



Brussels, 21 October 2025

Delivered via email

Dear Commissioner Albuquerque,

Dear Commissioner Dombrovskis,

Dear Mr Berrigan,

EMIR Article 7d reporting on activity in CCPs recognized under Article 25 (third country CCPs)

Executive summary

AIMA, EACB, EACT, EBF, EFAMA, EPTA, EVIA, FIA, ISDA and MFA ('The Associations') urge the European Commission (EC) to provide direct guidance or request that ESMA provide guidance that in-scope counterparties are not required to report information on clearing activity in third country CCPs under Article 7d of EMIR 3.0 until ESMA has (i) analysed what data is already available under existing reporting channels (ii) established if critical additional data is required from in-scope counterparties, and (iii) following a robust cost-benefit analysis and public consultation, published relevant Regulatory Technical Standards (RTS) and Implementing Technical Standards (ITS) as mandated by Article 7d. The reasons for this request are elaborated later in this letter. In summary, they are as follows:

- (i) In light of the adopted simplification and burden reduction agenda by ESMA and the EC, the broader objective of streamlining of reporting as consulted under ESMA's call for evidence on transaction reporting, and the fundamental EU principles of legal certainty and proportionality, firms should not be expected to implement burdensome reporting (requiring introduction of costly IT investment) under Article 7d *twice*, first to comply with Level 1 provisions (which are broad and subject to different interpretations on a standalone basis) and, subsequently, at a later stage, when the associated RTS become applicable.
- (ii) It is not clear exactly what data is required to be reported under Article 7d, absent a finalised RTS; the pending ITS are also essential to ensure reporting consistency.
- (iii) Article 7d (1) of EMIR refers to '*clearing members and clients clearing contracts through [an Article 25 CCP]*' and to '*financial and non-financial instruments*'. This suggests a scope of reporting that captures both instruments beyond derivatives and potentially counterparties that are currently out of scope of EMIR related obligations (because they do not trade in derivatives), contradicting the overarching principles of EMIR scoping as articulated in Article 1 and Title II.
- (iv) The data currently understood to be required under Article 7d (1) is, for the most part, already reported under existing reporting channels; where the data is not available to ESMA, it can be obtained from other sources, including from the prudential supervisors of Article 25 CCPs. ESMA seems to have previously done so when assessing EU financial institutions' reliance on non-EU CCPs as set out in Box 1 of the Joint ESAs Committee report on Risks and Vulnerabilities in the EU Financial System Autumn 2025¹.
- (v) In the absence of finalised RTS and ITS, firms will report inconsistent data, undermining comparability and aggregability. As such, ESMA and NCAs may not be able to make meaningful use of this data.

Premature implementation, including an interim reporting approach, imposes disproportionate operational burdens on European entities, and undermines legal certainty, while generating minimal supervisory value.

Background

Under the EMIR Level 1 text, ESMA is mandated to submit to the EC, by 25 December 2025, the draft RTS and ITS specifying the content and format of the information on clearing activity in CCPs recognised under Article 25 to be reported on an annual basis under Article 7d.

In its November 2024 response to a letter from the Joint Trade Associations, the EC indicated that Level 1 provisions apply from the date of entry into force of EMIR, irrespective of whether the

¹ [JC 202 48 Joint Committee Report on Risks and Vulnerabilities in the EU Financial System – Autumn 2025](#)

corresponding RTS are in force. Given Article 7d reporting is due on an annual basis, the first reporting would be due by 25 December 2025. The EC also noted that, pending the entry into force of the RTS specifying the content of the information to be reported under Article 7d, counterparties *‘should liaise with their competent authorities in determining the level of granularity and the frequency of the reporting’*, and that *‘In this context, competent authorities are expected to take into account the information already available under Article 9 of EMIR’*. The EC’s assessment was based on the expectation that the associated RTS would at least have been consulted on and the draft RTS delivered to the EC ahead of the 25 December 2025 deadline, as the response predated ESMA’s subsequent announcement² that it would de-prioritize the development of these RTS. ESMA’s reason for delaying the RTS and ITS on EU CCPs monthly reporting (under Article 7e) is *‘to align with database implementation timeline’*, implicitly acknowledging that reporting will be more meaningful once the central database is operational.

Article 7d (2) of EMIR mandates ESMA to develop RTS and asks that, in doing so, ESMA take *‘into account the existing reporting channels and the information already available to ESMA under the existing reporting framework, including the reporting obligation under Article 9’* when drafting the RTS. Recital 17 specifies that ESMA should ensure that the reporting obligation under Article 7d (2) *‘does not create additional reporting requirements, unless necessary, so that the administrative burden for clearing members and clients is minimised’*.

