



MIFID2-MIFIR Review

Updated in November 2025

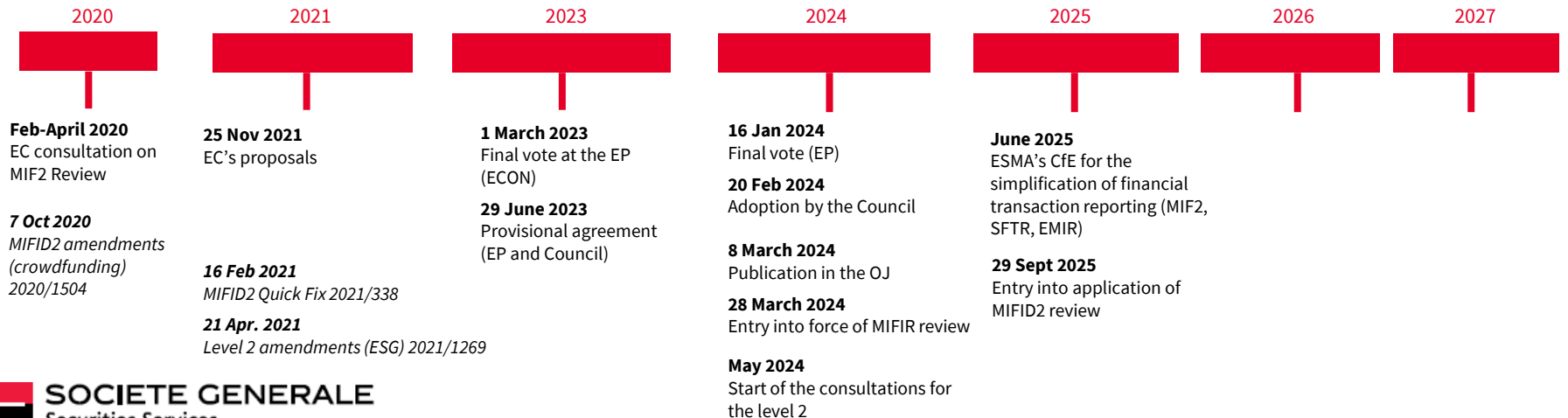
Updated in November 2025

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
- A CIB topic
- A CIB topic
- 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



Updated in November 2025

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)
- 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.

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 to help 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
 - The review of MIFIR opens the door to a potential inclusion of Asset Managers in the scope of reporting entities (conditioned by an EC assessment).

sylvie.bonduelle@sgss.socgen.com

“This document is for informational purposes only. Under no circumstance should it, in whole or in part, be considered as an offer to enter into a transaction. This document is not intended to have an advisory character or intended to represent an investment recommendation or a recommendation regarding a certain strategy, product or service. Although information contained herein is from sources believed to be reliable, Societe Generale makes no representation or warranty regarding the accuracy of any information and is not responsible for errors of any kind. Any reproduction, disclosure or dissemination of these materials is prohibited. The products and services described within this document are not suitable for everyone. This document is not intended for use by or targeted at retail clients. All of the products and/or services described may not be available in all jurisdictions”