SIMPLIFYING TRANSACTION REPORTING

AMAFI's proposals

In recent years, transaction reporting has become increasingly complex due to overlapping regulatory requirements. While EMIR, SFTR and MiFIR pursue different goals (such as market transparency, investor protection and systematic risk monitoring), the current framework often leads to duplication, inefficiencies and significant operational burden for financial institutions. The ongoing MiFIR review, which nearly doubles the number of reportable fields (+98%), illustrates the growing imbalance between regulatory ambition and proportionality.

This increasingly demanding regulatory framework requires significant investment in IT infrastructure and dedicated teams. **Smaller institutions, in particular, face challenges in meeting these requirements, sometimes leading them to exit certain activities or outsource reporting.** This trend risks concentrating reporting in the hands of a few large players, which could undermine data quality, increase systemic risk and jeopardise the sustainability of the system.

Rather than expanding obligations, the regulatory focus should be put on the core objectives of each regime to request only essential data, aim to improve compliance with existing reporting rules and enhance data quality. Such an approach would be entirely consistent with the European Commission objectives[1] reducing regulatory burdens and simplifying regulation to strengthen EU competitiveness.

This paper sets out a phased, three step approach to overhauling EMIR, SFTR, and MiFIR transaction reporting, with proposals to make better use of data already collected under the regimes, streamline reportable data, and adopt a consistent cross-jurisdictional approach to data quality and validation.

A key recommendation is to build on ESMA's centralised Data Hub (SHARE), with the ultimate goal of enabling firms to submit transaction data once, allowing NCAs to extract the information they need. AMAFI also urges the use of existing identifiers (LEIs, UPIs, ISINs) rather than creating new ones, to eliminate inconsistencies in counterparty and instrument data.

We welcome ESMA's decision to pause the finalisation of RTS 22, RTS 23, and RTS 24[2]. This allows for a comprehensive reassessment of the transaction reporting framework and gives firms time to consolidate recent changes and stabilise processes, avoiding further implementation costs as of now.

After recalling the regulatory objectives underpinning each transaction reporting regime (Section I), this paper sets out practical solutions to the challenges identified (Section II).

[1] European Commission's 2025 Annual Single Market and Competitiveness Report.
[2] ESMA, Streamlining financial transaction reporting: ESMA calls for input, 23 June 2025.

Summary of simplification proposals

- **Short-Term simplification measures (< 1 year)**
  - **Pause and postpone regulatory works** (Section II.A.1)
    - **Pause ESMA final report on RTS 22, 23 and 24:** AMAFI welcomes ESMA decision to suspend the ongoing revisions to RTS on transaction reporting, reference data and record keeping allowing for a proper reassessment with the initial MIFIR policy objectives and to consider proposed simplifications.
    - **Extend MiFID II transposition deadline** to include simplification measures.
      - **Streamline reporting to match regulatory objectives**: focus on the purpose of each reporting regime (EMIR, SFTR, MiFIR) to reduce redundant data collection. (Section II.A.2)
      - **Optimise identifiers usage:** use existing global identifiers (LEI, ISIN, UPI) rather than introducing new ones. (Section II.A.3)
      - **Harmonise data quality controls:** implement centralised validation through ESMA to reduce discrepancies between national authorities. (Section II.A.4)

- **Medium-Term measures (between 1 and 2 years)**
  - **Eliminate redundant double reporting:** remove dual-sided reporting where it lacks added value. (Section II.B.1)
  - **Focus on key data matching:** prioritise essential fields to improve matching accuracy and reduce operational efforts. (Section II.B.2)
  - **Avoid duplicate reporting of the same financial instruments:** exclude instruments already covered by other regulatory frameworks when irrelevant for supervision. (Section II.B.3)
  - **Eliminate reporting not strictly useful for supervision:** exempt investment firms from the obligation to report positions on commodity derivatives for transactions executed on a trading venue. (Section II.B.4)

- **Long-Term Vision (between 2 and 5 years)**
  - **A single reporting repository:** leverage ESMA centralised Data Hub to consolidate reporting data collection into a unique repository to improve efficiency and consistency. Also grant investment firms access to static reference data to simplify data gathering process. (Section II.C.1)
  - **Towards a unified transaction reporting framework:** merge EMIR, MiFIR, and SFTR reporting into a single, streamlined regime to eliminate redundancies. (Section II.C.2)

I. Overview of the regulatory objectives of the EMIR, MiFID and SFTR transaction reporting regimes

A. EMIR (Risk mitigation & transparency in derivatives markets)

The European Market Infrastructure Regulation[3] (**EMIR**), was introduced after the global financial crisis to **strengthen financial stability by addressing systemic risks in the derivatives market, notably through transparency**[4]. **The objective is to provide regulators with the data necessary to assess counterparty exposures and the accumulation of risk within the financial system.**

EMIR applies to both OTC derivatives and exchange-traded derivatives involving financial and non-financial counterparties, provided they exceed a defined threshold[5]. All derivative contracts must be reported to ESMA-registered trade repositories. This reporting includes comprehensive details on counterparties, the instrument, notional amounts, valuation, and collateral, with daily updates, particularly regarding valuations and collateral changes.

One of the key specificities of EMIR is the **dual-sided reporting requirement**, where both counterparties to a transaction must submit reports, leading to challenges in data reconciliation and increased operational complexity.

B. MiFIR (Market integrity & investor protection)

The Markets in Financial Instruments Regulation[6] (**MiFIR**) aims to **enhance market transparency, reinforce market integrity, and safeguard investors in EU financial markets, while helping to prevent market abuse.** It covers all financial instruments admitted to trading or traded on regulated markets, multilateral trading facilities (MTFs), or organised trading facilities (OTFs), as well as OTC derivatives linked to these instruments.

To support these objectives, MiFIR establishes a dual framework for pre- and post-trade transparency, requiring investment firms and trading venues to disclose key ex-ante data and to report executed transactions to National Competent Authorities (NCAs) (*MiFIR, Article 26*). The latter is referred to as "transaction reporting" and includes detailed information on the instrument, price, volume, transaction date and time, type of transaction, and the identities of the buyer and seller.

Unlike EMIR, MiFIR follows a single-sided reporting model, where investment firms report on behalf of their clients, which reduces duplication but places a significant responsibility on firms.

