

27 November 2019

Our Ref: FOI6884

Freedom of Information: Right to know request

Thank you for your requests under the Freedom of Information Act 2000 ("the Act"), dated 30 October 2019, concerning transaction reporting under MiFIR.

Before answering your request, we should explain that we have aggregated your four separate requests and processed them in accordance with the Act as one request under the reference number shown above. This is because, under guidance issued by the Ministry of Justice, a public authority may aggregate requests in the following circumstances (amongst others):

- Two or more requests for information have been made to the same public authority;
- The requests are from the same person;
- The requests relate to the same or similar information.

The Guidance can be found [here](#) (see page 3).

Your request has now been considered and we will respond to each point in turn.

What is the total number of firms currently reporting transactions under MiFIR to the FCA?

There are currently 3,724 investment firms that need to be MiFIR compliant. This number may not correspond to the total number of firms reporting transactions to the FCA as a reporting obligation only exists where an investment firm executes a reportable transaction in a financial instrument.

How many different firms have notified the FCA of errors in their MiFIR transaction reporting since MiFIR implementation?

A total of 546 firms have notified the FCA of an error or omission in their transaction reports since 3 January 2018, in accordance with the requirement in Article 15(2) of RTS 22.

How many different firms have requested extracts of data from the FCA's MDP database?

682 firms have requested a data extract from the FCA's MDP Entity Portal since 3 January 2018, in accordance with the requirement in Article 15(3) of RTS 22.

How many firms has the FCA written to about errors the FCA has identified in the firms' MiFIR transaction reporting since MiFIR implementation?

The FCA has initiated correspondence with 223 firms regarding potential errors in their transaction reports since 3 January 2018. This does not include cases where the FCA has

responded to a firm that has submitted a transaction reporting errors and omissions notification.

How many firms have the FCA visited specifically for the purposes of discussing errors in their MiFIR transaction reporting since MiFIR implementation?

Due to the large number of MiFID investment firms, the FCA generally invites investment firms to participate in meetings at the FCA's offices or hold conference calls to discuss transaction reporting errors and omissions. In total, 74 firms have been visited by the FCA, visited the FCA, or held conference calls with the FCA, with the specific purpose of discussing errors or omissions in their transaction reports. The FCA has also held industry events to discuss common reporting errors (e.g. the Transaction Reporting Forum in July 2018). 103 entities have attended such events (investment firms, trading venues and trade associations).

How many MiFIR transaction reporting cases have been referred into FCA Enforcement?

Since MiFID II came into force on 3 January 2018, the FCA's position has been to act proportionately and take a pragmatic approach to enforcement of new transaction reporting requirements, given the size, complexity, and magnitude of the changes that were required by MiFID II.

While the FCA has not yet opened an enforcement investigation for MiFIR transaction reporting failures, the FCA has taken enforcement action for failures to comply with MiFID I transaction reporting requirements. Specifically, in 2019, the FCA has fined Goldman Sachs International (GSI) £34,344,700 for failing to provide accurate and timely reporting relating to 220.2 million transaction reports between November 2007 and March 2017. The FCA also fined UBS AG (UBS) £27,599,400 for failings relating to 135.8 million transaction reports between November 2007 and May 2017.

Since January 2018, the FCA has also worked proactively with firms to enable them to meet the applicable requirements in MiFID II and sought to uphold data quality by requiring firms to correct all incomplete and inaccurate MiFID II transaction reports. These fines, alongside our proactive engagement with firms on their MiFID II compliance, has encouraged increased compliance with MiFID II as evidenced by an increase in firms correcting historic transaction reports.

The FCA will under MiFID II take a much stricter approach where firms have made no meaningful effort to comply with their obligations or failed to act on the FCA's observations regarding transaction reporting data quality. Such observations have been made bilaterally to firms and more broadly in publications such as Market Watch.

How many S.166 skilled persons reports in relation to MiFIR transaction reporting have been commissioned by the FCA?

None, for the reasons explained above.

If you are unhappy with the decision made in relation to your request, you have the right to request an internal review. If you wish to exercise this right you should contact us within 40 working days of the date of this response.

If you are not content with the outcome of the internal review, you also have a right of appeal to the Information Commissioner at Information Commissioner's Office, Wycliffe

House, Water Lane, Wilmslow, Cheshire SK9 5AF. Telephone: 01625 545 700. Website: www.ico.org.uk.