive or can combine on a phased pathway. **To avoid any misunderstanding, AMAFI wishes to state clearly that if the choice is exclusive, it supports Option 2a for a single reporting framework. If, however, a**

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<sup>7</sup> [EMIR \(EU\) No 648/2012, art. 2, \(2\)](#) “**trade repository**’ means a legal person that centrally collects and maintains the records of derivatives;”

<sup>8</sup> [MiFIR \(EU\) No 600/2014, art. 2, 1, \(36\)](#) “‘**approved reporting mechanism**’ or ‘**ARM**’ means a person authorised under this Regulation to provide the service of reporting details of transactions to competent authorities or to ESMA on behalf of investment firms”.

<sup>9</sup> [MiFIR, \(EU\) No 600/2014, art. 2, 1, \(34\)](#) “‘**approved publication arrangement**’ or ‘**APA**’ means a person authorised under this Regulation to provide the service of publishing trade reports on behalf of investment firms pursuant to Articles 20 and 21;”.

**phased approach is envisaged**, as suggested in Question 15 of the consultation, AMAFI would see **Option 1a (enhanced)** as a useful intermediate step, with **Option 2a** remaining the long-term objective.

**Indeed, Option 1 can only deliver partial fixes while Option 2 offers structural simplification. It would however need to be implemented step by step ensuring that problems are addressed with a positive cost/benefit outcome.**

### *Option 2 as the long term structural solution...*

A unified “report once” framework via ESMA’s Data Hub would harmonise reporting across EMIR, MiFIR and SFTR, eliminate duplications, centralise data quality controls, and deliver significant long-term savings despite upfront investment.

In addition, this model would allow for intermediaries to be optional, like ARMs under MiFIR<sup>10</sup>, allowing firms to choose between internal systems or external intermediaries.

Supervisory competences would remain with the relevant national authorities who would access the data as needed, in line with their supervisory mandates.

### *...Supported by the intermediate simplifications brought by an enhanced Option 1*

In the meantime, an enhanced Option 1a would deliver tangible short-term gains (*see our response to Q.16*), such as removing duplications, reducing reconciliation fields, and ensuring consistency of identifiers and data quality rules. Based on our estimates, **this could lower reporting costs by 20–25%** with limited upfront investments.

### *Building a wide industry consensus*

We understand that some stakeholders may find it daunting to reshuffle the reporting model entirely. Given the scale of reform, AMAFI therefore strongly recommends the creation of an **EU Task Force, similar to the one created for T+1**, bringing together regulators and market participants, to build consensus, assess impacts and design technical solutions fit for purpose.

### *Focusing on financial transaction reporting*

Finally, we firmly believe that Option 2a is more realistic and proportionate than Option 2b. Extending to the reporting scope to regimes such as REMIT or prudential reporting would be inappropriate, as these frameworks also pursue specific objectives, very different from transactional reporting. They directly concern matters of national sovereignty and stability, which requires preserving close proximity between firms and their dedicated regulators.

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<sup>10</sup> [MiFIR \(UE\) 600/2014, art. 26, 7](#) “The reports shall be made to the competent authority either by the investment firm itself, an ARM acting on its behalf or by the trading venue through whose system the transaction was completed, in accordance with paragraphs 1, 3 and 9.”

## AMAFI'S ANSWERS TO ESMA'S QUESTIONS

### 3 – KEY ISSUES RELATED TO MULTIPLE REGULATORY REGIMES WITH DUPLICATIVE OR INCONSISTENT REQUIREMENTS

*Q.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 9 sources of costs identified in this section and the ones that you may add, what are the three main cost drivers in your view?*

Yes, AMAFI agrees with the **nine challenges identified** by ESMA and welcomes the recognition of the inefficiencies created by the current framework. We believe **three additional issues** should be highlighted:

- **Fragmentation of the regulatory framework and lack of assessment of collected data:** the reporting framework has developed progressively through successive layers of regulation. Each Level 1 text has generated successive Level 2 and Level 3 implementing measures, resulting in fragmentation and a loss of overall coherence. As a consequence, the framework has become increasingly difficult to interpret and apply, weakening both clarity and legal certainty. In the context of transaction reporting, this structural issue is amplified by the absence of a proper assessment of which data fields are genuinely relevant to the regulatory objectives. The reporting should not become a place to store any data that could potentially be used in the future for a purpose not defined yet. The number of reportable fields has continued to grow and complexify reporting. A comprehensive reassessment is therefore needed to refocus reporting on what is truly necessary and eliminate redundant or low-value data.
- **Inconsistent use of identifiers and templates across regimes:** The mandatory use of ISINs under MiFIR for OTC derivatives, and the coexistence of ISIN and UPI across regimes, create mapping issues and operational complexity, especially for firms reporting the same transaction under different frameworks.
- **Divergent data quality controls performed by ESMA and NCAs:** the lack of consistency in data quality controls performed by ESMA and national competent authorities creates confusion for reporting entities, particularly under EMIR and SFTR. Differences in interpretation and validation rules across NCAs complicates reporting. Although ESMA has initiated efforts to centralise and standardise data quality checks through systems like the SHARE platform, NCAs still lack direct access to ESMA's datasets and must operate without a shared interface. This leads to fragmented approaches, inconsistent feedback and significant operational burden for firms, which must reconcile conflicting requirements across jurisdictions. For instance, a report may be accepted by one regulatory and rejected by another for the same transaction, solely due to differences in validation logic.

**From AMAFI's perspective, the four main cost drivers and sources of operational complexity in the current framework are the following:**

- 1) **Duplicative reporting and inconsistent identifiers:** Transactions are often subject to reporting under multiple regimes (e.g. MiFIR, EMIR, SFTR, REMIT), each with their own templates and

identifiers (ISIN, UPI). This creates challenges in terms of mapping, validation and system architecture, which increase costs and operational risks.

- 2) **Dual-sided reporting and reconciliation under EMIR and SFTR:** Dual-sided reporting creates unnecessary duplication, especially when one counterparty is already legally responsible for reporting (e.g., FCs on behalf of NFCs in case of mandatory delegation under EMIR). It also generates **pairing and reconciliation** requirements that often have limited supervisory value. A major cost driver is the large number of fields subject to reconciliation, many of which are either non-essential or technically difficult to align, creating frequent mismatches that must be investigated despite offering little insight<sup>11</sup>. This issue is further amplified by divergent validation and data quality controls performed by ESMA and national competent authorities, which result in inconsistent feedback for the same report and force firms to interpret non-aligned requirements. Another pain point concerns the requirement to exchange and disseminate the unique transaction identifiers (UTI), leading to increased dependency with third party systems (such as with SFTR) while data quality could be supported by other means (see our response to Q.22)
- 3) **Operational fragmentation across reporting regimes leading to parallel infrastructures and workflows:** Firms must operate separate systems and workflows for MiFIR, EMIR and SFTR, increasing costs and operational complexity. This fragmentation hinders standardisation, complicates compliance, and disproportionately affects smaller firms, which may be forced to outsource reporting or withdraw from certain activities.

## 4 – IDENTIFICATION OF SIMPLIFICATION OPTIONS

### 4.1 – KEY PRINCIPLES FOR ALL OPTIONS

*Q.2: Do stakeholders agree with the proposed principles and related description? Is there any other aspect/principle that should be considered?*

Yes, AMAFI broadly agrees with **the four high-level principles outlined by ESMA** and welcomes the structured approach proposed to guide the simplification of transaction reporting frameworks. However, we believe that certain additions would strengthen their effectiveness and ensure that simplification efforts are both meaningful and sustainable over time.

- **“Preserve the information scope”** We agree that reporting should remain aligned with the specific objectives of each regulation. However, preserving the current information scope should not imply maintaining all existing fields as suggested by ESMA<sup>12</sup>. Simplification requires a thorough reassessment of all data required for supervisory use: only data that is demonstrably necessary to fulfil the regulation’s purpose should be retained. Without such prioritisation, simplification risks being superficial.
- **“Decrease overlaps to reduce the reporting burden”** We strongly support this principle. The duplication of data between MiFIR, EMIR and SFTR, impose unnecessary costs and complexity.

<sup>11</sup> For a more detailed explanation please refer to AMAFI’s note [Simplifying transaction reporting \(AMAFI / 25-54\)](#) p. 11-12 and p. 22.

<sup>12</sup> As stated in footnote 29 and paragraph 43-44 of the [consultation document](#).

As outlined in our answer to Q.3, some overlaps can be addressed rapidly through targeted, operational adjustments. These “quick wins” should form the first step of the simplification process.

- **“Ensure global alignment”** AMAFI fully supports greater convergence with international standards as divergences between jurisdictions increase reporting cost and complexity, especially in cross-border situations. We therefore recommend avoiding EU-specific identifiers (such as TIC or INTC as proposed in the MiFIR RTS 22 review) and consistently applying global standards like UPI and LEI. Removing ETDs from EMIR reporting would also align with international practice. Finally, we strongly support ESMA’s proposal to harmonise data definitions through a common dictionary, which would further promote consistency and clarity.
- **“Balance cost and benefit”** It is essential that proposed simplifications be carefully assessed to avoid unintended burdens. We have therefore included in our response some indicative estimations of the potential cost savings linked to the simplification options for instance, 20-25% of cost reduction if amended option 1a is adopted.