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[3] Regulation (EU) No 648/2012.
[4] Other EMIR measures concern the mandatory central clearing of standardised OTC derivatives to reduce counterparty credit risk, margin requirements for non-cleared derivatives, and portfolio compression.
[5] See Art. 10 and Art. 4 of Regulation (EU) 648/2012. Art. 10 (4) defines the clearing thresholds for non-financial counterparties, while Art. 4 outlines the clearing obligation for counterparties exceeding those thresholds.
[6] Regulation (EU) No 600/2014.

C. SFTR (Securities financing transactions oversight)

The Securities Financing Transactions Regulation[7] (**SFTR**) was established after the global financial crisis to target shadow banking and thus aims to **enhance transparency and mitigate systemic risks in securities financing transactions** (SFTs) such as repos, securities lending, and margin lending. SFTR's focus is not only on transaction transparency but also on monitoring the risks posed by collateral reuse and shadow banking activities, thereby helping regulators assess the interconnectedness of financial markets.

SFTR imposes detailed reporting requirements on both financial and non-financial entities involved in SFTs. The regulation mandates the reporting to an ESMA-registered trade repositories of comprehensive data related to transaction details, collateral involved (type, value), and reuse.

Like EMIR, SFTR requires dual-sided reporting, where both parties involved in the transaction are required to report. This dual reporting can lead to inconsistencies between counterparties' submissions, causing increased workload.

II. Proposed simplification measures

A. Short term simplification measures

1. Pause and postpone regulatory works

AMAFI welcomes ESMA's decision to not propose changes to the existing reporting frameworks for transaction reporting[8], reference data[9] and order data[10] (RTS 22, 23, and 24 respectively) under the ongoing MiFIR review. This pause is necessary to allow for a proper reassessment of the transaction reporting scope, including a review of certain proposed changes and a better evaluation of their impacts, consistent with the objectives of the MiFIR review and the broader goals of simplification and competitiveness. This is also an opportunity to take into account the forthcoming specifications from the European Commission regarding the identifying reference data to be used for OTC derivatives in the context of transaction reporting[11].

Specifically, on RTS 22, while we supported some of the proposals contained in the public consultation closed on 17 January 2025[12], such as the harmonisation of field definitions and data standards with EMIR and SFTR, we were concerned by the **significant increase in reportable fields, from 65 to 127,** also **considering that 81% of them represent a duplication of EMIR/SFTR** (*see Appendix II for a detailed description)*. **The continuous addition of new reporting fields prevents firms from stabilising their systems and processes**, **a requisite for achieving reliable data quality.** If any new fields are deemed

[7] Regulation (EU) 2015/2365 .
[8] Mandate under Article 26 (9) of revised MIFIR.
[9] Mandate under Article 27 (3) of revised MIFIR.
[10] Mandate under Article 25 (3) of revised MIFIR.
[11] Article 27(5) 2nd paragraph, MIFIR.
[12] Consultation Paper Review of RTS 22 on transaction data reporting under Art. 26 and RTS 24 on order book data to be maintained under Art. 25 of MiFIR, 3 October 2024.

necessary, their appropriateness, proportionality and impact on competitiveness should be carefully assessed, striking a balance between the regulatory benefits and the burdens imposed on investment firms.

With respect to RTS 23, the delay in defining the identifying reference data for OTC derivatives in transaction reporting, combined with ongoing discussions on the appropriate standard identifiers for both transaction and transparency reporting, makes any finalisation premature. The ongoing debate around the use of modified ISINs versus UPIs for OTC derivatives has already resulted in inconsistencies between the EMIR Refit and MiFIR frameworks, further underscoring the need for clarification before moving forward (see AMAFI's suggestions in Section II.A.3).

AMAFI also proposes postponing the current deadline of 29 September 2025 for the transposition of the revised MiFID II by Member States, considering the discussions in progress on simplification, which may affect the content to be transposed. Furthermore, among the burden-reduction measures detailed in this position paper, **AMAFI recommends exempting investment firms from the obligation to report positions on commodity derivatives for transactions executed on a trading venue**, given that national competent authorities already receive this information directly from the venues. Implementing this change would require an amendment to Article 58 of the revised MiFID II.

2. Reporting data essential to fulfilling the objectives of each regime

As reminded in Section I, transaction reporting under EMIR, MiFIR, and SFTR **have distinct purposes**, reflecting the specific risks and regulatory needs addressed by each framework.

The information required under each reporting should serve the original regulatory objectives. However, since the adoption of the first technical standards**, the volume of required data has grown exponentially**, often making it difficult to reconcile with the initial purpose and sometimes exceeding the scope of the concerned regulation. This also often leads to overlaps between regimes. Currently, the same transaction may be reported under both EMIR and MiFIR, with the same information required, resulting in significantly redundant data sets.

The EU can take cues from international peers that have implemented more efficient or proportionate reporting frameworks. Notably, the United States' Commodity Futures Trading Commission (CFTC) recently overhauled its swap data reporting rules with an eye toward essentiality. The CFTC's 2020–2021 reforms replaced what its Chairman described as a *"sprawling mass of disparate SDR fields, sometimes running into the hundreds or thousands, with 128 that are important to the CFTC's oversight of the swaps markets"*[13]. This was a deliberate pruning of low-value information: after years of collecting extensive swap data, U.S. regulators determined that many fields were unnecessary and refocused the requirements on a core data set needed for effective supervision.

[13] CFTC, "Statement of Chairman Heath P. Tarbert in Support of Final Rules on Swap Data Reporting", 17 September 2020).

By clearly defining the functional scope of each reporting regime, it becomes possible to structure data collection so that only information strictly necessary to fulfil each regime's specific regulatory objectives is reported.

Proposal

AMAFI recommends returning to the core objectives of each regulatory regime and, going forward, explicitly recalling them as a foundation for any review of reporting requirements.

This approach should guide the definition of a strictly necessary data scope, limiting reported fields to information essential to fulfilling the regulation's purpose and avoiding the collection of data unlikely to be actively used by supervisors.

3. Optimising the use of standard identifiers

EU financial market regulation currently relies on multiple identification codes for instruments, transactions, and entities, notably ISINs, UPIs, UTIs, and LEIs, which serve overlapping purposes but are applied divergently across MiFID II/MiFIR, EMIR, and SFTR. This fragmentation has led to inconsistencies in how the same instruments or counterparties are identified under different regimes[14].

Using the UPI as the unique identifier of OTC derivatives

Since 2018, MiFIR has mandated the use of ISINs (International Securities Identification Numbers, ISO 6166) to identify all reportable financial instruments. This requirement works well for instruments that are admitted to trading (such as shares, bonds, and listed derivatives), which natively carry ISINs. However, it has proven less suitable for OTC derivatives, which do not have ISINs by default and therefore require a workaround.

