

16 March 2026

# Circular to Market Participants - Forthcoming Thematic Review on the Governance of Data Reporting

## Introduction

The Malta Financial Services Authority (MFSA) Capital Markets Supervision (CMS) Function intends to launch a thematic review to assess whether supervised entities have implemented robust arrangements, governance structures and controls that ensure the accuracy, reliability and timeliness of regulatory reporting. This initiative forms part of the Authority's ongoing commitment to strengthening data-driven supervision and safeguarding market integrity.

## Overview

The review will cover governance of data reporting across the **MiFIR**<sup>1</sup>, **EMIR**<sup>2</sup>, **SFTR**<sup>3</sup> and **MAR**<sup>4</sup> regulatory frameworks. It will assess entities at a principle-based level—irrespective of the specific dataset or regime—focusing on core governance, controls and oversight practices:

### 1. Organisation & governance of data reporting;

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<sup>1</sup> Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("MiFIR"), as amended, including all applicable regulatory and implementing technical standards adopted pursuant thereto.

<sup>2</sup> Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("EMIR"), together with its subsequent amendments and associated delegated and implementing regulations.

<sup>3</sup> Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse ("SFTR"), including all relevant regulatory technical standards and implementing technical standards adopted under its framework.

<sup>4</sup> Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse ("MAR"), as supplemented by related delegated acts and implementing regulations concerning market integrity and insider dealing.

2. **Compliance and internal control systems;**
3. **Risk management;**
4. **Policies and procedures;**
5. **Outsourcing (incl. third and relevant sub-service providers);**
6. **Production and transmission of data;**
7. **Internal and External communication**

As part of the above the MFSA may also request visibility into inventories of tools and platforms supporting reporting processes, including any **AI-enabled tools/use cases** that materially affect the production, quality or security of reported data.

## **Population & Approach**

Entities shall be selected using a **risk-sensitive and proportionate** approach across sectors falling within the scope of MiFIR, EMIR, SFTR and MAR obligations. The selection process will consider several factors including the size of the firm, its activity profile and supervisory insights gathered over years of oversight. The objective is to ensure a balanced and representative view of the market.

## **What Will Be Expected from Selected Entities**

Selected entities will receive a notification letter outlining the documents and information required in support of the thematic review, with submissions to be made through secure MFSA channels.

The requested documentation should evidence current arrangements and their assessed effectiveness (e.g., governance artefacts; policies and procedures; control documentation; risk and oversight materials; outsourcing arrangements; BCP/DR documentation; and management information supporting timeliness and quality).

Where applicable, entities should also be prepared to describe the tooling landscape supporting reporting, including the role of any AI-enabled components.

## Indicative Timetable (for planning purposes)

To support internal planning, the Authority is providing the following indicative schedule for the review:

- **Industry circular issued:** by Mid March 2026
- **Notification letters to selected entities:** by end of March 2026
- **Document submission window:** 20–30 working days from notification (target return by end of April 2026 for letters issued by end of March)
- **Clarification/Q&A period (targeted):** 1–2 weeks following submission
- **On-site supervisory meetings (where scheduled):** between Q2 and Q3 of 2026, with specific dates agreed bilaterally per entity
- **Individual feedback communications:** within **6 weeks** of the entity's supervisory interaction
- **Industry communication of cross-firm observations and expectations (if any):** end of 2026

The MFSA may coordinate the review schedule with other supervisory engagements to minimise burden where feasible. Final dates and logistical arrangements will be agreed directly with selected entities.

## Next Steps

No immediate action is required from market participants at this stage. Entities selected for the review will be contacted directly with instructions and submission deadlines.

The Authority encourages firms within the scope of MiFIR, EMIR, SFTR and MAR to ensure that their documentation and governance artefacts remain up-to-date.

## Contacts

Any queries or requests for clarifications on the contents of this Circular should be addressed to the Authority via email on [MarketInfrastructures@mfsa.mt](mailto:MarketInfrastructures@mfsa.mt).