

# MiFIR Review Consultation Package

Review of RTS 2 on transparency for bonds, structured finance products and emission allowances, draft RTS on reasonable commercial basis and review of RTS 23 on supply of reference data

## Responding to this paper

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in Annex 1. Comments are most helpful if they:

- respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **28 August 2024**

All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading 'Your input - Consultations'.

### Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

### Data protection

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading '[Data protection](#)'.

### Who should read this paper?

This document will be of interest to all stakeholders involved in the securities markets. It is primarily of interest to firms that are subject to MiFIR and MiFID –in particular, trading venues, designated publishing entities and investment firms. This paper is also important for trade associations and industry bodies, institutional and retail investors and their advisers, and consumer groups, as well as any market participant for which the MiFIR and MiFID requirements are of relevance.

## Acronyms

<b>APA</b>	Approved Publication arrangement
<b>CFI</b>	Classification of Financial Instruments
<b>CLOB</b>	Central limit order book
<b>CP</b>	Consultation Paper
<b>CTP</b>	Consolidated Tape Provider
<b>DPE</b>	Designated publishing entities
<b>ECB</b>	European Central Bank
<b>ESA 2010</b>	European System of National and Regional Accounts
<b>ESCB</b>	European System of Central Banks
<b>ESMA</b>	European Securities and Markets Authority
<b>ETC</b>	exchange traded commodities
<b>ETF</b>	Exchange Traded Funds
<b>ETN</b>	exchange traded notes
<b>ETS 2</b>	European Trading System
<b>EU</b>	European Union
<b>EUA</b>	Emission allowances
<b>ISIN</b>	International Securities Identification Numbering
<b>LIS</b>	Large in scale
<b>MiFIR Review</b>	Regulation (EU) 2024/791 of the European Parliament and of the Council of 28 February 2024 amending Regulation (EU) No 600/2014 as regards enhancing data transparency, removing obstacles to the emergence of

consolidated tapes, optimising the trading obligations and prohibiting receiving payment for order flow

<b>MiFIR</b>	Regulation (EU) No 600/2014 of the European Parliament and of Council 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/20123
<b>MTF</b>	Multilateral Trading Facility
<b>NCAs</b>	National Competent Authorities
<b>OMF</b>	Order management facility
<b>OTC</b>	Over-the-counter
<b>OTF</b>	Organised trading facility
<b>RCB</b>	Reasonable Commercial Basis
<b>RFQ</b>	Request for quote
<b>RM</b>	Regulated market
<b>RTS</b>	Regulatory Technical Standard
<b>RTS 2</b>	Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives
<b>SFP</b>	Structured finance products
<b>SI</b>	Systematic Internaliser
<b>SPE</b>	Special Purpose Entities
<b>SSTI</b>	Size specific to the instrument

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# 1 Executive Summary

## Reasons for publication

The final legislative amending text of MiFIR (MiFIR review) was published in the Official Journal of the European Union on 8 March 2024 and entered into force on 28 March 2024. The MiFIR review requires ESMA to develop new draft Regulatory Technical Standards (RTS) and to propose revisions to existing RTS.

This consultation paper (CP) includes draft technical standards related to pre- and post-trade transparency requirements for non-equity instruments under Articles 9, 11 and 20 of the MiFIR review. In addition, the CP covers the mandate under Article 13 in relation to the obligation to make pre-and post-trade data available on a reasonable commercial basis (RCB). Finally, it also covers the mandate under Article 27 of the MiFIR review on the obligation to supply instrument reference data.

Respondents to this consultation are encouraged to provide the relevant background information, and qualitative and quantitative data on costs and benefits, as well as concrete redrafting proposals, to support their arguments where alternative ways forward are called for. If respondents envisage any technical difficulties in implementing the proposed requirements, they are encouraged to provide details regarding the specific technical and operational challenges and specify the costs involved, which are important for the cost-benefit analysis.

## Contents

This CP contains three different sections each covering one draft technical standard: (1) the amendment of RTS 2 in relation to non-equity transparency; (2) the draft RTS on RCB; and, the amendment to RTS 23 in relation to reference data.

The RTS 2 amendment section includes an introduction covering the mandate and scope of the proposed amendments to RTS 2. It also includes ESMA's proposals on pre-trade transparency, in particular in relation to the definition and characteristics of central limit order books (CLOB) and periodic auctions, and limited amendments to the pre-trade waiver regime. In addition, it covers the mandate under Article 11 of MiFIR in relation to the deferral regime for bonds, structured finance products and emission allowances. Finally, the RTS 2 amendment also suggests some changes to specific transparency fields.

The RTS on RCB section introduces the ESMA mandate and background for the provision of market data. The proposed new RTS converts the ESMA guidelines on cost of market data into legal obligations. It furthermore strengthens the provisions with the aim of ensuring that market data users are not charged for market data according to the value that the

market data represents to them. It includes proposals on the RCB and unbiased and fair contractual terms based on which the relevant market data needs to be made available. In addition, the RTS contains provisions to ensure non-discriminatory access to the relevant information and specifies that the relevant data policies should be made public free of charge and in a manner which will make it easy to access and to understand these. The RTS concludes with proposing the relevant reporting to the competent authorities.

The consultation on the amendment to RTS 23 includes Section 13 which presents the legal mandate and explains how ESMA is planning to address the provisions set therein. Section 14 outlines the background to the proposals and includes questions for respondents' consideration.

Finally, Section 15 includes the annexes with the list of all questions formulated in this consultation, legal mandate, note on cost-benefit analysis and draft regulatory technical standards.

### **Next Steps**

On the basis of the feedback received to this consultation paper ESMA will publish a final report and submit the draft technical standards to the European Commission by the end of Q4 2024.

# Consultation Paper on the amendment of RTS 2

## 2 Introduction

1. One of the main priorities of the MiFIR review<sup>1</sup> is to enhance and improve pre- and post-trade transparency in non-equity markets. The review intends to strengthen the information available to stakeholders by improving, simplifying and further harmonizing transparency in capital markets. In order to do so, the MiFIR regime introduces a new non-equity transparency regime which intends to be simpler and more effective than that currently in application. This objective goes hand in hand with ESMA's conclusions on its MiFIR Review Report on the transparency regime for non-equity instruments<sup>2</sup>.
2. In order to achieve this objective, the MiFIR review contains several provisions aiming to improve pre- and post-trade transparency in non-equity markets, including:
  - Limiting the scope of pre-trade transparency to central limit order books (CLOB) and periodic auction trading systems.
  - Limiting the scope of over-the-counter (OTC) derivatives subject to trade transparency requirements.
  - Separating pre-trade requirements between bonds, OTC derivatives and package orders.
  - Streamlining the pre-trade waiver regime, with the removal of the size specific to the instrument (SSTI) waiver.
  - Creating a new and improved post-trade deferral regime, including the removal of most of the national discretion, for bonds and derivatives tailored to each market.
  - Changing the definition of liquid markets.
  - Changes to the systematic internaliser (SI) regime by removing the pre-trade transparency obligations and introducing the concept of designated publishing entities (DPEs).
3. The MiFIR review introduces two new articles, Article 8a for pre-trade transparency and Article 11a for post-trade deferrals, that effectively separates the non-equity regime into two – one for bonds, structured finance products (SFPs) and emission allowances (EUAs)

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<sup>1</sup> [Regulation \(EU\) 2024/791 of the European Parliament and of the Council of 28 February 2024 amending Regulation \(EU\) No 600/2014 as regards enhancing data transparency, removing obstacles to the emergence of consolidated tapes, optimising the trading obligations and prohibiting receiving payment for order flow \(europa.eu\)](#)

<sup>2</sup> [esma70-156-3329\\_mifid\\_ii\\_mifir\\_review\\_report\\_on\\_the\\_transparency\\_regime\\_for\\_non-equity\\_instruments.pdf \(europa.eu\)](#)

under the amended Articles 8 and 11; and another one for OTC derivatives, with the new Articles 8a and 11a.

4. To further specify the obligations under the overall pre- and post-trade transparency regimes, the Commission empowered ESMA to develop draft RTSs. Those RTSs relate to pre-trade transparency, in particular the definition of trading systems and pre-trade transparency waivers under Article 9 of MiFIR, and post-trade transparency, in particular deferrals under Articles 11 and 11a of MiFIR, for bonds, SFPs and EUAs, and derivatives, respectively. These empowerments are nonetheless under different legislative timelines:
  - For the post-trade transparency for bonds, SFPs and EUAs under Article 11(4) of MiFIR the deadline is nine months after entry into force;
  - For pre-trade transparency (covering all non-equity instruments) under Article 9(5) of MiFIR the deadline is 12 months after entry into force;
  - For post trade transparency for derivatives under Article 11a(3) of MiFIR the deadline is 18 months after entry into force.
  
5. In order to ensure a consistent approach of the transparency regimes in each asset-class, ESMA decided to publish two consultation papers, one mainly addressing the transparency mandate for bonds, SFPs and EUAs, and a second one addressing the transparency mandate for derivatives. Nevertheless, it should be noted that, in accordance with the interpretative notice from the [European Commission](#)<sup>3</sup> and the [ESMA](#) statement<sup>4</sup>, market participants are expected to apply the new scope of the transparency regime for derivatives since the date of application of the revised MiFIR. This CP will therefore cover the following mandates:

Mandate related to pre-trade	Timeline on empowerment
<u>Temporary Suspension of transparency requirements under Article 9(5)(a)</u>	12 months
<u>Scope and calibration of pre-trade under the amended Article 9(5)(b)</u>	12 months
<u>Calibration of LiS and OMF waivers under Article 9(5)(c)</u>	12 months
<u>Deletion of SSTI due to the removal of Article 9(5)(d)</u>	12 months

<sup>3</sup> [Commission publishes draft interpretative notice on the transitional provision of the MiFIR review - European Commission \(europa.eu\)](#)

<sup>4</sup> [ESMA clarifies application of certain MIFIR provisions, including volume cap \(europa.eu\)](#)

<u>Liquidity Assessment</u> under Article 9(5)(e)	12 months
<u>Trading system definition</u> under new Article 9(5)(f)	12 months
<b>Mandate related to post-trade</b>	<b>Timeline on empowerment</b>
<u>Details of transactions to be made available to the public</u> under Article 11(4)(a)	9 months
<u>Definition of real-time</u> under Article 11(4)(b)	9 months
<u>Liquidity calibration for bonds, SFPs and EUA</u> under Article 11(4)(c) and (d)	9 months
<u>Define size of transactions and time deferrals for bonds</u> under Article 11(4)(e) and (f)	9 months
<u>Arrangements for deferred publication for SFPs and EUA</u> under Article 11(4)(g)	9 months
<u>Criteria for sovereign bond supplementary deferral</u> under Article 11(4)(h)	9 months

Table 1: Overview of pre-and post-trade mandates.

6. To ensure a smooth transition to the new non-equity transparency regime, ESMA proposes to amend RTS 2 to deliver on the mandates for bonds, SFPs and EUA whilst, at the same time, keeping the old provisions related to the transparency thresholds for derivatives to ensure there is no legislative gap until the mandate for the derivatives deferral regime is fulfilled.
7. Finally, it should also be noted that the current RTS 2 includes the mandate under Article 1(8) of MiFIR in relation to the European System of Central Banks (ESCB) exemption. The MiFIR review also introduces changes to this exemption including an empowerment to develop draft RTS to specify the monetary, foreign exchange and financial stability policy operations and the types of transactions to which Article 1(6) and 1(7) of the MiFIR review apply with regard to members of the ESCB which are not members of the Eurosystem. The deadline for this mandate is 24 months after entry into force. ESMA proposes to fulfil this mandate at the same time as the transparency regime for derivatives.
8. In addition, ESMA notes that the RTS on package orders for which there is a liquid market may have to be amended to take into account the reduced scope of transparency and, potentially, the new definition of liquidity in the amended MiFIR. Although the definition of package transactions potentially covers all asset classes needed, the RTS on package orders focusses on derivatives and ESMA proposes to also fulfil this mandate at the same time as the transparency regime for derivatives.

9. This CP will hence cover the following sections. Section 3 will look at pre-trade transparency, in particular in relation to the definition of trading systems and the pre-trade transparency waiver regime. Section 4 will present ESMA's proposals to fulfil the mandate to specify the deferral regime for bonds, SFPs and EUAs. It will also include ESMA's approach to the transparency regime for exchange traded commodities (ETCs) and exchange traded notes (ETNs). Finally, Section 5 will explain ESMA's approach to other provisions such as the temporary suspension of transparency obligations and how to apply the ECSB exemption in the transitional period before developing the RTS under Article 1(8) of MiFIR.
10. Finally, the Annex to this CP will present ESMA's proposals on the draft amending regulation by providing a consolidated version of RTS 2 in addition to the draft legal text.
11. Based on the responses received to this consultation, ESMA will prepare the final report which it intends to submit to the European Commission by the legislative deadline of 29 December 2024.

## 3 Pre-trade transparency

### 3.1 Definitions of central limit order books and periodic auctions trading systems

#### Article 9(5) of MIFIR

"5. ESMA shall develop draft regulatory technical standards to specify the following:

[...]:

(b) the range of bid and offer prices and the depth of trading interests at those prices to be made public for each class of financial instrument concerned in accordance with Article 8(1), Article 8a(1) and (2) and Article 8b(1), taking into account the necessary calibration for different types of trading systems as referred to in Article 8(2), Article 8a(3) and Article 8b(2);

[...]

f) the characteristics of central limit order books and periodic auctions trading systems;

[...]".

12. One of the main changes introduced by the MiFIR review is the removal of some trading systems, in particular RFQ and voice trading systems, from the pre-trade transparency

obligations. It also separated the pre-trade transparency requirements for bonds, SFPs and EUAs (Article 8), from (OTC) derivatives and package orders (under the new Articles 8a and 8b, respectively).

13. Under the new non-equity transparency regime, real-time pre-trade transparency is limited to trading venues operating a CLOB or a periodic auction trading system. Article 9(5)(f) of MiFIR introduces an empowerment for ESMA to further specify the characteristics of CLOB and periodic auctions trading systems.
14. In addition, Recital 7 of the MiFIR review clarifies that “the benefits of pre-trade transparency are clear for such market operators and investment firms that operate a central limit order book or a periodic auction trading system, where bids and offers are anonymous, firm and truly multilateral”, which ESMA used as guidance in the definition of those trading systems.

#### Central limit order books trading systems

15. A CLOB trading system is commonly understood as a trading system based on a record of outstanding limit orders where the matching of buy and sell orders takes place at the best available price based on a trading algorithm. ESMA has considered the descriptions of trading systems provided in Annex I of current RTS 2 and assessed the benefits and relevance of building on some of the descriptions already provided to specify the characteristics of CLOB trading systems for non-equity pre-transparency purposes. Building on the existing definitions in Annex I of RTS 2 would notably have the benefit of not requiring a change to the descriptions of trading systems provided in Annex I of RTS 1.
16. Annex I of RTS 2 notably provides a description of continuous auction trading systems defined as “a system that by means of an order book and a trading algorithm operated without human intervention matches sell orders with buy orders on the basis of the best available price on a continuous basis”. Buy and sell orders can be entered by participants on behalf of customers or on own account, including by liquidity providers having entered into a liquidity provision agreement with the trading venue, or the issuer of the instrument, and market makers. In ESMA’s view, those continuous auction trading systems, which could also be qualified as order-driven trading systems, not only qualify as CLOB trading systems but also represent the most common types of CLOB trading systems. ESMA understands that some trading systems operate by means of an order book that only includes market maker quotes and a trading algorithm operated without human intervention matching incoming buy and sell orders with resting market maker quotes on the basis of the best available price on a continuous basis. ESMA also considers those systems as continuous auction trading systems.
17. Annex I of RTS 2 also provides a description of a quote-driven trading system defined as “a system where transactions are concluded on the basis of firm quotes that are



continuously made available to participants, which requires the market makers to maintain quotes in a size that balances the needs of members and participants to deal in a commercial size and the risk to which the market maker exposes itself". ESMA has considered whether quote-driven systems should also be included in the definition of CLOB for the purpose of non-equity pre-trade requirements under MiFIR.

18. In contrast to the continuous auction trading system based on market maker quotes described in paragraph 16, in a quote driven market, designated market makers provide bids and offers that market participants may trade on. Although the display of market makers' bids and offers may resemble an order book, a significant difference between a central limit order book and a quote trading system is that, in the latter the market participant can typically select the quote he/she wants to trade on as there is typically no trading algorithm automatically executing trades at the best available quote. In addition, in a quote driven system, the market participant can typically select the quote he/she wants to trade on. That quote may not be the one displaying the best price as the market participants may also take into consideration, for instance, the volume attached to that price. ESMA is of the view that the trading algorithm element for the execution of buy and sell orders without human intervention is one of the key characteristics of CLOB systems, which would not be met by (the vast majority of) quote driven trading system.

#### Proposal

19. Based on the above, ESMA suggests defining CLOB trading systems as continuous auction trading systems under Annex I of RTS 2.

20. ESMA further suggests including in the definition of CLOB trading systems, trading systems combining elements of a continuous auction trading system and elements of a periodic auction trading system. The continuous auction part and the periodic auction part of the CLOB trading system would be subject to the pre-trade transparency requirements respectively set out in Annex I of RTS 2.

21. ESMA proposes to amend Article 1 of RTS 2 to include the following definition of CLOB:

"A Central Limit Order Book Trading system means either of the following:

a) a continuous auction order book trading system that by means of an order book and a trading algorithm operated without human intervention matches sell orders with buy orders on the basis of the best available price on a continuous basis;

(b) a trading system combining elements of a continuous auction order book trading defined in subparagraph (a) and of periodic auction trading system defined in paragraph (2)."

**Q1: Do you agree with the definition of CLOB trading systems proposed above? If not, please explain why.**

**Q2: Do you consider that the definition should include other trading systems? Please elaborate.**

#### Periodic auctions trading systems

22. ESMA is of the view that the characteristics of periodic auctions trading systems currently provided for in Annex I of RTS 2, i.e., “*a system that matches orders on the basis of a periodic auction and a trading algorithm operated without human intervention*” remains relevant for specifying the characteristics of those types of trading systems. ESMA has notably considered the Opinion on Frequent Batch Auctions<sup>5</sup> published in October 2019 and concluded that the emergence of those new types of auctions did not call for an amendment to the existing description provided in RTS 2. ESMA notes that the more detailed the definition of periodic auctions trading systems would be to capture the characteristics of the different types of auctions, the more likely it is that new variations of periodic auction systems would emerge that would not fully fit within the description provided.

Proposal

23. ESMA therefore proposes to keep the definition of periodic auctions unchanged in Annex I and suggests adding it to Article 1 of RTS 2.

**Q3: Do you agree that the description of periodic auction trading systems set out in Annex I of RTS 2 is relevant for specifying the characteristics of those trading systems in the revised RTS? If not, please elaborate.**

### **3.2 Definition of package transactions, request for quote and voice trading systems**

24. The definition of package transactions is now set out in Article 2(50) of MiFIR. In addition, as pre-transparency requirements for non-equity instruments only apply to trading venues operating a CLOB or a periodic auction trading system, ESMA previous empowerment under Article 9(5)(b) of MiFIR to define request for quote and voice trading systems has been removed.

Proposal

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<sup>5</sup> [Opinion: https://www.esma.europa.eu/press-news/esma-news/esma-opinion-clarifies-application-pre-trade-transparency-and-price](https://www.esma.europa.eu/press-news/esma-news/esma-opinion-clarifies-application-pre-trade-transparency-and-price)

25. In light of the changes introduced by the MiFIR review, ESMA proposes to remove the definition of package transactions from Article 1 of RTS 2. In addition, Article 1(2) and (3) of RTS 2 will also be deleted given that the empowerment under Article 9(5)(b) of MiFIR to define request for quote and voice trading systems has been removed.
26. ESMA further suggests deleting in Annex I of RTS 2 the reference to trading systems other than continuous auction and periodic auction systems. Nevertheless, the definition of each type of trading system was added to Table II of Annex II (see section 4.1.2) since the identification of quote trading systems, request for quote, voice and hybrid trading systems are needed in the context of the Consolidated Tape.
27. ESMA therefore suggests deleting the reference to request for quote, voice and hybrid trading systems in Annex I of RTS 2. Based on the definition proposed above for CLOB trading systems, ESMA would also suggest removing the reference to quote driven systems.

### 3.3 Definition of bonds

28. ESMA has reflected on how to further clarify the classification of the different bond types. In this regard, ESMA published a Q&A providing for a general decision tree to follow to determine the bond type across the different bond types. Such Q&A was then slightly modified and included in table 5 of section 4.1.2.2 - Non-equity financial instruments in the [first issue of the Manual of post-trade transparency](#) in July 2023.
29. The guidance on the classification of bonds provided by the above Q&A was further enriched by a file named "[Classification of bonds issued by certain entities](#)" (published separately from the Manual on the ESMA website but referenced also in table 5 of section 4.1.2.2 - Non-equity financial instruments). This file aims at clarifying how to determine the type of certain issuers, i.e. if this is a "sovereign entity", an "other public entity" or a "corporate entity". The file contains a list of issuers identified by the LEI and the related issuer type to assign for the purpose of transparency and FITRS reporting in accordance with Table 2.2 of RTS 2 (the definitions in such table are reported below for convenience).
30. For a complete overview of the guidance available on bonds, stakeholders are also reminded that the [CFI code - MiFIR identifier mapping table \(also mentioned in the Manual and published separately on the ESMA website\)](#) provides support in the classification of bonds but only at the instrument level, i.e. not at the bond type level and not at the issuer type level.
31. However, still uncertainties and divergent classifications are present in the market especially between sovereign, other public and corporate bonds. Therefore, ESMA would like to gather views on the possible use of the European System of National and Regional Accounts (ESA 2010) to classify bond issuers. ESA 2010 is internationally compatible with

the EU accounting framework for a systematic and detailed description of an economy and is applied by Eurostat, the statistical office of the European Union, and all the EU Member States and the other countries in the European Statistical System.

32. Following ESA's methodological concepts<sup>6</sup>, public and corporate issuers can be distinguished by applying the "public sector control" test. While the classification of a sovereign issuer is more straightforward, the categorisation into "other public entity" requires the consideration of additional elements. Thus, the test above would mainly support distinguishing the categorisation between "other public" and "corporate" issuer.
33. Control of a public sector unit is defined in ESA 2010 as the ability to determine the general policy of the unit. This can be done through the direct rights of a single public sector unit or the collective rights of many. The following potential indicators of control could be considered in case such approach would be supported: (1) ownership of the majority of voting interest; (2) rights to appoint, veto or remove a majority of officers, board of directors or other key personnel; (3) rights under special shares and options that give rights to protect certain interests / influence the policy of the issuer – the existence of such shares is not by itself an indicator of control, but needs to be carefully analysed, in particular the circumstances where the powers may be invoked; (4) rights to control via contractual agreements (e.g. when the entity is restricted from dealing with non-public sector customers); (5) rights to control from agreements/permission to borrow (e.g. an entity requires permission from the public sector to borrow).
34. The elements above are aimed at supporting the classification but not considered as a strict rule. Each classification case needs to be judged on its own merits and some of the indicators above may not be relevant to an individual case (for example, when a corporate entity got certain elements of temporary public control due to an emergency situation as the Covid pandemic. Those bail-out cases would need to be assessed case by case). Furthermore, some indicators could be sufficient on their own to establish the control condition (e.g. indicators 1 and 2) while for others a number of separate indicators may indicate control.
35. There could also be other special cases that might need to be identified and ring-fenced by the reporting entity. For example, when private and public sector entities enter into a joint venture (Public-Private Partnerships). Such cases should be allocated to the public or private sectors depending on which party controls it. In practice, most cases would be classified under public control. In addition, the public sector entities may set up or use special purpose entities (SPEs) or special purpose vehicles. SPE units set up by the public sector must be investigated to see if they have the power to act independently (e.g. a

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<sup>6</sup> <https://ec.europa.eu/eurostat/esa2010/chapter/view/20/#h785>

potential test could be to check if the transactions they undertake are re-routed via the public sector unit that created them).

36. The chart below presents the decision-making tree for categorising different type of issuers including the consideration discussed above.

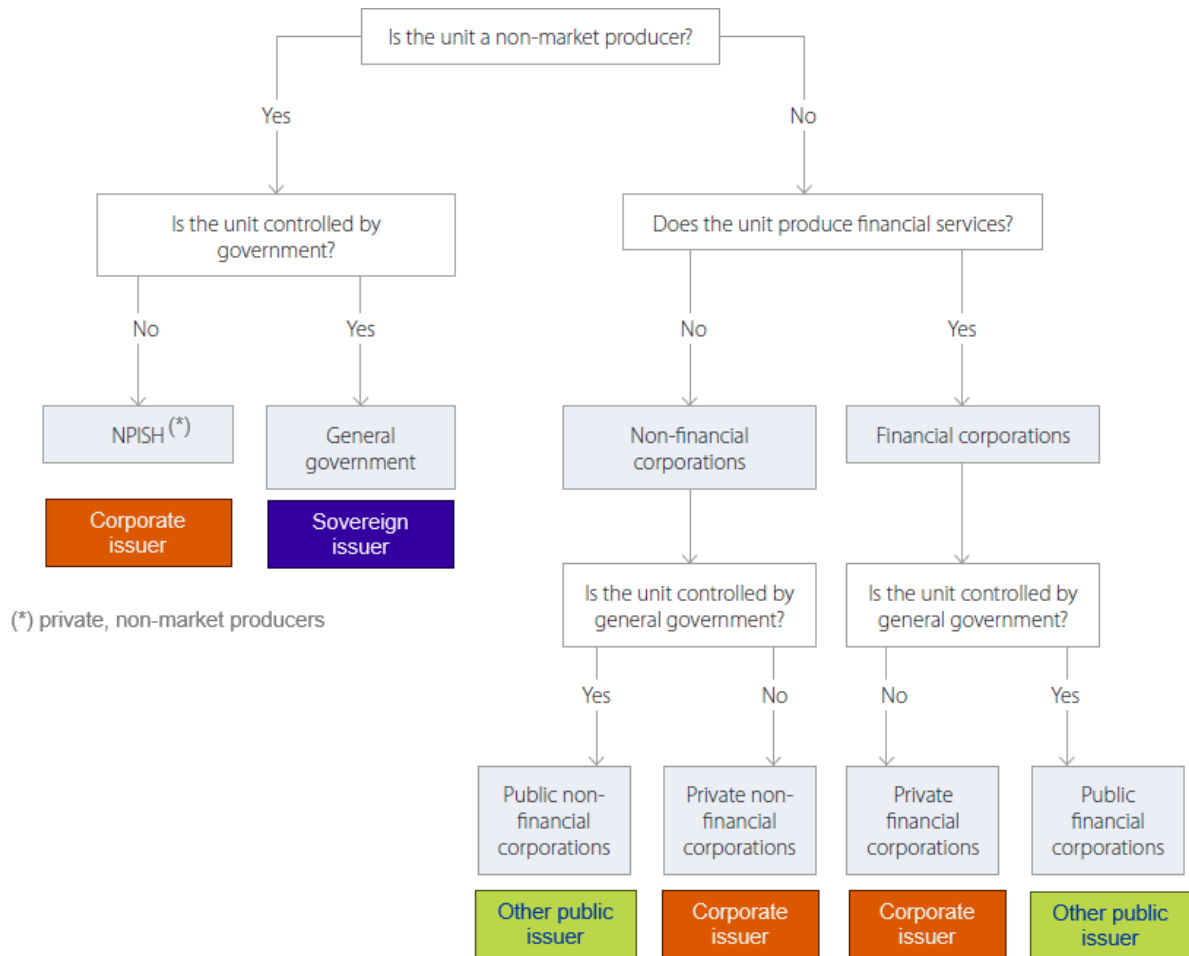


Table 2: Decision-making tree for categorising different type of issuers (Source: Eurostat, ESMA). Note: The qualification of institutional units as non-market producers corresponds to entities providing all or most of their output (goods and services) free of charge or at prices that are not economically significant.

**Q4: Do you agree to use ESA 2010 to classify bond issuers If not, please explain and provide alternatives on how clarify how to classify sovereign, other public and corporate issuers.**

### 3.4 Pre-trade transparency waivers

#### Article 9(5) of MIFIR

“5. ESMA shall develop draft regulatory technical standards to specify the following:

[...]:

(c) the size specific to the financial instrument referred to in paragraph 1(b) and the definition of request-for-quote and voice trading systems for which pre-trade disclosure may be waived under paragraph 1;

[...]

e) the financial instruments or the classes of financial instruments for which there is not a liquid market where pre-trade disclosure may be waived under paragraph 1.

[...]”.

37. The MiFIR review also includes some amendments to the pre-trade waiver regime. Despite not including any changes to certain waivers (the large-in-scale (LiS) and order management facility (OMF) of the trading venue pending disclosure) the new MiFIR regime removed the size specific to the financial instrument (SSTI) waiver. In addition, despite keeping the illiquid waiver, the definition of a liquid market also changed with the introduction of the MiFIR review.

#### Proposal

38. ESMA therefore proposes to remove all references to the SSTI waiver from RTS 2, in particular by deleting Article 5 and amending Article 15 of RTS 2. In addition, all references to the pre-trade SSTI thresholds will be removed from Annex III. With regard to the OMF waiver, ESMA does not suggest any changes.

#### 3.4.1 Large in scale waiver – LIS threshold for bonds, SFPs and emission allowances

39. Considering the changes introduced by the MiFIR review, in particular with an emphasis on static thresholds rather than periodic assessments, ESMA suggests a new approach to the LiS waiver for non-equity instruments. Currently, RTS 2 sets out a methodology, under Article 13(2), whereby a periodic quantitative assessment has to be provided on a yearly basis, which is based on transactions executed in the preceding calendar year. Considering the move to static thresholds for the liquidity determination and the deferral

regime included in the MiFIR Review, ESMA sees merit in also reviewing the pre-trade LiS threshold with the aim of also setting a static threshold.

#### Proposal

40. ESMA proposes the following thresholds for bonds, SFPs and EUA. A quantitative analysis of this proposal is provided under Sections 4.2.1 for bonds and 4.2.2 for SFPs and EUA.

<b>Asset class — Bonds (all bond types except ETCs and ETNs)</b>	
<b>Bond type</b>	<b>LIS pre-trade</b>
Sovereign and other public bonds	EUR 5 000 000
Covered bonds	EUR 5 000 000
Corporate, convertible and other bonds	EUR 1 000 000

Table 3: Bonds (all bond types except ETCs and ETNs) — pre-trade LIS thresholds.

**Q5: Do you agree with the proposed LiS pre-trade thresholds for bonds? In your answer, please also consider the analysis provided in sections 4.2.1.**

<b>Asset class</b>	<b>LIS pre-trade (post-MiFIR review)</b>
Structured Finance Products (SFPs)	EUR 250,000
Emission Allowances (EUAs)	5 lots

Table 4: SFPs and EUAs – pre-trade LIS thresholds.

**Q6: Do you agree with the proposed LiS pre-trade thresholds for SFPs and EUAs? In your answer, please also consider the analysis provided in section 4.2.2.**

#### 3.4.2 Illiquid waiver – liquid market for bonds, SFPs and emission allowances

41. The MiFIR review introduces changes to the definition of liquid markets for non-equity instruments.

42. The MiFIR review introduces a static determination of liquidity for non-equity instruments. For bonds, a liquid market is defined as “*a market in which there are ready and willing buyers and sellers on a continuous basis, where the market is assessed according to the issuance size of the bond*”. Therefore, the revised definition under Article 2(1)(17)(i) of MiFIR includes a particular emphasis on the issuance size of the bond for the liquidity assessment.

43. For SFPs and emissions allowances, Article 2(1)(17)(ii) of MiFIR defines a liquid market as “a market in which there are ready and willing buyers and sellers on a continuous basis, where the market is assessed in accordance with the following criteria, taking into consideration the specific market structures of the particular financial instrument or of the particular class of financial instrument:

- the average frequency and size of transactions over a range of market conditions, having regard to the nature and life cycle of products within the class of financial instrument,
- the number and type of market participants, including the ratio of market participants to traded financial instruments in a particular product,
- the average size of spreads, where available
- the issuance size, where appropriate”

44. The concept of liquid market is relevant for the calibration of pre- and post-trade transparency requirements. In particular, Article 9(1)(c) of MiFIR allows competent authorities to waive the obligation for trading venues to make public pre-trade transparency data for “*OTC derivatives which are not subject to the trading obligation as referred to in Article 28 and for which there is not a liquid market, and other financial instruments for which there is not a liquid market.*” Despite not introducing any changes to the illiquid waiver ESMA is of the view that this revised definition should be reflected in the implementation of the waiver regime. This is supported by Recital 10 of the revised MiFIR, which states that “*It is appropriate for ESMA to also apply the determination of liquid and illiquid markets in bonds, emission allowances and structured finance products to the pre-trade transparency waiver.*”

Proposal

45. Considering the above, ESMA proposes that the liquidity determination provided in Sections 4.2.1 and 4.2.2 for bonds, SFPs and EUAs, should be applied also in a pre-trade transparency context, in particular the illiquid waiver under Article 9(1)(c).

**Q7: Do you agree with the approach taken for the illiquid waiver for bonds, SFPs and EUA? If you disagree with how the liquidity threshold is determined, please include your comments in Q11 for bonds, Q14 for SFPs and/or Q17 for EUAs.**



## 4 Post-trade transparency

### Article 11(4) of MIFIR:

“4. ESMA shall, after consulting the expert stakeholder group established pursuant to Article 22b(2), develop draft regulatory technical standards to specify the following in such a way as to enable the publication of information required pursuant to this Article and Article 27g:

(a) the details of transactions that investment firms and market operators are to make available to the public for each class of financial instrument as referred to in paragraph 1 of this Article, including identifiers for the different types of transactions published pursuant to Article 10(1) and Article 21(1), distinguishing between those determined by factors linked primarily to the valuation of the financial instruments and those determined by other factors;

(b) the time limit that is considered to comply with the obligation to publish as close to real time as technically possible including when trades are executed outside normal trading hours;

[...]

### Article 21(5):

5. ESMA shall develop draft regulatory technical standards in such a way as to enable the publication of information required pursuant to Article 27g to specify the following:

(a) the identifiers for the different types of transactions published in accordance with this Article, distinguishing between those determined by factors linked primarily to the valuation of the financial instruments and those determined by other factors;

(b) the application of the obligation under paragraph 1 to transactions involving the use of those financial instruments for collateral, lending or other purposes where the exchange of financial instruments is determined by factors other than the current market valuation of the financial instrument.”

## 4.1 Post-trade transparency fields

### 4.1.1 General changes to post-trade fields

#### 4.1.1.1 Column naming convention

46. In the previous revision of RTS 1 and RTS 2, ESMA consulted stakeholders on a proposal to harmonise the names of columns in post-trade transparency reports published by trading venues and APAs. Such harmonisation ensures that the link between the field in

the RTS and the field published by trading venues and APAs is clearly established. It also enables users to seamlessly aggregate post-trade data from multiple trading venues and APAs without going through manual and error-prone field mapping.

47. To further support this proposal, ESMA analysed the way in which APAs are currently displaying post-trade data fields and found significant discrepancies in the terminology used to identify the fields. For example the field “Quantity” was displayed as “QUANTITY”, “Executed Shares”, “mifidQuantity” or “Volume”. The field “Instrument identification code” was displayed as “ISIN”, “INSTRUMENT\_ID”, “Symbol”, “SecurityCode”, “Instrumentidentificationcode” or “MifidInstrumentID”. The field “Transaction identification code” was displayed as “PUBLICATION ID”, “TRANSACTION\_ID”, “Trade ID”, “TIC”, “TransactionIdentificationCode”, “Transaction ID Code” or “MifidTransactionId”.
48. While ESMA proposed in the Final Report<sup>7</sup> to standardise column names, the proposal was not reflected in the revised RTS 1 and 2 and, in consequence has not been implemented by all reporting entities. In this CP, ESMA is therefore reiterating the proposal with the addition of the following sentence in Table 2 of Annex II: “**The field names (column headers) as published shall be identical to the field identifier provided in the table.**”

#### 4.1.1.2 Column “Type of execution or publication venue” for CTP

49. In the current table defining post-trade fields, the column “type of execution or publication venue” indicates who is subject to the reporting of the field. This column can take the value RM, MTF, OTF, APA or CTP. Under the revised MiFIR framework, the data to be published by the CTP will be defined in a separate RTS, in accordance with the mandate under Article 22b(3) point (b). As a result, post-trade fields relevant for the CTP should no longer be defined in RTS 2. Therefore, references to ‘CTP’ as a publication venue in the column “type of execution or publication venue” should be deleted for all fields.

#### 4.1.2 Post-trade field specific changes (Table 2 of Annex II)

##### 4.1.2.1 Field 12 “Type” for emission allowance and derivatives thereof

50. The field 12 “Type” is only applicable to emission allowances and derivatives thereof and serves to identify the type of emission allowance, or the type of underlying emission allowance in the case of derivatives. This field therefore pertains to reference data and is not linked to the trading conditions of the specific transaction. The same information can be derived from the identifier of the traded instrument provided in field 2 “Instrument identifier code” (ISIN).

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<sup>7</sup> Paragraph 106 of [the Final report](#) on the review of RTS 2 (non-equity transparency) (ESMA70-156-4825, 28 March 2022)

51. Therefore, it is proposed to delete this field from Table 2 of Annex II.

#### 4.1.2.2 Field 16 “Venue of Publication”

52. In the current RTS 2, the field 16 “Venue of Publication” should be populated with the identifier of the trading venue / APA where the transaction was published and is only applicable to the CTP. As long as there was no CTP, this field was not applicable. Under the revised MiFIR framework, the data to be published by the CTP is defined in a separate RTS, in accordance with the mandate under Article 22b(3) point (b).

53. In addition, information related to the venue of publication is not part of the definition of “core market data” provided in Article 2(36b) of the revised MiFIR. One reading of the above could be that the field “Venue of publication” should be deleted from RTS 2.

54. There is however evidence that the publication of this self-identification information by trading venues and APAs could be valuable to data users wishing to aggregate post-trade data collected from different publishing entities. The publication of such field would simplify data processing and aggregation by avoiding the manual addition by each user of an identifier for each trading venue and APA. Some APAs are already publishing this field even though it is currently not applicable to them, notably to distinguish the publication of post-trade data from an entity operating both an EU and a UK APA.

55. As a result, the proposal is to amend field 16 “Venue of Publication” by making it applicable to trading venues and APAs. In addition, the format of the field is amended to require the provision of the standardised identifier (MIC), given that such identifier is now available for all APAs.

#	Field Identifier	Description and details to be published	Type of execution or publication venue	Format
16	Venue of publication	Code used to identify the trading venue and APA publishing the transaction	<del>CTP</del> RM, MTF, OTF, APA	<del>Trading venue: {MIC} APA: {MIC} where available. Otherwise, 4 character code as published in the list of data reporting services providers on ESMA's website.</del>

#### 4.1.2.3 New field “Flag”

56. As part of the post-trade information, trading venues and APAs are required to publish a series of flags aiming at informing market participants and regulators of specific characteristics of transactions. While flags are specified in a specific table in RTS 2 (Table 3 of Annex II), there is currently no field for flags in Table 2 of Annex II. This gap leads to

inconstant reporting of flags by trading venues and APAs, with some reporting all flags in the same column, some reporting each flag in a separate column, and others bundling certain flags in certain columns. This lack of harmonisation requires significant data processing on the user end.

57. To address this issue, ESMA suggests adding a unique field to report flags in Table 2 of Annex II and to require that all applicable flags are reported in this unique field, separated by commas. This approach is consistent with the one provided in the [Manual on Post-Trade Transparency \(Section 4.2.5 on flags\)](#). Several reporting entities are already complying with the guidance provided in the Manual.

#	Field Identifier	Description and details to be published	Type of execution or publication venue	Format
19	Flags	<p>Applicable flags for the purpose of post-trade transparency.</p> <p>Where none of the specified circumstances apply, the transaction should be published without a flag.</p> <p>Where a combination of flags is possible, the flags should be reported separated by commas.</p>	RM, MTF, OTF, APA	As defined in Table 3 of Annex II

#### 4.1.2.4 New field “Type of trading system”

58. In accordance with the definition of core market data provided in Article 2(36b)(b)(vi) of the revised MiFIR, the CTP shall disseminate “the type of trading system and the applicable waivers and deferrals” related to transactions in bonds and OTC derivatives. The same obligation exists in relation to transactions in shares and Exchange Traded Funds (ETFs) (Article 2(36b)(a)(iv)).

59. While information on waivers and deferral already exists in RTS 2 (Flags, defined in Table 3 of Annex II), information on the “type of trading system” is currently absent from the table of post-trade fields. Given the obligation of CTPs to publish this information, it will need to be provided by trading venues and APAs as part of CTP input data.

60. ESMA notes that information on the type of trading system is not redundant due to the identification of the trading venue provided in the field “venue”. Indeed, a trading venue identified with a single MIC may allow multiple trading systems under the same MIC. As the information was considered valuable for transparency purpose for the CTP, it seems beneficial to include this field as part of the post-trade information to be published by

trading venues (the field is inapplicable to transaction executed off-venue and published via an APA). In addition, this approach would maintain consistency between the CTP output and the trading venues output.

61. In this context, ESMA suggests adding a field “trading system” in Table 2 of Annex II. The trading systems should be consistent with the list of trading systems specified in Annex I .

#	Field Identifier	Description and details to be published	Type of execution or publication venue	Format
20	Trading system type	Type of trading system on which the transaction was executed. When the field 'Venue of execution' is populated with "SINT" or "XOFF", this field shall not be populated.	RM, MTF, OTF	'CLOB' -- central limit order book trading system, as defined in Article 1(1) of this RTS. 'QDTS' -- quote driven trading systems, meaning a system where transactions are concluded on the basis of firm quotes that are continuously made available to participants, which requires the market makers to maintain quotes in a size that balances the needs of members and participants to deal in a commercial size and the risk to which the market maker exposes itself. 'PATS' -- periodic auction trading systems, as defined in Article 1(2) of this RTS. 'RFQT' -- request for quote trading systems, meaning a trading system where a quote or quotes are provided in response to a request for a quote submitted by one or more other members or participants. The quote is executable exclusively by the requesting member or market participant. The requesting member or participant may conclude a transaction by accepting the quote or quotes provided to it on request. 'VOIC' – voice trading system, meaning a trading system where transactions between members are arranged through voice negotiation. 'HYBR' – hybrid trading system meaning a system falling into two or more of the types of trading systems referred to above.

				'OTHR' – any other trading system, meaning any other type of trading system not covered above.
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## Proposals

62. The table below summarises the proposed changes to the post-trade fields on Table 2 of Annex II.

No	Field	Proposal	Explanation
1	All fields	Introduce a column-naming convention	To harmonise the way in which reporting entities identify the fields in their publication.  <b>Change not linked to the MiFIR review</b>
2	Column "Type of execution or publication venue"	Delete references to the CTP in the column "Type of execution or publication venue".	The data to be published by the CTP is defined in another RTS. Therefore, Annex II of RTS 2 does not apply directly to CTP.  <b>Change linked to the MiFIR review</b>
3	Field 12 Type (for emission allowances and derivatives thereof)	Delete the value 'EUAA', 'CERE' and 'ERUE' and add the value "UKAA" in the column "Format"	EUAA are fully fungible with EUA. Transactions on EUA and EUAA should be reported with the same code (EUAE).  International units (such as CER and ERU) are no longer accepted for compliance with the EU ETS.  UK allowances are expected to be identified under UK MiFIR.  <b>Change not linked to the MiFIR review</b>
4	Field 16 Venue of publication	Add the values RM, MTF, OTF and APA in the column "Type of execution or publication venue"	The publication of this self-identification field by venues and APA would facilitate the aggregation of post-trade data from various sources.  <b>Change not linked to MiFIR review</b>
5	*New Field* Flag	Add a field "Flag" in Table 2 and specify that where a combination of flags is	To increase consistency and facilitate aggregation of post-trade reports. Currently, flags are defined in Table 3 but

		possible, the flags should be reported in the same field, separated by commas <sup>8</sup> .	there is no dedicated field for flags in Table 2.  <b>Change not linked to MiFIR review</b>
6	<b>*New Field* Trading system</b>	Add a field "Trading system" in Table 2, to be populated only for transactions executed on regulated markets, MTF or OTFs.	To align with the CTP output data  <b>Change linked to the MiFIR review</b>

Table 5: Summary of proposals related to post-trade transparency publications.

**Q8: Do you agree with the changes to post-trade fields summarised in Table 5? Please identify the proposal ID in your response.**

#### 4.1.3 Concept of what constitutes real-time

63. The concept of "as close to real-time as technically possible" currently allows for a maximum delay of 5 minutes, after a less strict requirement of 15 minutes during the first three years of application of MiFIR. ESMA does not propose any change to the current requirements (except the deletion of point a) of Article 7(4) of RTS 2 as it is no longer relevant).

64. Nevertheless, ESMA also reiterates that the maximum permissible delay should only be used by market participants that, for technical reasons, are not able to achieve real-time publication in a fully automated process.

**Q9: Do you agree not to change the concept of "as close to real-time as technically possible"? If not, what would be in your view the maximum permissible delay?**

#### 4.1.4 Reporting of OTC transactions

65. For transactions between two investment firms, RTS 2 defined the party to a transaction that has to make the transaction public in accordance with the empowerment under Article 21(5)(c) of MiFIR. However, the MiFIR review removed that empowerment and replaced it with the concept of designated publishing entities (DPE) under Article 21a.

66. Therefore, the MiFIR review clarifies that where one party to a transaction is a DPE, that party will be responsible for making transactions public via an APA. For the cases where neither party, or both parties, are DPEs, only the entity that sells the financial instrument concerned will be responsible for making the transaction public through an APA.

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<sup>8</sup> As specified in the Manual on Post-Trade Transparency, Section 4.2.5.1

67. ESMA will, in accordance with Article 21a(4) of MiFIR, establish and regularly update a register of all DPEs. This register will include a specification of the DPE's identity and the classes of financial instruments for which they are DPEs.

#### Proposal

68. Considering the changes introduced by the revised MiFIR which sets out the reporting responsibilities for transactions between investment firms in Level 1, ESMA suggests removing the provisions under Article 7(5) and 7(6) of RTS 2.

69. ESMA considers though that the requirement to publish two matching trades entered at the same time and for the same price with a single party interposed should be considered a single transaction is still relevant, in the context of the new framework, and within the other empowerment under Article 21 of MiFIR. Therefore, ESMA proposes to keep paragraph 7 of Article 7 of RTS 2.

70. Finally, in relation to the publication of package transactions, most of Article 7(8) of RTS 2 now appears in Article 10(3) of MiFIR. ESMA suggests deleting the text in Article 7(8) and to just keep a sentence saying that "Information relating to a package transaction shall include the package transaction flag or the exchange for physicals transaction flag as specified in Table 3 of Annex II".

**Q10: Do you agree with the changes proposed for the purpose of the reporting of OTC transactions?**

## **4.2 Post-trade deferrals for bonds, structure finance products and emission allowances**

71. Article 10 of MiFIR requires market operators and investment firms operating a trading venue to make public the price, volume and time of transactions executed in respect of bonds, SFPs and EUAs traded on a trading venue. This publication should be done as close to real-time as is technically possible.

72. The aim of the transparency regime is to provide for an adequate level of transparency to market participants while at the same time ensuring that liquidity providers are not exposed to undue risk. As such, the transparency framework provides for the possibility for trading venues (as well as for OTC-transactions) to defer publication of certain transactions which should be calibrated considering their size and liquidity profile. The MiFIR review revamps the current deferral regime applicable to bonds, SFPs and EUAs under Article 11 of MiFIR. For OTC transactions, the post-trade regime under Article 21 of MiFIR remains broadly unchanged.



73. Firstly, the new regime removes the concept of the large in scale, illiquid and SSTI deferrals, and the requirement for trading venues (and investment firms for OTC transactions) to obtain the CA's prior approval of their proposed arrangements for deferred trade-publication.
74. Secondly, it creates a tailored regime for bonds, by including the possibility to defer publication in accordance with five different categories. In addition, it introduces changes to simplify the current deferral regime for SFPs and EUAs.
75. Finally, it also provides for an overhaul of the supplementary deferral regime under Article 11(3) of MiFIR. The new regime, which will only apply when this revised RTS 2 enters into application, only allows for national competent authorities (NCAs) to allow extended deferrals for sovereign debt instruments issued by that Member State, and only for a limited period of time. For sovereign instruments not issued by a Member State, the decision shall be taken by ESMA.

#### 4.2.1 Deferral regime for Bonds

##### **Article 11(4) of MIFIR**

“ESMA shall, after consulting the expert stakeholder group established pursuant to Article 22b(2), develop draft regulatory technical standards to specify the following in such a way as to enable the publication of information required pursuant to this Article and Article 27g:

[...]

(d) what constitutes a liquid and illiquid market for bonds, or classes thereof, expressed as thresholds determined according to the issuance size of those bonds;

(e) for a liquid or illiquid bond, or for a class thereof, what constitutes a transaction of a medium size, of a large size and of a very large size, as referred to in paragraph 1a of this Article, on the basis of a quantitative and qualitative analysis and taking into account the criteria in Article 2(1), point (17)(a), and other relevant criteria where applicable;

(f) in respect of bonds, or classes thereof, the price and volume deferrals applicable to each of the five categories set out in paragraph 1a, applying the following maximum durations:

(i) for transactions in category 1: a price deferral and a volume deferral not exceeding 15 minutes;

(ii) for transactions in category 2: a price deferral and a volume deferral not exceeding the end of the trading day;

(iii) for transactions in category 3: a price deferral not exceeding the end of the first trading day after the transaction date and a volume deferral not exceeding one week after the transaction date;

(iv) for transactions in category 4: a price deferral not exceeding the end of the second trading day after the transaction date and a volume deferral not exceeding two weeks after the transaction date;

(v) for transactions in category 5: a price deferral and a volume deferral not exceeding four weeks after the transaction date;

[...].”

76. In relation to bonds the deferral regime introduces five categories of bond profiles applying to each the following maximum durations (Article 11(4)(d) of MiFIR):

Category	Size	Liquidity	Maximum Price Deferral	Maximum Volume Deferral
1	Medium	Liquid	15 minutes	
2	Medium	Illiquid	End of trading day	
3	Large	Liquid	End of T+1	One week
4	Large	Illiquid	End of T+2	Two weeks
5	Very Large	N/A	Four weeks	

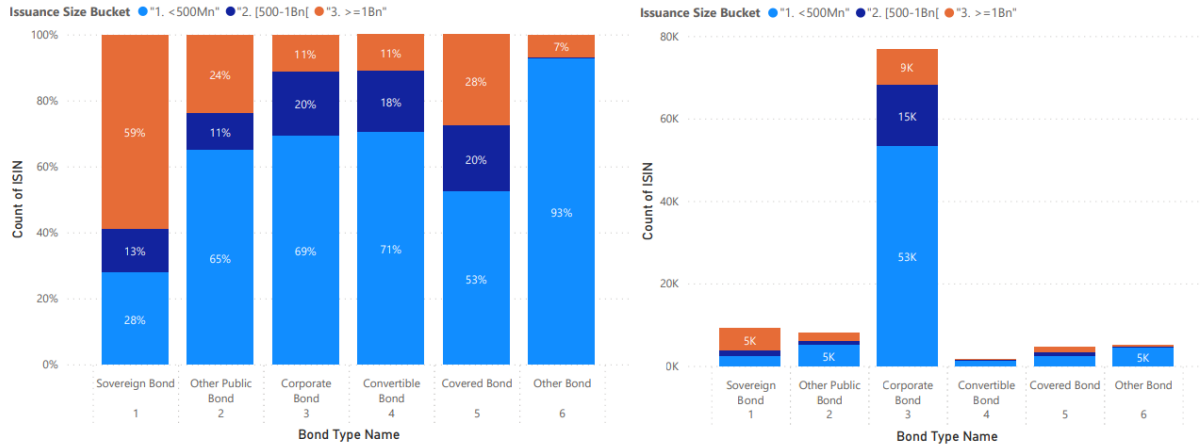
Table 6: Deferral regime for bonds

77. The empowerment under Article 11(4) of MiFIR tasks ESMA to specify three different core aspects for the development of the bond deferral regime in accordance with the above table:

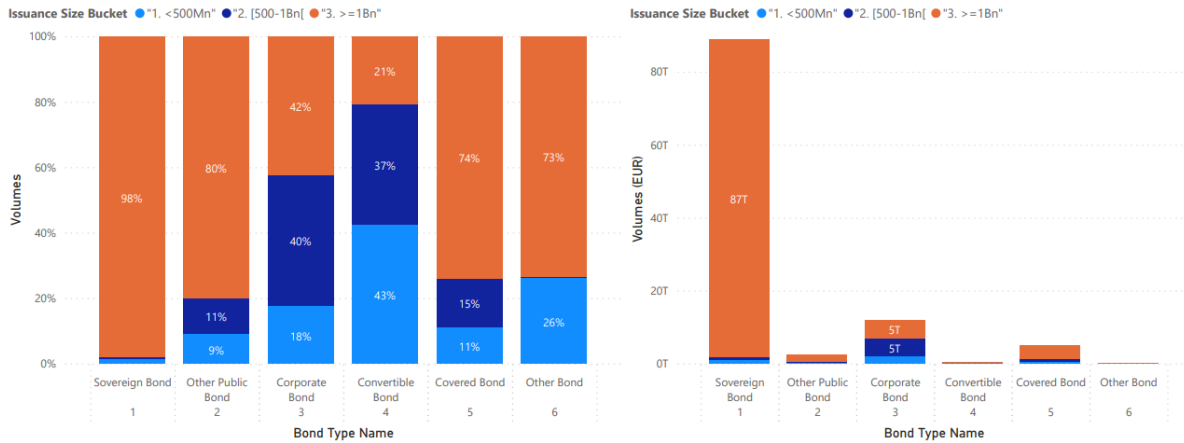
- a) what constitutes a liquid and illiquid market for bonds;
- b) what constitutes a transaction of medium, large and very large size in a liquid and illiquid class of bond; and,
- c) what should be the applicable deferral duration for each of the five categories.

#### 4.2.1.1 Liquidity assessment for bonds

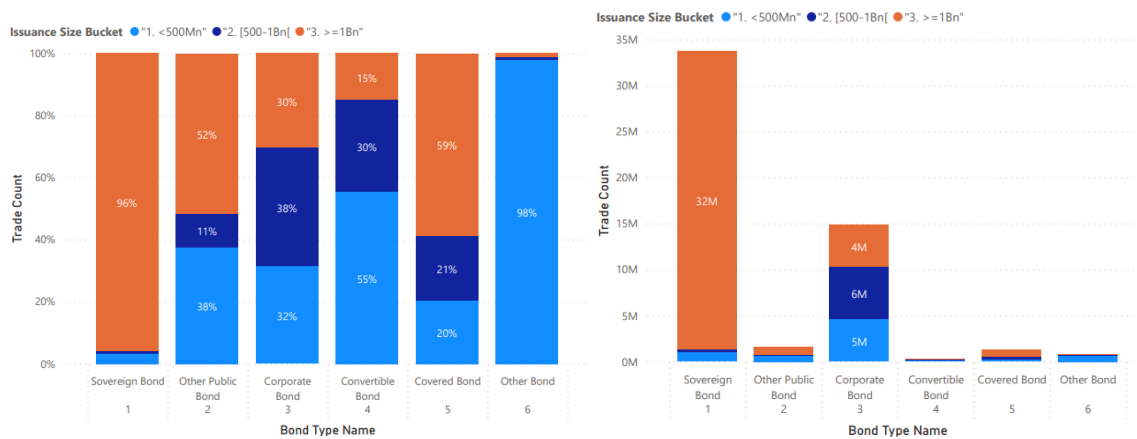
78. Under the revised framework for bonds, a liquid market is “a market where there are ready and willing buyers and sellers on a continuous basis, and where the market is assessed taking into consideration the issuance size of the bond” (revised Article 2(17)(a) of MiFIR).
79. The assessment of the correlation between liquidity and issuance size for bonds has been performed based on data submitted to ESMA for the purpose of the transparency calculations, using the thresholds of EUR1bn and EUR500Mn of issuance size.
80. As measured by numbers of ISINs, a liquidity threshold of EUR500Mn would result in around 70% of sovereign bonds to be considered as having a liquid market, and around 30% of corporate bonds to also be considered liquid (similar to convertible bonds). For the case of covered bonds, a EUR500Mn liquidity threshold would result in 48% of ISINs to be considered liquid. Increasing the liquidity threshold to EUR1Bn would result in around 60% of sovereign bonds, and around 10% of corporate bonds to be considered to have a liquid market (this is similar for convertible bonds). For covered bonds, it would result in 26% of bonds considered to have a liquid market (Figures 1 and 2).
81. As measured by traded volumes, a liquidity threshold of EUR500Mn would imply that over 99% of trading activity in sovereign bonds would take place in liquid instruments, and 82% of trading activity in corporate bonds would take place in liquid instruments (58% for convertible bonds). The case of covered bonds is, again, different to that of corporates where around 89% of volume would be traded in liquid instruments. Increasing the liquidity threshold to EUR1Bn would make no significant difference for sovereign bonds, while the percentage of traded volumes in liquid corporate bonds would be halved (from 82% to 42%) (Figures 3 and 4).
82. As measured by trade count, a liquidity threshold of EUR500Mn would imply that 97% of trading activity in sovereign bonds would take place in liquid instruments, and around 70% of trading activity in corporate bonds would take place in liquid instruments (45% for convertible bonds). For covered bonds this number would be as high as 80%. Increasing the liquidity threshold to EUR1Bn would make no significant difference for sovereign bonds, while the percentage of trade count in liquid corporate bonds would decrease from 70% to 30%. The decrease would be slightly lower for covered bonds where there would still be around 60% of trading taking place in liquid instruments. (Figures 5 and 6)



Figures 1 and 2: Percentage and number of ISINs per issuance size and bond type

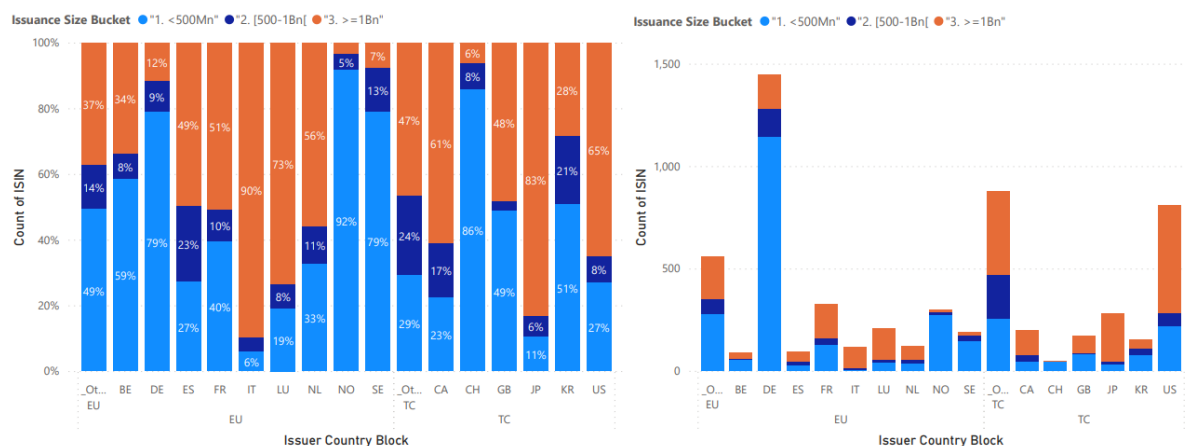


Figures 3 and 4: Percentage of volume and total volume per issuance size and bond type

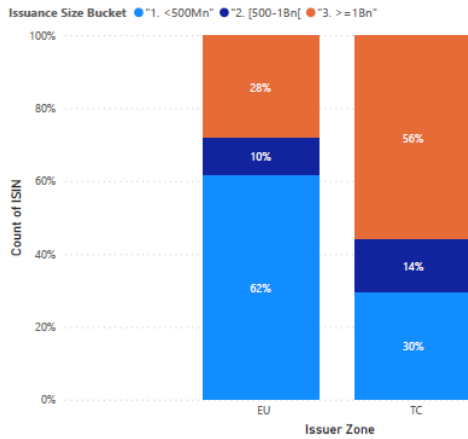


Figures 5 and 6: Percentage of trade count and total trade count per issuance size and bond type

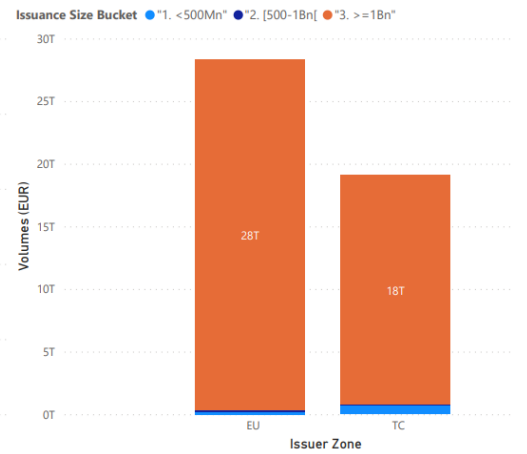
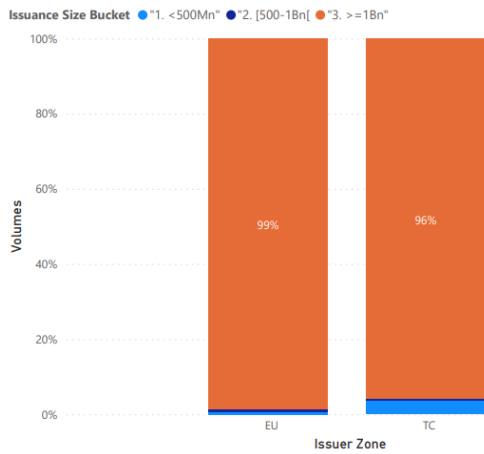
83. In order to simplify the regime, ESMA has also analysed the results by bucketing the different bond types. In particular, the analysis below considers three different bond types: (1) sovereign and other public bonds, (2) corporate, convertible and other bonds, and (3) covered bonds. Considering the results discussed above and the differences between the liquidity profiles between corporate and covered bonds, ESMA sees merit in having these bond types in separate buckets.
84. Looking at the analysis for sovereign and public bonds, 43% of the total number of ISINs is above EUR1Bn, accounting for 98% of the trades in terms of volume and 94% in terms of number of trades. As such, despite accounting for 57% of the number of bonds issued (per ISIN), trades in instruments with an issuance size below EUR1Bn only account for 2% of the total volume traded (6% in terms of number of trades) (Figures 15 to 20).
85. Looking at the differences within the EU, despite some differences in the number of ISINs with the percentage of liquid bonds ranging from below 10% to as high as 90%, there is an evident trend if we look at the total volume traded, where over 95% of the volume is traded in sovereign bonds with an issuance size above EUR1Bn. The only exemption comes from Norway and Sweden, where this percentage goes down to 72 and 51% respectively (Figures 7 and 8).
86. The results above show the past trend of trading in the EU of sovereign bonds issued globally. In order to ensure that the liquidity thresholds are well calibrated to the EU market, ESMA further analysed the results considering bonds issued in the EU compared with those issued in third-countries, in particular in jurisdictions such as the UK and US. Also looking at these results, no particular changes to the above identified trends are detected. Despite a small number of bonds issued above EUR1Bn in third countries (28% in the EU, 56% in third countries), the volume traded, and number of trades are quite similar and in line with the analysis above (99% of volume, 94% of number of trades in the EU; 96% in terms of volume and 92% of number of trades in third-countries) (Figures 9 to 14).



