

31 May 2024

## Circular on Markets in Financial Instruments Directive ('MiFID II') and Markets in Financial Instruments Regulation ('MiFIR')

### **ESMA Consultation Papers on Consolidated Tape Providers and their Selection, and on Commodity Derivatives under MiFIR Review**

This circular is being addressed to all market participants falling within scope of MiFID II and MiFIR, *inter alia* investment firms and credit institutions when providing investment services and/or performing investment activities and market operators including any trading venues they operate.

#### **Purpose of the Circular**

The Authority would like to inform market participants that on 23 May 2024 the European Securities and Markets Authority ('ESMA') launched two public consultation documents in the context of the MiFID II /MiFIR review.

The purpose of the first consultation document is to invite comments on draft technical standards related to Consolidated Tape Providers ('CTPs'), other data reporting service providers ('DRSPs') and the assessment criteria for the CTP selection procedure under MiFIR. The second consultation document relates to changes being proposed to the technical standards (RTS) on position management controls, the Implementing Technical Standards (ITS) on position reporting, and on position reporting in Commission Delegated Regulation (EU).

Further information on the MiFID II /MiFIR review and the consultation process can be found on [ESMA's dedicated page](#).

#### **Consultation on Consolidated Tape Providers and their Selection**

The consultation is of particular interest to trading venues, DRSPs, and investment firms including Systematic Internalisers (SIs). It targets specifically those stakeholders which envisage to apply as a European CTPs. Furthermore, it aims at all future data contributors and data users of European consolidated tapes. The consultation is also of interest to other stakeholder groups such as the asset management industry, as well as industry and consumer associations.

Through the consultation document ESMA is seeking input on the following topics:

- Proposed rules on input and output data, covering reporting instructions and data quality requirements for all CTPs and data contributors;
- Draft rules for the methodology for the equity CTP to redistribute revenue to data contributors and the criteria to suspend such redistribution;
- Clock synchronisation requirements for SIs and DRSPs, in addition to trading venues operators and their members;
- The authorisation and organisational requirements for Authorised Publication Arrangements (APAs) and Approved Reporting Mechanisms (ARMs);
- New rules for the authorisation of CTPs; and
- Initial reflections on the assessment of CTP applicants.

ESMA will accept comments to the consultation until 28 August 2024. Based on the responses received, ESMA will prepare the final report and intends to submit the final draft technical standards to the European Commission by 29 December 2024.

Responses to ESMA's consultation paper can be submitted through this [link](#).

## **Consultation on Commodity Derivatives under MiFID Review**

The consultation is primarily of interest to trading venues, investment firms and non-financial counterparties trading in commodity derivatives, but responses are also sought from any other market participant including trade associations, industry bodies and investors.

In this respect, detailed feedback is welcomed on the proposed changes, particularly concerning the extension of position management controls to emission allowances derivatives; the exclusion of emission allowances from position reporting; and the introduction of one weekly position report (excluding options) in addition to the existing one (combining futures and options).

ESMA will consider all comments received by 23 August 2024 and, after reviewing the feedback, ESMA will publish a final report towards the end of 2024.

Responses to ESMA's consultation paper can be submitted through this [link](#).

## **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).