

## **Consultation Response**

### ***FCA Consultation Paper 25/32: Improving the UK transaction reporting regime***

20 February 2026

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The Association for Financial Markets in Europe (AFME) welcomes the opportunity to comment on the **FCA's Consultation Paper 25/32** (CP). AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. We advocate stable, competitive, sustainable European financial markets that support economic growth and benefit society.

AFME is the European member of the Global Financial Markets Association (GFMA) a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) in Asia.

AFME is registered on the EU Transparency Register, registration number 65110063986-76. We summarise below our high-level response to the consultation, which is followed by answers to the individual questions raised.

#### **Executive Summary**

AFME supports the FCA's efforts to **reduce duplication, improve proportionality, strengthen regulatory clarity, and lower ongoing operational burdens** for firms with respect to the UK transaction reporting framework.

Regulatory reporting currently represents one of the most significant sources of burden on investment firms. We therefore encourage the FCA to adopt an ambitious approach while reviewing the UK transaction reporting regime and to make use of the current momentum to pursue a holistic assessment of reporting requirements across regimes, with a view to ensure that this burden is proportionate.

#### **Key Messages:**

##### **1. Strong support for streamlining and removing duplication**

AFME agrees that aligning and simplifying the various UK reporting regimes will improve efficiency and reduce unnecessary complexity. The current framework has evolved piecemeal, leading to duplicative fields across regimes, excessive compliance costs, and complex and inconsistent requirements. The removal of duplication and inconsistency can help achieve a better balance between the value of reporting that is offered to the regulator for market abuse and surveillance purposes and the level of reporting burden on market participants. It is also expected to deliver considerable benefits and cost savings and provide more coherent datasets to regulators.

##### **2. Support for an 18-month implementation period—with earlier impact where possible**

AFME supports an 18-month implementation period, but encourages the FCA to adopt certain changes, especially those reducing back reporting burdens, immediately upon publication of

#### **Association for Financial Markets in Europe**

**London Office:** Level 10, 20 Churchill Place, London E14 5HJ, United Kingdom T: +44 (0)20 3828 2700

**Brussels Office:** Rue de la Loi 82, 1040 Brussels, Belgium T: +32 (0)2 883 5540

**Frankfurt Office:** c/o SPACES – Regus, First Floor Reception, Große Gallusstraße 16-18, 60312, Frankfurt am Main, Germany T: +49 (0)69 710 456 660

[www.afme.eu](http://www.afme.eu)

the policy statement. We also recommend that the publication of the policy statement is accompanied by updated guidance which will allow firms to effectively prepare for implementation.

### **3. Strong support for reducing the back reporting period**

AFME welcomes the proposal to reduce the default back reporting period from five years to three. We also recommend that the FCA consider reducing the default back-reporting period to two years to align with global practices, which would ease the burden on firms. Moreover, we propose that the revised default back reporting period should take effect immediately once the policy statement is published. In addition, FCA should utilise supervisory flexibility, ensuring that firms are not required to back report on reporting fields which will be removed or on instruments that will fall outside the future scope of UK MiFID, such as instruments traded on an EU-venue only and FX derivatives. After the default back reporting period, firms shall no longer be required to submit a full MiFIR RTS 22 transaction report and any *ad hoc* regulatory requests up to a period of five years shall be limited only to data that is included in order record keeping requirements.

### **4. Support for removing certain instruments from scope and reducing reporting fields**

AFME agrees with the proposals aiming at removing instruments only traded on EU trading venues and FX derivatives from the scope of UK MiFIR transaction reporting. We also support removing certain RTS 22 reporting fields in accordance with the proposals in the CP.

### **5. Increased costs stemming from the proposed conditional single-sided reporting mechanism**

We argue that the proposed conditional single-sided reporting model would not meaningfully simplify reporting. Instead, it will introduce considerable compliance costs and burdens to receiving firms due to data ownership ambiguities. In MiFIR a single-sided reporting model is not recommended as a transmitting firm will have to provide data to a receiving firm to allow for the transaction reporting to occur. It would therefore be more appropriate that the FCA require firms to transaction report under MiFIR for themselves.

### **6. Steps to improve TVTIC reporting**

The lack of standardisation in the process of generation and dissemination of TVTIC is a major challenge for reporting firms. We recommend further work to be carried out in this area in order to develop a uniform solution that will reduce the existing burden. This would materially simplify firms' processes and contribute to better data quality.

### **7. Support for using FCA FIRDS as the "golden source"**

AFME agrees with the proposal. We also welcome the proposal that firms would have no obligation to report a transaction if the instrument has not been published in FIRDS by T+7.

