

RESPONSE TO ESMA'S DISCUSSION PAPER ON THE INTEGRATED COLLECTION OF FUNDS' DATA.



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INTRODUCTION

INVERCO welcomes the opportunity to provide comments and observations on ESMA's Discussion Paper on the integrated collection of funds' data.¹ INVERCO is the Spanish Association of Collective Investment Institutions and Pension Funds. It is a non-profit organisation representing more than €870 billion in assets under management (54.6% of national GDP), channelling the savings of almost 25 million accounts held by participants in investment funds and companies and more than 10 million in pension funds. INVERCO represents 96.5% of Spain's asset management industry. In particular, it represents 124 Spanish Investment and Pension Fund Managers, over 30 foreign Managers and 32 Associate Members (including the main providers of collective investment services: auditors, depositaries, law firms, platforms and IT providers).

In this context, INVERCO wishes to highlight certain relevant issues which deserve special consideration, as they are strongly related to both the quality and value of the information collected, and also to the proportionality principle and how it is applied to obliged entities.

In recent years, concerns have been raised regarding the volume and frequency of data reports, the lack of harmonisation and communication between authorities, and the significant costs stemming from technological and regulatory adaptation. Furthermore, multiple stakeholders have stressed the need to clarify definitions to prevent divergent interpretations, and to make progress towards standardisation of formats and deadlines. The Discussion Paper brings up these concerns and, in response, the following sections set out an analysis of possible regulatory harmonisation options, the impact on market participants, and potential simplification pathways.

Ultimately, this regulatory simplification exercise should not be solely driven by supervisory operational needs, but also by the aim of enhancing competitiveness in line with the Savings and Investments Union strategy (SIU). Accordingly, the guiding principle of this response is that any modification of the current reporting framework must be based on a rigorous cost-benefit analysis, respecting proportionality and ensuring that the data required are genuinely necessary, useful and operational for supervisory purposes, while also being suitable for reuse by different recipients for supervisory purposes.

This document provides responses to the Discussion Paper questions based on these core ideas.

1. GENERAL CONSIDERATIONS

Q.1 Do you confirm the findings presented in this stocktake section? If you have additional information, please provide all relevant details.

INVERCO acknowledges the comprehensive analysis undertaken by ESMA and, in general terms, agrees with the stocktake presented by the Authority. However, when considering potential amendments to the reporting framework applicable to UCITS and AIFMD, it is essential to emphasise one key idea: given the high cost and complexity of the information systems already implemented by the industry, the utmost prudence is required before introducing significant changes to the reporting model. In this respect, the simplification exercise should consider the following aspects:

- **Implementation costs.** Supervisory reporting requires sophisticated IT infrastructures, which are costly and time-consuming to implement. These infrastructures were only recently developed to meet the latest requirements and already enable the provision of significant volumes of data to the authorities. In this context, complex modifications would be disproportionate. They should only proceed

¹ Available at: https://www.esma.europa.eu/sites/default/files/2025-06/ESMA12-2121844265-4904_DP_on_integrated_reporting.pdf

where a detailed business case demonstrates a clear and essential need for each change or additional data points.

- **Reporting frequency.** Supervisory authorities often review the information with certain delay. The frequency of reporting should therefore be better aligned with the supervisory authority's capacity to process and analyse the data. If supervisors process the information with a time lag, it would be reasonable to adjust submission deadlines accordingly.

This does not prevent National Competent Authorities (NCAs) from acting urgently in exceptional cases (e.g., when triggering extraordinary liquidity management tools). Nevertheless, such cases are exceptional. In practice, most supervisory activity focuses on ex-post control and enforcement. Therefore, both the frequency and granularity of reporting should be carefully assessed, avoiding excessive requirements that do not address actual supervisory needs.

