



afme/

asifma

sifma

Global Foreign Exchange Division
Level 10
20 Churchill Place
Canary Wharf
London
E14 5HJ

To: FCA, Markets Reporting Team

By email: cp2532@fca.org.uk

20 February 2026

FCA Consultation 25/32 Improving the UK transaction reporting regime

The Global Financial Markets Association's (GFMA) Global Foreign Exchange Division (GFXD) was formed in co-operation with the Association for Financial Markets in Europe (AFME), the Securities Industry and Financial Markets Association (SIFMA) and the Asia Securities Industry and Financial Markets Association (ASIFMA). Its members comprise 25 global foreign exchange (FX) market participants¹, collectively representing the majority of the FX inter-dealer market².

We welcome the opportunity to respond to the FCA's consultation on transaction reporting. The focus of our response is on Questions 17 and 18 only, noting we support the submission by the International Swaps and Derivatives Association (ISDA) for the remaining questions.

Question 17: Do you agree with our proposal to remove FX derivatives from the scope of the UK transaction reporting regime?

Yes, we support the FCAs proposal to remove FX derivatives from the scope of the UK transaction reporting regime.

With reference to the additional 'ad-hoc requests for data' mentioned in paragraph 4.94, GFXD members are concerned that, depending on their size and frequency, such requests could entail a substantial manual workload. We therefore ask the FCA to ensure that any ad-hoc data requirements remain targeted and proportionate to their purpose, thereby representing a lower overall effort and burden than the current automated MiFIR transaction reporting regime.

Question 18: For UK branches of third country firms: how could we address the data gap created for FX derivatives?

¹ Bank of America, Bank of New York, Barclays, BBVA, BNP Paribas, Citi, Credit Agricole, Deutsche Bank, Goldman Sachs, HSBC, ING, JP Morgan, Lloyds, Mizuho, Morgan Stanley, MUFG Bank, NatWest Markets, Nomura, Northern Trust, RBC, Standard Chartered Bank, State Street, UBS, US Bank and Wells Fargo

² According to Euromoney League Tables

We believe that there are multiple options available for consideration in addressing any data gaps for FX, although some are more preferable when considering the FCAs goals such as reducing burdens and costs.

Feedback from GFXD members also suggests that a range/combination of options (versus one single option) may also be required and that the combination of options may differ depending on an individual organisations structure and services, technology builds and home regulator obligations.

Our expectation is that the FCA may also consider that a range/combination of options may be optimal in meeting their goals of burden reduction, noting the text in paragraph 1.1 ‘We use the data for a range of functions, including detecting and investigating market abuse, preventing financial crime, monitoring the functioning of financial markets, supervising firms, shaping effective policies and supporting our response to crises.’

1. We believe the most optimal approach for market abuse oversight would be for the FCA to consider **substituted compliance agreements** with the home regulators of the UK branches of third country entities, where the same oversight functions are being performed. We believe that this would offer the maximum benefits with respect to burden reduction.

2. Should the FCA require data direct, and our understanding is that this would be on a more **exceptional**, rather than continuous basis, then we recommend that the UK branches of third country entities are able to **leverage the data they currently submit for existing reporting G20 obligations** (or a combination of these data sets). This includes - if a firm can - the data currently submitted in MiFIR transaction reports if this also supports the FCA strategy of reducing costs and burdens.

We believe that the data reported under the G20 post trade obligations in the main FX centres, will be of a sufficiently harmonised nature to enable the FCA to aggregate data, in a similar way to which the FCA envisages using UK EMIR data. The creation and standardisation by the CPMI-IOSCO (under direction from the FSB) of the Critical Data Elements³ (CDE) was exactly to address this point – to enable authorities to aggregate data submitted to trade repositories. Our initial high-level analysis of the reportable fields in each of the below jurisdictions also supports this recommendation.

