

ESMA CP on Review of RTS 22 on transaction data reporting under Art. 26 and RTS 24 on order book data to be maintained under Art. 25 of MiFIR

EDMA responses

Below are the responses submitted to ESMA, January 2025.

RTS22

Q08: Do you have any further comment or suggestion in relation to the inclusion of a new field to capture the effective date in transaction reports?

We agree that the effective date should be added as a new field. However, this should be required for OTC derivative transactions only.

Q09: Do you agree that the concept of effective date applies also to transactions in shares? If yes, should the intended settlement date be considered as the effective date? Please provide details in your answer.

We agree that the effective date should be added as a new field. However, this should be required for OTC derivative transactions only

We have understood that ESMA is considering requiring the intended Settlement Date to be populated in the new "Effective Date" field to capture the intended Settlement Date of the transaction. If this is the expectation, it would be clearer to capture the intended Settlement Date in a dedicated field; or at the very least this requirement should be explicitly specified in the updated RTS 22 Annex to provide regulatory certainty to reporting firms of the information they should report.

Q11: Do you agree with the assessment that the TVTIC reporting requirement applies to all type of on venue executed transactions (e.g., negotiated trades)?

We agree with this assessment. All transactions executed under the rules of a trading venue should be associated with a unique TVTIC (per day and MIC code). EDMA does not see the need to create a new syntax for trading venues to create trade identifiers when they are already doing this today.

Q12: Do you have views on how to improve the consistency of the reporting of TVTICs? Please provide your view on the proposal of making mandatory the reporting of such information in validation rules when the MIC code is provided.

We agree that the TVTIC should be a mandatory field when an EEA MIC is reported.

However, there is no need to define a specific format for the generation of the TVTIC. This should be left to the operator of the trading venue to generate a proper TVTIC on the basis of the characteristics of its own trading system's architecture. The requirement that the TVTIC should be unique, consistent and persistent per MIC and trading day is sufficient to identify trading venues trades. We do not believe that changing the syntax of the TVTIC will improve any existing data quality issues that regulators see with regards this field, rather level 3 guidance should be developed to clarify that entities with the reporting obligation are required to ensure that they consume and accurately report the TVTIC that is generated by the TV.

Q13: Do you have views on how to improve the consistency of the TVTIC (non-EEA TV TIC) generation process for transactions executed in non- EAA venue? Please provide your view on the proposed syntax methodology based on the already reported fields or suggest alternatives.

EDMA does not see the need, nor do we believe ESMA has the mandate, to enforce the provision of a TVTIC field. We also disagree with the need to specify the TVTIC format for non-EEA trading venues. Such a change would likely impact both EEA and non-EEA trading venues due to many trading venue groups operating trading venues both in the EEA and beyond.

We believe it is entirely unrealistic for ESMA to expect third country trading venues operating outside of EEAs MiFIR regime to voluntarily adhere to any kind of MiFIR TVTIC specification. Where trading venues in the UK are operating under the same group that is operating EEA trading venues (post-Brexit), most likely the consistency of TVTIC is already in place.

Q14: Do you agree with the proposal of identifying the non-EEA TV as the primary entity responsible for the creation of the non-EEA TV TIC code and for disseminating it?

No, we do not agree, for the same reasons as mentioned under Q13. ESMA has no extraterritorial mandate or enforcement power to require a third country trading venue to take responsibility for EU MiFIR specified TVTIC creation/dissemination.

Q17: Do you have any further comment or suggestion in relation to the inclusion of a new field (INTC identifier) to capture in detail the aggregate orders? Please provide views on the proposed methodology for defining a common syntax or suggest valuable alternatives.

Reporting of allocations remains a very operationally challenging activity for trading venues. The requirement to track additional data points, such as the INTC identifier, will increase the operational burden yet further. EDMA believes that creating a new field solely to combine data from existing fields is unnecessary and inefficient.

We repeat our request to ESMA to limit transaction reporting by trading venues to the “market-side”, i.e. without any allocations. This would level the playing field with OTC trading, where MiFID counterparties of non-MiFID firms do not have to report their counterparties’ allocations.