- **Sufficient justification.** Before requesting additional data, authorities and legislators should assess whether it can be derived from already reported information. This requires first analysing the exact supervisory objective to avoid duplication and inconsistency. In line with the objectives of competitiveness and simplification, the regulatory effort should focus on three main areas: (i) removal of duplications, (ii) standardisation of templates, and (iii) encouraging data reuse.
- **Public-private working group.** Given the technical complexity of issues such as reporting modularity, cross-border alignment, and data semantics, INVERCO recommends establishing a public-private expert group, similar to the Industry Committee formed during the transition to shortened settlement cycle to T+1. Such a forum would provide an effective channel for industry expertise and ensure that the solutions adopted are technically feasible, cost-efficient and consistent with supervisory practice. The sections below further outline the areas where such a group could be particularly valuable.

The Spanish industry has made its preferences clear, with certain approaches seen as better aligned with both practical implementation and the long-term policy objectives. These preferences provide a strong indication of the direction in which the industry would naturally converge. However, it is equally important to acknowledge that their realisation depends on factors beyond the asset management industry's direct control. Political feasibility (e.g., the ECB's willingness to participate in the initiative or the potential postponement of the UCITS/AIFMD reporting requirements), dependencies on external decisions (e.g., the viability of Option 2), and technical considerations (e.g., data semantics and the need for sectoral alignment) will be decisive in determining the path forward. Thus, while the industry clearly favours a particular course, these interdependencies highlight the need for careful sequencing and consideration not only from the industry standpoint but also in light of any technical advice provided by ESMA.

Q2. What are the best practices for data collection for retail investment funds in EU and non-EU jurisdictions that ESMA could consider?

ESMA could benefit from integrating existing best practices regarding the collection of fund data. Within the EU, it would be advisable to move towards harmonisation of national templates, following examples such as France or Italy, where a single authority centralises data collection. Nevertheless, please note that integrating reporting in the EU is not about importing a specific national regime into the UCITS/AIFMD framework.

It should also be noted that, while agreements for data exchange between central banks, market supervisors and national statistical offices strengthen supervision and risk monitoring, significant limitations remain in terms of cross-border information-sharing frameworks.

2. DEVELOPMENT OF AN INTEGRATED REPORTING FRAMEWORK

Q3. What challenges arising from overlapping EU-level and national reporting obligations (e.g. under AIFMD, UCITS, MMFR) does your institution experience? Please describe specific reporting overlaps and their operational impact quantifying and providing examples of redundant submissions.

Asset Managers face multiple, overlapping EU reporting requirements that demand data from diverse internal systems, including fund accounting, portfolio and risk management, and compliance. Aggregating, reconciling, and enriching this data (often manually) adds significant operational complexity.

The reporting burden continues after submission, as authorities conduct quality checks and follow up with queries requiring cross-team coordination. Furthermore, ESMA's additional validation rules can trigger even further recalculations and resubmissions, amplifying the compliance effort.

Please refer to our response to Q4 for specific examples of reporting overlaps.

Q4. Do you support the objective of developing a more integrated reporting framework covering AIFMD, UCITS, MMFR, and ECB statistical reporting? What are the key obstacles or risks linked to integrating fund reporting frameworks?

INVERCO supports the initiative to develop an integrated reporting framework for the collection of supervisory data. Such an integrated and common system would not only remove duplications but also create efficiencies, particularly for Asset Managers reporting to multiple regulators in different EU jurisdictions, that would operate under a single framework. Both ESMA, in its own report,² and the industry in practice have identified substantial divergences between the reports submitted to different regulators.

For example, in Spain, despite existing information-sharing agreements, the reporting framework remains fragmented and incomplete in practice. While AIF reporting is submitted to ESMA and certain statistical data are sent monthly to the CNMV (e.g., OIF statements) and to the Bank of Spain (pursuant to Bank of Spain Circular 4/2012 of 25 April on the reporting of cross-border financial transactions and positions), the information is duplicated in different formats for very similar purposes, with nearly overlapping deadlines. As a result, entities face redundant burdens, when it would be perfectly feasible to channel and reuse the information already submitted to the CNMV through a standardised and coordinated system.

For this reason, an integrated framework could play a key role in fostering cross-border transactions and, in doing so, support the SIU's objectives of capital market integration and competitiveness. Nevertheless, this potential will only be fully realised if NCAs refrain from introducing ad hoc obligations that would fragment the common framework.

