
STATUTORY INSTRUMENTS

2017 No. 699

The Data Reporting Services Regulations 2017

PART 3

Operating Requirements

Requirements for the management body of a data reporting service provider

13.—(1) The following requirements apply in respect of the management body of a data reporting service provider—

- (a) the management body must possess adequate collective knowledge, skills and experience to be able to understand the activities of the data reporting service provider;
- (b) the members of the management body must—
 - (i) be of sufficiently good repute;
 - (ii) possess sufficient knowledge, skill and experience, and commit sufficient time, to perform their duties; and
 - (iii) act with honesty, integrity and independence of mind—
 - (aa) to effectively challenge the decisions of the senior management where necessary; and
 - (bb) to effectively oversee and monitor management decision-making where necessary;
- (c) the management body must—
 - (i) define and oversee the implementation of governance arrangements of the data reporting service provider to ensure the effective and prudent management of the provider including the segregation of duties in the provider and the prevention of conflicts of interest;
 - (ii) when doing so act in a manner that promotes the integrity of the financial markets and the interests of its clients.

(2) In paragraph (1), “data reporting service provider” includes an applicant for authorisation under regulation 10.

(3) Where—

- (a) an applicant for authorisation under regulation 10 is a recognised investment exchange; and
- (b) the management body of the applicant is the same as the management body of the exchange,

the requirements in paragraph (1)(a) and (b) are deemed to be met.

Changes to legislation: The Data Reporting Services Regulations 2017, PART 3 is up to date with all changes known to be in force on or before 27 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Conditions for an APA

14.—(1) An APA must have adequate policies and arrangements in place to make public the information required under Articles 20 and 21 of the markets in financial instruments regulation in as close to real time as is technically possible on a reasonable commercial basis.

(2) The information mentioned in paragraph (1) must be made available by the APA free of charge 15 minutes after the APA has first published it.

(3) The APA must be able to efficiently and consistently disseminate the information referred to in paragraph (1)—

- (a) in a way which ensures fast access to the information on a non-discriminatory basis; and
- (b) in a format that facilitates the consolidation of the information with similar data from other sources.

(4) The information mentioned in paragraph (1) must include the following details—

- (a) the identifier of the financial instrument;
- (b) the price at which the transaction was concluded;
- (c) the volume of the transaction;
- (d) the time of the transaction;
- (e) the time the transaction was reported;
- (f) the price notation of the transaction;
- (g) the code for the trading venue the transaction was executed on or, where the transaction was executed on a systematic internaliser, the code ‘SI’ or, otherwise, ‘OTC’; and
- (h) if applicable, an indicator that the transaction was subject to specific conditions.

(5) An APA must—

- (a) operate and maintain effective administrative arrangements designed to prevent conflicts of interest with its clients;
- (b) have sound security mechanisms in place designed to—
 - (i) guarantee the security of the means of the transfer of information;
 - (ii) minimise the risk of data corruption and unauthorised access; and
 - (iii) prevent information leakage before publication;
- (c) maintain adequate resources and have back-up facilities in order to offer and maintain its services at all times; and
- (d) have systems which can effectively—
 - (i) check trade reports for completeness;
 - (ii) identify omissions and obvious errors; and
 - (iii) request re-transmission of any erroneous reports.

(6) An APA which is also a recognised investment exchange or an investment firm must treat all information collected in a non-discriminatory fashion and must operate and maintain appropriate arrangements to separate different business functions.

(7) An APA must meet its obligations under this regulation in accordance with—

[^{F1}(a) Commission Delegated Regulation (EU) 2017/571; and]

[^{F2}(b) Commission Delegated Regulation (EU) 2017/565.]

- F1** [Reg. 14\(7\)\(a\)](#) substituted (31.12.2020) by [The Markets in Financial Instruments \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1403\)](#), regs. 1(3), **21(1)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F2** [Reg. 14\(7\)\(b\)](#) substituted (31.12.2020) by [The Markets in Financial Instruments \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1403\)](#), regs. 1(3), **21(1)(b)**; 2020 c. 1, Sch. 5 para. 1(1)

Conditions for a CTP

15.—(1) A CTP must have adequate policies and arrangements in place to—

- (a) collect the information made public in accordance with Articles 6 and 20 of the markets in financial instruments regulation;
- (b) consolidate that information into a continuous electronic data stream; and
- (c) make that information available to the public in as close to real time as is technically possible on a reasonable commercial basis.

(2) The information mentioned in paragraph (1) must be made available by the CTP free of charge 15 minutes after the CTP has first published it.

(3) The CTP must be able to efficiently and consistently disseminate the information referred to in paragraph (1) in a way which—

- (a) ensures fast access to the information on a non-discriminatory basis; and
- (b) is in a format that is easily accessible and utilisable for market participants.

(4) The information mentioned in paragraph (1) must include the following details—

- (a) the identifier of the financial instrument;
- (b) the price at which the transaction was concluded;
- (c) the volume of the transaction;
- (d) the time of the transaction;
- (e) the time the transaction was reported;
- (f) the price notation of the transaction;
- (g) the code for the trading venue the transaction was executed on or, where the transaction was executed on a systematic internaliser, the code ‘SI’ or, otherwise, ‘OTC’;
- (h) where applicable, the fact that a computer algorithm within the investment firm was responsible for the investment decision and the execution of the transaction;
- (i) if applicable, an indicator that the transaction was subject to specific conditions; and
- (j) if the obligation to make public the information referred to in Article 3.1 of the markets in financial instruments regulation was waived in accordance with Article 4.1(a) or (b) of that regulation, a flag to indicate which of those waivers the transaction was subject to.