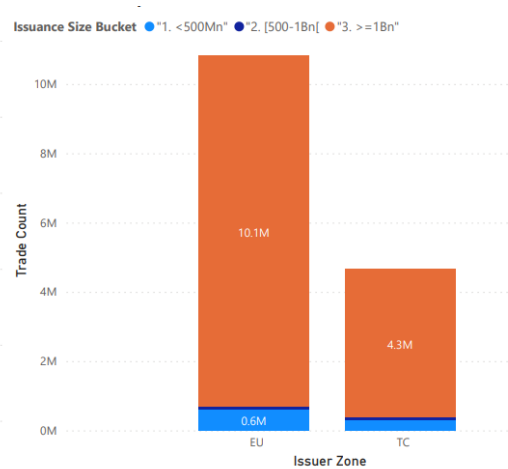
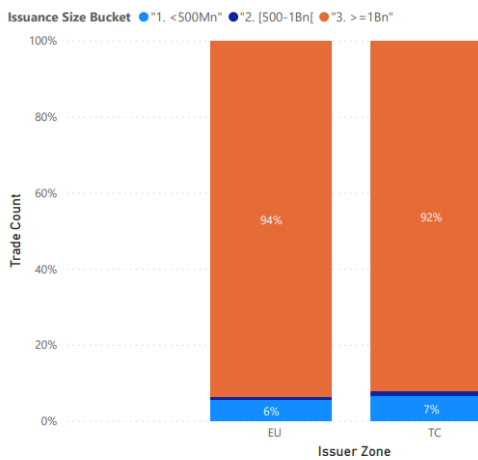
Figures 7 and 8: Percentage and number of ISINs in sovereign bonds per issuance size and country



Figures 9 and 10: Percentage and number of sovereign bond ISINs per issuance size in EU and third- countries

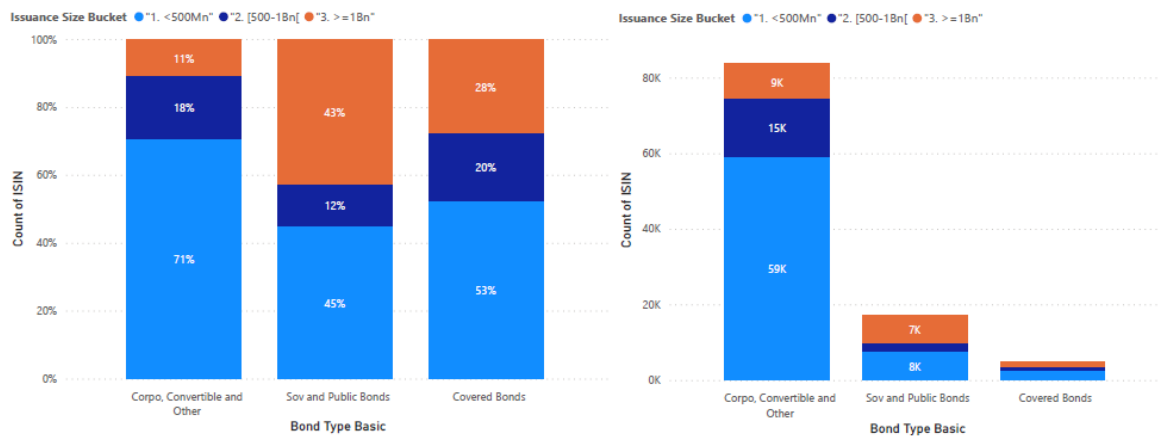


Figures 11 and 12: Percentage of volume and total volume in sovereign bonds per issuance size in EU and third countries



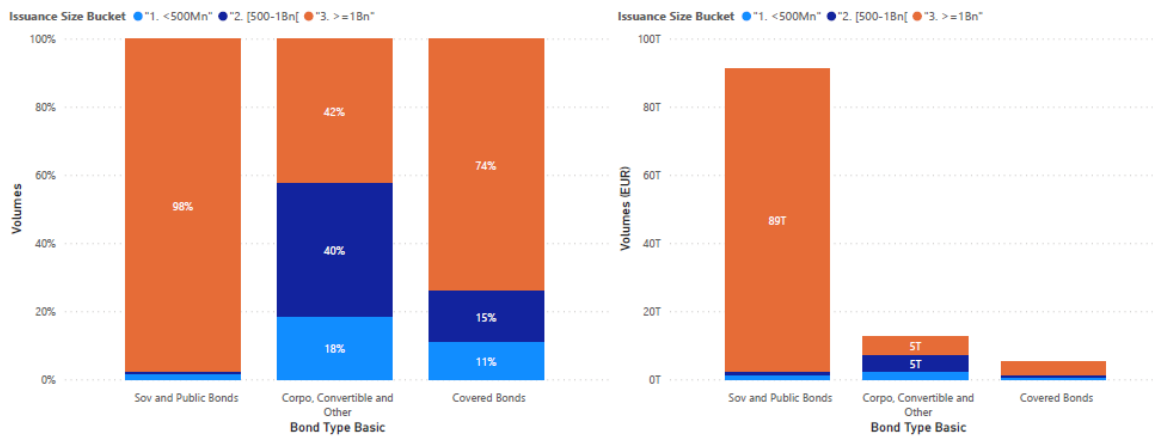
Figures 13 and 14: Percentage of trade count and total trade count per issuance size in EU and third countries

87. For corporates, convertible and other bonds, the majority of bonds have an issuance size below EUR500Mn – 71%. However, trades in bonds with an issuance size above EUR500Mn account for 82% in terms of volume and 65% in number of trades (this would reduce to 42% and 29% respectively for bonds with an issuance size above EUR1Bn) (Figures 15 to 20).
88. Finally, the case of covered bonds seems to be between the other two buckets described above. 28% of covered bonds have an issuance size above EUR1Bn (48% above EUR500Mn). Nevertheless, this category accounts for 74% of the total volume traded and 59% in terms of the number of trades (Figures 15 to 20). However, it should be noted that Recital 10 of the MiFIR review signals that “[i]n order to have an appropriate level of transparency for covered bonds, it is appropriate for the issuance size of such bonds to be determined in accordance with the criteria laid down in Commission Delegated Regulation (EU) 2015/61<sup>9</sup>”.
89. CDR 2015/61 is part of the broader EU framework on banking regulations aiming to enhance the stability and resilience of the banking sector. Specifically, CDR 2015/61 addresses the liquidity coverage requirement for credit institutions. This regulation distinguishes between two different assets, Level 1 and Level 2 assets. Article 3(1) and (2) defines Level 1 assets as assets with “extremely high liquidity and credit quality” and Level 2 assets as assets with “high liquidity and credit quality”, respectively. In addition, under Article 10 of this Regulation, it sets the threshold value for the issuance size above which covered bonds should be considered extremely highly liquid (EUR 500Mn) and highly liquid (EUR 250Mn).

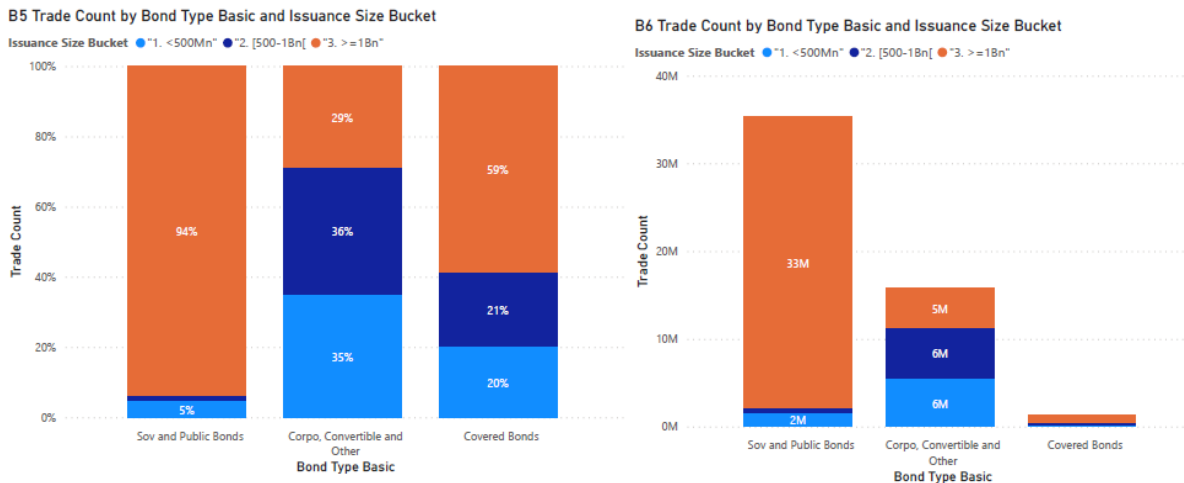


<sup>9</sup> Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions (OJ L 11, 17.1.2015, p. 1).

Figures 15 and 16: Percentage and number of ISINs per issuance size and bond type bucket



Figures 17 and 18: Percentage of volume and total volume per issuance size and bond type



Figures 19 and 20: Percentage of trade count and total trade count per issuance size and bond type

## Proposal

90. Considering the above analysis and in order to simplify the regime ESMA suggests keeping the bond types in three different buckets as identified above. Following the analysis between the relationship between issuance size and the trading activity ESMA suggests setting the liquidity thresholds for bonds as below:

Bond Type	Liquidity threshold
Sovereign and other public bonds	$\geq$ EUR 1Bn



<b>Corporate, convertible and other bonds</b>	<b>&gt;= EUR 500Mn</b>
<b>Covered bonds</b>	<b>&gt;= EUR 250Mn</b>

Table 7: Bond liquidity thresholds based on issuance size

91. It is nevertheless important to set out the difference between initial bond issuance size and outstanding issuance size. In this context, the initial issuance size should be understood as the total value of bonds that are issued at the time of issuance. It represents the initial amount of bonds offered to investors in the primary market. However, in many circumstances, the issuer of the bond (being a corporate, government or other entity) changes the issuance size over time, due to the result of bond taps or buybacks. ESMA is of the view that the bond issuance outstanding amount should be the relevant factor when assessing the liquidity of a bond and therefore should be taken into account when assessing the liquidity threshold.
92. In addition, in order to understand the potential impact of this proposal we have compared the bond liquidity under the current regime and under the new proposed regime, based on the latest results of bond liquidity for the period 1 April 2023 to 30 September 2023. At overall level, the number of liquid bonds under the new regime would increase from the current 1,155 to 24,148 individual ISINs. Under the new regime, liquid bonds would represent 94.9% of total volumes (from 72.3% currently) and 88.0% of total number of transactions (from 62.4% currently) (Table).
93. An analysis per bond type (Table) shows that the share of liquid corporate bonds would increase very significantly (from the current 26.9% of corporate bonds volumes to 69.3%) while the increase in the share of liquid government bonds would be more limited (from the current 82.1% of government bonds volumes to 96%).

	Current regime			New Regime		
	Count of ISIN	% of Volumes	% of trade count	Count of ISIN	% of Volumes	% of trade count
<b>Illiquid</b>	<b>55,192</b>	<b>27.7%</b>	<b>37.6%</b>	<b>32,199</b>	<b>5.1%</b>	<b>12.0%</b>
Corpo, Convertible and Other	42,735	8.2%	20.2%	25,852	1.6%	8.5%
Covered Bonds	2,831	3.8%	1.7%	963	0.1%	0.2%
Sov and Public Bonds	9,626	15.7%	15.7%	5,384	3.5%	3.3%
<b>Liquid</b>	<b>1,155</b>	<b>72.3%</b>	<b>62.4%</b>	<b>24,148</b>	<b>94.9%</b>	<b>88.0%</b>
Corpo, Convertible and Other	298	0.4%	7.5%	17,181	7.0%	19.2%
Covered Bonds	12	0.2%	0.3%	1,880	3.9%	1.8%
Sov and Public Bonds	845	71.7%	54.6%	5,087	83.9%	67.0%
<b>Grand Total</b>	<b>56,347</b>	<b>100.0%</b>	<b>100.0%</b>	<b>56,347</b>	<b>100.0%</b>	<b>100.0%</b>

Table 8: Comparison of liquid bonds (number, percentage of total volume, percentage of total trade count) between the current bond liquidity regime and the new regime, based on the period 1 April 2023 to 30 September 2023. View 1 – Liquidity Status and Bond Type.

	Current Regime			New Regime		
	Count of ISIN	% of Volumes	% of trade count	Count of ISIN	% of Volumes	% of trade count
<b>Corpo, Convertible and Other</b>	<b>43,033</b>	<b>8.6%</b>	<b>27.7%</b>	<b>43,033</b>	<b>8.6%</b>	<b>27.7%</b>
Illiquid	42,735	95.3%	73.1%	25,852	18.1%	30.7%
Liquid	298	4.7%	26.9%	17,181	81.9%	69.3%
<b>Covered Bonds</b>	<b>2,843</b>	<b>4.1%</b>	<b>2.0%</b>	<b>2,843</b>	<b>4.1%</b>	<b>2.0%</b>
Illiquid	2,831	94.9%	85.5%	963	2.6%	9.5%
Liquid	12	5.1%	14.5%	1,880	97.4%	90.5%
<b>Sov and Public Bonds</b>	<b>10,471</b>	<b>87.4%</b>	<b>70.3%</b>	<b>10,471</b>	<b>87.4%</b>	<b>70.3%</b>
Illiquid	9,626	17.9%	22.3%	5,384	4.0%	4.7%
Liquid	845	82.1%	77.7%	5,087	96.0%	95.3%
<b>Grand Total</b>	<b>56,347</b>	<b>100.0%</b>	<b>100.0%</b>	<b>56,347</b>	<b>100.0%</b>	<b>100.0%</b>

Table 9: Comparison of liquid bonds (number, percentage of total volume, percentage of total trade count) between the current bond liquidity regime and the new regime, based on the period 1 April 2023 to 30 September 2023. View 2 – Bond Type and Liquidity Status.

94. In order to implement these changes, ESMA proposes to add a new Article 6a to set the proposed liquidity determination. ESMA also proposes to amend Annex III of RTS 2 to add a Table setting out the liquidity assessment.

**Q11: Do you agree with the liquidity thresholds set out in Table 7 above? If not, please provide an alternative approach.**

#### 4.2.1.2 Medium, large and very large transactions for bonds

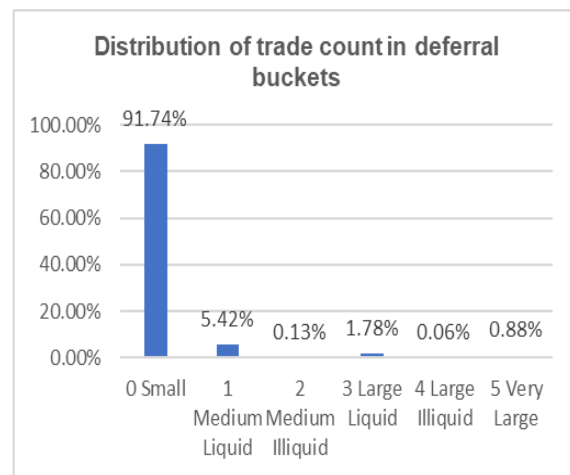
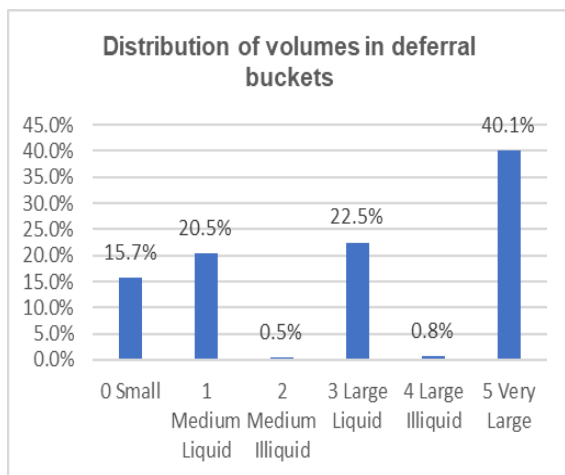
95. In order to implement the new deferral regime for bonds set out in Article 11 of MiFIR, ESMA is tasked with specifying what constitutes a transaction of medium, large and very large sizes. The empowerment is specified in Article 11(4)(e) of MiFIR.

96. In order to perform the quantitative analysis, ESMA looked at data available in FITRS for the period between 2021 and 2023 in order to understand the percentage of volumes and number of trades under certain buckets.

97. Similar to the approach taken for the liquidity assessment, ESMA proposes to separate bonds into three different buckets: (1) sovereign and other public bonds, (2) corporate, convertible and other bonds and (3) covered bonds.

## Sovereign and other public bonds

98. The main objective of the MiFIR review is to enhance transparency and subject more transactions to real-time post-trade publication. Therefore, the starting point of any analysis should be to ensure that the largest portion of transactions are either below Category 1 – meaning real-time publication – or in Category 1 – meaning publication after 15 minutes or end of day, depending on the liquidity of the bond.
99. ESMA is of the view that the great majority of trades should be subject to real-time post trade transparency. ESMA believes that around 90% of trades should fall under this category. Given that there are significantly more trades of a small size, than trades of a large size, the corresponding proportion of volume published within 15 minutes would be considerably lower than 90%. In addition, ESMA is of the view that the largest portion of volume traded should be distributed across the small, medium and large buckets.
100. Finally, only a very small proportion of trades should be considered in the very large bucket. This would nevertheless account for a significant proportion of volume considering the large sizes traded.
101. Taking into account the considerations above, ESMA suggests that for government bonds around 60% of the volume is traded in the small, medium and large categories. This would account for 99% of the total number of trades. On the very large category 5, ESMA suggests including 40% of the total volume, which caters for less than 1% of the trade count. As such, ESMA proposes a 5, 15 and 50 Mn Euro threshold.

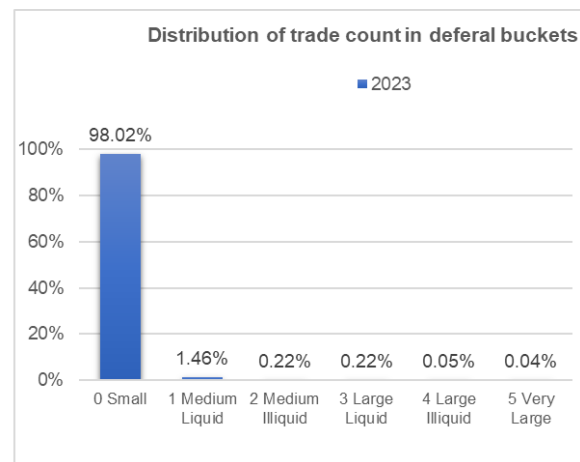
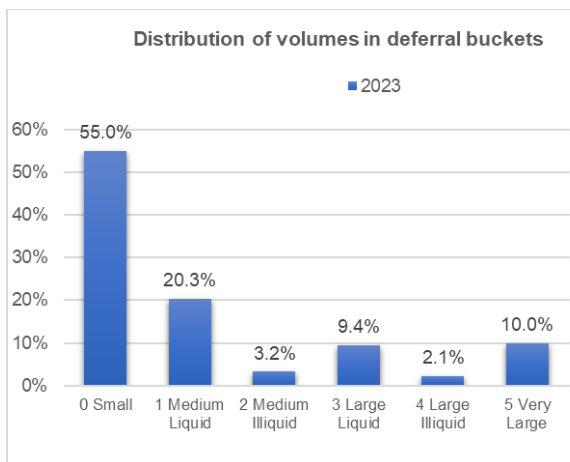


Figures 21 and 22: Distribution of volumes and trade count per deferral bucket in sovereign and other public bonds

## Corporate, Convertible and other bonds

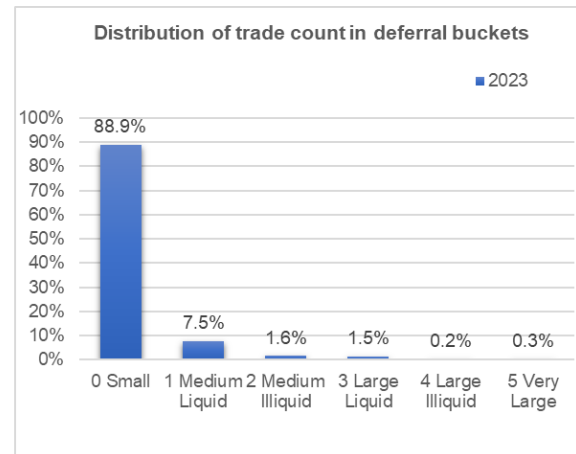
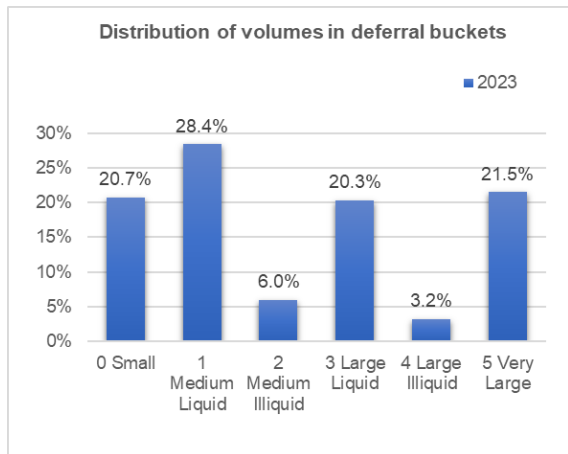
102. In order to simplify the post-trade deferral regime, ESMA considered suggesting the same size thresholds for all bond types. As such, ESMA tested with the data available what would be the distribution in terms of volume traded and trade count of similar thresholds applied to corporate bonds.

103. Under this scenario (i.e. medium size including trades between 5 and 15 Mn, large sizes including trades between 15 and 50Mn), corporate bond market would see close to 55% of the total volume subject to post-trade real time transparency and over 78% of the volume to be published, at the latest, by the end of the day. In terms of number of trades, this would account for 99.75% of the number of trades subject to end of day transparency.



Figures 22 and 23: Distribution of volumes and trade count per deferral bucket (with 5, 15 and 50 Mn Euro thresholds) in corporate, convertible and other bonds

104. The data shows that effectively corporate and sovereign bond trade differently. Considering their liquidity and risk profile, the average trade size on corporate bond markets tends to be lower than that of sovereign bonds. As such, and considering the distribution shown above, ESMA is of the view that smaller sizes should be considered for the deferral regime for the bucket of corporate bonds. In order to set the appropriate sizes, ESMA considers having the same approach taken for sovereign bonds, i.e. a very large portion of trades subject to real-time post-trade transparency (roughly 90%) and the majority of volume below the very large bucket. To achieve this objective ESMA suggests 1, 5 and 15 Mn Euro thresholds.



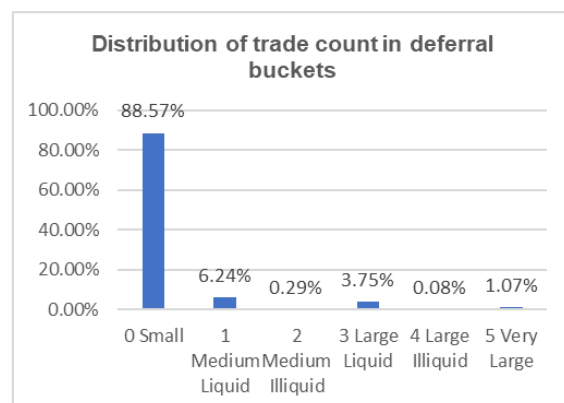
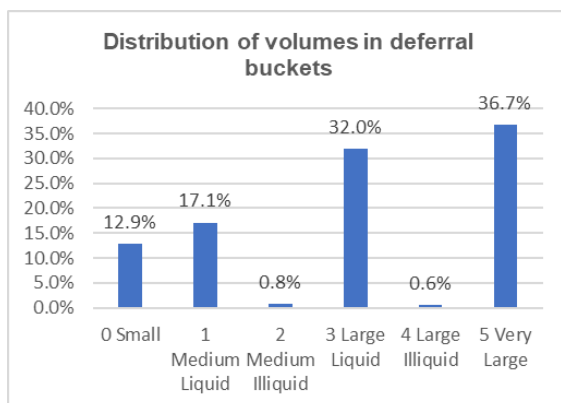
Figures 23 and 24: Distribution of volumes and trade count per deferral bucket (with 1, 5 and 15 Mn Euro thresholds) in corporate, convertible and other bonds

### Covered Bonds

105. For the case of covered bonds, and roughly keeping the same approach, ESMA suggests keeping the same threshold as those for sovereign bonds.

106. Under this scenario, roughly 90% of trades would be subject to real-time post-trade transparency, although that only counts for 13% in terms of volume, slightly below the proportion for sovereign bonds. In addition, around 30% of the total volume would benefit from a deferral, at the maximum, up to 15 minutes.

107. Finally, the very large buckets would amount for less than 40% of the total volume and slightly above 1% of trades. Compared to sovereign bonds, there would be a larger number of trades subject to a deferral but that would amount for a smaller portion in terms of volume.



Figures 23 and 24: Distribution of volumes and trade count per deferral bucket covered bonds

108. Despite reaching slightly different results, in order to achieve a simpler post-trade regime, ESMA suggests setting the same thresholds as those applicable to sovereign bonds.

#### 4.2.1.3 Deferral duration

109. Under Article 11(4)(f) of MiFIR ESMA is tasked to specify the price and volume deferrals applicable to each of the five categories, applying specified maximum durations.

110. In order to deliver on the main objective of increasing post-trade transparency, including through the establishment of a CTP for bonds, deferral durations should be calibrated so that there is sufficient transparency in price forming transactions. Transparency in price forming transactions reduce information asymmetries and therefore promotes efficient functioning of a market and secondary trading. Moreover, transparency in price forming transactions is crucial for valuation of bond holdings by asset managers, which also ensures equal treatment of all unitholders in investment funds.

111. With the proposed thresholds, ESMA considers that price forming transactions take place in the medium and large categories. These categories constitute approximately 50% of the trade volumes (ranging between 44% and 58% depending on the bond type). For the medium categories, ESMA considers it appropriate to propose the maximum deferrals indicated in Article 11(4)(f). A significant volume of price forming transactions is found also in the large categories. ESMA therefore proposes to set the applicable price deferral at the end of the trading day for the large categories and retain the maximum deferral allowed for the transaction volume. In order to achieve a balance between mitigation of undue risk for liquidity providers and information asymmetries, ESMA suggests allowing the maximum deferrals for the very large category.

### Proposal

112. Considering the main objective of increasing post-trade transparency and taking into account the data analysis provided, ESMA proposes the following deferral tables. In order to implement this regime, ESMA proposes to add a new Article 8a setting out the maximum deferral durations and the appropriate thresholds. In addition, ESMA also proposes to amend Annex III of RTS 2.

Category	Issuance Size	Size	Price Deferral	Volume deferral
N/A	Any	< 5 Mn	Real time	
1	>= 1 Bn	[5Mn – 15Mn[	15 minutes	

<b>2</b>	< 1 Bn	[5Mn – 15Mn[	End of trading day	
<b>3</b>	>= 1 Bn	[15Mn – 50Mn[	End of trading day	One Week
<b>4</b>	< 1 Bn	[15Mn – 50Mn[	End of trading day	Two weeks
<b>5</b>	Any	>= 50Mn	Four Weeks	

Table 10: Deferral regime for sovereign and other public bonds

Category	Issuance Size	Size	Price Deferral	Volume deferral
<b>N/A</b>	Any	< 1 Mn	Real time	
<b>1</b>	>= 500 Mn	[1Mn - 5Mn[	15 minutes	
<b>2</b>	< 500 Mn	[1Mn - 5Mn[	End of trading day	
<b>3</b>	>= 500 Mn	[5Mn – 15Mn[	End of trading day	One Week
<b>4</b>	< 500 Mn	[5Mn – 15Mn[	End of trading day	Two weeks
<b>5</b>	Any	>= 15 Mln	Four Weeks	

Table 11: Deferral regime for corporate, convertible and other bonds

Category	Issuance Size	Size	Price Deferral	Volume deferral
<b>N/A</b>	Any	< 5 Mn	Real time	
<b>1</b>	>= 250 Mn	[5Mn – 15Mn[	15 minutes	
<b>2</b>	< 250 Mn	[5Mn – 15Mn[	End of trading day	
<b>3</b>	>= 250 Mn	[15Mn – 50Mn[	End of trading day	One Week
<b>4</b>	< 250 Mn	[15Mn – 50Mn[	End of trading day	Two weeks
<b>5</b>	Any	>= 50Mn	Four Weeks	

Table 12: Deferral regime for covered bonds

**Q12: Do you agree with the proposed thresholds specified in the above Tables? If not, please justify by providing qualitative data to your analysis and differentiating per asset class.**

**Q13: Do you agree with the maximum deferral period set out in the tables above?**

#### 4.2.1.4 Large in scale pre-trade threshold for bonds

113. As discussed in the previous section, ESMA also proposes to set one static LiS threshold in the context of pre-trade transparency waivers thereby deviating from the current framework under RTS 2 that required a periodic assessment.

114. ESMA suggests taking the smallest threshold size set for post-trade as the new LiS pre-trade threshold. In addition, we also suggest keeping the same bucketing proposed for post-trade deferrals with three bond types: sovereign and other public bonds, corporate, convertible and other bonds, and covered bonds.

115. Looking at the current regime (prior to the MiFIR Review) and the calculations provided for post-trade deferrals, ESMA proposes the below table, to be added to the Annex of the RTS, as the new pre-trade LiS threshold for each bond type.

Asset class	Bond Type	LIS pre-trade (pre-MiFIR review based on the 2023 calculations)	LIS pre-trade (post-MiFIR review)
Bonds (all bond types except ETCs and ETNs)	Sovereign Bond	4,000,000	5,000,000
Bonds (all bond types except ETCs and ETNs)	Other Public Bond	4,500,000	
Bonds (all bond types except ETCs and ETNs)	Convertible Bond	1,500,000	1,000,000
Bonds (all bond types except ETCs and ETNs)	Corporate Bond	1,500,000	
Bonds (all bond types except ETCs and ETNs)	Other Bonds	1,500,000	
Bonds (all bond types except ETCs and ETNs)	Covered Bond	2,500,000	5,000,000

Table 13: Pre-trade large in scale thresholds for bonds.

#### 4.2.2 Deferral regime for SFPs and Emission Allowances

**Article 11(4) of MIFIR**



“ESMA shall, after consulting the expert stakeholder group established pursuant to Article 22b(2), develop draft regulatory technical standards to specify the following in such a way as to enable the publication of information required pursuant to this Article and Article 27g:

[...]

(c) for which structured finance products or emission allowances traded on a trading venue, or classes thereof, a liquid market exists;

[...]

g) the arrangements for deferred publication in respect of structured finance products and emission allowances, or classes thereof, on the basis of a quantitative and qualitative analysis and taking into account the criteria in Article 2(1), point (17)(a), and other relevant criteria where applicable;

[...]”.

116. In accordance with the MiFIR review requires, the arrangements for deferred publications for SFPs and EUA shall be specified by ESMA in accordance with the mandate provided in Article 11(4) point (g) of MiFIR. Compared to the mandate related to bonds, the one related to SFPs and EUAs provides more flexibility. The empowerment under Article 11(4)(g) of MiFIR makes no reference to the five categories of transactions, nor to maximum deferral periods. Instead, the mandate requires ESMA to specify the deferral regime on the basis of a quantitative and qualitative analysis and to take into account the criteria in Article 2(1), point (17)(a) of MiFIR (i.e. the criteria relevant for the definition of a liquid market), and other relevant criteria where applicable.

117. The criteria in the definition of a liquid market are the following: (i) the average frequency and size of transactions over a range of market conditions, having regard to the nature and life cycle of products within the class of financial instrument; (ii) the number and type of market participants, including the ratio of market participants to traded financial instruments in a particular product; (iii) the average size of spreads, where available; (iv) the issuance size, where appropriate. It should be noted that also Article 11(4)(c) of MiFIR empowers ESMA to determine for which SFPs and EUA a liquid market exists.

#### 4.2.2.1 Liquid market and arrangements for deferred publication for SFPs

118. Currently under RTS 2, the liquidity test for SFPs is done on the basis of a periodic assessment (on a yearly basis) based on a two-test methodology in accordance with the table below:

Asset class — Structured Finance Products (SFPs)		
Test 1 — SFPs asset-class assessment		
SFPs asset-class assessment for the purpose of the determination of the financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b)		
Transactions to be considered for the calculations of the values related to the quantitative liquidity criteria for the purpose of the SFPs asset-class assessment	The SFPs asset-class shall be assessed by application of the following thresholds of the quantitative liquidity criteria	
	Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
Transactions executed in all SFPs	EUR 300 000 000	500
Test 2 — SFPs not having a liquid market		
If the values related to the quantitative liquidity criteria are both above the quantitative liquidity thresholds set for the purpose of the SFPs asset-class assessment, then Test 1 is passed and Test-2 shall be performed. Each individual financial instrument shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds of the quantitative liquidity criteria		
Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]	Percentage of days traded over the period considered [quantitative liquidity criteria 3]
EUR 100 000	2	80%

Table 14: Current liquidity assessment for SFPs.

119. The performance of the liquidity test throughout the years of application of MiFID II / MiFIR has provided consistent results and, SFPs have always been classified as not having a liquid market – i.e. Test 1 was never passed.

#### Proposal

120. With a view of creating a simpler regime with static determination of liquidity for the asset classes covered in the consultation, and the absence of an alternative methodology to assess the liquidity of SFPs, ESMA proposes to categorise these instruments on the basis of a static qualitative assessment. Therefore, ESMA proposes to classify all SFPs as illiquid.

121. In addition, ESMA suggests keeping similar arrangements for deferred publication as those under the current RTS 2. Therefore, we propose to keep the same size threshold for both pre- and post-trade purposes of illiquid SFPs and the same deferral duration period (no longer than 19.00 local time on the second working day after the date of the transaction). These provisions will be added to the new articles 6a and 8a and the following table will be added to Annex III of RTS 2:

Asset class — Structured Finance Products (SFPs)	
Pre-trade LIS	Post-trade size threshold

EUR 250 000	EUR 1 000 000
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Table 15: SFPs – pre-trade LIS threshold and post-trade size threshold.

**Q14: Do you agree with a static determination of liquidity and determine that all SFPs are illiquid? If not, can you suggest any alternative methodology on how to define liquidity for SFPs?**

**Q15: Do you agree not to introduce changes to the threshold size currently applicable to SFPs as provided in RTS 2?**

**Q16: Do you agree with the maximum duration proposed?**

#### 4.2.2.2 Liquid market and arrangements for deferred publication for Emission Allowances

##### Liquidity assessment

122. Currently under RTS 2, the liquidity test for EUA is done on the basis of a periodic assessment (on a yearly basis) based on two quantitative criteria. In accordance with Table 12.1 of Annex III of RTS 2, EUA are classified as liquid when:

- the average daily amount is above 150,000 tonnes of CO<sub>2</sub>; and
- the average daily number of trades is above 5.

123. In terms of granularity for classes of EUA, the only reference data currently used is the type of emission allowance as reported under field 11 “Emission Allowances sub type” (Table 2 of Annex IV of RTS 2). ESMA proposes to maintain the current granularity while making the necessary changes to update the reference data currently reported under field 11, explained in the consultation paper related to reference data – RTS 23 (deletion of codes which are no longer relevant: EUAA, CERU and ERUE).

124. Under the existing framework and the current liquidity determination, EU allowances (i.e. those reported with the type ‘EUAE’ in field 11 “Emission Allowances sub type”) have a liquid market. With a view of creating a simpler regime with static determination of liquidity for the asset classes covered in the consultation, and based on the data analysis provided below, ESMA suggests maintaining the outcome of the current framework thereby determining that EU allowances reported with the type ‘EUAE’ have a liquid market.

125. While performing the data analysis based on FITRS transparency data, ESMA identified a data reporting issue related to the volumes of EUA, which is under resolution at the time of drafting. Consequently, the data analysis provided below is based on 1) number of trades for the year 2022 and 2023 as reported to ESMA FITRS (thereafter

Source 1); and 2) the data analysis conducted for the purpose of the previous revision of RTS 2 (thereafter Source 2)<sup>10</sup>.

126. Based on Source 1, the average daily number of transactions on EUA was around 100 trades per day and the median daily number of transactions was around 50. Those numbers are well above the existing threshold of 5 trades per day (current RTS 2) and remain above the threshold of 50 trades per day on average, which had been proposed by ESMA in its previous consultation paper on the revision of RTS 2<sup>11</sup>.
127. Under the most conservative assumption that each trade has a size of just one lot (one lot = 1,000 tCO<sub>2</sub>), the average daily volumes would be estimated at 100,000 tCO<sub>2</sub>. This compares to the current threshold of 150,000 tCO<sub>2</sub> set for the average daily amount applicable to EUA, set in Table 12.1 of Annex III of RTS 2.
128. In addition, based on Source 2<sup>12</sup>, the mode (most frequent trade size) and median (50th percentile of trade size) were both equal to one lot for EUA. As explained in this paper<sup>13</sup>, liquid classes are characterised by low standard trade sizes (measured either by mode or median), which is the case of EUA.

#### Proposal

129. Based on the above, it appears reasonable to adopt a static determination of liquidity for emission allowances, and to consider that EUA with the type 'EUAE' have a liquid market. To the best of ESMA's knowledge at the time of drafting, instruments qualifying as EUA under C(11) of Annex I of MiFID II and with a type different from 'EUAE' are not available for trading in the EU. However, they could emerge in the future, notably with the creation of a second European Trading System (ETS 2) for buildings, road transport and additional sectors, which is expected to become operational in 2027<sup>14</sup>. As a result, for the time being, EUA with a type different from 'EUAE' should be assessed as not having a liquid market.
130. To implement this proposal, ESMA suggests adding the static determination of liquidity for EUA to the new Article 6a and amending Table 12.1 of Annex III of RTS 2 as follows:

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<sup>10</sup> Section 6.7 of [Consultation Paper On the review of RTS 1 \(equity transparency\) and RTS 2 \(non-equity transparency\)](#) (ESMA70-156-4236, 9 July 2021).

<sup>11</sup> Section 4.2.2. of [Consultation Paper On the review of RTS 1 \(equity transparency\) and RTS 2 \(non-equity transparency\)](#) (ESMA70-156-4236, 9 July 2021). Stakeholders supported a higher threshold of 100 trades per day. The proposals were postponed until the revision of RTS 2 in the context of the MiFIR review (Section 4 of [Final Report On the review of RTS 2 \(non-equity transparency\)](#))

<sup>12</sup> Tables 15 and 16 in Section 6.7 of [Consultation Paper On the review of RTS 1 \(equity transparency\) and RTS 2 \(non-equity transparency\)](#) (ESMA70-156-4236, 9 July 2021).

<sup>13</sup> Section 4.2.2.2 of [Consultation Paper On the review of RTS 1 \(equity transparency\) and RTS 2 \(non-equity transparency\)](#)

<sup>14</sup> [https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets/ets-2-buildings-road-transport-and-additional-sectors\\_en](https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets/ets-2-buildings-road-transport-and-additional-sectors_en)

	Asset class — Emission Allowance
Sub-asset class	Liquidity determination
<b>European Union Allowances (EUA)</b> RTS23#3a = EMAL and RTS23#37= EUAE	EU emission allowances are considered to have a liquid market
<b>Any other Emission Allowances</b> RTS23#3a = EMAL and RTS23#37 <> EUAE	Any other emission allowances are considered <u>not</u> to have a liquid market

Table 16: Emission allowances — classes not having a liquid market.

**Q17: Do you agree with a static determination of liquidity and determine that all EUA are liquid? If not, can you suggest any alternative methodology on how to define liquidity for EUAs?**

Trade sizes for pre-trade LIS and for post-trade deferrals

131. Under the current regime, pre- and post-trade LIS and SSTI thresholds for EUAs are calibrated using the percentile approach (Table 12.2 and Table 12.3 of Annex III of RTS 2). Issues with the current percentile approach have been discussed in the consultation paper published for the previous revision of RTS 2<sup>15</sup>.
132. Regarding LIS and SSTI thresholds in general, the main issues related to (1) the size of the first trade-size bin (100 lots for emission allowances); and (2) the existence of a threshold floor. The combination of those two elements in the methodology resulted, in many cases, in overestimating the resulting LIS and SSTI thresholds.
133. In the case of EUAs, the large size of the first trade-size bin ([0 - 100,000 tCO<sub>2</sub>], i.e. 100 lots, as defined in Table 4 of Annex V of RTS 2) means that all transactions with a size below 100 lots are reported together. And given that most transactions in EUA have a size significantly lower than 100 lots, it is not possible under the existing regime to be accurate in the determination of a percentile.
134. To calibrate the trade size above which trades in EUAs would qualify for a pre-trade waiver and for a post-trade deferral, ESMA used the distribution of trade sizes available in the consultation paper published for the previous revision of RTS 2<sup>16</sup>. This analysis was

<sup>15</sup> Section 4.2.3.1 of [Consultation Paper On the review of RTS 1 \(equity transparency\) and RTS 2 \(non-equity transparency\)](#)

<sup>16</sup> Table 27 and Figure 8 in Section 6.7 of [Consultation Paper On the review of RTS 1 \(equity transparency\) and RTS 2 \(non-equity transparency\)](#)

based on a granular dataset provided by trading venues in 2021, which allowed the calculation of appropriate trade size distributions.

135. Based on this data, the distribution of trade sizes in EUA is provided in Table and Figure 1 below. While trade size distributions tend to be consistent over time, ESMA acknowledges that using more recent figures may yield different outcomes and encourages stakeholders to share updated data with ESMA where available.

<b>Emission allowances</b>	<b>Trade Size</b>
Mode (most frequent trade size)	1 lot
Medium (50th percentile)	1 lot
90th percentile	5 lots
95th percentile	25 lots
97.5th percentile	100 lots
99th percentile	500 lots

Table 17: Main metrics on the distribution of trade sizes in emission allowance (Source: data collection from trading venues, 2020 data, ESMA calculations).

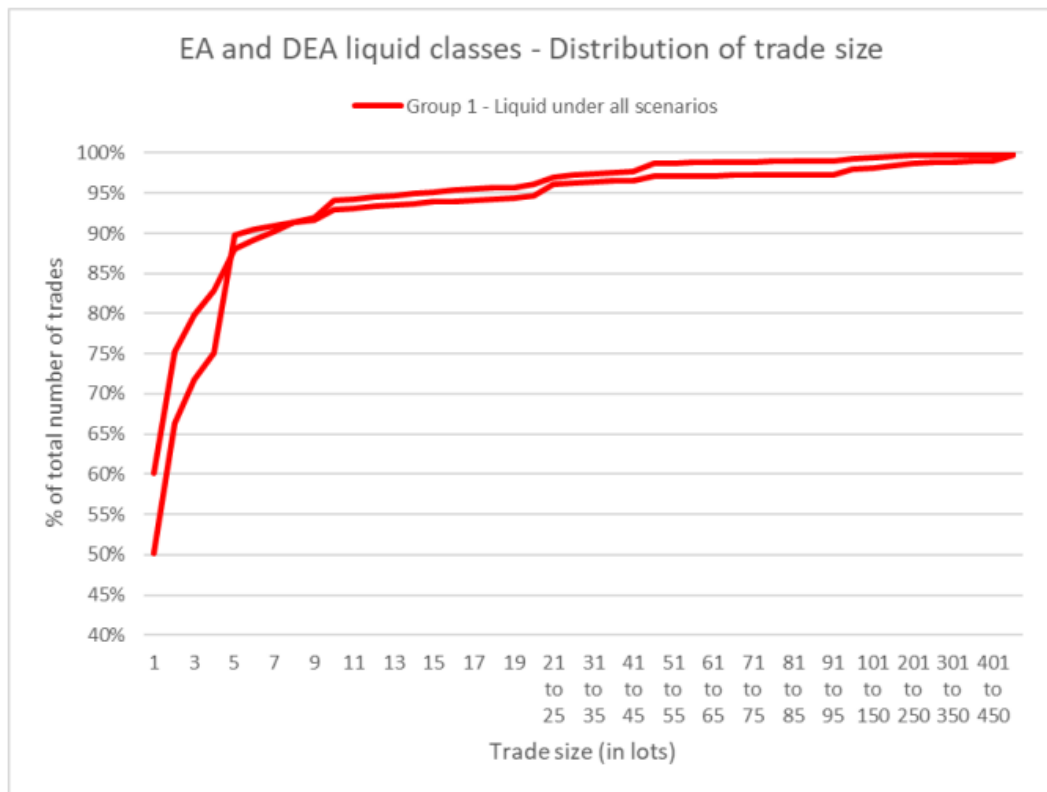


Figure 1: Trade size distribution in emission allowances (source: data collection from trading venues, 2020 data, ESMA calculations)

## Proposal

136. Based on the above, ESMA suggests using the following trade size thresholds:

- **For the pre-trade LIS**, a trade size of 5 lots; which based on Source 2 represents the 90th percentile of the trade size distribution. Under the most recent transparency calculations, the pre-trade LIS threshold for EUAs was established at 100 lots, which in reality corresponds to the 97.5th percentile, instead of the expected 70th percentile set in RTS 2, due to the biases of the percentile approach as currently implemented and described above;
- **For the deferrals in liquid instruments**, a trade size of 25 lots; which based on Source 2 represents the 95th percentile of the trade size distribution. Under the most recent transparency calculations, the post-trade SSTI and LIS thresholds for EUAs were established at 200 and 400 lots, which in reality corresponds to percentile above the 97.5th, instead of the expected 80th and 90th percentile set in RTS 2, due to the biases of the percentile approach as currently implemented and described above.

137. To implement these changes, ESMA proposes to add to the new Article 8a these provisions setting out the conditions for deferred application for EUAs, including the maximum deferral period to be no longer than 19.00 local time on the second working day after the date of the transaction. In addition Table 12.1 of Annex III will be replaced by the following table:

<b>Asset class — Emission allowances</b>		
<b>Sub-asset class</b>	<b>Pre-trade LIS</b>	<b>Post-trade size threshold</b>
European Union Allowances (EUA)	5 lots	25 lots
Any other emission allowances	Any size	Any size

Table 18: Emission allowances — pre-trade LIS threshold and post-trade size threshold.

**Q18: Do you agree with the proposed framework for the deferral regime for EUAs? If not, please suggest an alternative methodology.**

#### 4.2.3 Approach to pre-and post-trade transparency for ETCs and ETNs

138. When developing RTS 2, following ESMA's analysis and industry feedback, it was concluded that despite ETCs/ETNs having largely the same characteristics of ETFs, the same definition could not be applied. Since the ETF definition applies only to fund structures, it is not applicable to ETCs and ETNs.

139. However, in order to ensure a harmonised treatment of these instruments, RTS 2 categorises ETCs and ETNs as types of bonds and a similar transparency regime to that of ETFs applies. Currently, the liquidity is assessed on an instrument level as for ETFs and on the basis of the thresholds for 2 liquidity criteria, namely the ADT and average number of trades. In addition, similarly to ETFs, the pre- and post-trade LIS thresholds are set at a static value. The below table summarises the current approach to ETCs and ETNs.



Asset class — Bonds (ETC and ETN bond types)		
Bond type	Each individual financial instrument shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds of the quantitative liquidity criteria	
	Average daily turnover (ADT) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
Exchange Traded Commodities <sup>17</sup> (ETCs)	EUR 500 000	10
Exchange Traded Notes <sup>18</sup> (ETNs)	EUR 500 000	10

Table 18: ETC and ETN bond types — classes not having a liquid market under current RTS 2.

Asset class — Bonds (ETC and ETN bond types)				
Pre-trade and post-trade SSTI and LIS thresholds for each individual instrument determined to have a liquid market				
Bond type	SSTI pre-trade	LIS pre-trade	SSTI post-trade	LIS post-trade
	Threshold value	Threshold value	Threshold value	Threshold value
ETCs	EUR 1 000 000	EUR 1 000 000	EUR 50 000 000	EUR 50 000 000
ETNs	EUR 1 000 000	EUR 1 000 000	EUR 50 000 000	EUR 50 000 000
Pre-trade and post-trade SSTI and LIS thresholds for each individual instrument determined not to have a liquid market				
Bond type	SSTI pre-trade	LIS pre-trade	SSTI post-trade	LIS post-trade
	Threshold value	Threshold value	Threshold value	Threshold value
ETCs	EUR 900 000	EUR 900 000	EUR 45 000 000	EUR 45 000 000
ETNs	EUR 900 000	EUR 900 000	EUR 45 000 000	EUR 45 000 000

Table 19: Current deferral regime for ETCs and ETNs.

## Proposal

140. The MiFIR review did not include any changes in the definition of ETFs nor did it include a tailored regime for ETCs and ETNs. Therefore, ESMA suggests keeping roughly the same approach to that currently applicable under RTS 2. However, considering the move to static liquidity assessment across the different non-equity instruments, ESMA suggests

<sup>17</sup> Defined as a debt instrument issued against a direct investment by the issuer in commodities or commodities derivative contracts. The price of an ETC is directly or indirectly linked to the performance of the underlying. An ETC passively tracks the performance of the commodity or commodity indices to which it refers.

<sup>18</sup> Defined as a debt instrument issued against a direct investment by the issuer in the underlying or underlying derivative contracts. The price of an ETN is directly or indirectly linked to the performance of the underlying. An ETN passively tracks the performance of the underlying to which it refers.

moving away from a periodic assessment of liquidity and proposes a static determination also for ETCs and ETNs.

141. Looking at the periodic assessment performed in the past few years, ESMA concludes that ETCs and ETNs are generally classified as illiquid. In line with the approach taken for SFPs, ESMA therefore proposes to classify all ETCs and ETNs as illiquid.

142. In addition, in order to keep an alignment with the current regime for ETFs, ESMA suggests setting the LIS pre-trade threshold for ETCs and ETNs at EUR 1Mn. ESMA therefore proposes the following pre-trade regime for ETCs and ETNs.

143. In relation to the deferral regime, ESMA proposes to keep the current approach under RTS 2, both in terms of the deferral period and the static size threshold. In order to keep an alignment with ETFs, ESMA also suggests keeping the highest thresholds currently under RTS 2.

144. The table below summarises ESMA's proposal for the pre- and post-trade transparency regime for ETCs and ETNs:

<b>Asset class — Bonds (ETC and ETN bond types)</b>
<b>For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall be applied</b>

all ETCs and ETNs are considered not to have a liquid market

<b>Asset Class</b>	<b>Pre-trade LiS threshold</b>	<b>Post-trade Size threshold</b>	<b>Maximum price and volume deferral</b>
<b>Exchange Traded Commodities (ETCs)</b>	EUR 1 000 000	EUR 50 000 000	End of T+2
<b>Exchange Traded Notes (ETNs)</b>	EUR 1 000 000	EUR 50 000 000	End of T+2

Table 20: Proposed deferral regime for ETCs and ETNs.

**Q19: Do you agree with the classification of ETCs and ETNs as types of bonds?**

**Q20: Do you agree with the liquidity determination for ETCs and ETNs. If not, please suggest an alternative approach to the liquidity determination.**

**Q21: Do you agree with the pre- and post-trade thresholds? If not, please suggest an alternative methodology.**

### 4.3 Supplementary Deferrals

**Article 11(4) of MiFIR:**

“ESMA shall, after consulting the expert stakeholder group established pursuant to Article 22b(2), develop draft regulatory technical standards to specify the following in such a way as to enable the publication of information required pursuant to this Article and Article 27g:

[...]

(h) in respect of sovereign debt instruments, or classes thereof, the criteria to be applied when determining the size or type of a transaction in such instruments for which decisions can be taken pursuant to paragraph 3.

[...]”.

145. The new Article 11(3) of MiFIR introduces a number of changes to the current supplementary deferral regime under MiFIR. Firstly, it limits the possibility for NCAs to supplement the deferral period to sovereign bonds. Secondly, the decision should be made by the NCA of a Member State with regard to transactions issued by that Member State. For sovereign debt instruments not issued by a Member State, this decision shall be taken by ESMA.

146. The supplementary deferral under the new MiFIR regime allows, for sovereign debt instruments:

- a) The omission of the publication of the volume of an individual transaction for an extended time period not exceeding six months; or
- b) the publication of the details of several transaction in an aggregated form for an extended time period not exceeding six months.

147. The empowerment under Article 11(4) of MiFIR tasks ESMA to set the criteria to be applied when determining the size or type of a transaction in sovereign bonds.

148. Where NCAs make use of the provision in Article 11(3)(a) of MiFIR, then the maximum deferral table for sovereign bonds would be the following:

Category	Size	Liquidity	Maximum Price Deferral	Maximum Volume Deferral
1	Medium	Liquid	15 minutes	6 months
2	Medium	Illiquid	End of trading day	6 months
3	Large	Liquid	End of trading day	1 Week plus 6 months
4	Large	Illiquid	End of trading day	Two weeks plus 6 months
5	Very Large	N/A	Four weeks	Four weeks plus 6 months

Table 21: Supplementary deferrals.

149. Since the Level 1 already clarifies the maximum deferral time, for the purposes of Article 11(3)(a) of MiFIR, ESMA is of the view that no Level 2 requirements specifically related to this provision are needed. It should nevertheless be noted that six months is the maximum deferral and NCAs could set different deferral durations. However, in order to ensure a simpler regime, ESMA will work with NCAs with the aim of ensuring that the supplementary deferral durations are consistent between all NCAs.
150. With regard to the publication of transactions in an aggregated form under Article 11(3)(b) of MiFIR, ESMA suggests keeping the approach as it currently stands in RTS 2, i.e. transactions benefitting from an extended deferral should be aggregated by the respective trading venues and APAs over the course of one calendar week and should be published on the following Tuesday before 9.00 CET.
151. Effectively, the aggregation should be done with all transactions where the volume deferral under Article 11(1) of MiFIR would have elapsed. Therefore, the publication of aggregated details on, for example, Tuesday 9am of Week 15 of 2024 should include:
- a) The total volume taken by the sum of all CAT 1 transactions of Week 14, all CAT 3 transaction of week 13, and all CAT 5 transaction of Week 8 for liquid bonds aggregated per ISIN; or,
  - b) The total volume taken by the sum of all CAT 2 transactions of Week 14, all CAT 4 transactions of week 12, and all CAT 5 transaction of Week 8 for illiquid bonds aggregated per ISIN.
152. Individual details of each transaction should be published 6 months after the publication of the aggregated details, which on the example above would be on Week 41 of 2024.

153. Therefore, where NCAs make use of Article 11(3)(b) of MiFIR, for sovereign bonds the deferral table would be the following:

Category	Size	Liquidity	Maximum Price Deferral	Volume Deferral	Aggregated details publication
1	Medium	Liquid	15 minutes		Next Tuesday 9am
2	Medium	Illiquid	End of trading day		Next Tuesday 9am
3	Large	Liquid	End of trading day	One week	Next Tuesday 9am after one-week period expires
4	Large	Illiquid	End of trading day	Two weeks	Next Tuesday 9am after two-week period expires
5	Very Large	N/A	Four weeks		Next Tuesday 9am after four-week period expires

Table 22: Supplementary deferrals – aggregation details.

154. In addition, the content of the aggregated data to be published should also remain unchanged. Therefore, the publication of aggregated data should include the following information:

- the weighted average price;
- the total volume traded as referred to in Table 4 of Annex II;
- the total number of transactions.

155. ESMA considers the aggregation regime provided in Article 11(3)(b) of MiFIR to be overly complex, difficult to implement and providing limited added value. Therefore, in relation to the decision that needs to be taken by ESMA with regard to transactions in sovereign debt instruments not issued by a Member State, ESMA is considering whether the aggregation is the most effective approach. ESMA's current thinking is if supplementary deferrals are allowed then these should be based on the volume omission under Article 13(3)(a). Nevertheless, ESMA will further reflect on this and ensure an appropriate coordination with NCAs to aim for a consistent approach amongst Member States.

**Q22: What is your view in relation to the implementation of the supplementary deferral regime for sovereign bonds?**

## 5 Other provisions common to pre- and post-trade

### 5.1 Temporary suspension of transparency obligations

#### Article 11(5) of MiFIR

“ESMA shall develop draft regulatory technical standards to specify the following:

(a) the parameters and methods for calculating the threshold of liquidity referred to in paragraph 4 in relation to the financial instrument. The parameters and methods for Member States to calculate the threshold shall be set in such a way that when the threshold is reached, it represents a significant decline in liquidity across all venues within the Union for the financial instrument concerned based on the criteria used under Article 2(1)(17);

[...]”.

156. Articles 9(4) and 11(2) of MiFIR allow NCAs to temporarily suspend pre- and post-trade transparency requirements for trading venues and investment firms when the liquidity of a class of financial instrument falls below a certain threshold. Article 9(5)(a) of MiFIR requires ESMA to specify in draft RTS the parameters and methods for calculating the threshold on the basis of objective criteria specific to the market for the financial instrument concerned and in such a way that it represents a significant decline in the liquidity within a class of bond, SFP, EUAs across all venues within the Union based on the criteria used under Article 2(1)(17)(a) of MiFIR.

157. The MiFIR review introduces some limited changes to the way the suspension of the transparency obligations is operationalised, in particular that ESMA shall be notified and shall publish on its website any temporary suspension. In addition, the amended Article 11(2) of MiFIR, includes the possibility for ESMA to extend the maximum deferral durations set out in Section 5 of this CP, after consulting with the NCA responsible for supervising the trading venue where the instrument is traded. Such extension should be done in case of emergency, such as a significant adverse effect on the liquidity of a class of bonds, SFP and EUA traded in the EU. However, there is no empowerment for ESMA to further develop RTS to define what constitutes a significant adverse effect on the liquidity.

158. In addition, it should be noted that the definition of liquidity for bonds has considerably changed with this review. Effectively, the MiFIR review introduces a static determination of liquidity on the basis of the issuance size.

159. Currently, RTS 2 considers that the liquidity suspension could be triggered following a drop in liquidity during the last 30 days compared to the average monthly volume for the preceding 12 full calendar months:

- i. by 60% for instruments or classes of financial instruments which have a liquid market;
- ii. by 80% for instruments or classes of financial instruments which do not have a liquid market.

160. Despite the new elements introduced by the MiFIR review, including the new definition of liquidity for bonds, ESMA does not believe that the conditions for triggering the temporary suspension should change. ESMA considers that the intention of the temporary suspension is to be restrictive and only be used in extraordinary circumstances. As such, ESMA does not believe that any changes should be introduced to the requirements currently under RTS 2.

**Q23: Do you agree not to make any changes to the temporary suspension of transparency obligations framework as it currently in RTS 2?**

## 5.2 ESCB exemptions

161. The MiFIR Review also changes the scope of MiFIR, in particular in relation to the transparency requirements applicable to trading venues where a counterparty of a transaction is a member of the European System of Central Banks (ESCB). The scope has increased and will apply when any of the following applies:

(a) the member of the ESCB is a member of the Eurosystem acting under Chapter IV of Protocol (No 4) on the Statute of the European System of Central Banks, with the exception of Article 24 of that Statute;

(b) the member of the ESCB is not a member of the Eurosystem and the transaction is entered into in performance of monetary or foreign exchange policy, including operations carried out to hold or manage official foreign reserves, which that member of the ESCB is legally empowered to pursue; or

(c) the transaction is entered into in performance of financial stability policy, which that member of the ESCB is legally empowered to pursue.

162. Also, this exemption will not apply in respect of transactions entered into by a member of the ESCB which is not a member of the Eurosystem, in performance of their investment operations.

163. The MiFIR review also includes an empowerment for ESMA to, in cooperation with the European Central Bank (ECB), develop draft regulatory technical standards to specify the

monetary, foreign exchange and financial stability policy operations and the types of transactions to which paragraphs 6 and 7 apply with regard to members of the ESCB which are not members of the Eurosystem. This empowerment has a 24-month deadline.