Considering the above, the establishment of such an integrated framework must be undertaken with due consideration of all potential challenges, namely:

- Differentiation of requirements by fund type and investment strategy, so as to avoid a one-size-fits-all approach that imposes irrelevant or disproportionate obligations.
- Close cooperation between supervisors and central banks, which may require substantial regulatory adjustments, such as replacing existing reporting regimes (e.g., under Regulation

² Please refer to sections 33 to 35 of the ESMA Discussion paper on the integrated collection of funds' data, to which this response document relates.

2024/1988). Failing this, and in the absence of sufficient coordination between ESMA and the ECB, the UCITS/AIFMD and ECB frameworks are bound to diverge over time. Asset Managers would again have to submit slightly different information at potentially different frequencies, using different terminologies and formats. In short, without alignment, this could lead to a repetition of the inefficiencies, costs, and operational strain already experienced under complex reporting regimes, making the exercise less effective and more resource-intensive than intended.

- Designation of a single responsible authority in each Member State, which raises coordination and governance challenges at both national and European levels.
- Implementation costs, which constitute a significant burden for entities each time they must adapt systems to new requirements. These costs include engaging external providers, software licenses, system maintenance, and legal compliance adjustments. Their scale and recurrence mean that any regulatory change carries material economic and operational implications.
- Semantic fragmentation and differences in data validation procedures could undermine the very objective of this initiative. These differences could compromise data comparability, complicate data sharing, and lead to a greater reliance on ad hoc reporting.

Q5. Please list your preferred option of those listed in this section and highlight any other option or combination of the ones listed here that you consider effective. In your response, please outline the main expected costs and benefits associated with the options proposed, and identify any preconditions or phased implementation steps that would be necessary to ensure feasibility and proportionality.

The three options presented are analysed below. Option 2 is identified as the most suitable path towards an integrated, homogeneous and efficient European reporting framework, reducing costs and operative burdens for Asset Managers, while improving coherence and data quality across the EU.

Option 1: Integrated reporting - Multiple reporting obligations with reuse of data

Data reuse represents a first, though limited, step forward. Achieving true efficiency requires genuine standardisation to reduce burdens and ensure supervisors receive the necessary and relevant data for effective market oversight.

Option 2: Full integrated reporting framework

This option is considered the most efficient and ambitious, offering clear benefits in terms of simplification, data quality and reduction of reporting burdens, for the following reasons:

- Its modular architecture allows reporting requirements to be tailored to fund type and strategy, enabling more accurate and coherent supervision.
- It would effectively reduce the reporting burden for Asset Managers by ensuring that all report the same information, under the same standards, across the EU.
- Unlike Option 3, NCAs would not have room to introduce ad hoc additional requirements within the integrated reporting framework, thereby preventing fragmentation and fostering coherence and comparability of information across the EU.
- It would establish a genuine “report once” principle. Asset Managers would submit information using a single template to a single supervisory authority (ideally their home NCA) which would

then share it with other authorities via ESMA. This would remove the need for host NCAs (e.g. for delegated services or passported funds) to collect additional information. Complexity for UCITS marketed across multiple jurisdictions would be significantly reduced. Transitioning to a single EU-wide reporting template will likely require Member States to phase out not only from overlapping EU obligations but also the additional national reporting requirements they have introduced, making this a complex and far-reaching endeavour.

To ensure that this initiative does not result in disproportionate obligations for certain funds, such as UCITS, authorities and the industry should agree in advance on the relevant data points according to the different investment strategies. Establishing a public-private expert group (that could be led by ESMA), as proposed in response to Question 1, would be crucial to this process.

Equally important, as previously noted, is that NCAs refrain from introducing ad hoc national information requirements, as these could undermine the goal of a unified EU reporting framework. The introduction of such divergent obligations would not only fragment the integrated supervisory architecture but also generate unnecessary compliance burdens, increase operational complexity, and risk distorting the level playing field for Asset Managers across member states.

Option 3: Full integrated reporting framework including specific national reporting requirements

This option carries the risk of reintroducing precisely the fragmentation that the initiative seeks to overcome. Although it maintains a common architecture, it allows national authorities to impose additional obligations within the integrated reporting system. This would contradict the objective of simplification and standardisation, increasing complexity and reducing efficiency.