Trading venues and investment firms rely on a central numbering agency, the ANNA Derivatives Service Bureau (ANNA DSB), to generate so-called "technical ISINs" on demand for OTC derivatives they admit or trade. Nevertheless, considering that the ISIN must be obtained intraday for an OTC trade to be timely reported, integrating this process into the trade workflows is a burdensome operational challenge. By contrast, under EMIR, the UPI (Unique Product Identifier under ISO 4914) is accepted to identify OTC derivatives, avoiding the need for a third party to issue a new code for each trade instance[15].

[14] "*Concerning the lack of standardisation, variations in the rules on data standards to be used as well as reporting formats also implies costs. Further consistency in legal requirements on data standards and formats across MiFIR, EMIR and REMIT is needed. In particular, it would be beneficial if the respective EU sectoral legislations explicitly referred in a consistent manner to existing international data standards such as Legal Entity Identifier (LEI), Classification of Financial Instruments (CFI), International Securities Identification Number (ISIN), Unique Transaction Identifier (UTI), Unique Product Identifier (UPI) and International Securities Identification Number (ISIN) and the methodology to develop financial messages (ISO 20022)*" (*ESMA's response to the EC commodity derivatives review, 2 May 2025*).

[15] Under EMIR, the ISIN remains the primary product identifier. However, in the absence of an ISIN, reporting entities may use a UPI, as permitted by the RTS on reporting to trade repositories (Delegated Regulation (EU) 2022/1855).

We note however, that in the context of the MiFIR review, this issue does not seem to be fully acknowledged. As such, it is not excluded that either the ISIN will be maintained as the primary identifier or that different identifiers will be mandated for transaction and transparency reporting for OTC derivatives. This misalignment would compel trading venues and investment firms to maintain parallel reference data for the same OTC derivative, for example, ISINs for transaction reporting and UPIs for transparency, which would necessitate the development of mapping tools to reconcile the two. This approach is unnecessary complex, operationally burdensome and prone to errors.

In addition to these operational challenges, **cost implications are substantial**. The generation of ISINs for OTC derivatives is **significantly more expensive** than the issuance of UPIs.

Proposal

AMAFI recommends using **the same identifier for a financial instrument across different reporting**, meaning an **OTC derivative should be identified consistently for MiFIR transparency, MiFIR transaction reporting, and EMIR reporting using the UPI (ISO 4914)**.

This consistency spares firms from having to convert one identifier into another when fulfilling multiple obligations for the same financial instrument and is compliant with MiFIR's revised mandate to use a "*globally agreed unique product identifier*"[16]. This would align EU practices with other jurisdictions such as the US (CFTC) and Singapore (MAS).

Thishttps://www.esma.europa.eu/publications-and-data/interactive-single-rulebook/mifir/article-27-obligation-supply-financial should be implemented by stopping the reliance on technical ISINs for derivatives.

Where additional information is needed by supervisors beyond what the UPI provides, such details should be included as **reportable fields**, rather than embedded through bespoke identifiers. This is why AMAFI welcomes ESMA decision to not propose changes for **RTS 22, 23, and 24**, and recommends that the European Commission and ESMA reconsider the use of UPI in the ongoing consultation on **RTS 2** regarding transparency requirements for derivatives. While ISIN is systematically referenced in current drafts, its use should be restricted to listed instruments and securities, not to OTC derivatives.

Using the LEI to streamline counterparty data

The current regulatory framework requires **static reference data** in each transaction report, particularly **counterparty information** such as names, country, and branch details, whereas these do not change trade-by-trade.

Each investment firm independently manages its counterparty data, leading to the maintenance of internal databases requiring significant resources to continuously monitor, validate and update their information to ensure compliance. This may result in inconsistencies, as there is neither standardised

[16] Article 27(1), MIFIR.

method nor single sources for data collection and verification. A more efficient and streamlined approach is needed to reduce the risk of errors and the operational burden for investment firms.

Under all three regimes, investment firms are required to use the global Legal Entity Identifier (LEI[17]) to identify counterparties. The LEI already includes verified reference data such as the entity's legal name, registered address and jurisdiction, but not all the counterparty information required under the different regimes (such as the "Corporate sector of the counterparty" and "Nature of the counterparty"). Moreover, even if some information could be retrieved through the LEI ("Country of the counterparty"), these are required to be reported separately into the transaction reporting introducing redundancy and risk of errors.

Proposal

AMAFI recommends that the attributes already included in the LEI, such as the "Country of the counterparty", **should no longer be required separately in transaction reports**.

Furthermore, **the LEI reference dataset should be progressively enriched to incorporate additional regulatory attributes**, including the "Corporate sector of the counterparty" (e.g., using NACE codes) and the "Nature of the counterparty" (i.e., financial versus non-financial classification). Once these elements are embedded within the LEI framework, regulators could retrieve them directly from the centralised LEI reference database, thereby eliminating the need for repetitive data submissions and fostering a more streamlined, accurate, and proportionate reporting process.

Do not introduce EU-specific identifiers

The introduction of **EU-specific identifiers for reporting should be avoided**.

Recent proposals in the MiFIR transaction reporting review included concepts like the "Transaction Identification Code (TIC)" for off-venue trades and a "Chain Identifier" to link execution chains, as well as an "INTC" code to identify aggregated client orders. The goals behind TIC and the chain identifier (namely, linking related transaction reports) could be achieved by leveraging or tweaking existing global identifiers (for instance, using UTIs for off-venue trades, or requiring that an executing broker's allocations carry a reference to the block trade UTI).

Creating an EU-only taxonomy of TICs and INTC or any similar new code is not a good solution, because complex, operationally burdensome, not necessary as alternatives exist, and unattractive to market players outside the EU.

We urge **stepping back from the introduction of such codes** to focus instead on **ensuring that global standards are implemented consistently**. For example, if each off-exchange trade carries a UTI (as under EMIR), MiFIR could simply mandate the use of this same UTI to uniquely identify transactions and to reconcile transactions in the case of e.g. amendments, cancellations, or publication after a deferral. The use of UTIs will also serve the CTP need to check the completeness of the data transmitted

[17] the LEI (ISO 17442) is a standardized 20-character identifier for legal entities, and each LEI code comes with reference data about the entity's official name, registered address, country of incorporation, etc…

by data contributors. UTIs should be used in both transaction and post-trade transparency reports. Similarly, rather than an INTC for aggregated orders, regulators could require that the allocation reports reference the block trade's transaction ID (again using the UTI as the common link). Leveraging the **existing identifier infrastructure** in this way would avoid fragmenting the system further.

