The Asset Management Industry
SERVING INDIVIDUAL INVESTORS

Letter from the Investment Company Institute

19 September 2025

European Securities and Markets Authority
201-203 Rue de Bercy
CS 80910 – 75589
Paris Cedex 12, France

Submitted electronically

Re: *Investment Company Institute Responses to* Call for evidence on a comprehensive approach for the simplification of financial transaction reporting *and* Discussion paper on the integrated collection of funds' data

To whom it may concern:

The Investment Company Institute (ICI)[1] appreciates the opportunity to provide feedback to the European Securities and Markets Authority's (ESMA) consultations on financial reporting.[2] We strongly support ESMA's efforts through the Consultations to improve the efficiency, consistency, and effectiveness financial regulatory reporting requirements, particularly as they apply to asset managers.

ICI's mission is to strengthen the foundation of the asset management industry for the ultimate benefit of the long-term individual investor. Our members have significant experience and expertise in serving more than 100 million retail investors in jurisdictions around the world, including in the EU. These investors rely on regulated funds, like UCITS,[3] to achieve important financial goals, including saving for retirement and education. By supporting the financial health and wellbeing of individual EU investors, the asset management industry contributes to

[1] The Investment Company Institute (ICI) is the leading association representing the global asset management industry in service of individual investors. ICI members are located in North America, Europe, and Asia and manage fund assets of US$50.0 trillion, including mutual funds, exchange-traded funds (ETFs), UCITS, closed-end funds, unit investment trusts (UITs) and similar funds in these different jurisdictions. ICI has offices in Washington DC, Brussels, and London.

[2] ESMA, Discussion Paper on the integrated collection of funds' data (23 June 2025) (the Discussion Paper) and ESMA, Call for evidence on a comprehensive approach for the simplification of financial transaction reporting (23 June 2025) (the Call for Evidence) (collectively the Consultations).

[3] Undertakings for Collective Investment in Transferable Securities Directive (Directive 2009/65/EC, UCITS).

economic growth by investing client assets in capital markets, providing a critical source of long-term stable funding for companies and projects.

The current regulatory reporting approach is an inefficient barrier to growth

The efficient flow of capital across the EU is essential for realising the Commission's vision of a unified single market. Central to this objective is the cross-border provision of asset management services and investment products such as UCITS. However, the asset management industry faces significant challenges due to burdensome and uncoordinated regulation. Due to their nature, the varied features of their transactions, and the span of their activities, asset managers are currently captured by multiple layers of EU-level legislation. As such, they are often required to submit duplicative or inconsistent reports to multiple authorities.

The increasing practice of "gold-plating", where individual Member States impose additional requirements beyond the agreed EU legislation, compounds these challenges. "Gold-plating" increases compliance costs and market fragmentation, which in turn creates barriers and bottlenecks in the EU market, as varying national standards disrupt the uniformity of the single market.

The burden is particularly acute when firms attempt to apply a group-wide or EU-wide compliance framework but find themselves forced to tailor implementation at the Member State level due to national "gold-plating" practices or divergent supervisory interpretations of the requirements under the Markets in Financial Instruments Directive and Regulation (MiFID/MiFIR) and UCITS Directive.

Smaller firms also face challenges from undue regulatory burdens that increase their fixed costs, limit their ability to compete and grow, and constrain innovation. Many EU reporting requirements, including periodic regulatory reporting under UCITS and the Alternative Investment Fund Management Directive (AIFMD), are imposed uniformly on all firms without accounting for diversity in firm size, business models, product offerings, and investor base. Compliance with these requirements generates disproportionate operational and legal costs for smaller managers and new entrants that are not commensurate with the risks they present and the benefits of this reporting to supervisors.

The existing siloed regulatory approach further contributes to these challenges. There is limited data sharing across the many regimes and authorities, both National Competent Authorities (NCAs) and EU-level entities. Beyond increasing the burden on market participants, limits on data sharing constrain authorities' supervisory and risk management capabilities, including their ability to assess risk across jurisdictions efficiently and effectively and react swiftly to early signs of stress.

Review clauses in sectoral legislation cause frequent regulatory changes, leading to uncertainty that hinders growth, particularly for long-term investments. The significant probability that applicable rules will change over the lifespan of the products discourages their

development and growth and thus constrains the available opportunities for long-term savings for EU citizens.

Together, the challenges arising from the existing approach to regulatory reporting hinder the scaling up of investment funds, limit retail investor participation in the capital markets, and undermine the objectives of the UCITS Directive.[4]

Harmonisation is a necessary step toward a competitive and integrated savings and investment union

ESMA's efforts to take stock of the existing panoply of regulatory reporting obligations in the Consultations are an important step toward building the foundation for a deeper and more competitive EU market. Addressing the regulatory misalignment across these core frameworks will be complex and will require a holistic review of reporting obligations to align rules, support efficient supervision, improve investor information, and reduce compliance complexity—while preserving investor protection.

We caution that more detail is required to concretely and granularly assess the full impact of the options presented in the Consultations. All options would entail meaningful implementation costs, which will differ depending upon how variations in the existing regimes are reconciled.

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of our members believe that only a comprehensive and ambitious reform effort, a fully integrated reporting framework, can meaningfully address the inefficiencies and fragmentation of the current system. In their view, piecemeal adjustments would fall short of resolving the underlying legislative incoherence, entail high costs to design temporary solutions, and risk entrenching complexity. While they recognise the significant challenges such reform would entail, including changes to multiple Level 1 texts and the development of new Level 2 measures, they consider this a necessary undertaking to unlock long-term efficiencies and consistency.

Others prefer a less ambitious approach, emphasising the practical and operational realities of all-at-once reform. They are concerned that sweeping changes could introduce significant costs and take years to implement before any tangible benefits are realised. These members advocate instead for more targeted steps to streamline existing reporting regimes by reducing duplication and eliminating inconsistencies. From their perspective, maintaining focus on

[4] The objective of UCITS is to create a single market for investment funds.

implementation burden and operational feasibility is essential to ensuring that any reform efforts remain aligned with the EU's broader objective of simplifying the regulatory framework.

As such, ICI believes that a constructive path forward will require deeper engagement between regulators and the industry. We encourage ESMA and the Commission to facilitate structured dialogue with industry stakeholders to examine these trade-offs in greater depth and explore practical, scalable solutions.

One option would be for ESMA or the Commission to convene a series of focused public-private roundtables, bringing together industry experts, national competent authorities, and other EU bodies to examine practical barriers and test potential solutions. These sessions could explore different reform tracks (comprehensive vs. incremental) and assess their implications in terms of cost, feasibility, and alignment with broader EU policy objectives.

In addition, we offer the following summary of our recommendations which apply across the options presented in the Consultations and are set forth in more detail in our responses to each of the Consultations. If implemented, these steps would priortise reforms to support efficient and effective supervision and investor protection, while breaking down the barriers created under the existing framework at their source.

1. Commit to minimise "gold plating", so that inconsistent substantive requirements do not perpetuate the legal and operational barriers to cross-border fund distribution that are created by the existing fragmented, duplicative, and inefficient regulatory environment.[5]
2. Eliminate mandatory review clauses, which would facilitate legislative initiatives to reduce legislative siloes and support the development of a more coherent regulatory environment. It would also significantly diminish regulatory uncertainty, a critical barrier to the development and growth of long-term investment products.
3. Use risk to streamline and align reporting requirements. Clearly defined supervisory and investor protection risks should guide the holistic review of existing requirements, so that data elements are prioritised based on their regulatory utility to monitor these risks. Using a risk-based approach optimises reporting requirements and enables effective oversight, even across multiple legislative regimes, which in turn supports market integrity and investor protection.
4. Optimise reporting in a modular and scalable framework that is designed to ensure that reporting requirements remain relevant, feasible, and aligned with market practices. Employing a modular architecture enables the reporting system to seamlessly integrate new requirements as regulations evolve, without the need for a full redesign. Incorporating opportunities for regular consultation with industry stakeholders

[5] ICI's Action Plan to reduce operational and cross border barriers for asset managers (25 July 2025) provides more detailed recommendations on how to address gold plating, including an annual empirical assessment to evaluate whether such practices hinder the market.

promotes proportional and focused reporting over time, while reducing the reporting burden.