Conclusion: Option 2 is preferable

While Option 2 entails certain adaptation costs, these would be offset in the medium and long term by structural benefits: reduced burdens, genuine standardisation, improved data quality, and ultimately more efficient and consistent supervision across the EU.

Nevertheless, since precise cost quantification is not currently feasible, it is important to take this uncertainty into account during planning and implementation. In this regard, the creation of a public-private technical group, as suggested in response to Question 1, is especially relevant to ensure that the solutions adopted are practical and aligned with economic reality.

Considering the challenges outlined above, we make the following recommendations to ESMA:

- Consideration should be given to how Option 2 could align with the timeline of the reporting requirement foreseen in the recent AIFMD/UCITS review, including the possibility of requesting additional time from the European Commission.
- It should set up a public-private working group (as described in our response to Question 1) to ensure that the industry has a say in the arbitrage necessary to make integrated reporting a reality. For instance, if Option 2 is unfeasible, the industry should be involved in determining the best alternative model.
- It should not introduce any interim reporting regime during the time it develops Option 2. As outlined previously, changes to reporting regimes are costly and time-consuming for the industry.

Q6. To what extent should the integration or alignment of supervisory and statistical reporting extend beyond the asset management frameworks, such as EMIR, SFTR, or MiFID/MiFIR? What challenges do you foresee? Are there additional reporting regimes that should be considered for future alignment with asset management reporting?

As these obligations are in most cases delegated to counterparties, INVERCO is not in a position to elaborate a specific opinion on this issue.

3. PROPOSAL FOR IMPLEMENTING A HIGH VALUE-ADDED APPROACH TO ENSURE PROPORTIONALITY, EFFICIENCY AND DATA QUALITY

Q7. How should this approach be implemented to ensure proportionality, efficiency, and data quality?

INVERCO agrees with ESMA's proposal for a high value-added data approach and considers that the future reporting architecture should be designed according to criteria of proportionality, genuine supervisory usefulness and absence of duplication.

In this regard, it is essential that:

1. **Data collected are strictly necessary.** Information collection should be limited to those data that provide tangible supervisory value. Any new data point requested should be supported by a cost-benefit analysis and an explanation of the additional supervisory utility it would bring. This approach would prevent unnecessary burdens and recurring system adaptation costs for the industry.
2. **Efficiency and simplification.** The objective of an integrated framework should not be to aggregate all data currently required by different NCAs without further consideration. Instead, it should aim to rationalise and reduce reporting burdens, remove duplications, harmonise templates to avoid fragmentation, and foster data reuse among supervisors.
3. **Proportionality by fund type and strategy.** Certain strategies, such as those involving high levels of leverage, may justify more detailed requirements, but such demands should not be applied indiscriminately to all UCITS or AIFs.
4. **Limiting additional NCA requirements.** Allowing each NCA to introduce further requirements on top of a harmonised template would undermine the objective of building a genuine Savings and Investments Union and would generate inefficiencies and unnecessary complexities for Asset Managers.
5. **Reporting frequency aligned with supervisory reality.** Reporting deadlines should be set according to their supervisory utility and the supervisor's actual capacity to process and analyse the information. Imposing excessively strict deadlines generates disproportionate burdens for entities without delivering a real improvement in supervisory capacity.
6. **Public-private technical group.** Establishing a joint technical forum of supervisors and industry representatives would ensure that the reporting design is technically feasible, cost-efficient and aligned with real supervisory needs. The recent Industry Committee created to organise the transition to a shortened settlement cycle in T+1, involving all industry actors (markets, CCPs, CSDs, intermediaries,

asset managers, depositaries, etc.) as well as European institutions (ESMA, the European Commission, and the ECB), offers a successful precedent.³

Q8. How can semantic data integration best be achieved across reporting frameworks? Please identify areas where alignment would be most beneficial?

The creation of a common data dictionary is a positive tool, provided that it ensures definitions that are precise, harmonised and coherently applicable under both UCITS and AIFMD. To succeed, its design must involve active industry participation and be adjusted to the specificities of the asset management sector, avoiding mechanical transpositions from banking models. This is the only way to develop a framework that is useful, proportionate, and truly harmonising.