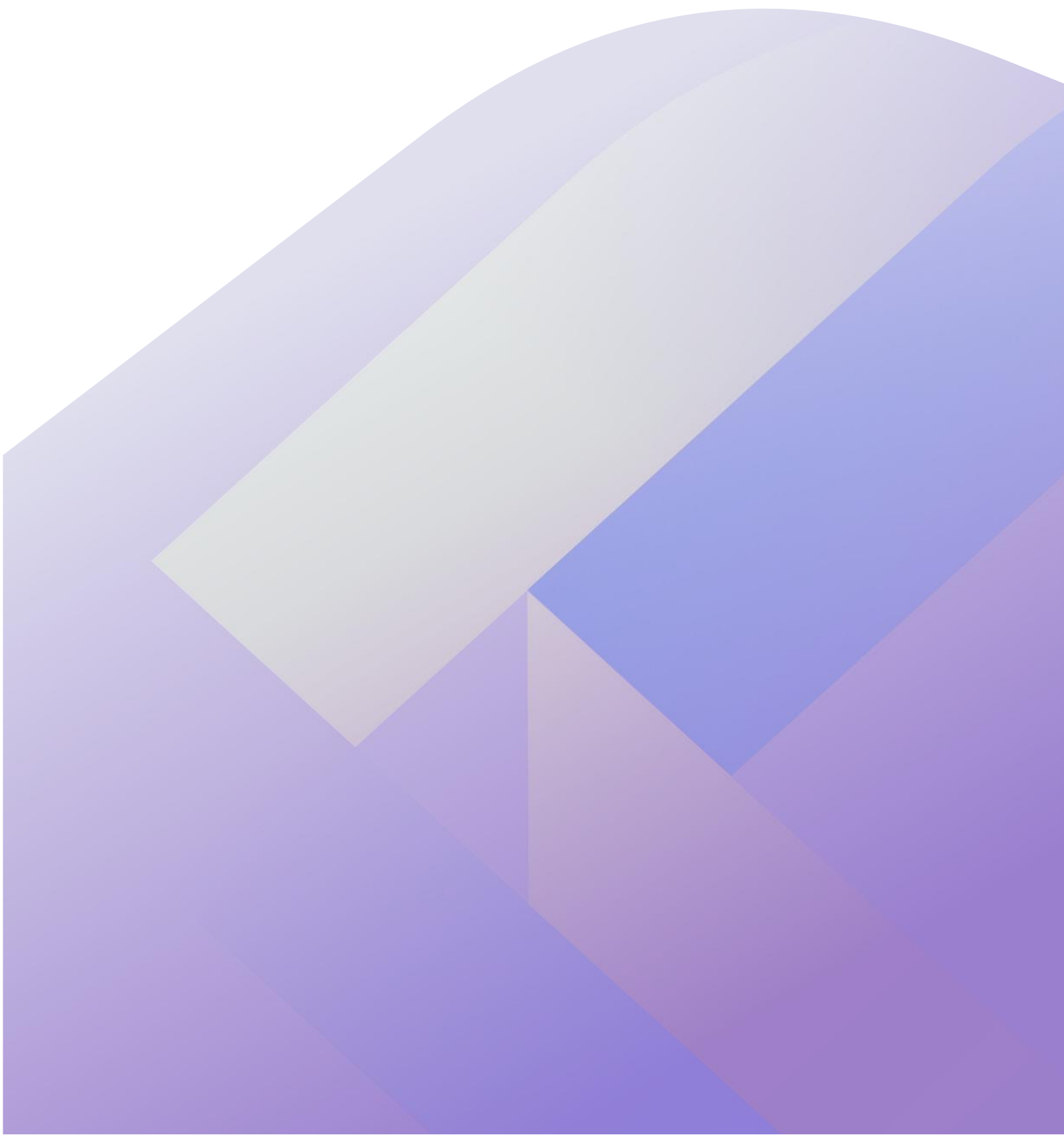
164. Considering the timeline envisaged in the MiFIR review, ESMA will develop this RTS, in close cooperation with the ECB, as part of the pre- and post-trade transparency mandate for derivatives. In the meantime, the new scope of MiFIR for ESCB members that are part of the Eurosystem should apply from the date of entry into force of MiFIR review. For ESCB members that are not part of the Eurosystem the current provisions under RTS 2 continue applying until the new Level 2 is applied.

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**Q24: Do you have any further comment or suggestion on the draft RTS? Please elaborate your answer.**

**Q25: What level of resources (financial and other) would be required to implement and comply with the draft amended RTS and for which related cost (please distinguish between one off and ongoing costs)? When responding to this question, please provide information on the size, internal set-up and the nature, scale and complexity of the activities of your organisation, where relevant.**



# **Consultation Paper on the RTS on reasonable commercial basis**



## 6 Introduction and legal mandate

166. The provision of market data is essential for market participants to obtain an overview of trading opportunities and trading activity. Therefore, MiFID II/MiFIR introduced provisions to ensure that market data is available to market participants in an easily accessible, fair and non-discriminatory manner, to decrease the average cost of market data and to make data available to a wider range of market participants.
167. In December 2019, ESMA published the MiFID II/MiFIR Report on the developments in prices for pre- and post-trade data and the consolidated tape for equity instruments (the 'Report on Market Data')<sup>19</sup>. ESMA reported that the RCB provisions under MiFIR and MiFID II did not deliver on their objectives, recommending to the European Commission possible amendments to Level 1 provisions. ESMA additionally committed to develop supervisory guidance on market data<sup>20</sup>.
168. In June 2021, ESMA issued Guidelines on the MiFID II/MiFIR obligations on market data<sup>21</sup>. The ESMA guidelines on cost of market data cover both the obligation to provide data on an RCB and the obligation to make market data available free of charge 15 minutes after publication<sup>22</sup>.
169. Considering the importance of market data provision, the MiFIR review acknowledges that the provisions on market data in Article 13 of MiFIR did not appear to deliver on their objectives. Recital 12 of the MiFIR review highlights that the information provided by trading venues, APAs and systematic internalisers on a reasonable commercial basis does not enable users to understand market data policies and how the price for market data is set.
170. Considering the above, Recital 12 of the MiFIR review states that the ESMA guidelines on cost of market data should be converted to legal obligations and strengthened, with the aim of ensuring that market data users are not charged for market data according to the value that the market data represents to them.

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<sup>19</sup> [https://www.esma.europa.eu/sites/default/files/library/mifid\\_ii\\_mifir\\_review\\_report\\_no\\_1\\_on\\_prices\\_for\\_market\\_data\\_and\\_the\\_equity\\_ct.pdf](https://www.esma.europa.eu/sites/default/files/library/mifid_ii_mifir_review_report_no_1_on_prices_for_market_data_and_the_equity_ct.pdf)

<sup>20</sup> See page 26 of the Report on Market Data where ESMA recommended to provide supervisory guidance on (i) development of a standardised publication format to be used by all trading venues, (ii) APAs and SIs for disclosing RCB information; (ii) standardisation of key terminology used; (iii) guidance on key concepts (e.g. per user fees); and (iv) guidance on the typology of costs to be included in the fee calculation.

<sup>21</sup> [esma70-156-4305\\_final\\_report\\_mifid\\_ii\\_mifir\\_obligations\\_on\\_market\\_data.pdf \(europa.eu\)](https://www.esma.europa.eu/sites/default/files/library/esma70-156-4305_final_report_mifid_ii_mifir_obligations_on_market_data.pdf)

<sup>22</sup> The Guidelines apply in relation to Articles 13, 15(1) and 18(8) of MiFIR as further specified in Articles 6 to 11 of Delegated Regulation 2017/567 and of Articles 64(1) and (2) and 65(1) and (2) of MiFID II as further specified in Articles 84 to 89 of Delegated Regulation 2017/565. The guidelines apply in relation to market data that trading venues, SIs, APAs and CTPs have to make public for the purpose of the pre-trade and post-trade transparency regime.

171. In this sense, Article 1(12) of the MiFIR Review amends Article 13 of MiFIR by specifying, among others, the duty for market operators and investment firms operating a trading venue, APAs, CTPs and SIs ('market data providers') to (i) make available to the public the relevant market data<sup>23</sup> on an RCB including unbiased and fair contractual terms, (ii) ensure non-discriminatory access to the relevant information and (iii) specify that the relevant data policies should be made public free of charge and in a manner which is easy to access and to understand.
172. Article 13 of revised MiFIR also sets some transparency requirements of market data providers towards NCAs related to the cost of producing and disseminating data and the margin applied to data provision.
173. With respect to market operators and investment firms operating a trading venue, APAs and SIs, the new Article 13 of MiFIR further provides for the duty to make market data available free of charge after 15 minutes in a machine-readable format. CTPs are not subject to this requirement.
174. Additionally, Article 13(5) of revised MiFIR sets a series of mandates for ESMA related to the provision of market data.

**Article 13(5) of MiFIR:**

"5. ESMA shall develop draft technical standards to specify:

- a) what constitutes unbiased and fair contractual terms accordance with paragraph 1;
- b) what constitutes non-discriminatory access to data in accordance with paragraph 1;
- c) the uniform content, format and terminology of the data policies to be made public in accordance with paragraph 1;
- d) the data access, content and format of the information to be provided in accordance with paragraph 2;
- e) elements to be included in the calculation of cost and margin as referred to in paragraph 3;
- f) the uniform content, format and terminology of the information to be provided to the competent authorities in accordance with paragraph 4.

ESMA shall, every two years, monitor the developments in the cost of data and shall where appropriate update the regulatory technical standards in light of the result of its assessment.

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<sup>23</sup> The data in scope is the one included in Articles 3, 4, 6 to 11a, 14, 20, 21, 27g and 27h of MiFIR

ESMA shall submit those draft regulatory technical standards to the Commission by ... [nine months after the date of entry into force of this amending Regulation].

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.”.

## 7 Fees for market data

### 7.1 Background

175. This section discusses the mandate in Article 13(5)(e) of revised MiFIR which requires ESMA to specify the elements to be included in the calculation of costs and margin. The level of fees shall be determined by the cost of producing and disseminating market data and a reasonable margin. Both costs and margin are key to determine the overall fees for market data on an RCB.

### 7.2 Assessment and proposal

#### **Costs of producing and disseminating market data for the purpose of calculation of market data fees**

176. In the Guidelines, ESMA stated that the methodology in place for setting the price of market data needed to identify the costs solely attributable to the production and dissemination of market data (i.e., direct costs) and the costs that are shared with other services (i.e., joint costs). Where relevant, the Guidelines required a further distinction to be made between variable costs and fixed costs for both direct and joint costs.

177. In the draft RTS ESMA proposes to take a more granular approach, establishing cost categories which are relevant to the production and dissemination of market data rather than proposing a characterization of the different types of costs.

178. ESMA notes that data providers incur a diverse range of costs when operating their businesses. This consideration appears especially relevant for TVIs which sustain a variety of costs associated to their business in terms of aggregation of buyers and sellers, including costs related to technology and infrastructure, software development, sales and marketing, analytics, quantitative research, operations, compliance, and other functions.

179. In this sense, to establish fees for market data on an RCB it is paramount to clearly differentiate the costs attributable to the production and dissemination of market data from costs attributable to any other business the data provider might undertake.
180. ESMA considers that the main costs directly associated with the production and distribution of market data can be categorised as: (i) the infrastructure, (ii) the connectivity, (iii) the personnel employed, (iv) financial costs and (v) other administrative costs.
181. The first category of costs, i.e., infrastructure costs, should include any infrastructure that is necessary for the production and dissemination of market data. In ESMA's view such category should include elements such as servers, network circuits, software licenses, data centre space, power, and security, etc.
182. The second category of costs, i.e., connectivity costs, is related to enabling users' access to data. It is proposed that connectivity costs include elements as access points, switches, cabling, software licences for the purpose of enabling connectivity, etc. ESMA understands that connectivity costs might vary depending on the technology used, e.g. the bandwidth of the connectivity which allows access to data at different levels of latency.
183. The third proposed cost category encompasses the cost of the human resources which are dedicated to the production and dissemination of market data.
184. The fourth category of costs refers to financial costs which are linked to the resources and assets included in the above cost categories. This category includes financial costs related to taxes, asset depreciation and amortization, and cost of capital financing services needed for the production and dissemination of market data.
185. The fifth cost category should include any costs stemming from administrative processes which are relevant to the production and dissemination of market data.
186. The infrastructure and connectivity cost categories might be deployed to provide multiple services not solely limited to the production and distribution of market data. To distinguish costs related to market data, the draft RTS specifies that costs stemming from any equipment, software or process deployed towards the provision of multiple services should be appropriately apportioned on the basis of the usage of the relevant equipment, software or process by each service.
187. Costs stemming from personnel contributing to the production and dissemination of market data, should be appropriately allocated considering how much of the working activity of the relevant personnel is de facto attributed to market data and to other services.
188. Financial costs linked to assets and resources which are deployed to provide multiple services not solely limited to the production and distribution of market data should also be appropriately apportioned. The apportioning should be done on the basis of how much of

each asset or resource is used to contribute towards the production and dissemination of market data.

189. It should be noted that different data providers have different business models in the production and dissemination of market data. Firstly, whilst some data providers (notably TVs) offer additional and diverse services beyond the production and distribution of market data, others (e.g., APAs and the CTPs) focus their main activity on the distribution of market data. ESMA believes that the current draft RTS caters for the diverse business models.
190. ESMA expects that TVs will consider and appropriately apportion costs related to resources which are used to provide multiple services, while APAs and the CTPs will likely use all their resources for the purpose of data dissemination. This distinction will also help increase the transparency in, and understanding of, market data costs for NCAs and ESMA. Comparing the market data costs of APAs and the CTP with the market data costs of TVs will give an indication of the level of shared or joint costs.
191. Additionally, ESMA believes that the allocation of costs to specific set categories will avoid any instance when costs might be double counted.
192. The draft RTS intentionally does not include audit costs among the costs of production and distribution of market data. The rationale is that audit costs are not directly related to the business of producing and disseminating market data, therefore such costs should be borne by the data provider and not by data clients. The draft RTS nevertheless includes provisions which regulate audit practices in the context of data provision and dissemination.

### **Margin for the purpose of calculation of market data fees**

193. This section focusses on the proposed guidance data providers should follow when setting an appropriate reasonable margin for market data.
194. ESMA has considered various possible approaches, including establishing a set numerical or percentage threshold, in absolute terms or in comparison to other businesses not directly related to data provision. Nevertheless, after cautiously considering the possible approaches, in the draft RTS it is proposed to establish the elements to be considered in the calculation of the reasonable margin through a principle-based approach. The choice of this approach stems from the fact that it is a complex exercise to determine a uniform margin applicable to all market data providers, also considering that ESMA is not endowed with a price competition mandate to set explicit margins.
195. These principles should strike a balance between the need to ensure the production and dissemination of market data remains a viable business and the need to ensure as wide as possible access to data for market participants. On the one hand, the business of

data provision should remain attractive for market data providers to ensure sufficiently accurate data provisions. On the other hand, ensuring wide access to market data for market participants is relevant to foster competition in financial markets and enhance the price formation process. ESMA expects that the establishment of CTPs will also have a positive effect by enhancing competition in data provision and widening access to market data.

196. In order to foster a common approach to what constitutes a reasonable margin, Article 3 of the draft RTS proposes that data providers should: (i) set such margin in a way that does not disproportionately exceed the costs of data provision and (ii) in cases where the data provider offers other services unrelated to the provision and distribution of market data, set the margin in a way that reasonably compares to the overall margin of the business, including data provisions. The margin should be expressed as a percentage of costs.

197. Additionally, Article 3 of the draft RTS states that the margin should be set in a manner which promotes fees for market data which enable data access to the maximum number of users.

198. Based on the previous considerations and to promote a common approach providing for the transparency required to understand the price setting of market data, ESMA proposes that the margin for market data provision should be intended as the net profit achieved by the data provider. Such net profit should be calculated by netting the revenues gained from market data provision of the total expenses related to the business of market data provision and dissemination calculated according to Article 2 of the draft RTS.

199. ESMA's proposals for the elements to be included in the calculation of costs and margin to establish the fees for market data is set out in Annex II (chapter II, articles 2 and 3).

**Q26: Do you agree to the general approach used to specify the costs and margin attributable to the production and distribution of market data? Please elaborate.**

**Q27: Do you agree with the proposed approach to cost calculation based on the identification of different cost categories attributable to the production and dissemination of market data (i.e. (i) infrastructure costs; (ii) connectivity costs; (iii) personnel costs; (iv) financial costs; (v) administrative costs)? Please elaborate.**

**Q28: Do you agree with the proposal of apportioning costs based on the use of resources (i.e., infrastructure, personnel, software...) for each service provided? Do you think the methodology to be used to apportion costs should be further specified? Please elaborate.**

**Q29: Do you agree that the net profit as defined in Article 3 of the draft RTS can be a representative proxy of the margin applicable to data fees and would you include additional principles to define when a margin can be considered reasonable? Please elaborate.**

## **8 Information to be provided to the competent authority**

### **8.1 Background**

200. Article 13(4) of MiFIR establishes the obligation for market operators and investment firms operating a trading venue, APAs and CTPs to report, when requested, information to NCAs on the cost of producing and disseminating market data and on the margin applied to market data.

201. This section discusses the proposed template which has been developed by ESMA to fulfil the mandate in Article 13(5)(f) of MiFIR, specifying the uniform content, format, and terminology of the information to be provided to the competent authorities.

### **8.2 Assessment and proposal**

202. Article 27 of the draft RTS establishes the obligation for market data providers to share information with NCAs regarding, inter alia, the type of market data provided, the cost of market data, the margin applied to the dissemination of data, the rationale in setting data fees and in setting any fee differential.

203. In order to provide NCAs with sufficient information on the provision of market data and ensure the comparability of such information which also enables ESMA to monitor and assess developments in market data policies and compliance with the rules the draft RTS includes requirements and a template for reporting information.

204. Section one and two of the template gather standard information about i) the market data provider, including identification details and contact information regarding market data and ii) the type of data offered, including a link to the data policy that the data provider should make public on its website.

205. Section three is focussed on the costs attributable to the production and dissemination of market data. This section requires a description of the key infrastructures which are relevant to understand the overall system architecture which characterises the business of the data provider. The information above should be provided to facilitate an understanding of how the system is structured, and which components of the systems are taken into account when determining the cost of data.



206. With respect to the latter the template requires additional details regarding system components which are shared with other services beyond data provision. In this respect the data provider is asked to include information on the reason for inclusion of such components, the percentage of costs allocated to data provision and the rationale for doing so.
207. Section three of the template also includes the core information necessary to understand the cost of data provision. Data providers are asked to detail the allocation of costs, following the cost categories set in Article 2 of the draft RTS and differentiating between infrastructure which is solely dedicated to the production and dissemination of market data and infrastructure that might be used for the provision of multiple services.
208. Section four of the template requires information about the reasonable margin which has been set by the data provider, requiring a differentiation amongst different types of data, where applicable.
209. Section five gathers information on costs and margins over the accounting year, and on the total value of the invoices issued to customers purchasing market data. The purpose of this information is to enable NCAs and ESMA to monitor that fees for market data are de facto based on costs and margins as provided by Article 13 of MiFIR.
210. Section six of the template requires information about the fees established by the data provider and a broad rationale for applying different fees.
211. ESMA's proposals for the template to report information to NCAs on the cost of producing and disseminating data and on the margin applied to data is set out in Annex II (chapter II, articles 2 and 3, Annex II).

**Q30: Do you agree with the proposed template for the purpose of information reporting to NCAs on the cost of producing and disseminating data and on the margin applied to data? Please elaborate, including if further information should in your view be added to the template.**

## 9 Non-Discriminatory access to data

### 9.1 Background

212. Point (b) of paragraph 5 of Article 13 of revised MiFIR requires ESMA to specify through the draft RTS “what constitutes non-discriminatory access to data in accordance with paragraph 1”, which in turn refers to the provision of market data on an RCB.
213. This section discusses the provisions of the RTS that ESMA proposes to fulfil this mandate.

## 9.2 Assessment and proposal

214. Under the previous regime, Article 86 of Delegated Regulation (EU) No (EU) No 2017/565 and Article 8 of Delegated Regulation (EU) No (EU) No 2017/567 already addressed the “obligation to provide market data on a non-discriminatory basis”.
215. Market data providers could establish categories of customers, each of them with different fees, terms and conditions, provided that the categorisation was based on objective, non-discriminatory, published criteria.
216. The provisions required market data providers to make market data available at the same price and on the same terms and conditions to all customers belonging to the same category.
217. Paragraphs 2 of the same provisions allowed price differentials to be applied through customers categories proportionate to “the value which the market data represents to those customers”.
218. Users reported that, on the base of such Articles in Delegated Regulation (EU) No 2017/565 and Delegated Regulation (EU) No (EU) No 2017/567, market data providers set in market data policies multiple different categories based on the different use made of the data to be applied simultaneously, resulting in an unjustified increase of the data price.
219. In addition, the analysis carried out by ESMA in the context of the Report on Market Data published in 2019 has shown that the high level of complexity of market data policies does not permit to understand with a sufficient degree of certainty the category to which the customers belong, the criteria used for the classification and the applicable fees, terms and conditions.
220. Consequently, in the Report on Market Data, ESMA recommended to the European Commission to amend L1 in order to delete Article 86(2) of CDR 2017/565 and Article 8(2) of CDR 2017/567 allowing market data providers to charge for market data proportionally to the value that the market data represent to the user.
221. ESMA noted that the provisions undermine the main principle that market data should be priced based on the cost of producing and disseminating the information.
222. To address the issue, while CDRs 2017/567 and 2017/565 were applicable and in force, Guideline 4 called for more transparency of categories. In particular, the Guideline required categories to be set on factual criteria explained in a manner that allows customers to understand the category they belong to.

223. The MiFIR Review removes the mandate for the Commission to clarify what constitutes a reasonable commercial basis<sup>24</sup>. As a result, the provisions contained in CDR 2017/565 and 2017/567, permitting the set of fees on the base of the value of the data represented to the user, will no longer be applicable once the RTS on RCB starts applying.
224. Furthermore, Recital 12 of the MiFIR review clarifies in respect to the RTS on RCB that “[the] guidelines should be converted to legal obligations and strengthened, to ensure that it is not possible for trading venues, APAs, CTPs and SIs to charge for market data in line with the value that the market data represents to individual users.”
225. As a starting point to develop the mandate assigned to ESMA under point (b) of paragraph 5 of Article 13 of revised MiFIR, ESMA considered the provision of the CDR 2017/567 and 2017/565 and the Guidelines which supported the achievement of this objective of non-discriminatory access to data (see Guidelines 4, 5, 6 and 7).
226. As a result, Article 4 of the draft RTS enshrines the general principle that market data should be provided on a non-discriminatory basis and requires the market data provider to (i) apply the same fees, (ii) offer the same technical arrangements and (iii) apply the same terms and conditions related to data access to all customers.
227. The third paragraph of the Article specifies how equal provision of technical arrangements should take place, on the basis of the previous Guideline on the point (see Guideline 6).
228. Pursuant to recital 12 of MiFIR review, the draft RTS excludes the possibility to create categories based on the value represented by the data to the user. This is however without prejudice for firms to set various prices, on the base of the different costs incurred to provide data to the users.
229. In this respect, it is worth noting that the use made out of the data by the user (or use cases, e.g. professional, non-professional, HFT) may call for different arrangements for the data provision in terms of connectivity, transmission channels, volume of data, which can justify different pricing of market data, without conflicting with the principle of fees to be determined by the cost of production and dissemination of data, including a reasonable margin.
230. Consistently, Recital 10 of the draft RTS acknowledges that different factors related to data provisions (type or format of data delivered, data volume, the latency, distribution channels) may affect the final costs of data provision and thus the level of fees.

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<sup>24</sup> Article 13 containing the mandate to clarify what constitutes a reasonable commercial basis for market operators and investment firms operating a trading venue is entirely replaced. Similarly, paragraph 7 of Article 72g containing the same mandate for the for APA is deleted, and Article 27h on CTP is replaced without reporting any reference to the mandate.

231. To further ensure fees are non-discriminatory, and moving from the previous Guideline 4, Article 5 requires that categories have to be clear and to indicate how they are set up. As a result, categories shall be based on factual elements and easily verifiable. In addition, to avoid the creation of ad-hoc categories for specific users, categories shall pertain to more than one user.
232. For each category a separate reasonable margin can be set, provided the margin for users within one category is the same for all users to ensure the non-discriminatory character of the categorisation. The margin calculated by the market data provider applicable to a category of users needs to be determined in line with the requirement on reasonable margin pursuant to Article 3 of the draft RTS.
233. The fees applied to users in such categories should be set on the basis of the costs sustained to provide data to users and a reasonable margin, expressed as a percentage of costs, which should be homogenous amongst users belonging to the same category. Categorisation should not be based on the value that the market data represents to individual users.
234. In this respect ESMA notes that redistribution of market data is a common practice. A significant number of data users source their market data via entities redistributing market data from the originating providers. The services and activities of these 'redistributors' are not subject to same regulations as market data providers. Consequently, clients of these redistributors may not benefit from this regulation.
235. ESMA therefore recommends that the European Commission should use its legislative power to create a level playing field between the market data providers subject to MiFIR and those entities that redistribute market data but are currently not subject to MiFIR.
236. The unregulated practice of redistribution may distort the fair distribution of market data costs over the market data clients. As multiple end-users of market data may source their market data from a redistributor, these end-users will not contribute to the cost recovery of the market data provider at the same level as those market data clients sourcing the market data directly from the market data provider. The redistributor may only be charged once for the market data delivered to it, while it will use this market data to service multiple end-users of market data.
237. However, ESMA understands there is no single standard redistribution model. Parties are at liberty to design the market data redistribution model. A current model in redistribution entails the redistributor to enter into a contract for the provision of market data on behalf of the end-user allowing for a direct link between the market data provider and end-user. An adequately designed redistribution model may help in mitigating the risk described above.

238. To avoid duplication of fees for the same data provided, Article 5 of the draft RTS also specifies that only one category shall be applicable per user, similarly to what was previously indicated by Guideline 5. In line with the principle of cost-based pricing, the provision allows for an increment of fees where there are significant different uses made by the customers (e.g., display or non-display or different types of connection or channels) which require the market data provider to incur extra costs to cover the users' different needs.

239. ESMA's proposals for what constitutes non-discriminatory access to data is set out in Annex II (chapter III, articles 4 and 5).

**Q31: What are in your view the obstacles to non-discriminatory access to data taking into consideration the current data market data policies and agreements?**

**Q32: What are the elements which could affect prices in data provision (e.g. connectivity, volume)? Do they vary according to the use of data made by the user or the type of user? Please elaborate.**

**Q33: Do you agree with ESMA's proposal on how to set up fee categories. Please justify your answer.**

**Q34: Regarding redistribution of market data, do you agree with the analysis of ESMA? If not, please elaborate on the possible risks you identify and possible venues to mitigate these. In your response please elaborate on actual redistribution models.**

## **10 What constitutes unbiased and fair contractual terms**

### **10.1 Background**

240. Point (a) of paragraph 5 of Article 13 of revised MiFIR requires ESMA to specify through the draft RTS "what constitutes unbiased and fair contractual terms in accordance with paragraph 1", which in turn refers to provision of data on RCB.

### **10.2 Assessment and proposal**

241. It is worth noting that pursuant to paragraph 1 of Article 13 revised MiFIR the concept of provision of data on RCB now also includes "unbiased and fair contractual terms".

242. Market data providers needed to reflect only a few obligations in CDR 2017/565 or CDR 2017/567 in the market data provision contract. These obligations were (i) the obligation to provide market data based on cost; (ii) the obligation in relation to per user

fees; and (iii) the obligation to keep data unbundled. Furthermore, transparency obligations included to disclose terms and conditions for the provision of market data.

243. In the last years, in the context of both the consultations for the Report on Market Data published in 2019, and for the Final Report on the Guidelines on the MiFID II/MiFIR market data published in 2021 data users reported a series of issues in relation to market data agreements, which overall appear to result in unfair terms and conditions to the disadvantage of users and with a bias in favour of the market data provider.

244. More specifically, the issues reported included: (i) onerous administrative obligations on data users, for example through frequent and detailed requests on the use of data; (ii) ambiguous language in the agreement; (iii) frequent unilateral amendments to the agreement; (iv) general lack of transparency on terms and conditions; (v) excessive fees; (vi) increase of fees through penalties; and (vii) overly burdensome audits.

245. More in detail, data users reported that onerous administrative obligations, together with the need to deploy specific resources to comprehend data agreements, represented an extra cost from their standpoint to access data. Furthermore, fees increased throughout the years without a clear explanation. In addition, excessive penalties were perceived to bring the price of data beyond RCB.

246. In respect of audits, the reverse burden of proof<sup>25</sup>, as well as the extended period covered by audits (usually several years) make it difficult for data users to demonstrate compliance with the agreement and easy for market data providers to apply penalties on the base of alleged infringements. To address the issues, the Guidelines included provisions on transparency in market data policy (Guideline 1); penalties (Guideline 3); the per user fees (Guideline 8, 9, and 10), the obligation to keep data unbundled (Guideline 11) and auditing practices<sup>26</sup> (Guideline 16). The guidelines seem to have not been applied as intended, as the same issues were reported to occur, even after the application of the Guidelines.

247. ESMA is of the view that the effort required of the data users deriving from the mentioned practices entails an unjustified cost to access data.

248. ESMA therefore aims through the draft RTS to prevent to the maximum possible extent unfair practices, unjustified increases in fees of market data, and to regulate specific aspects of the agreement which affect data provision on RCB.

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<sup>25</sup> The reverse burden of proof in particular requires the market data user who cannot demonstrate compliance with the agreement to pay for an infringement, even in the case where there is no evidence of such infringement. For example, in the case the user cannot prove to have limited access to data to certain employees, he is asked to pay a penalty as all his employees accessed data.

<sup>26</sup> In respect to audit in particular, the Guidelines specified that it is for the auditor to prove non-compliance with the audit terms and that it should not be for the auditee to demonstrate that it complied with the market data agreement.

249. ESMA has developed the part of the draft RTS on unbiased and fair contractual terms using as a starting point the provision of the CDR 2017/567 and 2017/565 and the Guidelines which supported the achievement of this objective (see Guidelines 1, 3, 8, 9, 10, 11 and 16).
250. In particular, Chapter IV of the RTS reorganises the previous provisions on the subject and introduces some amendments to enhance the content of the GLs.
251. As a result, Article 7 of chapter IV of the draft RTS starts with a new obligation on information to be provided preliminary to the agreement, Article 8 sets forth a general principle on fair terms and conditions, Articles 9 and 10 improve the transparency of terms and conditions, Articles 11 and 12 relate to fees, and lastly, Articles 14 and 15 address penalties and audit respectively.
252. The following paragraphs illustrate the content of Chapter IV of the RTS more in details.

#### **Information before the contract**

253. Article 7 of the draft RTS introduces an obligation for the market data provider to provide to the user upon request, and before the conclusion of the agreement appropriate information on the provision of data, including a quote on applicable fees and charges, in line with what is displayed in the market data policy.
254. The provision of pre-contractual information, shall enable the data user to understand the implications of the agreement in its specific case, allowing the user ultimately to compare different offers and make an informed decision on whether to conclude a market data agreement.

#### **Prohibition of overly burdensome practices**

255. To address the imbalance identified in market data agreements to the disadvantage of data users, Article 8 provides for a general prohibition of unfair terms and conditions in the market data agreement.
256. Such general prohibition pursues the general objective to eliminate any type of unfair terms, but also to eliminate the identified practices which result in onerous administrative obligations on data users, for example through frequent and detailed requests.
257. To enhance transparency, ESMA proposes in Article 9 to require market data providers to ensure that terms and conditions for the provisions of data are specified in a clear, and concise manner in the market data agreement.

258. The same provision includes some further specifications on the language to be used, for example it requires to avoid broad and general terms and to use terms in line with the draft RTS article on definition and/or section on terminology.
259. To further enhance transparency, ESMA proposes to insert an obligation for market data providers (Article 10 RTS) to ensure that the content of the market data agreement does not diverge from what is publicly displayed in the policy. In other terms, the content of the market data agreement shall be aligned with the market data policy.
260. To allow sufficient time to understand the effects of unilateral amendments to the market data agreement, in Article 16 of the draft RTS, ESMA proposes that the market data provider should notify the amendments two months in advance of entry into force, to the user.
261. Furthermore, to avoid that a unilateral amendment results in an increase of fees without the customer consent, where the amendment results in an increase of fees, the agreement should provide the user with the right to terminate the agreement, without incurring any penalties.
262. In such a case, the two months' notice period would also allow the user sufficient time to compare and reflect on other offers available on the market, to take an informed decision on whether to maintain or terminate the market data agreement.

### **Terms and Conditions in market data agreement related to fees**

263. To enhance transparency and avoid hidden costs, ESMA in Article 11 proposes to prohibit clauses whose application result in a direct, or indirect increase of fees, as well as double application of fees for the same data. Furthermore, provisions which may result in extra-cost for the user (e.g. penalties) shall be grouped to ease their identification and permit the user to understand their cumulative effects.
264. Always with the aim to avoid double charging, Article 12 of the draft RTS addresses the per user fees, reporting and merging the content of the provisions in the CDR and the previous Guidelines (8,9,10) on the point.
265. Similarly, Article 13 reports and merges the content of the CDR and the previous Guidelines 11 on data unbundling.

### **Penalties and Audit**

266. The draft RTS proposes a provision on penalties which are broadly aligned with the guidance previously provided in the Guidelines. The key purpose of the draft provision is to avoid the use of unjustified or overly onerous penalties which could inflate the cost of market data.



267. To achieve such outcome the relevant provision requires data providers to circumstantiate to which obligations breaches and penalties could be applied. Additionally, to limit the magnitude of the applicable penalties the draft RTS proposes that the size of the penalty should be generally based on the revenues that would have been generated if the client had complied with the applicable agreement.
268. An element which is introduced in the draft RTS and represents a novelty with respect to what was previously envisaged in the Guidelines is a time limit in the application of penalties with respect to the moment where the breach occurred. In this sense, the proposed approach aims at ensuring data providers have an incentive to alert users with respect to breaches of contract, also allowing parties to retrieve evidence of the infringement and prompt arrangements aimed at rectifying any wrongdoing. The proposed time limit is three years.
269. ESMA deems necessary that auditing practices should be proportionate. The draft RTS prohibits the reverse burden of proof and clarifies that information requests shall be limited to what is strictly necessary to collect evidence in respect of the alleged infringement. In addition, the RTS specifies that an audit can be started only upon notification indicating the alleged infringement and the grounds for suspecting its occurrence. Furthermore, the party audited shall always have the right to comment on the facts audited, as well as the right to challenge the audit outcome.
270. To avoid overly onerous audit practices which could result in the generation of additional revenues on the basis of non-compliance or the inability by the customer to prove compliance with the terms and conditions of the license, the draft RTS requires the data provider to specify the details regarding audit practices in the data agreement.
271. Those elements encompass infringements of the data agreements for which an audit can be requested, the type of information which could be requested to customers in case of an audit, procedures applicable, notice period and arrangements to ensure confidentiality.
272. In order to avoid excessively lengthy audit practices, the draft RTS further require that an audit process should not exceed three years, as to limit excessive burdens.
273. ESMA's proposals for what constitutes non-discriminatory access to data are set out in Annex II (chapter IV, articles 7 to 16).

**Q35: Are there any other terms and conditions in market data agreements beyond the ones listed in this section which you perceive to be biased and/or unfair? If yes, please list them and elaborate your answer.**

**Q36: Please provide your view on ESMA's proposal in respect to (i) the obligation to provide pre-contractual information, (ii) general principle on fair terms, (iii) the**

language of the market data agreement, (iv) the market data agreement conformity with published policies and (v) the provision on fees and additional costs.

**Q37: According to your experience, has the per-user model been inserted in the market data agreements as an option for billing? If yes, do you have experience in the usage of this option? Is the proposed wording of this option in the draft RTS useful? What are in your views the obstacles to its use?**

**Q38: Do you agree with ESMA's proposal on penalties? Please elaborate your answer.**

**Q39: Do you agree with ESMA's proposal on audits? Please elaborate your answer.**

**Q40: Would you adopt any additional safeguards to ensure market data agreements terms and conditions are fair and unbiased? Please elaborate your answer.**

## **11 Content, format and terminology of the market data policies**

### **11.1 Background**

274. Pursuant to Article 13(1), second paragraph of revised MiFIR, trading venues, APAs, SIs and CTPs are required to make available to the public the market data policies free of charge in a manner which is easy to access and to understand.

275. Point (c) of paragraph 5 of Article 13 of revised MiFIR requires ESMA to specify through the draft RTS "the uniform content, format and terminology of the data policies".

### **11.2 Assessment and proposal**

276. In the ESMA Guidelines, ESMA standardised the RCB information that market data providers have to disclose to increase transparency, timeliness and comparability of information on market data prices and content. ESMA developed a standardised publication format for disclosing the RCB information and to standardise key terminology to be used in the market data policies.

277. In light of Recital 12 of the MiFIR review, which provides that the ESMA guidelines on cost of market data should be converted to legal obligations and strengthened, ESMA considers that the approach taken in the Guidelines regarding the standardization of policies can be overall retained and converted into legal obligations.

#### **Standardisation of key terminology**

278. To ensure the comparability of market data fees, terms and conditions offered by market data providers, it is fundamental that market data providers use the most consistent terminology in their policies, coupled with targeted fee information presented in a consistent format covering the most representative services linked to market data.

279. Consequently, ESMA is proposing maintaining in the RTS a list of several standardised terms to be used by market data providers in their market data policies and price lists, in addition to the terms defined for the purpose of the RTS. ESMA proposes to maintain the terms of:

- i. “professional client” and “non-professional client”, where the latter category would include retail investors and researcher;
- ii. “display data” and “non-display data”, where display data is commonly considered as data that is consumed by a human user through the support of a screen, whereas non-display data would generally refer to data directly fed into trading algorithms;
- iii. “unit of count”: should be the unit used to measure the level of consumption of market data to be invoiced to the customer and that is applied for fee purposes. ESMA still considers it relevant to keep a distinction according to the type of use by the customer, which means the use of either display or non-display market data.

280. However, concerning the approach compared on the unit of counts where in the Guidelines the “user-id” for display data and the “device” for non-display data were used, ESMA is seeking input from market participants to understand whether, given the cost-based approach on which the draft RTS needs to be based, there are other ultimate units of count that should be considered and that better identify the occurrence of costs in data provision and dissemination.

281. In addition to such list, to facilitate the quantification of data consumption, ESMA proposes to add the definition of “physical connection”, which should indicate the physical connection through optical fibre or other technologies established between the user and the data provider to enable reception of data by the data user.

### **Format of market data policies**

282. Access to comprehensive information empowers users to make informed decisions regarding the use of market data. By understanding the fees, terms, and conditions associated with market data provision upfront, users can assess whether a particular service aligns with their needs before entering into a market data agreement.

283. For this purpose, ESMA considers essential that market data providers make available their market data policies in an easily accessible and transparent manner on their website.

Market data policies should be made available, in a single location of the market data providers' websites on a free and non-discriminatory basis, to streamline the process of accessing and understanding the complete set of policies governing market data provision.

### **Cost disclosure**

284. Cost disclosure ensures transparency in how market data providers determine their pricing. By publishing a summary of how prices are set, and a detailed explanation of the cost accounting methodology used, market data users can gain insight into the factors influencing the pricing of market data.

285. For these reasons, market data providers should include a list of all cost types included in the fees, along with examples. This would allow users to understand the breakdown of costs, including any joint costs or shared costs with other services, providing clarity on what they are paying for.

286. Disclosure of whether margins are included in market data fees and an explanation of how the reasonableness of these margins is ensured is deemed to be crucial to allow users to assess whether the prices are fair and understand how much of the fee is attributed to profit margins.

287. ESMA does not intend to require market data providers to disclose actual costs or margins, however it considers that providing explanatory information would be beneficial to users to compare pricing methodologies across different providers. Ultimately, this would empower users to make informed decisions based on their understanding of pricing structures and helps foster competition in the market data industry.

288. ESMA's proposals for the content, format and terminology of the market data policies are set out in Annex II (chapter V, articles 17 to 22).

**Q41: Do you agree with the standardised publication template set out in Annex I of the draft RTS? Do you have any comments and suggestions to improve the standardised publication format and the accompanying instructions? Please elaborate your answer.**

**Q42: Do you agree with the proposed list of standard terminology and definitions? Is there any other terminology used in market data policies that would need to be standardised? If yes, please give examples and suggestions of definitions.**

**Q43: Do you consider that the "user-id" and the "device" should still be considered as "unit of count" for the display and non-display data respectively? Do you think (an)other unit(s) of count can better identify the occurrence of costs in data provision and dissemination and if yes, which?**

**Q44: Do you foresee other types of connectivity that should be defined beside “physical connection” to quantify the level of data consumption? Please elaborate your answer.**

**Q45: Do you think there is any other information that market data providers should disclose to improve the transparency on market data costs and how prices for market data are set? If yes, please provide suggestions.**

## **12 Access and content of delayed data**

### **12.1 Background**

289. Pursuant to Article 13(2) of revised MiFIR, trading venues, APAs and SIs are required to make data available free of charge 15 minutes after publication (i.e. delayed market data) in a format that is machine-readable and usable for all users, including retail investors. It should be noted that CTPs are not within the scope of Article 13(2) of revised MiFIR, as CTPs are allowed to charge users for delayed data.

290. Point (d) of paragraph 5 of Article 13 of revised MiFIR requires ESMA to specify through the RTS “the data access, content and format” of the delayed market data.

### **12.2 Assessment and proposal**

291. As an introductory remark, it is worth noting that despite the publication of dedicated Guidelines aimed at improving the accessibility of delayed data, ESMA continues to receive complaints from data users concerning the lack of compliance with delayed data provisions by trading venues and APAs. In addition, ESMA initiated a project to assess the quality of delayed data provided by APAs under its supervision and in doing so, established access to such data. This initiative highlighted a number of shortcomings related to 1) complex access to delayed data; 2) inconsistencies in the formats in which the information is presented; and 3) content of the information. While issues related to content are addressed in the context of the revision of RTS 1 and RTS 2, proposals are made below in relation to the issues of access and format.

#### **Access to delayed data**

292. In terms of access, in the Guidelines, ESMA considered appropriate that market data providers could request users to sign agreements or register with the aim to monitor better the usage of the delayed data. However, it emerges from data users that the fundamental issue of complex access to delayed data persists due to burdensome registration requirements imposed by market data providers. In fact, such registration requirements are often designed in a way that significantly impact the simple accessibility and use of delayed data by market data users expected by the Guidelines.

293. Therefore, the need arises to reconsider the approach adopted in the Guidelines on how delayed data is accessed and used. ESMA is of the view that the current approach regarding the accessibility and format of delayed market data should be strengthened by requiring market data providers to remove registration processes to access delayed data.

### **Content and format of delayed data**

294. Regarding the content of delayed data, another aspect that ESMA deems relevant to enhance is the completeness of the data. According to MiFIR, as further specified in Commission Delegated Regulation (EU) 2017/587 (RTS 1) and Commission Delegated Regulation (EU) 2017/583 (RTS 2), the necessary post-trade data publication elements are, in particular, price, volume, transaction and publication time, instrument identifier and venue of execution, and when applicable, transaction flags. For the pre-trade data publication, the delayed data should include “the current bid and offer prices and the depth of trading interests at those prices which are advertised through the trading venues’ systems”.

295. ESMA considers it necessary to require that in case of post-trade data the elements included in the Level 1 and 2 texts, including flags, should be subject to the publication.

296. In terms of pre-trade data, given the technical challenges of the publication, which result from high volume of data at the order level, and also due to the limited value for data users, ESMA considers appropriate to maintain the approach adopted in the Guidelines and to discharge the reporting entities from publishing more than one current best bid and offer in the delayed data publication.

297. Lastly, to ensure that delayed market data is readily available to all interested users without unnecessary barriers that might hinder access, ESMA considers necessary that the delayed data is provided in a machine-readable format, which in particular should allow the automatization of the data extraction. To ease the extraction, ESMA proposes to specify that the delayed data for each trading day should be provided in the same file.

298. ESMA’s proposals for the access, content and format of delayed data is set out in Annex II (chapter VI, articles 24, 25 and 26).

**Q46: Do you agree with the approach on delayed data proposed by ESMA? Please elaborate your answer.**

**Q47: Do you agree with the proposal not to require any type of registration to access delayed data? Please elaborate your answer.**

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**Q48: ESMA proposes the RTS to enter into force 3 months after publication in the OJ to allow for sufficient time for preparation and amendments to be made by the industry. Would you agree? Would you suggest a different or no preparation time? Please elaborate your answer.**

**Q49: Do you have any further comment or suggestion on the draft RTS? Please elaborate your answer.**

**Q50: What level of resources (financial and other) would be required to implement and comply with the RTS and for which related cost (please distinguish between one off and ongoing costs)? When responding to this question, please provide information on the size, internal set-up and the nature, scale and complexity of the activities of your organisation, where relevant.**

# Consultation Paper on the amendment to RTS 23





## 13 Introduction

299. Regulation (EU) 2024/791, the s.c. “MiFIR review”, was published in the OJEU on 8 March 2024, and <sup>27</sup> into force on the 28 March 2024<sup>28</sup>.
300. This comprehensive review requires ESMA to develop several new technical standards and amend some existing ones, including Commission Delegated Regulation 2017/585 on financial instruments reference data (s.c. RTS 23).
301. Most notably, the revised Article 27(1) of MiFIR provides that reference data reported pursuant to it shall be used also for the purposes of transparency requirements, in addition to transaction reporting – the uses for which RTS 23 was originally designed. Such new use cases thus require the performance of a careful assessment of RTS 23, to identify what amendments are needed to ensure that the reference data are fit also for transparency purposes. Other relevant changes include the obligation for DPEs to report reference data for certain instruments not admitted to trading nor traded on a trading venue, and the need to account for the OTC derivatives’ identifier, that the European Commission will specify in a separate delegated act. Finally, the revised mandate under Article 27 requires ESMA to also consider alignment of the RTS 23 requirements with the reporting rules set out under EMIR and SFTR as well as with international standards.
302. Against this background, this Consultation Paper identifies the required changes to the RTS 23 and outlines respective proposals and policy options on which the respondents’ feedback is sought.

### 13.1 Legal mandate

#### Article 27(1) and (3)

*{amendments are highlighted in bold}*

1. With regard to financial instruments admitted to trading **or traded on a trading venue or where the issuer has approved trading of the issued instrument or where a request for admission to trading has been made**, trading venues shall provide ESMA with identifying reference data for the purposes of transaction reporting pursuant to Article 26 **and of the transparency requirements pursuant to Articles 3, 6, 8, 8a, 8b, 10, 14, 20 and 21.**

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<sup>28</sup> [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L\\_202400791](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202400791)

**With regard to OTC derivatives, identifying reference data shall be based on a globally agreed unique product identifier and on any other relevant identifying reference data.**

**With regard to OTC derivatives not covered by the first subparagraph of this paragraph that fall within the scope of Article 26(2), each designated publishing entity shall provide ESMA with the identifying reference data.’;**

[...]

3. ESMA shall develop draft regulatory technical standards to specify:

(a) data standards and formats for the financial instrument reference data in accordance with paragraph 1, including the methods and arrangements for supplying the data and any update thereto to ESMA and transmitting it to competent authorities in accordance with paragraph 1, and the form and content of such data;

(b) the technical measures that are necessary in relation to the arrangements to be made by ESMA and the competent authorities pursuant to paragraph 2;

**(c) the date by which reference data are to be reported.**

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

**When developing those draft regulatory technical standards, ESMA shall take into account international developments and standards agreed at Union or international level, and the consistency of those draft regulatory technical standards with the reporting requirements laid down in Regulations (EU) No 648/2012 and (EU) 2015/2365.**

303. MiFIR review did not introduce substantial amendments to the list of elements that ESMA shall specify pursuant to the empowerment under Article 27(3) of MiFIR. The additions, as highlighted above, are limited to the specification of “the date by which reference data are to be reported” and to the obligation for ESMA to duly consider alignment to international standards and to the EMIR and SFTR reporting regimes.

304. ESMA intends to fulfil its mandate by reading each element of the empowerment consistently with the interpretation adopted when developing RTS 23. A specific analysis of what should be defined pursuant to the new letter c) of Article 27(3) is included under Section 14.3<sup>14.3</sup>.

## 14 Proposed changes

305. The following sections analyse and outline the amendments needed to be made to the RTS 23 in order to fulfil the mandate requirements and to cater for the relevant changes in L1. In particular, section 14.1 outlines the amendments necessary to make the

reference data adequate for transparency purposes, section 14.2 outlines potential changes needed to accommodate for a new OTC identifier, section 14.3 addresses the mandate to specify the date by which the derivatives shall be reported, section 14.4 analyses the opportunities for alignment with other relevant reporting frameworks and international standards, section 14.5 sets out the changes needed to fulfil the CSDR publication requirements, section 14.6/14.7 lists other potential enhancements to the table of fields, section 14.7 examines the possibility of changing the format for reporting, section 14.8/14.9 proposes changes needed to cater for the reporting by DPEs and section 14.9 analyses if any further changes are needed to address the expanded scope of instruments to be reported. This approach allows to carefully assess the respective L1 requirements and other relevant considerations. However, it should be noted that some of the RTS provisions may be assessed in more than one section, e.g. changes to certain fields may be proposed to streamline the reference data for transaction reporting and transparency purposes (section 14.1) as well as to align with the other reporting regimes and international standards (section 14.6/14.7). While those cases are, to the extent possible, flagged with comments and cross-references, the actual proposals based on the considerations made in all the sections are listed in the Annex V. Readers are invited to refer to that Annex for a comprehensive overview of the proposed changes.

## **14.1 Adapting reference data for the use for transparency requirements**

### **14.1.1 Reporting frequency**

306. The reporting frequency of reference data for the purposes of transaction reporting is defined in Articles 2 and 7 of RTS 23, which prescribe, respectively, that trading venues shall report them at the end of each trading day to their national competent authority, which, in turn, shall transmit them to ESMA no later than 23:59 CET of that same day.

307. As it concerns transparency reference data, Article 3 of Commission Delegated Regulation (EU) 2017/577 (hereinafter RTS 3) provides for daily reporting from trading venues, APAs and consolidated tape providers to national competent authorities of the quantitative data, whereas the reference data is reported with a different frequency defined separately for equity and non-equity instruments<sup>29</sup>,

308. Given the consolidation of the reference data reporting under RTS 23, it would not be practicable to apply different reporting frequencies for different elements of the reference data. Having this in mind and in order to ensure complete and accurate reporting of the

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<sup>29</sup> See Sections 5.3.1 and 5.5.1 in [https://www.esma.europa.eu/sites/default/files/library/esma65-8-1776\\_firds\\_transparency\\_reporting\\_instructions\\_v2.1.pdf](https://www.esma.europa.eu/sites/default/files/library/esma65-8-1776_firds_transparency_reporting_instructions_v2.1.pdf)

reference data, it is proposed to define, under RTS 23, a common daily reporting frequency applicable to all reference data.

309. Furthermore, the relevant provisions in the RTS 23 on methods and arrangements, which refer to the timeline for provision, exchange and publication of reference data need to be updated, to reflect the direct reporting of reference data to ESMA.

**Q51: Do you agree with the proposal for a daily reporting of reference data for both transaction reporting and transparency purposes?**

14.1.2 Additional data elements to be transposed from RTS 1 and 2

310. The original MiFIR framework mandated ESMA, in two distinct empowerments, to separately define reference data for the purposes of transaction reporting (Article 27(3), RTS 23) and for the purposes of transparency calculations (Article 22(3), RTS 1 and 2).

311. The revised text of Article 27(1) now provides that reference data reported pursuant to that Article shall be used for both transaction reporting and transparency disclosures. ESMA considers that the most efficient way for reflecting this change in the implementing legislation is by adapting the reference data elements defined in RTS 23 to the new use case of supporting transparency calculations, as this solution would allow to streamline the reporting of all relevant reference data in one consistent submission of information and would result in reduction of the overall number of reference data fields.

312. However, certain practical issues limit the extent to which such alignment can be achieved by the application date of MiFIR review.

313. The first practical issue is that the new Article 27(1) splits the legal basis for the definition of transparency requirements, detaching the specification of the actual calculations (that will remain in RTS 1 and 2) from that of the respective reference data. In this sense, it should be recalled that transparency reference data mostly consist in a taxonomy of financial instruments, designed to complement the reference data defined in RTS 23 to properly support transparency calculations. As the MiFIR review has also introduced significant revisions to the scope of the transparency obligation, including the respective calculations, ESMA intends to adapt (in the RTS 23) the reference data needed to perform the calculations in line with the revised rules related to those transparency calculations.

314. The consequent implication of this dependency is that the review of RTS 23 should be aligned with the revision of RTS 1 and 2 which is planned to take place in a staggered fashion, due to the different deadlines set in the respective empowerments. Specifically, ESMA plans to review RTS 1 and the bond related calculations in RTS 2 first, within nine months, and then the derivative related calculations in RTS 2, within eighteen months from

the entry into force of the MiFIR review (i.e. 28 March 2024). However, application of the staggered approach to the RTS 23 would be challenging, as it would require multiple significant updates to IT systems in a short period of time.

315. In light of the interplay with other workstreams, the following sub-sections discuss the amendments to RTS 23 which are necessary so that the reference data defined therein can support transparency calculations for all instruments concerned: equity, bonds and emission allowances. As it concerns derivatives, the consultation paper sets forth some high-level proposals, and seeks feedback from respondents on how the reference data fields should be defined, which will be further calibrated in light of the ongoing policy work on the review of RTS 2.

#### 14.1.2.1 Equity

**316. MiFIR identifier:** this is an identifier specific for transparency calculations that classifies instruments and underlyings in asset classes and sub-asset classes. The result is a taxonomy that is generally less granular than that provided, e.g., by the CFI code, which aggregates instruments into categories, so to determine which instruments are in scope of the transparency regime and volume cap mechanism, and then what calculations shall be performed using the relevant reference and quantitative data. This identifier is currently not included in RTS 23. To guide reporting entities in correctly classifying financial instruments, ESMA has published a CFI<sup>30</sup> to MiFIR identifier mapping<sup>31</sup> table, whereby many CFIs are mapped to each MiFIR identifier category: consequently, the mapping CFI- MiFIR identifier does not provide for a one-to-one correspondence between the CFI (reported to FIRDS) and the classification of financial instruments designed for the purpose of transparency calculations (reported to FITRS). The mapping aims at providing a consistent classification based on the CFI main categories, however it may not be possible to derive a specific MIFIR identifier for some types of non-equity instruments classified with the CFI code. Some limitations in increasing the granularity and considerations on the mapping for these instruments have been explored in the consultation paper<sup>32</sup> and related final report<sup>33</sup> on post-trade transparency. However, the main impacted instruments were: some bond types, money market instruments, ETC/ETNs, structured finance products and securitised derivatives.

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<sup>30</sup> ISO 10962

<sup>31</sup> Further details available in the mapping file:

[https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.esma.europa.eu%2Fsites%2Fdefault%2Ffiles%2Flibrary%2F2016-1523annex9.11\\_cfi-rts2\\_field\\_mapping\\_rev.2.xlsx&wdOrigin=BROWSELINK](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.esma.europa.eu%2Fsites%2Fdefault%2Ffiles%2Flibrary%2F2016-1523annex9.11_cfi-rts2_field_mapping_rev.2.xlsx&wdOrigin=BROWSELINK)

<sup>32</sup> ESMA70-156-6307 Consultation Paper Manual on post-trade transparency

[https://www.esma.europa.eu/sites/default/files/library/esma70-156-6307\\_cp\\_manual\\_on\\_post-trade\\_transparency.pdf](https://www.esma.europa.eu/sites/default/files/library/esma70-156-6307_cp_manual_on_post-trade_transparency.pdf)

<sup>33</sup> ESMA74-2134169708-6797 Final Report Manual on post-trade transparency

[https://www.esma.europa.eu/sites/default/files/2023-07/ESMA74-2134169708-6797\\_Final\\_Report\\_on\\_the\\_Manual\\_on\\_post-trade\\_transparency.pdf](https://www.esma.europa.eu/sites/default/files/2023-07/ESMA74-2134169708-6797_Final_Report_on_the_Manual_on_post-trade_transparency.pdf)

317. The reference data fields other than MiFIR identifier featured in Annex III, Table 2, of RTS 1 are already defined in RTS 23.

**Q52: For the purposes of both equity and non-equity transparency, do you prefer to retain the MiFIR identifier as currently defined or to rely on other fields for classification purposes? If latter, please outline the proposed solution.**

**Q53: Is in your view, the granularity level of the MiFIR identifier adequate for the purposes of MiFIR transparency in the equity and non-equity space? If not, how should it be adjusted?**

#### 14.1.2.2 Non-equity

318. Before analysing the relevant reference data fields for non-equity instruments, it is relevant to note two main changes in the context of transparency for derivatives. Firstly, the scope of derivatives will be limited to exchange traded derivatives and certain interest rate and credit derivatives. Additionally, it must be considered that only derivative contracts negotiated on a regulated market fall under the definition of “exchange-traded derivative” under Article 2(1) point 32 of MiFIR, while those traded on MTFs and OTFs qualify as OTC. Therefore, the first effect is that the scope of non-equity instruments for transparency purposes will be much more limited and, as a result, also the set of the necessary reference data is expected to be reduced.

319. Secondly, ESMA considers that the static approach based on issuance size for bonds could be considered (using one or more different parameters) for the other non-equity instruments. Therefore, the set of necessary reference data might be further reduced or changed during the second RTS 2 review for derivatives.

320. To cater for those elements ESMA considers that in principle, the whole set of reference data currently in RTS 2 shall be moved to RTS 23 but that some codes might no longer be necessary for certain instruments. ESMA is analysing which codes can be removed. The final proposals relating to transparency reference data for the purpose of derivatives will be further calibrated in light of the ongoing policy work on the review of RTS 2.

**Q54: How do you expect the change in scope of instruments subject to transparency to impact transparency reference data? Would you agree to maintain the current whole set of reference data for non-equity instruments, currently in RTS 2, in RTS 23? If not, please specify which reference data should not be retained in the view of the revised scope.**

321. **MiFIR identifier:** see paragraph 316 above.

322. **Asset class of the underlying:** based on the MiFIR identifier field and conditioned upon it being populated as “DERV”, Field 4 of Annex IV, Table 2 of RTS 2 defines a number of underlying asset classes. ESMA assessed the possibility to retrieve this information from the CFI code reported under Field 3, Table 3 of the Annex to RTS 23, but concluded that such retrieval would be difficult to achieve, given the way the underlying asset class is represented in CFI<sup>34</sup>. Furthermore, asset class is already reported for derivatives under other regimes, such as EMIR. It is thus proposed to transpose this field to RTS 23, but, in the interest of alignment across reporting regimes, this field may feature the same five asset classes taxonomy as indicated in the ITS on EMIR reporting<sup>35</sup>. Additional categories of asset class featured currently in the RTS 2, notably emission allowances and other C10 derivatives, could be identified based on the commodities classification.
323. **Contract type:** Field 5 of Annex IV of RTS 2 also applies for instrument that have a “DERV” MiFIR identifier. After having matched the list of allowed values against the categories and groups defined in the CFI standard, ESMA took the view that, with some adaptations, this same information may be retrieved directly from the CFI. Field 5 would thus become redundant and should be deleted.

**Q55: Do you agree with deleting Field 5 of RTS 2, Annex IV, and use the CFI code for the purposes of derivatives’ contract type classification?**

324. **Reporting day:** transparency reference data feature a reporting day “timestamp” that specifies the day for which reference data is provided This field (RTS 2, Annex IV, Table 2, Field 6 Reporting day) should thus be transposed in RTS 23.
325. **Maturity:** the field “Maturity date” for bonds of RTS 2 (Annex IV, Table 3, Fields 15) can be subsumed in the generic “maturity” fields of RTS 23 (Table 2, Field 15 of RTS 23).
326. **Bonds:** RTS 2 defines two bond specific fields for identifying the bond type and issuance date (RTS 2, Annex IV, Table 2, Fields 9 and 10 respectively). As they are both relevant for transparency calculations, and currently have no equivalent in RTS 23, it is proposed to transpose them in the revised RTS 23.
327. **Emission allowances:** similarly to bonds, RTS 2 features an “Emission allowances sub-type” field (Annex IV, Table 2, Field 12), which has no equivalent in RTS 23. The list of values available to identify the type of emission allowances is outdated and it is proposed to update it for the purpose of reference data. As Table 2 of the Annex to RTS 23 already features a classification of emission allowances, it is proposed to delete field

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<sup>34</sup> Depending on the instrument, the underlying asset class is either part of the sub-group definition (e.g. equity swaps) or one of the attributes (e.g. for financial futures).

<sup>35</sup> I.e. COMM = Commodity and emission allowances; CRDT = Credit; CURR = Currency; EQUI = Equity; INTR = Interest Rate. Commission Implementing Regulation (EU) 2022/1860 of 10 June 2022 laying down implementing technical standards for the application of Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to the standards, formats, frequency and methods and arrangements for reporting, Annex, Table 2, Field 11.

12 in RTS 2 and perform the necessary adaptations to Table 2 of RTS 23. For the same reason, the field 43 in RTS 2 (“Emission allowances derivative sub type”) can be deleted from RTS 2 as the reference data can be obtained with the classification available in RTS 23.

328. In Table 2 of the Annex of RTS 23, under Base Product ‘Environmental’ and Sub-Product ‘Emissions’, the codes ‘EUAA’, ‘CERE’ and ‘ERUE’ should be deleted for the following reasons:

- a. First, EU general allowances (code ‘EUAE’) and EU aviation allowances (code ‘EUAA’) are fully fungible since the start of Phase 4 of the EU ETS in January 2021. Since that date, entities subject to the ETS Directive can surrender either EUA or EUAA to fulfil their requirements. Trading venues are now offering EUA and EUA derivatives that can deliver either EUA or EUAA. Moreover, the European Commission plans to merge EUA and EUAA from January 2025 and would subsequently only issue EUA for the purpose of auctioning and free allocation. For reporting purposes, given that EUA and EUAA are fully fungible, it is suggested to remove the code ‘EUAA’.
- b. Second, certified Emission Units (CER) and Emission Reduction Units (ERU) are no longer compliance units with the EU ETS[1] and therefore no longer qualify as financial instruments under C(11) of Annex I of MiFID II. It is therefore proposed to delete the codes ‘CERE’ and ‘ERUE’. Should the EU re-introduce the possibility to use international credits for compliance with the EU ETS in the future, such instruments could be reported with the available code ‘OTHR’.

