APAA FAQ

1. What is the APAA?

The APAA is a trade association of APAs in the EU and the UK, formed in 2022; and the name was changed from APARMA in 2026. The APAA supports the interests of its members and the market at large, helping to develop and support the regulatory agenda and the adoption of best practice with the aim of improving data quality, transparency and the auditability of transactions in financial instruments.

APAs are categories of regulated Data Reporting Services Providers (**"DRSPs"**) within the EU and the UK under the MiFID II/MiFIR regulatory framework.[1]

An "***APA***" means an Approved Publication Arrangement which provides the service of publishing post trade reports (continaining the price volume and time of transactions concluded in financial instruments) in real time, or near to real time[2], by regulated investment firms pursuant to Title III, Articles 20 & 21 of MiFIR. In this way APAs provide a public record of TOTV instruments traded over-the-counter (OTC) in the relevant jurisdiction and such data can play an important role in price formation for such instruments.

The APAs exist to provide regulatory services to clients in respect of post trade transparency and transaction reporting in financial instruments in each jurisdiction. In the UK, APAs are regulated by the UK FCA, and in the EU, the major APAs are directly regulated by ESMA[3].

2. Why was the APAA formed?

Post implementation of MiFID II/MiFIR, the body of law and expertise in relation to trade and transaction reporting has grown and is under near constant review and scrutiny in both the EU and the UK. The aim of APAA is to harness the expertise of the providers of APA services in the EU and the UK. Since the event of Brexit and the subsequent divergence of laws between the EU and UK financial markets, the members of APAA have an important role to play to bridge the dialogue between EU and UK regulators and policymakers to help facilitate common solutions for the global market participants who access the EU and UK markets.

The APAA is uniquely placed to represent common APA interests in relation to regulations and laws impacting trade and transaction reporting and the associated supervisory framework, and to promote dialogue with policy makers, regulators and market participants in furtherance of the regulatory agendas and for the good of the market.

Importantly, the existence of the APAA is designed to ensure there is a trade association for APA providers to communicate with all relevant stakeholders including regulators, policy makers and industry, wherever such views are aligned. The APAA was formed to maximise efficiency of communication between the members and all their stakeholders and to overcome mutual challenges in trade and transaction reporting for the long-term benefit of the EU and UK financial markets and the end investors.

3. What are the main aims of the APAA?

The APAA will focus on applying the considerable combined expertise of its members to support the regulatory agenda in the EU and the UK, identifying common methods and strategies to improve the quality of financial market transaction data and its auditability, and supporting the adoption of workable common standards in trade and transaction reporting with a view to reducing costs to the end investors, and ultimately improving the capital market structures in both the EU and the UK.

The APAA has three main aims:

- To develop and support the adoption of best practice in order to improve the quality and consistency of data reported to regulators.

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[1] APA services are regulated under the Markets in Financial Instruments Directive (MiFID II) and Markets in Financial Instruments Regulation (MiFIR) regulatory framework, as supplemented by secondary legislation. As part of the UK Government Brexit legislation, the UK onshored the MiFID II/MiFIR regulatory framework into UK law with UK-specific modifications. All references in this FAQ document to MiFID II or MIFIR include references to the onshored equivalent in the UK.

[2] Subject to deferrals per asset class and applicable law.

[3] Under a certain trade count and volume threshold, derogated APAs are regulated by national competent authorities and not ESMA.

- To assist authorities and regulators with advice on practicalities related to implementing laws.
- To promote an efficient market infrastructure by supporting dialogue with market participants, policymakers, regulators and APAA members.

Collectively, APAA members have a vast amount of institutional expertise in managing complex data sets and improving data quality and transparency. The APAA is therefore well-positioned to act as an interface between market participants, regulators and policymakers to help efficiently drive standards to the ultimate benefit of the end investor.

4. Who is represented by the APAA?

The APAA's current members and APA affiliates are:

EU DRSPs	UK DRSPs
Bloomberg Data Reporting Services B.V (APA) Cboe Europe B.V. (APA) MarketAxess Post-Trade B.V. (APA) Tradeweb EU B.V. (APA) Nasdaq Nordic (APA) UnaVista TRADEcho B.V. (APA)	Bloomberg Data Reporting Services Limited (APA) Cboe Europe Limited (APA) London Stock Exchange plc (APA) MarketAxess Post-Trade Limited (APA) Tradeweb Europe Limited (APA)

Membership of the APAA is open to EU and UK operators of an APA supervised by either the FCA or ESMA. The APAA does not represent EU DRSPs subject to derogation from ESMA supervision.

For more information, including membership enquiries, please email contact@apa-association.org.

5. How is the APAA constituted and governed?

The APAA is established as an unincorporated association and all the members have adhered to a common constitution.

The association's activities are governed by members of the APAA's Executive Committee, who are responsible for the executive management of the association. The APAA has appointed David Bullen to act as Secretary-General to manage its affairs.

6. What issues are of specific interest to APAA members?

The APAA would like to highlight the following issues that are of interest to members of the association:

- Data quality: APAA members would like to help regulators in the EU and the UK to develop practical and efficient solutions to resolving issues with data quality.

- Regulators: APA members are interested in working with regulators in the EU and the UK to provide industry expertise and shape regulation within the applicable regulatory framework.