4. OPTIMISATION OF REPORTING SYSTEMS

Q9. Which of the proposed options do you consider most efficient? If possible, please quantify the expected cost and benefits for each option. Would you support an alternative option involving additional actors, such as centralised reporting infrastructures?

The fundamental principles for improving reporting efficiency are harmonisation and uniqueness (“report once”) for both UCITS and AIFs, ensuring that data are submitted only once and subsequently reused by all competent recipients. This approach promotes efficiency and data consistency while preventing duplication and reducing unnecessary burdens for the industry.

Within this framework, the most efficient solution is to establish a single point of data collection, either via the NCA or a centralised EU-level system. The responsible body should also handle distribution of the data to other supervisory authorities, thereby optimising information flows and eliminating redundancies.

Of the options presented by ESMA, Option 2 is considered the most balanced and recommendable. Under this model, a single national authority (NCA or national central bank) would be responsible for data collection and for sharing them with ESMA, which would serve as a European information hub for the asset management sector. This solution offers several advantages:

- It maintains the national regulator as the primary interlocutor, enhancing institutional proximity and facilitating coordination.
- It allows ESMA and other authorities to access the data required within their remit, without each NCA having to collect data separately. To ensure full effectiveness, robust data governance must be established, limiting each authority’s access strictly to the information to which it is legally entitled, guaranteeing proportionality and confidentiality.
- It fosters cross-border supervision, as host NCAs could directly access information on funds distributed in their countries without requiring additional reporting.

As regards implementation costs, precise quantification is not possible at this stage, as it depends on the technical developments required. Nevertheless, harmonising and centralising reporting is likely to reduce industry costs in the medium to long term, by leveraging economies of scale and eliminating duplications. Any initial costs should therefore be weighed against the structural benefits of a simpler, more coherent and more efficient system for both supervisors and Asset Managers.

³ Terms of reference of both the Industry Committee and the Coordination Committee, are available at: <https://www.esma.europa.eu/esmas-activities/markets-and-infrastructure/shortening-settlement-cycle-t1-eu>

Q10. How important is it to retain the supervising NCA as an intermediary between the reporting entity and the centralised system in the reporting process?

Maintaining NCAs as the primary channel of data collection is important within a centralised reporting system, for the following reasons:

- Proximity knowledge is essential to ensure that reported data are correctly interpreted and effectively used.
- In cases of queries, clarifications or requests for additional information, it is far more efficient for the national authority to remain the primary interlocutor, given its direct and ongoing relationship with supervised entities.
- NCAs are best placed to carry out quality controls of reported data. They can identify errors, inconsistencies or gaps in the reporting and liaise directly with entities to resolve them. Such interaction could hardly be replicated efficiently by ESMA from a centralised level.

As noted in response to Question 9, a balanced and efficient model would be one in which NCAs continue to act as the first-level collection channel, while ESMA functions as the European hub responsible for distributing and sharing access to the data.

That said, to ensure comparability between the data collected by NCAs, it may be necessary for ESMA to develop robust data validation rules. Otherwise, different national practices could realistically undermine comparability. In any event, these data validation rules should take effect from the next reporting exercise, rather than being applied retroactively.

Q11. Are there any other data sharing arrangements, either within or beyond asset management, that you believe would be beneficial for burden reduction?

The development of the European sustainability strategy has increased demand for ESG data, highlighting the need to enhance information-sharing agreements between entities and authorities in order to reduce the reporting burden on Asset Managers. Currently, the lack of standardised and publicly accessible ESG data forces Asset Managers to rely on external providers, both to obtain reliable sustainability information and to ensure adequate compliance vis-à-vis supervisors and clients, even where such data have already been supplied to public authorities.

This demonstrates that there is a significant opportunity to optimise information flows and reduce duplications through enhanced data sharing. A European ESG reporting system providing centralised and harmonised access to high-quality ESG data, integrated with the European Single Access Point (ESAP) once it becomes operational, would:

- Reduce operational costs for Asset Managers and, by extension, for end clients.
- Improve the reliability and consistency of information used in the manufacture and distribution of sustainable financial products.
- Avoid excessive reliance on, and concentration of, external data providers, promoting balanced and transparent access conditions.
- Ensure equal access for all investors to information published by supervised companies.