5. Standardise and simplify data collection with (i) common data definitions, standards, and validation rules across reporting regimes and jurisdictions; (ii) a common, structured, and machine-readable format; and (iii) a unified reporting interface. Implementing these improvements would reduce reporting burden, promote the consistency and comparability of collected data, reduce manual reporting errors and improve data quality, and promote efficient use of the data. Increasing the alignment of reporting frequencies across reporting regimes and jurisdictions may also promote efficiency, but only if the frequency is designed to align with fund cycles, which vary by product.
6. Maximise data use by (i) identifying and eliminating inconsistent overlapping obligations, such as dual-sided transaction reporting, and (ii) enhancing the scope and efficiency of existing data sharing and coordination mechanisms among supervisory, statistical, and resolution authorities. Promoting interoperability with other jurisdictions reinforces these benefits, so that efficiency gains are not compromised by cross-border frictions.

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While the path to a harmonised set of financial reporting obligations is complex, this is a necessary step toward making the EU a more competitive and integrated market for retail and institutional investors alike. ICI looks forward to supporting further efforts to improve the efficiency, consistency, and effectiveness of financial regulatory reporting requirements, particularly as they apply to asset managers.

Sincerely,

/s/ Tracey Wingate

Tracey Wingate
Head of Global Affairs

Attachments: Investment Company Institute Responses to the European Securities and Markets Authority *Call for evidence on a comprehensive approach for the simplification of financial transaction reporting*

Investment Company Institute Responses to the European Securities and Markets Authority *Discussion Paper on the integrated collection of funds' data*

Letter from the Investment Company Institute

Investment Company Institute Responses to the European Securities and Markets Authority Discussion Paper on the integrated collection of funds' data

19 September 2025

Submitted by electronic form. Unanswered questions are omitted.

Q1. Do you confirm the findings presented in this stocktake section? If you have additional information, please provide all relevant details.

The Investment Company Institute[6] strongly supports the European Securities and Markets Authority's (ESMA) efforts to improve the efficiency, consistency, and effectiveness of the supervisory reporting frameworks for asset managers.

ICI's mission is to strengthen the foundation of the asset management industry for the ultimate benefit of the long-term individual investor. Our members have significant experience and expertise in serving more than 100 million retail investors in jurisdictions around the world, including in the EU. These investors rely on regulated funds, like UCITS,[7] to achieve important financial goals, including saving for retirement and education. By supporting the financial health and wellbeing of individual EU investors, the asset management industry contributes to economic growth by investing client assets in capital markets, providing a critical source of long-term stable funding for companies and projects.

The efficient flow of capital across the EU is essential for realising the Commission's vision of a unified single market. Central to this objective is the cross-border provision of asset management services and investment products such as UCITS. However, the asset management industry faces significant challenges due to burdensome and uncoordinated regulation, as well as the increasing practice of gold-plating where individual Member States impose additional requirements beyond the agreed EU legislation. This practice not only increases compliance costs but also leads to market fragmentation that creates barriers and bottlenecks in the EU market, as varying national standards disrupt the uniformity of the single market. Consequently, these barriers hinder the scaling up of investment funds, limit retail

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[7] Undertakings for Collective Investment in Transferable Securities Directive (Directive 2009/65/EC, UCITS).

investor participation in the capital markets, and undermine the objectives of the UCITS Directive.[8]

We agree that the first step to reducing redundancies and enabling a unified compliance architecture for fund managers is to take stock of the existing reporting frameworks, including an in-depth review applicable at both the EU and Member State levels.

Additionally, we agree with the stocktake findings presented in the ESMA's discussion paper,[9] that asset managers are often required to submit duplicative or inconsistent reports to multiple authorities. Key areas of divergence include semantic and definitional differences[10], data standards,[11] and reporting frequencies.[12]

High reporting burdens are created by frequent regulatory changes and lack of synchronisation and coordination across the legislative reporting frameworks. Even where the intention behind these varied reporting frameworks may be consistent, the lack of alignment, both in terms of substance and timing, has created a fragmented, duplicative, and inefficient regulatory environment. Firms are required to maintain parallel compliance systems, duplicated processes, and multiple vendors and documentation templates across products and business lines, which lowers the quality and integrity of reported data. Further, the increased operational complexity constitutes a barrier to cross-border product development and distribution, which limits the ability of asset managers to scale UCITS across the Single Market.

The burden is particularly acute when firms attempt to apply a group-wide or EU-wide compliance framework but find themselves forced to tailor implementation at the Member State level due to national gold-plating or divergent supervisory interpretations of Markets in Financial Instruments Directive and Regulation (MiFID/MiFIR) and UCITS requirements.

Many EU reporting requirements, including periodic data reporting under UCITSD and the Alternative Investment Fund Management Directive (AIFMD), are imposed uniformly on all firms without accounting for diversity in firm size, business models, product offerings, and investor base. Compliance with these requirements generates disproportionate operational and legal costs and burdens for smaller managers and new entrants that are not commensurate with the risks they present and the benefits of this reporting to supervisors. As a result, smaller firms and funds often face undue regulatory burdens that constrain innovation, increase fixed costs, and limit their ability to compete and grow.

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[8] The objective of UCITS is to create a single market for investment funds.

[9] ESMA, Discussion Paper on the integrated collection of funds' data (23 June 2025) (the Discussion Paper).

[10] *Id.* at Annex 9.

[11] *Id.* at Annex 15.

[12] *Id.* at Annex 16.

Review clauses in sectoral legislation cause frequent regulatory changes, leading to uncertainty that discourages new product development—especially for long-term investments. These products, meant to aid EU citizens' savings, struggle to grow because there is such a significant probability that the applicable rules will change during their holding period.

Q2. What are the best practices for data collection for retail investment funds in EU and non-EU jurisdictions that ESMA could consider?

In its search for best practices for data collection, we appreciate ESMA's consideration of the approaches in non-EU jurisdictions. Global regulators have a shared need for coherent and streamlined reporting requirements that support market integrity and investor protection through robust and efficient supervision. At the same time these requirements must minimise reporting burden to foster innovation, growth, and international competitiveness.

Considering existing reporting requirements applicable to asset management in the EU and non-EU jurisdictions, we outline the following best practices for data collection and highlight the benefits each would offer.

i. Use Risk to Prioritise Data Elements in a Modular and Scalable Framework

Data collection should be driven by clearly defined supervisory and investor protection risks with data elements prioritised based on their regulatory utility to monitor these risks. This approach optimises reporting requirements and enables effective oversight.

The data collection framework should be designed to ensure that reporting requirements remain relevant, feasible, and aligned with market practices. Employing a modular architecture enables the reporting system to seamlessly integrate new requirements as regulations evolve, without necessitating a full redesign. Incorporating opportunities for regular consultation with industry stakeholders promotes proportional and focused reporting over time, while reducing the reporting burden.

ii. Standardise and Simplify Data Collection

Implementing common data definitions, standards, and validation rules across jurisdictions promotes the consistency and comparability of collected data. Using a common, structured, and machine-readable format decreases reporting burden and duplicative requirements. These steps also reduce manual reporting errors and improve data quality, thus enabling authorities to process information more efficiently and effectively.

Increasing the alignment of reporting frequencies across reporting regimes and jurisdictions may promote efficiency, but only if the frequency is designed to align with fund cycles, which vary by product.

Creating a unified reporting gateway[13] would permit fund managers to submit data through a single interface, simplifying reporting processes.[14]

Eliminating mandatory review clauses would support efforts to minimise the duplication and inefficiency that result from regulatory siloes. This approach would facilitate legislative initiatives to synchronise changes to the existing legal structure that support the development of a more coherent regulatory environment. It would also significantly diminish regulatory uncertainty, a critical barrier to the development and growth of long-term investment products.

iii. Maximise Data Use

Identifying and eliminating overlaps across legislative frameworks and enhancing the scope and efficiency of existing data sharing and coordination mechanisms among supervisory, statistical, and resolution authorities enhances regulatory efficiency. Taking such steps also facilitates real-time data sharing, enabling authorities to assess risk across jurisdictions more efficiently and effectively and react more swiftly to early signs of stress. Promoting interoperability with other jurisdictions reinforces these benefits, so that efficiency gains are not compromised by cross-border frictions.

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Implementing these recommendations would prioritise reform efforts to reduce duplication and inconsistency, opening a path to a harmonised set of financial reporting obligations. This would lower legal and operational barriers to cross-border fund distribution, facilitate broader investor access to a diverse range of investment options, and improve scale and efficiency, all key objectives of the Savings and Investment Union project.

Q3. What challenges arising from overlapping EU-level and national reporting obligations (e.g. under AIFMD, UCITS, MMFR) does your institution experience? Please describe specific reporting overlaps and their operational impact quantifying and providing examples of redundant submissions.

