

SIMPLIFICATION OF TRANSACTION REPORTING

ESMA INTERIM REPORT

AMAFI's comments

The simplification of the transaction reporting framework is a key deliverable in achieving the simplification objectives set out in the European Commission's Competitiveness compass¹. Given the complexity this framework has reached, the inefficiencies resulting from overlapping requirements, and the significant costs it generates, it constitutes a landmark test of the EU's ability to deliver measurable burden reduction for reporting entities.

AMAFI therefore welcomes the pragmatic and decisive approach taken by ESMA in its Interim Report² on the simplification of transaction reporting. The report addresses most of the concerns previously raised by the Association regarding the current reporting regimes³.

It is essential that simplification does not come at the expense of the supervisory capabilities of regulatory authorities. At the same time, the future EU transaction reporting infrastructure cannot be designed in isolation from the current debate taking place in the context of the Market Integration and Supervision Package. The European Commission's proposal to entrust ESMA with direct supervisory responsibilities over certain market participants, recently supported by the E6⁴, requires national considerations to be balanced against the broader objectives of supervisory convergence and market integration. While competent authorities must retain the means necessary to fulfil their responsibilities under a reformed framework, national interests should not prevail over the common EU interest in a more efficient and coherent reporting architecture.

Further, such an efficient reporting architecture is an element of the attractiveness of the EU capital markets. Excessive reporting burdens compared with competing financial centres undermine the competitiveness of EU firms and markets, particularly where participants can choose where to execute, clear or manage their transactions. International practices should therefore be considered in support of the EU's broader competitiveness objectives.

¹ European Commission, [A Competitiveness Compass for the EU](#), 29 January 2025.

² ESMA, [Interim report on the Call for Evidence on a comprehensive approach for the simplification of financial transaction reporting](#), 4 May 2026.

³ AMAFI has previously contributed to the debate on transaction reporting simplification through position papers ([AMAFI / 25-54](#)) and responses to ESMA consultations ([AMAFI / 25-06](#), [AMAFI / 25-67](#)). AMAFI also participated in discussions held in the context of ESMA's Data Day ([AMAFI / 25-87](#)).

⁴ E6 Finance Ministers, [Joint Position on the Market Integration and Supervision Package \(MISP\)](#), May 2026.

The future infrastructure should also ensure that the European Commission's objective of reducing reporting and administrative burdens by 25%⁵ is achieved in this particular case where costs have been estimated at the considerable level of between EUR 1 billion and EUR 4 billion⁶. AMAFI therefore calls for the Final Report to include an assessment of the cost reduction associated with each option. This will require further detail on Options 1a and 2a, including any additions or removals of reportable fields, changes to product scope and modifications to reporting obligations.

Finally, the policy choices that will be made should also take due account of the EU's operational resilience and strategic autonomy with regard to the access, governance and management of data, which are of strategic importance. These considerations should equally inform the assessment of the role to be played by any intermediary in the reporting chain.

Summary of proposals

- **Implement option 1aⁱⁱⁱ in the short term (I.)**
 - Prioritise the implementation of Option 1aⁱⁱⁱ as the most effective short-term simplification measure and as a first step towards a future "report once" framework.
 - Remove ETDs from the scope of EMIR reporting.
 - Assess the feasibility of single-sided reporting and, where this is not considered achievable, expand mandatory delegated reporting under EMIR and SFTR, building on existing arrangements already applicable between FC and NFC.
- **Reduce the number of reportable fields (II.)**
 - Undertake a field-by-field assessment of reporting requirements and remove low-value, duplicative and derivable data fields.
 - Increase transparency regarding the supervisory and statistical use of reported data and provide a clearer mapping between reporting fields and their use.
- **Trade Repositories (III.)**
 - Study the possibility of removing mandatory Trade Repository intermediation.
 - Assess the long-term architecture of transaction reporting to reduce strategic dependencies and ensure appropriate governance and control of supervisory data of strategic importance to the Union.

⁵ "This Commission will deliver an unprecedented simplification effort. This will aim to achieve the agreed policy objectives in the simplest, most targeted, most effective and least burdensome way. To ensure sustained and measurable efforts over the years ahead, the Commission has set ambitious quantified targets for reducing reporting burden: at least 25% for all companies and at least 35% for SMEs"; ([European Commission, A Competitiveness Compass for the EU, 29 January 2025](#)).

⁶ ESMA, [Call for evidence on a comprehensive approach for the simplification of financial transaction reporting](#), page 6, 23 June 2025.

I. STRONG SUPPORT FOR OPTION 1AIII

AMAFI supports ESMA's observation that overlaps between EMIR, MiFIR and SFTR reporting, as well as dual-sided reporting and reconciliation requirements, are the main causes of the current reporting burden.

