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FCA makes significant proposals to streamline the UK transaction reporting regime

November 2025

The FCA has put forward proposals (FCA CP25/32) to significantly streamline the UK transaction reporting requirements resulting in over £100m of annual savings across the industry. The FCA proposals include the removal of instruments that are not traded on a UK trading venues and any FX derivatives from scope, reducing the number of transaction reporting fields (and requiring trading venues to complete only a subset of fields), and reducing the default back reporting period.

Under the proposals, systematic internalisers would also be relieved of their obligation to submit instrument reference data, and (for trading venues) the number of instrument reference data fields would be reduced. The FCA has also proposed that its FIRDS database could become the "golden source" for firms to determine the reportability of instruments.

The consultation closes on 20 February 2026, with a policy statement to follow in the second half of 2026. The FCA has indicated that it may then allow an 18-month implementation period. The FCA will also consult, in 2026, on a transaction reporting user pack with scenarios and additional guidance. Over the longer term, HM Treasury, the FCA and the Bank of England will also work together on further streamlining reporting under UK MiFIR, EMIR and SFTR.

Background

Transaction reporting data supports regulators' monitoring for potential abusive behaviours. The reporting requirements in the UK (and EU) are costly for firms as transaction reports have a large number of fields requiring specific data points which firms need to collate, verify and submit in the correct format. Regulators have been highly focused on errors and omissions from transaction reports, making this a key area in regulatory supervision.

In the EU, ESMA consulted on proposed changes to EU RTS 22 following the EU MiFID II / MiFIR review. ESMA's proposals included a significant number of new transaction reporting fields (amongst other impactful changes) (see our client note). However, these changes have been put on hold pending a more wide-ranging review of EU transaction reporting requirements across different reporting regimes, including EU MiFIR, EMIR and SFTR (on which see our client note). ESMA is due to produce a final report on this review by Q2 2026.

In the UK, the FCA issued a discussion paper on the UK transaction reporting regime (and related requirements) in November 2024 (on which see our client note), which already posed broader questions similar to those now being considered by the EU).

The FCA CP now spells out the FCA's first proposals to amend the UK transaction reporting regime (and related reference data requirements), seeking to make the requirements more proportionate for firms. In formulating the proposals in its CP, the FCA has taken into account transaction reporting regimes in other major jurisdictions (including the EU) and has considered the cost of divergence for firms. The FCA is maintaining alignment with other regimes in certain respects, except where the benefits of change to UK firms outweigh the costs of divergence.

It is clear that the FCA will keep an eye on developments in the EU as it finalises revisions to the UK transaction reporting requirements.

Key highlights from FCA CP25/32

UK RTS 22 (transaction reporting), RTS 23 (reference data reporting) and RTS 24 (order book data) are going to be deleted and re-written (with changes) into new MAR 14, MAR 15 and MAR 13 of the FCA Handbook, respectively.