Proposal

AMAFI calls for leveraging on existing transaction identifiers: the UTI is already required under EMIR and SFTR. For OTC derivatives the use of the harmonised "global UTI[18]" standard is recommended under EMIR (EU) and CFTC (US). UTIs should be reported in MiFIR transaction reports and transparency to link the two sides of a trade.

Regulators should refrain from introducing a parallel "TIC" scheme in both transaction and transparency reporting that duplicates the function of UTIs; instead, guidance can be issued on UTI sharing for off-venue trades (e.g. requiring counterparties to agree on a UTI and transmit it when reporting, which is already standard under EMIR).

However, the use of UTIs under MiFIR should take into consideration that the lifecycle events under EMIR which may impact the UTI are not necessarily the same under MiFIR. In addition, current industry experience highlights persistent operational challenges in the creation, dissemination and reconciliation of UTIs under EMIR and SFTR. These issues must be acknowledged when considering any guidance or future developments on UTI usage in the context of MiFIR reporting

4. Harmonising data quality controls performed by ESMA and NCAs

Differences in interpretation and validation rules across NCAs continue to complicate transaction reporting. ESMA has initiated efforts to centralise and standardise data quality checks by developing data-sharing system between ESMA and NCAs like the SHARE platform, which enables joint access and collaboration on unified datasets. However, in practice, these systems remain difficult for NCAs to fully utilize.

A key issue is that NCAs currently do **not have direct access** to ESMA's datasets. The SHARE platform, hosted on Microsoft Azure, requires a paid query infrastructure, which limits real-time and transparent access for national supervisors. As a result, NCAs must operate without a shared interface or database, leading to fragmented approaches to data validation. This limitation forces reporting entities to interpret and anticipate divergent controls, as they receive inconsistent feedback and are required to align with non-transparent rules.

The consequence is a significant operational burden for firms, which must spend considerable resources reconciling conflicting requirements across jurisdictions. For instance, a report may be

[18] Developed by CPMI-IOSCO to replace fragmented transaction identifier systems, the global UTI is based on a single format (ISO 23897). Its objective is to simplify reporting workflows for firms operating across multiple jurisdictions and to enable cross-jurisdictional data reconciliation.

accepted by one regulator and rejected by another for the same transaction, solely due to differences in validation logic.

Although ESMA's broader Data Strategy 2023–2028 aims to reinforce its role as a central hub by promoting data standardization and cloud-based access, this ambition must be accompanied by actual accessibility for all authorities involved. Until NCAs are fully equipped to connect to the ESMA platform on equal terms, the benefits of centralised control and harmonised supervision cannot be fully realised.

Proposal

AMAFI recommends that ESMA ensure:

- Free or subsidised access for NCAs to the central infrastructure;
- Publication of shared validation rules and test environments;
- Alignment of control and reconciliation logics across authorities, enabling firms to rely on single feedback.

Such adjustments would meaningfully contribute to the simplification of reporting obligations and support Europe's ambition of a more robust and convergent supervision.

B. Medium-Term measures

1. Removing dual-sided reporting where it lacks added value

Dual-sided reporting requirements should be removed in the following cases, as they do not materially enhance data quality or risk monitoring:

- **Trades between Financial Counterparties (FCs) and small Non-Financial Counterparties (NFC-s):** Under both EMIR and SFTR, investment firms (as FCs) are legally required to report on behalf of their NFC- counterparties[19]. Although the definition of an NFC- varies slightly between the two regulations, the principle remains the same. In practice, this means that FCs submit both sides of the report, with the NFC- side simply mirroring the FC side and being automatically generated by IT systems. Requiring firms to report both sides in such cases creates unnecessary compliance burdens, as the second report adds no substantive value.

[19] "*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*).

Proposal

AMAFI recommends removing the dual-sided reporting requirement for trades between FCs and NFC-s, where the FC is already legally required to report on behalf of the NFC- under EMIR and SFTR, making the second report redundant and unnecessarily burdensome.

- **Agent-executed or brokered transactions**: For SFTR agency lending, EU firms rely heavily on agent lenders to obtain the necessary information to meet their reporting obligations. Agent lenders have no regulatory obligations whereas in most cases, they hold the data necessary for the reporting of borrowers. In most cases, the identity of the end beneficial owners is not known at the time the trade is executed and are only known by the agent lenders. Without the allocation data, which only agent lenders hold, firms cannot fulfil their reporting requirements (see AMAFI / 23-40 for a detailed description of this issue). By contrast, under the U.S. SEC Rule 10c-1a[20], securities lending reporting is single-sided: only the lender is required to report, and where the lender uses an intermediary (such as a bank, broker-dealer, or agent), the intermediary is responsible for fulfilling the reporting obligation. This approach avoids duplicative reporting and could serve as a useful reference for simplifying SFTR requirements in the EU context.

Proposal

AMAFI suggests that agent lenders should report on behalf of firms, with no second reporting by the firms themselves.

2. Reducing the number of fields to reconcile under EMIR and SFTR

Dual-sided reporting, as required under EMIR and SFTR, plays an important role in ensuring the completeness and accuracy of transaction data. However, this creates practical challenges in terms of data reconciliation as EMIR and SFTR require extensive field-level reconciliation[21], creating significant operational workload.

Pairing rates under EMIR remain relatively low[22] with **mismatches frequently stemming from fields that are non-essential or formatted inconsistently**, rather than from substantive discrepancies. Regulators gain little incremental insight from these extra data points, even as firms struggle under the weight of populating and reconciling them. This is particularly true for certain values (like daily mark-

[20] U.S. SEC, Rule 10c-1a: Final Rules: Reporting of Securities Loans, 13 October 2023.

[21] Under SFTR, reporting entities are required to reconcile the vast majority of the 155 reportable fields (61%). Under EMIR, 50% of the fields have been subject to reconciliation since April 2024, with an additional 35% to follow from April 2026, bringing the total to 85% of fields.

[22] According to the latest ESMA Data Quality Repot on EMIR, as of 31 December 2024, up to 20.5% of trades remained unpaired and 22.1% of positions were unpaired.

to-market valuations under EMIR), which in practice can hardly perfectly match between two firms that use different models and pricing sources. Another example is the representation of complex trades: one firm might report a structured trade as two forward contracts while another reports it as a single swap, leading to discrepancies that are immaterial for risk monitoring but trigger costly reconciliation efforts.