## **Questions**

### **1. Do you agree with the proposal to streamline and harmonise existing transaction and post-trade reporting regimes?**

AFME supports FCA's goal to create a streamlined and harmonised framework for transaction reporting across regimes, free from unnecessary duplication. This will ensure that requirements are less complex and more proportionate to their benefit. We particularly highlight that the piecemeal development of the various transaction reporting regimes has created excessive compliance costs for reporting firms and has led to the proliferation of inconsistent and duplicative fields. Accordingly, **the removal of duplication across regimes is expected to realise considerable benefits and cost savings and achieve a meaningful simplification of reporting.** It also could lead to more manageable, readily comparable and collatable reporting data sets being available to the regulators.

**AFME welcomes the proposal outlined in paragraph 2.14 of the CP for a gradual transition towards a more streamlined framework for reporting, while maintaining the existing, well-established reporting structure under UK MiFIR, EMIR and SFTR.**

On the contrary, **we would not be supportive of proposals which would aim to replace the transaction reporting regimes in UK MiFIR, EMIR and SFTR with a new, single-template reporting regime.** This would introduce new layers of complexity and create significant additional costs, including investments in resources, that would add to the burden of financial reporting.

Furthermore, where changes can apply right away without creating high implementation costs, we suggest that the FCA proceed to an immediate adoption. A notable example could be the amendments to back reporting requirements which we propose to apply immediately upon publication of the FCA policy statement.

Similar to the temporary measures previously adopted by the FCA regarding reporting of the short selling indicator and other indicator fields, **we also suggest that the FCA take no action and exercise supervisory flexibility regarding reporting fields which are going to be removed based on the proposals included in the CP.** In this regard, we recommend that no back reporting requirements should apply in relation to those reporting fields.

## **2. Do you agree with the 3 principles for the long-term collection of transaction and post-trade data?**

AFME fully supports the three overarching principles that the FCA intend to apply as part of the long-term approach on the collection of transaction reporting data.

We further recommend that the updated transaction reporting regime is accompanied by new reporting guidelines or a Q&A-style document that both consolidate all bilateral advice the FCA have provided to reporting firms since MiFID II transaction reporting began and provide detailed scenario and instrument specific guidance.

We also suggest a regular, predictable policy change cycle (e.g. predetermined timeframe for updates to the guidance) to enable better planning and implementation of changes across reporting regimes.

## **3. Would you support an 18-month implementation period for the changes proposed in this Consultation Paper?**

**We support an 18-month implementation period for the proposed changes to the UK MiFIR transaction reporting regime, starting from the day the final rules in the policy statement are published.** We would further support the early release of the policy statement to commence the 18-month implementation period.

Moreover, we recommend that the go-live date falls on a Monday and is carefully scheduled to avoid impacting periods of code freezes or major holiday seasons (such as the time between early December and early January).

We recommend that the FCA utilise supervisory flexibility to enable the implementation of certain changes at the point that the policy statement and rules are published, particularly concerning back reporting obligations. This would encompass, but not be limited to, a reduced back reporting time period, the removal of requirements to back report fields that are being eliminated, and the cessation of back reporting for instruments no longer within the scope of reporting. Crucially, we advocate for the default back reporting period to apply effective immediately upon publication of the revised rules, as this particular change does not necessitate an extended implementation period. Firms should also be permitted to discontinue reporting instruments at any point subsequent to the rule changes, rather than being mandated to await the conclusion of the 18-month implementation period.

To support effective implementation of the changes, it is important that any ESMA guidelines which remain relevant to the interpretation of transaction reporting requirements are consolidated into the existing guidance within the FCA Handbook as early as possible, ideally by the time the FCA publish the policy statement on the RTS 22 review. This will provide firms with clearer regulatory expectations and enable them to prepare efficiently for compliance with the new rules. We also request the FCA establish clear, pre-defined milestones for the publication of all subsequent guidance and updates and adopt a flexible approach to their implementation. We further stipulate that if these publication milestones are not met, the FCA should grant supervisory flexibility from Day 1 of the implementation period until all necessary guidance is provided.

In addition, given the wider impact these changes will have on firms' reporting processes, we would welcome a pragmatic supervisory approach from the FCA during a period of six months following the effective date of the new rules. Such an approach would give firms the opportunity to engage with the regulator if needed to clarify aspects of the new rules and make any necessary adjustments.

#### **4. Do you agree with the proposal to apply a reduced default back reporting period of 3 years, whilst keeping the choice to require back reporting up to 5 years where needed?**

AFME welcomes the proposal to reduce the default period for back reporting from five to three years.