We agree with the Discussion Paper, that operational inefficiencies are created by the high volume of diverse reporting templates with distinct structures, definitions, instructions, formats, and frequencies.[15] We caution that the impact of the existing overlap and inconsistencies in EU-level and national reporting obligations goes beyond the compliance burden that asset managers face. Rather, the regulatory misalignment reduces the

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[13] Examples include the Central Bank of Ireland Portal, FIONA-Online (operated jointly by Danish Financial Authority and Danmarks Nationalbank), and the Finansinspektionen Reporting Portal.

[14] To be clear, we do not support centralising the legal mandates for data collection or centralising the location in which data is held. Please see our response to Q10 for additional detail.

[15] Discussion Paper at ¶ 33-44 and Annex 5.

competitiveness of European markets by creating barriers to cross-border fund distribution, inhibiting scale and growth of investment products, and reducing investor access to a diverse range of investment options.

Although many reporting frameworks seek information for similar regulatory purposes, fund managers are forced to tailor their reporting because the data definitions and reporting frequency varies across these frameworks. Even where EU-level legislation creates EU-wide reporting requirements, National Competent Authorities (NCAs) often use different data collection templates with inconsistencies in collected data and calculation and aggregation methods. For example, although the Money Market Fund Regulation (MMFR) introduced harmonised rules and reporting obligations for MMFs, NCAs and central banks have latitude in the implementation and enforcement. This has created variations in data collection, validation processes, and reporting granularity. Authorities interpret reporting fields differently and may require data to be calculated differently, which leads to inconsistencies in reported data and compromises accurate data aggregation across instruments or fund types.[16]

There are also numerous inconsistencies across the AIFMD, UCITS, and MMFR reporting obligations. The table below lays out some examples.

	MMFR Article 37 Money Market Returns	**AIFMD Annex IV**	**UCITS Risk Reporting**
Assets Under Management (AUM)	Total Net Asset Value (NAV) is equivalent to a fund's AUM	AUM = Total Investments + Derivative Notional + Cash	*Not a reportable field*
Leverage	*Not a reportable field*	Leverage expressed as the ratio between the exposure of fund and its net asset value Exposure = Total Investments + Derivative Notional - Cash & Money Market investments	Leverage expressed as the ratio between the derivative notional and its net asset value

[16] *See, e.g.*, Central Bank of Ireland, *MMFR Reporting Guidance* (October 2022).

Counterparty Exposure	Gross Exposure	Gross Exposure	Net Exposure

The operational inefficiencies are particularly acute during episodes of market stress, when resources are diverted from risk management to responding to overlapping supervisory data requests. Further, collected data may also be sourced from both fund administrators and fund managers, increasing the risk of errors and the need for reconciliation, without commensurate supervisory benefit.

Additional divergences are created when Member States gold-plate EU-level regulatory requirements. For example, some Member States require UCITS and Alternative Investment Fund (AIF) management companies to obtain a MiFID license, while others do not. As a result, some fund managers are obliged to comply with the robust MiFIR reporting framework, even though there is no EU-level requirement for them to do so.

Finally, we note that further challenges arise where EU reporting obligations vary from those in the United Kingdom because of market interconnections. For firms operating across borders, diverging requirements, particularly between the EU and United Kingdom, could compromise anticipated cost savings from efforts to streamline and simplify reporting obligations. We recommend interoperability be considered during the simplification process, so that efficiency gains are not compromised by cross-border frictions.

Q4. Do you support the objective of developing a more integrated reporting framework covering AIFMD, UCITS, MMFR, and ECB statistical reporting? What are the key obstacles or risks linked to integrating fund reporting frameworks?

We strongly support the objective of developing a more integrated fund reporting framework. A holistic review of reporting obligations is needed to align rules, support efficient supervision, improve investor information, and reduce compliance complexity—while preserving investor protection.

Harmonising reporting obligations would lower the legal and operational barriers to cross-border fund distribution that are created by the existing fragmented, duplicative, and inefficient regulatory environment. It would reduce operational complexity and thus enable asset managers to scale UCITS across the Savings and Investment Union and facilitate greater investor access to a diverse range of investment options. However, addressing the regulatory misalignment across these core frameworks is not merely a matter of reducing compliance burden, it is a necessary step toward making the EU a more competitive and integrated market for retail and institutional investors alike. ESMA's efforts to take stock of the existing panoply

of regulatory reporting obligations in the Consultations,[17] are an important step toward building the foundation for a deeper and more competitive EU market.

We see a few key challenges to this endeavour. First, we caution that if individual jurisdictions continue to impose additional regulatory obligations on top of EU-level legislation, fund managers will be forced to continue to tailor their reporting and compliance responsibilities to particular jurisdictions. Thus, moving forward will require full commitment to greater harmonisation by Member States.[18] It is essential for NCAs and European-level authorities to operate from a unified understanding of supervisory and policy objectives that clearly define the risks to be monitored. Data elements then should be assessed and prioritised according to their regulatory utility to monitor these risks, ensuring that data collection is proportionate, targeted, and actionable. Further, efforts must be made to minimise gold-plating, so that inconsistent substantive requirements do not perpetuate the overlap and fragmentation within current reporting requirements.

Another key challenge is ensuring that high-quality data is available to those carrying out supervisory mandates. Technology can be leveraged to support data quality and create a streamlined, centralised platform for data aggregation with well-defined reuse mechanisms. This would facilitate real-time data availability and sharing among relevant authorities supporting enhanced risk assessment across jurisdictions and swifter reactions to early signs of stress. More expedient identification of potential emerging risks would enable authorities to provide guidance or act as and when needed, without introducing new layers of regulatory intervention.[19]

For firms operating across borders, diverging requirements, particularly between the EU and United Kingdom, could compromise anticipated cost savings from efforts to streamline and simplify reporting obligations. We recommend interoperability be considered during the simplification process, so that efficiency gains are not compromised by cross-border frictions.

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[17] Discussion Paper and ESMA, Call for evidence on a comprehensive approach for the simplification of financial transaction reporting (23 June 2025) (the Call for Evidence) (collectively the Consultations).

[18] ICI's Action Plan to reduce operational and cross border barriers for asset managers (25 July 2025) provides more detailed recommendations on how to address gold plating, including an annual empirical assessment to evaluate whether such practices hinder the market.

[19] We also observe that steps will need to be taken during implementation to ensure that the General Data Protection Regulation (GDPR) does not pose a legal barrier to data sharing among authorities.

Q5. Please list your preferred option of those listed in this section and highlight any other option or combination of the ones listed here that you consider effective. In your response, please outline the main expected costs and benefits associated with the options proposed, and identify any preconditions or phased implementation steps that would be necessary to ensure feasibility and proportionality.

As an initial matter, we note that the options presented in the Consultations are positioned at a high-level, each entailing meaningful implementations costs. More detail is required to concretely and granularly assess their full impact. The costs and benefits depend upon how variations in the existing regimes are reconciled.

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of our members believe that only a comprehensive and ambitious reform effort, a fully integrated reporting framework, can meaningfully address the inefficiencies and fragmentation of the current system. In their view, piecemeal adjustments would fall short of resolving the underlying legislative incoherence, entail high costs to design temporary solutions, and risk entrenching complexity. While they recognise the significant challenges such reform would entail, including changes to multiple Level 1 texts and the development of new Level 2 measures, they consider this a necessary undertaking to unlock long-term efficiencies and consistency.

Others prefer a less ambitious approach, emphasising the practical and operational realities of all-at-once reform. They are concerned that sweeping changes could introduce significant costs and take years to implement before any tangible benefits are realised. These members advocate instead for more targeted steps to streamline existing reporting regimes by reducing duplication and eliminating inconsistencies. From their perspective, maintaining focus on implementation burden and operational feasibility is essential to ensuring that any reform efforts remain aligned with the EU's broader objective of simplifying the regulatory framework.

As such, ICI believes that a constructive path forward will require deeper engagement between regulators and the industry. We encourage ESMA and the Commission to facilitate structured dialogue with industry stakeholders to examine these trade-offs in greater depth and explore practical, scalable solutions.

One option would be for ESMA or the Commission to convene a series of focused public-private roundtables, bringing together industry experts, national competent authorities, and other EU bodies to examine practical barriers and test potential solutions. These sessions could explore different reform tracks (comprehensive vs. incremental) and assess their implications in terms of cost, feasibility, and alignment with broader EU policy objectives.