329. **Derivatives:** as explained above, pending the review of RTS 2, ESMA is not in the position to provide a complete list of reference data for derivative instruments, given that the exact field descriptions, conditionalities and allowed values will need to be defined together with the revision of transparency calculations. However, ESMA has already identified some overlapping fields, that may be deleted, and some others that may be streamlined, in view of an overall simplification of the reference data list:

330. Maturity of the underlying: Annex IV of RTS 2 features two fields for maturity date of the underlying (18 and 21, for underlying bond and swap, respectively). It is proposed to merge them into a single, new field of RTS 23.

331. Issuer of the underlying: Field 27 of RTS 23 requires the reporting of the LEI of the underlying issuer, and it is applicable to all asset classes. Consequently, Field 17 (Issuer of the underlying bond) of RTS 2 could be deleted.

332. Reporting of underlying: similarly to the two proposals discussed above, other underlying fields can be simplified, by deleting the RTS 2 fields and having the information reported in non-asset specific fields of RTS 23 providing a description that covers all cases:



RTS 2	RTS 23
22 Inflation index ISIN code/ISIN code of the underlying bond 32 ISIN code of the underlying credit default swap 40 Reference obligation	26 Underlying instrument code
23 Inflation index name 34 Underlying Index name	28 Underlying index name
24 Reference rate	40 Reference rate

333. Notional currency: Field 13 of RTS 23 requires the reporting of currency code for all assets classes. Consequently, the following fields of RTS 2 may be deleted: 20 (Notional currency of the swaption); 30 (Notional currency 1 [for CDS]); 31 (Notional currency 2 [for CDS]).
334. Field 26 of RTS 2 (Contract sub-type for foreign exchange derivatives) requires specifying if the contract is deliverable or not. ESMA understands that this characteristic would be captured among the CFI attributes<sup>36</sup>, and that this field is thus redundant.
335. Finally, RTS 2 defines underlying type for IRS, equity derivatives and CFDs in three separate fields (16, 27 and 29). ESMA notices that the field description of such fields also includes some conditionalities, which would be better placed in validation rules or in Guidelines. These “underlying type” fields are meant as a further specification of Field 4 “Asset class of the underlying”. In line with the proposal set out above, on introducing greater reliance on the CFI code, it is proposed to delete Field 16 of RTS 2 (“Underlying type” for interest rate derivatives) whose reported information can be retrieved from the CFI<sup>37</sup>.
336. As it concerns the field “Underlying type” applicable to CFDs (Field 29), this also appears redundant. In particular, ESMA considers that classification as “CURR”, “EQUI” and “COMM” can be retrieved from Field 5 “Asset class”; “EMAL” can be retrieved from the commodity classification table in RTS 23, while the remaining underlying types of “BOND”, “FTEQ” and “OPEQ” could be obtained via a combination of CFI and asset class (Field 4 of RTS 2). It is thus proposed to remove this field.
337. As it concerns the field “Underlying type” for equity derivatives (Field 27), deriving information on underlying type from the CFI or other reporting fields appears more burdensome, due to the different approach that RTS 2 and the CFI code adopted for the classification of swaps and other derivatives on equity. In particular, the CFI standard

<sup>36</sup> See Section 6.11.13 of the CFI standard: the fourth attribute for J-F-\*-X is either “C” (cash settlement) or “P” (physical delivery).

<sup>37</sup> For swaps, see Section 6.8.2. of the CFI standard: the first attribute of S-R-\* covers float to float, fixed to float, fixed to fixed and inflation swaps. The single/multi-currency variable can be obtained from the notional currency field. For options, see Section 6.6., where the second attribute covers debt, futures and interest rate underlyings. For financial futures, see Section 6.7.2., first attribute, also covering debt, futures and interest rates underlyings.

classifies as two standalone attributes type of underlying and the way the payout is calculated, which makes exact mapping difficult to achieve.

338. As it concerns commodity derivatives, some discrepancies between RTS 2 and 23 can be solved by updating Table 2 of the Annex to RTS 23. Specifically, “further sub-product” for Natural Gas should only include natural gas, LNG and hydrogen. For freight, the sub-product and further sub-product may be aligned to the categories defined in Field 12 of Annex IV of RTS 2, which could be consequently deleted. Furthermore, Field 14 of RTS 2, “Delivery/cash settlement location”, should be added to the RTS 23, and alignment of the name and the definition of this field with EMIR (field “Delivery point or zone”) should be considered.

**Q56: Do you agree with the proposed alignment between RTS 23 and RTS 2 as set out in this section? Please provide details on which alignment is (not) feasible and why, considering the impact in terms of comprehensiveness and consistency of the reported information.**

**Q57: As it concerns “underlying type” classification, do you agree with the proposed reliance on CFI and other reporting fields? With specific regards to Field 27, do you have proposals on how that field may be streamlined?**

**Q58: Do you see additional room for simplification and/or alignment of reference data for transaction reporting and transparency purposes? What would be the impact in terms of one-off and ongoing costs, benefits and change management of such simplifications, in particular with respect to reducing and consolidating data flows to ESMA that exist currently?**

Other derivatives’ reference data fields to be transposed from RTS2 to RTS 23

339. Finally, ESMA identified that certain reference data elements defined in Annex IV of RTS 2, acting currently as dimensions for transparency calculations, have no equivalent in RTS 23. At this stage ESMA is not proposing any specific amendment to these fields, but stakeholders’ feedback is welcome about whether and how they may be further improved or streamlined:

IR derivatives	Field 19: <i>Issuance date of the underlying bond</i>
Equity derivatives	Field 28: <i>Parameter</i>
Credit derivatives	Field 35: <i>Series</i> Field 36: <i>Version</i> Field 37: <i>Roll month</i> Field 38: <i>Next roll date</i> Field 39: <i>Issuer of sovereign and public type</i>

**Q59: Do you have suggestions on how the fields mentioned above may be improved and streamlined?**

## 14.2 New OTC derivative identifier

340. Article 27(1) of the revised MiFIR sets out that the Commission shall adopt delegated acts to specify the identifying reference data to be used with regard to OTC derivatives for the purposes of the transparency requirements. Furthermore, the same article stipulates that the Commission may adopt delegated acts to specify the identifying reference data to be used with regard to OTC derivatives for the purposes of transaction reporting.

341. The Commission published on 29 November 2023 a targeted consultation on OTC derivatives identifier for public transparency purposes<sup>38</sup>. At the moment of finalising this consultation paper the Commission has not published any delegated act with regards to the identifying reference data to be used under Article 27 of MiFIR.

342. Depending on the content of such delegated act(s), ESMA will adjust the draft technical standards as necessary. In particular, should the Commission decide that ISO 4914 UPI complemented by additional attributes should be used as identifying reference data (option 1 in the EC consultation), this would require adding the relevant fields to the RTS 23. Should the Commission decide to use a modified ISO 6166 ISIN as the basis for the identification of instruments (option 2 in the EC consultation), no additional fields would be required in the RTS 23 to accommodate for this solution. Furthermore, also paragraph 1 of the Article 3 of the RTS may need to be revised accordingly.

343. Irrespective of the outcome of the EC consultation and the final decision on the OTC identifier, the field 'Expiry date' will be amended to specify that it does not apply to the Interest Rate Swaps (IRS). As stated in ESMA response<sup>39</sup> to the EC consultation, IRS with identical tenors is typically considered as having the same risk profile irrespective of the expiry date of the contract, therefore the expiry date should not be part of reference data for those instruments.

**Q60: Do you agree with the above assessment of the necessary adjustments to be made in the RTS 23 to accommodate for the identifying reference data?**

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<sup>38</sup> [https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-otc-derivatives-identifier-public-transparency-purposes\\_en](https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-otc-derivatives-identifier-public-transparency-purposes_en)

<sup>39</sup> [https://www.esma.europa.eu/sites/default/files/2024-01/ESMA12-766636679-105\\_Response\\_to\\_EC\\_consultation\\_OTC\\_derivative\\_identifier.pdf](https://www.esma.europa.eu/sites/default/files/2024-01/ESMA12-766636679-105_Response_to_EC_consultation_OTC_derivative_identifier.pdf)

### 14.3 Date by which reference data are to be reported

344. The MiFIR review adds a new letter c) to Article 27(3), requesting ESMA to define “the date by which reference data are to be reported”.
345. This amendment in the mandate is in line with the recommendations set out in the MiFIR Review report<sup>40</sup>, where ESMA proposed to align the mandates under Article 27 of MiFIR with the one under Article 9 of EMIR by adding a requirement to specify a.o. ‘the date by which reference data are to be reported and the frequency of reports’.
346. Under EMIR, ESMA used this mandate to postpone the application of one specific requirement, notably the requirement to send update reports for outstanding derivatives in order to align them with the new rules. The date by which entities need to comply with this requirement was offset by 6 months comparing to the application date of the revised ITS on reporting under Article 9 of EMIR.
347. A similar solution may be considered, should ESMA identify the need for a transitional period for certain requirements to be set out in the revised RTS 23. If no such need is identified, the mandate could be fulfilled by setting the ‘date by which the reference data are to be reported’ equal to the date of application of the revised RTS 23.
348. At this stage, it is foreseen that all the relevant requirements with regards to the reference data reporting should become applicable on the same date, i.e. the ‘date by which the reference data are to be reported’ should be equal to the date of application of the revised RTS 23.
349. The date of application should in turn be set sufficiently in the future to allow for an adequate lead-in time for the market participants and regulators to implement the new requirements. In the case of EMIR, the application date was set 18 months after the publication of the technical standards in the official journal to allow for at least 12 months of implementation period from the moment when full technical documentation is available<sup>41</sup>. ESMA is of the view that a similar timeline should be envisaged with regards to the reporting of the reference data, subject to other relevant factors such as alignment of the application date with other interdependent requirements (e.g. transaction reporting or transparency).

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<sup>40</sup> [https://www.esma.europa.eu/sites/default/files/library/esma74-362-1013\\_final\\_report\\_mifir\\_review\\_-\\_data\\_reporting.pdf](https://www.esma.europa.eu/sites/default/files/library/esma74-362-1013_final_report_mifir_review_-_data_reporting.pdf) see section 12.3

<sup>41</sup> The date of application of the technical standards cannot be contingent on the finalisation of the L3 supervisory convergence tools. Consequently, the timeline in the draft ITS was set as 18 months in the anticipation that the technical documentation will be available shortly after the publication of the technical standards.

**Q61: Do you see a need to specify the ‘date by which the reference data are to be reported’ different from the date of application or have other comments with regards to the proposed timeline? If so, please specify.**

## **14.4 Alignment with the reporting requirements under EMIR and SFTR and with the international standards**

### 14.4.1 Approach to assessing the consistency with EMIR/SFTR and ensuring the use of relevant international standards

350. Article 27(3) of the revised MiFIR requires ESMA, when developing the RTS, to “take into account international developments and standards agreed at Union or international level, and the consistency of those draft regulatory technical standards with the reporting requirements laid down in Regulations (EU) No 648/2012 and (EU) 2015/2365”.

351. With regards to ‘international developments and standards agreed at Union or international level’ the following standards appear pertinent: ISO 6166 ISIN, ISO 17442 LEI, ISO 10962 CFI, ISO 10383 MIC, ISO 18774 FISN, ISO 8601 for dates and times, ISO 4217 for currencies as well as ISO 20022 dictionary for data elements contained therein (such as list of reference rates). These standards are already employed, where relevant, in the technical standards on reporting under EMIR and SFTR, thus alignment with those technical standards will, by definition, ensure adherence to the relevant international standards for the fields covered under the respective regulation. For the remaining fields the existence of relevant international standards is also explored.

352. This section of the CP assesses the consistency of the fields detailed in the currently applicable RTS 23 in terms of their consistency with the requirements set out in EMIR<sup>42</sup> and SFTR<sup>43</sup> technical standards on reporting.

353. The adherence to the international standards and consistency with EMIR and SFTR reporting requirements has equally been considered with regards to the new fields proposed in other sections of this CP.

**Q62: Are there any other international developments or standards agreed at Union or international level that should be considered for the purpose of the development of the RTS on reference data?**

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<sup>42</sup> RTS: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R1855&from=EN> and ITS: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R1860&from=EN>

<sup>43</sup> RTS: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0356&from=EN> and ITS: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0363&from=EN>

354. The below table provides the assessment of the consistency of each of the reference data elements with the international standards, EMIR and SFTR, as applicable. Proposed changes are marked in red font.

#### 14.4.2 Changes to the reportable details

**TABLE 1 FIELDS CURRENTLY REPORTABLE UNDER RTS 23**

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
General fields							
1	Instrument identification code	Code used to identify the financial instrument.	{ISIN}	Y	Y	Y	<p>Use of ISIN is aligned with EMIR reporting, which requires identification with ISIN of all derivatives that are currently reported with ISIN under MiFIR<sup>44</sup>.</p> <p>Under SFTR ISIN is required to identify the securities on loan as well as the security components of the collateral.</p> <p>The field is consistent with EMIR and SFTR.</p>

<sup>44</sup> Adjustment to the scope of instruments subject to reference data reporting under the revised MiFIR will result in a misalignment in terms of scope of instruments reported with ISIN under the two regimes, but this per se should not be considered an argument against the use of ISIN under MiFIR.

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
							Please note further considerations set out in section 14.2
2	Instrument full name	Full name of the financial instrument	{ALPHANUM-350}	N	N	N	
3	Instrument classification	<p><b>Classification of Financial Instruments ('CFI') code of Taxonomy used to classify</b> the financial instrument.</p> <p>A complete and accurate CFI code shall be provided.</p>	{CFI_CODE }	Y	Y	Y	Definition aligned with EMIR and SFTR
4	Commodities or emission allowance derivative indicator	Indication as to whether the financial instrument falls within the definition of commodities derivative under Article 2(1) (30) of Regulation (EU) No 600/2014 or is a derivative relating to emission allowances referred to in Section C(4) of Annex I to Directive 2014/65/EU.	'true' – Yes 'false' - No	N	N	N	
<b>Issuer related fields</b>							

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
5	Issuer or operator of the trading venue identifier	LEI of the issuer or trading venue operator.	{LEI}	N	Y	Y	LEI of the issuer is required also under SFTR to identify the issuer of the security on loan and of the security used as collateral
<b>Venue related fields</b>							
6	Trading venue	Segment MIC for the trading venue or systematic internaliser, where available, otherwise operating MIC.	{MIC}	Y	Y	Y	<p>The field exists also under EMIR and SFTR. Under EMIR MIC can be also reported to identify a third-country organised trading platform.</p> <p>However, under EMIR and SFTR the field serves to identify the venue where the transaction was executed.</p> <p>In the case of MiFIR reference data it is relevant the venue where the instrument is admitted to trading or traded.</p>



N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
7	Financial instrument short name	Short name of financial instrument in accordance with ISO 18774.	{FISN}				
8	Request for admission to trading by issuer	Whether the issuer of the financial instrument has requested or approved the trading or admission to trading of its financial instrument on a trading venue.	'true' – Yes 'false' - No	N	N	N	
9	Date of approval of the admission to trading	Date and time the issuer has approved admission to trading or trading in its financial instruments on a trading venue.	{DATE_TIME_FORMAT }	N	N	Y	ISO 8601 standard used to express date and time
10	Date of request for admission to trading	Date and time of the request for admission to trading on the trading venue.	{DATE_TIME_FORMAT }	N	N	Y	ISO 8601 standard used to express date and time
11	Date of admission to trading or date of first trade	Date and time of the admission to trading on the trading venue or the date and time when the instrument was first traded or an order or quote	{DATE_TIME_FORMAT }	N	N	Y	ISO 8601 standard used to express date and time

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTF	INTERNATIONAL STANDARDS	COMMENTS
		was first received by the trading venue.					
12	Termination date	Where available, the date and time when the financial instrument ceases to be traded or to be admitted to trading on the trading venue.	{DATE_TIME_FORMAT}	N	N	Y	ISO 8601 standard used to express date and time
<b>Notional related fields</b>							
13	Notional currency 1	Currency in which the notional is denominated. <i>Where applicable: the currency in which the notional amount of leg 1 is denominated.</i> <del>In the case of an interest rate or currency derivative contract, this will be the notional currency of leg 1 or the currency 1 of the pair.</del> <del>In the case of swaptions where the underlying swap is single-currency, this</del>	{CURRENCY_CODE_3}	Y	N	Y	EMIR: Where applicable: the currency in which the notional amount of leg 1 is denominated. It is proposed to align the definition. ISO 4217 standard used to express the currency.

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
		<p><del>will be the notional currency of the underlying swap. For swaptions where the underlying is multi-currency, this will be the notional currency of leg 1 of the swap.</del></p>					
<b>Bonds or other forms of securitised debt related fields</b>							
14	Total issued nominal amount	<p>Total issued nominal amount in monetary value <del>which means</del> <b>the number of bonds multiplied by their face value.</b></p>	{DECIMAL- <del>18</del> 25/5}	N	Y	N	<p>SFTR (field ‘Quantity or nominal amount’): In the case of a bond, the total nominal amount <b>which means the number of bonds multiplied by their face value.</b></p> <p>It is proposed to align the definition.</p> <p>Additionally, it is proposed to align the format of the field with the standard format used to express monetary value in EMIR.</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
15	Maturity date	Date of maturity of the financial instrument.  Field applicable to debt instruments with defined maturity.	{DATEFORMAT}	N	N	Y	ISO 8601 standard used to express date and time  Please note additional proposals with regards to reporting of maturity date are made in the section 14.1.2
16	Currency of nominal value	Currency of the nominal value for debt instruments.  [to be added to the definition of the field 13]	{CURRENCYCODE_3}	N	Y	Y	SFTR: In the case where the nominal amount is reported, the currency of the nominal amount.  ISO 4217 standard used to express the currency.  The field is aligned. However, it can be easily merged with the field 13 (Notional currency 1), it is therefore proposed to retain only one field with an expanded definition clarifying how to report the currency for debt.
17	Nominal value per unit/minimum	Nominal value of each instrument. If not available, the minimum traded value shall be populated.	{DECIMAL-1825/5}	N	N	N	It is proposed to align the format of the field with the standard format used to express monetary value in EMIR.

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
	traded value						
18	Fixed rate	The fixed rate percentage of return on a Debt instrument when held until maturity date, expressed as percentage.	{DECIMAL-11/10} Expressed as a percentage (e.g. 7.0 means 7 % and 0.3 means 0,3 %)	Y	Y	N	<p>EMIR: An indication of the fixed rate leg 1 or coupon used, where applicable.</p> <p>SFTR: In the case of repos, the annualised interest rate on the principal amount of the repurchase transaction in accordance with the day count conventions. In the case of margin lending, the annualised interest rate on the loan value that the borrower pays to the lender.</p> <p>Format of reporting (percentage values) is aligned.</p>
19	Identifier of the index/benchmark of a floating rate bond	<del>Where an identifier exists.</del> If the floating rate has an ISIN, the ISIN code for that rate.	{ISIN}	Y	N	Y	EMIR: Where applicable: an identifier of the interest rates used which are reset at predetermined intervals by reference to a market reference rate. If the

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERATIONAL STANDARDS	COMMENTS
							<p>floating rate has an ISIN, the ISIN code for that rate.</p> <p>Proposed to align with EMIR the description of availability.</p>
20	<p>Name of the index/benchmark of a floating rate bond</p> <p>Indicator of the index/benchmark of a floating rate bond</p> <p>Name of the index/benchmark of a floating rate bond</p>	<p><del>Where no identifier exists, name of the index.</del></p> <p>An indication of the index/benchmark of a floating rate bond, where available</p> <p>The full name of the index/benchmark of a floating rate bond, as assigned by the index provider</p>	<p><del>{INDEX}</del></p> <p><del>Or</del></p> <p><del>{ALPHANUM-25}</del>—if the index name is not included in the <del>{INDEX}</del> list</p> <p><del>{INDEX}</del></p> <p><del>Or</del></p> <p><del>{ALPHANUM-50}</del>. Special characters are allowed if they form part of the full name of the index.</p>	Y	Y	Y	<p>EMIR: 2 separate fields</p> <p>Indicator of the floating rate of leg: An indication of the interest rate, where available.</p> <p>&amp; Name of the floating rate of leg 1: The full name of the interest rate as assigned by the index provider.</p> <p>SFTR: Floating rate: Indication of the reference interest rate used which is reset at predetermined intervals by reference to a market reference rate, if applicable.</p> <p>EMIR approach has the benefit that the standardised 4-letter codes are provided where available, while the full official</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
							<p>names of the index is provided in all cases. It is proposed to align with EMIR and split this field into two.</p> <p>The list of allowable values for {INDEX} should be aligned with the updated list of standardised codes in ISO 20022</p>
21	<p><del>Term of the index/benchmark of a floating rate bond.</del></p> <p>Floating rate reference period - time period</p> <p>Floating rate reference period – multiplier.</p>	<p><del>Term of the index/benchmark of a floating rate bond. The term shall be expressed in days, weeks, months or years.</del></p> <p>Time period describing the reference period of the floating rate.</p> <p>Multiplier for the time period describing the reference period of the floating rate.</p>	<p><del>{INTEGER-3}+'DAYS'</del>        –days  <del>{INTEGER-3}+'WEEK'</del>        –weeks  <del>{INTEGER-3}+'MNTH'</del>        –months  <del>{INTEGER-3}+'YEAR'</del>        –years</p> <p>4 alphabetic characters:        DAIL = daily        WEEK = weekly        MNTH = monthly        YEAR = yearly</p> <p>Any integer value</p>	Y	Y	N	<p>Proposed to align with EMIR and SFTR, where the term is expressed as 2 separate fields: Floating rate reference period - time period and Floating rate reference period – multiplier.</p> <p>It is worth noting that different codes are applied under EMIR and SFTR for the daily periodicity ('DAIL' and 'DAYS' respectively). It is proposed to use the value applied under EMIR which is also aligned with an international guidance on</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERATIONAL STANDARDS	COMMENTS
			greater than or equal to zero, up to 3 numeric characters.				reporting of OTC derivatives.
22	Base Point Spread of the index/benchmark of a floating rate bond	Number of basis points above or below the index used to calculate a price.	{INTEGER-5}	Y	Y	N	<p>EMIR: An indication of the spread of leg 1, where applicable: for OTC derivative transactions with periodic payments (e.g. interest rate fixed/float swaps, interest rate basis swaps, commodity swaps) [...].If spread is expressed as basis points - any integer value up to 5 numeric characters expressed in basis points (e.g. 257 instead of 2.57%).</p> <p>SFTR: Number of basis points to be added to or subtracted from the floating interest rate in order to determine the interest rate of the loan. Up to 5 numeric characters.</p>
23	Seniority of the bond	Identify the type of bond: senior debt, mezzanine,	'SNDB' – Senior Debt	Y	N	N	The field may be removed (see section 14.6.3). Should the



N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
		subordinated or junior.	'MZDD' – Mezzanine 'SBOD' – Subordinated Debt 'JUND' – Junior Debt				<p>field be retained, the following is proposed.</p> <p>EMIR: Indicates the seniority of the debt security, or debt basket or index underlying a derivative.</p> <p>4 alphabetic characters:            SNDB = Senior, such as Senior Unsecured Debt (Corporate/Financial), Foreign Currency Sovereign Debt (Government),            SBOD = Subordinated, such as Subordinated or Lower Tier 2 Debt (Banks), Junior Subordinated or Upper Tier 2 Debt (Banks),            OTHR = Other, such as Preference Shares or Tier 1 Capital (Banks) or other credit derivatives</p> <p>The classification is not aligned, however the one used under MiFIR appears more granular, therefore it is proposed to retain it.</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
<b>Derivatives and Securitised Derivatives related fields</b>							
24	Expiry date	<p>Expiry date of the financial instrument.</p> <p>Field applicable to derivatives with a defined expiry date.</p>	{DATEFORMAT}	Y	N	Y	<p>EMIR: Expiration date: Unadjusted date at which obligations under the derivative transaction stop being effective, as included in the confirmation. Early termination does not affect this data element.</p> <p>ISO 8601 standard used to express date and time</p>
25	Price multiplier	<p>Number of units of the underlying instrument represented by a single derivative contract.</p> <p>For a future or option on an index, the amount per index point.</p> <p>For spreadbets the movement in the price of the underlying instrument on which the spreadbet is based.</p>	{DECIMAL-18/17}	N	N	N	

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
26	Underlying instrument code	<p>ISIN code of the underlying instrument.</p> <p>For ADRs, GDRs and similar instruments, the ISIN code of the financial instrument on which those instruments are based.</p> <p>For convertible bonds, the ISIN code of the instrument in which the bond can be converted.</p> <p>For derivatives or other instruments which have an underlying, the underlying instrument ISIN code, when the underlying is admitted to trading, or traded on a trading venue. Where the underlying is a stock dividend, then the ISIN code of the related share entitling the underlying dividend.</p> <p>For Credit Default Swaps, the ISIN of the reference</p>	{ISIN}	Y	N	Y	<p>EMIR: Underlying identification: The direct underlying shall be identified by using a unique identification for this underlying based on its type. For Credit Default Swaps, the ISIN of the reference obligation should be provided.</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
		<p>obligation shall be provided.</p> <p>In case the underlying is an Index and has an ISIN, the ISIN code for that index.</p> <p>Where the underlying is a basket, include the ISINs of each constituent of the basket that is admitted to trading or is traded on a trading venue. Fields 26 and 27 shall be reported as many times as necessary to list all instruments in the basket.</p>					
27	Underlying issuer	In case the instrument is referring to an issuer, rather than to one single instrument, the LEI code of the Issuer.	{LEI}	Y	N	Y	<p>Under EMIR this field is named Reference entity (defined as: Identification of the underlying reference entity.).</p> <p>Reference entity may be different from the issuer. Proposed to include a field aligned with EMIR in the credit derivative section of fields. Field 27 would be used to identify the issuer of the underlying (see</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERATIONAL STANDARDS	COMMENTS
							also proposal in section 14.1.214.1.2)
28	<del>Underlying index name</del>  Indicator of the underlying index  Name of the underlying index	<del>In case the underlying is an Index, the name of the index.</del>  An indication of the underlying index, where available.  The full name of the underlying index as assigned by the index provider.	<del>{INDEX}</del> Or <del>{ALPHANUM-25}</del> if the index name is not included in the {INDEX} list {INDEX}  {ALPHANUM-50}	Y	N	Y	Under EMIR this is split into two fields:  Indicator of the underlying index: An indication of the underlying index, where available.  Name of the underlying index: The full name of the underlying index as assigned by the index provider.  EMIR approach has the benefit that the standardised 4-letter codes are provided where available, while the full official names of the index is provided in all cases. It is proposed to align with EMIR and split this field into two.  The list of allowable values for {INDEX} should be aligned with the updated list of standardised codes in ISO 20022

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERATIONAL STANDARDS	COMMENTS
29	Term of the underlying index – time period  Term of the underlying index - multiplier	<del>In case the underlying is an index, the term of the index.</del>  Time period describing the underlying index.  Multiplier for the time period describing underlying index	<del>{INTEGER-3}+'DAYS' – days {INTEGER-3}+'WEEK' – weeks {INTEGER-3}+'MNTH' – months {INTEGER-3}+'YEAR' – years</del>  4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly  Any integer value greater than or equal to zero, up to 3 numeric characters	N	N	N	While this field is not reportable under EMIR/SFTR, similar elements (describing floating rate) under both regimes are expressed as 2 separate fields: time period and multiplier. It is proposed to align.
30	Option type	Indication as to whether the derivative contract is a call (right to purchase a specific underlying asset) or a put (right to sell a	'PUTO' – Put 'CALL' – Call 'OTHR' – where it	Y	N	Y	EMIR: Indication as to whether the derivative contract is a call (right to purchase a specific underlying asset) or a put (right to sell a

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
		<p>specific underlying asset) or whether it cannot be determined whether it is a call or a put at the time of execution. In case of swaptions it shall be:</p> <p>— ‘Put’, in case of receiver swaption, in which the buyer has the right to enter into a swap as a fixed-rate receiver.</p> <p>— ‘Call’, in case of payer swaption, in which the buyer has the right to enter into a swap as a fixed-rate payer.</p> <p>In case of Caps and Floors it shall be:</p> <p>— ‘Put’, in case of a Floor.</p> <p>— ‘Call’, in case of a Cap. Field only applies to derivatives that are options or warrants.</p>	cannot be determined whether it is a call or a put				<p>specific underlying asset) or whether it cannot be determined whether it is a call or a put at the time of execution of the derivative contract. In case of swaptions it shall be:</p> <p>- ‘Put’, in case of receiver swaption, in which the buyer has the right to enter into a swap as a fixed-rate receiver. -‘Call’, in case of payer swaption, in which the buyer has the right to enter into a swap as a fixed-rate payer. In case of Caps and Floors it shall be: -‘Put’, in case of a Floor. - ‘Call’, in case of a Cap.</p> <p>The field is already aligned</p>
31	Strike price	<p>For instruments other than FX options, swaptions and similar products, predetermined price at which the owner of an option or warrant</p>	{DECIMAL-18/13} in case the price is expressed as monetary value	Y	N	N	<p>EMIR:</p> <ul style="list-style-type: none"> <li>• For options other than FX options, swaptions and similar products, price at which the owner of an option can buy or sell</li> </ul>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
		<p><del>to</del> <del>holder will have</del> buy or sell the underlying <b>asset instrument</b>, or an indication that the price cannot be determined at the time of execution.</p> <p>For foreign exchange options, exchange rate at which the option can be exercised, expressed as the rate of exchange from converting the unit currency into the quoted currency. In the example 0.9426 USD/EUR, USD is the unit currency and EUR is the quoted currency; USD 1 = EUR 0.9426. Where the strike price is not known when a new transaction is reported, the strike price is updated as it becomes available. For volatility and variance swaps and similar products the volatility strike price is reported in this data element.</p> <p>Field applicable to options or warrants, where strike price</p>	<p>{DECIMAL-11/10} in case the price is expressed as percentage or yield</p> <p><del>{DECIMAL-18/17} in case the price is expressed as basis points</del></p> <p>'PNDG' in case the price is not available</p>				<p>the underlying asset of the option.</p> <ul style="list-style-type: none"> <li>For foreign exchange options, exchange rate at which the option can be exercised, expressed as the rate of exchange from converting the unit currency into the quoted currency. In the example 0.9426 USD/EUR, USD is the unit currency and EUR is the quoted currency; USD 1 = EUR 0.9426. Where the strike price is not known when a new transaction is reported, the strike price is updated as it becomes available.</li> <li>For volatility and variance swaps and similar products the volatility strike price is reported in this data element.</li> </ul> <p>EMIR definition is more comprehensive.</p> <p>Furthermore, EMIR allows only for monetary and percentage notation.</p> <p>Proposed to align.</p>



N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
		<p>can be determined at the time of execution.</p> <p>Where price is currently not available but pending, the value shall be 'PNDG'.</p> <p>Where strike price is not applicable the field shall not be populated.</p>					
32	Strike price currency / currency pair	<p><del>Currency of the strike price</del></p> <p>For equity options, commodity options, and similar products, currency in which the strike price is denominated. For foreign exchange options: Currency pair and order in which the strike price is expressed. It is expressed as unit currency per quoted currency.</p>	<p>{CURRENCYCODE_3}</p> <p>or for foreign exchange options: {CURRENCYCODE_3} / {CURRENCYCODE_3}</p> <p>The first currency code shall indicate the base currency, and the second currency code shall indicate the quote currency.</p>	Y	N	Y	<p>EMIR: Strike price currency/currency pair: For equity options, commodity options, and similar products, currency in which the strike price is denominated. For foreign exchange options: Currency pair and order in which the strike price is expressed. It is expressed as unit currency per quoted currency. ; ISO 4217 Currency Code, 3 alphabetic characters; or for foreign exchange options: 7 characters representing two ISO 4217 currency codes separated by "/" without restricting the currency pair</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
							ordering. The first currency code shall indicate the base currency, and the second currency code shall indicate the quote currency. Proposed to align
33	Option exercise style	<p><del>Indicates Indication as to</del> whether the option may be exercised only at a fixed date (European <del>and Asian style</del>), a series of pre-specified dates (Bermudan) or at any time during the life of the contract (American style).</p> <p>This field is only applicable for options, warrants and entitlement certificates.</p>	<p>'EURO' – European</p> <p>'AMER' – American</p> <p><del>'ASIA' – Asian</del></p> <p>'BERM' – Bermudan</p> <p><del>'OTHR' – Any other type</del></p>	Y	N	Y	<p>EMIR: Option style: Indicates whether the option may be exercised only at a fixed date (European), a series of pre-specified dates (Bermudan) or at any time during the life of the contract (American).; 4 alphabetic characters: AMER = American BERM = Bermudan EURO = European</p> <p>Proposed to align</p>
34	Delivery type	<p><del>Indicates Indication as to</del> whether the financial instrument is settled physically or in cash.</p> <p>Where delivery type cannot be determined at time of execution, the value shall be 'OPTL'.</p>	<p>'PHYS' – Physically Settled</p> <p>'CASH' – Cash settled</p> <p>'OPTL' – Optional for counterparty or when determined</p>	Y	N	Y	<p>EMIR: Delivery type: Indicates whether the contract is settled physically or in cash ; 4 alphabetic characters: CASH = Cash PHYS = Physical OPTL = Optional for counterparty or when</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
		This field is only applicable for derivatives.	by a third party				determined by a third party  Minor wording alignment proposed
<b>Commodity and emission allowances derivatives</b>							
35	Base product	Base product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table (Table 3).	Only values in the 'Base product' column of the classification of commodities derivatives table are allowed.	Y	Y	Y	Commodity classification required also under EMIR and SFTR – see separate table below
36	Sub product	The Sub Product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table (Table 3).  Field requires a Base product.	Only values in the 'Sub product' column of the classification of commodities derivatives table are allowed.	Y	Y	Y	Commodity classification required also under EMIR and SFTR – see separate table below

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
37	Further sub product	The Further sub product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table (Table 3). Field requires a Sub product.	Only values in the 'Further sub product' of the classification of commodities derivatives table are allowed.	Y	Y	Y	Commodity classification required also under EMIR and SFTR – see separate table below
38	Transaction type	Transaction type as specified by the trading venue.	'FUTR' – Futures 'OPTN' – Options 'TAPO' – TAPOS 'SWAP' – SWAPS 'MINI' – Minis 'OTCT' – OTC 'ORIT' – Outright 'CRCK' – Crack 'DIFF' – Differential 'OTHR' – Other	Y	N	Y	The field may be removed (see section 14.6.3). Should the field be retained, the alignment with the EMIR classification should be considered.  EMIR: Contract type: Each reported contract shall be classified according to its type.; CFDS = Financial contracts for difference FRAS = Forward rate agreements FUTR = Futures FORW = Forwards OPTN = Option SPDB = Spreadbet SWAP = Swap SWPT = Swaption OTHR = Other

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
39	Final price type	Final price type as specified by the trading venue.	'ARGM' – Argus/McCloskey 'BLTC' – Baltic 'EXOF' – Exchange 'GBCL' – GlobalCOAL 'IHSM' – IHS McCloskey 'PLAT' – Platts 'OTHR' – Other	N	N	N	The field may be removed (see section 14.6.3).
<b>Interest rate derivatives</b> - The fields in this section shall only be populated for instruments that have non-financial instrument of type interest rates as underlying.							
40	Reference rate	Name of the reference rate.	{INDEX} Or {ALPHANUM-25}- if the reference rate is not included in	Y	Y	Y	EMIR: 2 separate fields Indicator of the floating rate of leg 1: An indication of the interest rate, where available.

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
	<p>Indicator of the floating rate</p> <p>Name of the floating rate</p>	<p>An indication of the interest rate, where available</p> <p>The full name of the interest rate, as assigned by the index provider</p>	<p>the {INDEX} list</p> <p>{INDEX}</p> <p>{ALPHANUM-50}</p>				<p>&amp; Name of the floating rate of leg 1: The full name of the interest rate as assigned by the index provider.</p> <p>SFTR: Floating rate: Indication of the reference interest rate used which is reset at predetermined intervals by reference to a market reference rate, if applicable.</p> <p>EMIR approach has the benefit that the standardised 4-letter codes are provided where available, while the full official names of the index is provided in all cases. It is proposed to align with EMIR and split this field into two.</p> <p>The list of allowable values for {INDEX} should be aligned with the updated list of standardised codes in ISO 20022</p> <p>The field may be removed (see section 14.6.3).</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
41	IR Term of contract	If the asset class is Interest Rates, this field states the term of the contract. The term shall be expressed in days, weeks, months or years.	{INTEGER-3}+'DAYS' – days {INTEGER-3}+'WEEK' – weeks {INTEGER-3}+'MNTH' – months {INTEGER-3}+'YEAR' – years	N	N	N	Please note additional proposals with regards to reporting of maturity date are made in the section 14.1.2
42	Notional currency 2	In the case of multi-currency or cross-currency swaps the currency in which leg 2 of the contract is denominated.  For swaptions where the underlying swap is multi-currency, the currency in which leg 2 of the swap is denominated.	{CURRENCYCODE_3}	Y	N	Y	EMIR: Notional currency 2: Where applicable: the currency in which the notional amount of leg 2 is denominated.  MiFIR definition aligned but more specific on the applicability. Proposed to leave as is.
43	Fixed rate of leg 1	An indication of the fixed rate of leg 1 used, if applicable.	{DECIMAL - 11/10}  Expressed as a percentage (e.g. 7.0 means 7 % and 0.3	Y	Y	N	EMIR: An indication of the fixed rate leg 1 or coupon used, where applicable.  SFTR: In the case of repos, the annualised interest rate on the principal amount of the repurchase

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
			means 0,3 %)				<p>transaction in accordance with the day count conventions. In the case of margin lending, the annualised interest rate on the loan value that the borrower pays to the lender.</p> <p>Format of reporting (percentage values) is aligned.</p>
44	Fixed rate of leg 2	An indication of the fixed rate of leg 2 used, if applicable.	{DECIMAL - 11/10} Expressed as a percentage (e.g. 7.0 means 7 % and 0.3 means 0,3 %)	Y	Y	N	<p>EMIR: An indication of the fixed rate leg 2, where applicable.</p> <p>SFTR: In the case of repos, the annualised interest rate on the principal amount of the repurchase transaction in accordance with the day count conventions. In the case of margin lending, the annualised interest rate on the loan value that the borrower pays to the lender.</p> <p>Format of reporting (percentage values) is aligned.</p>



N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
45	<p>Floating rate of leg 2</p> <p>Indicator of the floating rate of leg 2</p> <p>Name of the floating rate of leg 2</p>	<p>An indication of the interest rate used if applicable.</p> <p>An indication of the interest rate, where available.</p> <p>The full name of the interest rate as assigned by the index provider.</p>	<p>{INDEX}</p> <p>Or</p> <p>{ALPHANUM-25}—if the reference rate is not included in the {INDEX} list</p> <p>{INDEX}</p> <p>{ALPHANUM-50}</p>	Y	Y	Y	<p>EMIR: 2 separate fields</p> <p>Indicator of the floating rate of leg 2: An indication of the interest rate, where available.</p> <p>&amp; Name of the floating rate of leg 2: The full name of the interest rate as assigned by the index provider.</p> <p>SFTR: Floating rate: Indication of the reference interest rate used which is reset at predetermined intervals by reference to a market reference rate, if applicable.</p> <p>EMIR approach has the benefit that the standardised 4-letter codes are provided where available, while the full official names of the index is provided in all cases. It is proposed to align with EMIR and split this field into two.</p>

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
46	IR Term of contract of leg 2  Floating rate of leg 2 reference period - time period  Floating rate of leg 2 reference period – multiplier.	An indication of the reference period of the interest rate, which is set at predetermined intervals by reference to a market reference rate. The term shall be expressed in days, weeks, months or years.  Time period describing the reference period of the floating rate of leg 2.  Multiplier for the time period describing the reference period of the floating rate of leg 2.	{INTEGER-3}+'DAYS' – days {INTEGER-3}+'WEEK' – weeks {INTEGER-3}+'MNTH' – months {INTEGER-3}+'YEAR' – years  4 alphabetic characters: DAIL = daily WEEK = weekly MNTH = monthly YEAR = yearly  Any integer value greater than or equal to zero, up to 3 numeric characters.	Y	N	Y	The name of the field should likely refer to the term of the rate, rather than term of the contract.  Proposed to align with EMIR and SFTR, where the term is expressed as 2 separate fields: Floating rate reference period - time period and Floating rate reference period – multiplier.  It is worth noting that different codes are applied under EMIR and SFTR for the daily periodicity ('DAIL' and 'DAYS' respectively). It is proposed to use the value applied under EMIR which is also aligned with an international guidance on reporting of OTC derivatives.
<b>Foreign exchange derivatives</b>  The fields in this section shall only be populated for instruments that have non-financial instrument of type foreign exchange as underlying.							

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING	EMIR	SFTR	INTERNATIONAL STANDARDS	COMMENTS
47	Notional currency 2	Field shall be populated with the underlying currency 2 of the currency pair (the currency one will be populated in the notional currency 1 field 13).	{CURRENCYCODE_3}	Y	N	Y	EMIR: Notional currency 2: Where applicable: the currency in which the notional amount of leg 2 is denominated.  MiFIR definition aligned but more specific on the applicability. Proposed to leave as is.
48	FX Type	Type of underlying currency.	'FXCR' – FX Cross Rates  'FXEM' – FX Emerging Markets  'FXMJ' – FX Majors	N	N	N	The field may be removed (see section 14.6.3).

**TABLE 2 CURRENT COMMODITY CLASSIFICATION UNDER RTS 23**

355. The next table provides the assessment of the consistency of the commodity classification as specified currently under MiFIR vis-à-vis the classifications used under EMIR and SFTR. As demonstrated in the table, the classifications are already aligned, except for missing value 'OTHR' for some sub-products and further sub-products. It is proposed to add such value where applicable in order to align with other reporting regimes and to allow for reporting of the commodity classification in all scenarios. Proposed changes are marked in red font.

Base product	Sub product	Further sub product	Additional values / inconsistencies
'AGRI' -Agricultural	'GROS' – Grains and Oil Seeds	'FWHT' – Feed Wheat  'SOYB' – Soybeans  'CORN' – Maize  'RPSD' – Rapeseed  'RICE' – Rice  'OTHR' – Other	
	'SOFT' – Softs	'CCOA' – Cocoa  'ROBU' – Robusta Coffee  'WHSG' – White Sugar  'BRWN' – Raw Sugar  'OTHR' – Other	
	POTA' – Potato		
	'OOLI' – Olive oil	'LAMP' – Lampante  'OTHR' - Other	SFTR and EMIR: OTHR
	'DIRY' – Dairy		
	'FRST' – Forestry		
	'SEAF' – Seafood		
	'LSTK' – Livestock		
	'GRIN' – Grain	'MWHT' – Milling Wheat	SFTR and EMIR: OTHR

		'OTHR' - Other	
	'OTHR' - Other		SFTR and EMIR: OTHR
'NRGY' – Energy	ELEC' – Electricity	'BSLD' -Base load  'FITR' – Financial Transmission Rights  'PKLD' – Peak load  'OFFP' – Off-peak 'OTHR' – Other	
	'NGAS' – Natural Gas	'GASP' – GASPOOL  'LNGG' – LNG  'NBPG' - NBP  'NCGG' - NCG  'TTFG' – TTF  'OTHR' - Other	SFTR and EMIR: OTHR
	'OILP' – Oil	BAKK' – Bakken  'BDSL' – Biodiesel  'BRNT' – Brent  'BRNX' – Brent NX  'CNDA' – Canadian  'COND' – Condensate  'DSEL' – Diesel  'DUBA' – Dubai  'ESPO' – ESPO	SFTR and EMIR: OTHR

		'ETHA' – Ethanol 'FUEL' – Fuel 'FOIL' – Fuel Oil 'GOIL' – Gasoil 'GSLN' – Gasoline 'HEAT' – Heating Oil 'JTFL' – Jet Fuel 'KERO' – Kerosene 'LLSO' – Light Louisiana Sweet (LLS) 'MARS' – Mars 'NAPH' – Naptha 'NGLO' – NGL 'TAPI' – Tapis 'URAL' – Urals 'WTIO' – WTI 'OTHR' - Other	
	'COAL' – Coal 'INRG' – Inter Energy 'RNNG' – Renewable energy 'LGHT' – Light ends 'DIST' – Distillates		SFTR and EMIR: OTHR

		'OTHR' - Other	
ENVR' Environmental	-	'EMIS' – Emissions	'CERE' – CER  'ERUE' – ERU  'EUAE' – EUA  'EUAA' – EUAA  'OTHR' – Other
		'WTHR' – Weather  'CRBR' – Carbon related  'OTHR' - Other	SFTR and EMIR: OTHR
'FRGT' – 'Freight'		'WETF' – Wet	'TNKR' -Tankers  'OTHR' - Other
		'DRYF' – Dry	'DBCR' – Dry bulk carriers  'OTHR' - Other
		'CSHP' – Container ships	
		'OTHR' - Other	SFTR and EMIR: OTHR
'FRTL' – 'Fertilizer'		'AMMO' – Ammonia  'DAPH' – DAP (Diammonium Phosphate)  'PTSH' – Potash  'SLPH' -Sulphur	SFTR and EMIR: OTHR

	'UREA' – Urea 'UAAN' – UAN (urea and ammonium nitrate) 'OTHR' - Other		
'INDP' – Industrial products	'CSTR' – Construction 'MFTG' – Manufacturing		
'METL' – Metals	'NPRM' – Non Precious	ALUM' – Aluminium 'ALUA' – Aluminium Alloy 'CBLT' – Cobalt 'COPR' – Copper 'IRON' – Iron ore 'LEAD' – Lead 'MOLY' – Molybdenum 'NASC' – NASAAC 'NICK' – Nickel 'STEL' – Steel 'TINN' – Tin 'ZINC' – Zinc 'OTHR' – Other	
	'PRME' – Precious	'GOLD' – Gold 'SLVR' – Silver	



		'PTNM' – Platinum 'PLDM' – Palladium 'OTHR' – Other	
'MCEX' – Multi Commodity Exotic			
'PAPR' – Paper	'CBRD' – Containerboard 'NSPT' – Newsprint 'PULP' – Pulp 'RCVP' – Recovered paper 'OTHR' - Other		SFTR and EMIR: OTHR
'POLY' – Polypropylene	'PLST' – Plastic 'OTHR' - Other		SFTR and EMIR: OTHR
'INFL' – Inflation			
'OEST' – Official economic statistics			
'OTHC' – Other C10 as defined in Table 10.1 of Section 10 of Annex III to Commission Delegated Regulation (EU) 2017/583 (1)			
'OTHR' – Other			

**Q63: Do you agree with the changes proposed in the tables above? Should any other changes be considered to align the MiFIR reporting specifications with the international standards, EMIR and / or SFTR?**

## **14.5 Adapting reference data for the use for publications under CSDR**

### 14.5.1 Background

356. The Central Securities Depositories Regulation (CSDR) was revised in 2023 and the amending Regulation (EU) 2023/2845<sup>45</sup> entered into force on 17 January 2024. The revised CSDR text introduces a.o. a new requirement for ESMA to publish the list of financial instruments within the scope of the settlement discipline regime under CSDR (please refer to the box below for further details). For efficiency and consistency purposes, it is proposed to explore if this requirement can be supported by integrating the CSDR reference data within the publications of reference data for transaction reporting and transparency purposes under the Article 27 of MiFIR.

#### **Article 7(6)**

By 17 January 2026, ESMA shall publish and keep updated on its website a list of the financial instruments referred to in Article 5(1) which are admitted to trading or traded on a trading venue or cleared by a CCP.

#### **Article 5(1)**

Any participant in a securities settlement system that settles in that system on its own account or on behalf of a third party transactions in transferable securities, money-market instruments, units in collective investment undertakings and emission allowances shall settle such transactions on the intended settlement date.

357. With respect to the scope of the instruments to be published for CSDR purposes (transferable securities, money-market instruments, units in collective investment undertakings and emission allowances), they constitute a subset of the MiFID financial instruments and will be required to be reported under Article 27 of MiFIR to the extent that they are (i) admitted to trading or traded on a trading venue or (ii) the issuer has approved trading of the issued instrument or (iii) a request for admission to trading has been made. It should be noted that under CSDR the respective instruments should be published if they

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<sup>45</sup> Regulation (EU) 2023/2845 [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L\\_202302845&qid=1709220373273](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302845&qid=1709220373273)

are admitted to trading or traded on a trading venue or cleared by a CCP. Based on information available to ESMA at this stage, currently there are no instruments in question that are cleared by CCPs but not admitted to trading or traded on trading venues.

358. The revised CSDR requires only to publish a list of financial instruments and does not set out additional requirements with regards to the reference data that should accompany those publications. Consequently, in terms of the scope of information to be published, the reference data publications under Article 27 of MiFIR would appear sufficient to formally satisfy the requirements of CSDR.

**Q64: Do you foresee any challenges with the proposed approach under which the CSDR publications would be integrated in FIRDS?**

#### 14.5.2 Additional information concerning instruments published pursuant to CSDR

359. Instruments published pursuant to CSDR will constitute a subset of financial instruments published in FIRDS. To enable easy identification of the instruments that are in scope of the CSDR publications, a Boolean flag could simply be added to the reference data, which would allow for the filtering of the data. To ensure consistency, such flag could be derived centrally by ESMA based on other reference data, such as CFI<sup>46</sup>.

360. Furthermore, it should be noted that for the purpose of the calculation of cash penalties under CSDR, the CSDs are required to determine the market value of financial instruments to be used as a reference price. In the case of equities, the relevant market for price is the most relevant market in terms of liquidity as published in FITRS<sup>47</sup>. In the case of debt instruments admitted to trading on a trading venue within the Union, the closing price derived from the trading venue within the Union with the highest turnover is used<sup>48</sup>. To support the CSDs, ESMA publishes currently, on a voluntary and best effort basis, with a quarterly frequency a list of the debt instruments in scope (identified with ISIN) and the corresponding trading venue that recorded the highest volume traded (identified with a MIC code). Should CSDR calculation be integrated in FIRDS, the relevant information could also be included, e.g. in form of an additional field which – for each instrument in scope of CSDR publication – would specify whether a given combination of MIC-ISIN is the relevant one for the determination of a reference price (by indicating the MIC with the highest turnover or the most relevant market in terms of liquidity).

**Q65: Do you have any comments with regards to the inclusion of additional fields in the instrument reference data published by ESMA to indicate whether the instrument is**

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<sup>46</sup> Currently the process of identification of relevant instruments in scope of CSDR is performed by the CSDs based a.o. on the CFI code, see e.g. guidance by ECSDA [2023\\_04\\_28\\_ECSDA\\_Framework\\_update.pdf](#)

<sup>47</sup> Financial Instruments Transparency System

<sup>48</sup> point b) of Article 7 of Delegated Regulation (EU) 2017/389

**in the scope of CSDR and to specify which MIC corresponds to a venue with the highest turnover or the most relevant market in terms of liquidity?**

## 14.6 Other enhancements

### 14.6.1 New fields to be included

361. Based on the experience acquired over the past years in the use of reference and transaction data, NCAs and ESMA have identified certain new data fields which would be useful to provide comprehensive information and capture additional aspects related to the financial instruments that can be retrieved from the reporting entities.

362. For example, specific fields for identifying the benchmark administrator as well as the fund manager would provide authorities with the necessary information about these key market players. A new dedicated field to identify the minimum trading value for an instrument given that the amendment to field 17 covers the information on nominal value per unit only. The minimum trading value would follow the concept clarified in L3 transparency guidance<sup>49</sup>. Identifier of the DPE will allow to identify the entity submitting the reference data according the revised L1 text. A new field proposal is included for identifying the TV where the admission to trading takes place to complement the information of multilisted instrument and in line with the planned revision of Article 4 of RTS 1.

363. Field Action type would allow for distinguishing between newly reported instruments, updates to the previously reported instruments, terminations and cancellations. For commodity derivatives, in particular gas and electricity, a new field is proposed to capture the number of hours of delivery during the delivery period in order to enable distinguishing between different products having the same maturity date but different delivery periods.

364. With the aim of expanding the RTS 23 reference data reporting under Article 27 to address the identified gaps and to further enrich the underlying dataset of financial instrument information for the purpose of Article 26, the table below lists proposals for new fields in the Table 3 of the Annex of RTS 23.

#	Proposal	New proposed fields in RTS 23
1	To identify the administrator of benchmark	<i>LEI of administrator of benchmark</i>
2	To identify the fund manager	<i>LEI of fund manager</i>

<sup>49</sup> Please refer to clarification provided in the Transparency Manual ([ESMA74-2134169708-6870](https://www.esma.europa.eu/ptpl/transparency-manual)) under section 4.2.1.2.2.

3	To specify the minimum trading value (lot size) can take place ". This is the lowest denomination of bond that can be purchased on the trading venue.	<i>Minimum trading value</i>
4	To identify the DPE reporting the reference data	LEI of the Designated Publishing Entity
5	New field identifying the venue of admission to trading	<p>Boolean value, to indicate whether the reporting venue is the regulated market where the financial instrument was first admitted to trading.</p> <p>This addition is complementary to the planned revision of Article 4 of RTS 1. Specifically, the use of this field would allow identifying a regulated market as venue relevant for the first MRMTL calculation in case of multiple listings. ESMA expects this field to contribute to data quality in the reporting of field 11, as it would serve as additional check.</p>
6	New field to flag the action type such as new, modification, termination, error	Action type
7	Add a new field "delivery period" for commodity derivatives to distinguish between different products (with the same maturity date but different delivery periods). Applicable to electricity and gas derivatives	Number of hours of delivery during the delivery period.

**Q66: Do you support inclusion of the new fields listed above?**

#### 14.6.2 Fields to be amended

365. Proposed amendments to the existing fields in the RTS 23 Table 3 of the Annex to ensure comprehensive descriptions and consistency across fields.

366. In particular, ESMA is considering whether it should be allowed to report multiple values for dates/times in the relevant fields 10 (Date of request for admission to trading), 11 (Date of admission to trading or date of first trade) and 12 (Termination date). This would allow to better monitor the cases when the reported instruments are terminated and are subsequently readmitted to trading comparing to the current situation where the information on the past trading periods must be retrieved from the historical FIRDS files. Alternatively, ESMA could consider retrieving and publishing the information on the past trading periods based on the previously reported dates/times in fields 10, 11 and 12, complemented by the information provided in the newly proposed field Action type. Field Action type would allow in this case to distinguish e.g. between a new re-admission to trading and a correction of a previously reported admission date. While this solution has a benefit of limiting the information to be reported by the trading venues (i.e. each admission/termination would be reported just once and would not need to be included in the subsequent reports), it would require trading venues to implement robust logic for reporting action types, to ensure that ESMA and NCAs can reconstruct the trading periods in a reliable manner.

#	Proposal	Amendments to the existing fields of RTS 23
1	Need to align field's name and description of fields 8 (Request for admission to trading by the issuer), 9 (Date of approval of the admission to trading), 10 (Date of request for admission to trading) with MAR and 12 (Termination date)	<i>Fields 8, 9, 10, 12 amendments for consistency with the field description: to include the "time" in the name fields</i>
2	Need of monitoring cases when an instrument is delisted and subsequently it is readmitted to trading	To allow TVs to report multiple values for time/dates in the relevant fields 10 (Date of request for admission to trading), 11 (Date of admission to trading or date of first trade) and 12 (Termination date)
3	Need to clarify in the description of field 11	<i>Field 11 description amendment:</i>

	(Date of admission to trading or date of the first trade)	<p><i>“Date and time of the admission to trading on the trading venue or the date and time when the instrument was first traded or an order or quote was first received by the trading venue.</i></p> <p><b><i>In the event an instrument is admitted to trading on a trading venue, then subsequently is terminated and later readmitted to trading the field should be populated with multiple dates and times to reflect the different trading periods and not the original admission date.”</i></b></p>
4	Currently Field 7 Financial Instrument Short Name is included in the venue-related section of fields. However, the FISN shall be consistent for a given ISIN irrespective of the venue of trading	Field 7 will be incorporated in the general fields section of fields
5	Field 17 (Nominal value per unit/minimum traded value) combines currently two different features, minimum trading value and nominal per unit	Given that adding a new field “Minimum trading value” is proposed (see section 3.6.1), the field 17 should be changed to reflect the “Nominal value per unit” only (where applicable)
6	To amend field 31 (Strike price) as this value is only relevant for options / warrants that do not have a strike price (such as stay-high-warrants that only have a knock-out, but no strike price)	To add NOAP (Not applicable)

**Q67: Do you agree with the amendment listed above for the existing fields?**

**Q68: With regards to monitoring of de-listing and re-admission, which option is preferable in your view: (i) reporting by the trading venue of all previous trading periods in the repeatable fields 10, 11 and 12 or (ii) implementing adequate reporting logic of events impacting the instrument (new, modification, termination etc) in order to enable ESMA to reconstruct all trading periods?**

### 14.6.3 Fields to be removed

367. Current RTS 23 provides a rich set of reference data which overall have proved adequate for the purpose of transaction reporting, in other words the reference data reported under Article 27 describe the financial instruments in a manner that enables regulators to understand the key characteristics of those instruments well and support the analysis of the transaction reports submitted under Article 26 of MiFIR which refer to those instruments.

368. However, based on the experience with the use of reference data, NCAs and ESMA have identified certain attributes which are less commonly used in the regulatory analyses or are inconsistently reported and can be more easily retrieved from other sources. In line with the overall goal of reducing the reporting burden, it is therefore proposed that those attributes of financial instruments are no longer reported under Article 27<sup>50</sup>.

369. With regards to the field 40 Reference rate, it is considered duplicative with the field 28 Underlying index name.

370. In particular, it is proposed to suppress the reporting of the following reference data elements:

**TABLE 3 FIELDS TO BE REMOVED**

<b>N</b>	<b>Field</b>	<b>Content to be reported</b>	<b>Format and standard to be used for reporting</b>
23	Seniority of the bond	Identify the type of bond: senior debt, mezzanine, subordinated or junior.	'SNDB' – Senior Debt 'MZZD' – Mezzanine 'SBOD' – Subordinated Debt 'JUND' – Junior Debt
38	Transaction type	Transaction type as specified by the trading venue.	'FUTR' – Futures 'OPTN' – Options 'TAPO' – TAPOS 'SWAP' – SWAPS 'MINI' – Minis 'OTCT' – OTC

<sup>50</sup> This is without prejudice to the fact that those attributes may form part of the ISO 6166 ISIN reference data.



			'ORIT' – Outright 'CRCK' – Crack 'DIFF' – Differential 'OTHR' – Other
39	Final price type	Final price type as specified by the trading venue.	'ARGM' – Argus/McCloskey 'BLTC' – Baltic 'EXOF' – Exchange 'GBCL' – GlobalCOAL 'IHSM' – IHS McCloskey 'PLAT' – Platts 'OTHR' – Other
40	Reference rate	Name of the reference rate	{INDEX} Or {ALPHANUM-25}- if the reference rate is not included in the {INDEX} list
48	FX Type	Type of underlying currency	'FXCR' – FX Cross Rates 'FXEM' – FX Emerging Markets 'FXMJ' – FX Majors

**Q69: Do you support suppressing the reporting of the fields listed above?**

## 14.7 Format for reporting

371. Article 1 of the current RTS 23 provides that reference data shall be submitted by trading venues and systematic internalisers to NCAs in a common XML template in accordance with the ISO 20022 methodology.

372. The review of RTS 23 offers the opportunity to explore alternative formats aiming at improving the efficiency of data transmission and processing.

373. In the context of the preparatory work on Consolidated Tape Providers, ESMA commissioned a study on data formats and transmission protocols.<sup>51</sup> The objective of the study, which was published in January 2024, was to identify the best technical solution suitable for both CTP data collection and any other reporting regime to be potentially revised. Based on a number of various criteria, the study identified JSON as the most suitable data format when considering the revision of a regulatory reporting regime. According to the outcomes of the study, JSON emerged as an optimal data format for generic regulatory reporting purposes thanks to its simple syntax – which makes it developer-friendly - and its flexibility – which allows to represent complex data structures.
374. The study demonstrated that JSON outperforms XML in several key areas. First, its less verbose syntax and availability of libraries and tools to process JSON format ensures higher reliability and ease of use which reduces the likelihood of errors during transmission/reception of information and increases the overall data quality. Additionally, JSON facilitates faster data transmission compared to XML and offers better performances in parsing and serialization speed.
375. While JSON offers numerous advantages, it features also limitations compared to XML in less critical aspects. Notably, JSON lacks built-in support for certain features, such as inline documentation and digital signatures. However, the absence of inline documentation may not be considered a critical drawback, and although JSON does not provide native support for digital signatures, external libraries can be utilised to achieve this functionality.
376. When evaluating costs and benefits of a potential transition from XML to JSON, it's essential to also assess the compatibility of the proposed new format requirement with the ISO 20022 methodology. ISO 20022, globally recognised as the standard for financial messaging and data interchange, is designed to accommodate a variety of data-interchange formats, among which JSON and XML are both included. Therefore, the incorporation of JSON within ISO 20022 underscores its suitability for regulatory reporting, highlighting its alignment with established standards and systems. Consequently, based on the findings of the study and the potential benefits offered by JSON compared to XML, ESMA is assessing the possibility of a change of the format requirement with a view to improve the timeliness, accuracy, and overall efficiency of reference data reporting, while still ensuring compliance with the ISO 20022 methodology.
377. Considering the operational costs for all entities involved in the reporting chain associated with a potential transition from XML to JSON, it's important to weigh the benefits carefully. Firstly, JSON's simplicity and its support by the ISO 20022 methodology are expected to mitigate change management efforts. Furthermore, JSON's better

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<sup>51</sup> [ESMA12-437499640-2360 Study on data formats and transmission protocols \(europa.eu\)](#) –Throughout this study, a shortlist of data formats was assessed against various technical criteria. For a summary of the scores of each format under each technical criterion, please refer to page 58. Additionally, justification for the final recommendation can be found on page 121.

performance in processing speed and reduced bandwidth usage should lead to lower costs for data transmissions and storage throughout the reporting chain and should decrease the maintenance cost of the reporting solutions.