We do not see the benefit of such requirement. Referring to ESMA’s example in point 72), two market side reports (100+500) with different execution times must be matched with 3 client-side reports (150+200+250) via INTC. The 3 client-side reports can already be linked to the 2 market side reports because (i) they contain the same instrument and (ii) by using the time stamp of the first market side execution.

Q18: Do you agree that the executing investment firm should be responsible for generating consistently the INTC identifier?

Reporting of allocations remains a very operationally challenging activity for trading venues. The requirement to track additional data points, such as the INTC identifier, will increase the operational burden yet further.

We repeat our request to ESMA to limit transaction reporting by trading venues to the “market-side”, i.e. without any allocations. This would level the playing field with OTC trading, where MiFID counterparties of non-MiFID firms do not have to report their counterparties’ allocations.

EDMA would highlight that if the executing investment firm is made responsible for generating the INTC identifier this will not cover the Article 26(5) scenario where trading venues would still need to produce the INTC identifier. Unless or until Article 26(5) is limited to market side reports, as advocated by EDMA, this will remain the case.

EDMA would further suggest that UCITS and AIFM firms should make their own transaction reports as referred to in [Recital 40 and Art. 52\(14b\) of Regulation \(EU\) 2024/791](#). We are also aware this is in line with Point 4.1.4 of [ESMA's final report on RTS 22 and 23](#) from 23rd March 2021. Making transaction reports for UCITS and AIFM firms is very operationally challenging for trading venues.

We would encourage ESMA to focus on changes that would improve the regulatory reporting process, such as the removal of reporting client-side allocations for trading venues, the removal of SFTs completely from the scope of MiFIR transaction reporting, calibrating the scope of reporting firms to include AIFMs and UCITS ManCos to ensure both on-venue and OTC trades are reported by such firms and removing SFTs from scope.

Q19: Do you agree with the proposal of how to report such additional field to identify and link chains in transaction reports? Please provide views on the key information to be considered for defining a common methodology for the syntax. Otherwise, please suggest alternatives for defining it and improve the linking process among chains.

No, EDMA does not agree. Aside from the obvious implementation challenges and extraterritorial effects of such requirements and considering the third bullet point under 144) in Section 5.1 "Transactions reported in a chain were also removed", it does not appear that ESMA is facing any challenges regarding chains to justify making this proposal.

Q26: Do you agree with the proposed approach for the alignment of reporting of the information related to price?

For a reliable implementation of this proposal, it is necessary to align RTS 2 and RTS 23 with RTS 22. This should ideally include a harmonisation of how price is reported in both transparency and transaction reporting regimes. Currently, the proposals of the RTS 2 Manual seem to contradict the suggestions in the RTS 22 consultation paper.

Q31: Do you agree with the proposed amendments to Art.7 to include specific cases of portfolio and fund managers? Please detail your answer.

We note that Regulation (EU) 2024/791 ("MiFIR Review") Article 1(46) envisages a review of the scope of reporting firms to include AIFMs and UCITS ManCos. Currently, trading venues are required to report for such firms where they execute transactions on their venues, which represents a significant operational burden for trading venues. It also represents a gap for competent authorities in only having oversight of on-venue transactions for such firms. We support the change in scope to include AIFMs and UCITS ManCos as reporting firms.

EDMA would encourage ESMA to focus on changes that would improve the regulatory reporting process, such as the removal of reporting client-side allocations for trading venues, the removal of SFTs completely from the scope of MiFIR transaction reporting, calibrating the scope of reporting firms to include AIFMs and UCITS ManCos to ensure both on-venue and OTC trades are reported by such firms and removing SFTs from scope.

In this context EDMA would reference [Recital 40 and Art. 52\(14b\) of Regulation \(EU\) 2024/791](#). We are also aware this is in line with Point 4.1.4 of [ESMA's final report on RTS 22 and 23](#) from 23rd March 2021. Making transaction reports for UCITS and AIFM firms is very operationally challenging for trading venues.

Q32: Do you have any comments on the proposed approach to updating the 'Instrument details' section in the Annex to the RTS 22? Please flag any additional aspects that may need to be considered.

EDMA are still awaiting the Delegated Act from the Commission covering OTC derivatives reference data and the scope that it addresses. The outcome of that will determine how these reference data fields will be reported for regulators to effectively monitor market abuse.