**In addition, AMAFI suggests adding three principles:**

- **“Assess data needs”** A genuine simplification requires a structured assessment of each data field, based on its actual supervisory use and the specific objective of each regulation. This step is essential to eliminate redundant or low-value information.
- **“Rebalance the regulatory structure”** The articulation between Level 1, Level 2 and Level 3 measures should be reconsidered to allow for more clarity, flexibility, and responsiveness. A better distribution of operational requirements, placing more of them in Level 2, would improve adaptability and **reduce implementation delays**, while enhancing the overall coherence and stability of the framework.
- **“Rationalise the reporting burden”** A more proportionate distribution of reporting responsibilities could contribute meaningfully to simplification. In specific cases, it may be more efficient for ESMA or NCA’s to retrieve or reconcile certain types of information (such as reference data or transaction linkages) rather than requiring each firm to report them individually. Exploring such approaches could help reduce unnecessary duplication and ease operational constraints, while improving the overall quality and consistency of supervisory data.

## 4.2 – SIMPLIFICATION OPTIONS

### OPTION 1 A) DELINEATION BY INSTRUMENT

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

AMAFI believes that an amended Option 1a would be a more proportionate first step, bringing quick operational benefits while tackling most of the key inefficiencies outlined in section 3. It would notably include the following measures:

- **Reporting ETDs solely under MiFIR**, either by amending Article 9 or by introducing a regulatory exemption. This would bring the EU framework into closer alignment with international practices, where ETDs are reported only under transaction reporting regimes. To ensure that all ETDs are effectively captured, they should be defined as **"standardised derivatives (options and futures) suitable for mass trading, listed on a regulated exchange and centrally cleared"** (including, for example, ETDs traded on non-recognised third-country venues, which are currently treated as OTC)."
- **Reporting OTC derivatives solely under EMIR**, provided this does not undermine market abuse surveillance and does not lead to the introduction of MiFIR-specific fields into EMIR. Fields designed for market abuse surveillance are not relevant to EMIR's objectives and their inclusion would significantly expand its scope by adding unnecessary complexity and costs.
- **Include SFTR in the simplification scope**
- **Harmonise data quality controls performed by ESMA and NCAs**, supported by shared validation rules and harmonised feedback mechanisms. This would prevent inconsistent practices and improve clarity for reporting firms.
- **Promote consistent use of international identifiers, in particular the UPI for OTC derivatives**, across all regimes. This would eliminate the need for technical ISINs and reduce reliance on bespoke identifiers, improving interoperability and reducing costs. The treatment of static and reference data is often re-reported daily, despite remaining unchanged. In such cases, regulators could retrieve these information directly from existing sources, such as ANNA for UPI.
- **Establish a common data dictionary to standardise definitions and reduce interpretation issues**. This would support cross-regime consistency, facilitate implementation, improve data quality and simplify compliance processes, especially for firms active across different asset classes. One option would be to extend the commonly agreed "Critical Data Elements" of the Regulatory Oversight Committee (ROC) to listed derivatives and reference data, supported by practical examples on how to interpret those standard definitions.
- **Remove dual-sided reporting where it adds little or no supervisory value**<sup>13</sup>):
  - **For NFC- under EMIR**, in cases of mandatory delegation by financial counterparties (FCs), where the second report simply replicates the first
  - **For SFTR agency lending**, allowing agent lenders to report on behalf of the beneficial owner, without requiring duplicative reports from firms that do not hold the data at the time of execution
- **Reduce the number of reconciliation fields under EMIR and SFTR**, focusing on those essential for risk monitoring, and introduce tolerances for complex or non-standardised fields (such as valuations or floating rate)

<sup>13</sup> "Where a financial counterparty concludes an SFT with a non-financial counterparty which on its balance sheet dates does not exceed the limits of at least two of the three criteria laid down in Article 3(3) of Directive 2013/34/EU of the European Parliament and of the Council (23), the financial counterparty shall be responsible for reporting on behalf of both counterparties." ([Article 4 \(3\), SFTR](#)).

