23 June 2025
ESMA12-437499640-3046

Reply form

for the Call for Evidence on a Comprehensive Approach for the Simplification of Financial Transaction Reporting

Responding to this paper

ESMA invites comments on all matters in this call for evidence and in particular on the specific questions. 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 **19th September 2025.**

Instructions

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

1. Insert your responses to the questions in the Call for Evidence in the present response form.
2. Use this form and send your responses in Word format (**pdf documents will not be considered except for annexes**);
3. Please do not remove tags of the type <ESMA_QUESTION _CASR_1>. Your response to each question has to be framed by the two tags corresponding to the question.
4. 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.
5. When you have drafted your response, name your response form according to the following convention: ESMA_CASR_nameofrespondent_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA_CASR_ABCD_RESPONSEFORM.
6. Upload the form containing your responses, **in Word format**, to ESMA's website (www.esma.europa.eu under the heading "Your input – Open Consultations" -> Call for evidence on a comprehensive approach for the simplification of financial transaction reporting").

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 Legal Notice.

Who should read this paper

This paper is primarily addressed to all financial market participants and in particular reporting entities and market infrastructures, as well as to trade associations and other stakeholders involved in financial regulation, investor education, and retail investment market developments. It seeks input on major cost drivers linked to derivative regulatory reporting and the identification of possibilities on integration, streamlining and simplification.

The paper is also relevant to competent authorities, with competences in the context of MiFIR, EMIR, SFTR regulation.

General information about respondent

Name of the company / organisation	Deutsches Aktieninstitut
Activity	Non-financial counterparty
Are you representing an association?	☒
Country/Region	Germany

Questions

Q1 Do stakeholders agree with the description of the key challenges outlined above? Is there any other issue linked to multiple regulatory regimes with duplicative or inconsistent requirements that is not reflected in this section? Out of the 10 sources of costs identified in this section and the ones that you may add, what are the three main cost drivers in your view?

<ESMA_QUESTION_CASR_1>
We agree with the analysis of ESMA. However, we would like to emphasise the importance to draw the right conclusions. It is time for an ambitious reduction of bureaucracy. For non-financial companies that use derivatives for hedging purposes, which we represent as an association, are the following measures of significance:

- Complete abolition of the obligation to report intra-group transactions under Art. 9(1) EMIR, or at least significant simplification of the notification process for exemption from the reporting obligation (see below).
- Legislator or competent authorities should solve the problem of dual sided reporting for non-financial companies. In this regard, it is important to recognise non-EU banks from other jurisdictions such as the US and Japan as equivalent to EU banks. Non-financial companies would then have the opportunity to have these banks report external derivatives (see our answer to Q22).
- Consequent reviewing the regulatory benefits of each reporting field.
- Streamlining or consolidation of the various reporting systems must not result in a new reporting system which implementation would entail further bureaucracy for companies.

Regarding intra-group transactions, non-financial companies must notify the relevant supervisory authority for the exemption. The authority then has three months to review the application. If the three months have elapsed and the application has not been approved by the competent supervisory authority, it is deemed to have been approved without further feedback.

This application process is particularly problematic in the case of group restructurings. If new group companies are integrated into the central risk management system by providing them intra-group transactions, these transactions must be reported as long as the exception has not been approved, or the three-month period has expired. A reporting infrastructure must be set up for this period, only to be switched off again afterwards. This is inefficient and contradicts the aim of the legislator to provide burden relief for non-financial companies. In addition, two different supervisory authorities must be considered in EU-wide situations: the supervisory authority of the parent company and the supervisory authority of the group company. The application processes are not standardised, resulting in a further major effort.

We therefore suggest to completely remove the requirement of intra-group reporting. Intra-group transactions simply redistribute the effects of external hedging transactions entered into by the central group treasury internally and do not increase the overall risk of the group in total. As such, the risks are compensating each other at group level. Accordingly, it makes no sense from an economic perspective to "speculate" with intra-group transactions. Potential losses of an intra-group transaction occurred for a group member are offset by potential gains of the other group member. There is no possibility to make profits/losses in a group as a whole. Reporting of intra-group transactions is of no benefit, from the perspective of supervisory authorities and companies.

At least, legislator should streamline the notification process. It should only be necessary to submit an initial notification to the home supervisory authority responsible for the parent company, which is evaluated by the authority in the 3-month-period. Once this has been approved, the parent company notifies its competent supervisory authority of any additional group companies for which the exemption is utilised. An additional evaluation process taking 3 month is superfluous. In this case, It is no longer necessary for companies to report the transactions. It is also no longer necessary to involve the supervisory authority responsible for the group company in the respective EU member state in the application process in an EU case.

