

Regulatory reform in focus:

Preparing for the next wave of simplification

Authors:

Lewis Davison, VP of Product, Documents & Templates

Mike Marmo, VP of Product, Regulatory Reporting

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This month's RegTech Report explores the global push for smarter, simplified, and more integrated regulatory reporting, from Europe's sweeping transaction reporting review to targeted updates across MMFs, Solvency II, and private markets.

In this edition:

- ▶ ESMA's call for feedback on simplifying MiFIR, EMIR, and SFTR reporting – and how firms can shape the outcome
- ▶ MMFR: Key points from Luxembourg's latest FAQ update
- ▶ Regulatory momentum behind alternative funds and private credit
- ▶ Consumer Duty and the evolution of the UK's disclosure framework under the CCI regime
- ▶ Solvency II: EIOPA's first wave of technical standards and what it signals

ESMA opens consultation on simplified transaction reporting

The European Securities and Markets Authority (ESMA) has launched a Call for Evidence to explore potential ways of reducing duplicative regulatory obligations and improving the efficiency of supervisory data collection across MiFIR, EMIR, SFTR, and potentially other frameworks such as REMIT and Solvency II. This initiative forms part of the EU's broader review of regulatory reporting and invites stakeholders to share feedback on whether greater simplification and consistency could enhance reporting processes and data quality across financial markets.

Background and rationale

The regulatory reporting landscape in the EU has become increasingly complex, resulting in overlapping rules, inconsistent data definitions, and burdensome dual-sided reporting requirements. ESMA's review comes in response to these long-standing issues, aiming to consolidate frameworks, reduce compliance costs, and support effective supervision.

Key challenges identified

- ▶ Duplicative reporting of derivatives across multiple regimes (e.g. MiFIR and EMIR)
- ▶ Inconsistent terminology and transaction classifications across frameworks
- ▶ Redundancy caused by dual-sided reporting (notably under EMIR and SFTR)
- ▶ Fragmented IT infrastructure and disparate reporting channels

Simplification options

ESMA outlines two major paths forward:

1. Remove duplication in current frameworks, using either instrument type (e.g. ETD vs OTC) or event (e.g. transaction vs post-trade) to delineate reporting responsibilities.
2. Introduce a "report once" principle, which could:
 - ▶ Integrate MiFIR, EMIR, and SFTR reporting (sub-option 2a)
 - ▶ Explore the possibility of extending integration to broader reporting frameworks such as REMIT or Solvency II (sub-option 2b)

Strategic implications

According to ESMA's preliminary analysis, approximately one-third of EMIR transactions overlap with MiFIR. Addressing this overlap through simplification could result in considerable cost savings and operational efficiencies. Firms participating in the consultation can help shape the future design of EU reporting and influence policy directions before they are finalized.

How Confluence supports

At Confluence, we understand the pace and complexity of regulatory change. Our experts continuously monitor evolving requirements and emerging consultations, keeping clients informed with timely insights and practical guidance. Want to stay ahead of evolving regulations? [Subscribe to our newsletter](#) for monthly highlights, expert commentary, and curated analysis direct to your inbox.

| Mike Marmo, VP of Product, Regulatory Reporting

MMFR: Key updates from Luxembourg's FAQ

Luxembourg's Commission de Surveillance du Secteur Financier (CSSF) released version 4 of its [FAQ](#) on the Money Market Funds Regulation (MMFR) in June 2025. While the FAQ does not introduce new regulatory obligations, it clarifies existing expectations around fund documentation, internal processes, and calculation methodologies.

Summary of updates

- ▶ Internal credit quality assessments must be clearly disclosed in fund prospectuses.
- ▶ The 10% cap on deposits with a single credit institution also applies to assets held as ancillary liquidity.
- ▶ Daily maturing asset calculations can include certain qualifying instruments.
- ▶ Funds operating under an umbrella structure may apply different valuation methodologies within sub-funds, provided they meet MMFR definitions.

Strategic considerations

These clarifications may require firms to reassess existing documentation templates and confirm whether their current disclosures are aligned with supervisory expectations. Internal controls around credit assessment and valuation methods may also need formal review.

How Confluence supports

Confluence supports MMFR alignment through Omnia, our centralized data integration and governance platform. Omnia simplifies the preparation of MMF-related data for prospectuses, regulatory templates, and risk reports by unifying data sources, maintaining traceability, and supporting consistent formatting. Combined with our templating solutions, firms can produce and maintain MMF disclosures with greater efficiency and control.