However, in view of developments in other jurisdictions (e.g. the No-Action Letter No. 25-43 published by the US Commodity Futures Trading Commission (CFTC) on 10 December 2025), we propose to limit back reporting to a two-year period. This would ensure global consistency in back reporting and further reduce the burden on reporting firms. Moreover, we propose the application of this consistent methodology across other pertinent reporting frameworks, notably SFTR and EMIR, thereby fostering wider coherence and further optimising current transaction and post-trade reporting frameworks.

Regarding the proposal in the CP to allow the FCA to require back reporting on an *ad hoc* basis for up to five years in cases of serious reporting failings, it is essential that clear guidance is provided to define the circumstances in which this requirement would apply. This would provide certainty to firms on materiality thresholds and enable them to implement robust technical systems to respond to any *ad hoc* requests for back reporting.

Additionally, regarding the process for submitting back reports after the default back reporting period and up to five years, we request that **firms will not be required to submit a full MiFiR RTS 22 transaction report and that any information to be provided in response to *ad hoc* regulatory requests during that interim period shall only include data that is relevant for order record keeping requirements.**

As mentioned in our response to Question 3, for the change to the default back reporting period we would propose that this change is effective immediately on publication of the policy statement. We further reiterate our request for supervisory flexibility so that no back reporting requirements will apply regarding reporting fields which will be removed and for transactions in instruments which will no longer be in scope of the UK MiFiR transaction reporting regime, such as instruments traded on EU trading venues only and FX derivatives.

#### **5. Do you agree with our proposed changes to the exclusions from reporting in MAR 14.2.4R?**

Yes. AFME fully agrees with the changes to the exclusions from reporting in MAR 14.2.R. In this regard, we particularly note that the exclusion of corporate events and actions from transaction reporting requirements, regardless of whether an investment decision was made, would be a welcome step towards a more streamlined reporting regime.

**6. Do you agree with the proposed guidance on exclusions from reporting in MAR 14.3.1G?**

Yes, we are supportive of the proposal to bring existing guidance in the ESMA Guidelines into MAR 14.3.1G.

Moreover, as mentioned in our response to Question 2 above, we propose: (i) harmonisation and consolidation of all bilateral advice given to reporting firms since MiFID II transaction reporting began (as well as provision of detailed scenario and instrument specific guidance), and (ii) a regular timeframe for change process and updates to guidance.

**7. Do you agree with the proposed information a firm should provide to meet the conditions for single-sided reporting?**

The requirement for reporting firms to submit reports on behalf of other market participants places an onerous burden, especially on larger investment firms.

In view of the considerable costs and complexities in delegated reporting where order transmission applies, we propose that the concept of transmission of orders is abandoned altogether and the FCA require firms to transaction report under MiFIR for themselves.

**Therefore, we consider that the proposal in the CP for the introduction of a new conditional single-sided reporting mechanism (that will substitute the transmission of order process and require a transmitting firm to provide a reduced number of data), will not contribute to burden reduction for firms.**

Effectively, the proposal above introduces new compliance costs by shifting the burden of reporting from the buy-side to the sell-side. It also adds complexity and creates ambiguity regarding, for example, who owns responsibility for the data points in transaction reports. It is worth noting that any single-sided reporting structure will still require to have data transferred between firms to allow for the transaction reporting to occur, which leads to increased complexity and costs. Furthermore, requiring buy-side firms to transmit a reduced set of information would ultimately impact regulators' ability to support, through the information included in the buy-side transaction reports, analysis and research on the areas mentioned in paragraph 4.18 of the CP.

**From a sell-side perspective, it is also crucial that any new framework which would introduce a conditional single-sided reporting model is supported by clear and comprehensive guidance on the obligations and responsibilities of receiving firms.**

**8. Do you agree with the proposed responsibility for data quality for transactions involving conditional single-sided reporting?**

As mentioned in our response to Question 7, introducing a conditional single-sided reporting model would place a disproportionate reporting burden on receiving firms and would create complexity due to the expanded scope of their obligations and responsibilities.

**We recommend that the FCA engage with market participants to accurately determine the practical challenges and costs that the proposed conditional single-sided regime would bring.** We also highlight the need for clear and comprehensive guidance, should the FCA decide to move forward with the proposal for establishing a conditional single-sided reporting mechanism. This will enable firms to implement appropriate control mechanisms when receiving data from a sending firm.

**9. Do you envisage any issues in conditional single-sided reporting applying to transactions executed in a DEAL or MTCH trading capacity?**

We refer to our responses to Questions 7 and 8.

