FCA Consultation CP26/34: Preparing for the new transaction reporting regime

ICMA response

06/11/2026

Introduction

ICMA welcomes the opportunity to respond to the FCA CP26/34 on Preparing for the new transaction reporting regime.

The response to this consultation is based on feedback provided by a dedicated MiFIR Transaction Reporting Taskforce, which was created this year, established as a sub-group of ICMA's broader MiFIDII/R Working Group.

ICMA Contact:

Aman Gill
aman.gill@icmagroup.org

International Capital Market Association (ICMA)

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Q1: Do you agree with our proposed treatment of EU nonlegislative materials for transaction reporting? If not, please explain why.

ICMA response:

ICMA is not responding to this question.

Q2: Do you make use of the XML representations in existing EU non-legislative materials? If so, what value do they provide?

ICMA response:

ICMA is not responding to this question.

Q3: Do you agree with our proposed guidance in the 'Client indicator field' section of Appendix 2? If not, please explain why.

ICMA response:

ICMA members welcome the proposed guidance, which builds on the introduction of the new client indicator fields supported by members in our response to Q47 of CP25/32.

Q4: Do you agree with our proposed guidance on CSSR as provided in Appendix 2? If not, please explain why.

ICMA response:

ICMA welcomes the FCA's efforts to provide further practical guidance on CSSR. However, consistent with the concerns raised in our response to Q7-9 of CP25/32, members remain concerned about the operational and legal complexity of the CSSR framework and believe that additional guidance and worked examples would be beneficial. In our response to CP25/32, members noted in particular that CSSR may introduce additional controls, reconciliations and bilateral arrangements rather than delivering the intended simplification.

The guidance in Appendix 2 is helpful, however, further guidance would be particularly useful on scenarios, for example, where a sending firm fails to provide the required information within the agreed timeframe or provides information that is incomplete or inaccurate.

Overall, while the additional guidance is welcome, members believe that further clarification is required to ensure that CSSR can be implemented consistently and without introducing disproportionate operational or legal complexity. Given the optional nature of the CSSR framework, ICMA believes that firms should retain discretion as to whether, and in which circumstances, they offer CSSR, including the ability to limit its use to counterparties and clearly defined scenarios where the necessary reporting arrangements can be implemented robustly.

Q5: Do you agree with our proposed examples in Appendix 2 to support MAR 14.3.1G(7) on 'Meaning of a transaction'? If not, please explain why.

ICMA response:

ICMA is not responding to this question.

Q6: Do you agree with our proposed guidance in the 'Branch execution' section of Appendix 2? If not, please explain why.

ICMA response:

ICMA members welcome the proposed guidance on branch execution and the clarification that transaction reporting obligations should not be determined solely by an individual's physical location. The FCA guidance instead requires consideration of the relevant supervisory, governance and operational arrangements.

As noted in our response to Q22 and Q25 of CP25/32, members nevertheless see potential practical challenges in determining the appropriate reporting entity where a transaction involves different branches or an overseas parent entity, which may result in duplicate or overreporting.

Q7: Do you agree with our proposed guidance in the 'Equity swaps' section of Appendix 2? If not, please explain why.

ICMA response:

ICMA is not responding to this question.

Q8: Do you have any feedback on an approach to reporting equity swap transactions where both legs comprise underlying equity instruments? Please provide details of any scenarios for which additional guidance would be helpful.

ICMA response:

ICMA is not responding to this question.

Q9: Do you agree with our proposed guidance in the 'Strike price' section of Appendix 2? If not, please explain why.

ICMA response:

ICMA is not responding to this question.

Q10: Do you agree with our proposed guidance on 'Package transactions' in Appendix 2? If not, please explain why.

ICMA response:

ICMA members agree with the proposed guidance on package transactions. As noted in our response to Q49 of CP25/32, members supported the definition of a package transaction, including its alignment with EMIR. Members particularly welcome the guidance that, where possible, the package identifier should mirror the identifier reported for the same transaction(s) under UK EMIR, which should support consistency across reporting regimes.

As previously noted, members would also encourage the FCA to consider consistency with the treatment of package transactions under the post-trade transparency regime, in order to avoid unnecessary complexity for firms.

Q11: Are there any scenarios that are not currently covered in sufficient detail? If so, please explain the scenario, the relevant product or transaction type, the reporting issue that arises and what additional guidance or examples would help firms report consistently.

ICMA response:

ICMA members would welcome additional guidance and worked examples in a number of areas. In particular, as noted in our response to Q21 of CP25/32, further clarification on the meaning of "execution of a transaction" would be helpful, including confirmation as to whether the guidance represents any change or expansion in the existing scope of transaction reporting obligations or is intended solely to clarify the existing requirements.

Members would also welcome additional examples covering branch execution, particularly where different branches or an overseas parent entity are involved in a transaction, to provide greater clarity on the appropriate reporting entity and avoid the risk of duplicate or overreporting. ICMA raised this specific reporting uncertainty in their response to Q22 of CP25/32.

We welcome Example 15 in this consultation which caters for scenario a) in ICMA's response to Q50 of CP25/32 which describes the situation where only the single leg prices are available, but no package transaction price (using "NOAP" under the field of the package transaction price).

Q12: Do you agree with our proposed transitional provisions contained in the draft legal instrument in Appendix 1?

ICMA response:

ICMA members broadly support the proposed transitional provisions and welcome the clarification provided on the treatment of transactions executed before the implementation date. This addresses some of the concerns raised in our response to CP25/32 regarding the application of back-reporting requirements following implementation of the new regime.

Members would, however, welcome further clarification on how the updated validation rules will apply to corrections or transaction reports submitted after the implementation date in respect of transactions executed beforehand. In particular, it would be helpful to confirm that reports will not be rejected solely because a transaction was validly reported under the requirements applicable at the time of execution but does not comply with validation rules introduced subsequently.

More generally, members believe that the transitional arrangements should accommodate legacy reporting treatments to ensure firms are able to correct and back-report pre-implementation transactions effectively under the new MAR 14 format.

Q13: Would you have concerns with us removing EU-only financial instruments from FCA FIRDS ahead of 3 April 2028?

ICMA response:

ICMA members continue to support the removal of instruments that can only be traded on EU trading venues from the scope of the UK transaction reporting regime, as set out in our response to Q10 of CP25/32.

However, members would have concerns if EU-only financial instruments were removed from FCA FIRDS ahead of the 3 April 2028 implementation date, as this could require firms to make associated system and reporting changes ahead of the wider implementation of the new regime. Members would therefore welcome sufficient advance notice of any earlier removal and clarification on any actions expected of firms or trading venues. Members would also welcome clarification on the precise technical criteria that would be used to identify financial instruments as EU-only for these purposes.

Q14: Do you agree with our proposed changes to the Glossary of definitions, COBS, MAR, REC, SYSC and Technical Standards as set out in Appendix 1?

ICMA response:

ICMA is not responding to this question.