Key initial steps in streamlining fund reporting obligations involve establishing a common dictionary of data definitions alongside harmonised metadata standards, reporting templates, and validation rules. Implementing this methodology will improve the consistency of data

collection and facilitate more accurate interpretation. Although full harmonisation of existing national systems is not practically feasible, mapping layers can be used to translate national formats into a standard EU template.[20]

It is critical that supervising NCAs should remain the primary data collectors, so we do not support centralising the legal mandates for data collection. NCAs regularly interface with reporting entities to perform their legal mandates and have significant market and sector-specific expertise which they bring to bear. Thus, using the existing relationships between supervising NCAs and reporting entities will facilitate the complex implementation of the revised reporting framework. In addition, we do not recommend centralising the location in which data is held, which would concentrate the risks and create a single point of failure.

We do, however, encourage the use of a unified reporting gateway that creates a single reporting interface that is used by relevant NCAs and EU authorities.[21] In combination with the adoption of a standard EU reporting template, this approach would facilitate interoperability by allowing data to be shared seamlessly among authorities, so that multiple agencies can utilise a single dataset for risk monitoring and supervision.

Incorporating feedback loops into the updated reporting framework would generate further improvements, allowing reporting entities to correct and learn from errors.

Given the breadth and the significance of the changes, a substantial implementation period will be required so that reporting entities and authorities can make the necessary adjustments to processes and systems. We recommend a phased implementation of a revised reporting framework to ease the implementation burden, reducing operational risk, and minimising resource strain proportionally across firms.

Successful implementation may be facilitated by pilot programs with selected NCAs and fund managers; training and capacity building for reporting entities; phased rollout by asset class, fund type, or complex size; and interoperability testing across national systems.

[20] We observe that legal liability for erroneous data should be clarified as reporting requirements across legislative frameworks are streamlined.

[21] There are several options for deploying a unified reporting gateway. One option would be for all relevant EU authorities to deploy the same reporting interface on each of their websites. Alternatively, portal access could be provided by an EU website, with template fields directing the reported data to the appropriate authority.

Q6. To what extent should the integration or alignment of supervisory and statistical reporting extend beyond the asset management frameworks, such as EMIR, SFTR, or MiFID/MiFIR? What challenges do you foresee? Are there additional reporting regimes that should be considered for future alignment with asset management reporting?

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of our members believe that only a comprehensive and ambitious reform effort aligning EMIR, SFTR, and MiFID/MiFIR reporting obligations in a unified template can meaningfully address the inefficiencies and fragmentation of the current system. In their view, piecemeal adjustments would fall short of resolving the underlying legislative incoherence, entail high costs to design temporary solutions, and risk entrenching complexity. While they recognise the significant challenges such reform would entail, including changes to multiple Level 1 texts and the development of new Level 2 measures, they consider this a necessary undertaking to unlock long-term efficiencies and consistency.

Others prefer a less ambitious approach, emphasising the practical and operational realities of all-at-once reform. They are concerned that sweeping changes could introduce significant costs and take years to implement before any tangible benefits are realised, including where there is limited crossover between reporting obligations. These members advocate instead for more targeted steps to streamline existing reporting regimes by reducing duplication and eliminating inconsistencies. From their perspective, maintaining focus on implementation burden and operational feasibility is essential to ensuring that any reform efforts remain aligned with the EU's broader objective of simplifying the regulatory framework. These members would prefer a framework where they "report once" for each transaction, which would address existing duplications and inconsistencies. In addition, they are concerned that the effort to create a single template would increase costs because, as proposed, the template would increase, rather than decrease, the number of data elements.

In either case, using a scalable and modular architecture for the revised reporting framework would permit additional reporting regimes, such as national bank statistical bank reporting, to be incorporated incrementally.

Please see our attached responses to ESMA's Call for Evidence on a comprehensive approach for the simplification of financial transaction reporting for additional comments and recommendation on how to align and streamline EMIR, MiFIR, and SFTR reporting.

Q7. How should this approach be implemented to ensure proportionality, efficiency, and data quality?

A comprehensive and cross-regulatory strategy for supervisory and statistical reporting is vital to support proportionality, enhance efficiency, and maintain data quality. Significant volumes of high-quality data are already collected under the existing frameworks. Integrating and aligning

these reporting obligations would reduce burdens and barriers to growth while enhancing supervision.

Harmonisation efforts should begin with a cohesive, risk-based framework of supervision and investor protection objectives, so that current data elements can be critically evaluated to determine their necessity. This will ensure that data collection is proportionate, targeted, and actionable.

A common data dictionary should be established to ensure consistency of the collected data. In addition, harmonised metadata standards, reporting templates, and validation rules should be implemented, using mapping layers to translate national formats into a standard EU template. This approach would enhance data quality enabling more precise and efficient interpretation. Additionally, it would facilitate interoperability by allowing data to be shared seamlessly among authorities, so that multiple agencies can utilise a single dataset for risk monitoring and supervision. Establishing a unified reporting gateway would drive further efficiency in data collection and supervision.[22]

Please also see our attached response to Q24 of the Call for Evidence that describes our recommendations to address proportionality in transaction reporting.

Q8. How can semantic data integration best be achieved across reporting frameworks? Please identify areas where alignment would be most beneficial?

Following the risk-based assessment of existing data elements for the revised reporting framework, a common data dictionary should be designed and implemented to achieve semantic data integration. A common data dictionary would help prevent duplicate and conflicting data definitions, which require firms to report the same information in different ways. It would promote increased reporting accuracy and facilitate data sharing among regulators, enhancing supervision across the EU. Supporting interoperability with other jurisdictions would reinforce these benefits, so that efficiency gains are not compromised by cross-border frictions.

Q9. Which of the proposed options do you consider most efficient? If possible, please quantify the expected cost and benefits for each option. Would you support an alternative option involving additional actors, such as centralised reporting infrastructures?

The options presented in the Consultations are positioned at a high-level, each entailing meaningful implementation costs. More detail is required to concretely and granularly assess their full impact. The costs and benefits depend upon how variations in the existing regimes are reconciled.

[22] Additional discussion of these steps is included in our response to Q5.

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of our members emphasise the practical and operational realities of all-at-once reform. They are concerned that sweeping changes could introduce significant costs and take years to implement before any tangible benefits are realised. These members advocate instead for more targeted steps to streamline existing reporting regimes by reducing duplication and eliminating inconsistencies. From their perspective, maintaining focus on implementation burden and operational feasibility is essential to ensuring that any reform efforts remain aligned with the EU's broader objective of simplifying the regulatory framework. These members find that of the proposed options, IR1 would best promote the efficient collection and use of data in the shorter term. Reusing existing systems lowers IR1's implementation costs compared to the other presented options, which would require significant upfront investments from industry and authorities to create new infrastructure and increasing, rather than decreasing operational costs. Further, IR1 promotes the reuse of data and automation of data collection, which would reduce the reporting costs for firms as well as the costs associated with regulatory analysis of the collected data.

However, other members believe that only a comprehensive and ambitious reform effort, a fully integrated reporting framework, as proposed in IR2, can meaningfully address the inefficiencies and fragmentation of the current system. In their view, piecemeal adjustments would fall short of resolving the underlying legislative incoherence, entail high costs to design temporary solutions, and risk entrenching complexity. While they recognise the significant challenges such reform would entail, including changes to multiple Level 1 texts and the development of new Level 2 measures, they consider this a necessary undertaking to unlock long-term efficiencies and consistency.

Q10. How important is it to retain the supervising NCA as an intermediary between the reporting entity and the centralised system in the reporting process?

It is critical that supervising NCAs should remain the primary data collectors. They regularly interface with reporting entities to perform their legal mandates and have significant market and sector-specific expertise which they bring to bear. Thus, using the existing relationships between supervising NCAs and reporting entities will facilitate the complex implementation of the revised reporting framework.

At the EU level, ESMA can play a key coordinating role, managing cross-border consistency and data quality. This should include instituting a data governance framework to ensure accountability and traceability.

We do not support the hybrid approach in which larger fund managers report to a centralised reporting system at the EU level, while smaller entities continue to report their NCA.[23] Since asset managers act as an agent, rather than as a principal, distinguishing reporting would not provide proportional relief from reporting burdens. Rather, this approach would add unnecessary complexity and additional regulatory burdens, without removing any of the fictions specific to asset management.

Q11. Are there any other data sharing arrangements, either within or beyond asset management, that you believe would be beneficial for burden reduction?

Please see our response to Q6.

Q12. Would a phased implementation of the potential changes outlined in the sections on "Integrated reporting" and "Reporting flows and data sharing" help ensure proportionality and facilitate smoother transition?