**10. Do you agree with our proposal to remove instruments from the scope of the UK transaction reporting regime that can only be traded on EU trading venues?**

Yes, we fully agree with this proposal.

We also recommend that the FCA clarify in the policy statement that **the removal of instruments from the scope of the UK transaction reporting regime shall apply to instruments that can only be traded on EU trading venues or only traded by EU systematic internalisers (SIs) or appear on EU FIRDS only.**

Moreover, we suggest further guidance to be provided regarding historical back reporting requirements for those instruments which will no longer be subject to the geographic scope of UK's transaction reporting regime. In this regard, we would recommend that firms should not be required to back report instruments which will no longer fall within the geographic scope of UK transaction reporting.

However, we are concerned about the FCA's statement that firms can be subject to *ad hoc* requests for reporting data on activity in non-UK financial instruments. This would require firms to still maintain the reporting infrastructure to comply with such requests and therefore would not achieve any cost savings. Accordingly, further clarity should be provided on the process to be followed in case of targeted requests for data.

**11. Do you agree with our proposal to remove reference to 'Union' in MAR 14 Annex 2 and retain the current approach to national identifiers?**

Yes, we agree with the proposal.

**12. Do you agree with the proposed guidance to clarify in our rules an equivalent regulatory concept to ESMA's TOTV opinion?**

Yes, we agree.

**13. Do you see any issues having to report transactions executed in instruments which are not derivatives but are brought into scope by the underlying?**

We agree with the FCA's new guidance that will provide clarity on the reportability of instruments which are not derivatives.

**14. Do you agree with our proposal to allow firms to report derivatives based on indices on a voluntary basis, irrespective of whether the derivative is in scope of the transaction reporting regime?**

AFME is not responding to this question.

**15. Do you agree with the proposed changes to allow all ISINs in a basket to be included in the underlying instrument field?**

AFME is not responding to this question.

**16. Do you agree with the proposal to provide clarity on the scope of reporting obligations for fractional instruments?**

Yes, we fully agree with the proposal to provide clarity.

**17. Do you agree with our proposal to remove FX derivatives from the scope of the UK transaction reporting regime?**

AFME supports the response submitted by the Global Financial Markets Association's (GFMA) Global Foreign Exchange Division (GFXD).

We further suggest the FCA exercise supervisory flexibility so that firms will not need to back report FX derivatives following publication of the policy statement.

**18. For UK branches of third country firms: how could we address the data gap created for FX derivatives?**

AFME supports the response submitted by GFMA's GFXD.

**19. Do you agree with our proposed approach for identifying OTC derivatives?**

AFME is not responding to this question.

**20. Do you agree with the updated definition for 'acquisition' and 'disposal'?**

We agree with updating the definition for 'acquisition' and 'disposal'. However, we would request further guidance from the FCA on examples and scenarios relating to entering into or closing out a derivative contract.

**21. Do you agree with the proposed guidance to the meaning of 'execution of a transaction' in MAR 14.4.2G-14.4.6G?**

We understand that the FCA's intention is not to expand transaction reporting to a broader range of activities and services than those currently in scope. Instead, the proposed change aims to codify existing practice stemming from the ESMA Guidelines. We would expect that the policy statement also clarifies that the new rules and guidance will not lead to any expanded scope for transaction reporting. Further guidance and practical examples from the FCA could also be useful to support compliance with new MAR 14.4.2G-14.4.6G.

**22. Do you agree with our proposed new rules and guidance for branch execution?**

We are supportive of the FCA's effort to provide clarity on reporting obligations of branches through the proposed new rules and guidance. In this regard, we would like to request practical examples to be also provided that would support firms' compliance, such as regarding use cases where a branch has supervisory responsibility for the person responsible for execution of the transaction to address situations where staff move between locations. We also understand that the new rules and guidance are not intended to lead to any expanded scope for transaction reporting and we request that this is clarified in the policy statement.

**23. Do you agree with our proposal to maintain the status quo for reporting TVTICs?**

**We disagree with the proposal to maintain the status quo.** The lack of a common prescribed format and structure in reporting of TVTIC has resulted in diverging implementation between trading venues which increases the data maintenance cost for reporting firms and undermines data quality.

**This cost would be avoided if there was standardisation in the process of creation and dissemination of TVTIC.**

**We therefore believe that requiring trading venues to disseminate to reporting firms a fully formed TVTIC in a clearly labelled single piece of information would be an important step towards greater standardisation.** We expect that this solution will only incur one-off, low costs to trading venues and at the same time will materially improve and streamline reporting for the whole universe of reporting firms who are currently required to maintain complex control systems. Thus, considerable cost savings can be achieved for all market participants on an ongoing basis.