Requiring reporting in advance of finalization of the RTS and ITS would directly contravene this principle of burden minimization. Public consultation, based on publication of draft RTS, combined with ESMA’s analysis on the capacity of *‘existing reporting channels and the information already available to ESMA’* would serve to identify data gaps and avoid duplicative reporting that would add limited supervisory value.

Operational challenges posed by Article 7d reporting

Application of Article 7d based solely on the Level 1 text would result in counterparties being required to report before finalisation of the RTS that are supposed to detail the content of reports.

This creates challenges to streamlined implementation and convergent data submission by in-scope counterparties across the Union. Of note:

- Counterparties would incur substantial costs building reporting to aggregate the data, set up thoroughly testing processes, and coordinate across multiple internal infrastructures;
- Buy-side market participants will face additional complexity. Many will act on behalf of an extensive and highly diverse pool of underlying accounts (comprising multiple underlying funds and segregated clients), necessitating the consideration of Article 7d reporting across a range of accounts, jurisdictions, investment strategies, and trading

² [ESMA22-50751485-1598 Prioritisation of 2025 ESMA deliverables](#)

activities. Additional complexities will arise in respect of segregated client mandates, where clients may need to seek information from their investment manager(s), reporting counterparties, trade repositories and/or clearing brokers and then compile that information to perform their own NCA-level reporting under Article 7d, particularly in scenarios where the most relevant existing reporting has been delegated to the investment manager, trading counterparty or clearing member.

- EU-headquartered firms that must report on a consolidated basis will need to capture data across all global affiliates clearing on third-country CCPs. This is very complex and costly. Imposing such additional costs on EU headquartered firms goes against the EU overarching objective of strengthening EU competitiveness.
- Setting up new reporting systems will require at least 12 months implementation time from entry into force of the RTS and ITS. Any obligation to report by December 2025, even based on an interim reporting approach would be extremely challenging, and result in poor quality data.

We believe it is disproportionate for Article 7d to be implemented at this time, given the significant burden associated with its implementation by market participants and the questionable added value of these reports for authorities. An insistence on implementation will contradict the EU objective of simplification and burden reduction more broadly as well as the objective of reporting streamlining (the subject of consultation under ESMA's call for evidence on transaction reporting).

Ambiguities in Article 7d

In addition to the operational challenges posed by the implementation of Article 7d reporting based solely on the Level 1 text of EMIR 3.0, market participants view the text as legally uncertain:

- Article 7d (1) of EMIR refers to '*clearing members and clients clearing contracts through [an Article 25 CCP]*' and to '*financial and non-financial instruments*'. This suggests a scope that captures both instruments other than derivatives and potentially counterparties that are currently out of scope of EMIR related obligations (because they do not trade in derivatives), contradicting EMIR scope as articulated in Article 1 and Title II.
- If a broader instrument and counterparty scope in article 7d *is* effective, this is both conceptually problematic and implies distinct practical challenges for regulated firms, implying a need to revisit long-standing EMIR scoping mechanisms within firms and consider, on a case-by-case basis, which (i) entities trade in non-derivative instruments that are otherwise out-of-scope for EMIR but are potentially in-scope for Article 7d, and (ii) which instruments outside of the scope of derivatives are "cleared" (within the ambiguous and otherwise undefined meaning of Article 7d, and given existing EMIR clearing definitions and requirements relate solely to derivatives) and which (others) are merely settled or otherwise traded via a utility that happens to be recognised as a third country

CCP under Article 25 of EMIR. Examples of the latter could include cash instruments traded on a Delivery vs Payment (DvP) basis, such as equities and bonds, which have fundamentally different risk profiles given their settlement cycles, especially with the upcoming move to T+1.

- On the other hand, Article 7d (2) of EMIR asks ESMA to take *‘into account the existing reporting channels and the information already available to ESMA under the existing reporting framework, including the reporting obligation under Article 9’*, which would suggest that only derivatives are the subject of the Article 7d reporting obligation.
- In the absence of substantive guidance, it is unclear what is meant by the *‘largest payment obligation’* under Article 7d(1)(e) and a number of interpretations may be adopted by market participants in this context, further hindering homogeneity and potentially significantly reducing the value of the data submitted.

As such, extensive clarification on the scope of Article 7d would be required in order to make its harmonised implementation possible for market participants.