AMAFI also welcomes ESMA's confirmation that Options 1a and 2a should be viewed as complementary stages of a broader simplification roadmap.

Among the three sub-options considered under Option 1a, AMAFI strongly supports Option 1aiii⁷ as the most effective and operationally viable simplification scenario in the short term and therefore encourages ESMA to consider its implementation in the Final Report and to present it as an early deliverable within a broader simplification roadmap targeting a "report once" in 5-7 years horizon.

While the longer-term objective remains the "report once" solution, market participants urgently need a tangible signal that reporting simplification efforts will translate into concrete operational relief⁸. Option 1aiii represents the most balanced and pragmatic compromise, as it offers the most effective short-term mechanism to reduce reporting burdens while preserving the existing reporting architecture and avoiding the complexity and implementation risks associated with a more fundamental redesign of the framework.

AMAFI notes that ESMA's own analysis identifies dual-sided reporting and reconciliation processes as among the most significant cost drivers within the current reporting architecture. This supports the case for prioritising measures, such as Option 1aiii, capable of delivering immediate burden reduction in these areas, rather than postponing such benefits until the implementation of a future integrated reporting framework.

For market participants, the ability to achieve meaningful cost reductions in the short term is particularly important given both the uncertainty surrounding the implementation timeline of the final design and the considerable efforts and costs that the transition towards a simplified reporting framework will require.

⁷ "Option 1aiii without schema changes and delineation. This sub-variant, also a simplified proposal, introduces a partial split between ETDs and OTC derivatives. Specifically, it excludes "EU ETDs" from EMIR, in line with global standards, while maintaining the current MiFIR scope for OTC derivatives. This Scenario also includes a review of dual-sided reporting obligations under both EMIR Refit and SFTR, notably by expanding delegated reporting to all counterparties, along with the associated reconciliation process." (ESMA, [Interim report on the Call for Evidence on a comprehensive approach for the simplification of financial transaction reporting](#), 4 May 2026).

⁸ Approach supported by most of stakeholders who replied to the Call for Evidence: "111. A large majority of stakeholders (over 30) support a phased approach to reporting simplification. This typically means starting with immediate actions (removal of duplications, harmonisation of data fields, single-sided reporting), then gradually moving to a "report once" model aiming for full harmonisation across all reporting regimes (SFTR, EMIR, and MiFIR)." (ESMA, [Interim report on the Call for Evidence on a comprehensive approach for the simplification of financial transaction reporting](#), 4 May 2026).

Removal of Exchange-Traded Derivatives (ETDs) from EMIR

AMAFI strongly supports the removal of Exchange-Traded Derivatives (ETDs) from EMIR reporting.

While EMIR was originally designed to enhance transparency and monitor systemic risks in OTC derivatives markets, ETDs are traded on regulated and highly transparent markets and benefit from robust risk management arrangements, including central clearing, daily margining and default management procedures.

The incremental supervisory value of transaction-level EMIR reporting for ETDs therefore appears limited when compared to the substantial operational burden it generates. ETD reporting results in very large reporting volumes and duplicates information already available to authorities through trading venues, CCPs and other supervisory reporting channels. CCP position data are moreover widely recognised as a key source of information for monitoring risks in ETD markets.

The reporting of ETDs under EMIR also creates specific operational challenges. Many EMIR reporting fields were developed primarily with OTC derivatives in mind and are therefore not suited to the characteristics of centrally cleared and highly standardised ETDs. For example, the requirement to report and reconcile a Unique Transaction Identifier (UTI) is particularly challenging in ETD markets, where transactions are rapidly transformed into positions through the clearing process and counterparties may not always have access to a common transaction identifier.

Moreover, the EU approach differs from that adopted in several major jurisdictions, including the United States (CFTC), Singapore (MAS), and Hong Kong (HKMA), where derivative reporting frameworks focus on OTC derivatives, while relying on exchanges and CCPs to supervise ETD activity. This divergence imposes additional reporting and compliance costs on EU market participants and contributes to a more burdensome regulatory framework than that applicable in competing financial centres. It may therefore adversely affect both the competitiveness of EU firms and the attractiveness of EU trading and clearing markets, particularly where market participants can choose between different jurisdictions to execute, clear or manage their derivatives activities. Greater alignment with international practices would support the EU's broader objective of strengthening the competitiveness of its capital markets while maintaining effective supervisory oversight.

Mandatory delegated reporting as a step towards single-sided reporting for EMIR and SFTR

AMAFI welcomes ESMA's proposal to expand mandatory delegated reporting under EMIR and SFTR.