A standardised solution will also improve data quality, as there will no longer be scope for differing expectations on how TVTIC should be consumed or disseminated. This improvement is essential as the 83% matching rate of TVTICs reported on UK trading venues that has been observed by the FCA in a sample from Q2 2025 represents a rather sub-optimal standard.

We further recommend that the FCA (i) work closely with ESMA to ensure a harmonised approach, based on the solution outlined above, is adopted for trading venues operating across both UK and European markets (ii) continue monitoring data quality issues regarding TVTIC and facilitate the establishment of a cross-industry forum where market participants and the regulator can develop a viable solution that will minimise burden.

**24. Do you agree with our proposal to limit reporting of the TVTIC to transactions executed on UK trading venues only?**

Yes, we fully support the proposal.

**25. Do you agree with the proposed definition of a transaction reporting firm?**

Yes, we agree.

**26. Do you agree with our proposal to require branches to be identified with the LEI of its head office or registered office?**

Yes, we agree with this proposal as it will maintain the *status quo*.

**27. Do you agree with the proposed changes to RTS 22 Field 5?**

AFME members have no objection to the proposed changes.

**28. Do you agree that investment firms should be allowed to report either a trust LEI or national identifier of the beneficiary when executing a transaction for a trust?**

We disagree with the proposal as the benefits would be limited and could be outweighed by costs.

First, the proposed flexibility would only be genuinely useful in very specific scenarios, primarily where a trust has a single, clearly identifiable underlying beneficiary. For trusts with multiple beneficiaries, or for discretionary trusts where the beneficiaries may not be known, an LEI for the trust itself would still be a necessary and more appropriate identifier. This limits the practical scope of the proposed flexibility significantly.

Second, the existing transaction reporting requirements already permit the reporting of the beneficiary for bare trusts, which are typically those with a single, identifiable beneficiary. Therefore, it is unclear which specific types of trusts would genuinely benefit from this additional flexibility beyond those already covered. Furthermore, the associated costs for obtaining and renewing an LEI are not substantial. These costs should not pose a significant barrier to a trust obtaining its own LEI.

Introducing this additional flexibility could lead to a fragmentation of firms' internal controls as it would necessitate investment firms to amend their existing data quality controls and reporting systems to accommodate this dual approach. This would likely result in increased implementation costs and ongoing operational expenses for firms, without offering a clear, widespread benefit that outweighs these disadvantages. Maintaining a consistent requirement for a trust LEI ensures standardisation and reduces complexity in reporting and data management.

Finally, we note that there can be several national identifiers of a beneficiary. Consequently, further guidance from the FCA would be necessary to ensure accuracy of reporting.

**29. Do you agree with our proposal to require firms to obtain national identifiers for natural persons before a service is provided for that client which triggers the obligation to submit a transaction report?**

This proposal should not impact the option to use the various priority identifiers included in Annex II of RTS 22 for transactions with natural persons. This is imperative to ensure that individuals are not prevented from accessing capital markets if the first priority identifier is not available.

Overall, we agree with the proposal to require firms to obtain national identifiers for natural persons before providing a service that triggers the obligation to submit a transaction report. This approach aligns with existing regulatory expectations. However, it is crucial that the FCA remain cognisant of the costs firms will incur in implementing these requirements. In this regard, we also note the following:

- **Alignment with Regulatory Expectations and Reduced Operational Risk:** This proposal directly reflects the FCA existing expectations, as outlined in several Market Watch newsletters which already guide firms to use the first priority national identifier wherever available to identify natural persons in transaction reports. By requiring this information upfront before the provision of a relevant service, firms can significantly reduce the operational risk currently associated with scrambling to find missing client data within the tight 24-hour window following a trade execution.
- **Implementation Period for Existing Client Populations:** While the benefits are clear for new clients, remediating existing client populations to obtain these national identifiers could entail significant costs for firms in terms of time and effort. This is particularly true if the prescribed national client identifier for natural persons has not historically been obtained as part of a firm's standard Know Your Customer (KYC) process. For instance, the prescribed first priority national identifier (i.e. the national insurance number) for UK nationals is not typically required when opening a non-tax advantaged investment account. Therefore, we strongly recommend that the roll-out of this requirement includes an adequate implementation period, such as 18 months, to allow firms to conduct this remediation effectively.
- **Costs of Implementation:** Implementing this "no national ID, no trade" rule will involve associated costs for the development and maintenance of operational hard blocks to prevent trades for natural persons who have not provided the prescribed national identifier. Additionally, changes would be required to KYC data collection procedures and potentially existing terms of business to explicitly state that valid national identifiers are a prerequisite for trade execution. The FCA must account for these implementation costs and provide an adequate implementation period, as noted above (18 months).