[CSSF FAQ on MMFR – Version 4](#)

| Mike Marmo, VP of Product, Regulatory Reporting

Alternative funds: Regulatory pressure and preparation for growth

The private credit and alternative investment landscape continues to grow, and with it, scrutiny from regulators and investors. As assets under management in private markets reach new highs, supervisors across Europe and North America are turning their focus to transparency, risk, and oversight. While still in consultation, firms need to be prepared for increased data requirements and disclosure demands.

What's changing?

- ▶ In the EU, upcoming revisions to AIFMD II will bring changes to liquidity management tools, delegation oversight, and supervisory reporting.
- ▶ Supervisors are paying closer attention to valuation techniques, leverage limits, and investor protection across fund structures such as ELTIFs, private credit vehicles, and infrastructure funds.
- ▶ Regulators globally continue to monitor for systemic risk stemming from illiquidity, opaque strategies, and inconsistent NAV policies.

Key pain points for firms

- ▶ Data fragmentation across legal entities, strategies, and asset classes.
- ▶ Manual processes that slow down compliance with ESG, liquidity, or investor disclosure requirements.
- ▶ Lack of visibility over outsourced service providers and delegated managers.

How Confluence supports alternative fund managers

Confluence offers a powerful ecosystem of solutions that support the unique demands of alternative funds:

- ▶ Signal enables oversight of thresholds, exposure, and regulatory positions across global regimes.
- ▶ Omnia integrates and supports fragmented data sets aligned for regulatory rule-based reporting.
- ▶ Rex supports the creation and filing of regulatory disclosures.
- ▶ Managed Services reduce internal burdens with expert-led compliance operations.
- ▶ Revolution Analytics delivers portfolio-level transparency and scenario testing for private market assets.
- ▶ Compliance Services support governance, policy review, and mock audits.
- ▶ Document & Template Production enables investor communications tailored to non-standard fund structures.

As regulatory expectations continue to mature, Confluence is well positioned to help firms improve data control, reduce compliance risk, and stay operationally ready.

Consumer Duty + CCI: Modernising retail disclosure in the UK

The UK Financial Conduct Authority (FCA) is moving forward with its Consumer Composite Investments (CCI) initiative, a proposal that seeks to replace PRIIPs and UCITS with a simplified, more investor-focused disclosure regime. This builds on the foundation of the Consumer Duty, which prioritises clarity, fairness, and outcomes in communications.

What to expect

- ▶ Introduction of a product summary document to improve retail comprehension
- ▶ A machine-readable core dataset to support downstream distribution
- ▶ Dual-layered disclosure to allow access to more detail for advanced users
- ▶ Ongoing reviews of client categorization rules as part of the FCA's broader efforts to assess access to investment opportunities

The FCA's proposals mark a shift from prescriptive templates to a principles-based approach where good disclosure is determined by consumer understanding. Asset managers will need to ensure they can tailor documentation to different investor types without sacrificing consistency or oversight.

How Confluence supports

Confluence's Document & Template Production platform supports the full lifecycle of fund documentation and investor communications. Designed to accommodate evolving regulatory expectations, the solution enables firms to tailor disclosures for different investor audiences, automate complex formatting requirements, and manage approval workflows with transparency and control. With built-in logic, audit trails, and localisation features, Confluence helps firms align to FCA guidance while improving efficiency and oversight.

FCA press release: Unlocking Investment

| **Lewis Davison, VP of Product, Documents & Templates**

EIOPA submits technical standards as Solvency II review advances

On 14 July 2025, the European Insurance and Occupational Pensions Authority (EIOPA) submitted the first batch of technical standards to the European Commission as part of the Solvency II review. These standards focus on proportionality, long-term investment, and climate-related disclosures.

Overview of changes

- ▶ Adjustments to quantitative reporting templates
- ▶ Enhanced clarity around long-term equity investment criteria
- ▶ Greater emphasis on sustainability risks in investment strategy

While these updates are largely technical, they signal a longer-term move toward more granular and consistent solvency supervision across the EU.

How Confluence can support

Confluence's Omnia platform provides the data control and governance capabilities insurers and asset managers need to meet Solvency II look-through and reporting requirements. Omnia centralizes and validates holdings, risk, and ESG data, simplifying QRT preparation and streamlining information exchange with insurers. Combined with our templating and regulatory update capabilities, Omnia can support firms in aligning more efficiently to new supervisory data expectations.

[Read the full update from EIOPA](#)

| **Mike Marmo, VP of Product, Regulatory Reporting**

Need help navigating evolving regulations?

Confluence supports a global client base in addressing financial regulation with confidence. Our teams bring together deep regulatory knowledge, operational insight, and proven technology to help clients manage change, streamline processes, and reduce risk, across jurisdictions and regulatory regimes.

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