However, while this represents a meaningful improvement compared with the current framework, AMAFI believes that ESMA should use the opportunity of the current simplification exercise to assess whether a more ambitious approach could be pursued for EMIR and SFTR.

The proposed expansion of delegated reporting implicitly recognises that maintaining two separate reports for the same transaction is not necessary to achieve supervisory objectives. Where one counterparty reports on behalf of both parties, the second report often provides limited additional supervisory value while generating significant operational costs through technical duplication of reporting.

AMAFI acknowledges that dual-sided reporting can contribute to supervisory oversight and data quality in certain circumstances. In particular, requiring counterparties to exchange information may help identify records discrepancies and improve data accuracy. Nevertheless, these objectives could be achieved through a model under which a single reporting entity submits the report on behalf of both counterparties, while the non-reporting counterparty remains subject to an obligation to provide the information necessary for reporting purposes upon request.

Against this background, AMAFI encourages ESMA to assess whether the maintenance of a second report provide supervisory value to justify a merely technical dual-sided reporting.

A further advantage of such an approach is that reporting obligations would, in most cases, be allocated to the counterparty best equipped to fulfil them, typically the larger or more sophisticated entity. While some smaller entities would remain subject to reporting obligations where both counterparties fall within the same category, the overall burden on less sophisticated market participants would be significantly reduced, hence further achieving the simplification objective.

This would not also only lower reporting costs but also facilitate the transition towards more integrated reporting models, including potential future "report once" frameworks, by reducing the number of entities required to maintain full reporting capabilities.

For these reasons, AMAFI encourages ESMA to consider whether, at least for EMIR and SFTR, a move towards genuine single-sided reporting could provide a more effective simplification outcome than the sole expansion of mandatory delegated reporting.

AMAFI recognises that such an approach may not currently be appropriate for MiFIR transaction reporting, given the greater sensitivity of certain reporting fields, including those relating to end clients and investment decision makers.

Should ESMA conclude that a move to single-sided reporting is not currently achievable for neither EMIR or SFTR, the expansion of mandatory delegated reporting could nevertheless constitute a meaningful second-best solution. However, its effectiveness would depend on the legal consequences attached to such delegation. **Mandatory delegated reporting can only deliver genuine simplification if the non-reporting counterparty is discharged from its reporting obligation and related regulatory liability, once reporting has been delegated to the reporting entity** as already exists under EMIR for transactions between financial counterparties and non-financial counterparties below the clearing threshold (NFC-)⁹.

Absent a transfer of responsibility, the proposed framework would risk becoming more burdensome than the current regime. Firms would remain exposed to regulatory liability despite having no operational control over the reporting process and would therefore be compelled to maintain oversight, monitoring and verification arrangements to mitigate that liability. In practice, this could require firms to continue reviewing reports submitted on their behalf, investigating reporting errors

⁹ "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), [Regulation \(EU\) No 648/2012](#), "EMIR").

and engaging with reporting counterparties to resolve issues, thereby significantly reducing the simplification benefits expected from mandatory delegated reporting.

For this reason, AMAFI encourages ESMA to clarify in the Final Report that:

- the reporting entity assumes full responsibility for the accuracy and completeness of the report;
- the delegating counterparty should not remain subject to duplicative verification or reconciliation obligations;
- the framework should avoid introducing new bilateral governance burdens.

II. REDUCTION IN THE NUMBER OF REPORTABLE FIELDS MUST REMAIN A CORE OBJECTIVE

AMAFI supports ESMA's information value principle, according to which reporting requirements should *"focus on information that provides clear supervisory or statistical value considering the different use cases associated with each dataset"*¹⁰. However, this principle should not only serve to preserve valuable information but also to remove low-value or derivable data fields.

Several observations support this approach:

- many optional fields are not systematically populated across the EU today without impairing supervisory activities¹¹;
- certain data elements can already be derived from existing identifiers such as LEIs or UPIs;
- some fields generate limited supervisory value while imposing disproportionate implementation and maintenance costs¹².

More fundamentally, the scope of reportable fields should remain aligned with the original objectives of each reporting regime. EMIR, MiFIR and SFTR were introduced to address distinct regulatory and supervisory needs and the information collected under each framework should therefore be limited to what is necessary to fulfil those objectives.

AMAFI encourages ESMA to undertake an assessment of each field's supervisory utility across EMIR, MiFIR and SFTR, with a view to retaining only information that is necessary to fulfil the objectives of each regulation.