378. Based on the positive assessment of JSON as one of the most appropriate format for general reporting purposes, a gradual transition towards JSON is being considered also for certain other reporting regimes currently envisaging XML requirements, such as MiFIR transaction reporting, provision of information for transparency calculations or position reporting for commodities derivatives. With regards to the use of JSON for CTP purposes, additional factors are being considered which are detailed in the Consultation Package on RTS related to CTPs – RTS on input and output data of CTPs – Quality and substance of data – Standards and forma of data to be transmitted to the CTP.

379. A coherent harmonisation of format for reference data reporting and other reporting flows for which JSON is proposed would imply efficiency gains both for reporting entities (data suppliers) and NCAs (data consumers).

**Q70: Do you foresee any challenges with the use of JSON format compared to XML? Please provide estimates of the costs, timelines of implementation and benefits (short- and long term) related to potential transition to JSON.**

## 14.8 Reporting by DPEs

380. Article 27 of the revised MiFIR introduces the obligation for DPEs to report reference data for instruments which are not admitted to trading or traded on a trading venue and for which a request for admission has not been made. Furthermore, Article 21a specifies that competent authorities shall grant the investment firms the status of DPE ‘for specific classes of financial instrument’ and that ESMA shall establish a register of DPEs specifying their identity and the classes of financial instrument for which they are DPEs. The ‘classes of financial instruments’ referred to in Article 21a are not a defined term under MiFIR. In order to ensure that the DPE status is assigned in a consistent manner allowing for efficient reporting of the reference data, it appears necessary to provide clarity on the categorisation of the classes of financial instruments for the purpose of the DPE register. Such categorisation could be based on broad categories of financial instruments, such as shares, depositary receipts, ETFs, certificates, other equity-like instruments, bonds, interest rate derivatives, credit derivatives, structured finance products and emission allowance.

381. As explained in the section 14.6.1, a new field will be added to identify the DPE submitting the reference data. The DPE will be identified with a LEI code.

382. Certain venue related fields (fields 6 and 8-10 in the current RTS 23) will not be applicable for the instruments reported by the DPEs.

383. Furthermore, the relevant articles of RTS 23 should be revised to replace the references to systematic internalisers with DPEs.

384. With regards to responsibility for reporting, Article 21a specifies which counterparty is responsible for publishing a transaction via an APA depending on whether one, both or neither counterparties are DPEs. Article 27 however does not include similar instructions for the reporting of reference data, to the effect that in case both counterparties are DPEs, each of them shall report reference data to ESMA.

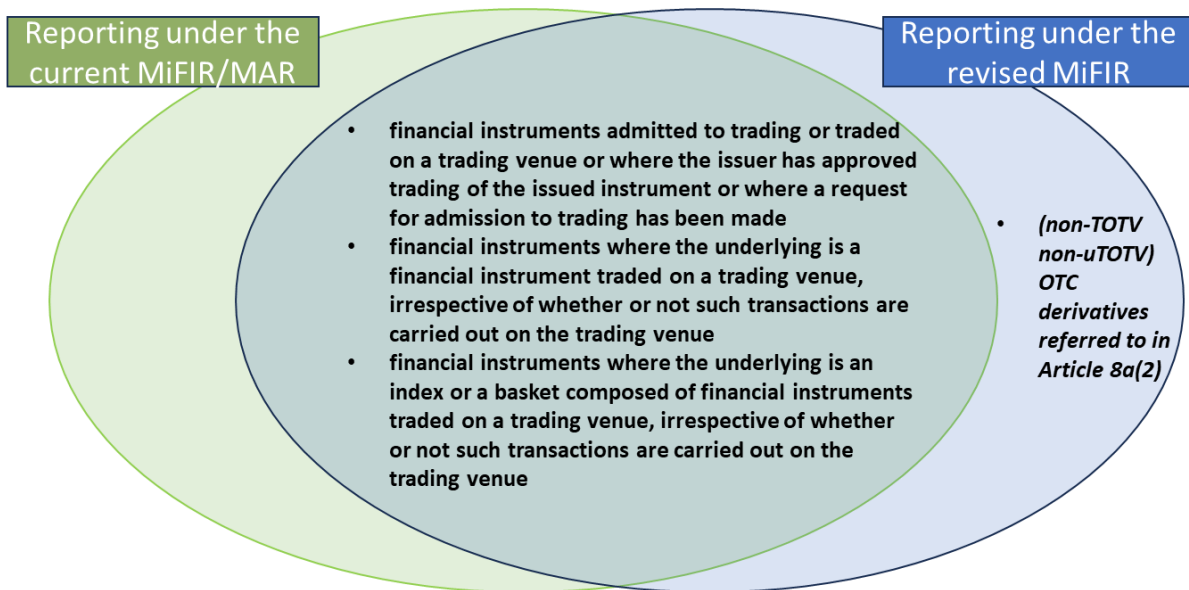
**Q71: In addition to including a field to identify the DPE, are there any other adjustments needed to enable comprehensive and accurate reporting of reference data by the DPEs?**

**Q72: With regards to the categorisation of classes of financial instruments for the purpose of the DPE register, how such classes should be designated in the register? Is there any further information that should be included in the register to ensure its usability and interoperability with other relevant systems? Do you foresee any practical implementation challenges, and if so, how they could be mitigated?**

## **14.9 Scope of reference data to be reported**

385. Revised MiFIR modifies the scope of reference data to be reported. In addition to the instruments 'admitted to trading or traded on a trading venue or where the issuer has approved trading of the issued instrument or where a request for admission to trading has been made' which will continue to be reported by the trading venues, the revised Article 27 requires DPEs to report other OTC derivatives that fall within the scope of Article 26(2). Article 26(2) covers in turn (in addition to the instruments mentioned above), the instruments where the underlying is a financial instrument traded on a venue or an index or a basket composed of financial instruments traded on a venue as well as OTC derivatives in scope of transparency which are referred to in the Article 8a(2).

386. The below chart provides an overview of the instruments in scope of reference data reporting under the current and revised requirements.



387. As illustrated above the new instruments in scope of MiFIR reporting are certain OTC derivatives referred to in Article 8a(2), that is the OTC derivatives denominated in euro, Japanese yen, US dollars or pounds sterling which:

- are subject to the clearing obligation, are centrally cleared, and, in case of IRS have a contractually agreed tenor of 1, 2, 3, 5, 7, 10, 12, 15, 20, 25 or 30 years,
- are single-name credit default swaps that reference a global systemically important bank and that are centrally cleared, or
- are credit default swaps that reference an index comprising global systemically important banks and that are centrally cleared.

388. In practice, the revised scope of reference data reporting will cover additionally certain IRS, FRAs, OIS and CDS, to the extent that those were not previously reported by the SIs.

389. It should be noted that all these categories of instruments are already reportable to the extent they are traded on a venue or the underlying is traded on a venue. RTS 23 already features a section of fields to accommodate for reporting of IRS derivatives. Additionally, it allows to identify the index or (in case of single name CDS) the reference entity or reference obligation (in the fields 26-27).

390. Finally, certain reference data for credit derivatives which are currently reported under RTS 2 may be incorporated in the RTS 23, as outlined in the section 14.1.2.2

**Q73: Are any other adjustments needed to enable comprehensive and accurate reporting of Article 8a(2) derivatives under RTS 23?**

## 15 Annexes

### 15.1 Annex I – Summary of questions

#### CP on the amendment of RTS 2

**Q1: Do you agree with the definition of CLOB trading systems proposed above? If not, please explain why.**

**Q2: Do you consider that the definition should include other trading systems? Please elaborate.**

**Q3: Do you agree that the description of periodic auction trading systems set out in Annex I of RTS 2 is relevant for specifying the characteristics of those trading systems in the revised RTS? If not, please elaborate.**

**Q4: Do you agree to use ESA 2010 to classify bond issuers? If not, please explain and provide alternatives on how clarify how to classify sovereign, other public and corporate issuers.**

**Q5: Do you agree with the proposed LiS pre-trade thresholds for bonds? In your answer, please also consider the analysis provided in sections 4.2.1.**

**Q6: Do you agree with the proposed LiS pre-trade thresholds for SFPs and EUAs? In your answer, please also consider the analysis provided in section 4.2.2.**

**Q7: Do you agree with the approach taken for the illiquid waiver for bonds, SFPs and EUA? If you disagree with how the liquidity threshold is determined, please include your comments in Q11 for bonds, Q14 for SFPs and/or Q17 for EUAs.**

**Q8: Do you agree with the changes to post-trade fields summarised in Table 5? Please identify the proposal ID in your response.**

**Q9: Do you agree not to change the concept of “as close to real-time as technically possible”? If not, what would be in your view the maximum permissible delay?**

**Q10: Do you agree with the changes proposed for the purpose of the reporting of OTC transactions?**

**Q11: Do you agree with the liquidity thresholds set out in Table 7 above? If not, please provide an alternative approach.**

**Q12: Do you agree with the proposed thresholds specified in the above Tables? If not, please justify by providing qualitative data to your analysis and differentiating per asset class.**

**Q13: Do you agree with the maximum deferral period set out in the tables above?**

**Q14: Do you agree with a static determination of liquidity and determine that all SFPs are illiquid? If not, can you suggest any alternative methodology on how to define liquidity for SFPs?**

**Q15: Do you agree not to introduce changes to the threshold size currently applicable to SFPs as provided in RTS 2?**

**Q16: Do you agree with the maximum duration proposed?**

**Q17: Do you agree with a static determination of liquidity and determine that all EUA are liquid? If not, can you suggest any alternative methodology on how to define liquidity for EUAs?**

**Q18: Do you agree with the proposed framework for the deferral regime for EUAs? If not, please suggest an alternative methodology.**

**Q19: Do you agree with the classification of ETCs and ETNs as types of bonds?**

**Q20: Do you agree with the liquidity determination for ETCs and ETNs. If not, please suggest an alternative approach to the liquidity determination.**

**Q21: Do you agree with the pre- and post-trade thresholds? If not, please suggest an alternative methodology.**

**Q22: What is your view in relation to the implementation of the supplementary deferral regime for sovereign bonds?**

**Q23: Do you agree not to make any changes to the temporary suspension of transparency obligations framework as it currently in RTS 2?**

**Q24: Do you have any further comment or suggestion on the draft RTS? Please elaborate your answer.**

**Q25: What level of resources (financial and other) would be required to implement and comply with the draft amended RTS and for which related cost (please distinguish between one off and ongoing costs)? When responding to this question, please provide information on the size, internal set-up and the nature, scale and complexity of the activities of your organisation, where relevant.**



## **CP on the RTS on reasonable commercial basis**

**Q26: Do you agree to the general approach used to specify the costs and margin attributable to the production and distribution of market data? Please elaborate.**

**Q27: Do you agree with the proposed approach to cost calculation based on the identification of different cost categories attributable to the production and dissemination of market data (i.e. (i) infrastructure costs; (ii) connectivity costs; (iii) personnel costs; (iv) financial costs; (v) administrative costs)? Please elaborate.**

**Q28: Do you agree with the proposal of apportioning costs based on the use of resources (i.e., infrastructure, personnel, software...) for each service provided? Do you think the methodology to be used to apportion costs should be further specified? Please elaborate.**

**Q29: Do you agree that the net profit as defined in Article 3 of the draft RTS can be a representative proxy of the margin applicable to data fees and would you include additional principles to define when a margin can be considered reasonable? Please elaborate.**

**Q30: Do you agree with the proposed template for the purpose of information reporting to NCAs on the cost of producing and disseminating data and on the margin applied to data? Please elaborate, including if further information should in your view be added to the template.**

**Q31: What are in your view the obstacles to non-discriminatory access to data taking into consideration the current data market data policies and agreements?**

**Q32: What are the elements which could affect prices in data provision (e.g. connectivity, volume)? Do they vary according to the use of data made by the user or the type of user? Please elaborate.**

**Q33: Do you agree with ESMA's proposal on how to set up fee categories? Please justify your answer.**

**Q34: Regarding redistribution of market data, do you agree with the analysis of ESMA? If not, please elaborate on the possible risks you identify and possible venues to mitigate these. In your response please elaborate on actual redistribution models.**

**Q35: Are there any other terms and conditions in market data agreements beyond the ones listed in this section which you perceive to be biased and/or unfair? If yes, please list them and elaborate your answer.**

**Q36: Please provide your view on ESMA’s proposal in respect to (i) the obligation to provide pre-contractual information, (ii) general principle on fair terms, (iii) the language of the market data agreement, (iv) the market data agreement conformity with published policies and (v) the provision on fees and additional costs.**

**Q37: According to your experience, has the per-user model been inserted in the market data agreements as an option for billing? If yes, do you have experience in the usage of this option? Is the proposed wording of this option in the draft RTS useful? What are in your views the obstacles to its use?**

**Q38: Do you agree with ESMA’s proposal on penalties? Please elaborate your answer.**

**Q39: Do you agree with ESMA’s proposal on audits? Please elaborate your answer.**

**Q40: Would you adopt any additional safeguards to ensure market data agreements terms and conditions are fair and unbiased? Please elaborate your answer.**

**Q41: Do you agree with the standardised publication template set out in Annex I of the draft RTS? Do you have any comments and suggestions to improve the standardised publication format and the accompanying instructions? Please elaborate your answer.**

**Q42: Do you agree with the proposed list of standard terminology and definitions? Is there any other terminology used in market data policies that would need to be standardised? If yes, please give examples and suggestions of definitions.**

**Q43: Do you consider that the “user-id” and the “device” should still be considered as “unit of count” for the display and non-display data respectively? Do you think (an)other unit(s) of count can better identify the occurrence of costs in data provision and dissemination and if yes, which?**

**Q44: Do you foresee other types of connectivity that should be defined beside “physical connection” to quantify the level of data consumption? Please elaborate your answer.**

**Q45: Do you think there is any other information that market data providers should disclose to improve the transparency on market data costs and how prices for market data are set? If yes, please provide suggestions.**

**Q46: Do you agree with the approach on delayed data proposed by ESMA? Please elaborate your answer.**

**Q47: Do you agree with the proposal not to require any type of registration to access delayed data? Please elaborate your answer.**

**Q48: ESMA proposes the RTS to enter into force 3 months after publication in the OJ to allow for sufficient time for preparation and amendments to be made by the industry. Would you agree? Would you suggest a different or no preparation time? Please elaborate your answer.**

**Q49: Do you have any further comment or suggestion on the draft RTS? Please elaborate your answer.**

**Q50: What level of resources (financial and other) would be required to implement and comply with the RTS and for which related cost (please distinguish between one off and ongoing costs)? When responding to this question, please provide information on the size, internal set-up and the nature, scale and complexity of the activities of your organisation, where relevant.**

### **CP on the amendment of RTS 23**

**Q51: Do you agree with the proposal for a daily reporting of reference data for both transaction reporting and transparency purposes?**

**Q52: For the purposes of both equity and non-equity transparency, do you prefer to retain the MiFIR identifier as currently defined or to rely on other fields for classification purposes? If latter, please outline the proposed solution.**

**Q53: Is in your view, the granularity level of the MiFIR identifier adequate for the purposes of MiFIR transparency in the equity and non-equity space? If not, how should it be adjusted?**

**Q54: How do you expect the change in scope of instruments subject to transparency to impact transparency reference data? Would you agree to maintain the current whole set of reference data for non-equity instruments, currently in RTS 2, in RTS 23? If not, please specify which reference data should not be retained in the view of the revised scope.**

**Q55: Do you agree with deleting Field 5 of RTS 2, Annex IV, and use the CFI code for the purposes of derivatives' contract type classification?**

**Q56: Do you agree with the proposed alignment between RTS 23 and RTS 2 as set out in this section? Please provide details on which alignment is (not) feasible and why, considering the impact in terms of comprehensiveness and consistency of the reported information.**

**Q57: As it concerns "underlying type" classification, do you agree with the proposed reliance on CFI and other reporting fields? With specific regards to Field 27, do you have proposals on how that field may be streamlined?**

**Q58: Do you see additional room for simplification and/or alignment of reference data for transaction reporting and transparency purposes? What would be the impact in terms of one-off and ongoing costs, benefits and change management of such simplifications, in particular with respect to reducing and consolidating data flows to ESMA that exist currently?**

**Q59: Do you have suggestions on how the fields mentioned above may be improved and streamlined?**

**Q60: Do you agree with the above assessment of the necessary adjustments to be made in the RTS 23 to accommodate for the identifying reference data?**

**Q61: Do you see a need to specify the 'date by which the reference data are to be reported' different from the date of application or have other comments with regards to the proposed timeline? If so, please specify.**

**Q62: Are there any other international developments or standards agreed at Union or international level that should be considered for the purpose of the development of the RTS on reference data?**

**Q63: Do you agree with the changes proposed in the tables above? Should any other changes be considered to align the MiFIR reporting specifications with the international standards, EMIR and / or SFTR?**

**Q64: Do you foresee any challenges with the proposed approach under which the CSDR publications would be integrated in FIRDS?**

**Q65: Do you have any comments with regards to the inclusion of additional fields in the instrument reference data published by ESMA to indicate whether the instrument is in the scope of CSDR and to specify which MIC corresponds to a venue with the highest turnover or the most relevant market in terms of liquidity?**

**Q66: Do you support inclusion of the new fields listed above?**

**Q67: Do you agree with the amendment listed above for the existing fields?**

**Q68: With regards to monitoring of de-listing and re-admission, which option is preferable in your view: (i) reporting by the trading venue of all previous trading periods in the repeatable fields 10, 11 and 12 or (ii) implementing adequate reporting logic of events impacting the instrument (new, modification, termination etc) in order to enable ESMA to reconstruct all trading periods?**

**Q69: Do you support suppressing the reporting of the fields listed above?**

**Q70: Do you foresee any challenges with the use of JSON format comparing to XML? Please provide estimates of the costs, timelines of implementation and benefits (short- and long term) related to potential transition to JSON.**

**Q71: In addition to including a field to identify the DPE, are there any other adjustments needed to enable comprehensive and accurate reporting of reference data by the DPEs?**

**Q72: With regards to the categorisation of classes of financial instruments for the purpose of the DPE register, how such classes should be designated in the register? Is there any further information that should be included in the register to ensure its usability and interoperability with other relevant systems? Do you foresee any practical implementation challenges, and if so, how they could be mitigated?**

**Q73: Are any other adjustments needed to enable comprehensive and accurate reporting of Article 8a(2) derivatives under RTS 23?**

## **15.2 Annex II – Cost-benefit analysis**

A detailed CBA will be published together with the ESMA Final Report.

The final CBA will include the feedback received from stakeholders to provide a refined assessment of the impact of the ESMA proposal on market participants.

## 15.3 Annex III – Regulatory Technical Standards on RTS 2

### 15.3.1 Consolidated Version of RTS 2 amendment

(Changes to current text in red, Annexes in this consolidated version refer to the Annex of the amending regulation in section 15.4.2)

#### COMMISSION DELEGATED REGULATION (EU) 2017/583

of 14 July 2016

supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives

(Text with EEA relevance)

#### CHAPTER I

#### DEFINITIONS

##### *Article 1*

#### Definitions

For the purposes of this Regulation, the following definitions shall apply:

1. ~~Central Limit Order Book Trading system package transaction~~ means either of the following:

(a) a continuous auction order book trading system that by means of an order book and a trading algorithm operated without human intervention matches sell orders with buy orders on the basis of the best available price on a continuous basis ~~a transaction in a derivative contract or other financial instrument contingent on the simultaneous execution of a transaction in an equivalent quantity of an underlying physical asset (Exchange for Physical or EFP);~~

(b) a trading system combining elements of a continuous auction order book trading defined in subparagraph (a) and of periodic auction trading system defined in paragraph (2). ~~a transaction which involves the execution of two or more component transactions in financial instruments; and:~~

~~(i) which is executed between two or more counterparties;~~

~~(ii) where each component of the transaction bears meaningful economic or financial risk related to all the other components;~~

~~(iii) where the execution of each component is simultaneous and contingent upon the execution of all the other components;~~

2. ~~“periodic auction trading system” continuous request for quote system’~~ means a trading system that matches orders on the basis of a periodic auction and a trading algorithm operated without human intervention ~~where the following conditions are met:~~

~~(a) a quote or quotes by a member or participant are provided in response to a request for a quote submitted by one or more other members or participants;~~

~~(b) the quote is executable exclusively by the requesting member or participant;~~

~~(c) the requesting member or market participant may conclude a transaction by accepting the quote or quotes provided to it on request;~~

3. ~~‘voice trading system’ means a trading system where transactions between members are arranged through voice negotiation.~~

## CHAPTER II

### PRE-TRADE TRANSPARENCY FOR REGULATED MARKETS, MULTILATERAL TRADING FACILITIES AND ORGANISED TRADING FACILITIES

#### *Article 2*

#### **Pre-trade transparency obligations**

#### **(Article 8(1) and (2) of Regulation (EU) No 600/2014)**

Market operators and investment firms operating a trading venue shall make public the range of bid and offer prices and the depth of trading interest at those prices, in accordance with the type of trading system they operate and the information requirements set out in Annex I.

#### *Article 3*

#### **Orders which are large in scale for derivatives**

#### **(Article 9(1)(a) of Regulation (EU) No 600/2014)**

An order is large in scale compared with normal market size where, at the point of entry of the order or following any amendment to the order, it is equal to or larger than the minimum size of order which shall be determined in accordance with the methodology set out in Article 13.

#### *Article 3a*

#### **Orders which are large in scale for bonds, structure finance products and emission allowances**

#### **(Article 9(1)(a) of Regulation (EU) No 600/2014)**



An order is large in scale compared with normal market size where, at the point of entry of the order or following any amendment to the order, it is equal to or larger than the threshold size for:

- a) The bond types as defined in Table 2.2 of Annex III;
- b) ETC and ETN bond types as defined in Table 2.5 of Annex III;
- c) Structured finance products as defined in Table 3.2 of Annex III;
- d) Emission allowances as defined in Table 12.2 of Annex III.

#### *Article 4*

### **Type and minimum size of orders held in an order management facility**

#### **(Article 9(1)(a) of Regulation (EU) No 600/2014)**

1. The type of order held in an order management facility of a trading venue pending disclosure for which pre-trade transparency obligations may be waived is an order which:

- (a) is intended to be disclosed to the order book operated by the trading venue and is contingent on objective conditions that are defined in advance by the system's protocol;
- (b) does not interact with other trading interest prior to disclosure to the order book operated by the trading venue;
- (c) once disclosed to the order book it interacts with other orders in accordance with the rules applicable to orders of that kind at the time of disclosure.

2. The minimum size of orders held in an order management facility of a trading venue pending disclosure for which pre-trade transparency obligations may be waived shall, at the point of entry and following any amendment, be one of the following:

- (a) in the case of a reserve order, greater than or equal to EUR 10 000;
- (b) for all other orders, a size that is greater than or equal to the minimum tradable quantity set in advance by the system operator under its rules and protocols.

3. A reserve order referred to in paragraph 2(a) shall be considered a limit order consisting of a disclosed order relating to a portion of the quantity and a non-disclosed order relating to the remainder of the quantity, where the non-disclosed quantity is capable of execution only after its release to the order book as a new disclosed order.

#### **▼M3**

4. For the purposes of paragraph 2, point (a), the size of orders held in an order management facility shall be measured by the notional amount of the traded contracts as referred to in Annex II, table 2, field 10.

#### **▼B**

~~Article 5~~

~~Size specific to the financial instrument~~

~~(Articles 8(4) and 9(1)(b) of Regulation (EU) No 600/2014)~~

~~1. An actionable indication of interest is above the size specific to the financial instrument where, at the point of entry or following any amendment, it is equal to or larger than the minimum size of an actionable indication of interest which shall be determined in accordance with the methodology set out in Article 13.~~

~~2. Indicative pre-trade prices for actionable indications of interest that are above the size specific to the financial instrument determined in accordance with paragraph 1 and smaller than the relevant large in scale size determined in accordance with Article 3 shall be considered close to the price of the trading interests where the trading venue makes public any of the following:~~

~~(a) the best available price;~~

~~(b) a simple average of prices;~~

~~(c) an average price weighted on the basis of the volume, price, time or the number of actionable indications of interest.~~

~~3. Market operators and investment firms operating a trading venue shall make public the methodology for calculating pre-trade prices and the time of publication when entering and updating indicative pre-trade prices.~~

Article 6

The classes of **financial instruments derivatives** for which there is not a liquid market

**(Article 9(1)(c) of Regulation (EU) No 600/2014)**

A derivative financial instrument or a class of financial instruments shall be considered not to have a liquid market if so specified in accordance with the methodology set out in Article 13.

Article 6a

**The classes of bonds, structured finance products and emission allowances for which there is not a liquid market**

**(Article 9(1)(c) of Regulation (EU) No 600/2014)**

For determining whether a bond, structured finance product or emission allowance shall be considered not to have a liquid market, the following static determination of liquidity shall apply:

- a) For all bond types except ETCs and ETNs as defined in Table 2.1 of Annex III.
- b) For ETCs and ETNs as defined in Table 2.4 of Annex III.
- c) For structured finance products as defined in Table 3.1 of Annex III.

- d) For emission allowances as defined in Table 12.1 of Annex III.

## CHAPTER III

### POST-TRADE TRANSPARENCY FOR TRADING VENUES AND INVESTMENT FIRMS TRADING OUTSIDE A TRADING VENUE

#### Article 7

#### Post-trade transparency obligations

#### (Article 10(1) and Article 21(1) and (5) of Regulation (EU) No 600/2014)

1. Investment firms trading outside the rules of a trading venue and market operators and investment firms operating a trading venue shall make public by reference to each transaction the details set out in Tables 1 and 2 of Annex II and use each applicable flag listed in Table 3 of Annex II.
2. Where a previously published trade report is cancelled, investment firms trading outside a trading venue and market operators and investment firms operating a trading venue shall make public a new trade report which contains all the details of the original trade report and the cancellation flag specified in Table 3 of Annex II.
3. Where a previously published trade report is amended, investment firms trading outside a trading venue and market operators and investment firms operating a trading venue shall make the following information public:
  - (a) a new trade report that contains all the details of the original trade report and the cancellation flag specified in Table 3 of Annex II;
  - (b) a new trade report that contains all the details of the original trade report with all necessary details corrected and the amendment flag as specified in Table 3 of Annex II.
4. Post-trade information shall be made available as close to real time as is technically possible and in any case:
  - ~~(a) for the first three years of application of Regulation (EU) No 600/2014, within 15 minutes after the execution of the relevant transaction;~~
  - ~~(b) thereafter,~~ within 5 minutes after the execution of the relevant transaction.
- ~~5. Where a transaction between two investment firms is concluded outside the rules of a trading venue, either on own account or on behalf of clients, only the investment firm that sells the financial instrument concerned shall make the transaction public through an APA.~~
- ~~6. By way of derogation from paragraph 5, where only one of the investment firms party to the transaction is a systematic internaliser in the given financial instrument and it is acting as the buying firm, only that firm shall make the transaction public through an APA, informing the seller of the action taken.~~
7. Investment firms shall take all reasonable steps to ensure that the transaction is made public as a single transaction. For that purpose, two matching trades entered at the same time

and for the same price with a single party interposed shall be considered to be a single transaction.

8. Information relating to a package transaction ~~shall be made available with respect to each component as close to real-time as is technically possible, having regard to the need to allocate prices to particular financial instruments and~~ shall include the package transaction flag or the exchange for physicals transaction flag as specified in Table 3 of Annex II. ~~Where the package transaction is eligible for deferred publication pursuant to Article 8, information on all components shall be made available after the deferral period for the transaction has lapsed.~~

#### *Article 8*

### **Deferred publication of transactions for derivatives**

#### **(Article 11(1) and (3) and Article 21(4) of Regulation (EU) No 600/2014)**

1. Where a competent authority authorises the deferred publication of the details of transactions pursuant to Article 11(1) of Regulation (EU) No 600/2014, investment firms trading outside a trading venue and market operators and investment firms operating a trading venue shall make public each transaction no later than 19.00 local time on the second working day after the date of the transaction, provided one of the following conditions is satisfied:

- (a) the transaction is large in scale compared with the normal market size as specified in Article 9;
- (b) the transaction is in a financial instrument or a class of financial instruments for which there is not a liquid market as specified in accordance with the methodology set out in Article 13;
- (c) the transaction is executed between an investment firm dealing on own account other than on a matched principal basis as per Article 4(1)(38) of Directive 2014/65/EU of the European Parliament and of the Council ([1](#)) and another counterparty and is above a size specific to the instrument as specified in Article 10;
- (d) the transaction is a package transaction which meets one of the following criteria:
  - (i) one or more of its components are transactions in financial instruments which do not have a liquid market;
  - (ii) one or more of its components are transactions in financial instruments that are large in scale compared with the normal market size as determined by Article 9;
  - (iii) the transaction is executed between an investment firm dealing on own account other than on a matched principal basis as per Article 4(1)(38) of Directive 2014/65/EU and another counterparty, and one or more of its components are transactions in financial instruments that are above the size specific to the instrument as determined by Article 10.

2. When the time limit of deferral set out in paragraph 1 has lapsed, all the details of the transaction shall be published unless an extended or an indefinite time period of deferral is granted in accordance with Article 11.

3. Where a transaction between two investment firms, either on own account or on behalf of clients, is executed outside the rules of a trading venue, the relevant competent authority for the purposes of determining the applicable deferral regime shall be the competent authority of the investment firm responsible for making the trade public through an APA in accordance with paragraphs 5, 6 and 7 of Article 7.

#### *Article 8a*

#### **Deferred publication of transactions for bonds, structured finance products and emission allowances**

1 Market operators and investment firms operating a trading venue and investment firms trading outside a trading venue shall make public each transaction no later than 19.00 local time on the second working day after the date of the transaction, provided the transaction is above the post-trade size for:

- a) ETC and ETN bond types in accordance with Table 2.5 of Annex III.
- b) structure finance product in accordance with Table 3.2 of Annex III.
- c) emission allowances in accordance with Table 12.2 of Annex III.

2 Market operators and investment firms operating a trading venue and investment firms trading outside a trading venue may defer the publication of the details of transaction in respect of bonds (except ETC and ETN) in accordance with the following durations:

- a) a price deferral and a volume deferral not exceeding 15 minutes, for transactions in category 1 in accordance with Table 2.3 of Annex III;
- b) a price deferral and a volume deferral not exceeding the end of the trading day, for transactions in category 2 in accordance with Table 2.3 of Annex III;
- c) a price deferral not exceeding the end of the trading day and a volume deferral not exceeding one week after the transaction date, for transactions in category 3 in accordance with Table 2.3 of Annex III;
- d) a price deferral not exceeding the end of the trading day and a volume deferral not exceeding two weeks after the transaction date, for transactions in category 4 in accordance with Table 2.3 of Annex III;
- e) a price deferral and a volume deferral not exceeding four weeks after the transaction date, for transactions in category 1 in accordance with Table 2.3 of Annex III.

When the period of deferral lapses, all the details of the transactions on an individual basis shall be published.

#### *Article 9*

## Transactions which are large in scale **for derivatives**

### (Article 11(1)(a) of Regulation (EU) No 600/2014)

A transaction shall be considered large in scale compared with normal market size where it is equal to or larger than the minimum size of transaction, which shall be calculated in accordance with the methodology set out in Article 13.

#### Article 10

## The size specific to the financial instrument **for derivatives**

### (Article 11(1)(c) of Regulation (EU) No 600/2014)

A transaction shall be considered above a size specific to the financial instrument where it is equal to or larger than the minimum size of transaction, which shall be calculated in accordance with the methodology set out in Article 13.

#### Article 11

## Transparency requirements **for sovereign bonds** in conjunction with deferred publication at the discretion of the competent authorities

### (Article 11(3) of Regulation (EU) No 600/2014)

1. Where competent authorities exercise their powers ~~in conjunction with an authorisation of deferred publication pursuant to~~ **under** Article 11(3) of Regulation (EU) No 600/2014, the following shall apply:

~~(a) where Article 11(3)(a) of Regulation (EU) No 600/2014 applies, competent authorities shall request the publication of either of the following information during the full period of deferral as set out in Article 8:~~

~~(i) all the details of a transaction laid down in Tables 1 and 2 of Annex II with the exception of details relating to volume;~~

~~(ii) transactions in a daily aggregated form for a minimum number of 5 transactions executed on the same day, to be made public the following working day before 9.00 local time;~~

(b) where Article 11(3)(~~ba~~) of Regulation (EU) No 600/2014 applies, competent authorities shall allow the omission of the publication of the volume of an individual transaction for an extended time period ~~not exceeding six months of four weeks~~;

~~(c) in respect of non-equity instruments that are not sovereign debt and where Article 11(3)(c) of Regulation (EU) No 600/2014 applies, competent authorities shall allow, for an extended time period of deferral of four weeks, the publication of the aggregation of several transactions executed over the course of one calendar week on the following Tuesday before 9.00 local time;~~

(d) in respect of sovereign debt instruments and where Article 11(3)(~~db~~) of Regulation (EU) No 600/2014 applies, competent authorities shall allow, for **a period not exceeding six**

~~months an indefinite period of time~~, the publication of the aggregation of several transactions executed over the course of one calendar week on the following Tuesday before 9.00 local time.

~~2.—Where the extended period of deferral set out in paragraph 1(b) has lapsed, the following requirements shall apply:~~

~~(a) in respect of all instruments that are not sovereign debt, the publication of the full details of all individual transactions, on the next working day before 9.00 local time;~~

~~(b) in respect of sovereign debt instruments where competent authorities decide not to use the options provided for in Article 11(3)(b) and (d) of Regulation (EU) No 600/2014 consecutively, pursuant to the second subparagraph of Article 11(3) of Regulation (EU) No 600/2014, the publication of the full details of all individual transactions on the next working day before 9.00 local time;~~

~~(c) in respect of sovereign debt instruments, where competent authorities apply the options provided for in Article 11(3)(b) and (d) of Regulation (EU) No 600/2014 consecutively pursuant to the second subparagraph of Article 11(3) of Regulation (EU) No 600/2014, the publication of several transactions executed in the same calendar week in an aggregated form on the Tuesday following the expiry of the extended period of deferral of four weeks counting from the last day of that calendar week before 9.00 local time.~~

~~3.—In respect of all instruments that are not sovereign debt, all the details of the transactions on an individual basis shall be published four weeks after the publication of the aggregated details in accordance with paragraph 1(c) before 9.00 local time.~~

4. The aggregated ~~daily or~~ weekly data referred to in paragraphs 1(b) ~~and 2~~ shall contain the following information ~~for bonds, structured finance products, derivatives and emission allowances~~ in respect of each ~~day or~~ week of the calendar period concerned:

(a) the weighted average price;

(b) the total volume traded as referred to in Table 4 of Annex II;

(c) the total number of transactions.

5. Transactions shall be aggregated per ISIN-code. Where the ISIN code is not available, transactions shall be aggregated at the level of the class of financial instruments to which the liquidity test set out in Article 13 applies.

6. Where the weekday foreseen for the publications set out in points ~~(e) and~~ (d) of paragraph 1, ~~and paragraphs 2 and 3~~, is not a working day, the publications shall be effected on the following working day before 9.00 local time.

### ▼ M3

#### Article 12

### **Application of post-trade transparency to certain transactions executed outside a trading venue**

**(Article 21(1) of Regulation (EU) No 600/2014)**

The obligations set out in Article 21(1) of Regulation (EU) No 600/2014 shall not apply to transactions listed in Article 2(5) of Commission Delegated Regulation (EU) 2017/590 ([2](#)).

**VB**

CHAPTER IV

**PROVISIONS COMMON TO PRE-TRADE AND POST-TRADE TRANSPARENCY**

*Article 13*

**Methodology to perform the transparency calculations for derivatives**

**(Article 9(1) and (2), Article 11(1) and Article 22(1) of Regulation (EU) No 600/2014)**

1. For determining financial instruments or classes of financial instruments for which there is not a liquid market for the purposes of Article 6 and point (b) of paragraph 1 of Article 8, the following methodologies shall be applied across asset classes:

(a) Static determination of liquidity for:

- (i) the asset class of securitised derivatives as defined in Table 4.1 of Annex III;
- (ii) the following sub-asset classes of equity derivatives: stock index options, stock index futures/forwards, stock options, stock futures/forwards, stock dividend options, stock dividend futures/forwards, dividend index options, dividend index futures/forwards, volatility index options, volatility index futures/forwards, ETF options, ETF futures/forwards and other equity derivatives as defined in Table 6.1 of Annex III;
- (iii) the asset class of foreign exchange derivatives as defined in Table 8.1 of Annex III;
- (iv) the sub-asset classes of other interest rate derivatives, other commodity derivatives, other credit derivatives, other C10 derivatives, other contracts for difference (CFDs), ~~other emission allowances~~ and other emission allowance derivatives as defined in Tables 5.1, 7.1, 9.1, 10.1, 11.1, ~~12.1~~ and 13.1 of Annex III.

(b) Periodic assessment based on quantitative and, where applicable, qualitative liquidity criteria for:

- ~~(i) all bond types except ETCs and ETNs as defined in Table 2.1 of Annex III and as further specified in Article 17(1);~~
- ~~(ii) ETC and ETN bond types as defined in Table 2.4 of Annex III;~~
- (iii) the asset-class of interest rate derivatives except the sub-asset class of other interest rate derivatives as defined in Table 5.1 of Annex III;
- (iv) the following sub-asset classes of equity derivatives: swaps and portfolio swaps as defined in Table 6.1 of Annex III;



(v) the asset-class of commodity derivatives except the sub-asset class of other commodity derivatives as defined in Table 7.1 of Annex III;

(vi) the following sub-asset classes of credit derivatives: index credit default swaps and single name credit default swaps as defined in Table 9.1 of Annex III;

(vii) the asset-class of C10 derivatives except the sub-asset class of other C10 derivatives as defined in Table 10.1 of Annex III;

(viii) the following sub-asset classes of contracts for difference (CFDs): currency CFDs and commodity CFDs as defined in Table 11.1 of Annex III;

~~(ix) the asset-class of emission allowances except the sub-asset class of other emission allowances as defined in Table 12.1 of Annex III;~~

(x) the asset-class of emission allowance derivatives except the sub-asset class of other emission allowance derivatives as defined in Table 13.1 of Annex III.

(c) Periodic assessment based on qualitative liquidity criteria for:

(i) the following sub-asset classes of credit derivatives: CDS index options and single name CDS options as defined in Table 9.1 of Annex III;

(ii) the following sub-asset classes of contracts for difference (CFDs): equity CFDs, bond CFDs, CFDs on an equity future/forward and CFDs on an equity option as defined in Table 11.1 of Annex III.

~~(d) Periodic assessment based on a two tests methodology for structured finance products as defined in Table 3.1 of Annex III.~~

2. For determining ~~the size specific to the financial instrument referred to in Article 5 and~~ the orders that are large in scale compared with normal market size referred to in Article 3, the following methodologies shall be applied:

(a) the threshold value for:

~~(i) ETC and ETN bond types as defined in Table 2.5 of Annex III;~~

(ii) the asset class of securitised derivatives as defined in Table 4.2 of Annex III;

(iii) each sub-class of equity derivatives as defined in Tables 6.2 and 6.3 of Annex III;

(iv) each sub-class of foreign exchange derivatives as defined in Table 8.2 of Annex III;

(v) each sub-class considered not to have a liquid market for the asset classes of interest rate derivatives, commodity derivatives, credit derivatives, C10 derivatives and contracts for difference (CFDs) as defined in Tables 5.3, 7.3, 9.3, 10.3 and 11.3 of Annex III;

(vi) each sub-asset class considered not to have a liquid market for the asset classes of ~~emission allowances and~~ emission allowance derivatives as defined in Tables ~~12.3 and~~ 13.3 of Annex III;

~~(vii) each structured finance product where Test 1 under paragraph 1(d) is not passed as defined in Table 3.2 of Annex III;~~

~~(viii) each structured finance product considered not to have a liquid market where only Test 1 under paragraph 1(d) is passed as defined in Table 3.3 of Annex III.~~

(b) the greater of the trade size below which lies the percentage of the transactions corresponding to the trade percentile ~~as further specified in Article 17(3)~~ and the threshold floor for:

~~(i) each bond type, except ETCs and ETNs, as defined in Table 2.3 of Annex III;~~

(ii) each sub-class having a liquid market for the asset classes of interest rate derivatives, commodity derivatives, credit derivatives, C10 derivatives and CFDs as defined in Tables 5.2, 7.2, 9.2, 10.2 and 11.2 of Annex III;

(iii) each sub-asset class having a liquid market for the asset classes of ~~emission allowances and~~ emission allowance derivatives as defined in Tables ~~12.2 and~~ 13.2 of Annex III;

~~(iv) each structured finance product considered to have a liquid market where Test 1 and Test 2 under paragraph 1(d) are passed as defined in Table 3.3 of Annex III.~~

3. For the determination of the size specific to the financial instrument referred to in Article 8(1)(c) and transactions that are large in scale compared with normal market size referred to in Article 8(1)(a), the following methodologies shall be applied:

(a) the threshold value for:

~~(i) ETC and ETN bond types as defined in Table 2.5 of Annex III;~~

(ii) the asset class of securitised derivatives as defined in Table 4.2 of Annex III;

(iii) each sub-class of equity derivatives as defined in Tables 6.2 and 6.3 of Annex III;

(iv) each sub-class of foreign exchange derivatives as defined in Table 8.2 of Annex III;

(v) each sub-class considered not to have a liquid market for the asset classes of interest rate derivatives, commodity derivatives, credit derivatives, C10 derivatives and contracts for difference (CFDs) as defined in Tables 5.3, 7.3, 9.3, 10.3 and 11.3 of Annex III;

(vi) each sub-asset class considered not to have a liquid market for the asset class of ~~emission allowances and~~ emission allowance derivatives as defined in Tables ~~12.3 and~~ 13.3 of Annex III;

~~(vii) each structured finance product where Test 1 under paragraph 1(d) is not passed as defined in Table 3.2 of Annex III;~~

~~(viii) each structured finance product considered not to have a liquid market where only Test 1 under paragraph 1(d) is passed as defined in Table 3.3 of Annex III.~~

~~(b) the trade size below which lies the percentage of the transactions corresponding to the trade percentile for each bond type, except ETCs and ETNs, as defined in Table 2.3 of Annex III;~~

(c) the greatest of the trade size below which lies the percentage of the transactions corresponding to the trade percentile, the trade size below which lies the percentage of volume corresponding to the volume percentile and the threshold floor for each sub-class considered to have a liquid market for the asset classes of interest rate derivatives, commodity derivatives, credit derivatives, C10 derivatives and CFDs as provided in Tables 5.2, 7.2, 9.2, 10.2 and 11.2 of Annex III;

(d) the greater of the trade size below which lies the percentage of the transactions corresponding to the trade percentile and the threshold floor for:

(i) each sub-asset class considered to have a liquid market for ~~the asset classes of emission allowances and~~ emission allowance derivatives as provided in Tables ~~12.2 and~~ 13.2 of Annex III;

~~(ii) each structured finance product considered to have a liquid market where the Test 1 and Test 2 under paragraph 1(d) are passed as defined in Table 3.3 of Annex III.~~

4. For the purpose of paragraph 3(c) where the trade size corresponding to the volume percentile for the determination of the transaction that is large in scale compared with normal market size is higher than the 97,5 trade percentile, the trade volume shall not be taken into consideration and the size specific to the financial instrument referred to in Article 8(1)(c) and the size of transactions large in scale compared with normal market size referred to in Article 8(1)(a) shall be determined as the greater of the trade size below which lies the percentage of the transactions corresponding to the trade percentile and the threshold floor.

5. In accordance with Delegated Regulations (EU) 2017/590 and (EU) 2017/577 competent authorities shall collect on a daily basis the data from trading venues, APAs and CTPs which is necessary to perform the calculations to determine:

(a) the financial instruments and classes of financial instruments not having a liquid market as set out in paragraph 1;

(b) the sizes large in scale compared to normal market size and the size specific to the instrument as set out in paragraphs ~~2~~ and 3.

### ▼M3

The data referred to in the first subparagraph shall be collected in accordance with Annex V.

### ▼B

6. Competent authorities performing the calculations for a class of financial instruments shall establish cooperation arrangements between each other as to ensure the aggregation of the data across the Union necessary for the calculations.

7. For the purpose of paragraph 1(b) ~~and (d)~~, paragraph 2(b) and paragraph 3(b)~~, (c) and (d)~~, competent authorities shall take into account transactions executed in the Union between 1 January and 31 December of the preceding year.

8. The trade size for the purpose of paragraph 2(b) and paragraph 3(b)~~, (c) and (d)~~ shall be determined according to the measure of volume as defined in Table 4 of Annex II. Where the trade size defined for the purpose of paragraphs 2 and 3 is expressed in monetary value and the financial instrument is not denominated in euros, the trade size shall be converted to the currency in which that financial instrument is denominated by applying the European Central Bank euro foreign exchange reference rate as of 31 December of the preceding year.

9. Market operators and investment firms operating a trading venue may convert the trade sizes determined according to paragraphs 2 and 3 to the corresponding number of lots as defined in advance by that trading venue for the respective sub-class or sub-asset class. Market operators and investment firms operating a trading venue may maintain such trade sizes until application of the results of the next calculations performed in accordance to paragraph 17.

~~10. The calculations referred to in paragraph 2(b)(i) and paragraph 3(b) shall exclude transactions with a size equal to or smaller than EUR 100 000.~~

11. For the purpose of the determinations referred to in paragraphs 2 and 3, points (b) of paragraph 2 and points (b)~~, (c) and (d)~~ of paragraph 3 shall not apply whenever the number of transactions considered for calculations is smaller than 1 000, ~~in which case the following thresholds shall be applied:~~

~~(a) EUR 100 000 for all bond types except ETCs and ETNs;~~

~~(b) the threshold values defined in paragraph 2(a) and paragraph 3(a) shall be applied. for all financial instruments not covered in point (a) of this paragraph.~~

12. Except when they refer to emission allowances derivatives, the calculations referred to in paragraph 2(b) and paragraph 3(b)~~, and (c) and (d)~~ shall be rounded up to the next:

(a) 100 000 where the threshold value is smaller than 1 million;

(b) 500 000 where the threshold value is equal to or greater than 1 million but smaller than 10 million;

(c) 5 million where the threshold value is equal to or greater than 10 million but smaller than 100 million;

(d) 25 million where the threshold value is equal to or greater than 100 million.

13. For the purpose of paragraph 1, the quantitative liquidity criteria specified for each asset class in Annex III shall be determined according to Section 1 of Annex III.

14. For equity derivatives that are admitted to trading or first traded on a trading venue, that do not belong to a sub-class for which the size specific to the financial instrument referred to in ~~Article 5 and~~ Article 8(1)(c) and the size of orders and transactions large in scale compared with normal market size referred to in Article 3 and Article 8(1)(a) have been published and which belong to one of the sub-asset classes specified in paragraph 1(a)(ii), the size specific to the financial instrument and the size of orders and transactions large in scale compared with normal market size shall be those applicable to the smallest average daily notional amount (ADNA) band of the sub-asset class to which the equity derivative belongs.

15. Financial instruments admitted to trading or first traded on a trading venue which do not belong to any sub-class for which the size specific to the financial instrument referred to in ~~Article 5 and~~ Article 8(1)(c) and the size of orders and transactions large in scale compared with normal market size referred to in Article 3 and Article 8(1)(a) have been published shall be considered not to have a liquid market until application of the results of the calculations performed in accordance to paragraph 17. The applicable size specific to the financial instrument referred to in ~~Articles 5 and~~ Article 8(1)(c) and the size of orders and transactions large in scale compared with normal market size referred to in Article 3 and Article 8(1)(a) shall be those of the sub-classes determined not to have a liquid market belonging to the same sub-asset class.

16. After the end of the trading day but before the end of that day, trading venues shall submit to competent authorities the details included in Annex IV for performing the calculations referred to in paragraph 5 whenever the financial instrument is admitted to trading or first traded on that trading venue or whenever the details previously provided have changed.

### ▼ M3

17. Competent authorities shall ensure the publication of the results of the calculations referred to under paragraph 5 for each financial instrument and class of financial instrument by 30 April of the year following the date of application of Regulation (EU) No 600/2014 and by 30 April of each year thereafter. The results of the calculations shall apply from the first Monday of June each year following publication until the day before the first Monday of June of the subsequent year.

~~18. For the purposes of the calculations referred to in paragraph 1, point (b)(i) and by way of derogation from paragraphs 7, 15 and 17, competent authorities shall, in respect of bonds except ETCs and ETNs, ensure the publication of the calculations referred to under paragraph 5, point (a) on a quarterly basis, on the first Monday of February, May, August and November following the date of application of Regulation (EU) No 600/2014 and on the first Monday of February, May, August and November each year thereafter. The calculations shall include transactions executed in the Union during the preceding calendar quarter and shall apply from the third Monday of February, May, August and November each year until the calculations of the subsequent quarterly period apply.~~

### ▼ B

~~19. Bonds, except for ETCs and ETNs, that are admitted to trading or first traded on a trading venue during the first two months of a quarter shall be considered to have a liquid market as~~

~~specified in Table 2.2 of Annex III until the application of the results of the calculation of the calendar quarter.~~

~~20.— Bonds, except for ETCs and ETNs, that are admitted to trading or first traded on a trading venue during the last month of a quarter shall be considered to have a liquid market as specified in Table 2.2 of Annex III until the application of the results of the calculation of the following calendar quarter.~~

#### *Article 14*

### **Transactions to which the exemption in Article 1(6) of Regulation (EU) No 600/2014 applies**

#### **(Article 1(6) of Regulation (EU) No 600/2014)**

A transaction shall be considered to be entered into by a member of the European System of Central Banks (ESCB) in performance of monetary, foreign exchange and financial stability policy where that transaction meets any of the following requirements:

(a) the transaction is carried out for the purposes of monetary policy, including an operation carried out in accordance with Articles 18 and 20 of the Statute of the European System of Central Banks and of the European Central Bank annexed to the Treaty on European Union or an operation carried out under equivalent national provisions for members of the ESCB in Member States whose currency is not the euro;

(b) the transaction is a foreign-exchange operation, including operations carried out to hold or manage official foreign reserves of the Member States or the reserve management service provided by a member of the ESCB to central banks in other countries to which the exemption has been extended in accordance with Article 1(9) of Regulation (EU) No 600/2014;

(c) the transaction is carried out for the purposes of financial stability policy.

#### *Article 15*

### **Transactions to which the exemption in Article 1(6) of Regulation (EU) No 600/2014 does not apply**

#### **(Article 1(7) of Regulation (EU) No 600/2014)**

Article 1(6) of Regulation (EU) No 600/2014 shall not apply to the following types of transactions entered into by a member of the ESCB for the performance of an investment operation that is unconnected with that member's performance of one of the tasks referred to in Article 14:

(a) transactions entered into for the management of its own funds;

(b) transactions entered into for administrative purposes or for the staff of the member of the ESCB which include transactions conducted in the capacity as administrator of a pension scheme for its staff;

(c) transactions entered into for its investment portfolio pursuant to obligations under national law.

#### *Article 16*

### **Temporary suspension of transparency obligations (Article 9(5)(a) of Regulation (EU) No 600/2014)**

1. For financial instruments for which there is a liquid market in accordance with the methodology set out in Article 13, a competent authority may temporarily suspend the obligations set out in Articles 8 and 10 Regulation (EU) No 600/2014 where for a class of bonds, structured finance products, emission allowances or derivatives, the total volume as defined in Table 4 of Annex II calculated for the previous 30 calendar days represents less than 40 % of the average monthly volume calculated for the 12 full calendar months preceding those 30 calendar days.
2. For financial instruments for which there is not a liquid market in accordance with the methodology set out in Article 13, a competent authority may temporarily suspend the obligations referred to in Articles 8 and 10 of Regulation (EU) No 600/2014 when for a class of bonds, structured finance products, emission allowances or derivatives, the total volume as defined in Table 4 of Annex II calculated for the previous 30 calendar days represents less than 20 % of the average monthly volume calculated for the 12 full calendar months preceding those 30 calendar days.
3. Competent authorities shall take into account the transactions executed on all venues in the Union for the class of bonds, structured finance products, emission allowances or derivatives concerned when performing the calculations referred to in paragraphs 1 and 2. The calculations shall be performed at the level of the class of financial instruments to which the liquidity test set out in Article 13 is applied.
4. Before competent authorities decide to suspend transparency obligations, they shall ensure that the significant decline in liquidity across all venues is not the result of seasonal effects of the relevant class of financial instruments on liquidity.

#### *Article 17*

### **~~Provisions for the liquidity assessment for bonds and for the determination of the pre-trade size specific to the instrument thresholds based on trade percentiles~~**

#### **~~▼M2~~**

- ~~1. For determining the bonds for which there is not a liquid market for the purposes of Article 6 and according to the methodology specified in Article 13(1), point (b), the approach for the liquidity criterion 'average daily number of trades' shall be taken applying the 'average daily number of trades' corresponding to stage S3 (7 daily trades).~~

#### **~~▼B~~**

~~2.— Corporate bonds and covered bonds that are admitted to trading or first traded on a trading venue shall be considered to have a liquid market until the application of the results of the first quarterly liquidity determination as set out in Article 13(18) where:~~

~~(a) the issuance size exceeds EUR 1 000 000 000 during stages S1 and S2, as determined in accordance with paragraph 6;~~

~~(b) the issuance size exceeds EUR 500 000 000 during stages S3 and S4, as determined in accordance with paragraph 6.~~

#### ~~▼M2~~

~~3.— For determining the size specific to the financial instrument for the purposes of Article 5 and according to the methodology specified under Article 13(2), point (b)(i), the approach for the trade percentile to be applied shall be used applying the trade percentile corresponding to the stage S3 (50th percentile).~~

~~For determining the size specific to the financial instrument for the purposes of Article 5 and according to the methodology specified under Article 13(2), points (b)(ii) to (iv), the approach for the trade percentile to be applied shall be used applying the trade percentile corresponding to the stage S1 (30th percentile).~~

#### ~~▼B~~

~~4.— ESMA shall, by 30 July of the year following the date of application of Regulation (EU) No 600/2014 and by 30 July of each year thereafter, submit to the Commission an assessment of the operation of the thresholds for the liquidity criterion 'average daily number of trades' for bonds as well as the trade percentiles that determine the size specific to the financial instruments covered by paragraph 8. The obligation to submit the assessment of the operation of the thresholds for the liquidity criterion for bonds ceases once S4 in the sequence of paragraph 6 is reached. The obligation to submit the assessment of the trade percentiles ceases once S4 in the sequence of paragraph 8 is reached.~~

~~5.— The assessment referred to in paragraph 4 shall take into account:~~

~~(a) the evolution of trading volumes in non-equity instruments covered by the pre-trade transparency obligations pursuant to Article 8 and 9 of Regulation (EU) No 600/2014;~~

~~(b) the impact on liquidity providers of the percentile thresholds used to determine the size specific to the financial instrument; and~~

~~(c) any other relevant factors.~~

~~6.— ESMA shall, in light of the assessment undertaken in accordance with paragraphs 4 and 5, submit to the Commission an amended version of the regulatory technical standard adjusting the threshold for the liquidity criterion 'average daily number of trades' for bonds according to the following sequence:~~

~~(a) S2 (10 daily trades) by 30 July of the year following the date of application of Regulation (EU) No 600/2014;~~



~~(b) S3 (7 daily trades) by 30 July of the year thereafter; and~~

~~(c) S4 (2 daily trades) by 30 July of the year thereafter.~~

~~7. Where ESMA does not submit an amended regulatory technical standard adjusting the threshold to the next stage according to the sequence referred to in paragraph 6, the ESMA assessment undertaken in accordance with paragraphs 4 and 5 shall explain why adjusting the threshold to the relevant next stage is not warranted. In this instance, the move to the next stage will be postponed by one year.~~

~~8. ESMA shall, in light of the assessment undertaken in accordance with paragraphs 4 and 5, submit to the Commission an amended version of the regulatory technical standard adjusting the threshold for trade percentiles according to the following sequence:~~

~~(a) S2 (40th percentile) by 30 July of the year following the date of application of Regulation (EU) No 600/2014;~~

~~(b) S3 (50th percentile) by 30 July of the year thereafter; and~~

~~(c) S4 (60th percentile) by 30 July of the year thereafter.~~

~~9. Where ESMA does not submit an amended regulatory technical standard adjusting the threshold to the next stage according to the sequence referred to in paragraph 8, the ESMA assessment undertaken in accordance with paragraphs 4 and 5 shall explain why adjusting the threshold to the relevant next stage is not warranted. In this instance, the move to the next stage will be postponed by one year.~~

#### *Article 18*

### **Transitional provisions**

~~1. Competent authorities shall, no later than six months prior to the date of application of Regulation (EU) No 600/2014, collect the necessary data, calculate and ensure publication of the details referred to in Article 13(5).~~

~~2. For the purposes of paragraph 1:~~

~~(a) the calculations shall be based on a six-month reference period commencing 18 months prior to the date of application of Regulation (EU) No 600/2014;~~

~~(b) the results of the calculations contained in the first publication shall be used until the results of the first regular calculations set out in Article 13(17) apply.~~

~~3. By derogation from paragraph 1, for all bonds, except ETCs and ETNs, competent authorities shall use their best endeavours to ensure publication of the results of the transparency calculations specified in paragraph 1(b)(i) of Article 13 no later than on the first day of the month preceding the date of application of Regulation (EU) No 600/2014, based on a reference period of three months commencing on the first day of the fifth month preceding the date of application of Regulation (EU) No 600/2014.~~

~~4. Competent authorities, market operators and investment firms including investment firms operating a trading venue shall use the information published in accordance with paragraph 3 until the results of the first regular calculation set out in Article 13(18) apply.~~

~~5. Bonds, except for ETCs and ETNs, which are admitted to trading or first traded on a trading venue in the three month period preceding the date of application of Regulation (EU) No 600/2014 shall be considered not to have a liquid market as set out in Table 2.2 of Annex III until the results of the first regular calculation set out in Article 13(18) apply.~~

#### *Article 19*

### **Entry into force and application**

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from [TBC]3 January 2018. ~~However, Article 18 shall apply from the date of the entry of force of this Regulation.~~

This Regulation shall be binding in its entirety and directly applicable in all Member States.

## 15.3.2 Draft technical standards on the amendment of RTS 2

### **COMMISSION DELEGATED REGULATION (EU) 2017/583**

**of 14 July 2016**

**supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives**

(Text with EEA relevance)

#### THE EUROPEAN COMMISSION

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Having regard to Regulation (EU) 2024/ 791 of the European Parliament and of the Council of 28 February 2024 amending Regulation (EU) No 600/2014, and in particular Article 9(5), Article 11(4), Article 11a(3) and Article 21(5), thereof,

Whereas,

(1) It is appropriate to clarify a limited number of technical terms. Those technical definitions are necessary to ensure the uniform application in the Union of the provisions contained in this Regulation and, hence, contribute to the establishment of a single rulebook for Union financial markets. Those definitions serve only for the purpose of setting out the transparency obligations for non-equity financial instruments and should be strictly limited to understanding this Regulation.

(2) Trading systems operated by means of an order book that only includes market maker quotes and a trading algorithm operated without human intervention that matches incoming buy and sell orders with resting market maker quotes on the basis of the best available price on a continuous basis should be considered as continuous auction orderbook trading systems.

(3) Where a CLOB trading system combines elements of a continuous auction trading system and of a periodic auction trading system, the continuous auction part and the periodic auction part of the CLOB trading system would be subject to the pre-trade transparency requirements respectively set out in Annex 1 of RTS 20

(4) Regulation 600/2014 introduces a definition of package transactions under Article 2(50). It is therefore appropriate to remove it from this Regulation.

(5) The reduced scope of pre-trade transparency for non-equity instruments introduced by the revised Regulation 2024/791 (MiFIR review) requires the removal of quote-drive, request-for-quote and voice trading systems from the description of each trading system and the related information that need to be made public. The revised scope should apply to all non-equity instruments.

(6) The revised MiFIR framework also introduces changes to pre-trade transparency waivers. In particular, it removes the size specific to the instrument waiver and as such it should be removed from this regulation. In addition, as it was the intention of co-legislators, this change should not only apply to bonds, structure finance products and emission allowances, but also to derivatives. In addition, a static determination of liquidity for non-equity instruments was introduced aiming at achieving a more stable transparency regime. The static determination of liquidity should also be extended to existing waivers currently in place, in particular the large in scale waiver. To ensure a consistent approach between the different mandates introduced but he revised MiFIR regulation, this regulation only introduces changes to waivers for bonds, structured finance products and emission allowances.

(7) The introduction of the designated publishing entity aims at ensuring that the requirement for reporting of transactions outside a trading venue are proportionate. Those requirements previously embedded in this regulation applicable to investment firms shall therefore be removed.

(8) The new deferral regime aims at ensuring an appropriate level of transparency and at the same time ensure appropriate protection, so it does not expose liquidity provides to undue risk. For bonds, the new determination of liquidity embedded in the deferral regime is based on the issuance size of the bond. To ensure that regime is simple and, at the same time, appropriately calibrated, it is appropriate to create three different bond buckets: sovereign and other public bonds, corporate, convertible and other bonds, and covered bonds. The liquidity assessment should be applicable not only to the deferral regime, but also to the liquidity waiver. This regulation should also set out the difference between initial bond issuance size and outstanding issuance size. In this context, the initial issuance size should be understood as the total value of bonds that are issued at the time of issuance. It represents the initial amount of bonds offered to investors in the primary market. However, in many circumstances, the issuer of the bond (being a corporate, government or other entity) changes the issuance size over time, due to the result of bond taps or buybacks. For the assessment of liquidity, the bond issuance outstanding amount should be the relevant factor.