To translate these opportunities into tangible outcomes, the EU should consider establishing a horizontal and holistic regulatory framework for ESG data providers, including effective supervision of providers from third countries.

Therefore, INVERCO proposes that mandatory data provided by supervised entities to European regulators be made publicly available free of charge, in a standardised format that ensures accessibility and comparability. This measure should be applied without delay.

As a result, data sharing could become a strategic tool to reduce information burdens, enhance reporting efficiency, and safeguard the transparent and sustainable functioning of financial markets.

Q12. Would a phased implementation of the potential changes outlined in the sections on “Integrated reporting” and “Reporting flows and data sharing” help ensure proportionality and facilitate smoother transition?

INVERCO considers that a phased implementation constitutes a risky approach, requiring thorough and detailed analysis. While gradual implementation may provide flexibility in other contexts, if not properly executed in this case, it could give rise to additional costs, regulatory uncertainty, and unnecessary operational complexity for obliged entities.

As noted in response to Question 4, any change entails costs, and each intermediate phase would likely require new adjustments of systems, processes, and teams, thereby amplifying administrative burdens and expenses. In practice, the main challenge in implementing new obligations often lies less in the substantive requirements of the regulation than in the process, system, and organisational adjustments necessary to comply with each regulatory amendment. Moreover, a fragmented timeline could increase uncertainty regarding the final framework, thereby hindering the industry’s planning and technology investments.

That said, as already outlined in our responses to other questions, ESMA should not introduce an interim reporting regime during the time it develops Option 2. Changes to reporting regimes are costly and time-consuming for the industry.

Q13. Do you consider that it would be beneficial to introduce a common standard, such as ISO 20022, across all reporting obligations within the asset management domain? What would be the costs and benefits for reporting entities of transitioning all reported data to a single standard? If ISO 20022 is not the preferred solution, what alternatives could be considered?

In principle, there is no objection to adopting ISO 20022 as a common reporting standard.

Q14. What would be the main advantages and disadvantages of using respective syntaxes (XML, JSON, XBRL) for reporting frameworks in the asset management sector?

XML should remain the standard reporting format for Asset Managers. This format is already well-established and operational within the Asset Management industry, thereby avoiding additional burdens for obliged entities in the short and medium term.

While JSON may offer certain technical advantages for simplifying reporting processes in the future, an immediate transition would be problematic and particularly burdensome for smaller Asset Managers lacking the necessary resources to implement another major technological transformation. Adoption of JSON would require not only new infrastructure but also staff training in associated languages such as JavaScript, generating additional costs that are challenging for entities with limited structures to absorb. Although precise quantification

of the costs of a format change is complex at this stage, it can be stated with certainty that any mandatory transition to JSON would disproportionately burden smaller firms, thus undermining the principle of proportionality in the regulatory framework.

Accordingly, INVERCO considers that XML should continue to serve as the standard in the short and medium term, while keeping open the possibility of assessing a future migration to JSON, provided that there is a robust justification, sufficient lead time, and supporting measures that ensure proportionality and feasibility for all kinds of Asset Managers.

Q15. Would an increase of data granularity contribute to improved data quality, usability and reduced duplications? To what extent can the greater use of international standards (e.g. CFI codes, LEIs) and master data reduce the compliance costs and improve interoperability in regulatory reporting?

INVERCO believes that increasing data granularity could be considered a way forward, in particular under specific conditions. Otherwise, it will diverge from the objective of simplification and limiting the burden of supervisory reporting.

Firstly, it must be accompanied by a significant reduction in the number of other data points that reporting entities are required to additionally calculate. This possible benefit does not clearly stem from the Discussion Paper, especially since ESMA notes itself under paragraph 245 that *“aggregated data reporting would remain the baseline for those cases where aggregated data should be still computed to ensure regulatory compliance.”* These elements have to be seen in tandem to consider any advantages of more granular reporting.