EDMA would recommend that, in whatever approach to updating these requirements ESMA adopts, they should avoid repeated and unsynchronised implementation of the heavily interrelated RTSs of 2, 22, 23 and 24.

Due to the uncertainty regarding the Derivatives identifier, ISIN relevant attributes, the potential emergence of UPI, reference data provided in RTS 23 and potential RTS 2 reporting fields it is entirely speculative and premature to consult on these issues. We reiterate that, for a reasonable implementation, it is necessary to align RTS 2 and RTS 23 with RTS 22. This should ideally include a harmonisation of how price is reported in both transparency and transaction reporting regimes. Currently, the proposals of the RTS 2 Manual seem to contradict the suggestions in the RTS 22 consultation paper.

Q33: Do you support inclusion of the new fields listed above? Please provide details in your answer.

With regards to the Client Category, reporting of allocations remains a very operationally challenging activity for trading venues. The requirement to track additional data points, such as the INTC identifier, will increase the operational burden yet further.

We repeat our request to ESMA to limit the Art. 26(5) requirements on transaction reporting by trading venues to the “market-side”, i.e. without any allocations. This would level the playing field with OTC trading, where MiFID counterparties of non-MiFID firms do not have to report their counterparties’ allocations.

With regards to Validity Timestamp, it is not clear from the proposal what logic ESMA is expecting reporting firms to follow. We strongly encourage ESMA to define this precisely in the technical standards to ensure firms report this field consistently and in line with regulatory expectations.

We believe the NEWT/CANC timestamp naming convention of “validity” is confusing. ESMA should clarify that in such a scenario, following the initial NEWT (that is not linked to a CANCE), any subsequent amendments (consisting of CANCE and NEWT) should get timestamped with either the occurrence or the submission of such amendment and whether ESMA would like to see identical timestamps of CANCE and NEWT in such a scenario.

EDMA would encourage ESMA to focus on changes that would improve the regulatory reporting process, such as the removal of reporting client-side allocations for trading venues, the removal of SFTs completely from the scope of MiFIR transaction reporting, calibrating the scope of reporting firms to include AIFMs and UCITS ManCos to ensure both on-venue and OTC trades are reported by such firms and removing SFTs from scope.

In this context EDMA would reference [Recital 40 and Art. 52\(14b\) of Regulation \(EU\) 2024/791](#). We are also aware this is in line with Point 4.1.4 of [ESMA’s final report on RTS 22 and 23](#) from 23rd March 2021. Making transaction reports for UCITS and AIFM firms is very operationally challenging for trading venues.

Q35: Do you support suppressing the reporting of the field listed above? Please provide details in your answer.

We agree with the removal of the Short Selling Indicator.

The Securities Financing Transaction Indicator should also be removed.

Q37: Do you consider that the exemption in Art.2 (5) should take into consideration also other similar instances as described? Please elaborate your answer.

Securities Financing Transactions (SFTs) should be completely removed from the scope of MiFIR transaction reporting. Currently, SFTs executed by ESCB members are in scope for MiFIR transaction reporting.

SFTs executed with ESCB members are already exempt from SFTR, the dedicated SFT reporting framework. (See [ECB Opinion](#) of 1st June 2022, point 7.3)

This exemption should be consistently extended to MiFIR transaction reporting.

The UK FCA has already removed SFTs from the scope of UK MiFIR transaction reporting (see [FCA Handbook Notice 96](#)). This review is the appropriate time for ESMA to completely remove SFTs from the scope of MiFIR transaction reporting.

Q40: Please provide your views on the format for reporting and any challenges you foresee with the use of JSON format compared to XML. Please provide estimates of the costs, timelines of implementation and benefits (short and long term) related to potential transition to JSON.

EDMA does not support the use of JSON. Familiarity and adoption of JSON across the reporting industry is not as developed as, for example, XML. A move to a new format like JSON will cause additional costs and incur delays in implementation.

In addition, EDMA members are not convinced that a switch to JSON will result in any improvements to the regulatory reporting process but will certainly require significant development, training and testing efforts by trading venues, reporting firms, ARMs and NCAs.