Scope of transaction reporting

- The FCA proposes to **limit the UK transaction reporting regime to instruments traded on a UK trading venue**. Derivatives with a UK TOTV underlying will also remain in scope. This would mean that 6 million financial instruments which are only tradeable on EU trading venues would be removed from the regime.
    - As EU TOTV instruments continue to be in scope of UK MAR, firms would still need to submit **suspicious transaction and order reports (STORs)** in respect of EU TOTV instruments. The FCA would still be able to require additional data in respect of transactions in EU TOTV instruments on an ad hoc basis (although they generally refer suspicious activity in non-UK instruments to the relevant local regulators).
    - The FCA has also indicated that, where UK firms operate in EU markets, the FCA may make **more targeted data requests** (as they already do for transactions executed by UK firms operating in (non-EU) third countries). The FCA will also, on a longer-term basis, strengthen data sharing with regulators in EU Member States.
- To address difficulties in **determining whether specific OTC derivatives are in scope of transaction reporting**, the FCA is introducing new guidance (MAR 14.5.4G), specifying that an instrument would be in scope where it shares certain specified instrument reference data points with any instrument in FCA FIRDS. The FCA expressly disapplies ESMA's 2017 opinion on "OTC derivatives traded on a trading venue" for these purposes.
- The FCA is also proposing new guidance, based on instruments' CFI codes, to indicate when firms should **look at the underlying to determine reportability** (i.e. even when the instrument in question is not a derivative).
- Firms need to transaction report **transactions in index or basket derivatives** where the index / basket contains at least one UK TOTV instrument.
    - The FCA now proposes to give firms the **choice to overreport in respect of index derivatives**, as it may be less costly to submit the transaction report than to assess whether the index contains at least one UK TOTV instrument.
    - For **basket derivatives**, firms would, going forward, be able to submit transaction report as long as the **ISIN of any one instrument in the basket is listed in FCA FIRDS** (thereby reducing rejections of transaction reports and eliminating the need for firms to cross-check the ISIN of all instruments in the basket against FIRDS).
- The FCA will clarify the rules to make it clearer that **fractional shares** are in scope of transaction reporting. Further guidance will follow in the FCA's new transaction reporting user pack, although the FCA has already indicated that these transactions should be reported as equity transactions, with the quantity field reflecting the fractional amount traded in units.
- Importantly, the FCA proposes **removing foreign exchange derivatives from the scope of transaction reporting** requirements (on the basis that EMIR data is better suited to monitoring risks in FX derivatives markets). The FCA would still be able to send ad hoc data requests to firms (including for branches of third-country firms who are not required to report under UK EMIR).
- The FCA assessed whether to move to UPI as the **identifier for OTC derivatives for transaction reporting purposes**. However, using UPI would (because it is set based on product-level details, rather than instrument-level details like OTC ISIN) significantly increase the number of OTC derivatives in scope of transaction reporting. As such, the FCA is **retaining OTC ISIN as the identifier for transaction reporting purposes**. The FCA will work with international public authorities and standard-setting agencies to **develop modified ISIN for transaction reporting**.
- Beyond this, the FCA has acknowledged overlaps between **MiFIR transaction reporting and EMIR reporting**, noting that EMIR data itself would not be sufficient for the FCA's market abuse monitoring into OTC derivatives. This is an area the FCA will consider as part of its longer-term approach to streamlining transaction and post-trade data.
- **Transaction reporting by buyside firms:**

- The FCA has decided **not to exempt buyside firms from transaction reporting**, noting that transaction reporting data from buyside firms is important to the UK regulators not just in order to support monitoring for market abuse, but also to assess market dynamics and stability. The FCA found that, in the UK, in the majority of cases, there would not be a corresponding transaction report from a sellside firm.
    - However, the FCA proposes to reduce the reporting burden on buyside firms by **expanding conditional single-sided reporting** by allowing firms in any trading capacity (and not just those receiving and transmitting orders) to transmit transaction reports.
    - The proposed rules would also **reduce the amount of information to be transmitted** to the firm submitting the transaction report from ten to four data points, removing information that would already be known to that firm as well as sensitive data fields (such as the person or algorithm responsible for the investment decision).
    - The firm that sends information to the firm submitting the transaction report would be **responsible for the accuracy and completeness of the information** (not the receiving firm, as is the case under current rules).
- The FCA is **not proposing to apply transaction reporting requirements to CPMI firms**.

- The FCA proposes to provide **guidance on the meaning of "execution" of a transaction**, for example to clarify that "execution" is a wider concept than finalisation and that "supervisory responsibility over an investment decision maker" amounts to execution. In responding to the consultation, firms may wish to consider how these clarifications might impact on their current assessment of transaction reporting in cross-border scenarios, for example remote booking.
- The FCA has also proposed new guidance for transaction reporting of **transactions executed by branches**.
- **Exemptions:** The FCA is proposing several changes to the excluded transactions list (as well as bringing related ESMA guidelines into the Handbook), including:
    - Excluding **corporate events**, irrespective of whether an investment decision was made. However, IPOs, secondary public offerings / placings and debt issuances will remain subject to transaction reporting.
    - Expanding an existing exclusion, so that the **creation or redemption of units** would be out of scope of transaction reporting, whether or not it occurs directly with a manager / administrator of the collective investment undertaking.
    - Changing the exclusion for **transactions under an employee SIP** or residual instruments as a result of administrative actions by suggesting a new cumulative monthly limit of £1,500 below these actions would be out of scope of transaction reporting.
    - Firms will be **allowed to transaction report corporate actions and transactions under employee SIPs** that would otherwise be excluded, as it may be less costly to transaction report a transaction than to assess or build systems to exclude it.

