



Consultation Paper title	The framework for a UK equity consolidated tape
Summary of intervention	The FCA is proposing to appoint a single equity Consolidated Tape Provider (CTP) via a tender process. The proposed intervention would require data contributors to provide pre-trade data to the CTP freely in set input and output tables.
Feedback date of issue	23/09/2025
CBA Panel reference number	CBAP-0008

CBA Panel advice

Main recommendations

- Improve the presentation and clarity of the CBA.** The Panel recommends that the CBA be improved by making it shorter, clearer, and more consistent. At present, it is overly long and complex, which obscures the key messages. The main costs and benefits should be set out clearly in the summary and then developed consistently in the detailed analysis through quantification and valuation. The structure should provide a clear line of sight from summary to detail, ensuring accessibility as well as a transparent audit trail for calculations. In addition, the CBA should distinguish more clearly between genuine economic impacts, such as resource savings and improved market efficiency, and transfers between parties, which are, at times, conflated in the analysis.
- Strengthen the evidence supporting key market design choices.** The Panel commends the CBA's assessment of alternative options for improving the market for data, alongside the proposed solution of a consolidated tape. The CBA would however add greater value if it analysed critical design options for the provision of a consolidated tape – such as alternative numbers of providers, incumbency terms, and governance arrangements – as well.
- More effectively leverage data collected.** The Panel commends the CBA for the quality of data collected but notes that it could be used more fully to strengthen the benefit estimates. In particular, the contingent valuation survey could be used to estimate benefits to new data users.

Summary

Category	CBA Panel comments
The market	The market: this section is comprehensive and informative. It could benefit, however, from a clearer presentation of key stats, in particular the number of market participants who currently have access to the data that will be included in the consolidated tape and the number who do not. Problem and rationale for intervention: The Panel recommends that the CBA distinguishes more clearly between market failures and the outcomes of those market failures. The explanation of why the market has not naturally achieved efficient outcomes, and the resulting need for regulatory intervention, could be strengthened by drawing on the concept of Coasean bargaining. Proposed intervention and alternative options: The Panel commends the CBA for including a well-considered options analysis but notes it could be strengthened by considering broader aspects of market design beyond information content, as these raise wider economic questions. Key policy-relevant issues include the number of providers, the process for selecting a provider, trade-offs between consolidation and competition, obligations on the provider, potential price regulation, and the format, quality, and pricing of outputs. The Panel recommends that options be assessed primarily on costs and benefits rather than ease of implementation. Additionally, discussion of the rationale for establishing a monopolist rather than introducing a framework that allows for multiple consolidated tape providers is notably absent. This is especially surprising given the FCA's competition objective. It may also be useful here to draw upon examples from the US, where there are multiple consolidated tape providers.
Assessment of costs and benefits	Baseline and rationale for intervention: No comments. Evidence and data: While the evidence collected is commendable, it could be used more fully to strengthen the analysis, for example, by presenting the results from the contingent valuation survey in a conventional demand-curve format and using it to calculate the benefits to market participants who gain access to the data. Assumptions: The Panel recommends that the underlying figures for the benefits calculations are presented more clearly in the CBA. Economic analysis: Three key benefits should be clarified: reduced costs from a single provider versus multiple providers, increased access to information supporting better trading outcomes, and enhanced market-wide liquidity. Greater distinction should be made between transfers and genuine economic impacts, with core benefits including resource savings, improved market efficiency, and better capital allocation supporting market integrity. Finally, benefit estimates could be made more robust by drawing directly on the data collected as described above.
Risk and uncertainty	The CBA provides a good discussion of risk and uncertainty, but it could more fully explore how firms with current market advantages from superior data access might respond, e.g., whether they may lose out or innovate to maintain their position. Drawing on the US experience could help inform this discussion.



Wider economic impacts	The Panel recommends that the CBA highlight the wider benefits of the intervention, namely improved price formation, which should result in more efficient capital allocation, with benefits for the broader economy. It should also emphasise the contribution to market integrity, as better information enhances transparency, trust, and reduces the risk of market abuse.
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