Targeted adjustments to the existing approach could help improve efficiency and reduce unnecessary burdens, which is particularly important for smaller firms.

Proposal

AMAFI proposes to reduce the number of fields subject to reconciliation, focusing on fields essential to identifying systemic risks and market exposures, **and introducing tolerance on others** to reduce operational complexity and improve data quality.
Such a risk-based and proportionate approach could be enabled by classifying matching fields into the following three categories (*see Appendix III for a detailed description*):

- **Category 1 – Essential fields**: fields that define the economic nature of the transaction and are necessary for supervisory purposes. They are mandatory or conditionally mandatory under the reporting validation rules.
- **Category 2 – Non-essential fields**: fields that are optional, free text (*Name of the underlying index, Custom basket code*), or conditional but marginally relevant, and which generate high rates of mismatches without enhancing regulatory oversight. Conditional fields where validation rules are unclear (the fields can be left blank or can be populated) should not be matched, or the validation rule should be modified to avoid any misinterpretation between the two counterparts.
- **Category 3 – Problematic but material fields**: relevant fields that are technically complex or inconsistently reported, requiring tolerance on matching rules or ESMA guidance (e.g. *Total Notional Quantity)*. For instance, the introduction of quantitative tolerances, rounding rules and deviation limits on numeric fields such as valuations and notional amounts could be envisaged. There are scenarios where there are some contradictions between the technical validation rules and the ESMA guidelines could lead some counterparties to populate some fields or not, those cases should be addressed.

Examples of problematic fields

a) Market Value

- Issue: frequent mismatches due to differences in valuation methods, timing of snapshots, and lack of official pricing sources.
- Regulatory impact: minimal added value for supervisory purposes; matching particularly burdensome under SFTR.
- Recommendations:
  - *SFTR*: Exclude Market Value from the matching perimeter.
  - *EMIR*: Retain the field (for which matching will become mandatory end of April 2026), but introduce tolerance mechanisms (e.g. rounding thresholds, deviation limits).

Encourage bilateral pre-matching tools at middle-office level to reduce noise in the matching process.

b) Floating Rate-Related Fields

- Issue: variations in formatting (e.g., "1 year" vs "12 months"; "3M" vs "3 months") result in non-substantive mismatches.
- Recommendations:
  - Remove these fields from the mandatory matching perimeter under EMIR and SFTR.

Alternatively, provide ESMA-endorsed formatting standards to ensure alignment.

3. Avoiding duplicate reporting of SFTs and ETDs transactions

i. Excluding Securities Financing Transactions (SFTs) conducted with the Eurosystem from MiFIR transaction reporting

Under current rules, MiFIR transaction reporting covers most trades in MiFID instruments, while securities financing transactions (SFTs), such as repos and securities lending, are generally reported under the SFTR. However, **SFTR explicitly exempts SFTs involving a counterparty from the European System of Central Banks** (ESCB, i.e. the Eurosystem) [23] to respect the sensitive nature of monetary operations and because central banks have dedicated reporting frameworks. Recital 12[24] of SFTR

[23] SFTR, Article 2(3).

[24] *"(12) Transactions with members of the European System of Central Banks (ESCB) should be exempted from the obligation to report SFTs to trade repositories. However, in order to ensure that regulators and supervisors obtain a proper overview of the risks linked to SFTs concluded by the entities they regulate or supervise, the relevant authorities and the members of the ESCB should cooperate closely. Such cooperation should enable regulators and supervisors to fulfil their respective responsibilities and mandates. Such cooperation should be confidential, and conditional on a justified request from the relevant competent authorities, and should only be provided with a view to enabling those authorities to fulfil their respective responsibilities having due regard to the principles and requirements of the independence of central banks and the performance by them of their functions as monetary authorities, including the performance of monetary, foreign exchange and financial stability policy operations which members of the ESCB are legally empowered to pursue. The members of the ESCB should be able to refuse to provide information where the transactions are entered into by them in the performance of their functions as monetary authorities. They should notify the requesting authority of any such refusal together with the justification therefor." (SFTR, recital 12).*

reinforces this exemption, encouraging close cooperation between central banks and regulators for information sharing on such transactions.

To avoid a transparency gap, **MiFIR reporting obligations were extended to cover SFTs with ESCB members**, via Article 2(5) of RTS 22. This ensures that national competent authorities (NCAs) receive at least partial insight into repo transactions with central banks. However, this approach has raised operational and conceptual concerns. MiFIR's reporting schema was not designed for SFTs, particularly Repos, making it difficult to represent these trades accurately[25]. As a result, the reporting is complex and inconsistent, offering limited supervisory value, especially given MiFIR's core focus on detecting market abuse, a risk largely irrelevant in the context of central bank liquidity operations.

Meanwhile, **SFTs with Eurosystem counterparties are already reported under the ESCB's Money Market Statistical Reporting (MMSR) framework**, which requires daily, transaction-level data from a panel of large euro area banks. This includes repo transactions with central banks, except when part of official monetary policy operations (e.g. ESCB tenders or standing facilities). From a transparency and systemic risk perspective, MMSR enables the Eurosystem to monitor money market activity and detect stresses or anomalies in a timely manner.

MMSR provides granular details such as collateral ISINs, haircuts, rates, maturities, and counterparty identifiers, exceeding the level of detail available through MiFIR for these transactions. However, its institutional coverage is limited, focusing mainly on large Eurozone banks and the reported data are not accessible to securities regulators (e.g., ESMA or NCAs). MiFIR, by contrast, applies to a broader set of investment firms, including smaller firms and third-country entities operating under MiFID II and allows NCAs to directly monitor transactions with central banks for potential risks in real-time.

However, considering that MiFIR's primary objective is to support market abuse detection and prevention, the requirement for firms to report SFTs with the ESCB appears disproportionate. These transactions are not traded on a market basis, they are policy-driven, standardised operations designed to transmit monetary policy or manage liquidity. They are typically not negotiable and not exposed to market abuse.

It could be argued that including these transactions in the MiFIR scope serves to provide a more complete picture of market liquidity conditions, which may support financial monitoring. However, considering that MMSR already provides this data to the ECB, a more effective and proportionate approach would be to expand access to MMSR, for example, by establishing a data-sharing channel between the ECB and ESMA/NCAs rather than maintaining the MiFIR reporting.

[25] MiFIR requires a price and treatable instrument ID, which don't cleanly map to a repo's rate and collateral/exchange of cash – banks have had to use workarounds (e.g. report the collateral ISIN as the instrument and flag the trade as an SFT).