It would not be proportionate to expect market participants, including large numbers of individual funds, to comply with Article 7d (1) in the absence of meaningful and pragmatic clarification on the scope of Article 7d and ESMA’s assessment of existing reporting channels under Article 7d (2). This resulting complexity would compromise both the EC’s simplification and burden reduction objective and the likelihood of the regulatory authorities obtaining usable data from this regulatory obligation.

Review of Article 7d considering the simplification and burden reduction agenda

We respectfully request that the EC undertake a review of the reporting obligations set out in Article 7d, in line with its ongoing simplification and burden reduction agenda, and consistent with its recent communication on the de-prioritisation of Level 2 acts in financial services legislation³.

Aligned with the EC’s better regulation principles and objectives for reducing administrative burdens, we consider it appropriate to reassess whether Article 7d effectively meets its stated policy goals in a proportionate and efficient manner, considering EU competitiveness.

Accordingly, we request that the EC initiate a targeted review of Article 7d as part of its ongoing efforts to simplify regulation and reduce burden. Such a review could include:

- An impact assessment examining the proportionality of Article 7d reporting requirements;
- Evaluation of alternative approaches (such as enhanced data-sharing arrangements) that might achieve equivalent supervisory results at reduced compliance cost;
- Consultation with stakeholders and EU counterparties, to collect practical feedback.

³ [De-prioritisation of Level 2 acts in financial services legislation - Finance](#)

We continue to support the EC objective of maintaining financial stability and effective supervision of systemic infrastructure, while considering principles of regulatory efficiency and international collaboration.

We would welcome the opportunity to discuss these points further and respectfully request a meeting at your earliest convenience. In the meantime, we remain at your disposal and are happy to provide any additional information you may require.

Annex 1: Mapping of data required under Article 7d and existing reporting channels

The Associations' members have mapped the data points subject to possible Article 7d reporting against data already available under existing reporting channels:

- Article 7d(1)(a) data on the types of financial instruments cleared (securities, derivatives and SFTs) is largely available at trade repositories for EMIR Article 9, SFTR Article 4(1) and MiFIR Article 26 reporting data.
- Article 7d(1)(b) data on the average values cleared over one year per Union currency and per asset class should be – for derivatives, which should be the focus of any EMIR reporting requirement – available via EMIR Article 9 data by filtering for currencies and CCPs. Data on repo and securities lending could be obtained from SFTR data, and some data on securities from MiFIR. ESMA sourcing this information from data reported under EMIR, SFTR and MiFIR at trade repositories would also have the advantage that ESMA and NCA's could choose their preferred and consistent definition of what '*average values cleared*' could mean.
- Article 7d(1)(c) data on amount of margins collected is available at transaction and portfolio level under EMIR and SFTR reporting.
- Article 7d(1)(d) data on default fund contributions would only apply to a subset of reporting entities.
- Article 7d(1)(e) on largest payment obligation can be derived from existing EMIR and SFTR trade reporting regimes. As with Article 7d(1)(b), ESMA sourcing this information from trade repositories would also have the advantage that ESMA and NCAs could choose their preferred and consistent definition of what "*largest payment obligation*" could mean and where the data can be sourced.

To the extent that the data related to initial margin and default fund contributions is not already available, ESMA could obtain this information from the prudential authorities or through cooperation and information exchange with the supervisory authorities of recognised third country CCPs as ESMA seems to have previously done when assessing EU financial institutions' reliance on non-EU CCPs as set out in Box 1 of the Joint ESAs Committee report on Risks and Vulnerabilities in the EU Financial System Autumn 2025⁴.

⁴ [JC 202 48 Joint Committee Report on Risks and Vulnerabilities in the EU Financial System – Autumn 2025](#)

ABOUT AIMA

AIMA is the world's largest membership association for alternative investments managers. Its membership has more firms, managing more assets than any other industry body and, through our 10 offices located around the world, we serve over 2,000 members in 60 different countries.

AIMA's mission, which includes that of its private credit affiliate, the Alternative Credit Council (ACC) is to ensure that our industry of hedge funds, private market funds and digital asset funds is always best positioned for success. Success in our industry is defined by its contribution to capital formation, economic growth, and positive outcomes for investors, while being able to operate efficiently within appropriate and proportionate regulatory frameworks.

AIMA's many peer groups, events, educational sessions, and publications, available exclusively to members, enable firms to actively refine their business practices, policies, and processes to secure their place in that success.

ABOUT EACT

Representing the European economy, the **European Association of Corporate Treasurers** (EACT) brings together 14 000 corporate treasury professionals active in 22 countries and working for around 6 500 individual non-financial companies. Corporate treasurers are the finance professionals of the real economy.