To facilitate such an assessment, ESMA could provide greater transparency regarding the supervisory and statistical use cases associated with the various reporting fields. A clearer mapping between

¹⁰ ESMA, [Interim report on the Call for Evidence on a comprehensive approach for the simplification of financial transaction reporting](#), point 45., 4 May 2026).

¹¹ EMIR reporting provides useful examples in this regard. Several fields included in Section 2(g) of the EMIR validation rules ("Details of the transaction") are optional and are not systematically populated by reporting entities. This is notably the case for field 2.39 Type of PTRR technique, 2.40 PTRR service provider, 2.58 End date of the notional amount of leg 1 and field 2.59 Notional amount in effect on associated effective date of leg 1.

¹² Example EMIR reporting field 2.17 Custom basket code.

reporting fields and their underlying objectives would help market participants better understand how reported data are used in practice and support a more evidence-based discussion on potential simplification measures.

International experience suggests that significant simplification can be achieved without impairing supervisory effectiveness. The recent FCA transaction reporting reforms provide a useful example in this regard¹³, as does the CFTC's overhaul of its swap data reporting framework, which reduced the number of reportable fields to a core dataset considered necessary for effective supervision¹⁴.

III. REMOVAL OF MANDATORY TRADE REPOSITORY INTERMEDIATION

AMAFI encourages ESMA to consider removing the mandatory use of Trade Repositories for EMIR and SFTR reporting.

The obligation to connect to Trade Repositories generates significant infrastructure, onboarding and operational costs for market participants. It also introduces an additional intermediary between reporting entities and supervisors.

While Trade Repositories can provide valuable services, including data validation, standardisation and issue resolution support, reporting entities frequently encounter issues arising from repository-specific validation rules, technical controls or rejection mechanisms.

It is worth considering whether the existing Trade Repository infrastructure should continue to be leveraged rather than moving towards a more direct reporting architecture under which reporting entities would submit data directly to the relevant supervisory authority. However, any such assessment should not assume that ESMA would need to reproduce all of the functions currently performed by Trade Repositories. Under Option 1aiii, the expansion of delegated reporting and the reduction of reconciliation requirements would significantly reduce the need for certain pairing, matching and reconciliation processes that currently form a core part of the Trade Repository operating model. The potential evolution towards single-sided reporting would further reinforce this trend.

Reporting entities could connect directly to a supervisory reporting platform operated by ESMA. Trade Repositories could nevertheless continue to provide connectivity, validation, data processing and issue resolution services to firms wishing to use them, in a manner similar to Approved Reporting Mechanisms (ARMs) under MiFIR.

¹³ "Reducing the number of transaction reporting fields from 65 to 52" (FCA, [Consultation Paper CP25/32, Improving the UK transaction reporting regime, 21 November 2025](#)).

¹⁴ 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" (CFTC, ["Statement of Chairman Heath P. Tarbert in Support of Final Rules on Swap Data Reporting"](#), 17 September 2020).

As a result, **any assessment of the future reporting architecture should consider not only the costs of replicating existing Trade Repository functionalities, but also whether all of those functionalities would remain necessary under a simplified reporting framework.**

ESMA should therefore undertake a comprehensive cost-benefit analysis comparing the current Trade Repository model with alternative reporting architectures, taking into account both the costs borne by supervisors and the annual costs incurred by reporting entities as a result of the mandatory use of Trade Repositories.

Should ESMA conclude that Trade Repositories remain necessary within the reporting chain, measures should be considered to ensure that reporting entities are not exposed to disproportionate costs resulting from their mandatory use. In particular, ESMA should assess whether the current market structure provides sufficient competition and whether alternative governance models could deliver the same services more efficiently.

Moreover, AMAFI notes that critical reporting infrastructures are concentrated among a limited number of providers, many of which are located outside the European Union. As a result, large volumes of sensitive transaction reporting data containing detailed information on the activity, positions and trading patterns of EU financial markets are processed and stored through infrastructures that are not necessarily under EU control. This raises broader questions regarding operational resilience, strategic autonomy, data governance and long-term supervisory access to critical market information¹⁵.

These considerations provide an additional rationale for assessing the long-term target architecture for regulatory reporting and the most appropriate framework for ensuring EU control over the collection, storage and governance of supervisory data of strategic importance to the Union.



¹⁵ *“Geopolitical Uncertainty and Digital Dependency Risks: Dependency on major technology providers based outside the EU creates a risk due to the uncertainty on policies that may affect the provision of services. Future policy changes, including potential trade restrictions or limitations on access to cloud services, could affect ESMA’s operational continuity and cost structures. Managing technological dependencies therefore is a critical consideration.” (ESMA, [Digital Strategy 2026-2028](#), page 4, 13 January 2026).*