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Additional Information

Level 1 Regulation
Markets in Financial Instruments Directive II (MiFID II) Directive 2014/65/EU- Secondary Markets

Topic
Multilateral and bilateral systems

Subject Matter
Trading venue and co-location

Question
Would a trading venue locating its electronic systems on a third party data centre be required to comply with the co-location provisions under RTS 10 even where the venue is not providing the co-location service?

ESMA Answer

31-01-2017

Original language

[ESMA 70-872942901-38 MiFID II MiFIR market structures Q&A, Q&A 5.2]

The principle underpinning Article 1 of RTS 10 is to ensure that electronic access to trading venues is fair and based on objective and non-discriminatory criteria. A trading venue should seek to ensure that this principle is not violated even when the connectivity service is provided by a third-party to members, participants or a client of the trading venue.

Therefore, the trading venue should take all the necessary steps to ensure that the third party proximity hosting service provider offers a fair and non-discriminatory access to all members/participants/clients of the trading venue subscribing to such services. Such a requirement may include the conclusion or amendment of an agreement between the trading venue and the service provider so as to remain fully compliant with the provisions in RTS 10.