

State of play – Transaction reporting in 2025

We are currently in a period of anticipation, awaiting news of significant regulatory changes.

In the UK, the Financial Conduct Authority (FCA) is expected to publish its consultation paper on amendments to the UK MiFIR transaction reporting regime before the end of the year. The FCA has actively engaged with the industry in preparation for these changes - an approach that has been positively received by many clients. As a result, no major surprises are anticipated in the forthcoming consultation.

Based on the FCA's previously published discussion paper and insights from industry engagements, the proposed changes are expected to focus on areas where data quality has been inconsistent. Updates are anticipated in relation to the reporting of TVTIC, INTC, and potentially a revision to the OTC identifier. Additionally, the removal of the five indicator fields is expected. However, the exact details will only be confirmed once the consultation paper is released.

In the EU, ESMA has undertaken a comprehensive review of transaction reporting with the aim of simplifying the framework - not only for MiFIR, but also for EMIR and SFTR. ESMA is currently analysing responses to its Call for Evidence and is expected to submit its Final Report, including findings and recommendations, to the European Commission in early 2026. During this review period, ESMA has paused previously proposed changes.

On 6 October, the European Commission confirmed that it will not adopt any amendments to RTS 22 or RTS 23 under the MiFIR Review before 1 October 2027: [De-prioritisation of Level 2 acts in financial services legislation - Finance](#). The Commission intends to remove or revise non-essential Level 2 empowerments with fixed deadlines during the review of Level 1 acts. This decision reinforces that no significant changes to the current MiFIR reporting regime are expected in the near term.

The Importance of High-Quality Transaction Reporting Data

Despite uncertainty around future regulatory developments, one constant remains: regulators' demand for high-quality data from market participants.

In its latest Market Watch 84 ([Market Watch 84 | FCA](#)), the FCA reiterated that accurate and complete data is essential for monitoring systemic and financial stability risks. The publication highlighted recent uses of transaction reporting data, including EMIR data used to analyse critical benchmarks across commodities and rates markets, which informed firm outreach and policy development. It also referenced the use of combined EMIR and MiFIR data during periods of market volatility - such as April's tariff announcements to better understand participants' rate exposures.

Similarly, ESMA's 2024 Report on Quality and Use of Data ([ESMA12-1209242288-856 Report on Quality and Use of Data - 2024](#)) outlines multiple applications of transaction reporting data. These include shaping regulatory initiatives, compiling Trends, Risks and Vulnerabilities (TRV) reports, and, following the decommissioning of FITRS in 2025, using MiFIR data for transparency and volume cap calculations. For this initiative to succeed, ESMA and national competent authorities (NCAs) require significantly improved data quality. One NCA emphasised the importance of accurate waiver indicator flags and the ability to correctly identify the market-side execution of trades.

To support these objectives, regulators have intensified their focus on data quality.

In the EU, ESMA published its Data Quality Engagement Framework ([Esma Library | European Securities and Markets Authority](#)) in May, detailing the checks it performs. There has also been an increase in firms being contacted by their NCAs in 2025, with several NCAs reporting substantial investment in data quality initiatives.

In the UK, the FCA has consistently stressed, most recently in Market Watch 82 and 84, that firms must maintain robust systems and controls to ensure accurate reporting. Both publications highlighted deficiencies in breach notifications, a concern echoed by NCAs across the EU. Once a reporting issue is identified, firms must promptly notify the relevant NCA via the defined Errors & Omissions process. Notifications should clearly describe the issue, its root cause, the number of impacted transactions, the relevant time period, and the firm's remediation plan, including back-reporting and control enhancements.

Breach notifications play a critical role in enhancing the accuracy and completeness of reported data. They also reflect a firm's commitment to maintaining robust and effective control frameworks. Proactive disclosure fosters a more constructive dialogue between the reporting firm and its supervisory authority, compared to situations where issues are first identified by the supervisor.

What Should Firms Be Doing Now?

As we await regulatory developments, this is an opportune moment for firms to:

- ensure the quality of current transaction reports meets regulatory expectations.
- strengthen systems and controls to proactively identify reporting issues; and
- implement robust error and omission processes, including timely and detailed breach notifications with clear remediation timeline

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