Content of transaction reports

- The FCA is **reducing the number of transaction reporting fields** from 65 to 52, removing fields which it considers place disproportionate burdens on firms. Examples of deleted fields include:
    - The transmission indicator field (field 25), on the basis that the field is of limited use to the FCA but challenging for firms to populate correctly;
    - The derivative notional increase/decrease field (field 32), on the basis that the FCA gets the same information from modification reporting under UK EMIR;
    - The maturity date field (field 54), as it is used in only 0.2% of transaction reports submitted for debt instruments. The FCA otherwise enriches transaction reports with maturity details reported in reference data. The notional currency 2 field (45) is also proposed to be deleted for similar reasons;
    - The "indicator" fields, including the short selling indicator (field 62).
- The FCA is looking to **tackle duplication within RTS 22**, for example by removing:
    - fields 50 (option type), 53 (option exercise style) and 56 (delivery type) on the basis that

the information they contain can be deduced from the instrument's CFI code; and

- the multiple fields concerning country of branch, with the FCA proposing to remove several fields which it deems no longer relevant post-Brexit as they were used to route reports between NCAs (fields 37, 58 and 60). The FCA also proposes to remove fields 8 and 17 (country of the branch of buyer/seller) but to replace them with new fields indicating whether the buyer/seller is a client of the executing firm.

- The FCA has also indicated that it will **not proceed with certain proposals** (previously considered in the FCA discussion paper) where it cannot justify them on costs grounds, including deciding not to introduce:
  - reporting of PII on investment and execution decision makers;
  - an aggregate client account linking code (though the FCA indicates that it will consult on additional guidance on use of the 'INTC' reporting convention in future);
  - an indicator to identify tokenised financial instruments (but it will keep this under review); and
  - prescriptive requirements on the creation of the TVTIC by trading venues given an improvement in matching rates following FCA supervisory work (though the FCA will continue to monitor issues around TVTIC creation and may follow up with individual trading venues as part of its ongoing supervision). Consistent with the proposed changed scope of transaction reporting, TVTIC will also only need to be populated for transactions on UK (and not EU) trading venues going forward.
- The FCA also proposes to give **additional clarity** about specific reporting requirements and to **introduce other changes** to improve reporting efficiencies, cut costs and support better data quality. For example:
  - The FCA will require **UK branches of third-country firms** to use the LEI of their head office (rather than a branch LEI), reflecting existing guidance.
  - Where the **counterparty is not known** at the point of execution on a (UK or third country) trading venue, the FCA suggests that buyer / seller fields should be populated with the venue's segment MIC across all scenarios.
  - There will be more flexibility in **how trusts are identified in transaction reports**, allowing reporting of either the trust's LEI or the national identifier of the trust's beneficiary (or beneficiaries), irrespective of whether the firm established the trust arrangement.
  - The FCA is incorporating existing ESMA guidance on concatenated identifiers (**CONCAT**) into the Handbook. Existing guidance on **national identifiers** for natural persons in British Overseas Territories and citizens with dual nationalities is also being included in the Handbook text.
  - The FCA is incorporating guidance on **reporting trading capacity** into the Handbook, alongside new validation rules, in order to ensure that trading capacity and buyer / seller fields are consistent.
  - On **quantity and price**, the FCA would like to achieve greater reporting consistency and intends to provide additional guidance while retaining flexibility for firms to report in line with established market practice.
    - For equity swaps with single underlying instruments, the FCA proposes that 'price' should be the price of the instrument, not the spread on the financing rate (harmonising with reporting of single-name equity CFDs and UK EMIR reporting requirements).
    - Where there are multiple underlying instruments for equity swaps the FCA proposes reporting the price of the underlying instruments or index where available, otherwise the spread of the financing rate.
    - The FCA proposes to remove the SwpIn (+) and SwpOut (-) tags, as they only provide useful information where two baskets of equities are being exchanged which represented less than 0.01% of equity swap transaction reports received in 2024.
  - For the **Venue field** (field 36), the FCA proposes clarifying that this could capture the SI MIC where it is known that the counterparty is acting as an SI. This should always be known where the executing entity is acting as SI.

- On **strike price**, permitting firms to report 'NOAP' where the strike price cannot be determined.
- The FCA also recognises challenges on **reporting of 'intermediated' trades**, for example trades which are privately negotiated before registration on a venue. The FCA indicates that it intends to develop guidance on specific scenarios in collaboration with industry.

