



MIFID2-MIFIR Review

Updated in September 2025

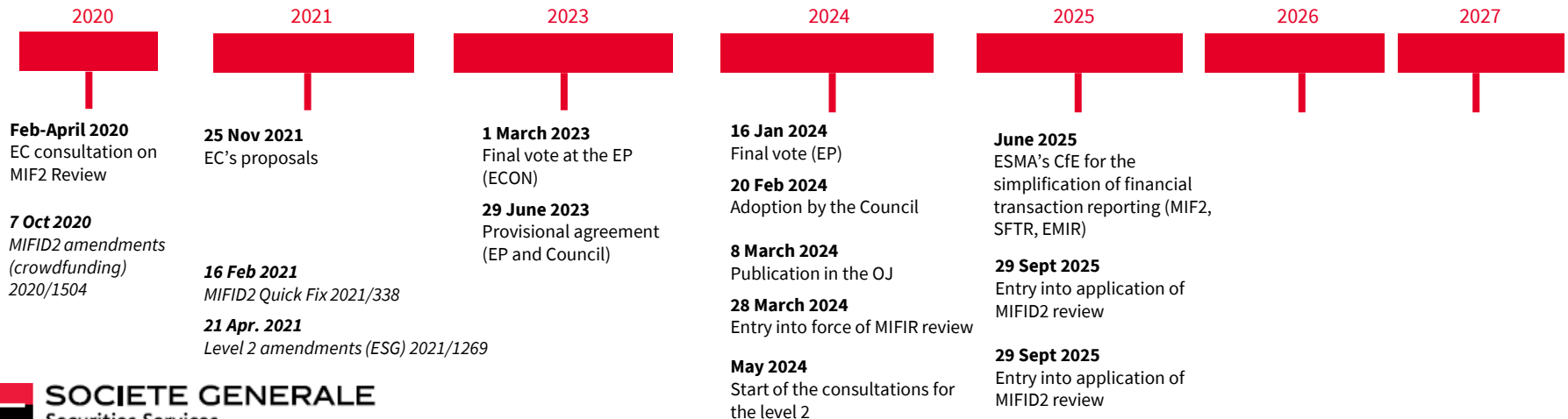
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REGULATORY EVOLUTION

- **Equity transparency:** replacement of the Double Volume Cap mechanism by a Single Volume Cap one; new criteria to determine if the financial instrument is liquid/illiquid, new specifications for systemic internalisers, removal of the “non-systemic, ad-hoc, irregular and infrequent” exemption to the trading obligation
- **Non equity transparency:** removal of some pre-trade requirement, reduction of the scope of OTC-derivatives subject to transparency requirements, removal of SSTI waiver and deferral, new deferral regime for bonds and other non-equity instruments
- **Change in the systemic internaliser regime**
- **Suspension of the Derivative Trading Obligation:** change of the conditions
- **Consolidated Tape:** a CTP provider to be selected by ESMA
- **Payment for order flow:** prohibited for retail orders
- **Transaction reporting:** new rules

FOCAL POINTS

- A CIB topic
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- Rather an improvement
- Topic to be followed
- Topic to be followed
- The new rules may introduce additional identifiers as well as new formats; in addition, it opens the door to an inclusion of asset managers in the scope of entities required to report



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STATEMENT

- The two regulatory texts have been published on the EU OJ and entered into force end of March 2024
- While the revised directive has officially until September 2025 to be transposed, nothing was said as regards the revised regulation so that it applied as of March 2024; ESMA and the EC have clarified the situation as regards amendments linked to the revised directive
- ESMA has run its consultation process in relation to the future level 2, for example on certain technical standards (commodity derivatives), on Consolidated Tape Providers and DRSPs and assessment criteria for CTP selection procedure, on Bond transparency, clock synchronisation, reference data and reasonable commercial basis as well as on the MIFIR transactions regulatory reporting (RT22 & RTS 24)
- June 2025: ESMA also consulted on the simplification of financial transaction reporting (MIFIR, EMIR, SFTR)

FOR YOUR CONSIDERATION

- Most of the changes brought by the revision impact in priority the trading activity rather than the securities services
- Transaction reporting: the level 1 includes most the proposals made by ESMA (following its consultation in 2021)
 - Additional identifiers in order to ease the link between several reporting for the same transaction
 - Adoption of international standards
 - Removal of the short sell indicator
 - Open the discussion for a potential inclusion of asset managers in the scope of entities required to report
- Due to the more global consultation on regulatory reporting, ESMA has decided to put on hold the evolution of the MIFIR reporting pending the conclusions of the consultation on simplification (final reports published in June 2025)

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