Proposal

AMAFI proposes amending MiFIR Article 26 and RTS 22 to explicitly exclude SFTs involving central banks, aligning MiFIR with the existing SFTR exemption under Article 2(3)[26]. This would eliminate duplicative and low-value reporting without affecting the regulatory insight on SFTs.

The approach is not without precedent: **the UK's Financial Conduct Authority (FCA) has already excluded SFTs with ESCB counterparties from both SFTR and MiFIR reporting obligations**. Moreover, this proposal would not affect the effectiveness of the Market Abuse Regulation (MAR), as central banks are exempted[27] from its provisions on insider dealing and market manipulation when acting as monetary authorities, consistent with the view that such trades are not abusive in nature.

ii. Excluding exchange-traded derivatives (ETDs) from EMIR trade reporting

Currently, EMIR requires the reporting of all derivative transactions (both OTC contracts and ETDs), as stated under Article 9, which mandates that "*counterparties and CCPs shall ensure that the details of any derivative contract they have concluded […] are reported to a trade repository*"[28] by T+1. While this comprehensive scope was designed to increase transparency, it overlooks an important distinction between OTC derivatives and ETDs in terms of systemic risk.

EMIR was originally developed to reduce systemic risk by enhancing transparency of the OTC derivative market and reducing counterparty risks, where trades are not centrally cleared. By contrast, ETDs are executed on regulated venues and centrally cleared, with robust risk management frameworks in place, including daily margining, default funds and default management procedures at central counterparties (CCPs). These mechanisms significantly mitigate systemic risk. In the event of failure of a clearing broker or CCP, multiple legal and operational safeguards prevent contagion, reducing the need for trade-by-trade regulatory monitoring. In this context, it is questionable whether the reporting of ETDs provides any supervisory benefit.

This is even more of a concern since, in practice, the **reporting of ETDs under EMIR has introduced substantial inefficiencies**. ETD markets are inherently high-frequency and reporting each transaction results in the submission of millions of records daily, often duplicating information already available through CCPs' aggregate position reporting. Moreover, CCP position data are widely recognised as the most accurate source for systemic risk surveillance in ETD markets.

Further, the requirement for dual-sided reporting of ETDs has led to widespread reconciliation issues. One root cause is the netting of ETD trades into positions at CCP level, which means parties often lack a shared trade identifier. This not only creates poor-quality regulatory data but also triggers high

[26] *"3. Article 4 does not apply to transactions to which a member of the ESCB is a counterparty." (SFTR, Article 2(3))*.
[27] Regulation (EU) 596/2014, Art. 2.
[28] Regulation (EU) 648/2012, Art. 9(1).

operational costs for firms, who must correct errors and even notify their counterparties of mismatches, adding another costly compliance layer.

The complexity and cost of reporting ETDs are further exacerbated by the **number of data fields required** (e.g., UTIs, product identifiers, venue codes), **which are often ill-suited for standardised exchange-traded instruments**. These requirements were designed for bespoke OTC products and are poorly adapted to the operational realities of ETD markets.

This situation is unique to the European Union. Major global jurisdictions, including the United States (CFTC), Singapore (MAS), and Hong Kong (HKMA), limit trade reporting obligations to OTC derivatives only. These regulators rely instead on exchange and CCP reporting to monitor ETD activity. **The EU's inclusion of ETDs, especially under a dual-sided regime, has created a complex, overlapping framework that diverges from international standards, undermines global data harmonization efforts, and places EU market participants at a competitive disadvantage.**

Removing ETDs from EMIR reporting would alleviate a significant compliance burden while still allowing regulators to perform their supervisory duties effectively using existing CCP reporting and surveillance mechanisms. It would also align EMIR more closely with its original systemic risk-focused purpose and bring the EU approach in line with G20 objectives[29], which were always focused on the OTC space.

Proposal

AMAFI recommends excluding ETDs from the scope of EMIR transaction reporting requirements (EMIR Article 9 would need to be amended). This could also be achieved by introducing an exemption for derivatives traded and cleared on regulated markets.

This would preserve regulatory effectiveness, significantly reduce unnecessary reporting volumes, and be consistent with international practices.

4. Exempting investment firms from reporting commodity derivatives positions to trading venues

Under Article 58(3) of MiFID II, "*Member States shall require members or participants of regulated markets, MTFs and clients of OTFs to report to the investment firm or market operator operating that trading venue the details of their own positions held through contracts traded on that trading venue at least on a daily basis, as well as those of their clients and the clients of those clients until the end client is reached.*"

This provision is intended to enable trading venues to compile daily commodity derivatives position reports for transmission to the relevant national competent authority (NCA), as required under Article 58(1)(b) of MiFiD II.

[29] European Central Bank, Economic Bulletin, Issue 8 / 2016, Page 57.

In practice, however, **this reporting obligation results in an inefficient and redundant process,** as daily position reporting to competent authorities by trading venues already ensures that they receive comprehensive data, and off-venue positions[30].

Currently, investment firms are required to transmit granular end-of-day position data, including full client and sub-client hierarchies, but these remain internal to the venues. They are not used by regulators, nor are they included in any central supervisory database or reporting mechanism that regulators can independently access. They are also not part of any public transparency effort.

There is hence no indication that this internal reporting contributes to more effective supervision, while it certainly creates unnecessary duplication and imposes a disproportionate operational and technical burden on investment firms. Firms must implement and maintain systems capable of aggregating and transmitting full position hierarchies across all their clients and client chains, on a daily basis and in compliance with the specific technical requirements of each trading venue. These requirements vary in format, timing, and content across venues, often requiring bespoke integration, reconciliation, and reporting workflows. Meeting these obligations diverts compliance resources without advancing the objectives of market transparency or position limit enforcement.

Proposal

AMAFI recommends **removing the obligation for investment firms to report to trading venues their own positions on commodity derivatives and those of their clients (Article 58(3) of MiFID would need amending), given that trading venues already report all the necessary information to NCAs as required by Article 58(1).**

C. Long-Term Vision

1. Establishing a unique entry point for transaction reporting

Under the current regulatory landscape, firms report identical data multiple times under EMIR, MiFIR, SFTR. This redundancy not only creates inefficiencies but also raises the risk of inconsistent submissions and increases compliance costs.