- There are also some instances where the FCA proposes to **enhance the reporting requirements**. For example:
  - Currently, firms are prohibited from providing services that trigger transaction reporting where they do not have the client's LEI. The FCA proposes to extend this rule to **clients that are natural persons**, so that services cannot be provided to such clients unless the firm holds the client details needed to transaction report.
  - The FCA has added a new value to field 59 (**execution within the firm**) to indicate where the executing firm is providing DEA ('DEAU').
  - The FCA proposes to **replace the concept of a "complex trade" with a "package transaction"**, harmonising with the UK EMIR reporting requirements. Therefore, the FCA will not use its current glossary definition of a "package transaction", which was drafted for transparency purposes. It proposes to rename field 40 (complex trade component ID) as 'package identifier', and to introduce two new fields on 'package transaction price' (capturing the overall price of the package, in addition to the individual component prices where they are available) and 'package transaction currency'.
- **Back reporting:** Having proposed to reduce the number of transaction reporting fields, the FCA considers that all remaining fields are equally important in terms of data quality, and that back reporting requirements should be triggered when there are errors in any of them.
  - However, in order to reduce burdens on firms, the FCA proposes **reducing the default back reporting period from 5 to 3 years** (which the FCA suggests would lower the number of transaction reports that need to be resubmitted to the FCA by a third).
  - The FCA would still be able to request back reporting on an ad hoc basis for up to five years (with firms still required to keep transaction and order records for that period under COBS 11 and SYSC 9).

Transaction reporting by trading venues

- UK trading venues are required to transaction report trades executed through their systems by firms that are not subject to UK transaction reporting requirements. As a result, venues must collate and verify detailed information from venue members, as well as being responsible for data quality.
- The FCA wants to extend this requirement so that venues would also have to **transaction report trades by natural persons executed on venue**. In such cases, the venue would report its own LEI in the "execution entity identification code" (field 4) but mark the "executing entity is a transaction reporting entity" field (field 5) as 'FALSE'.
- The FCA is proposing changes to make the **reporting requirements more proportionate for venues**. These include:
  - Not requiring venues to report PII of **investment and execution decision makers** (fields 57 and 59) where these are natural persons, as this data is prone to errors because venues do not have direct oversight over this information (and the FCA has also proposed removing such PII from venues' order book data requirements). Algorithmic decision makers will still need to be reported. The FCA is also retaining the need for venues to identify the underling client (including where this is a natural person).
- The FCA is also clarifying in its rules that venues will need to transaction report **negotiated transactions** brought onto their venues by firms that are not subject to UK transaction reporting (noting that must venues already report these transactions).
- The FCA has considered complexities for trading venues in determining whether a trade by a third-country firm was executed with the **involvement of a UK branch** (in which case the venue would not need to transaction report the trade) or without the involvement of a UK branch (in which case the venue would need to transaction report the trade). Rather than amending the rules to require venues to transaction report all on-venue transactions by third-country firms (i.e. including those of UK

branches), the FCA is going to look into why so few venues have taken up the option to transaction report on behalf of investment firms (including UK branches of third-country firms).

FCA FIRDS

- Importantly, the FCA has suggested that its financial instrument reference data base (**FCA FIRDS**) could be used by firms **as a "golden source" to determine whether a transaction is reportable** (without having to put in place their own controls to determine reportability) with one caveat. This means that firms would determine reportability using FIRDS and would be able to conclude that a transaction is not reportable if the instrument (or its underlying) is not in FCA FIRDS by T+7 following trade execution.
  - The FCA would not take action against firms that reasonably assume that an instrument is in scope of transaction reporting, even where it is not available in FIRDS (which could be the case for pre-admission trading).
  - Where trades are executed on a UK venue, these trades should be automatically considered to be in scope of transaction reporting irrespective of whether the instrument appears on FCA FIRDS.
- The FCA has decided to **delete the requirement for systematic internalisers (SIs) to submit instrument reference data to FIRDS** (as proposed in the FCA discussion paper). Reference data previously submitted by SIs to FIRDS would remain in the database to enable back reporting of transactions.
- Regarding **venues' obligation to submit instrument reference data (RTS 23)**, venues currently have to report reference data every day (where a venue operates a defined list) or when there is an event triggering a report (where the venues does not operate a defined list). The FCA now proposes to change this so that all UK venues would only have to report reference data the first time an instrument is reportable, and on any subsequent change to the underlying reference data (or to correct any data quality issues when these come to light). Venues would be able to report reference data more frequently, if this is easier than amending existing reporting systems.
- The FCA is proposing to **expand the concept of "admission to trading" to MTFs** which undertake primary market activities (such as IPOs, secondary public offerings, placings and debt issuances) - and not just regulated markets as is currently the case. Relevant MTFs would need to populate the "date of request for admission to trading" field (field 10) in RTS 23. The obligation to submit instrument reference data itself will continue to only be triggered once admission has actually occurred.
- On the other hand, the FCA is **removing derivatives from the concept of "admission to trading"** where the relevant venue itself issues the instrument.
- The FCA has proposed **removing 11 instrument reference data fields** to reduce the reporting burden on venues. The FCA has indicated that CFI codes of relevant instruments can provide some of the data points that are being removed from FIRDS reporting.
- The FCA is also clarifying that **reference data should be updated** when reported values change, listing in the CP seven fields that are particularly affected by this. Venues will need to resubmit the entire reference data record when amending any part of it, as partial updates could not be properly validated when received by the FCA.
- When **validating issuer LEIs**, the FCA will allow venues to specify an issuer's LEI as "retired" (although venues would need to report any replacement LEI that is later created).