(5) A CTP must have adequate policies and arrangements in place to—

- (a) collect the information made public in accordance with Articles 10 and 21 of the markets in financial instruments regulation;
- (b) consolidate that information into a continuous electronic data stream; and
- (c) make that information available to the public in as close to real time as is technically possible on a reasonable commercial basis.

(6) The information mentioned in paragraph (5) must be made available by the CTP free of charge 15 minutes after the CTP has first published it.

(7) The CTP must be able to efficiently and consistently disseminate the information referred to in paragraph (5) in a way which—

Changes to legislation: The Data Reporting Services Regulations 2017, PART 3 is up to date with all changes known to be in force on or before 27 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (a) ensures fast access to the information on a non-discriminatory basis; and
 - (b) is in a generally accepted format that is interoperable, easily accessible and utilisable for market participants.
- (8) The information mentioned in paragraph (5) must include the following details—
- (a) the identifier or identifying features of the financial instrument;
 - (b) the price at which the transaction was concluded;
 - (c) the volume of the transaction;
 - (d) the time of the transaction;
 - (e) the time the transaction was reported;
 - (f) the price notation of the transaction;
 - (g) the code for the trading venue the transaction was executed on or, where the transaction was executed on a systematic internaliser, the code ‘SI’, or otherwise, ‘OTC’; and
 - (h) if applicable, an indicator that the transaction was subject to specific conditions.
- (9) A CTP must ensure that the data it makes available publicly is consolidated—
- (a) from all regulated markets, multilateral trading facilities, organised trading facilities and APAs; and
 - (b) for the financial instruments,
- specified in regulatory technical standards adopted by the European Commission under Article 65.8(c) of the markets in financial instruments directive [^{F3}which form part of retained EU law, or which are set out in technical standards made by the FCA under paragraph 38 of Schedule 3 to the markets in financial instruments regulation].
- (10) A CTP must—
- (a) operate and maintain effective administrative arrangements designed to prevent conflicts of interest with its clients;
 - (b) have sound security mechanisms in place designed to—
 - (i) guarantee the security of the means of the transfer of information; and
 - (ii) minimise the risk of data corruption and unauthorised access; and
 - (c) maintain adequate resources and have back-up facilities in order to offer and maintain its services at all times.
- (11) A recognised investment exchange or an APA which is also a CTP must treat all information collected in a non-discriminatory fashion and must operate and maintain appropriate arrangements to separate different business functions.
- (12) A CTP must meet its obligations under this regulation in accordance with—
- [^{F4}(a) Chapters II and III of Commission Delegated Regulation (EU) 2017/571; and
 - (b) Chapter VI of Commission Delegated Regulation (EU) 2017/565.]

F3 Words in reg. 15(9) inserted (31.12.2020) by The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1403), regs. 1(3), **21(2)(a)**; 2020 c. 1, Sch. 5 para. 1(1)

F4 Reg. 15(12)(a)(b) substituted (31.12.2020) by The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1403), regs. 1(3), **21(2)(b)**; 2020 c. 1, Sch. 5 para. 1(1)

Conditions for an ARM

16.—(1) An ARM must have adequate policies and arrangements in place to provide the service to an investment firm of reporting the information required from that firm under Article 26 of the markets in financial instruments regulation as quickly as possible and no later than 11.59pm on the working day following the day on which the transaction took place.

(2) The information mentioned in paragraph (1) must be reported in accordance with Article 26 of the markets in financial instruments regulation.

(3) An ARM must—

- (a) operate and maintain effective administrative arrangements designed to prevent conflicts of interest with its clients;
- (b) have sound security mechanisms in place designed to—
 - (i) guarantee the security and authentication of the means of the transfer of information;
 - (ii) minimise the risk of data corruption and unauthorised access;
 - (iii) prevent information leakage; and
 - (iv) maintain the confidentiality of the data at all times;
- (c) maintain adequate resources and have back-up facilities in order to offer and maintain its services at all times; and
- (d) have systems which—
 - (i) effectively check transaction reports for completeness;
 - (ii) identify omissions and obvious errors caused by the investment firm;
 - (iii) communicate details of such omissions or errors to the investment firm and request re-transmission of erroneous reports;
 - (iv) detect omissions or errors caused by the ARM itself; and
 - (v) enable the ARM to correct and transmit, or retransmit, correct and complete transaction reports to the FCA.

(4) An ARM which is also a recognised investment exchange or an investment firm must treat all information collected in a non-discriminatory fashion and must operate and maintain appropriate arrangements to separate different business functions.

(5) An ARM must meet its obligations under this regulation in accordance with [^{F5}Chapter II of Commission Delegated Regulation (EU) 2017/571].

F5 Words in [reg. 16\(5\)](#) substituted (31.12.2020) by [The Markets in Financial Instruments \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1403\)](#), regs. 1(3), **21(3)**; 2020 c. 1, Sch. 5 para. 1(1)

Changes to legislation:

The Data Reporting Services Regulations 2017, PART 3 is up to date with all changes known to be in force on or before 27 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to :

- Regulations power to amend conferred by [2021 c. 22 s. 23](#)
- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)