<ESMA_QUESTION_CASR_1>

Q2 Do stakeholders agree with the proposed principles and related description? Is there any other aspect/principle that should be considered?

<ESMA_QUESTION_CASR_2>
In our answer to Q1 we described consequence steps toward less bureaucracy. Transition to a new reporting system which creates additional bureaucracy is not the way forward.
<ESMA_QUESTION_CASR_2>

Q3 What are the key advantages of option 1a and how do these benefits address the issues in section 3?

<ESMA_QUESTION_CASR_3>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_3>

Q4 What are the key limitations and potential risks of option 1a? For example, do you consider the adaptation of the emir template to cover the data points used for market abuse surveillance as meeting the general objective of reducing the reporting burden, and why?

<ESMA_QUESTION_CASR_4>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_4>

Q5 **What components are missing or not adequately addressed in option 1a? Why are these elements important, and how might their inclusion change the evaluation or implementation of option 1a?**

<ESMA_QUESTION_CASR_5>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_5>

Q6 **What are the key advantages of option 1b and how do these benefits address the issues in section 3?**

<ESMA_QUESTION_CASR_6>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_6>

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

<ESMA_QUESTION_CASR_7>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_7>

Q8 **What components are missing or not adequately addressed in option 1b? Why are these elements important, and how might their inclusion change the evaluation or implementation of option 1b?**

<ESMA_QUESTION_CASR_8>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_8>

Q9 **What are the key advantages of option 2a and how do these benefits address the issues in section 3?**

<ESMA_QUESTION_CASR_9>
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<ESMA_QUESTION_CASR_9>

Q10 **What are the key limitations and potential risks of option 2a?**

<ESMA_QUESTION_CASR_10>
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<ESMA_QUESTION_CASR_10>

Q11 **What components are missing or not adequately addressed in option 2a? Why are these elements important, and how might their inclusion change the evaluation or implementation of option 2a?**

<ESMA_QUESTION_CASR_11>

TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_11>

Q12 What are the key advantages of option 2b and how do these benefits address the issues in section 3? What regimes should be included in such an option beyond EMIR, MiFIR and SFTR?

<ESMA_QUESTION_CASR_12>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_12>

Q13 What are the key limitations and potential risks of option 2b?

<ESMA_QUESTION_CASR_13>
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<ESMA_QUESTION_CASR_13>

Q14 What components are missing or not adequately addressed in option 2b? Why are these elements important, and how might their inclusion change the evaluation or implementation of option 2b?

<ESMA_QUESTION_CASR_14>
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<ESMA_QUESTION_CASR_14>

Q15 Which of the two main options (1. “removal of duplication in current frameworks” or 2. "report once") and related sub-options identified do you believe should be prioritised, and why?

<ESMA_QUESTION_CASR_15>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_15>

Q16 Are there any additional options that should be considered on top of option 1 and 2? For example, do you identify other potential intermediate solutions, combinations of elements from the identified options, or phased approaches? If so, what are their main characteristics, the reasons for considering them, and the key advantages they would bring?

<ESMA_QUESTION_CASR_16>
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<ESMA_QUESTION_CASR_16>

Q17 **Should the reporting channels, and flows be modified to ensure consistent reporting, and if so, how? Under which option/s do you consider these changes should be implemented?**

<ESMA_QUESTION_CASR_17>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_17>

Q18 **In this regard, and based on the current order book requirements for trading venues and the availability of information, what are the advantages and disadvantages of transferring the reporting of on-venue transactions under MiFIR and EMIR to trading venues?**

<ESMA_QUESTION_CASR_18>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_18>

Q19 **Additionally, what are your views on enhancing ESMA role as data hub by developing a framework where entities would report consistent and harmonised data directly to ESMA? Should this option consider direct reporting to ESMA coupled with EU and national authorities' access to the centrally held data, eliminating multiple submissions?**

<ESMA_QUESTION_CASR_19>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_19>

Q20 **In the case of centralisation of reporting, please expand on the advantages and disadvantages as well as the implementation challenges and opportunities? Under this scenario, what additional elements should be considered (i.e. Operational aspects, technical implementation, etc.)**

<ESMA_QUESTION_CASR_20>
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<ESMA_QUESTION_CASR_20>

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

<ESMA_QUESTION_CASR_21>
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<ESMA_QUESTION_CASR_21>

Q22 **Where do you think the cost associated with dual sided reporting is generated? What would be the cost impact of removing dual-sided reporting (e.g. Substituting reconciliation requirements with other measures such as audits**

against internal record systems as required in the U.S. or increase interaction among counterparties and NCAs)? Do you consider that dual sided reporting may reduce the ability of reporting entities to fully control the data submitted to authorities? Do you consider that the reporting should be strictly from one side?