Transaction reporting user pack

- The FCA will produce a **transaction reporting user pack** (subject to consulting on this in 2026), based to some extent on EU non-legislative material.
- This will include transaction reporting scenarios and may include guidance on systems and controls (such as reconciliation frameworks, transaction reporting breach notifications and remedial work / back reporting – effectively, a substitute for the ESMA's Guidelines.
- The pack may also include guidance on transaction reporting blocks and fills.

Other points to note

- In terms of **messaging standards**, the FCA will retain ISO 20022 XML (rather than moving to JSON as had been mooted in the FCA discussion paper).
- While noting fragmentations in the reporting regimes, whereby post-trade reports under MiFIR are submitted by venues or APAs, post-trade reports under EMIR and SFTR are submitted to

trade repositories, and transaction reports are submitted by trading venues, regulated firms or UK-authorised ARMs, the FCA is **maintaining the current infrastructure for UK transaction reporting purposes**. The FCA will clarify in its rules that a trade repository may act as an ARM (where it is approved as such).

- The FCA is proposing a couple of minor changes or clarifications in relation to order book data: (i) trading venues will not be required to populate the investment decision within firm and execution within firm fields for orders submitted by firms which are not transaction reporting firms where the investment and execution decision makers are natural persons; and (ii) the standards in the order restriction field will be amended where the acronyms do not align with their actual meaning (for SESR and VFCR).

Longer-term streamlining

- The Treasury, FCA and Bank of England will work together over the **longer term** to **streamline and harmonise transaction reporting across the UK's MiFIR, EMIR and SFTR regimes.**
- Rather than implementing a "report once" framework (which would be too costly for firms), the FCA now proposes a more **gradual transition to a streamlined framework**. This will see a gradual harmonisation and reduction of duplications across regimes, while maintaining the reporting structures under UK MiFIR, EMIR and SFTR. The guiding principles will be that:
  - Data should only be collected where needed;
  - A firm should only report data once; and
  - Data should be shared where appropriate.
- There will be a **cross-authority and industry working group** to help set the longer-term approach, with further details and terms of reference to follow in Q1 2026.

Timing and next steps

The consultation closes on **20 February 2026**, with a policy statement to follow in the **second half of 2026**.

The FCA has indicated that it may then allow an **18-month implementation period**.

Terms of reference for the cross-authority (Treasury, FCA, Bank of England) and industry working group that will help set the longer-term approach to streamlining transaction reporting requirements across UK MiFIR, EMIR and SFTR will be published in **Q1 2026**.

During 2026, the FCA will also consult on a transaction reporting user pack.

The FCA has also indicated that there will be a consultation on changes to order book data requirements (UK RTS 24), without indicating when this consultation is expected.

Importantly, the FCA will review the impact of the reforms, including whether (where transaction reporting requirements have been reduced) the FCA is able to access any alternative data required. The implication is that it is possible that the UK transaction reporting requirements may become more onerous again in the future (although this would be subject to consultation).

Documents

FCA CP25/32 is here, and the FCA press release is here.

Our client note on the earlier FCA discussion paper is here.

Our client note on ESMA's consultation on the EU transaction reporting (RTS 22) and order book data (RTS 24) requirements, which formed part of the EU MiFID II / MiFIR Review is here. Our client note on ESMA's consultation on EU reference data (RTS 23) requirements is here.

Our client note on the ESMA's call for evidence on a more wide-ranging review of EU transaction reporting regimes and ESMA's feedback reports on the earlier consultation is here.

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