**30. Do you agree with this proposal to report the segment MIC in these scenarios?**

Yes. We agree that the proposal can achieve simplification and reduce the burden on identifying and validating CCPs LEIs.

**31. Do you agree with our proposed rules for generating CONCATs in MAR 14.13.6R-14.13.7R?**

Yes, we agree.

**32. Do you agree with the proposal to require natural persons from the Isle of Man, Gibraltar, Channel Islands and other BOTs to be identified in accordance with the requirements of 'all other countries'?**

Yes, we agree.

**33. Do you agree with the proposed rule in MAR 14.13.5R(6) where a person is a national of more than 1 non-EEA country?**

Yes. The proposed rule will ensure consistency with what applies when a natural person has the nationality of more than one EEA-country.

**34. Do you agree with the proposal to remove RTS 22 Field 25 (transmission of order indicator)?**

Yes, we support the proposal to remove RTS 22 Field 25. However, we reiterate our concerns outlined in our response to Question 7 above about maintaining a transmission of order process.

**35. Do you agree with the proposed guidance for reporting the trading capacity?**

We think that there is no need to introduce paragraph (c) of new MAR 14.13.32R on reporting of trading capacity of MTCH. Paragraph (b) of new MAR 14.13.32R which refers to both AOTC and MTCH would be sufficient to capture all relevant scenarios and ensure consistency between the trading capacity and the buyer and seller fields.

Further guidance to clarify additional scenarios which are not covered in the existing ESMA Guidelines would also be useful, such as for scenarios when executing a transaction on a trading venue by hitting its own order on non-anonymous order book / or an anonymous order book, but counterparty is disclosed by exchange. The ESMA Guidelines 5.14.3 provides guidance for an anonymous order book only, so clarification for non-anonymous order book when an investment firm acts in MTCH capacity, or in MTCH for one order and DEAL for second would help provide clarity on transaction reporting obligations.

**36. Do you agree with our proposal to require the price of the underlying instrument to be reported in the price field for equity swaps with a single underlying?**

AFME is not responding to this question as our response focuses on cash equity and bonds.

**37. Do you agree with our proposal to require the price of the underlying instrument to be reported in the price field for equity swaps with more than one underlying where available, and the spread of the financing rate in other cases?**

AFME is not responding to this question as our response focuses on cash equity and bonds.

**38. Do you agree with our proposal to remove the concept of SwpIn (+) and SwpOut (-) tags?**

AFME is not responding to this question as our response focuses on cash equity and bonds.

**39. Do you agree with our proposal to remove RTS 22 Field 32 (Derivative notional increase/decrease)?**

AFME is not responding to this question as our response focuses on cash equity and bonds.

**40. Do you agree with the proposed changes to RTS 22 Field 36 (Venue)?**

We have no objections to the proposed changes.

**41. Do you agree with the proposal to remove RTS 22 fields 50 (Option type), 53 (Option exercise style) and 56 (Delivery type)?**

Yes, we agree with the proposed removal of these fields. We also propose that the FCA utilise supervisory flexibility on reporting these fields from the point the policy statement is published, and we suggest the exclusion of these fields from the scope of back reporting.

**42. Do you agree with the proposal to remove RTS 22 Field 54 (Maturity date)?**

Yes, we agree with the proposal to remove RTS 22 Field 54. We also propose that the FCA utilise supervisory flexibility on reporting this field from the point the policy statement is published, and we suggest the exclusion of this field from the scope of back reporting.

**43. Do you agree with the proposal to remove RTS 22 Field 45 (Notional currency 2)?**

Yes, we agree with the proposal to remove RTS 22 Field 45. We also propose that the FCA utilise supervisory flexibility on reporting this field from the point the policy statement is published, and we suggest the exclusion of this field from the scope of back reporting.

**44. Do you agree with our proposal to make 'NOAP' a reportable value in the strike price field?**

AFME is not responding to this question as our response focuses on cash equity and bonds.

**45. Do you agree with the proposal to remove RTS 22 fields 61-65?**

Yes, we agree with the proposal to remove RTS 22 fields 61-65 for which FCA have already put in place temporary measures for supervisory flexibility. We also propose the exclusion of these fields from the scope of back reporting.