ABOUT EACB

The **European Association of Co-operative Banks** ([EACB](#)) is the voice of the cooperative banks in Europe. It represents, promotes and defends the common interests of its 27 member institutions and of cooperative banks in general. Cooperative banks form decentralised networks which are subject to banking as well as cooperative legislation. Democracy, transparency and proximity are the three key characteristics of the cooperative banks' business model. With 2,500 locally operating banks and 40,000 outlets cooperative banks are widely represented throughout the enlarged European Union, playing a major role in the financial and economic system. They have a long tradition in serving 227 million customers, mainly consumers, retailers and communities. The cooperative banks in Europe represent 90 million members and 737,000 employees and have a total average market share of about 20%.

ABOUT EBF

The **European Banking Federation** (EBF) is the voice of the European banking sector, bringing together national banking associations from 45 countries. The EBF is committed to a thriving

European economy that is underpinned by a stable, secure and inclusive financial ecosystem, and to a flourishing society where financing is available to fund the dreams of citizens, businesses and innovators everywhere. Website: www.ebf.eu Twitter: [@EBFeu](https://twitter.com/EBFeu).

ABOUT EFAMA

EFAMA is the voice of the European investment management industry, which manages around EUR 33 trillion of assets on behalf of its clients in Europe and around the world. We advocate for a regulatory environment that supports our industry's crucial role in steering capital towards investments for a sustainable future and providing long-term value for investors.

Besides fostering a Capital Markets Union, consumer empowerment and sustainable finance in Europe, we also support open and well-functioning global capital markets and engage with international standard setters and relevant third-country authorities. EFAMA is a primary source of industry statistical data and issues regular publications, including Market Insights and the EFAMA Fact Book. More information is available at www.efama.org

ABOUT EPTA

EPTA represents the leading Principal Trading Firms in the EU and UK. Our members are independent market makers and providers of liquidity and risk transfer for markets and end-investors across Europe, providing liquidity in all asset classes including shares, bonds, derivatives, ETFs and digital assets. EPTA works constructively with policy makers, regulators and other market stakeholders to ensure efficient, resilient and transparent financial markets in Europe.

ABOUT EVIA

The European Venues and Intermediaries Association (EVIA) act as a common voice for *Wholesale Market Venues, Platforms and Arranging Intermediaries* across Europe and the MENA region. It seeks to promote liquid, transparent and fair markets by establishing specific & common standards, adopting clear principles, mutual recognition and encouraging the adoption of technological innovation.

By this it promotes and enhances the value and competitiveness of its members' activities with co-ordination and a common voice in maintaining a clear focus and direction, building a credible reputation upon 50 years of history. In acting as a focal point for the industry it seeks to provide clear direction to their members when communicating with central banks, governments, policy makers, and regulators. It's core strength is the ability to consolidate views and data and act as a common voice for an industry operating in a complex and closely regulated environment.

ABOUT FIA

FIA is the leading global trade organization for the futures, options and centrally cleared derivatives markets, with offices in Brussels, London, Singapore and Washington, D.C. FIA's membership includes clearing firms, exchanges, clearinghouses, trading firms and commodities specialists from about 50 countries as well as technology vendors, law firms and other professional service providers. FIA's mission is to:

- support open, transparent and competitive markets,
- protect and enhance the integrity of the financial system, and
- promote high standards of professional conduct.

As the principal members of derivatives clearinghouses worldwide, FIA's clearing firm members play a critical role in the reduction of systemic risk in global financial markets.

ABOUT ISDA

Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has over 1,000 member institutions from 77 countries. These members comprise a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, intermediaries, clearing houses and repositories, as well as law firms, accounting firms and other service providers. Information about ISDA and its activities is available on the Association's website: www.isda.org. Follow us on Twitter, LinkedIn, Facebook and YouTube.

ABOUT MFA

Managed Funds Association (MFA), based in Washington, D.C., New York City, Brussels, and London, represents the global alternative asset management industry. MFA's mission is to advance the ability of alternative asset managers to raise capital, invest it, and generate returns for their beneficiaries. MFA advocates on behalf of its membership and convenes stakeholders to address global regulatory, operational, and business issues. MFA has more than 180 fund manager members, including traditional hedge funds, private credit funds, and hybrid funds, that employ a diverse set of investment strategies. Member firms help pension plans, university endowments, charitable foundations, and other institutional investors diversify their investments, manage risk, and generate attractive returns throughout the economic cycle.