Examples of UK EMIR equivalent G20 post trade reporting obligations leveraging the CDE include:

- Australia: ASIC Derivative Transaction Rules (Reporting)⁴
- Canada: Canadian Securities Administrators post trade reporting regime for OTC derivatives⁵
- EU: EU EMIR⁶
- HK: HKMA/SFC OTC Derivative Transaction Reporting Rules⁷
- Japan: JFSA OTC derivative reporting rules⁸
- Singapore: MAS Securities and Futures (Reporting of Derivatives) Regulations⁹
- US: CFTC part 45¹⁰

³ <https://www.leiroc.org/>

⁴ <https://www.asic.gov.au/regulatory-resources/markets/otc-derivatives/derivative-transaction-reporting/>

⁵ https://www.osc.ca/sites/default/files/2024-07/rule_20240725_91-507_91-506CP_trade-repositories-derivatives-data-reporting.pdf

⁶ <https://www.esma.europa.eu/data-reporting/emir-reporting>

⁷ <https://www.elegislation.gov.hk/hk/cap571AL>

⁸ <https://www.fsa.go.jp/news/r5/shouken/20231121/06.pdf>

⁹ <https://www.mas.gov.sg/regulation/regulations/securities-and-futures-reporting-of-derivatives-contracts-regulations-2013>

¹⁰ https://www.cftc.gov/media/8266/Part43_45TechnicalSpecification03012023REDLINE/download

The concept of **exceptional requests** can, due to their nature, be considered to generally increase burdens. However, we believe that these burdens can be somewhat mitigated should the FCA support the above recommendation on the types of data which the UK branches of third country entities are able to use to meet their obligations.

The FCA should also be aware that depending on the final proposal, some UK branches of third country entities may incur increased burdens (e.g. increased build costs) to support any future exceptional data requests. We therefore ask the FCA to ensure that any ad-hoc/exceptional data requirements remain targeted and proportionate to their purpose, thereby representing a lower overall effort and burden than the current automated MiFIR transaction reporting regime.

If this is not achievable, and request for data are more frequent and not exceptional in nature, then those GFXD members that choose to, would prefer that their UK branch(es) be allowed to continue submitting their existing automated MiFIR transaction reports. While this approach would forgo the envisaged cost savings, it would help avoid a potential escalation in manual (and burdensome) workload expenses.

In addition to these sources of FX data, we would also like to suggest that FX data can be obtained from FX trading venues, CCPs and other FX centralised market structures/participants such as CLS¹¹. FX market participants also regularly submit significant amounts of detailed trade data to regional central banks, such as the Bank of England Semi-Annual FX Turnover Survey¹², but also on a triennial basis to the Bank of International Settlements¹³.

3. Finally, and in support of the FCAs point in the consultation of **‘exploring data sharing agreements with third country regulators’** we suggest that the FCA obtains data direct from the home regulator of the UK branches of third country entities.

Our expectation is that a relatively small number of data sharing agreements with G20 countries (e.g. Australia, Canada, EU, HK, Japan, Singapore, US) would be required to enable the FCA to close the vast majority of data gaps.

Regarding the implementation of the above to support the FCAs goal of removing FX derivatives from UK transaction reporting requirements, GFXD members suggest that the above proposals are viable and can be incorporated into their project lifecycles. Pending further policy clarity from the FCA, some may be able implement changes in under 18 months i.e. the 18-month implementation period proposed in the Consultation Paper.

We believe that these set of pragmatic suggestions will support the FCA in their immediate policy goals and avoid the need for any legislative changes to the scope of UK EMIR.

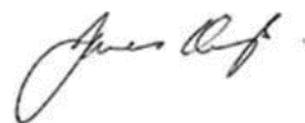
We greatly appreciate you giving us the opportunity to share our views, to further contribute to this evolving discussion and request the opportunity to discuss these with you in more detail in person. Please do not hesitate to contact Andrew Harvey on +44 203 828 2694, email aharvey@eu.gfma.org, should you wish to discuss the above.

¹¹ <https://www.cls-group.com/>

¹² <https://www.bankofengland.co.uk/markets/london-foreign-exchange-joint-standing-committee/results-of-the-semi-annual-fx-turnover-survey-april-2025>

¹³ <https://www.bis.org/statistics/rpfx25.htm>

Yours sincerely,

A handwritten signature in black ink, appearing to read "James Kemp". The signature is written in a cursive style with a large initial "J" and a distinct "K".

James Kemp
Managing Director
Global Foreign Exchange Division, GFMA