(9) in addition, this regulation should also specify from which sizes in either liquid or illiquid bond a deferral should be applied and the duration of the deferral. The quantitative assessment performed was based on trade data and took into account the three buckets of bond types in order to introduce the simplest and most effective regime possible.

(10) For structure finance products and emission allowances, the changes introduced aimed at minimizing the amendments but ensuring that the new transparency regime does not rely on frequent assessments. The assessment was based on the framework previously envisioned by CDR 2017/583. The performance of the liquidity test throughout the years of application of MiFIR has provided consistent results and, structure finance products have always been classified as not having a liquid market – i.e. Test 1 was never passed. For emission allowances, the data analysis suggests that European Union emission allowances should be considered to have a liquid market.

(11) As for the size threshold for both pre- and post-trade, the same sizes for the purposes of illiquid structure finance products as those currently in CDR 2017/583 should be kept and the same deferral duration period (no longer than 19.00 local time on the second working day after the date of the transaction) should be introduced.

(12) Exchange traded commodities (ETC) and exchange traded notes (ETNs) should remain subject to this regulation as they should be considered as debt instruments considering their legal nature. However, the determination of liquidity should not be performed assessing the issuance size as other bonds but should rely on the concept previously introduced by DR 2017/583 ensuring a nevertheless a static determination of liquidity. As such, the assessment made was such that all ETCs and ETNs should be considered illiquid.

(13) The changes introduced in the MiFIR review for derivatives are delivered in a different timeline. As such, the regime previously applicable in Delegated Regulation 2017/583 should continue to apply until a new amended regulation is in force. As such, the concept of post-trade large in scale and size specific to the instrument should continue to be in place for derivatives.

(14) The MiFIR review introduces a number of changes to the current supplementary deferral regime under MiFIR. Firstly, it limits the possibility for NCAs to supplement the deferral period to sovereign bonds. Secondly, the decision should be made by the NCA of a Member State with regard to transactions issued by that Member State. For sovereign debt instruments not issued by a Member State, this decision shall be taken by ESMA.

(15) Since the amended Regulation already clarifies the maximum deferral time in accordance with Article 11(3)(a) of MiFIR no amendments to Article 11 of CDR 2017/583 are needed in this respect. It should nevertheless be noted that six months is the maximum deferral and NCAs could set different deferral durations.

(16) With regard to the publication of transactions in an aggregated form under Article 11(3)(b) of MiFIR, no changes to the current CDR 2017/583 framework is needed. Therefore, transactions benefitting from an extended deferral should be aggregated by the respective trading venues and APAs over the course of one calendar week and should be published on the following Tuesday before 9.00 CET.

(17) This Regulation is based on the draft regulatory technical standards submitted by ESMA to the Commission.

(18) ESMA has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Securities and Markets Stakeholder Group established by Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council<sup>52</sup>,

HAS ADOPTED THIS REGULATION:

*Article 1*

**Amendments to Delegated Regulation (EU) 2017/583**

Delegated Regulation (EU) 2017/583 is amended as follows:

(1) Article 1 is replaced by the following:

‘For the purposes of this Regulation, the following definitions shall apply:

1. “Central Limit Order Book trading system” means either of the following:

(a) a continuous auction order book trading system that by means of an order book and a trading algorithm operated without human intervention matches sell orders with buy orders on the basis of the best available price on a continuous basis;

(b) a trading system combining elements of a continuous auction order book trading defined in subparagraph (a) and of periodic auction trading system defined in paragraph (2).

2. “periodic auction trading system” means a trading system that matches orders on the basis of a periodic auction and a trading algorithm operated without human intervention.’;

(2) the title of Article 3 is replaced by the following:

*‘Article 3*

**Orders which are large in scale for derivatives’**

(3) the following article is inserted:

*‘Article 3a*

**Orders which are large in scale for bonds, structure finance products and emission allowances**

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<sup>52</sup> Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

An order is large in scale compared with normal market size where, at the point of entry of the order or following any amendment to the order, it is equal to or larger than the threshold size for:

- a) The bond types as defined in Table 2.2 of Annex III;
- b) ETC and ETN bond types as defined in Table 2.5 of Annex III;
- c) Structured finance products as defined in Table 3.2 of Annex III;
- d) Emission allowances as defined in Table 12.2 of Annex III.;

(4) Article 5 is deleted.

(5) Article 6 is replaced by the following:

*'Article 6*

**The classes of derivatives for which there is not a liquid market**

A derivative shall be considered not to have a liquid market if so specified in accordance with the methodology set out in Article 13.:'

(6) the following article is inserted:

*'Article 6a*

**The classes of bonds, structured finance products and emission allowances for which there is not a liquid market**

For determining whether a bond, structured finance product or emission allowance shall be considered not to have a liquid market, the following static determination of liquidity shall apply:

- a) For all bond types except ETCs and ETNs as defined in Table 2.1 of Annex III.
- b) For ETCs and ETNs as defined in Table 2.4 of Annex III.
- c) For structured finance products as defined in Table 3.1 of Annex III.
- d) For emission allowances as defined in Table 12.1 of Annex III.'

(7) Article 7 is amended as follows

(a) paragraph 4 is replaced by the following:

'4. Post-trade information shall be made available as close to real time as is technically possible and in any case within 5 minutes after the execution of the relevant transaction.'

(b) paragraphs 5 and 6 are deleted;

(c) paragraph 8 is replaced by the following:

‘8. Information relating to a package transaction shall include the package transaction flag or the exchange for physicals transaction flag as specified in Table 3 of Annex II.’

(8) the title of Article 8 is amended as follows:

*‘Article 8*

**Deferred publication of transactions for derivatives’**

(9) the following article is inserted:

*‘Article 8a*

**Deferred publication of transactions for bonds, structured finance products and emission allowances**

1 Market operators and investment firms operating a trading venue and investment firms trading outside a trading venue shall make public each transaction no later than 19.00 local time on the second working day after the date of the transaction, provided the transaction is above the post-trade size for:

- a) ETC and ETN bond types in accordance with Table 2.5 of Annex III.
- b) structure finance product in accordance with Table 3.2 of Annex III.
- c) emission allowances in accordance with Table 12.2 of Annex III.

2 Market operators and investment firms operating a trading venue and investment firms trading outside a trading venue may defer the publication of the details of transaction in respect of bonds (except ETC and ETN) in accordance with the following durations:

- a) a price deferral and a volume deferral not exceeding 15 minutes, for transactions in category 1 in accordance with Table 2.3 of Annex III;
- b) a price deferral and a volume deferral not exceeding the end of the trading day, for transactions in category 2 in accordance with Table 2.3 of Annex III;
- c) a price deferral not exceeding the end of the trading day and a volume deferral not exceeding one week after the transaction date, for transactions in category 3 in accordance with Table 2.3 of Annex III;
- d) a price deferral not exceeding the end of the trading day and a volume deferral not exceeding two weeks after the transaction date, for transactions in category 4 in accordance with Table 2.3 of Annex III;
- e) a price deferral and a volume deferral not exceeding four weeks after the transaction date, for transactions in category 1 in accordance with Table 2.3 of Annex III.

When the period of deferral lapses, all the details of the transactions on an individual basis shall be published.’;



(10) the title of Article 9 is amended as follows:

*'Article 9*

**Transactions which are large in scale for derivatives'**

(11) the title of Article 10 is amended as follows:

*'Article 10*

**The size specific to the financial instrument for derivatives'**

(12) Article 11 is replaced by the following:

*'Article 11*

**Transparency requirements for sovereign bonds in conjunction with deferred publication at the discretion of the competent authorities**

1. Where competent authorities exercise their powers under Article 11(3) of Regulation (EU) No 600/2014, the following shall apply:

(a) where Article 11(3)(a) of Regulation (EU) No 600/2014 applies, competent authorities shall allow the omission of the publication of the volume of an individual transaction for an extended time period not exceeding six months;

(b) in respect of sovereign debt instruments and where Article 11(3)(b) of Regulation (EU) No 600/2014 applies, competent authorities shall allow, for a period not exceeding six months, the publication of the aggregation of several transactions executed over the course of one calendar week on the following Tuesday before 9.00 local time.

2. The aggregated weekly data referred to in paragraphs 1 shall contain the following information in respect of each week of the calendar period concerned:

(a) the weighted average price;

(b) the total volume traded as referred to in Table 4 of Annex II;

(c) the total number of transactions.

3. Transactions shall be aggregated per ISIN-code. Where the ISIN code is not available, transactions shall be aggregated at the level of the class of financial instruments to which the liquidity test set out in Article 13 applies.

4. Where the weekday foreseen for the publications set out in point (d) of paragraph 1 is not a working day, the publications shall be effected on the following working day before 9.00 local time.';

(13) Article 13 is amended as follows:

(a) the title is replaced by the following:

**'Methodology to perform the transparency calculations for derivatives'**

(b) paragraph 1 is amended as follows:

(i) in point (a), point (iv) is replaced by the following:

‘(iv) the sub-asset classes of other interest rate derivatives, other commodity derivatives, other credit derivatives, other C10 derivatives, other contracts for difference (CFDs) and other emission allowance derivatives as defined in Tables 5.1, 7.1, 9.1, 10.1, 11.1 and 13.1 of Annex III.’

(ii) in point (b), points (i), (ii) and (ix) are deleted;

(iii) point (d) is deleted.

(c) paragraph 2 is amended as follows:

(i) the introductory wording is replaced by the following:

‘For determining the orders that are large in scale compared with normal market size referred to in Article 3, the following methodologies shall be applied.’;

(ii) point (a) is amended as follows:

- point (i) is deleted

- point (vi) is replaced by the following:

‘(vi) each sub-asset class considered not to have a liquid market for the asset classes of emission allowance derivatives as defined in Table 13.3 of Annex III.’;

- points (vii) and (viii) are deleted.

(iii) point (b) is amended as follows:

- The introductory wording is replaced by the following:

‘the greater of the trade size below which lies the percentage of the transactions corresponding to the trade percentile and the threshold floor for.’;

- point (i) is deleted;

- point (iii) is replaced by the following:

‘(iii) each sub-asset class having a liquid market for the asset classes of emission allowance derivatives as defined in Table 13.2 of Annex III.’;

- point (iv) is deleted;

(d) paragraph 3 is amended as follows:

(i) point (a) is amended as follows:

- point (i) is deleted

- point (vi) is replaced by the following:

‘(vi) each sub-asset class considered not to have a liquid market for the asset class of emission allowance derivatives as defined in Table 13.3 of Annex III;

- points (vii) and (viii) are deleted;

(ii) point (b) is deleted;

(iii) point (d) is replaced by the following:

‘(d) the greater of the trade size below which lies the percentage of the transactions corresponding to the trade percentile and the threshold floor for each sub-asset class considered to have a liquid market for emission allowance derivatives as provided in Table 13.2 of Annex III.’;

(c) in paragraph 5, point (b) is replaced by the following:

‘(b) the sizes large in scale compared to normal market size and the size specific to the instrument as set out in paragraph and 3.’;

(d) paragraph 7 is replaced by the following:

‘For the purpose of paragraph 1(b), paragraph 2(b) and paragraph 3(c) and (d), competent authorities shall take into account transactions executed in the Union between 1 January and 31 December of the preceding year.’;

(e) paragraph 8 is replaced by the following:

‘The trade size for the purpose of paragraph 2(b) and paragraph 3(c) and (d) shall be determined according to the measure of volume as defined in Table 4 of Annex II. Where the trade size defined for the purpose of paragraphs 2 and 3 is expressed in monetary value and the financial instrument is not denominated in euros, the trade size shall be converted to the currency in which that financial instrument is denominated by applying the European Central Bank euro foreign exchange reference rate as of 31 December of the preceding year.’;

(f) paragraph 10 is deleted;

(g) paragraph 11 is replaced by the following:

‘For the purpose of the determinations referred to in paragraphs 2 and 3, points (b) of paragraph 2 and points (c) and (d) of paragraph 3 shall not apply whenever the number of transactions considered for calculations is smaller

than 1 000, the threshold values defined in paragraph 2(a) and paragraph 3(a) shall be applied.

(h) in paragraph 12, the introductory wording is replaced by the following:

‘Except when they refer to emission allowances derivatives, the calculations referred to in paragraph 2(b) and paragraph 3(c) shall be rounded up to the next.’;

(i) paragraph 14 is replaced by the following:

‘For equity derivatives that are admitted to trading or first traded on a trading venue, that do not belong to a sub-class for which the size specific to the financial instrument referred to in Article 8(1)(c) and the size of orders and transactions large in scale compared with normal market size referred to in Article 3 and Article 8(1)(a) have been published and which belong to one of the sub-asset classes specified in paragraph 1(a)(ii), the size specific to the financial instrument and the size of orders and transactions large in scale compared with normal market size shall be those applicable to the smallest average daily notional amount (ADNA) band of the sub-asset class to which the equity derivative belongs.’;

(j) paragraph 15 is replaced by the following:

‘Financial instruments admitted to trading or first traded on a trading venue which do not belong to any sub-class for which the size specific to the financial instrument referred to in Article 8(1)(c) and the size of orders and transactions large in scale compared with normal market size referred to in Article 3 and Article 8(1)(a) have been published shall be considered not to have a liquid market until application of the results of the calculations performed in accordance to paragraph 17. The applicable size specific to the financial instrument referred to in Article 8(1)(c) and the size of orders and transactions large in scale compared with normal market size referred to in Article 3 and Article 8(1)(a) shall be those of the sub-classes determined not to have a liquid market belonging to the same sub-asset class.’;

(k) paragraphs 18, 19 and 20 are deleted.

(14) Articles 17 and 18 are deleted.

(15) Annex I is replaced by Annex I of this regulation;

(16) Table 2 of Annex II is replaced by the table in Annex II of this regulation;

(17) Annex III is replaced by Annex III of this regulation.

## *Article 2*

### **Entry into force and application**

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from [TBC]

This Regulation shall be binding in its entirety and directly applicable in all Member States.

*ANNEX I*

**Description of the type of system and the related information to be made public in accordance with Article 2**

<b>Type of system</b>	<b>Description of system</b>	<b>Information to be made public</b>
Continuous auction order book trading system	A system that by means of an order book and a trading algorithm operated without human intervention matches sell orders with buy orders on the basis of the best available price on a continuous basis.	For each financial instrument, the aggregate number of orders and the volume they represent at each price level, for at least the five best bid and offer price levels.
Periodic auction trading system	A system that matches orders on the basis of a periodic auction and a trading algorithm operated without human intervention.	For each financial instrument, the price at which the auction trading system would best satisfy its trading algorithm and the volume that would potentially be executable at that price by participants in that system.

ANNEX II

Table 2

List of details for the purpose of post-trade transparency

The field names (column headers) as published shall be identical to the field identifier provided in Table 2

#	Field identifier	Financial instruments	Description and details to be published	Type of execution or publication venue	Format to be populated as defined in Table 1
1	Trading date and time	For all financial instruments	<p>Date and time when the transaction was executed.</p> <p>For transactions executed on a trading venue, the level of granularity shall be in accordance with the requirements set out in Article 2 of Commission Delegated Regulation (EU) 2017/574 (1).</p> <p>For transactions not executed on a trading venue, the date and time shall be when the parties agree the content of the following fields: quantity, price, currencies, as specified in fields 31, 34 and 44 of Table 2 of Annex I of Delegated Regulation (EU) 2017/590, instrument identification code, instrument classification and underlying instrument code, where applicable. For transactions not executed on a trading venue the time reported shall be granular to at least the nearest second.</p> <p>Where the transaction results from an order transmitted by the executing firm on behalf of a client to a third party where the conditions for transmission set out in Article 4 of Delegated Regulation (EU) 2017/590 were not satisfied, this shall be the date and time of the transaction rather than the time of the order transmission.</p>	Regulated Market (RM) Multilateral Trading Facility (MTF), Organised Trading Facility (OTF) Approved Publication Arrangement (APA)	{DATE_TIME_FORMAT}

2	Instrument identification code	For all financial instruments	Code used to identify the financial instrument	RM, MTF, OTF, APA	{ISIN}.
3	Price	For all financial instruments	<p>Traded price of the transaction excluding, where applicable, commission and accrued interest.</p> <p>The traded price shall be reported in accordance with standard market convention. The value provided in this field shall be consistent with the value provided in the field "Price Notation".</p> <p>Where price is currently not available but pending ("PNDG") or not applicable ("NOAP"), this field shall not be populated.</p>	RM, MTF, OTF, APA	<p>{DECIMAL-18/13} in case the price is expressed as monetary value</p> <p>{DECIMAL-11/10} in case the price is expressed as percentage or yield</p> <p>{DECIMAL-18/17} in case the price is expressed as basis points</p>
4	Missing Price	For all financial instruments	<p>Where price is currently not available but pending, the value shall be "PNDG".</p> <p>Where price is not applicable the value shall be "NOAP".</p>	RM, MTF, OTF, APA	"PNDG" in case the price is not available "NOAP" in case the price is not applicable
5	Price currency	For all financial instruments	Major currency in which the price is expressed (applicable if the price is expressed as monetary value).	RM, MTF, OTF, APA	{CURRENCY CODE_3}



6	Price notation	For all financial instruments	<p>Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield</p> <p>The price notation shall be reported in accordance with standard market convention.</p> <p>For credit default swaps, this field shall be populated with “BAPO”.</p> <p>For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIEL, BAPO or MONE, in accordance with the standard market convention.</p> <p>The value provided in this field shall be consistent with the value provided in the field “Price”.</p> <p>Where the price is reported in monetary terms, it shall be provided in the major currency unit.</p> <p>Where the price is currently not available but pending (“PNDG”) or not applicable (“NOAP”), this field shall not be populated.</p>	RM, MTF, OTF, APA	<p>“MONE” — Monetary value</p> <p>“PERC” — Percentage</p> <p>“YIEL” — Yield</p> <p>“BAPO” — Basis points</p>
7	Quantity	For all financial instruments except in the cases described under Article 11(1), points (a) and (b) of this Regulation.	For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.	RM, MTF, OTF, APA	{DECIMAL- 18/17}

8	Quantity in measurement unit	For contracts designated in units in commodity derivatives, C10 derivatives, emission allowance derivatives and emission allowances except in the cases described under Article 11(1), points (a) and (b) of this Regulation.	The equivalent amount of commodity or emission allowance traded expressed in measurement unit.	RM, MTF, OTF, APA	{DECIMAL- 18/17}
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9	Notation of the quantity in measurement unit	For contracts designated in units in commodity derivatives, C10 derivatives, emission allowance derivatives and emission allowances except in the cases described under Article 11(1), points (a) and (b) of this Regulation	Indication of the notation in which the quantity in measurement unit is expressed.	RM, MTF, OTF, APA	<p>“TOCD” —tonnes of carbon dioxide equivalent, for any contract related to emission allowances</p> <p>“TONE” — metric tonnes</p> <p>“MWHO” —megawatt hours</p> <p>“MBTU” — one million British thermal units</p> <p>“THMS” Therms “DAYS”— days or {ALPHANUM-4}</p> <p>otherwise</p>
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10	Notional amount	For all financial instruments except in the cases described under Article 11(1), points (a) and (b) of this Regulation.	<p>This field shall be populated:</p> <ul style="list-style-type: none"> <li>(i) for bonds (excluding ETCs and ETNs), with the face value, which is the amount repaid at redemption to the investor;</li> <li>(ii) for ETCs and ETNs and securitised derivatives, with the number of instruments exchanged between the buyers and sellers multiplied by the price of the instrument exchanged for that specific transaction. Equivalently, with the price field multiplied by the quantity field;</li> <li>(iii) for structured finance products (SFPs), with the nominal value per unit multiplied by the number of instruments at the time of the transaction;</li> <li>(iv) for credit default swaps, with the notional amount for which the protection is acquired or disposed of;</li> <li>(v) for options, swaptions, swaps other than those in (iv), futures and forwards, with the notional amount of the contract;</li> <li>(vi) for emission allowances, with the resulting amount of the quantity at the relevant price set in the contract at the time of the transaction. Equivalently, with the price field multiplied by the quantity in measurement unit field;</li> <li>(vii) for spread bets, with the monetary value wagered per point movement in the underlying financial instrument at the time of the transaction;</li> <li>(viii) for contracts for difference, with the number of instruments exchanged between the buyers and sellers multiplied by the price of the instrument exchanged for that specific transaction. Equivalently, with the price field multiplied by the quantity field.</li> </ul>	RM, MTF, OTF, APA	{DECIMAL-18/5}
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11	Notional currency	For all financial instruments except in the cases described under Article 11(1), points (a) and (b) of this Regulation.	Major currency in which the notional amount is denominated. In the case of an FX derivative contract or a multi-currency swap or a swaption where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.	RM, MTF, OTF, APA	{CURRENCY CODE_3}
13	Venue of execution	For all financial instruments	Identification of the venue where the transaction was executed. Use the ISO 10383 segment MIC for transactions executed on an EU trading venue. Where the segment MIC does not exist, use the operating MIC. Use "SINT" for financial instruments admitted to trading or traded on a trading venue, where the transaction on that financial instrument is executed on a Systematic Internaliser. Use MIC code "XOFF" for financial instruments admitted to trading or traded on a trading venue, where the transaction on that financial instrument is neither executed on an EU trading venue nor executed by a systematic internaliser. If the transaction is executed on an organised trading platform outside of the EU then in addition to "XOFF" also the population of the field "Third-country trading venue of execution" is required.	RM, MTF, OTF, APA	{MIC} – EU trading venues or "SINT" – systematic internaliser "XOFF" – otherwise
14	Third-country trading venue of execution	For all financial instruments	Identification of the third-country trading venue where the transaction was executed. Use the ISO 10383 segment MIC. Where the segment MIC does not exist, use the operating MIC. Where the transaction is not executed on a third-country trading venue, the field shall not be populated.	APA	{MIC}

15	Publication Date and Time	For all financial instruments	Date and time when the transaction was published by a trading venue or APA. For transactions executed on a trading venue, the level of granularity shall be in accordance with the requirements set out in Article 2 of Delegated Regulation (EU) 2017/574. For transactions not executed on a trading venue, the time reported shall be granular to at least the nearest second.	RM, MTF, OTF, APA	{DATE_TIME_FORMAT}
16	Venue of publication	For all financial instruments	Code used to identify the trading venue and APA publishing the transaction.	RM, MTF, OTF, APA	{MIC}
17	Transaction Identification Code	For all financial instruments	Alphanumerical code assigned by trading venues (pursuant to Article 12 of Commission Delegated Regulation (EU) 2017/580 (2)) and APAs and used in any subsequent reference to the specific trade.	RM, MTF, OTF, APA	{ALPHA NUMERICAL-52}
18	Transaction to be cleared	For derivatives	Code to identify whether the transaction will be cleared.	RM, MTF, OTF, APA	"TRUE" — trans action to be cleared "FALSE" — trans action not to be cleared
19	Flags	For all financial instruments	Applicable flags for the purpose of post-trade transparency.  Where none of the specified circumstances apply, the transaction should be published without a flag.  Where a combination of flags is possible, the flags should be reported separated by commas.	RM, MTF, OTF, APA	As defined in Table 3 of Annex II

20	Trading System Type	For all financial instruments	<p>Type of trading system on which the transaction was executed.</p> <p>When the field 'Venue of execution' is populated with "SINT" or "XOFF", this field shall not be populated.</p>	RM, MTF, OTF	<p>'CLOB' -- central limit order book trading system, as defined in Article 1(1) of this RTS.</p> <p>'QDTS' -- quote driven trading systems, meaning a system where transactions are concluded on the basis of firm quotes that are continuously made available to participants, which requires the market makers to maintain quotes in a size that balances the needs of members and participants to deal in a commercial size and the risk to which the market maker exposes itself.</p> <p>'PATS' -- periodic auction trading systems, as defined in Article 1(2) of this RTS.</p> <p>'RFQT' -- request for quote trading systems, meaning a trading system where a quote or quotes are provided in response to a request for a quote submitted by one or more other members or participants. The quote is executable exclusively by the requesting member or market participant. The requesting member or participant may conclude a transaction by accepting the quote or quotes provided to it on request.</p> <p>'VOIC' -- voice trading system, meaning a trading system where transactions between members are arranged through voice negotiation.</p> <p>'HYBR' -- hybrid trading system meaning a system falling into two or more of the types of trading systems referred to above.</p> <p>'OTHR' -- any other trading system, meaning any other type of trading system not covered above.</p>
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### ANNEX III

#### **Liquidity assessment, LIS and SSTI thresholds for non-equity financial instruments**

##### **1. *Instructions for the purpose of this annex***

1. The reference to outstanding bond issuance size in Table 2.1 refers to the total value of bonds that have been issued and are currently held by investors.

2. A reference to an 'asset class' means a reference to the following classes of financial instruments: bonds, structured finance products, securitised derivatives, interest rate derivatives, equity derivatives, commodity derivatives, foreign exchange derivatives, credit derivatives, C10 derivatives, CFDs, emission allowances and emission allowance derivatives.

3. A reference to a 'sub-asset class' means a reference to an asset class segmented to a more granular level on the basis of the contract type and/or the type of underlying.

4. A reference to a 'sub-class' means a reference to a sub-asset class segmented to a more granular level on basis of further qualitative segmentation criteria as set out in Tables 2.1 to 13.3 of this Annex.

5. 'Average daily notional amount (ADNA)' means the total notional amount for a particular financial instrument determined according to the volume measure set out in Table 4 of Annex II and executed in the period set out in Article 13(18) for all bonds except ETCs and ETNs and in Article 13(7) for all the other financial instruments, divided by the number of trading days in that period or, where applicable, that part of the year during which the financial instrument was admitted to trading or traded on a trading venue and was not suspended from trading.

6. 'Percentage of days traded over the period considered' means the number of days in the period set out in Article 13(18) for all bonds except ETCs and ETNs and in Article 13(7) for structured finance products, on which at least one transaction has been executed for that financial instrument, divided by the number of trading days in that period or, where applicable, that part of the year during which the financial instrument was admitted to trading or traded on a trading venue and was not suspended from trading.

7. 'Average daily number of trades' means the total number of transactions executed for a particular financial instrument in the period set out in Article 13(18) for all bonds except ETCs and ETN and in Article 13(7) all the other financial instruments, divided by the number of trading days in that period or, where applicable, that part of the year during which the financial instrument was admitted to trading or traded on a trading venue and was not suspended from trading.

8. 'Future' means a contract to buy or sell a commodity or financial instrument in a designated future date at a price agreed upon at the initiation of the contract by the buyer and seller. Every futures



contract has standard terms that dictate the minimum quantity and quality that can be bought or sold, the smallest amount by which the price may change, delivery procedures, maturity date and other characteristics related to the contract.

9. 'Option' means a contract that gives the owner the right, but not the obligation, to buy (call) or sell (put) a specific financial instrument or commodity at a predetermined price, strike or exercise price, at or up to a certain future date or exercise date.

10. 'Swap' means a contract in which two parties agree to exchange cash flows in one financial instrument for those of another financial instrument at a certain future date.

11. 'Portfolio Swap' means a contract by which end-users can trade multiple swaps.

12. 'Forward' or 'Forward agreement' means a private agreement between two parties to buy or sell a commodity or financial instrument at a designated future date at a price agreed upon at the initiation of the contract by the buyer and seller.

13. 'Swaption' or 'Option on a swap' means a contract that gives the owner the right, but not the obligation, to enter a swap at or up to a certain future date or exercise date.

14. 'Future on a swap' means a future contract that gives the owner the obligation, to enter a swap at or up to a certain future date.

15. 'Forward on a swap' means a forward contract that gives the owner the obligation, to enter a swap at or up to a certain future date.

**2 Bonds**

Table 2.1

**Bonds (all bond types except ETCs and ETNs) — classes not having a liquid market**

Asset class — Bonds (all bond types except ETCs and ETNs)			
Each individual bond shall be determined not to have a liquid market as per Article 6a if it is characterised by a specific combination of bond type and issuance size as specified in each row of the table.			
Bond Type		Outstanding issuance size - RTS23#14	
Sovereign Bond RTS2#3 = BOND and RTS2#9 = EUSB  And  Other Public Bond RTS2#3 = BOND and RTS2#9 = OEPB	Sovereign Bond RTS2#3 = BOND and RTS2#9 = EUSB means a bond which is neither a convertible nor a covered bond and is issued by a sovereign issuer: (a) the Union; (b) a Member State including a government department, an agency or a special purpose vehicle of a Member State; (c) a sovereign entity which is not listed under points (a) and (b).  Other Public Bond RTS2#3 = BOND and RTS2#9 = OEPB means a bond which is neither a convertible nor a covered bond and is issued by any of the following public issuers: (a) in the case of a federal Member State, a member of	Smaller than (in EUR)	1 000 000 000

	<p>that federation; (b) a special purpose vehicle for several Member States; (c) an international financial institution established by two or more Member States which have the purpose of mobilising funding and providing financial assistance to the benefit of its members that are experiencing or are threatened by severe financial problems; (d) the European Investment Bank; (e) a public entity which is not an issuer of a sovereign bond as specified in the previous row.</p>		
<p>Covered Bond RTS2#3 = BOND and RTS2#9 = CVDB</p>	<p>Covered Bond RTS2#3 = BOND and RTS2#9 = CVDB means bonds as referred to in Article 52(4) of Directive 2009/65/EC</p>	<p>Smaller than (in EUR)</p>	<p>250 000 000</p>
<p>Corporate Bond RTS2#3 = BOND and RTS2#9 = CRPB</p> <p>And</p> <p>Convertible Bond RTS2#3 = BOND and RTS2#9 = CVTB</p>	<p>Corporate Bond RTS2#3 = BOND and RTS2#9 = CRPB means a bond which is neither a convertible nor a covered bond and that is issued by a Societas Europaea established in accordance with Council Regulation (EC) No 2157/2001<sup>53</sup> or a type of company listed in Annex I or Annex II of Directive</p>	<p>Smaller than (in EUR)</p>	<p>500 000 000</p>

<sup>53</sup> Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (OJ L 294, 10.11.2001, p. 1).

<p>And</p> <p>Other Bond RTS2#3 = BOND and RTS2#9 = OTHR</p>	<p>2013/34/EU of the European Parliament and of the Council<sup>54</sup> or equivalent in third countries;</p> <p>Convertible Bond RTS2#3 = BOND and RTS2#9 = CVTB means an instrument consisting of a bond or a securitised debt instrument with an embedded derivative, such as an option to buy the underlying equity;</p> <p>Other Bond RTS2#3 = BOND and RTS2#9 = OTHR</p>		
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<sup>54</sup> Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19).

Table 2.2

**Bonds (all bond types except ETCs and ETNs) — pre-trade LIS thresholds**

<b>Asset class — Bonds (all bond types except ETCs and ETNs)</b>	
<b>Bond type</b>	<b>LIS pre-trade</b>
Sovereign Bond and Other Public Bond	EUR 5 000 000
Covered Bond	EUR 5 000 000
Corporate Bond, Convertible Bond and Other Bond	EUR 1 000 000

Table 2.3

**Bonds (all bond types except ETCs and ETNs) – deferral regime**

<b>Asset class — Bonds (all bond types except ETCs and ETNs)</b>			
<b>Bond type</b>	<b>Category</b>	<b>Liquidity</b>	<b>Size (Above or equal to)</b>
Sovereign Bond and Other Public Bond	1	Considered to have a liquid market	EUR 5 000 000
	2	Considered not to have a liquid market	EUR 5 000 000
	3	Considered to have a liquid market	EUR 15 000 000
	4	Considered not to have a liquid market	EUR 15 000 000
	5	N/A	EUR 50 000 000
Covered Bonds	1	Considered to have a liquid market	EUR 5 000 000
	2	Considered not to have a liquid market	EUR 5 000 000
	3	Considered to have a liquid market	EUR 15 000 000
	4	Considered not to have a liquid market	EUR 15 000 000
	5	N/A	EUR 50 000 000
	1	Considered to have a liquid market	EUR 1 000 000

Corporate Bond, Convertible Bond and Other Bond	2	Considered not to have a liquid market	EUR 1 000 000
	3	Considered to have a liquid market	EUR 5 000 000
	4	Considered not to have a liquid market	EUR 5 000 000
	5	N/A	EUR 10 000 000

Table 2.4

**Bonds (ETC and ETN bond types) — classes not having a liquid market**

Asset class — Bonds (ETC and ETN bond type)	
For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6a and 8a the following methodology shall be applied	
Exchange Traded Commodities (ETCs) - RTS2#3 = ETCs a debt instrument issued against a direct investment by the issuer in commodities or commodities derivative contracts. The price of an ETC is directly or indirectly linked to the performance of the underlying. An ETC passively tracks the performance of the commodity or commodity indices to which it refers.	All ETCs are considered not to have a liquid market
Exchange Traded Notes (ETNs) - RTS2#3 = ETNS a debt instrument issued against a direct investment by the issuer in the underlying or underlying derivative contracts. The price of an ETN is directly or indirectly linked to the performance of the underlying. An ETN passively tracks the performance of the underlying to which it refers.	All ETNs are considered not to have a liquid market

Table 2.5

**Bonds (ETC and ETN bond types) — pre-trade LIS threshold and post-trade size threshold**

<b>Asset class — Bonds (ETC and ETN bond type)</b>		
<b>Bond type</b>	<b>Pre-trade LIS</b>	<b>Post-trade size threshold</b>
ETCs	EUR 1 000 000	EUR 50 000 000
ETNs	EUR 1 000 000	EUR 50 000 000



### 3 Structured Finance Products (SFPs)

Table 3.1

#### SFPs — classes not having a liquid market

Asset class — Structured Finance Products (SFPs)
SFPs asset-class assessment for the purpose of the determination of the financial instruments considered not to have a liquid market as per Articles 6a – RTS2#3 = SFPs. `
All SFPs are considered not to have a liquid market

Table 3.2

#### SFPs – pre-trade LIS threshold and post-trade size threshold

Asset class — Structured Finance Products (SFPs)	
Pre-trade LIS	Post-trade size threshold
EUR 250 000	EUR 1 000 000

## 4 Securitised derivatives

Table 4.1

**Securitised derivatives — classes not having a liquid market**

Asset class — Securitised Derivatives

means a transferable security as defined in Article 4(1)(44)(c) of Directive 2014/65/EU different from structured finance products and should include at least:

- (a.1) warrants which mean-securities issued by a financial institution giving the holder the right, but not the obligation, to purchase (sell), at or by the expiry date, a specific amount of the underlying asset at a predetermined strike price or, in case cash settlement has been fixed, the payment of the positive difference between the current market price (the strike price) and the strike price (the current market price);
- (a.2) plain vanilla covered warrants which mean-securities issued by the same issuer of the underlying asset giving the holder the right, but not the obligation, to purchase (sell), at or by the expiry date, a specific amount of the underlying asset at a predetermined strike price or, in case cash settlement has been fixed, the payment of the positive difference between the current market price (the strike price) and the strike price (the current market price);
- (b) leverage certificates means certificates that track the performance of the underlying asset with leverage effect;
- (c) exotic covered warrants means covered warrants whose main component is a combination of options;
- (d) negotiable rights whose underlying is a non-equity instrument;
- (e) investment certificates means certificates that track the performance of the underlying asset without leverage effect.

'RTS2#3 = SDRV

**For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall be applied**

all securitised derivatives are considered to have a liquid market

Table 4.2

**Securitised derivatives – pre- and post-trade SSTI and LIS thresholds**

<b>Asset class - Securitised Derivatives</b>		
<b>Pre-trade and post-trade SSTI and LIS thresholds</b>		
<b>LIS pre-trade</b>	<b>SSTI post-trade</b>	<b>LIS post-trade</b>
<b>Threshold value</b>	<b>Threshold value</b>	<b>Threshold value</b>
EUR 60,000	EUR 90,000	EUR 100,000

## 5 Interest rate derivatives

Table 5.1

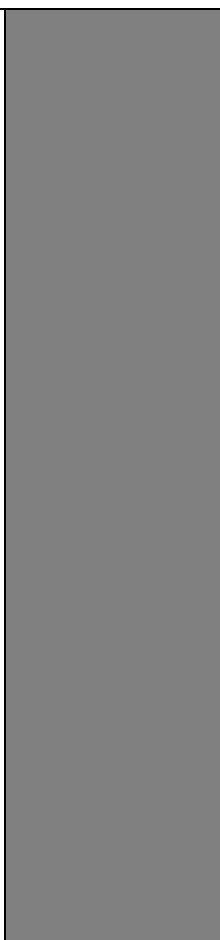
**Interest rate derivatives — classes not having a liquid market**

Asset class — Interest Rate Derivatives

any contract as defined in Annex I, Section C(4) of Directive 2014/65/EU whose ultimate underlying is an interest rate, a bond, a loan, any basket, portfolio or index including an interest rate, a bond, a loan or any other product representing the performance of an interest rate, a bond, a loan.

	Sub-asset class		For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds of the quantitative liquidity criteria. For sub-classes determined to have a liquid market the additional qualitative liquidity criterion, where applicable, shall be applied		
				Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]	Additional qualitative liquidity criterion

<p><b>Bond futures/forwards</b>          / Future on a bond future          / Forward on a bond future</p> <p>'Future on a bond          RTS2#3 = DERV          RTS2#4 = INTR          'RTS2#5 = FUTR          'RTS2#16 = BOND          or          Forward on a bond          RTS2#3 = DERV          RTS2#4 = INTR          'RTS2#5 = FORW          'RTS2#16 = BOND          or          Future on a bond future          RTS2#3 = DERV          RTS2#4 = INTR          'RTS2#5 = FUTR          'RTS2#16 = BNFD          or          Forward on a bond future          RTS2#3 = DERV          RTS2#4 = INTR          'RTS2#5 = FORW          'RTS2#16 = BNFD</p>	<p>a bond future/forward sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> ('RTS2#17) — issuer of the underlying</p> <p><b>Segmentation criterion 2</b> (RTS2#18) — term of the underlying deliverable bond defined as follows:</p> <p><b>Short-term:</b> the underlying deliverable bond with a term up to 4 years shall be considered to have a short-term</p> <p><b>Medium-term:</b> the underlying deliverable bond with a term between 4 and 8 years shall be considered to have a medium-term</p> <p><b>Long-term:</b> the underlying deliverable bond with a term between 8 and 15 years shall be considered to have a long-term</p> <p><b>Ultra-long-term:</b> the underlying deliverable bond with a term longer than 15 years shall be considered to have an ultra-long-term</p> <p><b>Segmentation criterion 3</b> — time to maturity bucket of the future defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 2: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 3: 6 months &lt; time to maturity ≤ 1 year</p> <p>Maturity bucket 4: 1 year &lt; time to maturity ≤ 2 years</p> <p>Maturity bucket 5: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 5 000 000</p>	<p>10</p>	<p>whenever a sub-class is determined to have a liquid market with respect to a specific time to maturity bucket and the sub-class defined by the next time to maturity bucket is determined not to have a liquid market, the first back month contract is determined to have a liquid market 2 weeks before expiration of the front month</p>
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<p><b>Bond Option</b> / Option on a bond option / Option on a bond future</p> <p><b>Bond Option</b> 'Option on a bond option RTS2#3 = DERV RTS2#4 = INTR 'RTS2#5 = OPTN RTS2#16 = BOND</p> <p>or</p> <p>'Option on a bond option RTS2#3 = DERV RTS2#4 = INTR 'RTS2#5 = OPTN RTS2#16 = BOND</p> <p>or</p> <p>Option on a bond future RTS2#3 = DERV RTS2#4 = INTR RTS2#5 = OPTN RTS2#16 = BNFD</p>	<p>a bond option sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1 (RTS2#22)</b> — ultimate underlying bond</p> <p><b>Segmentation criterion 2 (RTS2#8)</b> — time to maturity bucket of the option defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 2: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 3: 6 months &lt; time to maturity ≤ 1 year</p> <p>Maturity bucket 4: 1 year &lt; time to maturity ≤ 2 years</p> <p>Maturity bucket 5: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 5 000 000</p>	<p>10</p>	
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<p><b>IR futures and FRA/ Future on an interest rate future/ Forward rate agreement on an interest rate future</b></p> <p>'Future on an interest rate        RTS2#3 = DERV        RTS2#4 = INTR        'RTS2#5 = FUTR        'RTS2#16 = INTR        or        Forward rate agreement        RTS2#3 = DERV        RTS2#4 = INTR        'RTS2#5 = FRAS        'RTS2#16 = INTR        or        Future on an interest rate future        RTS2#3 = DERV        RTS2#4 = INTR        'RTS2#5 = FUTR        'RTS2#16 = IFUT        or        Forward rate agreement on an interest rate future        RTS2#3 = DERV        RTS2#4 = INTR        'RTS2#5 = FRAS        'RTS2#16 = IFUT</p>	<p>an interest rate future sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1 (RTS2#24)</b> — underlying interest rate</p> <p><b>Segmentation criterion 2 (RTS2#25)</b> — term of the underlying interest rate</p> <p><b>Segmentation criterion 3 (RTS2#8)</b> — time to maturity bucket of the future defined as follows:</p> <p>Maturity bucket 1: <math>0 &lt; \text{time to maturity} \leq 3</math> months</p> <p>Maturity bucket 2: <math>3 \text{ months} &lt; \text{time to maturity} \leq 6</math> months</p> <p>Maturity bucket 3: <math>6 \text{ months} &lt; \text{time to maturity} \leq 1</math> year</p> <p>Maturity bucket 4: <math>1 \text{ year} &lt; \text{time to maturity} \leq 2</math> years</p> <p>Maturity bucket 5: <math>2 \text{ years} &lt; \text{time to maturity} \leq 3</math> years</p> <p>...</p> <p>Maturity bucket m: <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n</math> years</p>	<p>EUR 500 000 000</p>	<p>10</p>	<p>whenever a sub-class is determined to have a liquid market with respect to a specific time to maturity bucket and the sub-class defined by the next time to maturity bucket is determined not to have a liquid market, the first back month contract is determined to have a liquid market 2 weeks before expiration of the front month</p>
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<p><b>IR options</b></p> <p>/Option on an interest rate future/FRA</p> <p>/Option on an interest rate option</p> <p>/Option on an option on an interest rate future/FRA</p> <p>'Option on an interest rate future/FRA//Option on an interest rate option</p> <p>RTS2#3 = DERV</p> <p>RTS2#4 = INTR</p> <p>'RTS2#5 = OPTN</p> <p>'RTS2#16 = IFUT</p> <p>or</p> <p>'IR Option //Option on an option on an interest rate future/FRA</p> <p>RTS2#3 = DERV</p> <p>RTS2#4 = INTR</p> <p>'RTS2#5 = OPTN</p> <p>'RTS2#16 = INTR</p>	<p>an interest rate option sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1 (RTS2#24)</b> — underlying interest rate</p> <p><b>Segmentation criterion 2 (RTS2#25)</b> — term of the underlying interest rate</p> <p><b>Segmentation criterion 3 (RTS2#8)</b> — time to maturity bucket of the option defined as follows:</p> <p>Maturity bucket 1: <math>0 &lt; \text{time to maturity} \leq 3</math> months</p> <p>Maturity bucket 2: <math>3 \text{ months} &lt; \text{time to maturity} \leq 6</math> months</p> <p>Maturity bucket 3: <math>6 \text{ months} &lt; \text{time to maturity} \leq 1</math> year</p> <p>Maturity bucket 4: <math>1 \text{ year} &lt; \text{time to maturity} \leq 2</math> years</p> <p>Maturity bucket 5: <math>2 \text{ years} &lt; \text{time to maturity} \leq 3</math> years</p> <p>...</p> <p>Maturity bucket m: <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n</math> years</p>	<p>EUR 500 000 000</p>	<p>10</p>	
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<p>Swaptions</p> <p>RTS2#3 = DERV RTS2#4 = INTR</p> <p>RTS2#5 = SWPT</p>	<p>a swaption sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1 (RTS2#16)</b> — underlying swap type defined as follows:</p> <p>fixed-to-fixed single currency swap, futures/forwards on fixed-to-fixed single currency swap [RTS2#16 = XXSC]</p> <p>fixed-to-float single currency swap, futures/forwards on fixed-to-float single currency swap [RTS2#16 = XFSC]</p> <p>float-to-float single currency swap, futures/forwards on float-to-float single currency swap [RTS2#16 = FFSC]</p> <p>inflation single currency swap, futures/forwards on inflation single currency swap [RTS2#16 = IFSC]</p> <p>OIS single currency swap, futures/forwards on OIS single currency swap [RTS2#16 = OSSC]</p> <p>fixed-to-fixed multi-currency swap, futures/forwards on fixed-to-fixed multi-currency swap [RTS2#16 = XXMC]</p>	<p>EUR 500 000 000</p>	<p>10</p>	
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<p>fixed-to-float multi-currency swap, futures/forwards on fixed-to-float multi-currency swap [RTS2#16 = XFMC]</p> <p>float-to-float multi-currency swap, futures/forwards on float-to-float multi-currency swap [RTS2#16 = FFMC]</p> <p>inflation multi-currency swap, futures/forwards on inflation multi-currency swap [RTS2#16 = IFMC]</p> <p>OIS multi-currency swap, futures/forwards on OIS multi-currency swap [RTS2#16 = OSMC]</p> <p><b>Segmentation criterion 2 (RTS2#20)</b> — notional currency defined as the currency in which the notional amount of the option is denominated</p> <p><b>Segmentation criterion 3</b> (RTS2#22 or RTS2#23) — inflation index if the underlying swap type is either an inflation single currency swap or an inflation multi-currency swap</p>			
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**Segmentation criterion 4** (RTS2#21) — time to maturity bucket of the swap defined as follows:

Maturity bucket 1:  $0 < \text{time to maturity} \leq 1$  month

Maturity bucket 2:  $1 \text{ month} < \text{time to maturity} \leq 3$  months

Maturity bucket 3:  $3 \text{ months} < \text{time to maturity} \leq 6$  months

Maturity bucket 4:  $6 \text{ months} < \text{time to maturity} \leq 1$  year

Maturity bucket 5:  $1 \text{ year} < \text{time to maturity} \leq 2$  years

Maturity bucket 6:  $2 \text{ years} < \text{time to maturity} \leq 3$  years

...

Maturity bucket m:  $(n-1) \text{ years} < \text{time to maturity} \leq n$  years

**Segmentation criterion 5** (RTS2#8) — time to maturity bucket of the option defined as follows:

**Maturity bucket 1:**  $0 < \text{time to maturity} \leq 6$  months


**Maturity bucket 2:**  $6 \text{ months} < \text{time to maturity} \leq 1$  year

**Maturity bucket 3:**  $1 \text{ year} < \text{time to maturity} \leq 2$  years

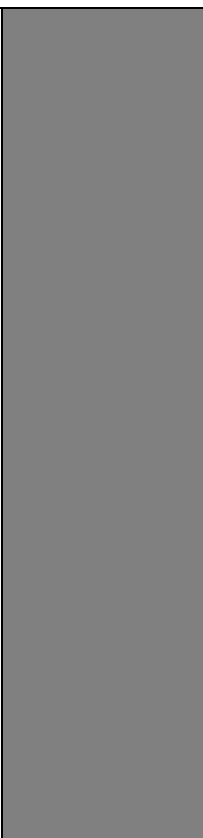
**Maturity bucket 4:**  $2 \text{ years} < \text{time to maturity} \leq 5$  years

**Maturity bucket 5:**  $5 \text{ years} < \text{time to maturity} \leq 10$  years

**Maturity bucket 6:** over 10 years

<p>Fixed-to-Float 'multi-currency swaps' or 'cross-currency swaps' and futures/forwards/ options on Fixed-to-Float 'multi-currency swaps' or 'cross-currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in different currencies and the cash flows of one leg are determined by a fixed</p> <p><b>RTS2#3 = DERV</b>  <b>RTS2#4 = INTR</b></p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = XFMC</p>	<p>a fixed-to-float multi-currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13 and RTS23#42) — notional currency pair defined as combination of the two currencies in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> (RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; maturity ≤ 1 month        Maturity bucket 2: 1 month &lt; maturity ≤ 3 months        Maturity bucket 3: 3 months &lt; maturity ≤ 6 months        Maturity bucket 4: 6 months &lt; maturity ≤ 1 year        Maturity bucket 5: 1 year &lt; maturity ≤ 2 years        Maturity bucket 6: 2 years &lt; maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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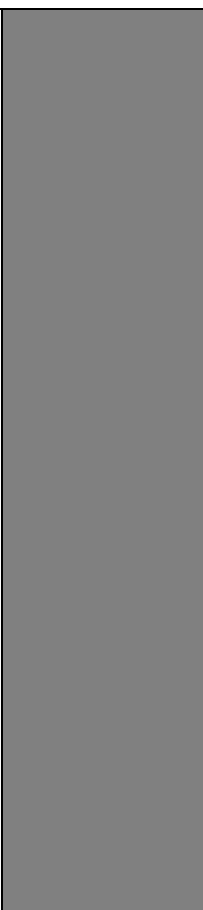
<p>Float-to-Float 'multi-currency swaps' or 'cross-currency swaps' and futures/forwards/ options on Float-to-Float 'multi-currency swaps' or 'cross-currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in different currencies and where the cash flows of both legs are determined by floating interest rates</p> <p>RTS2#3 = DERV RTS2#4 = INTR</p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = FFMC</p>	<p>a float-to-float multi-currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13 and RTS23#42) — notional currency pair defined as combination of the two currencies in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> (RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; maturity ≤ 1 month        Maturity bucket 2: 1 month &lt; maturity ≤ 3 months        Maturity bucket 3: 3 months &lt; maturity ≤ 6 months        Maturity bucket 4: 6 months &lt; maturity ≤ 1 year        Maturity bucket 5: 1 year &lt; maturity ≤ 2 years        Maturity bucket 6: 2 years &lt; maturity ≤ 3 years        ...        Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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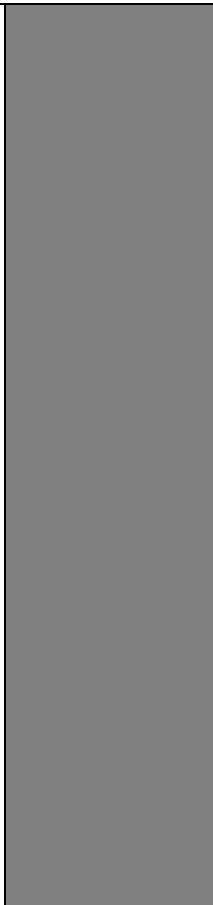
<p>Fixed-to-Fixed 'multi-currency swaps' or 'cross-currency swaps' and futures/forwards/ options on Fixed-to-Fixed 'multi-currency swaps' or 'cross-currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in different currencies and where the cash flows of both legs are determined by fixed interest rates</p> <p>RTS2#3 = DERV RTS2#4 = INTR</p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = XXMC</p>	<p>a fixed-to-fixed multi-currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13 and RTS23#42) — notional currency pair defined as combination of the two currencies in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> (RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 1 month</p> <p>Maturity bucket 2: 1 month &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 3: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 4: 6 months &lt; time to maturity ≤ 1 year Maturity bucket 5: 1 year &lt; time to maturity ≤ 2 years Maturity bucket 6: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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<p>Overnight Index Swap (OIS) 'multi-currency swaps' or 'cross-currency swaps' and futures/forwards/options on Over night Index Swap (OIS) 'multi-currency swaps' or 'cross-currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in different currencies and where the cash flows of at least one leg are determined by an Overnight Index Swap (OIS) rate</p> <p>RTS2#3 = DERV RTS2#4 = INTR</p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = OSMC</p>	<p>an overnight index swap (OIS) multi-currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13 and RTS23#42) — notional currency pair defined as combination of the two currencies in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> (RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 1 month</p> <p>Maturity bucket 2: 1 month &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 3: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 4: 6 months &lt; time to maturity ≤ 1 year Maturity bucket 5: 1 year &lt; time to maturity ≤ 2 years Maturity bucket 6: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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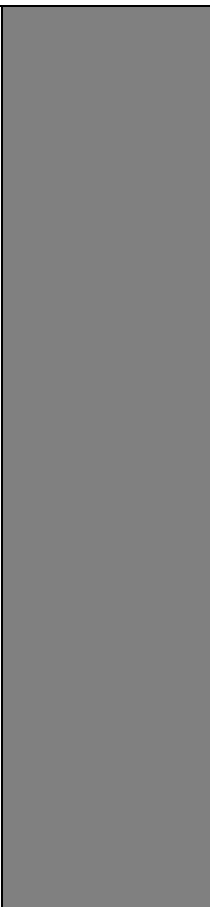
<p>Inflation 'multi-currency swaps' or 'cross-currency swaps' and futures/forwards/ options on Inflation 'multi-currency swaps' or 'cross-currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in different currencies and where the cash flows of at least one leg are determined by an inflation rate</p> <p><b>RTS2#3 = DERV</b>  <b>RTS2#4 = INTR</b></p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = IFMC</p>	<p>an inflation multi-currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13 and RTS23#42) — notional currency pair defined as combination of the two currencies in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> ('RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 1 month</p> <p>Maturity bucket 2: 1 month &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 3: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 4: 6 months &lt; time to maturity ≤ 1 year Maturity bucket 5: 1 year &lt; time to maturity ≤ 2 years Maturity bucket 6: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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<p>Fixed-to-Float 'single currency swaps' and futures/forwards/ options on Fixed-to-Float 'single currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in the same currency and the cash flows of one leg are determined by a fixed interest rate while those of the other leg are determined by a floating interest rate</p> <p><b>RTS2#3 = DERV</b> <b>RTS2#4 = INTR</b></p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = XFSC</p>	<p>a fixed-to-float single currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13) — notional currency in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> (RTS2#8)— time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 1 month</p> <p>Maturity bucket 2: 1 month &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 3: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 4: 6 months &lt; time to maturity ≤ 1 year</p> <p>Maturity bucket 5: 1 year &lt; time to maturity ≤ 2 years</p> <p>Maturity bucket 6: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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<p>Float-to-Float 'single currency swaps' and futures/forwards/ options on Float-to-Float 'single currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in the same currency and where the cash flows of both legs are determined by floating interest rates</p> <p>RTS2#3 = DERV RTS2#4 = INTR</p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = FFSC</p>	<p>a float-to-float single currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13) — notional currency in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> ('RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 1 month</p> <p>Maturity bucket 2: 1 month &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 3: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 4: 6 months &lt; time to maturity ≤ 1 year Maturity bucket 5: 1 year &lt; time to maturity ≤ 2 years Maturity bucket 6: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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<p>Fixed-to-Fixed 'single currency swaps' and futures/forwards/ options on Fixed-to-Fixed 'single currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in the same currency and where the cash flows of both legs are determined by fixed interest rates</p> <p>RTS2#3 = DERV RTS2#4 = INTR</p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = XXSC</p>	<p>a fixed-to-fixed single currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13) — notional currency in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> ('RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 1 month</p> <p>Maturity bucket 2: 1 month &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 3: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 4: 6 months &lt; time to maturity ≤ 1 year</p> <p>Maturity bucket 5: 1 year &lt; time to maturity ≤ 2 years</p> <p>Maturity bucket 6: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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<p>Overnight Index Swap (OIS) 'single currency swaps' and futures/forwards/ options on Over night Index Swap (OIS) 'single currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in the same currency and where the cash flows of at least one leg are determined by an Over night Index Swap (OIS) rate</p> <p><b>RTS2#3 = DERV</b> <b>RTS2#4 = INTR</b></p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = OSSC</p>	<p>an overnight index swap (OIS) single currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13) — notional currency in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> ('RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 1 month</p> <p>Maturity bucket 2: 1 month &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 3: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 4: 6 months &lt; time to maturity ≤ 1 year</p> <p>Maturity bucket 5: 1 year &lt; time to maturity ≤ 2 years</p> <p>Maturity bucket 6: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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<p>Inflation 'single currency swaps' and futures/forwards/ options on Inflation 'single currency swaps'</p> <p>a swap or a future/forward/option on a swap where two parties exchange cash flows denominated in the same currency and where the cash flows of at least one leg are determined by an inflation rate</p> <p><b>RTS2#3 = DERV</b>  <b>RTS2#4 = INTR</b></p> <p>RTS2#5 = SWAP or FONS or FWOS or OPTS</p> <p>RTS2#16 = IFSC</p>	<p>an inflation single currency sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#13) — notional currency in which the two legs of the swap are denominated</p> <p><b>Segmentation criterion 2</b> ('RTS2#8)— time to maturity bucket of the swap defined as follows:</p> <p>Maturity bucket 1: 0 &lt; time to maturity ≤ 1 month</p> <p>Maturity bucket 2: 1 month &lt; time to maturity ≤ 3 months</p> <p>Maturity bucket 3: 3 months &lt; time to maturity ≤ 6 months</p> <p>Maturity bucket 4: 6 months &lt; time to maturity ≤ 1 year</p> <p>Maturity bucket 5: 1 year &lt; time to maturity ≤ 2 years</p> <p>Maturity bucket 6: 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p>Maturity bucket m: (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 50 000 000</p>	<p>10</p>	
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Asset class — Interest Rate Derivatives	
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), the following methodology shall be applied
<b>Other Interest Rate Derivatives</b>  an interest rate derivative that does not belong to any of the above sub-asset classes  RTS2#3 = DERV RTS2#4 = INTR RTS2#5 = OTHR	any other interest rate derivative is considered not to have a liquid market

Table 5.2

**Interest rate derivatives — pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined to have a liquid market**

Asset class - Interest Rate Derivatives									
Sub-asset class	Percentiles and threshold floors to be applied for the calculation of the pre-trade and post-trade SSTI and LIS thresholds for each sub-class determined to have a liquid market								
	Transactions to be considered for the calculations of the thresholds	LIS pre-trade		SSTI post-trade			LIS post-trade		
		Trade - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor
<b>Bond futures/forwards</b>	calculation of thresholds should be performed for	70	EUR 5,000,000	80	60	EUR 20,000,000	90	70	EUR 25,000,000

	each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class								
<b>Bond options</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 20,000,000	90	70	EUR 25,000,000
<b>IR futures and FRA</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 10,000,000	80	60	EUR 20,000,000	90	70	EUR 25,000,000
<b>IR options</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 10,000,000	80	60	EUR 20,000,000	90	70	EUR 25,000,000
<b>Swaptions</b>		70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000

	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class								
<b>Fixed-to-Float 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Fixed-to-Float 'multi currency swaps' or 'cross-currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000
<b>Float-to-Float 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Float-to-Float 'multi currency swaps' or 'cross-currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000
<b>Fixed-to-Fixed 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Fixed-to-Fixed 'multi currency swaps' or 'cross-currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000



<b>Overnight Index Swap (OIS) 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Overnight Index Swap (OIS) 'multi currency swaps' or 'cross-currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000
<b>Inflation 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Inflation 'multi currency swaps' or 'cross-currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000
<b>Fixed-to-Float 'single currency swaps' and futures/forwards on Fixed-to-Float 'single currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000
<b>Float-to-Float 'single currency swaps' and futures/forwards on Float-to-Float 'single currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000

<b>Fixed-to-Fixed 'single currency swaps' and futures/forwards on Fixed-to-Fixed 'single currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000
<b>Overnight Index Swap (OIS) 'single currency swaps' and futures/forwards on Overnight Index Swap (OIS) 'single currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000
<b>Inflation 'single currency swaps' and futures/forwards on Inflation 'single currency swaps'</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 9,000,000	90	70	EUR 10,000,000

Table 5.3

**Interest rate derivatives — pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined not to have a liquid market**

<b>Asset class - Interest Rate Derivatives</b>			
<b>Sub-asset class</b>	<b>Pre-trade and post-trade SSTI and LIS thresholds for each sub-class determined not to have a liquid market</b>		
	<b>LIS pre-trade</b>	<b>SSTI post-trade</b>	<b>LIS post-trade</b>
	<b>Threshold value</b>	<b>Threshold value</b>	<b>Threshold value</b>
<b>Bond futures/forwards</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000
<b>Bond options</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000
<b>IR futures and FRA</b>	EUR 10,000,000	EUR 20,000,000	EUR 25,000,000
<b>IR options</b>	EUR 10,000,000	EUR 20,000,000	EUR 25,000,000
<b>Swaptions</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Fixed-to-Float 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Fixed-to-Float 'multi currency swaps' or 'cross-currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000

<b>Float-to-Float 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Float-to-Float 'multi currency swaps' or 'cross-currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Fixed-to-Fixed 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Fixed-to-Fixed 'multi currency swaps' or 'cross-currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Overnight Index Swap (OIS) 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Overnight Index Swap (OIS) 'multi currency swaps' or 'cross-currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Inflation 'multi currency swaps' or 'cross-currency swaps' and futures/forwards on Inflation 'multi currency swaps' or 'cross-currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Fixed-to-Float 'single currency swaps' and futures/forwards on Fixed-to-Float 'single currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Float-to-Float 'single currency swaps' and futures/forwards on Float-to-Float 'single currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000

<b>Fixed-to-Fixed 'single currency swaps' and futures/forwards on Fixed-to-Fixed 'single currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Overnight Index Swap (OIS) 'single currency swaps' and futures/forwards on Overnight Index Swap (OIS) 'single currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Inflation 'single currency swaps' and futures/forwards on Inflation 'single currency swaps'</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000
<b>Other Interest Rate Derivatives</b>	EUR 5,000,000	EUR 9,000,000	EUR 10,000,000

## 6 Equity derivatives

Table 6.1

### Equity derivatives — classes not having a liquid market

Asset class — Equity Derivatives

any contract as defined Annex I, Section C(4) of Directive 2014/65/EU related to:

(a) one or more shares, depositary receipts, ETFs, certificates, other similar financial instruments, cash-flows or other products related to the performance of one or more

shares, depositary receipts, ETFs, certificates, or other similar financial instruments;

- (b) an index of shares, depositary receipts, ETFs, certificates, other similar financial instruments, cash-flows or other products related to the performance of one or more shares, depositary receipts, ETFs, certificates, or other similar financial instruments

Asset class — Equity Derivatives	
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall be applied
<b>Stock index options</b> an option whose underlying is an index composed of shares RTS2#3 = DERV RTS2#4 = EQUI RTS2#5 = OPTN RTS2#27 = STIX RTS23#26 or if null RTS23#28	all index options are considered to have a liquid market
<b>Stock index futures/forwards</b> a future/forward whose underlying is an index composed of shares RTS2#3 = DERV RTS2#4 = EQUI RTS2#5 = FUTR or FORW RTS2#27 = STIX RTS23#26 or if null RTS23#28	all index futures/forwards are considered to have a liquid market

<p><b>Stock options</b>          an option whose underlying is a share or a basket of shares resulting from a corporate action          RTS2#3 = DERV          RTS2#4 = EQUI'          RTS2#5 = OPTN          RTS2#27 = SHRS          RTS23#26 or if null RTS23#28</p>	<p>all stock options are considered to have a liquid market</p>
<p><b>Stock futures/forwards</b>          a future/forward whose underlying is a share or a basket of shares resulting from a corporate action          RTS2#3 = DERV          RTS2#4 = EQUI'          RTS2#5 = FUTR or FORW          RTS2#27 = SHRS          RTS23#26 or if null RTS23#28</p>	<p>all stock futures/forwards are considered to have a liquid market</p>
<p><b>Stock dividend options</b>          an option on the dividend of a specific share          RTS2#3 = DERV          RTS2#4 = EQUI'          RTS2#5 = OPTN          RTS2#27 = DVSE          RTS23#26 or if null RTS23#28</p>	<p>all stock dividend options are considered to have a liquid market</p>

<p><b>Stock dividend futures/forwards</b>          a future/forward on the dividend of a specific share          RTS2#3 = DERV          RTS2#4 = EQUI'          RTS2#5 = FUTR or FORW          RTS2#27 = DVSE          RTS23#26 or if null RTS23#28</p>	<p>all stock dividend futures/forwards are considered to have a liquid market</p>
<p><b>Dividend index options</b>          an option on an index composed of dividends of more than one share          RTS2#3 = DERV          RTS2#4 = EQUI'          RTS2#5 = OPTN          RTS2#27 = DIVI          RTS23#26 or if null RTS23#28</p>	<p>all dividend index options are considered to have a liquid market</p>
<p><b>Dividend index futures/forwards</b>          a future/forward on an index composed of dividends of more than one share          RTS2#3 = DERV          RTS2#4 = EQUI'          RTS2#5 = FUTR or FORW          RTS2#27 = DIVI          RTS23#26 or if null RTS23#28</p>	<p>all dividend index futures/forwards are considered to have a liquid market</p>



<p><b>Volatility index options</b>          an option whose underlying is a volatility index defined as an index relating to the volatility of a specific underlying index of equity instruments          RTS2#3 = DERV          RTS2#4 = EQUI          RTS2#5 = OPTN          RTS2#27 = VOLI          RTS23#26 or if null RTS23#28</p>	<p>all volatility index options are considered to have a liquid market</p>
<p><b>Volatility index futures/forwards</b>          a future/forward whose underlying is a volatility index defined as an index relating to the volatility of a specific underlying index of equity instruments          RTS2#3 = DERV          RTS2#4 = EQUI          RTS2#5 = FUTR or FORW          RTS2#27 = VOLI          RTS23#26 or if null RTS23#28</p>	<p>all volatility index futures/forwards are considered to have a liquid market</p>
<p><b>ETF options</b>          an option whose underlying is an ETF          RTS2#3 = DERV          RTS2#4 = EQUI          RTS2#5 = OPTN          RTS2#27 = ETFS          RTS23#26 or if null RTS23#28</p>	<p>all ETF options are considered to have a liquid market</p>

<p><b>ETF futures/forwards</b>          a future/forward whose underlying is an ETF          RTS2#3 = DERV          RTS2#4 = EQUI          RTS2#5 = FUTR or FORW          RTS2#27 = ETFS          RTS23#26 or if null RTS23#28</p>	<p>all ETF futures/forwards are considered to have a liquid market</p>
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Asset class — Equity Derivatives			
Sub-asset class	<p>For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below</p>	<p>Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds of the quantitative liquidity criteria</p>	
		<p>Average daily notional amount (ADNA)            [quantitative liquidity criterion 1]</p>	<p>Average daily number of trades            [quantitative liquidity criterion 2]</p>

<b>Swaps</b>  RTS2#3 = DERV  RTS2#4 = EQUI  RTS2#5 = SWAP	a swap sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> ('RTS2#27) — underlying type: single name, index, basket <b>Segmentation criterion 2</b> (RTS23#26 or if null RTS23#28) — underlying single name, index, basket <b>Segmentation criterion 3</b> ('RTS2#28) — parameter: price return basic performance parameter, parameter return dividend, parameter return variance, parameter return volatility <b>Segmentation criterion 4</b> ('RTS2#8) — time to maturity bucket of the swap defined as follows:			EUR 50 000 000
	Price return basic performance parameter	Parameter return variance/volatility	Parameter return dividend	
	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 3 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 year	
	<b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 3 months	<b>Maturity bucket 2:</b> 3 months < time to maturity ≤ 6 months	<b>Maturity bucket 2:</b> 1 year < time to maturity ≤ 2 years	
	<b>Maturity bucket 3:</b> 3 months < time to maturity ≤ 6 months	<b>Maturity bucket 3:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 3:</b> 2 years < time to maturity ≤ 3 years	
	<b>Maturity bucket 4:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 4:</b> 1 year < time to maturity ≤ 2 years	...	
	<b>Maturity bucket 5:</b> 1 year < time to maturity ≤ 2 years	<b>Maturity bucket 5:</b> 2 years < time to maturity ≤ 3 years	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years	
	<b>Maturity bucket 6:</b> 2 years < time to maturity ≤ 3 years	...		

