26 May 2026
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Reply Form

Consultation Paper on Amendments to the Guidelines on standardised procedures and messaging protocols used between investment firms and their professional clients under Article 6(2) of CSDR.

Responding to this Consultation Paper

ESMA invites comments on all matters in this Consultation Paper and in particular on the specific questions summarised in Annex 1. Comments are most helpful if they:

- respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **7 July 2026.**

All contributions should be submitted online at www.esma.europa.eu under the heading 'Your input - Consultations'.

Instructions

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

- Insert your responses to the questions in the Consultation Paper in this reply form.
- Please do not remove tags of the type < ESMA_QUESTION_GLAC_0>. Your response to each question has to be framed by the two tags corresponding to the question.
- If you do not wish to respond to a given question, please do not delete it but simply leave the text "TYPE YOUR TEXT HERE" between the tags.
- When you have drafted your responses, save the reply form according to the following convention: ESMA_CP1_ GLAC_nameofrespondent.

  For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA_CP1_ GLAC_ABCD.
- Upload the Word reply form containing your responses to ESMA's website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at *www.esma.europa.eu* under the heading *'Your input - Consultations'.*

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the heading 'Data protection'.

Who should read this paper?

This consultation paper is primarily addressed to investment firms, credit institutions, their professional clients, central securities depositories (CSDs) and CSD participants.

1 General information about respondent

Name of the company / organisation	Association for Financial Markets in Europe (AFME)
Activity	Other
Are you representing an association?	☒
Country / Region	Europe

2 Questions

Q1 Do you agree with the proposed amendment? If not, please elaborate.

<ESMA_QUESTION_GLAC_1>

AFME is broadly supportive of the proposed amendment to bring Paragraph 19 forward.

We welcome the proposed flexibility introduced regarding the form in which arrangements between investment firms and professional clients may be documented. However, further clarification would be beneficial regarding how these expectations should operate in practice, particularly in the context of secondary market transactions where bespoke bilateral contractual arrangements may not always exist between counterparties. Clearer guidance on what forms of existing documentation or legally binding arrangements would be considered sufficient to meet the requirements of the Guidelines would support consistent implementation across the industry.

<ESMA_QUESTION_GLAC_1>

Q2 In particular, do you see any alternative/additional ways to reduce the administrative burden created by documenting the arrangements between investment firms and professional clients?

<ESMA_QUESTION_GLAC_2>

N/A

<ESMA_QUESTION_GLAC_2>

Q3 Do you agree with the proposed amendment? If not, please elaborate.

<ESMA_QUESTION_GLAC_3>

We are supportive of the objective of promoting greater automation and the use of electronic communication methods for allocations and confirmations. However, additional clarification would be beneficial regarding the interpretation of "machine-readable" communications, particularly where emails are used. We consider that the determining factor should be the structure and extractability of the underlying data rather than the communication channel itself.

In particular, we believe that a distinction should be made between structured electronic communications that allow specific data fields to be identified, extracted and processed automatically, and unstructured formats such as screenshots, images or free-text content embedded within emails. Greater standardisation of electronic communications used for allocations and confirmations may also support more consistent implementation and facilitate automated processing across market participants.

Further clarification would also be beneficial regarding the interaction between the format of the information being exchanged and the communication channel used to transmit that information. In practice, different interpretations may arise regarding whether structured data transmitted through channels such as emails would be compliant with the machine-readable requirement.

In addition, it would be useful for ESMA to clarify how the requirements apply where the allocation and confirmation process is not fully standardised from the outset. For example, where the professional client does not send the allocation in an electronic standardised machine-readable format, ESMA should clarify whether the investment firm's subsequent confirmation back to the client must nevertheless be provided in such a format to comply with Article 6(2). Clarification would also be helpful on how firms should treat communications submitted on time but not in the expected format, in order to distinguish between issues of timeliness and issues of format.

We also note that, while investment firms can establish appropriate arrangements and expectations with their professional clients, the adoption of specific communication methods and formats may ultimately depend on the readiness and capabilities of those clients. Further clarification regarding the extent of firms' obligations in this regard would therefore be welcome.

Overall, we believe that the Guidelines should focus on supporting automation and straight-through processing outcomes, while remaining sufficiently technology-neutral to accommodate different communication solutions that achieve those objectives.

<ESMA_QUESTION_GLAC_3>

Q4 Should interfaces designed for human interaction i.e. GUIs, be considered appropriate for communication between investment firms and their professional clients? Please explain your reasoning.

<ESMA_QUESTION_GLAC_4>

We believe that the appropriateness of GUIs should depend on the extent to which they support the objectives of automation, standardisation and machine-readable communications.

Where a GUI serves as a front-end interface, but the underlying information is captured in a structured format that can be automatically extracted and processed, we consider that such solutions may be compatible with the objectives of the Guidelines. Conversely, where the use of a GUI requires manual intervention, re-keying of information or otherwise limits automated processing, its use may be less consistent with the objective of increasing straight-through-processing and operational efficiency.

We also note that, in many cases, the receiving party may not have visibility regarding whether information was entered into a platform manually through a GUI or submitted through an automated interface. The assessment should therefore focus on whether the resulting information is available in a structured and machine-readable format that supports automated processing, rather than on the method by which the information was originally entered into the platform.

We therefore recommend that the assessment should focus on the outcome achieved rather than the specific technology used, and that the Guidelines should remain technology-neutral.

<ESMA_QUESTION_GLAC_4>

Q5 Do you agree with the proposed amendment? If not, please elaborate.