In general, a phased implementation of a revised reporting framework, including changes to integrate reporting and improve reporting flows and data sharing would ease the implementation burden and facilitate a smoother transition.

We do not support the proposed hybrid approach in which larger fund managers report to a centralised reporting system at the EU level, while smaller entities continue to report their NCA.[24] Since asset managers act as an agent, rather than as a principal, distinguishing reporting would not provide proportional relief from reporting burdens. Rather, this approach would add unnecessary complexity and additional regulatory burdens, without removing any of the fictions specific to asset management.

Q13. Do you consider that it would be beneficial to introduce a common standard, such as ISO 20022, across all reporting obligations within the asset management domain? What would be the costs and benefits for reporting entities of transitioning all reported data to a single standard? If ISO 20022 is not the preferred solution, what alternatives could be considered?

There are benefits to introducing a common standard across all asset management reporting standards. We observe that ISO aims to provide a consistent structure for market participants to report financial information. As a widely adopted open standard, ISO 2022 intends to establish a standardised data syntax and semantics based on a central common dictionary. Such standardisation promotes interoperability and data sharing and is core to the improvements needed to resolve many of the challenges asset managers face with the panoply of existing reporting obligations. ISO 20022 is an open standard, and deployment

[23] Discussion Paper at ¶ 162.

[24] *Id*.

does vary in practice. It was not developed specifically for the asset management industry, so it may not provide an ideal format for all asset management reports.

Q14. What would be the main advantages and disadvantages of using respective syntaxes (XML, JSON, XBRL) for reporting frameworks in the asset management sector?

Collecting data in a structured, machine-readable format would enhance data quality by reducing manual errors and facilitate automated analysis, permitting more accurate and efficient data interpretation. Standard formats also promote interoperability, so that data can be shared among authorities more easily and multiple authorities can use a single data set for risk monitoring and supervision.

Data formats have varying strengths and limitations, as outlined in the chart below.

	XBRL	XML	JSON
Purpose	Financial and regulatory reporting	Structured data exchange (legacy systems)	Web APIs and modern data pipelines
Strengths	Highly structured Taxonomy-based validation Comparability	Flexible Widely supported Good for hierarchical data	Low memory usage Flexible Easy for human to read/write Allows real-time interaction
Limitations	Complex to implement Less human-readable Not compliant with ISO 20022	Verbose Lacks financial semantics	Less formal structure No built-in validation
Required Level of Validation Support	High (taxonomy and schema validation)	Medium (schema validation)	Low (no built-in validation)

The most appropriate format for data collection depends upon the use case and we encourage ESMA to select standard formats that are appropriate for the type of reported data and its use.

In general, we find:

iv. XBRL may be beneficial for formal regulatory reporting due to its dictionary-based structure and is the already required for listed companies' annual report filings to ESMA.

v. JSON supports real-time data exchange between systems and would also facilitate public accessibility of regulatory fund data.

vi. XML can support transaction reporting because it is designed to handle structured, rules-based data. This helps IT systems read and process the data accurately and consistently.

Q15. Would an increase of data granularity contribute to improved data quality, usability and reduced duplications? To what extent can the greater use of international standards (e.g. CFI codes, LEIs) and master data reduce the compliance costs and improve interoperability in regulatory reporting?

Collecting data in structured, machine-readable format would enhance data quality by reducing manual errors and facilitate automated analysis, permitting more accurate and efficient data interpretation. Standard formats also promote interoperability, so that data can be shared among authorities more easily and multiple authorities can use a single data set for risk monitoring and supervision.

Increasing data granularity does not always improve data quality. More granular data requires more resources to produce and report, contains more errors, and is harder to aggregate.

Collected data should be sufficiently granular to support the risk-based supervisory and policy objectives, so that the collection is proportionate, targeted, and actionable.

Q16. What are your views on implementing security-by-security as the baseline granularity? What are the main benefits and costs of the presented options? What solutions should be envisaged to ensure a proportionate approach?

Implementing full security-by-security level reporting would provide the highest level of data granularity but would be subject to a higher percentage of reporting errors and significantly increase operational reporting costs.

A more practical alternative would be to implement partial security-by-security reporting, as set forth in Option SS2 in the Discussion Paper. This option offers more balance between detail and feasibility and could offers greater proportionality. As compared to full security-by-security reporting, the incremental change per transaction would be low, so smaller entities would face a much lower reporting burden, and the cumulative impact of aggregation would fall proportionately greater for larger firms. However, authorities would need to take steps to ensure consistent aggregation across reporting entities.

Q17. With respect to share classes, what data should be considered for reporting at the share class level? What operational challenges do you face when reporting at the share class level?

Share class reporting could provide valuable insights to regulators, providing an overview of performance and other key characteristics (*i.e.*, fees, liquidity) for representative share classes. These reporting obligations must strategically designed to balance supervisory benefit with complexity and resource intensity, particularly for funds with multiple share classes.

Most representative share class-level reporting (Option SC2) presents the most pragmatic approach because it would concisely provide a comprehensive overview of the overall fund's performances and while minimising the volume and complexity of reporting.

We do not support full share class reporting (Option SC1), which would allow for more nuanced understanding of variation across investor types, but would be costly and not add proportional value.

The most pragmatic approach to share class reporting would be Option SC2, most representative share class-level reporting. Although the alternative,

Q20. Do you consider that frequency should be aligned across reporting regimes and jurisdictions? If yes, what frequency (monthly or another) would provide the best balance of costs and benefits? What kind of challenges would you expect in implementing it?

Increasing the alignment of reporting frequency across reporting regimes and jurisdictions may promote efficient data reporting, but only if the frequency is designed to align with fund cycles, which vary by product. Indeed, aligning reporting frequencies without consideration for fund cycles, would be burdensome and operationally challenging for asset managers, increasing, rather than decreasing the reporting burden.

Thus, we recommend that the reporting frequency for core data align with industry standards for open and closed-end funds, which align with Net Asset Value (NAV) close schedules. For relatively involatile metrics, such as fees and expenses, aligning the reporting frequency to quarterly could support more efficient reporting.

We have concerns about the scope of proposed ad hoc reporting during stressed market conditions. While we appreciate authorities' need to monitor market stress, asset managers would face the challenge of providing prompt and accurate off-cycle data where the fund's NAV closes at end of month or quarter only. In such cases, interim figures would depend on data from third party providers, such as fund administrators, pricing vendors, and custodians, that are not yet fully validated. This increases the risk of inconsistency and reduces comparability across firms. To balance supervisory needs and data quality, ad hoc collections should be narrowly focused on a pre-defined set of important indicators,[25] supplied on a best-

[25] Appropriate metrics may include cash and borrowing levels, material net flows, headline exposures, and leverage/liquidity metrics already calculated under existing AIFMD/UCITS methodologies.

efforts basis within a reasonable time frame, clearly tagged as preliminary, and reconciled to the next official NAV.

Q23. How the reporting template for use in exceptional circumstances be designed to minimise the complexity for reporting entities, while ensuring sufficient flexibility to adapt to the specific nature of a crisis situation?

Streamlining and simplifying fund data collection with common data definitions and validation rules; common machine-readable formats; and a unified reporting gateway would provide significant benefits for authorities to respond to exceptional circumstances. Increasing the alignment of reporting frequencies, where the frequency is designed to align with fund cycles may also increase the efficiency of data collection. These improvements would facilitate real-time data sharing, enabling authorities to assess risk across jurisdictions more efficiently and effectively and react more swiftly to early signs of stress.

In addition, contingency protocols can be included that accelerate reporting requirements in exceptional circumstances. These collections should be narrowly focused on a pre-defined set of important indicators,[26] supplied on a best-efforts basis within a reasonable time frame, clearly tagged as preliminary, and reconciled to the next official NAV. This solution would add minimum complexity for reporting entities while supporting authorities' ability to monitor and respond to the situation.

Q24. Are there any other dimensions not considered in this discussion paper that are relevant for the establishment of a more integrated reporting system? If yes, please provide specific examples and your views on potential improvements that can be made and their priority.

We caution that more detail is required to concretely and granularly assess the full impact of the options presented in the Consultations. All options would entail meaningful implementation costs, which will differ depending upon how variations in the existing regimes are reconciled.

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

As such, ICI believes that a constructive path forward will require deeper engagement between regulators and the industry. We encourage ESMA and the Commission to facilitate structured dialogue with industry stakeholders to examine these trade-offs in greater depth and explore practical, scalable solutions.