ESMA's 2023–2028 Data Strategy outlines a transformation of its systems toward a **centralised Data Hub (EDP-SHARE), designed to act as a unified entry point for regulatory data**. This includes bolstering data accessibility, interoperability, and reusability while reducing compliance costs through standardisation and modern IT solutions[31]. Centralising reporting through a single ESMA-led entry point would allow **a shared analytics environment**, supporting NCAs, ESMA, and eventually firms. Under this strategy, ESMA intends to make interactive dashboards, machine-readable public data (via ESAP), and supervisory analytics available through the Hub.

[30] Article 58 (2), MiFID.
[31] ESMA Data Strategy 2023-2028, 15 June 2023.

To go further, **AMAFI suggests the centralisation of reporting obligations under EMIR, SFTR, and MiFIR to a single repository at ESMA level,** which would serve as a "one stop shop" for data, benefiting both NCAs and EU supervisors. The reporting centralisation would be a significant step towards enhancing supervisory convergence, which is so important to the SIU. For firms, it would reduce duplicative reporting, harmonise operational processes when they are subject to multiple regulations and simplify compliance and the monitoring of their reporting acknowledgements. **The Data Hub could then be enhanced with static reference data**, **providing a secure portal for firms to retrieve up-to-date entries**. This functionality could resemble a centralised compliance dashboard where firms can verify their own reference data and update them without having to navigate through multiple sources. This will ensure consistency and high-quality reference data, facilitating static reference data maintenance for firms and reducing the burden on smaller entities, which currently invest disproportionate effort in the real-time collection and submission of counterparty information.

2. Towards a unified transaction reporting framework

In the longer term, **AMAFI supports the merging of EMIR, MiFIR, and SFTR reporting requirements** (and potentially beyond) into a **single, integrated EU transaction reporting regime**. Instead of maintaining three distinct and partly overlapping regulations, the objective would be to establish a **unified "EU Transaction Reporting" regulation.**

This regulation would define a core set of common reporting fields applicable to all types of financial transactions currently in scope, irrespective of the instrument class, supplemented by modular requirements tailored to the nature of the product and the purpose. For instance:

- A central "common block" (transaction ID, date/time, counterparties, instrument, notional),
- Specific modules: a "derivatives block" (maturity, underlying, collateral if applicable), an "SFT block" (type of SFT transaction, collateral reuse, etc.).

This approach would enable a single data model and format to fulfil the requirements currently addressed separately by EMIR, MiFIR, and SFTR. This would bring major benefits in terms of consistency, operational efficiency, and regulatory clarity:

- **Elimination of redundancies:** a unified regime would ensure that **each transaction is reported once** through a single central channel, from which the relevant supervisory authorities could extract the information they require.
- **Simplification for reporting entities:** a single rulebook, a unified entry point, and a single technical format, significantly reducing operational complexity and compliance costs for financial institutions.

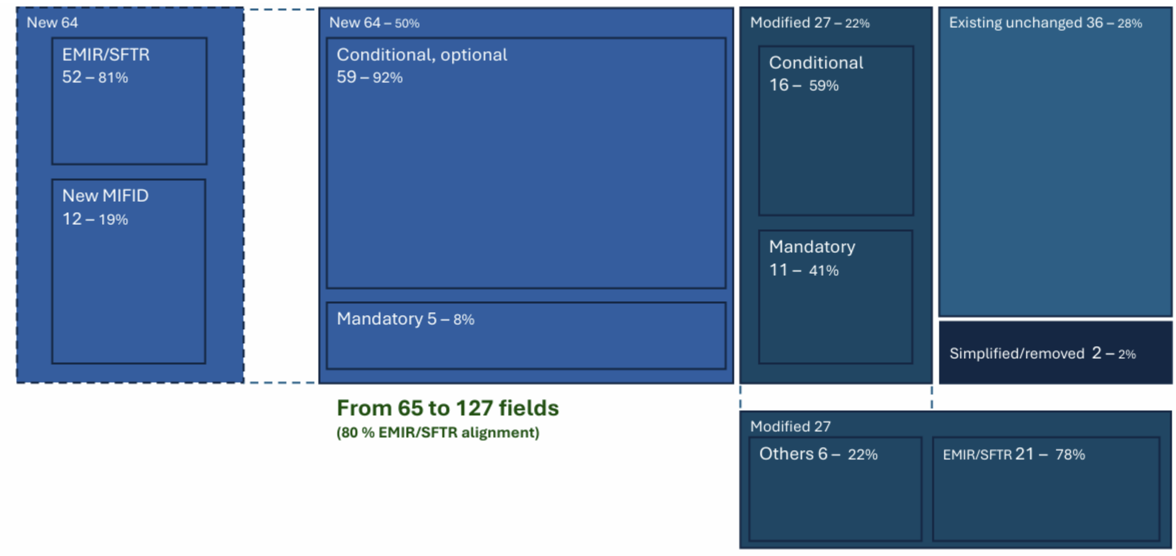
This would fully support the European Commission's broader agenda of cutting unnecessary administrative burdens and streamlining regulatory obligations and would contribute to the convergence of supervisory practices amongst NCAs.

III. APPENDIXES

A. APPENDIX I: THE DIFFERENT TRANSACTION REPORTING REGIMES' SCOPES BY FINANCIAL INSTRUMENT AND RESULTING OVERLAPS

Financial Instrument Type	Reported under EMIR	Reported under MiFIR	Reported under SFTR	Multiple Reporting (Yes/No)
OTC Derivatives (Interest Rate Swaps, Credit Default Swaps, etc.)	Yes – all OTC derivatives must be reported by both counterparties	Yes – if the derivative is linked to a trading venue	No	**Yes – under EMIR and MiFIR**
ETD - Exchange-Traded Derivatives (Futures, Options)	Yes – ETDs are also reportable though less systemically risky	Yes – all trades on RMs, MTFs, OTFs must be reported	No	**Yes – under EMIR and MiFIR**
Equities (Shares admitted to trading)	No	Yes – all executed transactions must be reported by investment firms	No	No - MiFIR only
Bonds (Government and Corporate Debt)	No	Yes – all executed transactions must be reported by investment firms	No	No - MiFIR only
Repos (Repurchase Agreements)	No	No	Yes – both counterparties must report repo transactions	No – SFTR only
Securities Lending	No	No	Yes – full reporting of lending and collateral reuse	No – SFTR only
Margin Lending	No	No	Yes – reported by both counterparties	No – SFTR only
Structured Products (e.g., Warrants, Certificates)	Yes – if structured as derivatives	Yes – if admitted to trading or traded on an EU venue	No – unless used in financing transactions	**Yes – under EMIR and MiFIR**
Emission Allowances	Yes – if traded as derivatives	Yes – when traded on trading venues	No – unless part of a securities financing transaction	**Yes – under EMIR and MiFIR**