"1a. Financial counterparties shall be solely responsible, and legally liable, for reporting on behalf of both counterparties, the details of OTC derivative contracts concluded with a non-financial counterparty that does not meet the conditions referred to in the second subparagraph of Article 10(1), as well as for ensuring the correctness of the details reported." ([Article 9 \(1a\), EMIR](#)).

- **Exclude SFTs with central banks from MiFIR reporting.** These transactions are already comprehensively covered under Money Market Statistical Reporting (MMSR) framework for monetary policy purposes and offer limited relevance for market abuse monitoring which is the primary objective of MiFIR.<sup>14</sup>
- **Exempt investment firms from commodity position reporting to trading venues** (Article 58(3)) since this data is already available to NCAs under Article 58(1). This would need a **revision of MiFID II** to allow for its integration.

Enhanced option 1a would significantly reduce the reporting burden by removing duplications, simplifying reconciliations and promoting consistent use of harmonised standards. It offers a proportionate, short-term solution that delivers immediate relief to firms while preparing the ground for a longer-term move towards a unified “report once” model under Option 2.

*Q4: 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?*

AMAFI broadly supports the idea of reporting OTC derivatives solely under EMIR (provided this does not undermine market abuse surveillance) and ETDs solely under MiFIR.

**We stress that simplification cannot be achieved by merely transferring fields from EMIR to MiFIR or vice versa.** This would only duplicate obligations and increase complexity. Instead, each field should be carefully reassessed against the specific objective of the regime concerned, so that only information that is genuinely relevant for systemic risk monitoring or market abuse surveillance is retained.

We see three main risks to be avoided:

- First, to ensure that all ETDs are effectively captured, they should be defined as ***“standardised derivatives (options and futures) suitable for mass trading, listed on a regulated exchange and centrally cleared”*** (including, for example, ETDs traded on non-recognised third-country venues, which are currently treated as OTC)."
- Second, the transfer of MiFIR-specific fields designed for market abuse surveillance (e.g. buyer/seller IDs, investment decision-maker, end-client identifiers) into EMIR. These fields are sensitive, difficult to source and unrelated to EMIR’s objective of systemic risk monitoring. Their inclusion would unduly broaden EMIR’s scope, increase complexity and run against the simplification goal.
- Third, some MiFIR data fields are not currently sourced in EMIR processes, and the suggestion to rely on CCPs for certain post-trade data (such as valuations or margins) may not always be feasible, particularly for indirect clients or when clearing is conducted through non-EU CCPs. CCPs only hold data on their direct clearing members, meaning transparency further down the chain would remain limited for regulators. Such dependencies could create operational blind spots and additional complexity.

<sup>14</sup> For more detailed explanations, please refer to AMAFI’s note [Simplifying transaction reporting \(AMAFI / 25-54\)](#), p. 14.

*Q5: 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?*

**One key element missing from Option 1a is the inclusion of SFTR.** In our view, any meaningful simplification of the transaction reporting landscape must also cover SFTR, which shares many structural features and operational challenges with EMIR. Excluding SFTR from the scope of the reform would be a missed opportunity, as it would leave in place duplicative requirements, particularly in terms of dual-sided reporting, reconciliation, and data controls.

### **OPTION 1 B) DELINEATION BY EVENTS**

*Q.6: What are the key advantages of Option 1b and how do these benefits address the issues in section 3?*

Please refer to our answer to Q.7.

*Q7: What are the key limitations and potential risks of Option 1b?*

AMAFI does not support Option 1b as it is not operationally viable and would create disproportionate costs. The proposed event-based split between MiFIR (transactions) and EMIR (post-trade events) does not match how firms' systems are structured, which are organised by product type rather than by event. This would require a complete redesign of IT infrastructures, **with costs far outweighing any benefit.**

In addition, it would considerably expand the scope of MiFIR to cover both ETDs and OTC derivatives, increasing the number of fields to be reported without adding supervisory value.

Finally, **ensuring consistency on UTIs<sup>15</sup> across MiFIR and EMIR would be extremely difficult.** In practice, MiFIR reports are generated from front-office systems at the time of execution, whereas EMIR reports come from back-office systems used for lifecycle events. The UTI, however, is often only available later, for instance after matching on a platform. As a result, the front-office does not always hold the UTI when the MiFIR report is produced, while the back-office does under EMIR. This structural misalignment would create frequent mismatches, complicate reconciliation, and ultimately undermine data quality.

For these reasons, Option 1b would raise complexity rather than reduce it, and should not be pursued.

*Q8: 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?*

Please refer to our answer to Q.7.

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<sup>15</sup> Unique Trade identifier (UTI) as referred to in Article 7 of ITS (EU) 2022/1860 and in Article 9(1) of EMIR.