<ESMA_QUESTION_CASR_22>
According to Art. 9(1a) EMIR financial counterparties shall be solely responsible, and legally liable, for reporting on behalf of both counterparties, the financial and the non-financial counterparty. The option that the financial counterparties take over the reporting of transactions with non-financial counterparties is limited to financial counterparties domiciled in the EU and therefore subject to EMIR. Transactions with non-EU banks can be delegated, but the non-financial counterparty remains liable for the data. Therefore, many non-financial counterparties report for their own and maintain their reporting infrastructure for that reason. In this regard, it is important that the legislator recognises non-EU banks from other jurisdictions such as the US and Japan as equivalent to EU banks. Non-financial companies would then have the opportunity to have these banks report external derivatives.

At least, it would be helpful if the EU supervisory authorities conclude information-sharing agreements with the supervisory authorities of important third countries (e.g. US or Japan). This would give them access to the information of financial counterparties from non-EU countries. According to EMIR, in that case banks from third countries could be treated equivalent to EU banks. Reporting by the non-financial counterparty would then be superfluous.
<ESMA_QUESTION_CASR_22>

Q23 Would you consider the modification of reporting frequency useful under the general objective of reducing the reporting burden, and why? What would be the specific proposals in this regard?

<ESMA_QUESTION_CASR_23>
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<ESMA_QUESTION_CASR_23>

Q24 Proportionality measures: how do you consider proportionality can be taken into account in the context of burden reduction in regulatory reporting? What specific measures would you propose and how would you quantify their impact?

<ESMA_QUESTION_CASR_24>
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<ESMA_QUESTION_CASR_24>

Q25 Question for reporting entities under EMIR: what is the one-off cost of implementing EMIR requirements to date? This cost should include all cost lines, such as familiarisation with obligations, staff recruitment, training, legal

advice, consultancy fees, project management and investment/updating in it. Do you identify any other relevant one-off cost line?

<ESMA_QUESTION_CASR_25>
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<ESMA_QUESTION_CASR_25>

Q26 **Question for reporting entities under EMIR: what is your estimated average cost per transaction (on-going cost) to comply with the reporting requirements under EMIR? This cost should include not only the fees associated with reporting through trade repositories (which usually includes data collection and information storage) but also the total cost, including any other cost lines, such as, IT maintenance and support, training, data processing and audit fees. Do you identify any other relevant ongoing cost line?**

<ESMA_QUESTION_CASR_26>
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<ESMA_QUESTION_CASR_26>

Q27 **Question for reporting entities under MiFIR: what is the one-off cost of implementing mifir requirements to date? This cost should include all cost lines, such as familiarisation with obligations, staff recruitment, training, legal advice, consultancy fees, project management and investment/updating in it. Do you identify any other relevant one-off cost line?**

<ESMA_QUESTION_CASR_27>
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<ESMA_QUESTION_CASR_27>

Q28 **Question for reporting entities under MiFIR: what is your estimated average cost per transaction (on-going cost) to comply with the reporting requirements under MiFIR? This cost should include not only the fees associated with reporting through Approved Reported Mechanisms but also the total cost, including any other cost lines, such as, IT maintenance and support, training, data processing and audit fees. Do you identify any other relevant ongoing cost line?**

<ESMA_QUESTION_CASR_28>
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<ESMA_QUESTION_CASR_28>

Q29 **Question for reporting entities under EMIR or MiFIR: Are there other cost-factors that we should consider when estimating the cost saving over a long term horizon?**

<ESMA_QUESTION_CASR_29>

TYPE YOUR TEXT HERE
<ESMA_QUESTION_CASR_29>

Q30 What are the anticipated investments and transition costs associated with implementing option 1a, 1b, 2a and 2b (e.g. Decommissioning of legacy systems, adapting systems to new changes and future evolving requirements, etc.)? Please provide a detailed breakdown of these costs, including any one-off and ongoing expenses. What is the estimated average cost saving per transaction?

<ESMA_QUESTION_CASR_30>
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<ESMA_QUESTION_CASR_30>