<ESMA_QUESTION_GLAC_5>

We are supportive of the proposed amendment as we consider that the removal of references to the oral exchange of allocations and confirmations is consistent with the objectives of the revised RTS framework, which seeks to promote greater automation, standardisation and the use of electronic communication methods throughout the post-trade process.

<ESMA_QUESTION_GLAC_5>

Q6 Do you agree with the proposed amendment? If not, please elaborate.

<ESMA_QUESTION_GLAC_6>

We welcome the proposed removal of references to “contractual” agreements, as we consider it is consistent with the broader objective of reducing administrative burden and providing firms with greater flexibility regarding how arrangements are documented.

<ESMA_QUESTION_GLAC_6>

Q7 Do you agree with the proposed amendment? If not, please elaborate.

<ESMA_QUESTION_GLAC_7>

We are supportive of the proposed amendment.

We agree that firms should have flexibility to use alternative communication methods where duly documented temporary technical unavailability or service disruptions make the use of standard communication channels impossible. The proposed approach appropriately recognises the need for operational resilience and business continuity during exceptional circumstances.

We also consider that firms should be permitted to use alternative written communication methods, as well as recorded telephone calls where appropriate, provided that the relevant record-keeping requirements are met.

<ESMA_QUESTION_GLAC_7>

Q8 Do you agree with the proposed amendment? If not, please elaborate.

<ESMA_QUESTION_GLAC_8>

We support the objective of promoting the use of standardised communication procedures and messaging standards to facilitate automation and straight-through processing.

However, we believe the reference to "*international open communication procedures and standards*" could be interpreted too narrowly. In practice, some communication procedures and messaging standards that are widely adopted across the industry may not necessarily be "open" standards, whilst still supporting the objectives of standardisation, interoperability and automation.

We therefore encourage ESMA to consider using alternative terminology, such as "*industry-recognised communication procedures and standards*", to ensure that the Guidelines remain technology-neutral and accommodate solutions that are widely accepted and effectively used by market participants.

In the light of this, we propose that Paragraph 20 is amended as follows (AFME's rewording proposals in **green**):

- Replace "*international open*" with "*industry-recognised*"

20. ~~Where electronic means are used, the~~ Investment firms should ~~offer~~ ensure that their ~~to its~~ professional clients ~~the option of using the~~ use **~~international open~~ industry-recognised** communication procedures and standards for messaging and reference data as defined in Article 2(1)(34) of Regulation (EU) No 909/2014~~, except in the following two cases:~~

~~a. where such internationally accepted standards are not "available on a fair, open and non-discriminatory basis to any interested party" or do not exist, until international standards become available; and~~

~~b. where the use of internationally accepted standards does not allow to "limit the settlement fails" for an investment firm and its professional clients, as long as such lack of efficiency can be evidenced.~~

<ESMA_QUESTION_GLAC_8>

Q9 Do you agree with the proposed amendment? If not, please elaborate.

<ESMA_QUESTION_GLAC_9>

We are supportive of the proposed removal of Paragraph 21.

We consider that given the proposed changes to RTS requirements and the increased focus on standardisation and automation, the removal of optionality is understandable. Nevertheless, we reiterate the importance of ensuring that the Guidelines remain sufficiently flexible to accommodate industry-recognised communication standards, as noted in our response to Question 8.

While we support the removal of Paragraph 21, we would welcome clarification on the meaning of “internal (or domestic) messaging standards” in the current Guidelines. This would help firms assess whether existing industry-recognised or market-specific solutions remain compatible with the revised requirements.

<ESMA_QUESTION_GLAC_9>

Q10 Do you agree with the proposed date of application of the Guidelines? If not, please elaborate.

<ESMA_QUESTION_GLAC_10>

We are supportive of the proposed application date of 7 December 2026. We consider that aligning the entry into application of the Guidelines with the corresponding RTS amendments would provide clarity and consistency for market participants. We believe that the proposed implementation timeline should provide firms with sufficient time to prepare for the revised requirements and incorporate any necessary changes into their existing post-trade processes.

We note that timely finalisation of the Guidelines is also important in the context of the industry's broader preparations for the transition to T+1 settlement in the European Union. Providing industry participants with regulatory certainty at an early stage will help support implementation planning and operational readiness, while avoiding the need for further changes closer to the T+1 migration date. We also note that the proposed application date would provide firms with sufficient time to implement the changes required to support the EU Industry Committee High Level Roadmap objective of promoting the standardised electronic exchange of allocations and confirmations by the end of 2026.

<ESMA_QUESTION_GLAC_10>

Q11 Do you agree with the envisaged costs and benefits as identified in Annex III (section 11.3) of this CP? Do you envisage any additional costs and benefits associated with ESMA’s proposals in this CP? Please elaborate.

<ESMA_QUESTION_GLAC_11>

We broadly agree with the costs and benefits identified by ESMA. We consider that the proposed amendments should support greater automation, standardisation and straight-through processing of allocations and confirmations, thereby contributing to improved settlement efficiency. We also expect the incremental costs arising directly from the Guidelines to be limited, given that many firms are already assessing and implementing changes in response to the related RTS amendments and broader preparations for the transition to T+1 settlement.

<ESMA_QUESTION_GLAC_11>

Q12 Beyond the proposals set out in this CP, are there any additional measures you would recommend to further simplify processes and reduce administrative burdens?

<ESMA_QUESTION_GLAC_12>

We would welcome further clarification from ESMA on the application of the Guidelines to specific ETF-related flows, where relevant operational complexities may arise in the allocation and confirmation process.

<ESMA_QUESTION_GLAC_12>