## OPTION 2 A) REPORT ONCE PRINCIPLE: MiFIR, SFTR AND EMIR

*Q.9: What are the key advantages of Option 2a and how do these benefits address the issues in section 3?*

**AMAFI considers Option 2a as the only model capable of delivering genuine simplification over the long term.** A single EU Data Hub would ensure that transaction data is collected once and made directly available to regulators according to their mandate. This would remove duplication and fragmentation and give the EU a coherent and stable framework. Centralising validation and controls at EU level would prevent divergent feedback between NCAs and improve data quality.

In parallel, Option 2a would have the positive effect of directly addressing one of the main cost drivers of today's framework: the reliance on intermediaries. According to our members, under EMIR and SFTR, TRs absorb up to 50% of firms' reporting budgets, making them nearly three times more expensive than MiFIR despite lower transaction volumes. This cost gap reflects not only from TR fees, but also from dual-sided reporting (including UTI and pairing/matching requirements), delegated reporting under EMIR, and in the case of SFTR, the mandatory use of vendors for UTI exchange in agency lending. By centralising validation and reconciliation within ESMA's Data Hub, firms could report directly to the regulator, with the use of service providers remaining optional. This would deliver major cost savings while also strengthening Europe's control and sovereignty over financial data, given that several major TRs are non-EU.

**Given the scale and technicality of the needed reform, AMAFI strongly recommends the swift establishment of an EU Task Force,** following the model used for the T+1 transition. Regulators and industry should work together in dedicated working groups to **assess impacts and design a robust, efficient and stable architecture.** Option 2a could be pursued gradually, starting with EMIR and MiFIR, before being extended to SFTR.

*Q.10: What are the key limitations and potential risks of Option 2a?*

While AMAFI supports Option 2a as the right long-term objective, we recognise that **its implementation will be complex and costly.** It will require significant IT developments and careful phasing. A key challenge will be to design a common template that suits all the 3 different regimes avoiding complexity, and that does not go beyond the objective of each regulation which in our view should be one of the core tasks of the proposed EU Task Force.

Moreover, even if we recognise the merits of a shift to one-sided reporting, performed by financial institutions and CCPs on behalf of other counterparties, and of relying on transaction-level information from which position-level data would be calculated rather than reported, **AMAFI is not in favour of a full removal of dual-sided reporting at this stage.** Instead, we support a more proportionate approach: limiting it to the fields and scenarios where it adds real supervisory value. A key concern with one-sided reporting is that data gaps may arise for derivatives transactions between non-financial entities<sup>16</sup>.

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<sup>16</sup> Ex: In the case of a broker chain, only the first broker typically knows the ultimate beneficial owner. If reporting is required only from the end of the chain, for instance by the CCP, the ultimate beneficial owner may not be identifiable.

**Despite these challenges, AMAFI is convinced that the long-term benefits of Option 2a, in terms of simplification, cost reduction and supervisory convergence, far outweigh the challenges.** This reform represents a necessary investment, and its success will depend on the gradual and quick **implementation of simplification measures supported by dedicated EU Task Forces** where regulators and industry work together to define the technical design and ensure a stable and efficient reporting framework.

*Q.11: 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?*

From AMAFI's perspective, Option 2a is the right long-term objective, but some aspects need to be addressed to ensure for its success.

First, a single unified template raises **technical challenges** and must be carefully designed with clear rules on field applicability to avoid complexity. Preparatory technical work should be carried out within a **dedicated EU task force, bringing together regulators and industry to assess impacts, explore alternatives and propose the most efficient architecture.**

**To be effective, this Task Force should be established at an early stage,** as developing the necessary expertise and shared understanding takes time and will be critical to the successful implementation of Option 2a.

Another key issue is **governance and cost allocation.** While reporting should be centralised through ESMA's Data Hub, **supervisory responsibilities must remain with NCAs,** which are best placed to conduct oversight given their proximity to markets and firms<sup>17</sup>. The **financing model must also be carefully designed** to ensure that expected savings, particularly from reducing mandatory reliance on intermediaries, are not offset by additional ones. Proportionality should be preserved by **maintaining the option for firms, especially smaller ones, to continue using intermediaries if needed.**

Third, SFTR should be integrated but only at a later stage, given its specificities.