**46. Do you agree with the proposal to remove RTS 22 fields 37, 58 and 60?**

Yes, we agree with the proposal to remove RTS 22 fields 37, 58 and 60. We also propose that the FCA utilise supervisory flexibility on reporting these fields from the point the policy statement is published, and we suggest their exclusion from the scope of back reporting.

**47. Do you agree with the proposal to remove RTS 22 fields 8 and 17 (Country of the branch for the buyer/seller) and replace them with a new client indicator field?**

We agree with the proposal to remove RTS 22 fields 8 and 17 (Country of the branch for the buyer/seller) and replace them with a new client indicator field. We also recommend that the new client indicator fields for the buyer and the seller be accompanied by detailed scenario-based guidance, including examples illustrating how these fields should be applied across different types of transactions. Current guidance is complex, leading to interpretive inconsistencies, resulting in poor data quality. The new guidance on what is considered to be a branch execution in scope of transaction reporting provides clarification to those firms previously relying on the country of branch fields to observe branch execution.

**48. Do you agree with the proposal to add a new reporting value to RTS 22 Field 59 (Execution within firm) to identify where a firm is providing DEA?**

The identification of transactions which have been executed through DEA can represent reporting challenges. AFME agrees with the proposal to add a new reporting value to RTS 22 Field 59 (Execution within firm) to identify where a firm is providing DEA and suggests that detailed scenario-based and instrument-specific guidance is provided.

**49. Do you agree with the proposed definition of a package transaction?**

Yes, we are supportive of replacing the concept of a complex trade in RTS 22 with a new definition of a package transaction that will be used to bring consistency with the terminology in EMIR.

It is also important to ensure that **the new definition aligns with the notion of packages that is used for post-trade transparency purposes**. This aligned approach will harmonise and streamline the operational management of package transactions and avoid disruptions to reporting systems and processes.

It would be necessary that the FCA also clarify:

- Whether the new definition for ‘package transaction’ under UK RTS 22 specifically relates to component transactions being executed with the same client, for one single price.
- Whether the new definition for ‘package transaction’ under UK RTS 22 does not specifically require for the component transactions being executed simultaneously.
- EMIR has dedicated separate price and price currency fields to address the use case where the price for the package transaction is expressed as a spread (i.e. the difference between two reference prices). The UK RTS 22 proposal for package transaction does not delineate a package spread field. In this regard, clarification will be needed whether under the revised UK RTS 22 the spread can be populated in field ‘Package transaction price’ and field ‘Package transaction price currency’ can be left blank where this spread is not monetary.
- The treatment that firms should follow if the package price is not known at the point in time of conclusion of the package transaction. EMIR allows for the reporting of a default value until the price can be updated later when it becomes known.

**50. Do you agree with the proposal to capture the single leg prices of a package transaction? Are there any changes we should make to the proposed fields?**

We agree with the proposal to populate ‘NOAP’ in the price field when the single leg price is not available.

The proposal makes the assumption that a complex price will always exist, but there are use cases where leg level prices are not available. However, in practise, there are indeed observable use cases where the inverse occurs, that is a complex price does not exist but leg level prices for package components do. We specifically observe the latter for the on-venue use case where the trading venue is also an APA. In that case, the trading venue does not provide a complex price where post-trade transparency (leg level price reporting) is also owed. Separately, there may be scenarios where the legs of a package may be variably executed on- and off-venue. Leaving firms to ‘manufacture’ a package price under these circumstances is not desirable as this introduces possible divergence in venue / counterparty versus member transaction reports for the same.

We would therefore suggest that these use cases are also captured in the rules allowing the package transaction price field to be populated with ‘NOAP’.

**51. Do you agree with the proposal to maintain existing requirements for the aggregate client linking code?**

Yes. We have no objection to maintaining the existing requirements.

Preserving the existing requirements avoids the significant costs and operational risks associated with re-engineering reporting systems. Additionally, the use of the “INTC” reporting convention is well-understood and this reporting convention effectively supports the FCA’s surveillance objectives as it ensures there is a clear audit trail between the market side execution and the resulting client allocations.

We welcome the FCA’s intention to provide further guidance on the use of the “INTC” reporting convention. While the core principles relating to the use of “INTC” are well-established, we believe the industry would nonetheless benefit significantly from greater clarity on the use of the “INTC” in UK MiFIR transaction reporting.

**52. Do you have any other feedback on the proposed changes in MAR 14?**

With respect to paragraph 3.58 of the CP, which indicates the intention of adding to the transaction reporting user pack (TRUP) guidance around transaction reporting systems and controls to address the questions which the FCA have received over time relating to frequency of reconciliations to FO records, materiality thresholds when preparing breach notifications, timelines for remedial work and back reporting, we believe that Market Watch 81 already

provides sufficient guidance. Accordingly, we suggest that the FCA address those issues with specific firms observed to be needing or seeking additional guidance, rather than enforcing standardised requirements across industry.