Secondly, it will be beneficial only to the extent that it also limits the amount of follow-up queries and ad hoc data requests from NCAs. These already present a significant burden to Asset Managers' reporting teams. The access to granular data will allow the supervisors to conduct calculations themselves, which should limit the instances where follow-up questions will be asked to the supervised entities. It is important that supervisors take ownership of those processes, as it will be much more challenging for entities to explain any issues based on calculations conducted by the authority.

INVERCO supports the adoption of the LEI as a standard because it (i) enhances data quality; (ii) facilitates automation and traceability; and (iii) reduces costs by harmonising reporting with other regulatory frameworks (EMIR, SFTR, DORA). At the same time, since not all entities have an LEI, a fallback mechanism should be envisaged to enable compliance with reporting obligations without generating breaches. Accordingly, Option 3 is considered the most balanced, combining standardisation, efficiency, and proportionality.

Q16. What are your views on implementing security-by-security as the baseline granularity? What are the main benefits and costs of the presented options? What solutions should be envisaged to ensure a proportionate approach?

In principle, the “security-by-security” approach does not present issues for standardised liquid funds, as currently implemented by the CNMV. However, it entails greater challenges for alternative and less liquid funds.

Q17. With respect to share classes, what data should be considered for reporting at the share class level? What operational challenges do you face when reporting at the share class level?

This matter does not raise significant concerns, as in Spain information is already provided at the share class level. Nonetheless, limiting reporting to the most representative class, defined according to a uniform, clear criterion, in line with practices already applied in certain AIFs, would enhance data consistency and reduce operational burdens. Similarly, reporting frequency should be aligned with supervisors' actual use of the data;

often the volume of information received exceeds their processing capacity. Adjusting the frequency accordingly can achieve supervisory objectives while making efficient use of available resources.

Q18. In your opinion, is it feasible to substitute aggregated reporting data with more granular data within supervisory and statistical reporting frameworks? If yes, what kind of data?

Replacing certain aggregated data with more granular information, particularly regarding portfolio data, including cash and derivative positions, is generally considered appropriate. This higher granularity is already implemented in practice in reporting to certain national regulators (e.g., CNMV) and to the ECB for all investment vehicles, as well as to ESMA under the MMF quarterly reporting framework.

Nevertheless, before resolving to extend granularity in an integrated framework, it is important to assess whether the additional information is genuinely necessary and justified for effective supervision. As noted above, the objective should be to avoid unnecessary burdens and instead ensure that the data collected are proportionate, consistent, and fit for supervisory purposes.

As indicated in our responses to Questions 1 and 7, a public-private working group of industry experts and supervisors should be established to ensure proportionality, relevance, utility, and consistency in data disaggregation. The group should also provide guidance on granularity, format harmonisation, and the prioritisation of necessary data.

In any case, providing more granular information should be accompanied by a reduction in aggregated (pre-calculated) information for Asset Managers, as well as limitations on repeated requests by supervisors for information already provided.

Q19. What additional areas should be investigated under the integrated reporting initiative in terms of data granularity and standardisation?

At this point, we cannot identify any additional areas that should be investigated under the initiative to create an integrated reporting template, other than those indicated in this response.

Q20. Do you consider that frequency should be aligned across reporting regimes and jurisdictions? If yes, what frequency (monthly or another) would provide the best balance of costs and benefits? What kind of challenges would you expect in implementing it?

Aligning reporting frequency at the European level is considered essential, as it would enhance efficiency and optimise the cost-benefit balance, particularly for Asset Managers operating under the freedom to provide services or with cross-border delegation of activities.

Such alignment should incorporate:

- **Proportionality** based on the strategy and type of UCITS/AIF. It is inefficient to require identical reporting frequency for daily-valued, liquid funds and for products whose nature (e.g., illiquid or alternative investments) does not allow such frequency. Exceptions to the general rule should be permitted, adapting reporting frequency to the operational context of the product.
- **Appropriate calibration** of reporting frequency is essential to ensure that the requested data reflect genuine supervisory needs. Supervisors must have the capacity to process the data within their operational limits, thereby avoiding excessive volumes that cannot be effectively analysed.