Finally, **a phased transition,** starting with the quick wins of enhanced Option 1a, will be key to building Option 2a progressively and effectively. **This approach is essential to ensure smooth implementation and to build confidence in the feasibility of a single report centralised by ESMA's.**

## **OPTION 2 B) REPORT ONCE PRINCIPLE EXPANDED**

*Q.12: 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?*

Option 2b could in theory achieve the highest level of simplification by extending the "report once" model to a broader set of regimes. In practice, however, **AMAFI sees this as neither realistic nor desirable at this stage.** Adding frameworks such as REMIT or prudential reporting would create

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<sup>17</sup> See ([AMAFI / 25-48](#)) response to European Commission's consultation on integration of capital markets.

significant legal and operational complexity, **given their very different objectives, data needs and supervisory structures**. It would also risk weakening the proximity and expertise of specialised regulators, which is essential for areas such as energy markets.

Likewise, **AMAFI strongly cautions against extending MiFIR, EMIR or SFTR reporting obligations to entities governed by AIFMD or UCITS<sup>18</sup>**. These entities differ significantly from investment firms and operate under distinct regulatory and operational frameworks. They are not structured to comply with such regimes, and in practice, would delegate such reporting, resulting in higher costs and little supervisory benefit.

Therefore, we do not support expanding the scope beyond EMIR, MiFIR and SFTR. Instead, **efforts should focus on stronger coordination and data-sharing** between financial and sector authorities, particularly ESMA, NCAs and ACER, to avoid duplication while preserving sector-specific oversight<sup>19</sup>.

*Q.13: What are the key limitations and potential risks of Option 2b?*

Please refer to our answer to Q.12.

*Q.14: 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?*

Please refer to our answer to Q.12.

## **OPTION PRIORITIZATION**

*Q.15: 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?*

**AMAFI supports Option 2a as the long-term objective: a unified "report once" model with a central EU Data Hub for EMIR, MiFIR and SFTR. As a first step, we recommend an enhanced Option 1a focusing on quick wins, reducing the reconciliation to key fields with tolerances, reporting ETDs in MiFIR, and OTCs in EMIR.**

AMAFI supports a phased approach. In the long term, Option 2a is the only framework that can deliver genuine simplification through a single reporting to an EU Data Hub, a harmonised template, and the removal of mandatory reliance on intermediaries such as trade repositories. Although it requires significant investment, the structural savings are far greater over time and would enhance both governance and European competitiveness and sovereignty.

In the short to medium term, however, we recommend prioritising an amended Option 1a (please refer to our answer to Q.3). This is a realistic and effective first step that would deliver quick wins such

<sup>18</sup> [ESMA - Discussion Paper on the integrated collection of funds' data](#).

<sup>19</sup> See [\(AMAFI / 25-39\)](#) response to European Commission's consultation on commodity derivatives markets.

as removing dual-sided reporting for NFC- in case of mandatory delegation under EMIR, reducing reconciliation fields under EMIR and SFTR, excluding ETDs from EMIR reporting etc., and harmonising identifiers and definitions. These measures could lower costs by 20–25% with limited investment, while preserving supervisory objectives.

This progressive strategy would allow immediate relief for firms, improve data quality and stability, and prepare the ground for Option 2a. To ensure success, AMAFI recommends setting up an EU Task Force, as for the T+1 transition, bringing together regulators and industry to define the technical design and a robust, efficient template. This approach offers the best balance between feasibility in the short term and ambition in the long term.

*Q.16: 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?*

Please refer to our answer to Q.3 and Q.15.

### **ADDITIONAL COST REDUCTION CONSIDERATIONS**

*Q.17: 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?*

Today, reporting channels differ across regimes. Under EMIR and SFTR, all counterparties must report their transactions to a trade repository (TR), which is compulsory. Under MiFIR, investment firms report either directly to their NCA or via an Approved Reporting Mechanism (ARM), with ARMs being optional. In addition, certain data under SFTR, such as allocation information in agency lending, can only be sourced through specific vendors, creating de facto dependency. Finally, Approved Publication Arrangements (APAs) are mandatory under MiFIR for post-trade transparency.