We would encourage ESMA instead to focus efforts on changes that would improve the regulatory reporting process, such as the removal of reporting client-side allocations for trading venues, the removal of SFTs completely from the scope of MiFIR transaction reporting, calibrating the scope of reporting firms to include AIFMs and UCITS ManCos to ensure both on-venue and OTC trades are reported by such firms and removing SFTs from scope.

Q41: Should the use of transaction data to perform the calculations be feasible, what would be the costs and the benefits of using this data and discontinuing the specific reporting flows (FITRS and / or DVCAP), including in relation to the change and run costs of reporting systems, data quality assurance and other relevant aspects?

EDMA supports, even bearing in mind the cost of the change, the use of transaction data to perform transparency calculations. The discontinuation of the calculations by trading venues and the specific reporting flows (FITRS and/or DVCAP) will in the long run offset the cost of making the changes. From the competitiveness perspective, we also appreciate this initiative aiming to reduce unnecessary reporting burden on EU participants as this aligns with ideas and work being conducted by regimes in other jurisdictions.

In supporting this change, EDMA notes that the discontinuation of FITRS reporting for non-equities complements the MiFIR Review which has moved the non-equities transparency regime to rely on static thresholds and characteristics.

RTS24

Q44: Do you agree with the proposal of adopting JSON as standard and format of order book data keeping and transmission? Please justify your answer.

EDMA does not support the use of JSON. Familiarity and adoption of JSON across the reporting industry is not as developed as, for example, XML which is used globally (in a range of other reporting requirements). A move to a new format like JSON will cause additional costs and incur delays in implementation.

EDMA members are not convinced that a switch to JSON will result in any improvements to the regulatory reporting process but will certainly require significant development, training and testing efforts by reporting firms and NCAs.

Q45: Please provide your views on the format of reporting and any challenges you foresee with the use of JSON format compared to XML. Please provide estimates of the costs, timelines and benefits (short and long term) related to the potential implementation of JSON syntax.

EDMA members are not convinced that a switch to JSON will result in any improvements to the regulatory reporting process but will certainly require significant development, training and testing efforts by reporting firms and NCAs.

Q47: Do you support inclusion of the new fields listed above?

Regarding Transaction cancellation date and time, we suggest capturing the time of the trade cancellation as a new event, with the time recorded in the existing "Date and Time" field.

Q48: Do you agree with the amendments listed above for the existing fields?

EDMA would like to highlight that the order record keeping requirements of RFQ systems are largely specified by ESMA level 3 Guidelines on transaction reporting, order record keeping and clock synchronisation under MiFID II (Section 6.14, [ESMA/2016/1452](#)). This demonstrates clearly that the wording of RTS 24 does not fit RFQ systems, by taking the field 21 as a clear example (where RFQS and RFQR are introduced beyond the options described in RTS 24).

EDMA would therefore suggest to further amend Article 1(1) of RTS 24 to be '*Operators of trading venues shall keep at the disposal of their competent authority the details of each order advertised through their systems set out in Articles 2 to 13 as specified in the second and third columns of Table 2 of the Annex, where applicable to relevant trading system types, insofar as they pertain to the order concerned.*'

EDMA would thus encourage ESMA to review the level 3 guidance according to the recommendation made in this answer to Q48.

While the change from AGGR to INTC makes sense for aggregated orders, we note that this will require technical changes by both trading venues and participants to manage the new value.

Q49: Do you have further suggestions to improve or streamline the other fields in RTS 24?

We suggest removing:

- "Liquidity Provision Activity": It is not clear that this field offers any value with regards to market surveillance but can be challenging for firms to correctly report.

- “Initial quantity”: It is not clear that this field offers any value with regards to market surveillance – the Remaining, Displayed and Traded Quantity fields already provide all the information required to track orders over the lifetime.

About EDMA

Electronic Debt Markets Association represents the common interests of companies whose primary business is the operation of regulated electronic fixed income trading venues (multilateral trading facilities and regulated markets) in Europe. EDMA seeks to foster and promote liquid, transparent, safe and fair markets and act as the voice and a source of consultation between the members in their roles as operators of such venues. EDMA projects collective views on regulatory matters and market structure topics to governments, policy makers and regulators for the benefit of the electronic fixed income markets. Our 6 members are: BGC Fenics, Bloomberg, BrokerTec, MarketAxess, MTS and Tradeweb. More information at www.edmae.org