B. Appendix II: Analysis of new fields proposed in the ESMA consultation for MiFIR transaction reporting review (RTS 22)



Source: AMAFI

C. Appendix III: Simplifying matching rules - Examples of fields categories under EMIR and SFTR

EMIR reporting

Field name	Description	Category
1.11_Nature of the counterparty 2	Essential fields	1
1.153_Event date	Essential fields	1
1.17_Direction	Essential fields	1
1.18_Direction of leg 1	Essential fields	1
1.19_Direction of leg 2	Essential fields	1
1.2 _Report submitting entity ID	Essential fields	1
1.2_UTI	Essential fields	1
1.3_Entity responsible for reporting	Essential fields	1
1.4_Counterparty 1 (Reporting counterparty)	Essential fields	1
1.9_Counterparty 2	Essential fields	1
2.10_Contract type	Essential fields	1
2.11_Asset class	Essential fields	1
2.113_Exchange rate 1	Essential fields	1
2.14_Underlying identification	Essential fields	1
2.15_Indicator of the underlying index	Essential fields	1
2.2_Report tracking number	Essential fields	1
2.29_Price currency	Essential fields	1
2.41_Venue of execution	Essential fields	1
2.42_Execution timestamp	Essential fields	1
2.44_Expiration date	Essential fields	1
2.45_Early termination date	Essential fields	1
2.48_Price	Essential fields	1
2.55_Notional amount of leg 1	Essential fields	1
2.56_Notional currency 1	Essential fields	1
2.64_Notional amount of leg 2	Essential fields	1
2.65_Notional currency 2	Essential fields	1
2.7_ISIN	Essential fields	1
2.79_Fixed rate of leg 1 or coupon	Essential fields	1
2.8_Unique product identifier (UPI)	Essential fields	1
2.9_Product classification	Essential fields	1
2.100_Indicator of the floating rate of leg 2	optional field	2
2.111_Package transaction spread	optional field	2
2.13_Underlying identification type	Optionality per ESMA commentary	2
2.136_End date of the strike price	optional field	2
2.137_Strike price in effect on associated effective date	optional field	2
2.15_Indicator of the underlying index	optional field	2
2.16_Name of the underlying index	Free-text field	2
2.17_Custom basket code	Free-text field	2
2.20_Settlement currency 2	optional field	2
2.21_Valuation amount	optional field	2
2.3_Prior UTI	optional field	2
2.39_Type of PTRR technique	optional field	2
2.4_Subsequent position UTI	optional field	2
2.40_PTRR service provider	optional field	2
2.51_Unadjusted end date of the price	optional field	2
2.52_Price in effect between the unadjusted effective and end date	optional field	2
2.53_Package transaction price	optional field	2
2.58_End date of the notional amount of leg 1	optional field	2
2.59_Notional amount in effect on associated effective date of leg 1	optional field	2
2.62_End date of the notional quantity of leg 1	optional field	2
2.63_Notional quantity in effect on associated effective date of leg 1	optional field	2
2.64_Notional amount of leg 2	optional field	2
2.67_End date of the notional amount of leg 2	optional field	2
2.68_Notional amount in effect on associated effective date of leg 2	optional field	2
2.69_Total notional quantity of leg 2	optional field	2
2.71_End date of the notional quantity of leg 2	optional field	2
2.72_Notional quantity in effect on associated effective date of leg 2	optional field	2
2.73_Other payment type	optional field	2
2.83_Identifier of the floating rate of leg 1	optional field	2
2.84_Indicator of the floating rate of leg 1	optional field	2
2.99_Identifier of the floating rate of leg 2	optional field	2
2.60_Total notional quantity of leg 1	Conditional population depending on asset class	3
2.25_Delta	Modelling differences (e.g. binary options)	3
2.43_Effective date	Divergent interpretation (CCP-dependent)	3
2.46_Final contractual settlement date	Divergent interpretation (CCP-dependent)	3
2.48_Price	Contradiction between ESMA guidelines and validation rules for options and commodity swaps	3

SFTR reporting

Field name	Description	Category
2.1_UTI	Essential fields	1
1.3 _Reporting Counterparty LEI	Essential fields	1
1.18 _Agent Lender LEI	Essential fields	1
1.9 _Counterparty side	Essential fields	1
2.41 _Security identifier	Essential fields	1
2.50 _Price Currency	Essential fields	1
2.04 _Type of SFT	Essential fields	1
2.46 _Quantity or Nominal Amount	Essential fields	1
2.48 _Currency of nominal Amount	Essential fields	1
2.3 _Event Date	Essential fields	1
2.56 _Loan value	Essential fields	1
2.67 _Lending Fee	Essential fields	1
2.12 _Execution Timestamp	Essential fields	1
2.13 _Value Date/ Start Date	Essential fields	1
2.14 _Maturity Date	Essential fields	1
2.23 _Fixed Rate	Essential fields	1
2.25 _Floating Rate	Essential fields	1
2.37 _Principal Amount on Value Date	Essential fields	1
2.38 _Principal Amount on Maturity Date	Essential fields	1
2.39 _Principal Amount Currency	Essential fields	1
2.49 _Security or Commodity Price	Essential fields	1
2.14 _Termination Date	Essential fields	1
2.75 _Type of collateral component	Essential fields	1
2.73 _Collateralization of net exposure	Essential fields	1
2.78 _Identification of Security Used as Collateral	Essential fields	1
2.76 _Cash collateral amount	Essential fields	1
2.83 _Collateral Quantity or Nominal Amount	Essential fields	1
2.51 & 2.90 _Security Quality (Loan and collateral)	Essential fields	1
2.55 & 2.94 _Security Type (Loan and collateral)	Essential fields	1
2.9 _Master Agreement	Essential fields	1
1.14 _Triparty Agent	Essential fields	1
2.62_Floating rebate rate payment frequency - time period	optional field	2
2.63_Floating rebate rate payment frequency - multiplier	optional field	2
1.7_Branch of the reporting counterparty	optional field	2
1.8_Branch of the other counterparty	optional field	2
2.17_Earliest call-back date	optional field	2
2.49_Security or commodity price	Differing approaches (quantity changes vs daily mark-to-market updates)	3
2.51_Security quality	Reconciliation challenging due to different data sourcing and timing	3
2.56_Loan value	Complex matching due to differing valuation practices	3
2.57_Market value	Field relevant for systemic risk analysis – need for a tolerance mechanism	3