**This architecture relies too heavily on intermediaries.** In particular, the mandatory use of TRs under EMIR/SFTR is one of the main cost drivers: they alone account for up to 50% of reporting budgets and make EMIR/SFTR almost three times more expensive than MiFIR, despite lower transaction volumes. This cost gap reflects not only TR fees, but also from dual-sided reporting (including UTI and pairing/matching requirements), delegated reporting under EMIR, and in the case of SFTR, the mandatory use of vendors for UTI exchange in agency lending. The heavy dependency on these actors has proven costly and fragile, as illustrated by recent incidents (e.g. the Clement platform outage or the EquiLend incident), which highlighted the systemic impact of such dependencies. **While TRs, ARMs, APAs or vendors may provide useful services, especially for smaller firms, their use should be optional rather than compulsory.**

**In practice, consistency and cost-effectiveness would be best achieved by transferring validation and reconciliation functions into ESMA's future Data Hub, as already envisaged under its data quality framework<sup>20</sup>.** This would reduce costs, ensure a single point of control, and strengthen oversight and sovereignty over sensitive EU financial data. Firms should have the option to report directly to ESMA

<sup>20</sup> [ESMA's Report on Quality and Use of Data 2024](#) and [ESMA's Data Strategy 2023-2028](#)

to reduce costs, while those wishing to use intermediaries could still do so. The key point is that their use should be optional, not mandatory. More broadly, centralising controls at ESMA level would make the system more resilient and adaptable to future regulatory changes.

*Q.18: 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?*

While we see merit in exploring the potential contribution of trading venues to transaction reporting, AMAFI believes this option can only be considered under very strict conditions.

Our concern is that venues do not hold all the information required for a complete MiFIR transaction report (such as the branch receiving the order or post-trade allocations) which remain at investment firm level. RTS 24 data are not equivalent to RTS 22 reports: order lifecycle events are covered, but not client-specific or intermediary-chain information needed for market surveillance. As a result, if reporting were shifted to trading venues, firms would still need to provide these missing data either to the venue or to the regulator. This would not reduce their reporting burden; on the contrary, it would add new layers of complexity and require the sharing of sensitive information that many firms are reluctant to transmit to trading venues. The UK's post-Brexit experience illustrated the risk: as several venues requested to members full additional daily reports in specific formats, creating extra-costs.

For AMAFI, the priority should be to improve EU-level harmonisation of order record-keeping (RTS 24). If this option were nevertheless pursued, strong safeguards would be essential: limiting venues' role to the data they already capture, harmonising obligations across the EU to prevent divergent requirements, and involving regulators, firms and venues in structured workshops before any implementation. Without such conditions, the risk is to replicate the costly and fragmented infrastructures seen in the UK experience, undermining both competitiveness and data quality.

*Q19: 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?*

AMAFI supports the development of a centralised infrastructure under ESMA to act as a data hub for transaction reporting under EMIR, MiFIR and SFTR. Firms would submit to ESMA a single report, through a single channel. **Both EU and national authorities would then access the information they need directly from the hub, in line with their respective mandates.**

This model would simplify reporting by eliminating multiple submissions and duplication, creating a single reporting channel that streamlines processes and ensures lasting coherence through greater harmonisation. By centralising validation and controls at ESMA, supervisors would gain access to a common dataset, fostering convergence, improving data quality and allowing updates to be applied once at EU level rather than across multiple systems. As a positive side effect, costs would also be reduced by making the use of intermediaries such as TRs or vendors optional, giving firms the flexibility to rely on them only if needed.

As highlighted in our answer to Q.11, key challenges include governance, financing and resilience. It is essential to clearly separate ESMA's technical role as operator of the hub from the supervisory responsibilities of NCAs. To ensure success, AMAFI strongly recommends establishing an EU Task Force, bringing together regulators and industry to assess impacts and design the most effective template and architecture. The Data Hub could progressively integrate certain services currently performed by intermediaries, while leaving firms the flexibility to choose between direct reporting to ESMA or continuing to rely on external providers if preferred, particularly for smaller actors. A phased implementation, starting with MiFIR and EMIR and extending later to SFTR, would be the most pragmatic approach. AMAFI considers that the long-term benefits of such a model clearly outweigh the difficulties.

*Q20: 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 aspect, technical implementation, etc.).*

Please refer to our answer to Q.19

*Q21: Do you consider that other technologies (e.g. DLT and smart contracts) should be considered as a way to simplify the reporting process?*

AMAFI acknowledges the innovative potential of Distributed Ledger Technologies (DLT) and smart contracts, which could in the longer term contribute to the modernisation of reporting infrastructures. They may bring benefits for new entrants or fintechs starting from scratch, for instance by building cost-effective reporting infrastructures based on a common data model (CDM)<sup>21</sup> or by leveraging the technical possibilities offered by DLT such as direct access to data. New technologies such as DLT and smart contracts could also, in the longer term, improve data standardisation, reduce reconciliation needs, enable automatic reporting or offer synchronised and immutable datasets accessible to regulators.