One option would be for ESMA or the Commission to convene a series of focused public-private roundtables, bringing together industry experts, national competent authorities, and

[26] Appropriate metrics may include cash and borrowing levels, material net flows, headline exposures, and leverage/liquidity metrics already calculated under existing AIFMD/UCITS methodologies.

other EU bodies to examine practical barriers and test potential solutions. These sessions could explore different reform tracks (comprehensive vs. incremental) and assess their implications in terms of cost, feasibility, and alignment with broader EU policy objectives.

In addition, we highlight that for firms operating across borders, diverging requirements, particularly between the EU and United Kingdom, could compromise anticipated cost savings from efforts to streamline and simplify reporting obligations. We recommend interoperability be considered during the simplification process, so that efficiency gains are not compromised by cross-border frictions.

Letter from the Investment Company Institute

Investment Company Institute Responses to the European Securities and Markets Authority [Call for evidence on a comprehensive approach for the simplification of financial transaction reporting]

19 September 2025

Submitted by electronic form. Unanswered questions are omitted.

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?

The Investment Company Institute[27] strongly supports the European Securities and Markets Authority's (ESMA) efforts to improve the efficiency, consistency, and effectiveness of financial regulatory reporting requirements, particularly as they apply to asset managers.

Currently, asset managers are captured by multiple levels EU-level legislation due to their nature, the varied features of their transactions and the span of their activities. As such, they are often required to submit duplicative or inconsistent reports to multiple authorities. Overlapping but non-identical requirements – in terms of substance and timing – result in a regulatory environment that is fragmented, duplicative, and inefficient.

ICI's mission is to strengthen the foundation of the asset management industry for the ultimate benefit of the long-term individual investor. Our members have significant experience and expertise in serving more than 100 million retail investors in jurisdictions around the world, including in the EU. These investors rely on regulated funds, like UCITS,[28] to achieve important financial goals, including saving for retirement and education. By supporting the financial health and wellbeing of individual EU investors, the asset management industry contributes to economic growth by investing client assets in capital markets, providing a critical source of long-term stable funding for companies and projects.

The efficient flow of capital across the EU is essential for realising the Commission's vision of a unified single market. Central to this objective is the cross-border provision of asset

[27] The Investment Company Institute (ICI) is the leading association representing the global asset management industry in service of individual investors. ICI members are located in Europe, North America and Asia and manage fund assets of $51.1 trillion, including UCITS, mutual funds, exchange-traded funds (ETFs), closed-end funds, unit investment trusts (UITs) and similar funds in these different jurisdictions. ICI has offices in Brussels, London, and Washington, DC.

[28] Undertakings for Collective Investment in Transferable Securities Directive (Directive 2009/65/EC, UCITS).

management services and investment products such as UCITS. However, the asset management industry faces significant challenges due to burdensome and uncoordinated regulation, as well as the increasing practice of gold-plating where individual Member States impose additional requirements beyond the agreed EU legislation. This practice not only increases compliance costs but also leads to market fragmentation that creates barriers and bottlenecks in the EU market, as varying national standards disrupt the uniformity of the single market. Consequently, these barriers hinder the scaling up of investment funds, limit retail investor participation in the capital markets, and undermine the objectives of the UCITS Directive.[29]

We agree with the challenges presented in Section 3 of ESMA's call for evidence.[30] High reporting burdens are created by frequent regulatory changes and lack of synchronisation and coordination across the legislative reporting frameworks. Even where the intention behind these varied reporting frameworks may be consistent, the regulatory environment is fragmented, duplicative, and inefficient. Firms are required to maintain parallel compliance systems, duplicated processes, and multiple vendors and documentation templates across products and business lines, which lowers the quality and integrity of reported data. Further, the resulting increased operational complexity constitutes a barrier to cross-border product development and distribution, which limits the ability of asset managers to scale UCITS across the Single Market.

The burden is particularly acute when firms attempt to apply a group-wide or EU-wide compliance framework but find themselves forced to tailor implementation at the Member State level due to national gold-plating or divergent supervisory interpretations of Markets in Financial Instruments Directive and Regulation (MiFID/MiFIR) and UCITS requirements.

Review clauses in sectoral legislation cause frequent regulatory changes, leading to uncertainty that discourages new product development—especially for long-term investments. These products, meant to aid EU citizens' savings, struggle to grow because there is such a significant probability that the applicable rules will change during their holding period.

In addition to the challenges ESMA identifies in the Call for Evidence, we offer few further issues that arise from the current state. First, periodic regulatory data reporting under the selected frameworks is not proportionally applied. Many EU reporting requirements, including periodic data reporting under UCITS and the Alternative Investment Fund Management Directive (AIFMD), are imposed uniformly on all firms without accounting for diversity in firm size, business models, product offerings, and investor base. Compliance with these requirements generates disproportionate operational and legal costs and burdens for smaller managers and new entrants that are not commensurate with the risks they present and the

[29] The objective of the UCITS is to create a single market for investment funds.

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

benefits of this reporting to supervisors. As a result, smaller firms and funds often face undue regulatory burdens that constrain innovation, increase fixed costs, and limit their ability to compete and grow.

Another key challenge is the limited extent of data sharing across the many reporting regimes and across authorities, both National Competent Authorities (NCAs) and EU-level entities. This siloed data approach does not just increase the burden on market participants; it also limits authorities' supervisory and risk management capabilities, constraining their ability to assess risk across jurisdictions efficiently and effectively and react swiftly to early signs of stress.

We appreciate ESMA's request to identify the main cost drivers under existing regulatory reporting frameworks. However, removing the constraints that existing duplicative reporting requirements and inconsistent definitions across complementary regulatory regimes place on authorities' supervisory and risk management capabilities should be a priority irrespective of the reporting burden and costs.

Addressing frequent regulatory changes and lack of flexibility and the dual reporting obligations under European Market Infrastructure Regulation (EMIR) and Securities Financing Transactions Regulation (SFTR) would provide significant improvements for market participants. In addition, regulatory reporting obligations could be streamlined, using risk to prioritise the data elements, standardising and simplifying data collection, and maxmising authorities' use of data.[31]

We caution that if individual jurisdictions continue to impose additional regulatory obligations on top of EU-level legislation, market participants will be forced to continue to tailor their reporting and compliance responsibilities to particular jurisdictions. Thus, moving forward will require full commitment to greater harmonisation by Member States.[32] It is essential for NCAs and European-level authorities to operate from a unified understanding of supervisory and policy objectives that clearly define the risks to be monitored. Data elements then should be assessed and prioritised according to their regulatory utility to monitor these risks, ensuring that data collection is proportionate, targeted, and actionable. Further, efforts must be made to minimise gold-plating, so that inconsistent substantive requirements do not perpetuate the overlap and fragmentation within current reporting requirements.

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

We support the key principles for simplifying regulatory reporting regimes set forth in Section 4.1 of the Call for Evidence. Coherent and streamlined reporting requirements should support

[31] More detail regarding these streamlining principles is set forth in our response to Q2.

[32] ICI's Action Plan to reduce operational and cross border barriers for asset managers (25 July 2025) provides more detailed recommendations on how to address gold plating, including an annual empirical assessment to evaluate whether such practices hinder the market.

market integrity and investor protection through robust and efficient supervision, while also minimising reporting burden to foster innovation, growth, and international competitiveness.

In support of these simplification efforts, we offer the following principles and highlight the benefit each would offer.

- ***Use Risk to Prioritise Data Elements in a Modular and Scalable Framework***

Data collection should be driven by clearly defined supervisory and investor protection risks with data elements prioritised based on their regulatory utility to monitor these risks. This approach optimises reporting requirements and enables effective oversight, even across multiple legislative regimes.

The data collection framework should be designed to ensure that reporting requirements remain relevant, feasible, and aligned with market practices. Employing a modular architecture enables the reporting system to seamlessly integrate new requirements as regulations evolve, without the need for a full redesign. Incorporating opportunities for regular consultation with industry stakeholders promotes proportional and focused reporting over time, while reducing the reporting burden.

- ***Standardise and Simplify Data Collection***

Implementing common data definitions, standards, and validation rules across reporting regimes and jurisdictions promotes the consistency and comparability of collected data. Using a common, structured, and machine-readable format decreases reporting burden and duplicative requirements. These steps also reduce manual reporting errors and improve data quality, thus enabling authorities to process information more efficiently and effectively.

Increasing the alignment of reporting frequencies across reporting regimes and jurisdictions may promote efficiency, but only if the frequency is designed to align with fund cycles, which vary by product.