Q21. What solutions and criteria should be envisaged to ensure a proportionate approach with respect to the reporting frequency?

The optimal solution is a harmonised European frequency adjusted to the size of the Asset Manager, the nature of the fund, and its valuation frequency, while also harmonising submission deadlines across the EU. This ensures proportional, coherent, and efficient reporting for all market participants.

A monthly frequency as a general principle would be appropriate, provided it is implemented within a fully integrated reporting framework (UCITS, AIFMD, and ECB statistical reporting). For certain AIFs investing in less liquid assets with lower valuation frequency (real estate, unlisted, etc.), a quarterly or even semi-annual frequency would be more appropriate.

Q22. Given that daily reporting requirements are already implemented in certain Member States, how such a frequency could be set up to ensure an integrated approach while avoiding a disproportionate burden for reporting entities?

In line with the simplification objectives of the Savings and Investments Union (SIU), daily reporting (or any frequency higher than monthly) could undermine the competitiveness of European Asset Managers compared with non-EU jurisdictions not subject to equivalent requirements. Regulatory convergence should therefore aim to align more onerous jurisdictions with more efficient ones, and not vice versa, to ensure a level playing field. From a regulatory efficiency perspective, harmonisation should enable a reduced reporting frequency, concentrating resources on data quality and analysis rather than on the mere production of information.

Q23. How the reporting template for use in exceptional circumstances be designed to minimise the complexity for reporting entities, while ensuring sufficient flexibility to adapt to the specific nature of a crisis situation?

Ad hoc templates for exceptional circumstances, are neither operationally feasible nor efficient. Reporting should be designed to be simple and flexible, focused solely on the strictly necessary information, ensuring agile data collection without imposing unnecessary operational burdens, particularly in critical situations where resources should focus on restoring normal operations.

Given the different nature of stressed conditions, we are skeptical that it will be feasible to determine upfront which data points will be necessary for all stressed scenarios. It is also very probable that despite such a template being developed, supervisors will still request additional reporting tailored to their actual needs.

Q24. Are there any other dimensions not considered in this discussion paper that are relevant for the establishment of a more integrated reporting system? If yes, please provide specific examples and your views on potential improvements that can be made and their priority.

Beyond harmonising reporting formats and data to reduce duplication and leverage synergies, an integrated reporting framework should take into account the following:

- **Data quality and validation:** Enable NCAs to perform pre-submission checks and act as intermediaries to prevent errors in the central system through automatic and manual controls ensuring accuracy, completeness, and consistency of data prior to submission to ESMA.
- **Data standards and coding:** Use unique identifiers such as LEI where possible, and standardise file formats (XML) to ensure consistency, interoperability, and effective comparison across funds and jurisdictions. A common data dictionary is a positive tool if it guarantees precise, harmonised, and consistently applicable definitions across UCITS and AIFMD.

- **Industry and expert participation:** A public-private working group of supervisors and industry experts should advise on data structure, content, priorities, and technical feasibility, ensuring proportional, efficient, and sustainable reporting.
- **Frequency and temporal harmonisation:** Establish clear rules on reporting periodicity, adjusted to fund type and supervisory capacity, avoiding duplication and excess. Harmonised submission deadlines across the EU are recommended to ensure consistent information delivery to all supervisors.
- **Reuse and operational efficiency:** Configure the system so reported information can be reused by multiple supervisors, minimising repetitive reporting and associated operational costs.
- **Governance and supervision of the framework:** Implement a clear governance framework regulating access, data quality, and coordination between national and European supervisors.
- **Transparency and public access:** Centralised publication of certain data to provide investors and market participants with standardised, comparable, and up-to-date information.

In conclusion, the success of a high-value-added approach depends on ESMA prioritising quality over quantity: useful, standardised, and actionable data for supervisors. This requires a reporting frequency aligned with actual practice, removal of duplications, and safeguarding that NCAs do not impose parallel obligations. Only under these principles can a truly efficient, proportionate, and sustainable reporting model be established, reinforcing supervision without overburdening the industry or compromising the competitiveness of the European market.