If new technologies were to be leveraged, **two points would require particular attention:** (i) regulators would need to move towards a 'data-pull' model rather than relying exclusively on the current 'data-push' approach, a change that could generate costs ultimately borne by market participant ; and (ii) the development of a machine-readable and machine-executable model for reporting rules, with common standards for transaction and reference data, to ensure information can be retrieved and processed efficiently.

**That said, these benefits remain largely theoretical at this stage and several challenges must be noted.** The absence of an EU-wide common data model and the complexity of integrating DLT into legacy systems make implementation difficult for most established firms. Possible reliance on non-EU providers also raises sovereignty issues, although this depends on the type of DLT, with some being public (e.g. Ethereum) and others developed privately by banks. Exemptions under pilot regimes could create a two-speed framework between DLT users and traditional participants, while the key issue of

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<sup>21</sup> The Common Domain Model (CDM) is a standardised, machine-readable and machine-executable model that represents financial products, trades in those products and the lifecycle events of those trades ([ISDA](#) ; [ICMA](#) ; [ISLA](#)).

data quality at entry remains unresolved. Finally, regulators themselves would need to build the necessary connections to such systems.

**AMAFI is not opposed to experimentation, provided it is clearly framed, voluntary, and limited in scope** (such as under the DLT Pilot Regime) using techniques to anonymise and protect confidential/personal data that could serve to explore the technical feasibility and supervisory value of DLT-based approaches. DLT should remain an option (not an obligation) so that firms able to benefit from it can do so, while others are not forced into unsuitable changes. Such experimentation should not be imposed in a widespread manner without a careful assessment of its drawbacks.

**The proposed EU Task Force, working with the industry, could also play a valuable role in assessing their feasibility and potential supervisory value.** For the time being, however, AMAFI considers that efforts should focus on quick operational improvements that can deliver concrete and immediate relief (please refer to the measures we describe in answer to Q.3 and Q.9).

*Q22: 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?*

AMAFI considers dual-sided reporting to be one of the main cost drivers of the current framework. **The burden does not come from duplication itself but from reconciliation, and the dissemination and pre-matching of UTIs**, i.e. the need for counterparties to exchange and agree on the same identifier before reporting. This creates operational frictions, dependency on peers and frequent errors.

Pairing rates under EMIR remain relatively low<sup>22</sup>, **with most mismatches arising from non-essential or inconsistently formatted fields rather than substantive discrepancies**. Examples include daily valuations, which can hardly align across firms using different models, or the representation of complex trades, which generates immaterial differences but heavy reconciliation costs. Today, firms are required to reconcile an excessive number of fields (61% under SFTR, rising to 85% under EMIR by 2026), many of which are optional or of limited supervisory value. This results in frequent technical mismatches, “false alerts” and costly investigations, without providing meaningful supervisory insight.

**We do not advocate a full removal of dual-sided reporting, as it can provide useful cross-checks. But simplification is urgent: reconciliation should be limited to a concise and meaningful set of fields** (such as UTI, counterparties, notional amount and asset class) which are essential to assessing counterparty risk and systemic exposures. **Tolerances should be introduced** for sensitive but variable fields (e.g. valuation, floating rates).<sup>23</sup> In parallel, dual reporting should be removed where it is strictly redundant, for example in cases of mandatory delegation under EMIR for NFC- or in SFTR agency lending, where the second report adds no supervisory value. These reports are often auto generated and strictly duplicative, and their elimination would provide immediate and material simplification without

<sup>22</sup> According to the latest [ESMA Data Quality Report on EMIR](#), as of 31 December 2024, up to 20.5% of trades remained unpaired and 22.1% of positions were unpaired.

<sup>23</sup> For further details, please refer to [AMAFI’s note on simplifying transaction reporting](#) (Section II.B.1 and Appendix C).

compromising data completeness, as the financial counterparty already bears the legal reporting obligation.

*Q.23: 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?*

No, AMAFI does not currently identify reporting frequency as a source of disproportionate burden.

*Q.24: 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?*

AMAFI fully supports the objective of making regulatory reporting more proportionate and less burdensome. However, introducing a simplified regime based on firm size, such as for SMEs, may not bring real simplification. Most small firms already delegate their reporting to larger entities. **Creating a separate framework would mean maintaining two systems, increasing complexity, costs, and supervisory challenges.** A better approach is to simplify rules for all firms, including reconciliation and requested fields, in a consistent way.

## 5 - HIGH-LEVEL IMPACT ANALYSIS BASED ON AVAILABLE DATA

### 5.2 - DUAL SIDED REPORTING

*Q25. 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?*

*Q26. 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?*

*Q27. 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?*

*Q28. 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?*

*Q29. 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?*

*Q30. 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?*