Creating a unified reporting gateway[33] would permit market participants to submit data through a single interface, simplifying reporting processes.[34]

Eliminating mandatory review clauses would support efforts to minimise the duplication and inefficiency that result from regulatory siloes. This approach would facilitate legislative initiatives to synchronise changes to the existing legal structure that support the development

[33] Examples include the Central Bank of Ireland Portal, FIONA-Online (operated jointly by Danish Financial Authority and Danmarks Nationalbank), and the Finansinspektionen Reporting Portal.

[34] To be clear, we do not support centralising the legal mandates for data collection or centralising the location in which data is held. Please see our response to Q19 for additional detail.

of a more coherent regulatory environment. It would also significantly diminish regulatory uncertainty, a critical barrier to the development and growth of long-term investment products.

- ***Maximise Data Use***

Identifying and eliminating overlaps across legislative reporting regimes and enhancing the scope and efficiency of existing data sharing and coordination mechanisms among supervisory, statistical, and resolution authorities enhances regulatory efficiency. Taking such steps also facilitates real-time data sharing, enabling authorities to assess risk across jurisdictions more efficiently and effectively and react more swiftly to early signs of stress. Promoting interoperability with other jurisdictions reinforces these benefits, so that efficiency gains are not compromised by cross-border frictions.

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Implementing these recommendations would prioritise reform efforts to reduce duplication and inconsistency, opening a path to a harmonised set of financial reporting obligations. This would lower legal and operational barriers to cross-border fund distribution, facilitate broader investor access to a diverse range of investment options, and improve scale and efficiency, all key objectives of the Savings and Investment Union project.

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

We note that the options presented in the Consultations[35] are positioned at a high-level, each entailing meaningful implementation costs. More detail is required to concretely and granularly assess their full impact. The costs and benefits depend upon how variations in the existing regimes are reconciled. We look forward to consulting further with ESMA on more detailed proposals of implementation options, so that we can provide more comprehensive analysis of the costs and benefits.

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of members support implementing Option 1 to eliminate existing duplicative reporting obligations set forth in EMIR and the Markets in Financial Instruments regulation (MiFIR), which would be an important step in streamlining the financial reporting obligations. Addressing the significant product overlap between EMIR and MiFIR would reduce considerably the volume of existing reporting. From their perspective, maintaining focus on implementation burden and operational feasibility is essential to ensuring that any reform efforts remain aligned with the EU's broader objective of simplifying the regulatory framework.

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[35] Call for Evidence and ESMA, Discussion Paper on the integrated collection of funds' data (23 June 2025) (the Discussion Paper)collectively, the Consultations).

For these members, a key benefit of Option 1a is that it would not require changing "the legal set up for the current reporting channels and the relevant infrastructure to collect the data,"[36] so benefits can be achieved more quickly than options that would involve large scale legislative change. In addition, Option 1a would maintain the current scope of reporting requirements, including existing MiFIR exemptions for certain buy-side firms, which minimises the implementation and operational costs.

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?

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Although some of members would support implementing Option 1a, another group of members believe that only a comprehensive and ambitious reform effort, a fully integrated reporting framework, can meaningfully address the inefficiencies and fragmentation of the current system. In their view, piecemeal adjustments would fall short of resolving the underlying legislative incoherence, entail high costs to design temporary solutions, and risk entrenching complexity. While they recognise the significant challenges such reform would entail, including changes to multiple Level 1 texts and the development of new Level 2 measures, they consider this a necessary undertaking to unlock long-term efficiencies and consistency.

In addition, the narrow scope of covered instruments in Option 1a would fail to provide relief from the duplicative reporting requirements for repurchase agreements (repo) and reverse repurchase agreements (reverse repo). To provide such relief, SFTR would need to be incorporated into the streamlined reporting framework. This would add complexity to the undertaking, requiring additional time to implement, but would achieve wider benefits across market participants, including asset managers.

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?

More detail is required to concretely and granularly assess the full impact of the options presented in the Consultations, including the treatment of third-country products, such as exchange-traded derivatives under Option 1a. The costs and benefits depend upon how variations in the existing regimes are reconciled. We look forward to consulting further with

[36] Call for Evidence at ¶ 32.

ESMA on more detailed proposals of implementation options, so that we can provide more comprehensive analysis of the costs and benefits.

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

Our members do not support Option 1b because it would not address the underlying legislative incoherence between the existing reporting regimes and would be a costly exercise to execute with minimal effect. Option 1b would reshuffle existing reporting obligations without fundamentally reducing the number of report submissions. Accordingly, and even for those members supporting Option 1a, the complexity and cost of implementing Option 1b render it less preferable than Option 1a, despite the wider scope that would encompass SFTR reporting.

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?

More detail is required to concretely and granularly assess the full impact of the options presented in the Consultations, including how post-trade event reporting would be handled under EMIR when an entity is out of scope of the trade reporting under MiFIR. The costs and benefits depend upon how variations in the existing regimes are reconciled. We look forward to consulting further with ESMA on more detailed proposals of implementation options, so that we can provide more comprehensive analysis of the costs and benefits.

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

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of our members believe that only a comprehensive and ambitious reform effort, as set forth in Option 2a, can meaningfully address the inefficiencies and fragmentation of the current system. In their view, piecemeal adjustments would fall short of resolving the underlying legislative incoherence, entail high costs to design temporary solutions, and risk entrenching complexity. While they recognise the significant challenges such reform would entail, including changes to multiple Level 1 texts and the development of new Level 2 measures, they consider this a necessary undertaking to unlock long-term efficiencies and consistency.

An essential element of Option 2a is eliminating dual-sided reporting requirements, which are inherently duplicative and inefficient. Single-side reporting, which is well established in other jurisdictions, places transaction reporting requirements generally on sell-side entities and exempts non-reporting entities from oversight and reconciliation. This eliminates the duplication of reporting both sides of the transaction and the need to reconcile dual reports, significantly reducing costs and supervisory resources.

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

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of our members would not support Option 2a because of the complexity and time involved in removing duplication and aligning the reporting frameworks within a unified structure. They are concerned that sweeping changes could introduce significant costs and take years to implement before any tangible benefits are realised, including where there is limited crossover between reporting obligations.

These members advocate instead for more targeted steps to streamline existing reporting regimes by reducing duplication and eliminating inconsistencies. From their perspective, maintaining focus on implementation burden and operational feasibility is essential to ensuring that any reform efforts remain aligned with the EU's broader objective of simplifying the regulatory framework. They would prefer a framework where they "report once" for each transaction, which would address existing duplications and inconsistencies. In addition, they are concerned that the effort to create a single template would increase costs because, as proposed, the template would increase, rather than decrease, the number of data elements.

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?

More detail is required to concretely and granularly assess the full impact of the high-level options presented in the Consultations. The costs and benefits depend upon how variations in the existing regimes are reconciled, such as scope and delegation.[37] In addition, more clarity is also needed on third-country reporting.

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

Our members do not support Option 2b, which would involve significantly greater resources to implement than Option 2a by expanding the scope of reforms. In our view, these costs would not be commensurate with the expected benefits.

[37] Currently, the domicile of the account is used for EMIR and SFTR reporting, which MiFIR is based on the location of the investment firm conducting the trading and investing decisions. SFTR permits delegating reporting obligations to Prime Brokers, but MiFIR rules do not permit delegation.

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?

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of our members believe that believe that only a comprehensive and ambitious reform effort that aligns EMIR, SFTR, and MiFID/MiFIR reporting obligations in a unified template can meaningfully address the inefficiencies and fragmentation of the current system. In their view, these improvements would have broad impact – enhancing supervision and fostering innovation, growth, and international competitiveness.

Others prefer a less ambitious approach, emphasising the practical and operational realities of all-at-once reform. They are concerned that sweeping changes could introduce significant costs and take years to implement before any tangible benefits are realised, including where there is limited crossover between reporting obligations. These members advocate instead for more targeted steps to streamline existing reporting regimes by reducing duplication and eliminating inconsistencies. From their perspective, maintaining focus on implementation burden and operational feasibility is essential to ensuring that any reform efforts remain aligned with the EU’s broader objective of simplifying the regulatory framework. These members would prefer a framework where they “report once” for each transaction, which would address existing duplications and inconsistencies. In addition, they are concerned that the effort to create a single template would increase costs because, as proposed, the template would increase, rather than decrease, the number of data elements.

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?

Given the complexity of regulatory reporting across the EU and the scale of change required to achieve true integration, it is perhaps unsurprising that our members hold differing views on the best path forward.