	...	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years		
	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years			
<b>Portfolio Swaps</b>  RTS2#3 = DERV  RTS2#4 = EQUI  RTS2#5 = PSWP	a portfolio swap sub-class is defined by a specific combination of: <b>Segmentation criterion 1</b> ('RTS2#27) — underlying type: single name, index, basket <b>Segmentation criterion 2</b> (RTS23#26 or if null RTS23#28) — underlying single name, index, basket <b>Segmentation criterion 3</b> ('RTS2#28) — parameter: price return basic performance parameter, parameter return dividend, parameter return variance, parameter return volatility <b>Segmentation criterion 4</b> ('RTS2#8) — me to maturity bucket of the portfolio swap defined as follows: <b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month <b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 3 months <b>Maturity bucket 3:</b> 3 months < time to maturity ≤ 6 months <b>Maturity bucket 4:</b> 6 months < time to maturity ≤ 1 year <b>Maturity bucket 5:</b> 1 year < time to maturity ≤ 2 years <b>Maturity bucket 6:</b> 2 years < time to maturity ≤ 3 years ... <b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years		EUR 50 000 000	15

Asset class — Equity Derivatives	
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall be applied
<b>Other equity derivatives</b> an equity derivative that does not belong to any of the above sub-asset classes RTS2#3 = DERV RTS2#4 = EQUI RTS2#5 = OTHR'	any other equity derivative is considered not to have a liquid market

Table 6.2

**Equity derivatives - pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined to have a liquid market**

Asset class - Equity Derivatives						
Sub-asset class	For the purpose of the determination of the pre-trade and post-trade SSTI and LIS thresholds each sub-asset class shall be further segmented into sub-classes as defined below	Transactions to be considered for the calculations of the thresholds	Pre-trade and post-trade SSTI and LIS threshold values determined for the sub-classes determined to have a liquid market on the basis of the average daily notional amount (ADNA) band to which the sub-class belongs			
			Average daily notional amount (ADNA)	LIS pre-trade	SSTI post-trade	LIS post-trade
				Threshold value	Threshold value	Threshold value

Stock index options	a stock index option sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying stock index	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 100m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,500,000
			EUR 100m <= ADNA < EUR 200m	EUR 3,000,000	EUR 25,000,000	EUR 30,000,000
			EUR 200m <= ADNA < EUR 600m	EUR 5,500,000	EUR 50,000,000	EUR 55,000,000
			ADNA >= EUR 600m	EUR 20,000,000	EUR 150,000,000	EUR 160,000,000
Stock index futures/ forwards	a stock index future/forward sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying stock index	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 100m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,500,000
			EUR 100m <= ADNA < EUR 1bn	EUR 550,000	EUR 5,000,000	EUR 5,500,000
			EUR 1bn <= ADNA < EUR 3bn	EUR 5,500,000	EUR 50,000,000	EUR 55,000,000
			EUR 3bn <= ADNA < EUR 5bn	EUR 20,000,000	EUR 150,000,000	EUR 160,000,000
			ADNA >= EUR 5bn	EUR 30,000,000	EUR 250,000,000	EUR 260,000,000
Stock options	a stock option sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying share	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 5m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,250,000
			EUR 5m <= ADNA < EUR 10m	EUR 300,000	EUR 1,250,000	EUR 1,500,000
			EUR 10m <= ADNA < EUR 20m	EUR 550,000	EUR 2,500,000	EUR 3,000,000
			ADNA >= EUR 20m	EUR 1,500,000	EUR 5,000,000	EUR 5,500,000
	an stock future/forward sub-class is defined by the following segmentation criteria:		< EUR 5m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,250,000

Stock futures/forwards	Segmentation criterion 1 - underlying share	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	EUR 5m <= ADNA < EUR 10m	EUR 300,000	EUR 1,250,000	EUR 1,500,000
			EUR 10m <= ADNA < EUR 20m	EUR 550,000	EUR 2,500,000	EUR 3,000,000
			ADNA >= EUR 20m	EUR 1,500,000	EUR 5,000,000	EUR 5,500,000
Stock dividend options	a stock dividend option sub-class is defined by the following segmentation criteria: Segmentation criterion 1 - underlying share entitling to dividends	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 5m ADNA	EUR 25,000	EUR 400,000	EUR 450,000
			EUR 5m <= ADNA < EUR 10m	EUR 30,000	EUR 500,000	EUR 550,000
			EUR 10m <= ADNA < EUR 20m	EUR 100,000	EUR 1,000,000	EUR 1,500,000
			ADNA >= EUR 20m	EUR 150,000	EUR 2,000,000	EUR 2,500,000
Stock dividend futures/forwards	a stock dividend future/forward sub-class is defined by the following segmentation criteria: Segmentation criterion 1 - underlying share entitling to dividends	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 5m ADNA	EUR 25,000	EUR 400,000	EUR 450,000
			EUR 5m <= ADNA < EUR 10m	EUR 30,000	EUR 500,000	EUR 550,000
			EUR 10m <= ADNA < EUR 20m	EUR 100,000	EUR 1,000,000	EUR 1,500,000
			ADNA >= EUR 20m	EUR 150,000	EUR 2,000,000	EUR 2,500,000
Dividend index options	a dividend index option sub-class is defined by the following segmentation criteria: Segmentation criterion 1 - underlying dividend index	calculation of thresholds should be performed for each sub-class considering the transactions	< EUR 100m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,500,000
			EUR 100m <= ADNA < EUR 200m	EUR 3,000,000	EUR 25,000,000	EUR 30,000,000

		executed on financial instruments belonging to the sub-class	EUR 200m <= ADNA < EUR 600m	EUR 5,500,000	EUR 50,000,000	EUR 55,000,000
			ADNA >= EUR 600m	EUR 20,000,000	EUR 150,000,000	EUR 160,000,000
<b>Dividend index futures/forwards</b>	a dividend index future/forward sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying dividend index	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 100m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,500,000
			EUR 100m <= ADNA < EUR 1bn	EUR 550,000	EUR 5,000,000	EUR 5,500,000
			EUR 1bn <= ADNA < EUR 3bn	EUR 5,500,000	EUR 50,000,000	EUR 55,000,000
			EUR 3bn <= ADNA < EUR 5bn	EUR 20,000,000	EUR 150,000,000	EUR 160,000,000
			ADNA >= EUR 5bn	EUR 30,000,000	EUR 250,000,000	EUR 260,000,000
<b>Volatility index options</b>	a volatility index option sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying volatility index	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 100m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,500,000
			EUR 100m <= ADNA < EUR 200m	EUR 3,000,000	EUR 25,000,000	EUR 30,000,000
			EUR 200m <= ADNA < EUR 600m	EUR 5,500,000	EUR 50,000,000	EUR 55,000,000
			ADNA >= EUR 600m	EUR 20,000,000	EUR 150,000,000	EUR 160,000,000
<b>Volatility index futures/forwards</b>	a volatility index future/forward sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying volatility index	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial	< EUR 100m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,500,000
			EUR 100m <= ADNA < EUR 1bn	EUR 550,000	EUR 5,000,000	EUR 5,500,000
				EUR 5,500,000	EUR 50,000,000	EUR 55,000,000



		instruments belonging to the sub-class	EUR 1bn <= ADNA < EUR 3bn			
			EUR 3bn <= ADNA < EUR 5bn	EUR 20,000,000	EUR 150,000,000	EUR 160,000,000
			ADNA >= EUR 5bn	EUR 30,000,000	EUR 250,000,000	EUR 260,000,000
<b>ETF options</b>	an ETF option sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying ETF	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 5m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,250,000
			EUR 5m <= ADNA < EUR 10m	EUR 300,000	EUR 1,250,000	EUR 1,500,000
			EUR 10m <= ADNA < EUR 20m	EUR 550,000	EUR 2,500,000	EUR 3,000,000
			ADNA >= EUR 20m	EUR 1,500,000	EUR 5,000,000	EUR 5,500,000
<b>ETF futures/ forwards</b>	an ETF future/forward sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying ETF	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	< EUR 5m ADNA	EUR 25,000	EUR 1,000,000	EUR 1,250,000
			EUR 5m <= ADNA < EUR 10m	EUR 300,000	EUR 1,250,000	EUR 1,500,000
			EUR 10m <= ADNA < EUR 20m	EUR 550,000	EUR 2,500,000	EUR 3,000,000
			ADNA >= EUR 20m	EUR 1,500,000	EUR 5,000,000	EUR 5,500,000
<b>Swaps</b>	a swap sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1</b> - underlying type: single name, index, basket <b>Segmentation criterion 2</b> - underlying single name, index, basket <b>Segmentation criterion 3</b> - parameter: price return basic performance parameter, parameter return dividend, parameter return variance, parameter return volatility	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments	EUR 50m <= ADNA < EUR 100m	EUR 300,000	EUR 1,250,000	EUR 1,500,000
			EUR 100m <= ADNA < EUR 200m	EUR 550,000	EUR 2,500,000	EUR 3,000,000
			ADNA >= EUR 200m	EUR 1,500,000	EUR 5,000,000	EUR 5,500,000

	<p><b>Segmentation criterion 4</b> - time to maturity bucket of the swap defined as follows:</p> <table border="1"> <thead> <tr> <th>Price return basic performance parameter</th> <th>Parameter return variance/volatility</th> <th>Parameter return dividend</th> </tr> </thead> <tbody> <tr> <td><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 month</td> <td><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 3 months</td> <td><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 year</td> </tr> <tr> <td><b>Maturity bucket 2:</b> 1 month &lt; time to maturity ≤ 3 months</td> <td><b>Maturity bucket 2:</b> 3 months &lt; time to maturity ≤ 6 months</td> <td><b>Maturity bucket 2:</b> 1 year &lt; time to maturity ≤ 2 years</td> </tr> <tr> <td><b>Maturity bucket 3:</b> 3 months &lt; time to maturity ≤ 6 months</td> <td><b>Maturity bucket 3:</b> 6 months &lt; time to maturity ≤ 1 year</td> <td><b>Maturity bucket 3:</b> 2 years &lt; time to maturity ≤ 3 years</td> </tr> <tr> <td><b>Maturity bucket 4:</b> 6 months &lt; time to maturity ≤ 1 year</td> <td><b>Maturity bucket 4:</b> 1 year &lt; time to maturity ≤ 2 years</td> <td>...</td> </tr> <tr> <td><b>Maturity bucket 5:</b> 1 year &lt; time to maturity ≤ 2 years</td> <td><b>Maturity bucket 5:</b> 2 years &lt; time to maturity ≤ 3 years</td> <td><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</td> </tr> <tr> <td><b>Maturity bucket 6:</b> 2 years &lt; time to maturity ≤ 3 years</td> <td>...</td> <td></td> </tr> <tr> <td>...</td> <td><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</td> <td></td> </tr> <tr> <td><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</td> <td></td> <td></td> </tr> </tbody> </table>	Price return basic performance parameter	Parameter return variance/volatility	Parameter return dividend	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 3 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 year	<b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 3 months	<b>Maturity bucket 2:</b> 3 months < time to maturity ≤ 6 months	<b>Maturity bucket 2:</b> 1 year < time to maturity ≤ 2 years	<b>Maturity bucket 3:</b> 3 months < time to maturity ≤ 6 months	<b>Maturity bucket 3:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 3:</b> 2 years < time to maturity ≤ 3 years	<b>Maturity bucket 4:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 4:</b> 1 year < time to maturity ≤ 2 years	...	<b>Maturity bucket 5:</b> 1 year < time to maturity ≤ 2 years	<b>Maturity bucket 5:</b> 2 years < time to maturity ≤ 3 years	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years	<b>Maturity bucket 6:</b> 2 years < time to maturity ≤ 3 years	...		...	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years		<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years			belonging to the sub-class			
Price return basic performance parameter	Parameter return variance/volatility	Parameter return dividend																														
<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 3 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 year																														
<b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 3 months	<b>Maturity bucket 2:</b> 3 months < time to maturity ≤ 6 months	<b>Maturity bucket 2:</b> 1 year < time to maturity ≤ 2 years																														
<b>Maturity bucket 3:</b> 3 months < time to maturity ≤ 6 months	<b>Maturity bucket 3:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 3:</b> 2 years < time to maturity ≤ 3 years																														
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<b>Maturity bucket 5:</b> 1 year < time to maturity ≤ 2 years	<b>Maturity bucket 5:</b> 2 years < time to maturity ≤ 3 years	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years																														
<b>Maturity bucket 6:</b> 2 years < time to maturity ≤ 3 years	...																															
...	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years																															
<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years																																
<b>Portfolio Swaps</b>	<p>a portfolio swap sub-class is defined by a specific combination of:</p> <p><b>Segmentation criterion 1</b> - underlying type: single name, index, basket</p> <p><b>Segmentation criterion 2</b> - underlying single name, index, basket</p> <p><b>Segmentation criterion 3</b> - parameter: price return basic performance parameter, parameter return dividend, parameter return variance, parameter return volatility</p> <p><b>Segmentation criterion 4</b> - time to maturity bucket of the portfolio swap defined as follows:</p> <p><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 month</p> <p><b>Maturity bucket 2:</b> 1 month &lt; time to maturity ≤ 3 months</p> <p><b>Maturity bucket 3:</b> 3 months &lt; time to maturity ≤ 6 months</p>	calculation of thresholds should be performed for each sub-class considering the transactions executed on financial instruments belonging to the sub-class	<table border="1"> <tr> <td><b>EUR 50m ≤ ADNA &lt; EUR 100m</b></td> <td>EUR 300,000</td> <td>EUR 1,250,000</td> <td>EUR 1,500,000</td> </tr> <tr> <td><b>EUR 100m ≤ ADNA &lt; EUR 200m</b></td> <td>EUR 550,000</td> <td>EUR 2,500,000</td> <td>EUR 3,000,000</td> </tr> <tr> <td><b>ADNA ≥ EUR 200m</b></td> <td>EUR 1,500,000</td> <td>EUR 5,000,000</td> <td>EUR 5,500,000</td> </tr> </table>	<b>EUR 50m ≤ ADNA &lt; EUR 100m</b>	EUR 300,000	EUR 1,250,000	EUR 1,500,000	<b>EUR 100m ≤ ADNA &lt; EUR 200m</b>	EUR 550,000	EUR 2,500,000	EUR 3,000,000	<b>ADNA ≥ EUR 200m</b>	EUR 1,500,000	EUR 5,000,000	EUR 5,500,000																	
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<b>ADNA ≥ EUR 200m</b>	EUR 1,500,000	EUR 5,000,000	EUR 5,500,000																													

**Maturity bucket 4:** 6 months < time to maturity ≤ 1 year  
**Maturity bucket 5:** 1 year < time to maturity ≤ 2 years  
**Maturity bucket 6:** 2 years < time to maturity ≤ 3 years  
 ...  
**Maturity bucket m:** (n-1) years < time to maturity ≤ n years

Table 6.3

**Equity derivatives - pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined not to have a liquid market**

Asset class - Equity Derivatives			
Sub-asset class	Pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined not to have a liquid market		
	LIS pre-trade	SSTI post-trade	LIS post-trade
	Threshold value	Threshold value	Threshold value
Swaps	EUR 25,000	EUR 100,000	EUR 150,000
Portfolio Swaps	EUR 25,000	EUR 100,000	EUR 150,000
Other equity derivatives	EUR 25,000	EUR 100,000	EUR 150,000

## 7 Commodity derivatives

Table 7.1

**Commodity derivatives – classes not having a liquid market**

Asset class — Commodity Derivatives						
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds				
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]			
<b>Metal commodity futures/forwards</b>  RTS2#3 = 'DERV' and RTS2#4 = 'COMM' and RTS23#35 = 'METL' and [RTS2#5 = 'FUTR' or 'FORW']	a metal commodity future/forward sub-class is defined by the following segmentation criteria: <b>Segmentation criterion 1 (RTS23#36)</b> — metal type: precious metal, non-precious metal <b>Segmentation criterion 2 (RTS23#37)</b> — underlying metal <b>Segmentation criterion 3 (RTS2#15)</b> — notional currency defined as the currency in which the notional amount of the future/forward is denominated <b>Segmentation criterion 4 (RTS2#8)</b> — time to maturity bucket of the future/forward defined as follows:	EUR 10 000 000	10			
	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center; width: 50%;"><b>Precious metals</b></td> <td style="text-align: center; width: 50%;"><b>Non-precious metals</b></td> </tr> <tr> <td><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 3 months</td> <td><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 year</td> </tr> <tr> <td><b>Maturity bucket 2:</b> 3 months &lt; time to maturity ≤ 1 year</td> <td><b>Maturity bucket 2:</b> 1 year &lt; time to maturity ≤ 2 years</td> </tr> </table>			<b>Precious metals</b>	<b>Non-precious metals</b>	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 3 months
<b>Precious metals</b>	<b>Non-precious metals</b>					
<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 3 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 year					
<b>Maturity bucket 2:</b> 3 months < time to maturity ≤ 1 year	<b>Maturity bucket 2:</b> 1 year < time to maturity ≤ 2 years					



Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
	<p><b>Maturity bucket 2:</b> 3 months &lt; time to maturity ≤ 1 year</p> <p><b>Maturity bucket 3:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p><b>Maturity bucket 4:</b> 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p>	<p><b>Maturity bucket 2:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p><b>Maturity bucket 3:</b> 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p>	
<p><b>Metal commodity swaps</b></p> <p>RTS2#3 = 'DERV' and RTS2#4 = 'COMM' and RTS23#35 = 'METL' and RTS2#5 = 'SWAP'</p>	<p>a metal commodity swap sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1 (RTS23#36)</b> — metal type: precious metal, non-precious metal</p> <p><b>Segmentation criterion 2 (RTS23#37)</b> — underlying metal</p> <p><b>Segmentation criterion 3 (RTS2#15)</b> — notional currency defined as the currency in which the notional amount of the swap is denominated</p> <p><b>Segmentation criterion 4 (RTS23#34)</b> — delivery type defined as cash, physical or optional</p> <p><b>Segmentation criterion 5 (RTS2#8)</b> — time to maturity bucket of the swap defined as follows:</p>	EUR 10 000 000	10

Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]

**Precious metals**

- Maturity bucket 1:**  $0 < \text{time to maturity} \leq 3 \text{ months}$
- Maturity bucket 2:**  $3 \text{ months} < \text{time to maturity} \leq 1 \text{ year}$
- Maturity bucket 3:**  $1 \text{ year} < \text{time to maturity} \leq 2 \text{ years}$
- Maturity bucket 4:**  $2 \text{ years} < \text{time to maturity} \leq 3 \text{ years}$
- ...
- Maturity bucket m:**  $(n-1) \text{ years} < \text{time to maturity} \leq n \text{ years}$

**Non-precious metals**

- Maturity bucket 1:**  $0 < \text{time to maturity} \leq 1 \text{ year}$
- Maturity bucket 2:**  $1 \text{ year} < \text{time to maturity} \leq 2 \text{ years}$
- Maturity bucket 3:**  $2 \text{ years} < \text{time to maturity} \leq 3 \text{ years}$
- ...
- Maturity bucket m:**  $(n-1) \text{ years} < \text{time to maturity} \leq n \text{ years}$

Asset class — Commodity Derivatives															
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds													
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]												
<b>Energy commodity futures/forwards</b>  RTS2#3 = 'DERV' and RTS2#4 = 'COMM' and RTS23#35 = 'NRGY' and [RTS2#5 = 'FUTR' or 'FORW']	an energy commodity future/forward sub-class is defined by the following segmentation criteria:  <b>Segmentation criterion 1</b> (RTS23#36) — energy type: oil, distillates, coal, light ends, natural gas, electricity, inter energy  <b>Segmentation criterion 2</b> (RTS23#37) — underlying energy  <b>Segmentation criterion 3</b> (RTS2#15) — notional currency defined as the currency in which the notional amount of the future/forward is denominated  <b>Segmentation criterion 4</b> — [deleted]  <b>Segmentation criterion 5</b> (RTS2#14) — delivery/cash settlement location applicable to all energy types  <b>Segmentation criterion 6</b> (RTS2#8) — time to maturity bucket of the future/forward defined as follows: <table border="1" data-bbox="309 954 1361 1369"> <thead> <tr> <th>Oil/ Distillates/ Light ends</th> <th>Coal</th> <th>Natural Gas/Electricity/Inter-energy</th> </tr> </thead> <tbody> <tr> <td><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 4 months</td> <td><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 6 months</td> <td><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 month</td> </tr> <tr> <td><b>Maturity bucket 2:</b> 4 months &lt; time to maturity ≤ 8 months</td> <td><b>Maturity bucket 2:</b> 6 months &lt; time to maturity ≤ 1 year</td> <td><b>Maturity bucket 2:</b> 1 month &lt; time to maturity ≤ 1 year</td> </tr> <tr> <td><b>Maturity bucket 3:</b> 8 months &lt; time to maturity ≤ 1 year</td> <td><b>Maturity bucket 3:</b> 1 year &lt; time to maturity ≤ 2 years</td> <td><b>Maturity bucket 3:</b> 1 year &lt; time to maturity ≤ 2 years</td> </tr> </tbody> </table>	Oil/ Distillates/ Light ends	Coal	Natural Gas/Electricity/Inter-energy	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 4 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 6 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month	<b>Maturity bucket 2:</b> 4 months < time to maturity ≤ 8 months	<b>Maturity bucket 2:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 1 year	<b>Maturity bucket 3:</b> 8 months < time to maturity ≤ 1 year	<b>Maturity bucket 3:</b> 1 year < time to maturity ≤ 2 years	<b>Maturity bucket 3:</b> 1 year < time to maturity ≤ 2 years	EUR 10 000 000	10
Oil/ Distillates/ Light ends	Coal	Natural Gas/Electricity/Inter-energy													
<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 4 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 6 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month													
<b>Maturity bucket 2:</b> 4 months < time to maturity ≤ 8 months	<b>Maturity bucket 2:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 1 year													
<b>Maturity bucket 3:</b> 8 months < time to maturity ≤ 1 year	<b>Maturity bucket 3:</b> 1 year < time to maturity ≤ 2 years	<b>Maturity bucket 3:</b> 1 year < time to maturity ≤ 2 years													



Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
	<p><b>Maturity bucket 4:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p>...</p> <p>...</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p>		
<b>Energy commodity options</b>  RTS2#3 = 'DERV' and RTS2#4 = 'COMM' and RTS23#35 = 'NRGY' and RTS2#5 = 'OPTN'	<p>an energy commodity option sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#36) — energy type: oil, distillates, coal, light ends, natural gas, electricity, inter-energy</p> <p><b>Segmentation criterion 2</b> (RTS23#37) — underlying energy</p> <p><b>Segmentation criterion 3</b> (RTS2#15) — notional currency defined as the currency in which the notional amount of the option is denominated</p> <p><b>Segmentation criterion 4</b> — [deleted]</p> <p><b>Segmentation criterion 5</b> (RTS2#14) — delivery/cash settlement location applicable to all energy types</p> <p><b>Segmentation criterion 6</b> (RTS2#8) — time to maturity bucket of the option defined as follows:</p> <p>Oil/Distillates/Light ends                      Coal                      Natural Gas/Electricity/Inter-energy</p>	EUR 10 000 000	10

Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 4 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 6 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month
	<b>Maturity bucket 2:</b> 4 months < time to maturity ≤ 8 months	<b>Maturity bucket 2:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 1 year
	<b>Maturity bucket 3:</b> 8 months < time to maturity ≤ 1 year	<b>Maturity bucket 3:</b> 1 year < time to maturity ≤ 2 years	<b>Maturity bucket 3:</b> 1 year < time to maturity ≤ 2 years
	<b>Maturity bucket 4:</b> 1 year < time to maturity ≤ 2 years	...	...
	...	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years
	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years		

Asset class — Commodity Derivatives												
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds										
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]									
<b>Energy commodity swaps</b>  RTS2#3 = 'DERV' and RTS2#4 = 'COMM' and RTS23#35 = 'NRGY' and RTS2#5 = 'SWAP'	an energy commodity swap sub-class is defined by the following segmentation criteria:  <b>Segmentation criterion 1</b> (RTS23#36) — energy type: oil, distillates, coal, light ends, natural gas, electricity, inter-energy  <b>Segmentation criterion 2</b> (RTS23#37) — underlying energy  <b>Segmentation criterion 3</b> (RTS2#15) — notional currency defined as the currency in which the notional amount of the swap is denominated  <b>Segmentation criterion 4</b> (RTS23#34) — delivery type defined as cash, physical or optional  <b>Segmentation criterion 5</b> — [deleted]  <b>Segmentation criterion 6</b> (RTS2#14) — delivery/cash settlement location applicable to all energy types  <b>Segmentation criterion 7</b> (RTS2#8) — time to maturity bucket of the swap defined as follows: <table border="0" style="width: 100%; margin-top: 10px;"> <tr> <td style="text-align: center; width: 33%;"><b>Oil/Distillates/Light ends</b></td> <td style="text-align: center; width: 33%;"><b>Coal</b></td> <td style="text-align: center; width: 33%;"><b>Natural Gas/Electricity/Inter-energy</b></td> </tr> <tr> <td style="text-align: center;"><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 4 months</td> <td style="text-align: center;"><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 6 months</td> <td style="text-align: center;"><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 month</td> </tr> <tr> <td style="text-align: center;"><b>Maturity bucket 2:</b> 4 months &lt; time to maturity ≤ 8 months</td> <td style="text-align: center;"><b>Maturity bucket 2:</b> 6 months &lt; time to maturity ≤ 1 year</td> <td style="text-align: center;"><b>Maturity bucket 2:</b> 1 month &lt; time to maturity ≤ 1 year</td> </tr> </table>	<b>Oil/Distillates/Light ends</b>	<b>Coal</b>	<b>Natural Gas/Electricity/Inter-energy</b>	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 4 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 6 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month	<b>Maturity bucket 2:</b> 4 months < time to maturity ≤ 8 months	<b>Maturity bucket 2:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 1 year	EUR 10 000 000	10
<b>Oil/Distillates/Light ends</b>	<b>Coal</b>	<b>Natural Gas/Electricity/Inter-energy</b>										
<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 4 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 6 months	<b>Maturity bucket 1:</b> 0 < time to maturity ≤ 1 month										
<b>Maturity bucket 2:</b> 4 months < time to maturity ≤ 8 months	<b>Maturity bucket 2:</b> 6 months < time to maturity ≤ 1 year	<b>Maturity bucket 2:</b> 1 month < time to maturity ≤ 1 year										

Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
	<p><b>Maturity bucket 3:</b> 8 months &lt; time to maturity ≤ 1 year</p> <p><b>Maturity bucket 3:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p><b>Maturity bucket 3:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p><b>Maturity bucket 4:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p>...</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p>		
<b>Agricultural commodity futures/forwards</b>	<p>an agricultural commodity future/forward sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#36 and RTS23#37) — underlying agricultural commodity (sub-product and further sub product)</p> <p><b>Segmentation criterion 2</b> (RTS2#15) — notional currency defined as the currency in which the notional amount of the future/forward is denominated</p> <p><b>Segmentation criterion 3</b> (RTS2#8) — time to maturity bucket of the future/forward defined as follows:</p> <p><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 3 months</p> <p><b>Maturity bucket 2:</b> 3 months &lt; time to maturity ≤ 6 months</p> <p><b>Maturity bucket 3:</b> 6 months &lt; time to maturity ≤ 1 year</p>	EUR 10 000 000	10

Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
	<b>Maturity bucket 4:</b> 1 year < time to maturity ≤ 2 years		
	...		
	<b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years		

Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
<b>Agricultural commodity options</b>  RTS2#3 = 'DERV' and RTS2#4 = 'COMM' and RTS23#35 = 'AGRI' and RTS2#5 = 'OPTN'	an agricultural commodity option sub-class is defined by the following segmentation criteria:  <b>Segmentation criterion 1</b> (RTS23#36 and RTS23#37) — underlying agricultural commodity (sub-product and further sub product)  <b>Segmentation criterion 2</b> (RTS2#15) — notional currency defined as the currency in which the notional amount of the option is denominated  <b>Segmentation criterion 3</b> (RTS2#8) — time to maturity bucket of the option defined as follows:  <b>Maturity bucket 1:</b> 0 < time to maturity ≤ 3 months  <b>Maturity bucket 2:</b> 3 months < time to maturity ≤ 6 months  <b>Maturity bucket 3:</b> 6 months < time to maturity ≤ 1 year  <b>Maturity bucket 4:</b> 1 year < time to maturity ≤ 2 years  ...  <b>Maturity bucket m:</b> (n-1) years < time to maturity ≤ n years	EUR 10 000 000	10

Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
<b>Agricultural commodity swaps</b>	<p>an agricultural commodity swap sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> (RTS23#36 and RTS23#37) — underlying agricultural commodity (sub-product and further sub product)</p> <p><b>Segmentation criterion 2</b> (RTS2#15) — notional currency defined as the currency in which the notional amount of the swap is denominated</p> <p><b>Segmentation criterion 3</b> (RTS23#34) — delivery type defined as cash, physical or optional</p> <p><b>Segmentation criterion 4</b> (RTS2#8) — time to maturity bucket of the swap defined as follows:</p> <p><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 3 months</p> <p><b>Maturity bucket 2:</b> 3 months &lt; time to maturity ≤ 6 months</p> <p><b>Maturity bucket 3:</b> 6 months &lt; time to maturity ≤ 1 year</p> <p><b>Maturity bucket 4:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p>...</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p>	EUR 10 000 000	10
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall be applied		

Asset class — Commodity Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]

**Other commodity derivatives**

a commodity derivative that does not belong to any of the above sub-asset classes

any other commodity derivative is considered not to have a liquid market

Table 7.2

**Commodity derivatives – pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined to have a liquid market**

Asset class - Commodity Derivatives									
Sub-asset class	Percentiles and threshold floors to be applied for the calculation of the pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined to have a liquid market								
	Transactions to be considered for the calculations of the thresholds	LIS pre-trade		SSTI post-trade			LIS post-trade		
		Trade - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor



<b>Metal commodity futures/forwards</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000
<b>Metal commodity options</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000
<b>Metal commodity swaps</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000
<b>Energy commodity futures/forwards</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000
<b>Energy commodity options</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000

	financial instruments belonging to the sub-class								
<b>Energy commodity swaps</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000
<b>Agricultural commodity futures/forwards</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000
<b>Agricultural commodity options</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000
<b>Agricultural commodity swaps</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 500,000	80	60	EUR 750,000	90	70	EUR 1,000,000

Table 7.3

**Commodity derivatives – pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined not to have a liquid market**

<b>Asset class - Commodity Derivatives</b>			
<b>Sub-asset class</b>	<b>Pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined not to have a liquid market</b>		
	<b>LIS pre-trade</b>	<b>SSTI post-trade</b>	<b>LIS post-trade</b>
	<b>Threshold value</b>	<b>Threshold value</b>	<b>Threshold value</b>
<b>Metal commodity futures/forwards</b>	EUR 500,000	EUR 750,000	EUR 1,000,000
<b>Metal commodity options</b>	EUR 500,000	EUR 750,000	EUR 1,000,000
<b>Metal commodity swaps</b>	EUR 500,000	EUR 750,000	EUR 1,000,000
<b>Energy commodity futures/forwards</b>	EUR 500,000	EUR 750,000	EUR 1,000,000
<b>Energy commodity options</b>	EUR 500,000	EUR 750,000	EUR 1,000,000
<b>Energy commodity swaps</b>	EUR 500,000	EUR 750,000	EUR 1,000,000

<b>Agricultural commodity futures/forwards</b>	EUR 500,000	EUR 750,000	EUR 1,000,000
<b>Agricultural commodity options</b>	EUR 500,000	EUR 750,000	EUR 1,000,000
<b>Agricultural commodity swaps</b>	EUR 500,000	EUR 750,000	EUR 1,000,000
<b>Other commodity derivatives</b>	EUR 500,000	EUR 750,000	EUR 1,000,000

**8 Foreign exchange derivatives**

Table 8.1

**Foreign exchange derivatives – classes not having a liquid market**

Asset class — Foreign Exchange Derivatives
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a financial instrument relating to currencies as defined in Section C(4) of Annex I of Directive 2014/65/EU

Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Article 8(1)(b)	
		Average daily number of trades	Average daily quantitative liquidity criterion

<p><b>Non-deliverable forward (NDF)</b></p> <p>means a forward that, by its terms, is cash- settled between its counterparties, where the settlement amount is determined by the difference in the exchange rate of two currencies as between the trade date and the valuation date. On the settlement date, one party will owe the other party the net difference between (i) the exchange rate set at the trade date; and (ii) the exchange rate on the valuation date, based upon the notional amount, with such net amount payable in the settlement currency stipulated in the contract.</p> <p>RTS2#3 = DERV        RTS2#4 = CURR        RTS2#5 = FORW        RTS2#26 = NDLV</p>	<p>a non-deliverable FX forward sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> 'RTS23#13 and RTS23#47— underlying currency pair defined as combination of the two currencies underlying the derivative contract</p> <p><b>Segmentation criterion 2</b> 'RTS2#8— time to maturity bucket of the forward defined as follows:</p> <p><b>Maturity bucket 1:</b> <math>0 &lt; \text{time to maturity} \leq 1 \text{ week}</math></p> <p><b>Maturity bucket 2:</b> <math>1 \text{ week} &lt; \text{time to maturity} \leq 3 \text{ months}</math></p> <p><b>Maturity bucket 3:</b> <math>3 \text{ months} &lt; \text{time to maturity} \leq 1 \text{ year}</math></p> <p><b>Maturity bucket 4:</b> <math>1 \text{ year} &lt; \text{time to maturity} \leq 2 \text{ years}</math></p> <p><b>Maturity bucket 5:</b> <math>2 \text{ years} &lt; \text{time to maturity} \leq 3 \text{ years}</math></p> <p>...</p> <p><b>Maturity bucket m:</b> <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n \text{ years}</math></p>	<p>Non-deliverable forward (NDF) are considered not to have a liquid market</p>
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<p><b>Deliverable forward (DF)</b>          means a forward that solely involves the exchange of two different currencies on a specific future contracted settlement date at a fixed rate agreed upon on the inception of the contract covering the exchange.</p> <p>RTS2#3 = DERV          RTS2#4 = CURR'          RTS2#5 = FORW          RTS2#26 = DLVB</p>	<p>a deliverable FX forward sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> 'RTS23#13 and RTS23#47— underlying currency pair defined as combination of the two currencies underlying the derivative contract</p> <p><b>Segmentation criterion 2</b> 'RTS2#8— time to maturity bucket of the forward defined as follows:</p> <p><b>Maturity bucket 1:</b> <math>0 &lt; \text{time to maturity} \leq 1 \text{ week}</math></p> <p><b>Maturity bucket 2:</b> <math>1 \text{ week} &lt; \text{time to maturity} \leq 3 \text{ months}</math></p> <p><b>Maturity bucket 3:</b> <math>3 \text{ months} &lt; \text{time to maturity} \leq 1 \text{ year}</math></p> <p><b>Maturity bucket 4:</b> <math>1 \text{ year} &lt; \text{time to maturity} \leq 2 \text{ years}</math></p> <p><b>Maturity bucket 5:</b> <math>2 \text{ years} &lt; \text{time to maturity} \leq 3 \text{ years}</math></p> <p>...</p> <p><b>Maturity bucket m:</b> <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n \text{ years}</math></p>	<p>Deliverable forward (DF) are considered not to have a liquid market</p>
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<p><b>Non-Deliverable FX options (NDO)</b></p> <p>means an option that, by its terms, is cash-settled between its counterparties, where the settlement amount is determined by the difference in the exchange rate of two currencies as between the trade date and the valuation date. On the settlement date, one party will owe the other party the net difference between (i) the exchange rate set at the trade date; and (ii) the exchange rate on the valuation date, based upon the notional amount, with such net amount payable in the settlement currency stipulated in the contract.</p> <p>RTS2#3 = DERV        RTS2#4 = CURR'        RTS2#5 = OPTN        RTS2#26 = NDLV</p>	<p>a non-deliverable FX option sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> 'RTS23#13 and RTS23#47</p> <p>— underlying currency pair defined as combination of the two currencies underlying the derivative contract</p> <p><b>Segmentation criterion 2</b> 'RTS2#8— time to maturity bucket of the option defined as follows:</p> <p><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 week</p> <p><b>Maturity bucket 2:</b> 1 week &lt; time to maturity ≤ 3 months</p> <p><b>Maturity bucket 3:</b> 3 months &lt; time to maturity ≤ 1 year</p> <p><b>Maturity bucket 4:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p><b>Maturity bucket 5:</b> 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p>	<p>Non-Deliverable FX options (NDO) are considered not to have a liquid market</p>
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<p><b>Deliverable FX options (DO)</b>          means an option that solely involves the exchange of two different currencies on a specific future contracted settlement date at a fixed rate agreed upon on the inception of the contract covering the exchange.</p> <p>'RTS2#3 = DERV          RTS2#4 = CURR          RTS2#5 = OPTN          RTS2#26 = DLVB</p>	<p>a deliverable FX option sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> "RTS23#13 and RTS23#47— underlying currency pair defined as combination of the two currencies underlying the derivative contract</p> <p><b>Segmentation criterion 2</b> RTS2#8— time to maturity bucket of the option defined as follows:</p> <p><b>Maturity bucket 1:</b> <math>0 &lt; \text{time to maturity} \leq 1 \text{ week}</math></p> <p><b>Maturity bucket 2:</b> <math>1 \text{ week} &lt; \text{time to maturity} \leq 3 \text{ months}</math></p> <p><b>Maturity bucket 3:</b> <math>3 \text{ months} &lt; \text{time to maturity} \leq 1 \text{ year}</math></p> <p><b>Maturity bucket 4:</b> <math>1 \text{ year} &lt; \text{time to maturity} \leq 2 \text{ years}</math></p> <p><b>Maturity bucket 5:</b> <math>2 \text{ years} &lt; \text{time to maturity} \leq 3 \text{ years}</math></p> <p>...</p> <p><b>Maturity bucket m:</b> <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n \text{ years}</math></p>	<p>Deliverable FX options (DO) are considered not to have a liquid market</p>
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<p><b>Non-Deliverable FX swaps (NDS)</b>          means a swap that, by its terms, is cash-settled between its counterparties, where the settlement amount is determined by the difference in the exchange rate of two currencies as between the trade date and the valuation date. On the settlement date, one party will owe the other party the net difference between (i) the exchange rate set at the trade date; and (ii) the exchange rate on the valuation date, based upon the notional amount, with such net amount payable in the settlement currency stipulated in the contract.</p> <p>'RTS2#3 = DERV          RTS2#4 = CURR'          RTS2#5 = SWAP          RTS2#26 = NDLV</p>	<p>a non-deliverable FX swap sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> 'RTS23#13 and RTS23#47 — underlying currency pair defined as combination of the two currencies underlying the derivative contract</p> <p><b>Segmentation criterion 2</b> 'RTS2#8 — time to maturity bucket of the swap defined as follows:</p> <p><b>Maturity bucket 1:</b> <math>0 &lt; \text{time to maturity} \leq 1 \text{ week}</math></p> <p><b>Maturity bucket 2:</b> <math>1 \text{ week} &lt; \text{time to maturity} \leq 3 \text{ months}</math></p> <p><b>Maturity bucket 3:</b> <math>3 \text{ months} &lt; \text{time to maturity} \leq 1 \text{ year}</math></p> <p><b>Maturity bucket 4:</b> <math>1 \text{ year} &lt; \text{time to maturity} \leq 2 \text{ years}</math></p> <p><b>Maturity bucket 5:</b> <math>2 \text{ years} &lt; \text{time to maturity} \leq 3 \text{ years}</math></p> <p>...</p> <p><b>Maturity bucket m:</b> <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n \text{ years}</math></p>	<p>Non-Deliverable FX swaps (NDS) are considered not to have a liquid market</p>
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<p><b>Deliverable FX swaps (DS)</b>          means a swap that solely involves the exchange of two different currencies on a specific future contracted settlement date at a fixed rate agreed upon on the inception of the contract covering the exchange.</p> <p>'RTS2#3 = DERV          RTS2#4 = CURR          RTS2#5 = SWAP          RTS2#26 = DLVB</p>	<p>a deliverable FX swap sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> 'RTS23#13 and RTS23#47 — underlying currency pair defined as combination of the two currencies underlying the derivative contract</p> <p><b>Segmentation criterion 2</b> 'RTS2#8 — time to maturity bucket of the swap defined as follows:</p> <p><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 week</p> <p><b>Maturity bucket 2:</b> 1 week &lt; time to maturity ≤ 3 months</p> <p><b>Maturity bucket 3:</b> 3 months &lt; time to maturity ≤ 1 year</p> <p><b>Maturity bucket 4:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p><b>Maturity bucket 5:</b> 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p>	<p>Deliverable FX swaps (DS) are considered not to have a liquid market</p>
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<p><b>FX futures</b></p> <p>'RTS2#3 = DERV RTS2#4 = CURR' 'RTS2#5 = FUTR</p>	<p>an FX future sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> 'RTS23#13 and RTS23#47 — underlying currency pair defined as combination of the two currencies underlying the derivative contract</p> <p><b>Segmentation criterion 2</b> 'RTS2#8 — time to maturity bucket of the future defined as follows:</p> <p><b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 week</p> <p><b>Maturity bucket 2:</b> 1 week &lt; time to maturity ≤ 3 months</p> <p><b>Maturity bucket 3:</b> 3 months &lt; time to maturity ≤ 1 year</p> <p><b>Maturity bucket 4:</b> 1 year &lt; time to maturity ≤ 2 years</p> <p><b>Maturity bucket 5:</b> 2 years &lt; time to maturity ≤ 3 years</p> <p>...</p> <p><b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p>	<p>FX futures are considered not to have a liquid market</p>
Asset class — Foreign Exchange Derivatives		
Sub-asset class	<p><b>For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall be applied</b></p>	
<p><b>Other Foreign Exchange Derivatives</b></p> <p>an FX derivative that does not belong to any of the above sub-asset classes</p> <p>'RTS2#3 = DERV RTS2#4 = CURR 'RTS2#5 = OTHR</p>	<p>any other FX derivative is considered not to have a liquid market</p>	

Table 8.2

**Foreign exchange derivatives – pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined not to have a liquid market**

<b>Asset class - Foreign Exchange Derivatives</b>			
<b>Sub-asset class</b>	<b>Pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined not to have a liquid market</b>		
	<b>LIS pre-trade</b>	<b>SSTI post-trade</b>	<b>LIS post-trade</b>
	<b>Threshold value</b>	<b>Threshold value</b>	<b>Threshold value</b>
<b>Non-deliverable forward (NDF)</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000
<b>Deliverable forward (DF)</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000
<b>Non-Deliverable FX options (NDO)</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000
<b>Deliverable FX options (DO)</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000
<b>Non-Deliverable FX swaps (NDS)</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000

<b>Deliverable FX swaps (DS)</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000
<b>FX futures</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000
<b>Other Foreign Exchange Derivatives</b>	EUR 5,000,000	EUR 20,000,000	EUR 25,000,000

## 9 Credit derivatives

Table 9.1

## Credit derivatives — classes not having a liquid market

Asset class — Credit Derivatives						
	Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	<p>Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds of the quantitative liquidity criteria. For sub-classes determined to have a liquid market the additional qualitative liquidity criterion, where applicable, shall be applied</p> <table border="1"> <thead> <tr> <th data-bbox="1491 762 1621 1054">Average daily notional amount (ADNA) [quantitative liquidity criterion 1]</th> <th data-bbox="1621 762 1715 1054">Average daily number of trades [quantitative liquidity criterion 2]</th> <th data-bbox="1715 762 1957 1054">On-the-run status of the index [Additional qualitative liquidity criterion]</th> </tr> </thead> </table>	Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]	On-the-run status of the index [Additional qualitative liquidity criterion]
Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]	On-the-run status of the index [Additional qualitative liquidity criterion]				

<p><b>Index credit default swap (CDS)</b> a swap whose exchange of cash flows is linked to the creditworthiness of several issuers of financial instruments composing an index and the occurrence of credit events</p> <p>RTS2#3 = DERV</p> <p>RTS2#4 = CRDT</p>	<p>an index credit default swap sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> RTS2#34 — underlying index</p> <p><b>Segmentation criterion 2</b> RTS2#42 — notional currency defined as the currency in which the notional amount of the derivative is denominated</p> <p><b>Segmentation criterion 3</b> RTS2#8— time maturity bucket of the CDS defined as follows:  <b>Maturity bucket 1:</b> 0 &lt; time to maturity ≤ 1 year  <b>Maturity bucket 2:</b> 1 year &lt; time to maturity ≤ 2 years  <b>Maturity bucket 3:</b> 2 years &lt; time to maturity ≤ 3 years          ...  <b>Maturity bucket m:</b> (n-1) years &lt; time to maturity ≤ n years</p>	<p>EUR 200 000 000</p>	<p>10</p>	<p>The underlying index is considered to have a liquid market:</p> <ol style="list-style-type: none"> <li>(1) during the whole period of its 'on-the-run status'</li> <li>(2) for the first 30 working days of its '1x off-the-run status'</li> </ol> <p>'on-the-run' index means the rolling most recent version (series) of the index created on the date on which the composition of the index is effective and ending one day prior to the date on which the composition of the next version (series) of the index is effective. '1x off-the-run status' means the version (series) of the index which is immediately prior to the current 'on-the-run' version (series) at a certain point in time. A version (series) ceases being 'on-the-run' and acquires its '1x off-the-run' status when the latest version (series) of the index is created.</p>
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<p><b>Single name credit de fault swap (CDS)</b> a swap whose exchange of cash flows is linked to the creditworthiness of one issuer of financial instruments and the occurrence of credit events</p> <p>RTS2#3 = DERV RTS2#4 = CRDT</p>	<p>a single name credit default swap sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> 'RTS2#41 — underlying reference entity</p> <p><b>Segmentation criterion 2</b> 'RTS2#39 — underlying reference entity type defined as follows: 'Issuer of sovereign and public type' means an issuer entity which is either:</p> <ul style="list-style-type: none"> <li>(a) the Union;</li> <li>(b) a Member State including a government department, an agency or a special purpose vehicle of a Member State;</li> <li>(c) a sovereign entity which is not listed under points (a) and (b);</li> <li>(d) in the case of a federal Member State, a member of that federation;</li> <li>(e) a special purpose vehicle for several Member States;</li> <li>(f) an international financial institution established by two or more Member States which have the purpose of mobilising funding and providing financial assistance to the benefit of its members that are experiencing or are threatened by severe financial problems;</li> <li>(g) the European Investment Bank;</li> <li>(h) a public entity which is not a sovereign issuer as specified in the points (a) to (c).</li> </ul> <p>'Issuer of corporate type' means an issuer entity which is not an issuer of sovereign and public type</p>	<p>EUR 10 000 000</p>	<p>10</p>	
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	<p><b>Segmentation criterion 3</b> RTS2#42        — notional currency defined as the currency in which the notional amount of the derivative is denominated</p> <p><b>Segmentation criterion 4</b> RTS2#8        — time maturity bucket of the CDS defined as follows:  <b>Maturity bucket 1:</b> <math>0 &lt; \text{time to maturity} \leq 1 \text{ year}</math>  <b>Maturity bucket 2:</b> <math>1 \text{ year} &lt; \text{time to maturity} \leq 2 \text{ years}</math>  <b>Maturity bucket 3:</b> <math>2 \text{ years} &lt; \text{time to maturity} \leq 3 \text{ years}</math>        ...<b>Maturity bucket m:</b> <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n \text{ years}</math></p>			
Sub-asset class	<p><b>For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below</b></p>	<p><b>Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet the following qualitative liquidity criterion</b></p>		
<p><b>CDS index options</b> an option whose underlying is a CDS index</p> <p>RTS2#3 = DERV          RTS2#4 = CRDT</p>	<p>a CDS index option sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> RTS23#26        — CDS index sub-class as specified for the sub-asset class of index credit default swap (CDS)</p> <p><b>Segmentation criterion 2</b> RTS2#8 — time maturity bucket of the option defined as follows:  <b>Maturity bucket 1:</b> <math>0 &lt; \text{time to maturity} \leq 6 \text{ months}</math>  <b>Maturity bucket 2:</b> <math>6 \text{ months} &lt; \text{time to maturity} \leq 1 \text{ year}</math>  <b>Maturity bucket 3:</b> <math>1 \text{ year} &lt; \text{time to maturity} \leq 2 \text{ years}</math>  <b>Maturity bucket 4:</b> <math>2 \text{ years} &lt; \text{time to maturity} \leq 3 \text{ years}</math>        ...  <b>Maturity bucket m:</b> <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n \text{ years}</math></p>	<p>a CDS index option whose underlying CDS index is a sub-class determined to have a liquid market and whose time to maturity bucket is 0-6 months is considered to have a liquid market</p> <p>a CDS index option whose underlying CDS index is a sub-class determined to have a liquid market and whose time to maturity bucket is not 0-6 months is not considered to have a liquid market</p> <p>a CDS index option whose underlying CDS index is a sub-class determined not to have a liquid market is not considered to have a liquid market for any given time to maturity bucket</p>		

<p><b>Single name CDS options</b> an option whose underlying is a single name CDS</p> <p>RTS2#3 = DERV</p> <p>RTS2#4 = CRDT</p>	<p>a single name CDS option sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1</b> RTS23#26 — single name CDS sub-class as specified for the sub-asset class of single name CDS</p> <p><b>Segmentation criterion 2</b> RTS2#8— time maturity bucket of the option defined as follows:</p> <p><b>Maturity bucket 1:</b> <math>0 &lt; \text{time to maturity} \leq 6 \text{ months}</math></p> <p><b>Maturity bucket 2:</b> <math>6 \text{ months} &lt; \text{time to maturity} \leq 1 \text{ year}</math></p> <p><b>Maturity bucket 3:</b> <math>1 \text{ year} &lt; \text{time to maturity} \leq 2 \text{ years}</math></p> <p><b>Maturity bucket 4:</b> <math>2 \text{ years} &lt; \text{time to maturity} \leq 3 \text{ years}</math></p> <p>...</p> <p><b>Maturity bucket m:</b> <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n \text{ years}</math></p>	<p>a single name CDS option whose underlying single name CDS is a sub-class determined to have a liquid market and whose time to maturity bucket is 0-6 months is considered to have a liquid market</p> <p>a single name CDS option whose underlying single name CDS is a sub-class determined to have a liquid market and whose time to maturity bucket is not 0-6 months is not considered to have a liquid market</p> <p>a single name CDS option whose underlying single name CDS is a sub-class determined not to have a liquid market is not considered to have a liquid market for any given time to maturity bucket</p>
Asset class — Credit Derivatives		
Sub-asset class	<b>For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall apply</b>	
<p><b>Other credit derivatives</b> a credit derivative that does not belong to any of the above sub-asset classes</p> <p>RTS2#3 = DERV</p> <p>RTS2#4 = CRDT RTS2#5 = OTHR</p>	<p>any other credit derivatives is considered not to have a liquid market</p>	

Table 9.2

**Credit Derivatives – pre- and post-trade SSTI and LIS thresholds for sub-classes determined to have a liquid market**

Asset class - Credit Derivatives									
Sub-asset class	Percentiles and threshold floors to be applied for the calculation of the pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined to have a liquid market								
	Transactions to be considered for the calculations of the thresholds	LIS pre-trade		SSTI post-trade			LIS post-trade		
		Trade - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor
<b>Index credit default swap (CDS )</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 7,500,000	90	70	EUR 10,000,000
<b>Single name credit default swap (CDS )</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 7,500,000	90	70	EUR 10,000,000
<b>CDS index options</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class	70	EUR 5,000,000	80	60	EUR 7,500,000	90	70	EUR 10,000,000

	considering the transactions executed on financial instruments belonging to the sub-class								
<b>Single name CDS options</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 5,000,000	80	60	EUR 7,500,000	90	70	EUR 10,000,000

Table 9.3

**Credit derivatives — pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined not to have a liquid market**

Asset class - Credit Derivatives			
Sub-asset class	Pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined not to have a liquid market		
	LIS pre-trade	SSTI post-trade	LIS post-trade
	Threshold value	Threshold value	Threshold value
<b>Index credit default swap (CDS )</b>	EUR 5,000,000	EUR 7,500,000	EUR 10,000,000

<b>Single name credit default swap (CDS )</b>	EUR 5,000,000	EUR 7,500,000	EUR 10,000,000
<b>CDS index options</b>	EUR 5,000,000	EUR 7,500,000	EUR 10,000,000
<b>Single name CDS options</b>	EUR 5,000,000	EUR 7,500,000	EUR 10,000,000
<b>Other credit derivatives</b>	EUR 5,000,000	EUR 7,500,000	EUR 10,000,000

**10 C10 derivatives**
*Table 10.1*
**C10 derivatives – classes not having a liquid market**

Asset class — C10 Derivatives			
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds of the quantitative liquidity criteria	
		Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]

<p><b>Freight derivatives</b></p> <p>a financial instrument relating to freight rates as defined in Section C(10) of Annex I of Directive 2014/65/EU</p> <p>RTS2#3 = 'DERV' and RTS2#4 = 'COMM' and RTS23#35 = 'FRGT'</p>	<p>a freight derivative sub-class is defined by the following segmentation criteria:</p> <p><b>Segmentation criterion 1 (RTS2#5)</b> — contract type: futures or options</p> <p><b>Segmentation criterion 2 (RTS23#36)</b> — freight type</p> <p><b>Segmentation criterion 3 (RTS2#37)</b> — freight sub-type</p> <p><b>Segmentation criterion 4 (RTS2#12)</b> — specification of the size related to the freight sub-type</p> <p><b>Segmentation criterion 5 (RTS2#13)</b> — specific route or time charter average</p> <p><b>Segmentation criterion 6 (RTS2#8)</b> — time maturity bucket of the derivative defined as follows:</p> <p><b>Maturity bucket 1:</b> <math>0 &lt; \text{time to maturity} \leq 1 \text{ month}</math></p> <p><b>Maturity bucket 2:</b> <math>1 \text{ month} &lt; \text{time to maturity} \leq 3 \text{ months}</math></p> <p><b>Maturity bucket 3:</b> <math>3 \text{ months} &lt; \text{time to maturity} \leq 6 \text{ months}</math></p> <p><b>Maturity bucket 4:</b> <math>6 \text{ months} &lt; \text{time to maturity} \leq 9 \text{ months}</math></p> <p><b>Maturity bucket 5:</b> <math>9 \text{ months} &lt; \text{time to maturity} \leq 1 \text{ year}</math></p> <p><b>Maturity bucket 6:</b> <math>1 \text{ year} &lt; \text{time to maturity} \leq 2 \text{ years}</math></p> <p><b>Maturity bucket 7:</b> <math>2 \text{ years} &lt; \text{time to maturity} \leq 3 \text{ years}</math></p> <p>...</p> <p><b>Maturity bucket m:</b> <math>(n-1) \text{ years} &lt; \text{time to maturity} \leq n \text{ years}</math></p>	<p>EUR 10 000 000</p>	<p>10</p>
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Asset class — C10 Derivatives	
Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall be applied
<p><b>Other C10 derivatives</b></p> <p>a financial instrument as defined in Section C(10) of Annex I of Directive 2014/65/EU which is not a 'Freight derivative', any of the following interest rate derivatives sub-asset classes: 'Inflation multi-currency swap or cross-currency swap', a 'Future/forward on inflation multi-currency swaps or cross-currency swaps', an 'Inflation single currency swap', a 'Future/forward on inflation single currency swap' and any of the following equity derivatives sub-asset classes: a 'Volatility index option', a 'Volatility index future/forward', a swap with parameter return variance, a swap with parameter return volatility, a portfolio swap with parameter return variance, a portfolio swap with parameter return volatility</p>	<p>any other C10 derivatives is considered not to have a liquid market</p>

Table 10.2

**C10 derivatives - pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined to have a liquid market**

Asset class - C10 Derivatives									
Sub-asset class	Percentiles and threshold floors to be applied for the calculation of the pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined to have a liquid market								
	Transactions to be considered for the calculations of the thresholds	LIS pre-trade		SSTI post-trade			LIS post-trade		
		Trade - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor
<b>Freight derivatives</b>	calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class	70	EUR 50,000	80	60	EUR 75,000	90	70	EUR 100,000

Table 10.3

**C10 derivatives - pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined to have a liquid market**

Asset class - C10 Derivatives			
Sub-asset class	Pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined not to have a liquid market		
	LIS pre-trade	SSTI post-trade	LIS post-trade
	Threshold value	Threshold value	Threshold value
Freight derivatives	EUR 50,000	EUR 75,000	EUR 100,000
Other C10 derivatives	EUR 50,000	EUR 75,000	EUR 100,000

## 11 Financial contracts for difference (CFDs)

Table 11.1

**CFDs – classes not having a liquid market**

Sub-asset class	For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b), each sub-asset class shall be further segmented into sub-classes as defined below	Qualitative liquidity criterion	Average daily notional amount (ADNA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
<b>Currency CFDs</b>  RTS2#3 = DERV RTS2#5 = CFDS RTS2#29 = CURR	a currency CFD sub-class is defined by the underlying currency pair defined as combination of the two currencies underlying the CFD/spread betting contract.  RTS2#30 and RTS2#31		EUR 50 000 000	100
<b>Commodity CFDs</b>  RTS2#3 = DERV RTS2#5 = CFDS RTS2#29 = COMM	a commodity CFD sub-class is defined by the underlying commodity of the CFD/spread betting contract  RTS23#35 and RTS23#36 and RTS23#37		EUR 50 000 000	100

<b>Equity CFDs</b>  RTS2#3 = DERV RTS2#5 = CFDS RTS2#29 = EQUI	an equity CFD sub-class is defined by the underlying equity security of the CFD/spread betting contract RTS23#26	an equity CFD sub-class is considered to have a liquid market if the underlying is an equity security for which there is a liquid market as determined in accordance with Article 2(1)(17)(b) of Regulation (EU) No 600/2014		
<b>Bond CFDs</b>  RTS2#3 = DERV RTS2#5 = CFDS RTS2#29 = BOND	a bond CFD sub-class is defined by the underlying bond or bond future of the CFD/spread betting contract RTS23#26	a bond CFD sub-class is considered to have a liquid market if the underlying is a bond or bond future for which there is a liquid market as determined in accordance with Articles 6 and 8(1)(b).		
<b>CFDs on an equity future/forward</b>  RTS2#3 = DERV RTS2#5 = CFDS RTS2#29 = FTEQ	a CFD on an equity future/forward sub-class is defined by the underlying future/forward on an equity of the CFD/spread betting contract RTS23#26	a CFD on an equity future/forward sub-class is considered to have a liquid market if the underlying is an equity future/forward for which there is a liquid market as determined in accordance with Articles 6 and 8(1)(b).		
<b>CFDs on an equity option</b>  RTS2#3 = DERV RTS2#5 = CFDS RTS2#29 = OPEQ	a CFD on an equity option sub-class is defined by the underlying option on an equity of the CFD/spread betting contract RTS23#26	a CFD on an equity option sub-class is considered to have a liquid market if the underlying is an equity option for which there is a liquid market as determined in accordance with Articles 6 and 8(1)(b).		