**53. Do you agree with our proposal to remove the requirement for trading venues to report the IDM/ EDM in the transaction reports they submit?**

In order to achieve major cost saving across industry and reduce burden for all market participants we propose to remove the requirement to report IDM/EDM for all transaction reporting firms.

**54. Do you agree with the updated text in MAR 14.8 to clarify that negotiated transactions are in scope?**

AFME is not responding to this question.

**55. Do you foresee any difficulties with our suggested approach of reporting transactions where a natural person is the executing entity?**

AFME is not responding to this question.

**56. Do you agree with our proposal to treat FCA FIRDS as a 'golden source' for determining the reportability of financial instruments?**

Yes, we agree with the proposal to use FCA FIRDS as a golden source for determining whether a transaction is reportable. We also welcome FCA's statement that if a transaction was not executed on a UK trading venue, and the instrument (or its underlying) is not in FCA FIRDS by T+7, firms would have no obligation to report. In this regard, AFME members support the proposal from the FCA to update the wording in MAR 14.5.3 that after 7 days firms may conclude that the instrument is not reportable if it has not been published in FIRDS.

**57. Do you agree with our proposal not to take action against firms where they would reasonably assume an instrument is in-scope despite not being available on FCA FIRDS?**

Yes, we support the FCA's approach not to take action against firms.

**58. Do you agree with the proposal to limit the obligation to report instrument reference data to the first time there is a reportable event and for any subsequent changes only?**

AFME is not responding to this question.

**59. Do you agree with our proposal to amend the time standard used for the daily reference data file trading cut-off time from 18.00 CET to 17.00 UTC.**

AFME is not responding to this question.

**60. Do you agree with the proposal to expand the concept of admission to MTFs which undertake primary market activities, such as initial public offerings, secondary public offerings, placings, or debt issuance?**

AFME is not responding to this question.

**61. Do you agree with the proposal to remove derivative instruments from the scope of concept of admission to trading where a trading venue is the issuer?**

AFME is not responding to this question.

**62. Do you agree with the proposed change to enable overreporting of transactions executed before the financial instrument is admitted to trading?**

AFME members have no objection to this proposal. We also recommend that validation rules are updated to accept reports that will be submitted for transactions executed before the financial instrument is admitted to trading.

**63. Do you agree with our proposal to maintain the current obligation to report instrument reference data when a request for admission is made?**

AFME is not responding to this question.

**64. Do you agree with our proposal to clarify when we expect trading venues to populate RTS 23 fields 9 (Date of approval of the admission to trading) and 10 (Date of request for admission to trading)?**

AFME is not responding to this question.

**65. Do you agree with our above proposal to clarify what is meant by 'Date of request for admission to trading'?**

AFME is not responding to this question.

**66. Do you agree with our proposal to remove the obligations for SIs to submit reference data?**

Yes, we fully agree with the proposal. We further recommend that Article 27 of UK MiFIR is also amended to reflect removal of the obligation for SIs to submit instrument reference data.

**67. Do you agree with the proposal to remove the above fields from RTS 23?**

AFME is not responding to this question.

**68. Do you agree with the proposal to add 'Retired' as a valid status for LEIs used in Field 5, alongside 'Issued', 'Lapsed', 'Pending transfer' and 'Pending archival'?**

AFME is not responding to this question.

**69. Do you have any other feedback on the proposed changes in MAR 15?**

AFME is not responding to this question.

**70. Do you agree with our proposal to remove the requirement for trading venues to identify natural person investment and execution decision makers for orders submitted by firms that are not transaction reporting firms?**

We have no objection to the proposal.

**71. Do you agree with our proposal to amend the definitions for the acronyms of SESR and VFCR?**

AFME is not responding to this question.

**72. Do you have any other feedback on the proposed changes in MAR 13?**

AFME is not responding to this question.

## **AFME Contacts**

### **Anastasios Charalampous**

Manager, Secondary Capital Markets and Wholesale Investor Protection

[Anastasios.Charalampous@afme.eu](mailto:Anastasios.Charalampous@afme.eu)

+44 (0) 20 3828 2725

### **Giulia Pecce**

Director, Head of Secondary Capital Markets and Wholesale Investor Protection

[Giulia.Pecce@afme.eu](mailto:Giulia.Pecce@afme.eu)

+44 (0) 20 3828 2746