Some of our members believe that only a comprehensive and ambitious reform effort, a fully integrated reporting framework, can meaningfully address the inefficiencies and fragmentation of the current system. In their view, piecemeal adjustments would fall short of resolving the underlying legislative incoherence, entail high costs to design temporary solutions, and risk entrenching complexity. While they recognise the significant challenges such reform would entail, including changes to multiple Level 1 texts and the development of new Level 2 measures, they consider this a necessary undertaking to unlock long-term efficiencies and consistency.

Others prefer a less ambitious approach, emphasising the practical and operational realities of all-at-once reform. They are concerned that sweeping changes could introduce significant costs and take years to implement before any tangible benefits are realised. These members advocate instead for more targeted steps to streamline existing reporting regimes by reducing duplication and eliminating inconsistencies. From their perspective, maintaining focus on implementation burden and operational feasibility is essential to ensuring that any reform efforts remain aligned with the EU's broader objective of simplifying the regulatory framework.

As such, ICI believes that a constructive path forward will require deeper engagement between regulators and the industry. We encourage ESMA and the Commission to facilitate structured dialogue with industry stakeholders to examine these trade-offs in greater depth and explore practical, scalable solutions.

One option would be for ESMA or the Commission to convene a series of focused public-private roundtables, bringing together industry experts, national competent authorities, and other EU bodies to examine practical barriers and test potential solutions. These sessions could explore different reform tracks (comprehensive vs. incremental) and assess their implications in terms of cost, feasibility, and alignment with broader EU policy objectives.

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?

It is critical that supervising NCAs should remain the primary data collectors, so we do not support centralising the legal mandates for data collection. NCAs regularly interface with reporting entities to perform their legal mandates and have significant market and sector-specific expertise which they bring to bear. Thus, using the existing relationships between supervising NCAs and reporting entities will facilitate the complex implementation of the revised reporting framework. In addition, we do not recommend centralising the location in which data is held, which would concentrate the risks and create a single point of failure.

We do, however, encourage the use of a unified reporting gateway that creates a single reporting interface that is used by relevant NCAs and EU authorities.[38] In combination with the adoption of a standard EU reporting template, this approach would facilitate interoperability by allowing data to be shared seamlessly among authorities, so that multiple agencies can utilise a single dataset for risk monitoring and supervision.[39]

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[38] There are several options for deploying a unified reporting gateway. One option would be for all relevant EU authorities to deploy the same reporting interface on each of their websites. Alternatively, portal access could be provided by an EU website, with template fields directing the reported data to the appropriate authority.

[39] Additional discussion of these steps is included in our response to Q2.

At the EU level, ESMA can play a key coordinating role as the portal and standardised template are implemented, managing cross-border consistency and data quality. This should include instituting a data governance framework to ensure accountability and traceability. We also recommend ESMA be responsible for the public availability of data to aid transparency.

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.)

Please see our response to Q2 and Q19.

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?

Dual sided reporting is inherently duplicative and inefficient because it requires both sides of the transaction to report information about a single transaction and employs significant resources to reconcile these dual reports. The primary cost driver for asset managers, who are typically on the buy-side of a transaction, is associated with the tasks of ensuring accurate reporting and reconciliation performed with the counterparty, particularly because reconciliation remains a largely manual process. For example, counterparties must discuss and decide which has responsibility for amending misalignment on a reporting field basis. This binds employee resources on both sides of the transaction each day because of the volume of reporting fields.

Costs are also driven by data management and processing, which are only marginally lower than those attributable to reporting oversight and reconciliation. Buy side firms, such as asset managers, often operate across several systems, but need to ensure seamless integration and support flows across all of them.

Implementing single-side reporting would significantly decrease the costs associated with the existing transaction reporting regimes. Single-side reporting, which is well established in other jurisdictions, places transaction reporting requirements generally on sell-side entities and exempts non-reporting entities from oversight and reconciliation. This eliminates the duplication of reporting both sides of the transaction and the need to reconcile dual reports, significantly reducing costs and supervisory resources.

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?

Increasing the alignment of reporting frequencies across reporting regimes and jurisdictions may promote efficient data reporting, but only if the frequency is designed to align with fund cycles, which vary by product. Indeed, aligning reporting frequencies without consideration for fund cycles, would be burdensome and operationally challenging for asset managers, increasing, rather than decreasing the reporting burden.

Thus, we recommend that the reporting frequency for core data align with industry standards for open and closed-end funds, which align with Net Asset Value (NAV) close schedules. For relatively involatile metrics, such as fees and expenses, aligning the reporting frequency to quarterly could support more efficient reporting.

We have concerns about the scope of proposed ad hoc reporting during stressed market conditions. While we appreciate authorities' need to monitor market stress, asset managers would face the challenge of providing prompt and accurate off-cycle data where the fund's NAV closes at end of month or quarter only. In such cases, interim figures would depend on data from third-party providers, such as fund administrators, pricing vendors, and custodians, that are not yet fully validated. This increases the risk of inconsistency and reduces comparability across firms. To balance supervisory needs and data quality, ad-hoc collections should be narrowly focused on a pre-defined set of important indicators (*e.g.*, cash and borrowing levels, material net flows, headline exposures, and leverage/liquidity metrics already calculated under existing AIFMD/UCITS methodologies), supplied on a best-efforts basis within a reasonable time frame, clearly tagged as preliminary, and reconciled to the next official NAV.

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?

Many existing EU reporting requirements, including periodic data reporting under UCITS and AIFMD, are imposed uniformly on all firms without accounting for diversity in firm size, business models, product offerings, and investor base. Compliance with these requirements generates disproportionate operational and legal costs and burdens for smaller managers and new entrants that are not commensurate with the risks they present and the benefits of this reporting to supervisors. As a result, smaller firms and funds often face undue regulatory burdens that constrain innovation, increase fixed costs, and limit their ability to compete and scale.

To address these concerns, we recommend risk-based priortisation for data collection that (i) maintains existing MiFID/MiFIR exemptions for buy-side firms, (ii) eliminates dual-side reporting, and (iii) introduces threshold-based exemptions for low-risk funds.

Please see our attached response to Q7 and Q16 of the Discussion Paper that describes our recommendation to support proportionality in the fund data collection framework.

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?

Our members report that the implementation of EMIR Refit consisted of a 2-year effort, which included on average 4 project resources and 3 business as usual resources, in addition to an average of 3 Full Time Employee (FTE)-equivalent consulting resources for at least the first project year.

Establishing delegated reporting arrangements is estimated to be an average of 10 hours per account for operations, or 60 hours per annum. The legal negotiation of the delegated reporting arrangement averages 20 hours per broker.

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?

We observe that some components of the total cost of EMIR reporting costs benefit the entire financial ecosystem, so it is not appropriate or feasible to compare the accrual to specific asset classes/instruments/trades. Many cost lines vary on a firm-by-firm basis, making them difficult to quantify.

Our members estimate that on-going weekly EMIR reporting reconciliation work costs are €2.99 per trade, which includes licensing fees for regulatory service providers, data hubs, and trade repositories; data analytic services; and human resources to run the processes.

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?

For firms operating across borders, diverging requirements, particularly between the EU and United Kingdom, could compromise anticipated cost savings from efforts to streamline and simplify reporting obligations. We recommend interoperability be considered during the simplification process, so that efficiency gains are not compromised by cross-border frictions.

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?

We note that the options presented in the Consultations are positioned at a high-level, each entailing meaningful implementation costs. More detail is required to concretely and granularly assess their full impact. The costs and benefits depend upon how variations in the existing regimes are reconciled.

Implementing revisions to the reporting regimes and a standardised reporting template would involve a variety of costs. Some of these costs benefit the entire financial ecosystem, so it is not appropriate or feasible to compare the accrual to specific asset classes/instruments/trades. Other costs vary on a firm-by-firm basis, making them difficult to quantify. The number of systems that must be decommissioned, acquired, or updated and their ease of interoperability are important contributors toward cost.

Cost reductions, such as those from the elimination of dual reporting, would ensue as the duplicative elements of the existing reporting infrastructure are decommissioned, including dissolving existing reporting solutions and processes and terminating legal agreements with delegation partners and service providers.

Costs associated with implementing the revisions generally accrue in the short-term and are associated with actions to:

- assess, build, and install necessary system updates;
- enter into appropriate contracts;
- update processes, procedures, applications, and other documents;
- coordinate with counterparties as appropriate;
- perform all industry-wide testing as needed;
- remediate any issues identified during testing; and
- resolve any outstanding technical or operational issues with minimal disruption to actual market operations prior to the markets' opening on the migration date.

Following these upfront investments, we anticipate revisions to the existing reporting obligations to deliver benefits and cost savings to market investors, including retail investors, year over year.