ESMA
European Securities and Markets Authority

SBR Initiative

SIMPLIFICATION & BURDEN REDUCTION (SBR)

BREAKING DOWN BARRIERS FOR INVESTORS, FACILITATING ACCESS TO CAPITAL AND REDUCING COST FOR THE INDUSTRY

IMPACT AND BENEFITS

- Less duplication in reporting frameworks
- Lower compliance costs for market participants
- Smarter and reusable data
- More proportionate rules for investors, leading to a simpler framework
- Lean supervision

DELIVERING RESULTS THROUGH FOUR FLAGSHIPS

Transaction reporting: Report once, use many times

- Streamlining transaction reporting across MiFIR, EMIR and SFTR through common reporting solutions and simplified requirements.
- Final recommendations, including a cost-benefit analysis, published in July 2026.

Upcoming: Short term - accelerate delegated reporting to deliver immediate burden reduction
Mid/long term - advancing the "report once" model with EU policymakers.

Integrated funds reporting : One reporting template for fund managers

- Developing a harmonised reporting template for UCITS and AIFMD funds, proportionate across fund types and sizes.
- Hybrid model combining national data collection with EU-level validation, storage, and analytics.
- Reducing duplication and improving data sharing among authorities.

Upcoming: Technical standards in 2027, followed by phased implementation.

Investor journey: Making investing simpler for retail investors

- Streamlining disclosures.
- Simplifying suitability and appropriateness assessments.
- Reducing complexity around sustainability preferences.

Upcoming: Improvements will be aligned with the Retail Investment Strategy.

Risk-based supervision: Smarter supervision, lower burden

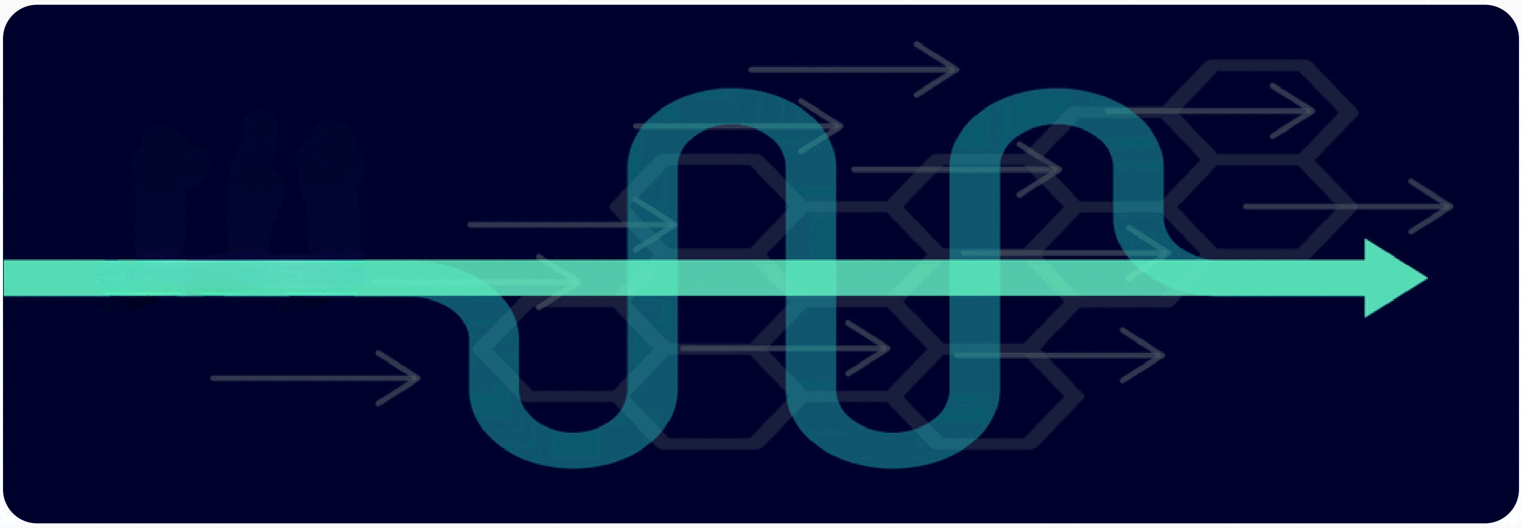
- Focus supervisory efforts on significant risks. Improving efficiency while maintaining effective oversight.
- Reducing unnecessary burden on market participants.

Upcoming: ESMA and NCAs implementing risk-based supervision principles.

HOLISTIC APPROACH

ESMA is making simplification and burden reduction a continuous objective, not a one-off exercise. Through a holistic approach across **policy**, **supervision** and **data**, ESMA reduces complexity, improves proportionality, streamlines reporting and focuses supervision on material risks. In support of this approach ESMA is also reviewing existing requirements to eliminate unnecessary complexity, remove duplication and align supervisory expectations, for example in the areas of market abuse, prospectus, transparency, asset management, crypto assets and sustainability-related frameworks.

ESMA is working for more efficient and competitive EU capital markets while preserving investor protection, market integrity and financial stability.



SBR MILESTONES

2024

- ESMA launched internally SBR initiative.

2025

Public consultations on:
- Retail investor journey.
- Transaction reporting.
- Integrated funds reporting.

Early 2026

- Initial policy and reporting simplifications (MIFR, EMIR-related).
- Integration of SBR principles into cost-effect analysis and policy delivery.
- Practical integrated supervision.
- Actions to simplify the investor journey.

Mid 2026

- Final report on funds reporting streamlining (UCITS / AFMD / MMF).
- Final report on simplification of transaction reporting.
- Prospectus package delivered.

End 2026

- Active design and guidance work across frameworks.

2026 - 2027

- Rollout of SBR measures across ESMA mandates including:
  - Simplification of issuer disclosures
  - Sustainability reporting
  - PRIIPs disclosures
  - MiCA requirements
  - Funds regulation guidance
  - Supervisory processes.

2027

- Implementation of Transaction Reporting simplification.
- Expected development of funds reporting RTS's.

2027 - 2028

- Expected discussions on L1 - L2 changes.