**Asset class – Financial contracts for differences (CFDs)**

<b>Sub-asset class</b>	<p align="center"><b>For the purpose of the determination of the classes of financial instruments considered not to have a liquid market as per Articles 6 and 8(1)(b) the following methodology shall be applied</b></p>
<b>Other CFDs</b>	

a CFD/spread betting that does not belong to any of the above sub-asset classes  RTS2#3 = DERV RTS2#5 = CFDS RTS2#29 = OTHR	any other CFD/spread betting is considered not to have a liquid market
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Table 11.2

**CFDs – pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined to have a liquid market**

Asset class - Financial contracts for differences (CFDs)									
Sub-asset class	Percentiles and threshold floors to be applied for the calculation of the pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined to have a liquid market								
	Transactions to be considered for the calculations of the thresholds	LIS pre-trade		SSTI post-trade			LIS post-trade		
		Trade - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor	Trade - percentile	Volume - percentile	Threshold floor
<b>Currency CFDs</b>	transactions executed on currency CFDs considered to have a liquid market as per Articles 6 and 8(1)(b)	70	EUR 60,000	80	60	EUR 90,000	90	70	EUR 100,000
<b>Commodity CFDs</b>	transactions executed on commodity CFDs considered to have a liquid market as per Articles 6 and 8(1)(b)	70	EUR 60,000	80	60	EUR 90,000	90	70	EUR 100,000

<b>Equity CFDs</b>	transactions executed on equity CFDs considered to have a liquid market as per Articles 6 and 8(1)(b)	70	EUR 60,000	80	60	EUR 90,000	90	70	EUR 100,000
<b>Bond CFDs</b>	transactions executed on equity CFDs considered to have a liquid market as per Articles 6 and 8(1)(b)	70	EUR 60,000	80	60	EUR 90,000	90	70	EUR 100,000
<b>CFDs on an equity future/forward</b>	transactions executed on CFDs on future on an equity considered to have a liquid market as per Articles 6 and 8(1)(b)	70	EUR 60,000	80	60	EUR 90,000	90	70	EUR 100,000
<b>CFDs on an equity option</b>	transactions executed on CFDs on option on an equity considered to have a liquid market as per Articles 6 and 8(1)(b)	70	EUR 60,000	80	60	EUR 90,000	90	70	EUR 100,000

Table 11.3

**CFDs – pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined not to have a liquid market**

Asset class - Financial contracts for differences (CFDs)			
Sub-asset class	Pre-trade and post-trade SSTI and LIS thresholds for the sub-classes determined not to have a liquid market		
	LIS pre-trade	SSTI post-trade	LIS post-trade

	Threshold value	Threshold value	Threshold value
<b>Currency CFDs</b>	EUR 60,000	EUR 90,000	EUR 100,000
<b>Commodity CFDs</b>	EUR 60,000	EUR 90,000	EUR 100,000
<b>Equity CFDs</b>	EUR 60,000	EUR 90,000	EUR 100,000
<b>Bond CFDs</b>	EUR 60,000	EUR 90,000	EUR 100,000
<b>CFDs on an equity future/forward</b>	EUR 60,000	EUR 90,000	EUR 100,000
<b>CFDs on an equity option</b>	EUR 60,000	EUR 90,000	EUR 100,000
<b>Other CFDs/ spread betting</b>	EUR 60,000	EUR 90,000	EUR 100,000



**12 Emission allowances**

Table 12.1

**Emission allowances — classes not having a liquid market**

Asset class — Emission allowances	
Each sub-class shall be determined not to have a liquid market as per Articles 6a and 8(1)(b) if it does not meet one or all of the following thresholds of the quantitative liquidity criteria	
Sub-asset class	Liquidity determination
European Union Allowances (EUA) any unit recognised for compliance with the requirements of Directive 2003/87/ EC of the European Parliament and of the Council <sup>55</sup> (Emissions Trading Scheme) which represents the right to emit the equivalent to 1 tonne of carbon dioxide equivalent (tCO <sub>2</sub> e)  RTS23#3a = EMAL and RTS23#37 = EUAE	European Union Allowances (EUA) are considered to have a liquid market
Any other emission allowances  RTS23#3a = EMAL and RTS23#37 <> EUAE	Any other emission allowances are considered not to have a liquid market

<sup>55</sup> Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (JO L 275, 25.10.2003, p. 32).

Table 12.2

**Emission allowances — pre-trade LIS threshold and post-trade size threshold**

<b>Asset class — Emission allowances</b>		
<b>Sub-asset class</b>	<b>Pre-trade LIS</b>	<b>Post-trade size threshold</b>
European Union Allowances (EUA)	5 lots	25 lots
Any other emission allowances	Any size	Any size

**13 Emission allowance derivatives**

Table 13.1

**Emission allowance derivatives — classes not having a liquid market**

Sub-asset class	Asset class — Emission Allowance Derivatives	
	Each sub-class shall be determined not to have a liquid market as per Articles 6 and 8(1)(b) if it does not meet one or all of the following thresholds of the quantitative liquidity criteria	
	Average Daily Amount (ADA) [quantitative liquidity criterion 1]	Average daily number of trades [quantitative liquidity criterion 2]
<b>Emission allowance derivatives whose underlying is of the type European Union Allowances (EUA)</b> a financial instrument relating to emission allowances of the type European Union Allowances (EUA) as defined in Section C(4) of Annex I of Directive 2014/65/EU RTS2#3 = DERV and RTS2#4 = EMAL and RTS2#43 = EUAE	150 000 tons of Carbon Dioxide Equivalent	5
<b>Emission allowance derivatives whose underlying is of the type European Union Aviation Allowances (EUAA)</b> a financial instrument relating to emission allowances of the type European Union Aviation Allowances (EUAA) as defined in Section C(4) of Annex I of Directive 2014/65/EU RTS2#3 = DERV and RTS2#4 = EMAL and RTS2#43 = EUAA	150 000 tons of Carbon Dioxide Equivalent	5

<p><b>Emission allowance derivatives whose underlying is of the type Certified Emission Reductions (CER)</b></p> <p>a financial instrument relating to emission allowances of the type Certified Emission Reductions (CER) as defined in Section C(4) of Annex I of Directive 2014/65/EU</p> <p>RTS2#3 = DERV and RTS2#4 = EMAL and RTS2#43 = CERE</p>	<p>150 000 tons of Carbon Dioxide Equivalent</p>	<p>5</p>
<p><b>Emission allowance derivatives whose underlying is of the type Emission Reduction Units (ERU)</b></p> <p>a financial instrument relating to emission allowances of the type Emission Reduction Units (ERU) as defined in Section C(4) of Annex I of Directive 2014/65/EU</p> <p>RTS2#3 = DERV and RTS2#4 = EMAL and RTS2#43 = ERUE</p>	<p>150 000 tons of Carbon Dioxide Equivalent</p>	<p>5</p>
<p><b>Other Emission allowance derivatives</b></p> <p>an emission allowance derivative whose underlying is an emission allowances recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme) and is not a European Union Allowances (EUA), a European Union Aviation Allowances (EUAA), a Certified Emission Reductions (CER) and an Emission Reduction Units (ERU)</p> <p>RTS2#3 = DERV and RTS2#4 = EMAL and RTS2#43 = OTHR</p>	<p>any other emission allowance derivative is considered not to have a liquid market</p>	

Table 13.2

**Emission allowance derivatives – pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined to have a liquid market**

Asset class - Emission Allowance Derivatives							
Sub-asset class	Transactions to be considered for the calculation of the thresholds	Percentiles and threshold floors to be applied for the calculation of the pre-trade and post-trade SSTI and LIS thresholds for the sub-asset classes determined to have a liquid market					
		LIS pre-trade		SSTI post-trade		LIS post-trade	
		Trade - percentile	Threshold floor	Trade - percentile	Threshold floor	Trade - percentile	Threshold floor
<b>Emission allowance derivatives whose underlying is of the type European Union Allowances (EUA)</b>	transactions executed on all emission allowance derivatives whose underlying is of the type European Union Allowances (EUA)	70	50,000 tons of Carbon Dioxide	80	90,000 tons of Carbon Dioxide	90	100,000 tons of Carbon Dioxide
<b>Emission allowance derivatives whose underlying is of the type European Union Aviation Allowances (EUAA)</b>	transactions executed on all emission allowance derivatives whose underlying is of the type European Union Aviation Allowances (EUAA)	70	25,000 tons of Carbon Dioxide	80	40,000 tons of Carbon Dioxide	90	50,000 tons of Carbon Dioxide
<b>Emission allowance derivatives whose underlying is of the type</b>	transactions executed on all emission allowance derivatives whose underlying is of the type	70	25,000 tons of Carbon Dioxide	80	40,000 tons of Carbon Dioxide	90	50,000 tons of Carbon Dioxide

Certified Emission Reductions (CER)	Certified Emission Reductions (CER)						
Emission allowance derivatives whose underlying is of the type Emission Reduction Units (ERU)	transactions executed on all emission allowance derivatives whose underlying is of the type Emission Reduction Units (ERU)	70	25,000 tons of Carbon Dioxide	80	40,000 tons of Carbon Dioxide	90	50,000 tons of Carbon Dioxide

Table 13.3

**Emission allowance derivatives – pre-trade and post-trade SSTI and LIS thresholds for sub-classes determined not to have a liquid market**

Asset class - Emission Allowance Derivatives			
Sub-asset class	Pre-trade and post-trade SSTI and LIS thresholds for the sub-asset classes determined not to have a liquid market		
	LIS pre-trade	SSTI post-trade	LIS post-trade
	Threshold value	Threshold value	Threshold value
Emission allowance derivatives whose underlying is of the type European Union Allowances (EUA)	50,000 tons of Carbon Dioxide	90,000 tons of Carbon Dioxide	100,000 tons of Carbon Dioxide

<b>Emission allowance derivatives whose underlying is of the type European Union Aviation Allowances (EUAA)</b>	25,000 tons of Carbon Dioxide	40,000 tons of Carbon Dioxide	50,000 tons of Carbon Dioxide
<b>Emission allowance derivatives whose underlying is of the type Certified Emission Reductions (CER)</b>	25,000 tons of Carbon Dioxide	40,000 tons of Carbon Dioxide	50,000 tons of Carbon Dioxide
<b>Emission allowance derivatives whose underlying is of the type Emission Reduction Units (ERU)</b>	25,000 tons of Carbon Dioxide	40,000 tons of Carbon Dioxide	50,000 tons of Carbon Dioxide
<b>Other Emission allowance derivatives</b>	25,000 tons of Carbon Dioxide	40,000 tons of Carbon Dioxide	50,000 tons of Carbon Dioxide

## 15.4 Annex IV – Regulatory Technical Standards on RCB

### COMMISSION DELEGATED REGULATION (EU) 2024/XXXX

of XXXX 2024

#### **supplementing Regulation (EU) 600/2014 of the European Parliament and of the Council on market in financial instruments with regard to regulatory technical standards on the obligations on market data**

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) 2024/791, and in particular Article 13(5) thereof,

Whereas:

- (1) This delegated Regulation further specifies the requirements laid down by Article 13 of Regulation (EU) No 600/2014 for market operators and investment firms operating a trading venue, APAs, CTPs and systematic internalisers to make the pre-trade and post-trade information on transactions in financial instruments available to the public on a reasonable commercial basis ('RCB'), including unbiased and fair contractual terms, and to ensure non-discriminatory access to that information.
- (2) In order to ensure that market data is provided on an RCB, with unbiased and fair contractual terms and in a uniform manner in the Union, this Regulation specifies the conditions that market operators and investment firms operating a trading venue, APAs, CTPs and systematic internalisers must fulfil. These conditions are based on the objective to ensure that the obligation to provide market data on an RCB is sufficiently clear to allow for an effective and uniform application whilst taking into account different operating models and costs structures of market operators and investment firms operating a trading venue, APAs, CTPs and systematic internalisers. The information provided by trading venues, APAs, CTPS and systematic internalisers should enable clients to understand market data policies and how the level of fees for market data is set.
- (3) The costs attributable to market data should be calculated by considering costs categories which are directly associated with the production and dissemination of market data. Such categories should include costs related to the infrastructure which is used for the purpose of



producing and disseminating market data, the physical assets and software which are used for the purpose of enabling the connectivity necessary for the production and dissemination of market data, the cost of human resources, financial costs and other costs including administrative costs dedicated to producing and disseminating market data. Costs pertaining to market data production and dissemination should be allocated, on the basis of the nature of each cost factor, exclusively to one cost category to ensure no double counting of cost factors takes place. Audit costs should not be included in the allocation of costs of production and dissemination of market data as those costs should not be part of fees for market data.

- (4) Market data providers, in particular trading venues, often offer a variety of services beyond the provision of market data. Those entities hence incur diverse costs which include broad categories such as technology and infrastructure, software development, sales and marketing, analytics, quantitative research, operations or compliance. To establish fees for market data on an RCB, it is important to differentiate, for instance, the costs which are attributable to the primary business of trading venues in terms of bringing together buyers and sellers from the costs directly attributable to the production and dissemination of market data.
- (5) In some instances, physical assets, software, human resources and administrative services might be partly deployed to the production of other services not directly related to the production and dissemination of market data. In this respect, it is necessary to appropriately apportion the costs attributable to shared resources on the basis of a clear methodology, specifying how much each resource contributes towards the production and dissemination of market data. Financial costs stemming from shared resources should be also apportioned on the basis of the allocation of such resources to the production and dissemination of market data.
- (6) The margin included in the fees for market data should be set to strike a balance between the need to ensure the production and dissemination of market data remains commercially viable for market participants and the need to ensure as wide as possible access to market data.
- (7) The margin included in the fees for market data should be the net profit achieved by the market data provider after subtracting from its income all the expenses related to the production and dissemination of market data. Such expenses should include operational costs such as infrastructure, assets used for the purpose of connectivity, personnel dedicated to the production and dissemination of market data and financial expenses. The margin should be expressed as a percentage of costs.
- (8) The margin should not be disproportionate when compared to the cost sustained in the production and dissemination of market data. The margin should be aligned to margins applicable to the overall business that the market data provider undertakes.
- (9) To ensure equal access and non-discrimination among clients, market data providers should have scalable capacities to grant timely access to market data to all clients. In addition, they should ensure that technical arrangements, including latency and connectivity, neither discriminate nor create an unfair advantage.
- (10) In the past years, the possibility to apply differentials in fees proportionate to the value which the market data represent to the user led to the creation of multiple customer categories which were applied simultaneously with consequent duplication of fees. To

ensure market data is provided on an RCB, market data providers may set up categories of users based on factual elements. For instance, market data providers could create a separate category for data redistributors. The fees applied to users in such categories should be set on the basis of the costs sustained to provide data to users and a reasonable margin, expressed as a percentage of costs, which should be homogenous amongst users belonging to the same category. Categorisation should not be based on the value that the market data represents to individual users.

- (11) In the last years, a series of issues have been identified in relation to terms and conditions inserted in market data agreements to the disadvantage of clients. Some of these issues concern the practice of market data providers to impose onerous administrative obligations on market data clients, for example through frequent and detailed requests on the use of market data. Other practices detrimental for the client include the use of ambiguous language in the agreement, or its frequent amendment which force the client to deploy resources to interpret or review the agreement.
- (12) When not justified, such practices appear to be unfair as they entail an unjustified cost to access market data. Therefore, for terms and conditions to be fair and unbiased, such type of practices should be excluded.
- (13) To enhance transparency, market data providers should ensure that terms and conditions for the provision of market data are specified in a clear and concise manner. This entails terms and conditions to be understandable by clients autonomously without referring to other documents with no clear link.
- (14) To allow the client sufficient time to understand a change made to the market data agreement and compare and reflect on other offers available on the market, market data providers should notify the client of any unilateral amendments two months in advance. To avoid unilateral amendments that result in an increase of fees without the client's consent, the agreement should provide the client with the right to terminate when unilateral changes occur without incurring any penalties.
- (15) To enhance transparency and avoid hidden costs, clauses which result in a direct, or indirect raise of fees, such as double application of fees for the same market data, should be prohibited. Additionally, to avoid charging data clients multiple times for the same market data when buying them from different providers and vendors, market data should be offered on a per user basis.
- (16) To allow market data clients to obtain market data without having to buy other services, market data should be offered unbundled from other services.
- (17) Terms and conditions relating to penalties and audits have been also recognized as being excessively burdensome for market data clients and contributing to the increase of cost of market data beyond the cost of production and dissemination and reasonable margin.
- (18) To avoid unjustified penalties, they should be imposed only on the basis of clear evidence of infringement of the market data agreement. Furthermore, they should not be onerous, and

their amount should generally be based on what the client would have paid in case of compliance with the market data agreement. In addition, to enable the client to make timely arrangements to avoid the repetition of infringements of the market data agreement, the market data provider should impose the penalty only within a reasonable time from the infringement occurrence.

(19) Currently, market data agreements foresee audits which are cumbersome for market data clients because of their frequency, time period covered, and burden of proof requested to the market data client. Therefore, to ensure market data agreements are fair and unbiased, it is necessary to define the scope of audits and their procedure. In particular, audits should start only on the basis of a notification detailing the facts to be audited and documents that may be requested to the party should be identified in advance. Furthermore, the audit should base its findings on facts which the audited party had the opportunity to comment on. In addition, the audit should cover a reasonable time period in consideration of the ability of the audited party to document past activities.

(20) This Regulation is based on the draft regulatory technical standards developed by ESMA and submitted to the Commission.

HAS ADOPTED THIS REGULATION:

## Chapter I

### GENERAL PROVISION

#### Article 1

##### Definitions

1. For the purposes of this Regulation, the following definitions shall apply:
  - a) “market data client” means the natural and/or legal person who signs the market data agreement with the market data provider and is invoiced for the market data fees;
  - b) ‘market data’ means the information market operators and investment firms operating a trading venue, APAs, CTPs and systematic internalisers have to make available to the public

in accordance with Articles [3, 4, 6 to 11a, 14, 20, 21, 27g and 27h] of Regulation (EU) 600/2014;

- c) “delayed market data” means market data delivered with a delay of 15 minutes after publication;
- d) “market data provider” means a market operator or an investment firm operating a trading venue, an APA, a CTP or a systematic internaliser;
- e) “total costs” means all the costs sustained by the market data provider for the production and dissemination of market data. Such expenses shall include operational costs and financial costs, including taxes, depreciation, amortization and cost of capital;
- f) “net profit” means the income earned by the market data provider, subtracting from the revenues generated by the production and dissemination of market data the total costs sustained for the production and dissemination of market data;
- g) “market data agreement” means any agreement between the market data provider and the market data client for the provision of data and reflecting the information and fees disclosed in the market data policy;
- h) “market data policy” means one or more documents from the market data provider, listing relevant information on the provision of market data, including a fee schedule for both market data fees as well as indirect services to access and utilise market data, and the main terms and conditions of the market data agreement;
- i) “per user model” means a model of charging fees for display data which enables clients to avoid multiple billing in case market data has been sourced through multiple market data providers or redistributors;

## Chapter II

### ***CALCULATION OF FEES, COST AND MARGINS OF MARKET DATA***

#### Article 2

##### Cost of producing and disseminating market data

1. The cost of producing and disseminating market data shall be calculated by market data providers and only include costs that are directly associated with the production and dissemination of market data. The calculation of costs shall include the following cost categories:

- a. infrastructure costs, attributable to physical assets and software licenses and leased services or any other infrastructure necessary for the production and dissemination of market data;
  - b. connectivity costs, attributable to any physical assets and software licenses and leased services which ensure the connectivity necessary for the production and dissemination of market data;
  - c. costs attributable to personnel dedicated to the production and dissemination of market data;
  - d. financial costs, including taxes, depreciation, amortization, and cost of capital financing market data services;
  - e. other costs, including administrative costs necessary for the production and dissemination of market data.
2. Infrastructure costs which are shared with other services not directly related to the production and dissemination of market data shall be appropriately apportioned considering the usage of the relevant infrastructure by each service.
  3. Connectivity costs which are shared with other services not directly related to the production and dissemination of market data shall be appropriately apportioned considering the usage of the relevant connectivity framework by each service.
  4. Costs attributable to human resources dedicated to the production and dissemination of market data shall be appropriately allocated considering how much of the working activity of the relevant personnel is attributed to the production and dissemination of market data.
  5. Financial costs resulting from infrastructure, connectivity and human resources which are shared with other services not directly related to the production and dissemination of market data shall be appropriately apportioned considering the usage of the relevant assets and services.
  6. Market data providers shall be able to specify any further costs which they attribute to the production and dissemination of market data and provide a reasoning for the inclusion of such costs.

### Article 3

#### Principles in setting a reasonable margin for market data

1. The margin attributable to the production and dissemination of market data shall be the net profit generated from the production and dissemination of market data.
2. The margin attributable to the production and dissemination of market data shall :
  - a. be set as a percentage of the costs of production and dissemination of market data;
  - b. not exceed disproportionately the costs of market data production and dissemination;
  - c. for market data providers who offer services other than the production and distribution of market data, be reasonable when compared to the net profit attributable to the overall business conducted by the data provider.
3. The margin attributable to the production and dissemination of market data shall be achieved by setting fees for market data which enable data access to the maximum number of market data clients.

### Chapter III

#### *NON-DISCRIMINATORY ACCESS*

#### Article 4

##### Obligation to provide market data on a non-discriminatory basis

1. Market data providers shall ensure equal access to data on a non-discriminatory basis, as regards fees, terms and conditions related to access, technical arrangements, and distribution channels.
2. Market data providers shall apply the same schedule of fees and the same terms and conditions to access market data to all clients requesting access to market data.
3. Market data providers shall have scalable capacities in place to ensure that market data clients obtain timely access to market data at all times on a non-discriminatory basis.
4. Market data providers shall offer to clients the same set of options with respect to technical arrangements and ensure that technical arrangements neither discriminate nor create any unfair advantage.

5. Market data providers shall be able to justify any divergence in the final solution arrangement adopted on the basis of valid technical constraints.

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## Article 5

### Differentials in fees

1. When applying differentials in fees, market data providers may recur to categorisation of clients provided that all of the following conditions are met:
  - (i) the criteria used to set forth categories are based on factual elements, easily verifiable and sufficiently general to be applicable to a group of clients;
  - (ii) the margin, established in accordance with Article 3, is the same for all clients within a category;
  - (iii) differences among categories are clear and the client is able to understand the category to which one belongs;
  - (iv) only one category is applicable per client.
2. Where there are multiple and significant different extra costs for the provision of the market data to the same client, market data providers may add an increment to the applicable fee determined by the extra costs incurred.
3. Discounts or any other temporary reduction of fees are allowed provided that they are based on factual elements, easily verifiable and sufficiently general to pertain to more than one client.

## Article 6

### Distribution Channels

Market data providers shall ensure that the information which has to be made public is sent through all distribution channels at the same time, including when the information is made public as close to real time as technically possible or 15 minutes after the first publication.

## Chapter IV

### ***UNBIASED AND FAIR CONTRACTUAL TERMS***

## Article 7

### Provision of pre-contractual information preliminary to the agreement

1. Before the conclusion of the market data agreement, upon request of the market data client, market data providers shall provide clients with personalised information needed to compare the market data offers available on the market, assess their implications and make an informed decision on whether to conclude the market data agreement.
2. The personalised information referred to in paragraph 1 shall include a quote on all fees related to the market data provision consistent with the fees displayed in the market data policy.

## Article 8

### Fair terms

1. Rights and obligations in the market data agreement shall be proportionate between parties, correspond to the legitimate interest of one party and shall not cause an unjustified detriment to the other.
2. Unjustified practices which result in additional costs for one of the parties, including extensive or frequent requests or provision of information not necessary for the correct execution of the contract, shall be avoided.

## Article 9

### Language

1. The market data agreement shall specify in a clear and concise manner the terms and conditions for the provision of market data to allow the client to easily understand the obligations and rights deriving from the agreement.
2. Contract definitions and terms shall be specific and in line with Article 18. Overly broad or general terms shall be avoided.

## Article 10

### Conformity with the market data policy



Market data providers shall ensure that the information in the market data agreement conform with the information provided in the published market data policy.

## Article 11

### Additional fees

Market data providers shall not add in the market data agreement any clause which results directly or indirectly in an increase of the fees for the same data. Additional fees shall only be admissible in case of infringements of the obligations and shall be clearly identified in the agreement. Terms and conditions whose application may result in additional fees shall be aggregated in the market data agreement to allow the client to understand the cumulative effects on the market data cost in case of the occurrence of the additional fee.

## Article 12

### Per user fees

1. Market data providers shall put arrangements in place to ensure that each provision of market data is charged only once.
2. To this aim, where market data has been sourced through multiple market data providers or redistributors, market data providers shall offer the possibility to charge fees only once for the same data (per user model).

## Article 13

### Obligation to keep data unbundled

Market data providers shall make market data available without being bundled with other services.

## Article 14

### Penalties

1. Market data providers shall clearly indicate in the market data agreement the infringements to which penalties are applicable.

2. The amount of penalties shall not unreasonably exceed the fees the client would have paid in case of compliance with the market data agreement.
3. A penalty payment request shall be made only within a reasonable time from the infringement occurrence and shall be based on clear evidence of the infringement occurrence.

## Article 15

### Audit

1. Audits may be requested by market data providers in case of serious indications of infringement of the market data contract to ascertain whether a breach occurred. An infringement of the market data agreement cannot be presumed but needs to be established on the basis of clear evidence (no reverse burden of proof). During an audit, information requests shall be limited to what is strictly necessary to collect evidence in respect of the alleged infringement.
2. Market data providers shall provide in the market data agreements clear and comprehensive information on audits and in particular specify:
  - (i) the infringements of the market data agreement for which an audit can be requested;
  - (ii) the document and the information the client is requested to provide in case of an audit;
  - (iii) the procedure foreseen for the audit;
  - (iv) the notice period;
  - (v) how data confidentiality would be ensured during the audit.
3. Prior to initiating an audit, the market data provider shall notify the market data client of the alleged infringement and the grounds for suspecting its occurrence.
4. The audit shall base its findings only on facts on which the audited market data client had the opportunity to comment.
5. The rights of appeal of the audit shall always be granted.

6. An audit shall cover a reasonable period of time.

## Article 16

### Market data agreement amendment

The market data provider shall give notice to the market data client of any unilateral change to the terms and conditions of the market data agreement, including terms and conditions relating to fees, at least two months in advance of the relevant amendment entering into force. Where the amendment results in a change of the fees, the market data agreement shall foresee the right of withdrawal for the client.

## Chapter V

### ***CONTENT, FORMAT AND TERMINOLOGY OF THE MARKET DATA POLICIES***

## Article 17

### Information to be included in the market data policy

1. Market data providers shall disclose all information relevant to the offering of market data in clear and unambiguous terms. Such information shall include:
  - (i) the fee schedule for market data provision;
  - (ii) the terms and conditions of the market data provision, including any indirect service necessary for accessing and using the market data;
  - (iii) the terms and conditions of the auditing practices.
2. The information on the offering of market data disclosed in the market data policy shall enable clients to understand the fees and the terms and conditions applicable to them, prior to the conclusion of a market data agreement.

## Article 18

### Key terminology of market data policies

1. In addition to the relevant terms defined in Article 1 of this Regulation, market data providers shall adopt the following terminology in their market data policy and fee schedules:
  - (i) “Unit of Count” shall indicate the unit used to measure the level of market data to be invoiced to the market data client and that is applied for fee purposes;
  - “Professional Client” shall indicate a client who uses market data to carry out a regulated financial service or regulated financial activity or to provide a service for third parties;
  - “Non-Professional Client” shall indicate a client who does not meet the definition of Professional Client;
  - “Access fee” shall indicate the fee charged to the Client to enable the connectivity to the data provider necessary to access the relevant data;
  - “Physical connection” shall indicate the physical connection through optical fiber or other technologies which shall be established between the Client and the data provider to enable reception of data by the Client;
  - “Display Data” shall indicate the market data provided or used through the support of a monitor or a screen and that is human readable;
  - “Non-Display Data” shall indicate all the market data which does not meet the definition of Display Data.
2. When other terms are used by the market data provider, a clear definition of these terms shall be provided in the market data policy or fee schedule.

## Article 19

### Accessible format of market data policies

1. Market data providers shall make the market data policy available on their websites on a free, non-discriminatory and easily accessible basis. Where the market data policy consists of more than one document, market data providers shall clearly indicate this and make all documents of the market data policy accessible via a single location on their website.
2. Market data providers shall provide on their website previous market data policies and shall ensure that the market data policies clearly indicate the date and time of publication and application.

## Article 20

### Standardised unit of count

1. Market data providers shall display the fee of display data and non-display data by number of physical connections / level and type of connectivity to establish for the provision of market data in their market data policy and in the template. Market data providers shall enable the market data clients to choose freely the number and types of connections to the market data provider according to their needs.
2. The unit of count used by a market data provider for non-display data shall be unique and based on the costs of distributing the market data, meaning two or more units of count cannot be combined to count the extent of access.

## Article 21

### Format for publication for market data policy

1. Market data providers shall publish the market data policies required by Article 13(1) of Regulation (EU) 600/2014 by using the template provided in Annex I of this Regulation. Any information that is outside the scope of the transparency obligation shall not be provided in the template.
2. Market data providers shall provide the information in a consistent manner in terms of granularity to make the disclosure meaningful for clients to compare between offers. Information shall be provided separately for pre- and post-trade data.

## Article 22

### Cost disclosure

1. Market data providers shall publish a summary of how the level of fees was set and a more detailed explanation of the cost accounting methodology used.
2. The explanation shall provide at least the list of all the cost types included in the fees of market data with examples of such costs as well as the allocation principles and allocation keys for other costs that are shared with other services.
3. Market data providers shall disclose whether they include a margin in the fees of market data and explain how it is ensured that the margins are reasonable.
4. Market data providers shall provide clients with explanatory information on costs and margins to enable clients to understand how the level of fees for market data is set and to compare the methodologies of different market data providers.

## Chapter VI

### ***DATA ACCESS, CONTENT AND FORMAT OF DELAYED MARKET DATA***

#### Article 23

##### Access to delayed market data

1. Market operators and investment firms operating a trading venue, APAs and systematic internalisers shall provide access to delayed market data to any user on a non-discriminatory basis without requiring any type of registration.

#### Article 24

##### Content of delayed market data

1. Market operators and investment firms operating a trading venue, APAs and systematic internalisers shall make available to the public the delayed market data from all the systems operated, in accordance with the following criteria:
  - (i) the delayed pre-trade market data shall contain the current best bid and offer prices available and the depth of trading interest at those prices;
  - (ii) the delayed post-trade market data shall contain all the relevant fields for the purpose of post-trade transparency, as specified in RTS 1 and 2, and no other field.

#### Article 25

##### Format of delayed market data

1. Market operators and investment firms operating a trading venue, APAs and systematic internalisers shall make available to the public the delayed market data in a format adapted to the users' needs for a sufficient period of time, as follows:
  - (i) the delayed pre-trade market data shall be made available in a machine-readable format, until a more recent quote is available, or in case of lack of such update, until midnight of the following business day;
  - (ii) the delayed post-trade market data shall be provided in a machine-readable and human-readable format and available in commonly used programs to allow clients to

automate data extraction. The data shall be available for all traded instruments (or for a category of instruments) in the same file and shall include only the delayed market data as referred to in Article 13(2) of Regulation (EU) No 600/2014. The data for each trading day shall be available in the same file. Such daily file shall be updated every minute and shall be available at least until midnight of the next working day to initiate data extraction by a client.

## Chapter VII

### ***CONTENT, FORMAT AND TERMINOLOGY OF THE INFORMATION TO BE PROVIDED TO THE COMPETENT AUTHORITIES ON THE ACTUAL COSTS OF PRODUCING AND DISSEMINATING MARKET DATA, INCLUDING A REASONABLE MARGIN***

#### Article 26

##### Information to be provided to the competent authority

1. Market data providers shall provide the competent authority, upon request, with the information on the cost of production and dissemination of market data, including a reasonable margin, as described in [Title II on cost] by means of the Form set out in Annex II.
2. The information shall specify:
  - (i) details for the purpose of identification of the market data provider and of the group of which the entity is part, where applicable;
  - (ii) details on the type of market data offered;
  - (iii) details on costs associated with the production and dissemination of market data, including a description of the key infrastructures characterizing the market data provider operations and of the components of such infrastructure which are relevant to determine the cost of market data and a specification of cost figures attributable to market data production and dissemination;
  - (iv) the reasonable margin applied to the cost of market data production and dissemination;
  - (v) how the level of fees is set;
  - (vi) where differentials in fees are applied, how costs and margin are allocated among the different categories of market data clients, if applicable;

(vii) any other information and/or supporting documents which may be deemed relevant for the competent authority when considering the actual costs of producing and disseminating market data, including a reasonable margin.

#### Article 27

#### Entry into force

This Regulation shall enter into force three months following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, xxxxx



ANNEX I

Market data Policy

Legal basis	Contents
<p>Article 17 of Delegated Regulation (EU) NoXX/XXX [RTS on RCB]</p>	<p style="text-align: center;"><b>Market data policy: year XXXX</b></p> <p><i>[Insert hyperlink to:</i></p> <ul style="list-style-type: none"> <li>(i) the fee schedule for market data provision;</li> <li>(ii) the terms and conditions of the market data provision, including any indirect service necessary for accessing and using the market data;</li> <li>(i) the terms and conditions of the auditing practices.]</li> </ul>
<p>Article 5 and 20 of Delegated Regulation (EU) NoXX/XXX [RTS on RCB]</p>	<p><i>[Insert a high-level summary of the fees offered in the fee schedule. The fee schedule should include the following items:</i></p> <ul style="list-style-type: none"> <li>(i) fees per display data by number of physical connections / level and type of connectivity;</li> <li>(ii) fees per non-display data by number of physical connections / level and type of connectivity;</li> <li>(iii) categories of clients and the criteria used to set forth the categories;</li> <li>(iv) discount policies;</li> <li>(v) fees for pre-trade and for post-trade market data;</li> </ul>

	<p>(vi) fees for other subsets of information, including those required in</p> <p>(vii) accordance with the level of disaggregation of data pursuant to Commission Delegating Regulation (EU) 2017/572;</p> <p>(viii) other contractual terms and conditions.</p> <p><i>Any changes to the price list should be clearly indicated and explained.]</i></p>
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<p>Article 16 of Delegated Regulation (EU) NoXX/XXX [RTS on RCB]</p>	<p>Advance disclosure with a minimum of 60 days' notice of future price change with entry into force on the DD/MM/YYYY [Insert the hyperlink to the future fee schedule with the date of entry into force]</p>
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<p><b>Market Data Content Information</b> Period covered: 01/01/yy - 31/12/yy</p>			
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<p>Article 13(1) of Regulation (EU) 600/2014</p>	<p><u>Asset Class</u></p>	<p>1) Number of instruments covered</p>	<p>2) Total turnover of instruments covered</p>	<p>3) Pre-trade/post-trade market data ratio</p>
	<p>Equity instruments (shares, ETFs, DRs, certificates, other equity-like financial instruments)</p>			
	<p>Bonds</p>			
	<p>ETCs ETNs</p>			
	<p>SFPs</p>			
	<p>Securitised derivatives</p>			
	<p>Interest Rate Derivatives</p>			

<b>Credit Derivatives</b>			
<b>Equity derivatives</b>			
<b>FX derivatives</b>			
<b>Emission allowances derivatives</b>			
<b>C10 derivatives</b>			
<b>Commodity derivatives</b>			
<b>CFDs</b>			
<b>Emission allowances</b>			

	<b>Cost disclosure: year YYYY</b>		
	<b>Information on how the level of fees is set</b>	<i>[Please, insert summary on how the level of fees is set]</i>	
<p><i>Article 22 of Delegated Regulation (EU) NoXX/XXX [RTS on RCB]</i></p> <p><b>Cost methodologies accounting</b></p>		<i>[Please, insert hyperlink to the cost accounting methodology]</i>	
		1) List of types of costs, according to Article 2 of Delegated Regulation (EU) NoXX/XXX [RTS on RCB]	
		2) Allocation keys (%)	

*3) Allocation principles*

*4) Please explain whether a margin is included and how it is ensured to be reasonable*

*ANNEX II*

**Template for the information to be provided to the Competent Authority pursuant to Article 13(4) MIFIR**

**Section 1- MARKET DATA PROVIDER SUBMITTING THE INFORMATION**

**Table 1.A – General information**

Entity name	Full name of the market data provider, including:  — the legal form as provided for in the register of the country pursuant to the law of which it is incorporated, where applicable, and  — the Legal Entity Identifier (LEI) code in accordance with ISO 17442 LEI code, where applicable.]
Address	[Full address (e.g. street, street number, postal code, city, state/province) and country.]
Contact for additional request for information	[Person to be contacted within the market data provider for information relating to this template (e.g. CFO) and relevant contact details:  — first name(s) and surname(s),  — position of the contact person within the market data provider,  — professional e-mail address.]

**Table 2.B – Information on the group**

Is the entity part of a group?	<input type="checkbox"/> yes <input type="checkbox"/> no
If yes, is the entity the only entity in the group supporting cost for the production and dissemination of data?	<input type="checkbox"/> yes <input type="checkbox"/> no
If no, please specify which other entity within the group support the cost for the production and dissemination of data	<p>Full name of the entity, including:</p> <ul style="list-style-type: none"> <li>— the legal form as provided for in the register of the country pursuant to the law of which it is incorporated, where applicable, and</li> <li>— the Legal Entity Identifier (LEI) code in accordance with ISO 17442 LEI code, where applicable.</li> <li>— Full address (e.g. street, street number, postal code, city, state/province) and country.</li> </ul>

**Section 2- INFORMATION ON DATA PROVIDED**

Data offered	Link to the data policy as displayed on the website pursuant to [Articles on data provided] [SECTION A of the market data policy]
What type of data is offered	<p>Please specify the type of data offered</p> <input type="checkbox"/> full book <input type="checkbox"/> top of book <input type="checkbox"/> last sale <input type="checkbox"/> auction imbalance <input type="checkbox"/> other, please specify _____

### Section 3 – COSTS

#### 3.A General description of the system architecture/ infrastructure

Please briefly illustrate the infrastructures that are involved with the provision of data in the broader context of exchange operations. Please indicate [any element i.e. hardware, and software and personnel] necessary for the receipts of trading messages, the execution of trades and the distribution of market data to recipients.

#### 3.B Components taken into account to determine the cost of data

Taking into consideration the system as described, please indicate the **components** that were taken into account to determine the cost of data and the criteria used to identify this part.

In case of any **components shared** with other services than data production and provision, please indicate below the component, the reason for inclusion, the percentage of its costs allocated to data production and provision and the reasoning used to set such percentage.

Component	Reason for inclusion	Percentage of costs allocated to data production and provision	Reasoning

**3.C** Costs of market data

Please indicate below the cost necessary to produce data per year		
<b>NOT SHARED COST</b>		
Infrastructure - including physical assets and software licenses and leased services necessary for the production and dissemination of market data		
Item	Number	Cost
Connectivity - including physical assets and software licenses and leased services which ensure the connectivity necessary for the production and dissemination of market data		
Item	Number	Cost
Costs attributable to personnel dedicated to the production and dissemination of market data		
Item	Number	Cost
Financial costs - including taxes, depreciation, amortization, and cost of capital		
Item	Number	Cost



OTHER		

SHARED COST	
-------------	--

Infrastructure - including physical assets and software licenses and leased services necessary for the production and dissemination of market data
--

Item	Number	Total Cost	Percentage allocated for the purpose of market data

Connectivity - including physical assets and software licenses and leased services which ensure the connectivity necessary for the production and dissemination of market data
--

Item	Number	Cost	Percentage allocated for the purpose of market data

Costs attributable to personnel dedicated to the production and dissemination of market data
--

Item	Number	Cost	Percentage allocated for the purpose of market data

Financial costs resulting from the above categories - including taxes, depreciation, amortization, and cost of capital			
Item	Number	Cost	Percentage allocated for the purpose of market data
OTHER			
Item	Number	Cost	Percentage allocated for the purpose of market data

If you included any item under “ other” please describe below the item and the reason for inclusion

ITEM	Reason for inclusion

TABLE ON RESULTING OVERALL COST of DATA	
DATA	Cost

**Section 4 – REASONABLE MARGIN**

Please summarize what is the reasonable margin per type of data offered.

Type of data	Margin, calculated as net profit	Reasoning used to set the margin (please include an explanation of the elements taken into consideration to set the margin)

Do you apply different margins for the data offered?	<input type="checkbox"/> yes <input type="checkbox"/> no
If yes, please indicate the criteria used to set different margins	
How does the margin set for the production and distribution of market data compares with the overall margin of your business? Please include numerical evidence.	

**Section 5 – ANNUAL COST AND MARGIN**

Accounting year	Total annual <sup>56</sup> cost	Total annual <sup>57</sup> margin	Total annual fees <sup>58</sup>

**Section 6 – DIFFERENTIALS IN FEES**

Fees as published	Please insert the link to the data policy as per market data provider website [SECTION B of the market data policy]
Do you apply differentials in fees for the data offered?	<input type="checkbox"/> yes <input type="checkbox"/> no
If yes, what are the criteria of division of fees?	<input type="checkbox"/> type of data <input type="checkbox"/> type of provision (e.g. high/low connectivity) <input type="checkbox"/> other, please specify _____
What are the criteria used to set differentials?	<input type="checkbox"/> higher costs in data provision <input type="checkbox"/> differentiation of margins <input type="checkbox"/> other, please specify _____

---

<sup>56</sup> Annual is to be intended as the accounting year.

<sup>57</sup> Annual is to be intended as the accounting year.

<sup>58</sup> To be intended as the sum of all the invoices for market data issued over the accounting year.

Please list below the different fees

Name of the Fess	Differential in comparison to the basic fee	Reasoning

**Section 7- ADDITIONAL INFORMATION**

Do you wish to add any additional information?	<input type="checkbox"/> yes <input type="checkbox"/> no
If yes, please describe	
Please list any additional document attached to the present notification	

## 15.5 Annex V – Regulatory Technical Standards on financial instrument reference data

### 15.5.1 Consolidated Version of RTS 23 amendment

#### COMMISSION DELEGATED REGULATION (EU) .../... of **XXX** amending the regulatory technical standards laid down in Commission Delegated Regulation 2017/585 on financial instruments reference data

##### *Article 1*

###### **Content, standards, form and format of reference data**

Trading venues and ~~designated publishing entities systematic internalisers~~ shall provide ~~ESMA competent authorities~~ with all details of financial instrument reference data ('reference data') referred to in Table 3 of the Annex that pertain to the financial instrument concerned. All details provided shall be submitted in accordance with the standards and formats specified in Table 3 of the Annex, in an electronic and machine-readable form and in a common ~~JSON XML~~ template in accordance with the ISO 20022 methodology.'

##### *Article 2*

###### **Timing for provision of reference data to competent authorities**

1. Trading venues and ~~designated publishing entities systematic internalisers~~ shall provide ~~ESMA their competent authority~~ by 21.00 CET on each day they are open for trading with the reference data for all financial instruments that are admitted to trading or that are traded, including where orders or quotes are placed through their system, before 18.00 CET on that day.
2. Where a financial instrument is admitted to trading or traded, including where an order or a quote is placed for the first time, after 18.00 CET on a day on which a trading venue or ~~designated publishing entity systematic internaliser~~ is open for trading, the reference data in respect of the financial instrument concerned shall be provided by 21.00 CET on the next day on which the trading venue or ~~designated publishing entity systematic internaliser~~ concerned is open for trading.

##### *Article 3*

###### **Identification of financial instruments and legal entities**

1. ~~Prior to the commencement of trading in a financial instrument in a trading venue or systematic internaliser, the trading venue or systematic internaliser concerned shall obtain the ISO 6166 International Securities Identifying Number ('ISIN') code for the financial instrument.~~
2. Trading venues and ~~designated publishing entities systematic internalisers~~ shall ensure that legal entity identifier codes included in the reference data provided comply with the ISO 17442:2012 standard, pertain to the issuer concerned, and are listed in the Global Legal Entity Identifier database maintained by the Central Operating Unit appointed by the Legal Entity Identifier Regulatory Oversight Committee.

##### *Article 4*

###### **Arrangements to ensure effective receipt of reference data**

1. ~~ESMA Competent authorities~~ shall monitor and assess the completeness of the reference data they receive from a trading venue or ~~designated publishing entity systematic internaliser~~, and the compliance of that data with the standards and formats specified in Table 3 of the Annex.
2. Following receipt of reference data in respect of each day on which trading venues and ~~designated publishing entities systematic internalises~~ are open for trading, ~~ESMA competent authorities~~ shall notify trading venues and ~~designated publishing entities systematic internalises~~ of any incompleteness in that data and of any failure to deliver reference data by the deadlines set out in Article 2.
- ~~3. ESMA shall monitor and assess the completeness of reference data it receives from competent authorities, and compliance of the data with the standards and formats specified in Table 3 of the Annex.~~
- ~~4. Following receipt of reference data from competent authorities, ESMA shall notify them of any incompleteness in that data and of any failure to deliver reference data by the deadlines set out in Article 7(1).~~

#### *Article 5*

##### **Arrangements to ensure the quality of the reference data**

~~ESMA Competent authorities~~ shall conduct quality assessments regarding the content and accuracy of the reference data received pursuant to Article 27(1) of Regulation (EU) No 600/2014 on at least a quarterly basis. ~~Competent authorities shall undertake actions where the results of these assessments demonstrate that the quality of the financial instrument reference data is not appropriate.~~

#### *Article 6*

##### **Methods and arrangements for supplying reference data**

1. Trading venues and ~~designated publishing entities systematic internalisers~~ shall ensure that they provide complete and accurate reference data to ~~ESMA their competent authorities~~ pursuant to Articles 1 and 3.
2. Trading venues and ~~designated publishing entities systematic internalises~~ shall put methods and arrangements in place that enable them to identify incomplete or inaccurate reference data previously submitted. A trading venue or ~~designated publishing entity systematic internaliser~~ detecting that submitted reference data is incomplete or inaccurate shall promptly notify its competent authority ~~and ESMA~~ and transmit to ~~ESMA the competent authority~~ complete and correct relevant reference data without undue delay.

#### *Article 7*

##### **Arrangements for efficient ~~exchange and~~ publication of reference data**

- ~~1. Competent authorities shall transmit complete and accurate reference data to ESMA each day no later than 23.59 CET using the secure electronic communication channel established for that purpose between competent authorities and ESMA.~~
- ~~2. On the day following receipt of reference data in accordance with paragraph 1, ESMA shall consolidate the data received from each competent authority.~~

3. ESMA shall make the consolidated data available to all competent authorities by 8.00 CET on the day following its receipt using the secure electronic communication channels referred to in paragraph 1.
4. Competent authorities shall use the consolidated data in respect of a given day to validate the transaction reports in respect of transactions executed on that given day and reported pursuant to Article 26 of Regulation (EU) No 600/2014.
5. Each competent authority shall use the consolidated data for a given day to exchange transaction reports submitted on that given day in accordance with the second subparagraph of Article 26(1) of Regulation (EU) No 600/2014.
6. ESMA shall publish the reference data in an electronic, downloadable and machine-readable form.

#### *Article 7a*

##### **The date by which the reference data are to be reported**

Trading venues and designated publishing entities shall provide ESMA with identifying reference data by the date specified in the Article 9 of this regulation.

#### *Article 8*

##### **Entry into force and application**

This Regulation shall enter into force on the twentieth day following that of its publication in *the Official Journal of the European Union*.

It shall apply from [PO: please insert date 18 months after the date of entry into force] ~~the date referred to in the second paragraph of Article 55 of Regulation (EU) No 600/2014.~~

This Regulation shall be binding in its entirety and directly applicable in all Member States.



## ANNEX

*Table 1*

**Legend for Table 3**

SYMBOL	DATA TYPE	DEFINITION
{ALPHANUM-n}	Up to n alphanumerical characters	Free text field.
{CFI_CODE}	6 characters	ISO 10962 CFI code
{COUNTRYCODE_2}	2 alphanumerical characters	2 letter country code, as defined by ISO 3166-1 alpha-2 country code
{CURRENCYCODE_3}	3 alphanumerical characters	3 letter currency code, as defined by ISO 4217 currency codes
{DATE_TIME_FORMAT}	ISO 8601 date and time format	<p>—Date and time in the following format:</p> <p>YYYY-MM-DDThh:mm:ss.dxxxxxZ.</p> <p>—‘YYYY’ is the year;</p> <p>—‘MM’ is the month;</p> <p>—‘DD’ is the day;</p> <p>—‘T’ – means that the letter 'T' shall be used</p> <p>—‘hh’ is the hour;</p> <p>—‘mm’ is the minute;</p> <p>—‘ss.dxxxxx’ is the second and its fraction of a second;</p> <p>—Z is UTC time.</p> <p>Dates and times shall be reported in UTC.</p>
{DATEFORMAT}	ISO 8601 date format	<p>Dates shall be formatted by the following format:</p> <p>YYYY-MM-DD.</p>
{DECIMAL-n/m}	Decimal number of up to n digits in total of which up to m digits can be fraction digits	<p>Numerical field for both positive and negative values.</p> <p>—decimal separator is ‘.’ (full stop);</p> <p>—negative numbers are prefixed with ‘-’ (minus);</p> <p>—values are rounded and not truncated.</p>
{INDEX}	4 alphabetic characters	<p><del>‘EONA’ – EONIA</del></p> <p><del>‘ESTR’ - €STR</del></p> <p><del>‘EONS’ – EONIA SWAP</del></p>

		'EURI' – EURIBOR 'EUUS' – EURODOLLAR 'EUCH' – EuroSwiss 'GCFR' – GCF REPO 'ISDA' – ISDAFIX 'LIBI' – LIBID 'LIBO' – LIBOR 'MAAA' – Muni AAA 'PFAN' – Pfandbriefe 'TIBO' – TIBOR 'STBO' – STIBOR 'BBSW' – BBSW 'JIBA' – JIBAR 'BUBO' – BUBOR 'CDOR' – CDOR 'CIBO' – CIBOR 'MOSP' – MOSPRIM 'NIBO' – NIBOR 'PRBO' – PRIBOR 'TLBO' – TELBOR 'WIBO' – WIBOR 'TREA' – Treasury 'SWAP' – SWAP 'FUSW' – Future SWAP 'EFFR' – Effective Federal Funds Rate 'OBFR' - Overnight Bank Funding Rate 'CZNA' – CZEONIA [Code to be defined] - TONA
{INTEGER-n}	Integer number of up to n digits in total	Numerical field for both positive and negative integer values.
{ISIN}	12 alphanumerical characters	ISIN code, as defined in ISO 6166
{LEI}	20 alphanumerical characters	Legal entity identifier as defined in ISO 17442
{MIC}	4 alphanumerical characters	Market identifier as defined in ISO 10383
{FISN}	35 alphanumeric characters	FISN code as defined in ISO 18774
{EIC}	16 alphanumeric characters	Energy Identification Code (EIC)

Table 2

**Classification of commodity and emission allowances derivatives for Table 3 (Fields 35 to 37)**

Base product	Sub product	Further sub product
'AGRI' -Agricultural	'GROS' – Grains and Oil Seeds	'FWHT' – Feed Wheat 'SOYB' – Soybeans 'CORN' – Maize 'RPSD' – Rapeseed 'RICE' – Rice 'OTHR' – Other
	'SOFT' – Softs	'CCOA' – Cocoa 'ROBU' – Robusta Coffee 'WHSR' – White Sugar 'BRWN' – Raw Sugar 'OTHR' – Other
	'POTA' – Potato	
	'OOLI' – Olive oil	'LAMP' – Lampante 'OTHR' - Other
	'DIRY' – Dairy	
	'FRST' – Forestry	
	'SEAF' – Seafood	
	'LSTK' – Livestock	
	'GRIN' – Grain	'MWHT' – Milling Wheat 'OTHR' - Other
	'OTHR' - Other	
'NRGY' – Energy	'ELEC' – Electricity	'BSLD' -Base load 'FITR' – Financial Transmission Rights 'PKLD' – Peak load 'OFFP' – Off-peak 'OTHR' – Other
	'NGAS' – Natural Gas	<del>'GASP' – GASPOOL</del> 'LNGG' – LNG ““HYDG”” – Hydrogen ““NGAS”” – Natural gas <del>'NBPG' – NBP</del> <del>'NCGG' – NCG</del> <del>'TTFG' – TTF</del> 'OTHR' - Other
	'OILP' – Oil	'BAKK' – Bakken 'BDSL' – Biodiesel 'BRNT' – Brent 'BRNX' – Brent NX

		'CNDA' – Canadian 'COND' – Condensate 'DSEL' – Diesel 'DUBA' – Dubai 'ESPO' – ESPO 'ETHA' – Ethanol 'FUEL' – Fuel 'FOIL' – Fuel Oil 'GOIL' – Gasoil 'GSLN' – Gasoline 'HEAT' – Heating Oil 'JTFL' – Jet Fuel 'KERO' – Kerosene 'LLSO' – Light Louisiana Sweet (LLS) 'MARS' – Mars 'NAPH' – Naptha 'NGLO' – NGL 'TAPI' – Tapis 'URAL' – Urals 'WTIO' – WTI ' <del>OTHR</del> ' - Other
	'COAL' – Coal 'INRG' – Inter Energy 'RNNG' – Renewable energy 'LGHT' – Light ends 'DIST' – Distillates ' <del>OTHR</del> ' - Other	
'ENVR' – Environmental	'EMIS' – Emissions	<del>'CERE' – CER</del> <del>'ERUE' – ERU</del> 'EUAE' – EU Allowances <del>'EUAA' – EUAA</del> 'OTHR' – Other Emission Allowances
	'WTHR' – Weather 'CRBR' – Carbon related ' <del>OTHR</del> ' - Other	
'FRGT' – 'Freight'	'WETF' – Wet	'CLAN' — Clean 'DRTY' — Dirty {ALPHANUM-4} otherwise ' <del>TNKR</del> ' – Tankers
	'DRYF' – Dry	CAPE' — Capesize

		<p><del>‘PNMX’ — Panamax</del>  <del>‘SPMX’ — Supramax</del>  <del>‘HAND’ — Handysize</del>  <del>‘DBCR’ — Dry bulk carriers</del></p>
	<p><del>‘CSHP’ — Container ships</del>  <del>‘OTHR’ - Other</del></p>	
‘FRTL’ – ‘Fertilizer’	<p>‘AMMO’ – Ammonia  ‘DAPH’ – DAP (Diammonium Phosphate)  ‘PTSH’ – Potash  ‘SLPH’ -Sulphur  ‘UREA’ – Urea  ‘UAAN’ – UAN (urea and ammonium nitrate)  <del>‘OTHR’ - Other</del></p>	
‘INDP’ – Industrial products	<p>‘CSTR’ – Construction  ‘MFTG’ – Manufacturing</p>	
‘METL’ – Metals	<p>‘NPRM’ – Non Precious</p>	<p>‘ALUM’ – Aluminium  ‘ALUA’ – Aluminium Alloy  ‘CBLT’ – Cobalt  ‘COPR’ – Copper  ‘IRON’ – Iron ore  ‘LEAD’ – Lead  ‘MOLY’ – Molybdenum  ‘NASC’ – NASAAC  ‘NICK’ – Nickel  ‘STEL’ – Steel  ‘TINN’ – Tin  ‘ZINC’ – Zinc  ‘OTHR’ – Other</p>
	<p>‘PRME’ – Precious</p>	<p>‘GOLD’ – Gold  ‘SLVR’ – Silver  ‘PTNM’ – Platinum  ‘PLDM’ – Palladium  ‘OTHR’ – Other</p>
‘MCEX’ – Multi Commodity Exotic		
‘PAPR’ – Paper	<p>‘CBRD’ – Containerboard  ‘NSPT’ – Newsprint  ‘PULP’ – Pulp</p>	

	‘RCVP’ – Recovered paper ‘OTHR’ - Other	
‘POLY’ – Polypropylene	‘PLST’ – Plastic ‘OTHR’ - Other	
‘INFL’ – Inflation		
‘OEST’ – Official economic statistics		
‘OTHC’ – Other C10 as defined in Table 10.1 of Section 10 of Annex III to Commission Delegated Regulation (EU) 2017/583 <a href="#">(1)</a>		
‘OTHR’ – Other		

Table 3

**Details to be reported as financial instrument reference data**

N	FIELD	CONTENT TO BE REPORTED	FORMAT AND STANDARDS TO BE USED FOR REPORTING
<b>General Fields</b>			
1	Instrument identification code	Code used to identify the financial instrument.	{ISIN}
2	Instrument full name	Full name of the financial instrument.	{ALPHANUM-350}
3	Instrument classification	<b>Classification of Financial Instruments ('CFI') code of Taxonomy used to classify</b> the financial instrument. A complete and accurate CFI code shall be provided.	{CFI_CODE}
3a	<b>MiFIR identifier</b>	<b>Identification of equity financial instruments</b> Shares as referred to in Article 4(44)(a) of Directive 2014/65/EU;  <b>Depository receipts as defined in Article 4(45) of Directive 2014/65/EU; ETF as defined in Article 4(46) of Directive 2014/65/EU;</b>  <b>Certificates as defined in Article 2(1)(27) of Regulation (EU) No 600/2014;</b>  <b>Other equity-like financial instrument is a transferable security which is an equity instrument similar to a share, ETF, depository receipt or certificate but other than a share, ETF, depository receipt or certificate.</b>	<b>Equity financial instruments:</b> “SHRS” = shares “ETFS” = ETFs “DPRS” = depository receipts “CRFT” = certificates “OTHR” = other equity-like financial instruments  <b>Non-equity financial instruments: ‘SDRV’ — Securitised derivatives ‘SFPS’ — Structured Finance Products (SFPs)</b>

		<p>Identification of non-equity financial instruments: Securitised derivatives as defined in Table 4.1 in Section 4 of Annex III</p> <p>Structured Finance Products (SFPs) as defined in Article 2(1)(28) of Regulation (EU) No 600/2014</p> <p>Bonds (for all bonds except ETCs and ETNs) as defined in Article 4(1)(44)(b) of Directive 2014/65/EU</p> <p>ETCs as defined in Article 4(1)(44)(b) of Directive 2014/65/EU and further specified in Table 2.4 of Section 2 of Annex III</p> <p>ETNs as defined in Article 4(1)(44)(b) of Directive 2014/65/EU and further specified in Table 2.4 of Section 2 of Annex III</p> <p>Emission allowances as defined in Table 12.1 of Section 12 of Annex III Derivative as defined in Annex I, Section C (4) to (10) of Directive 2014/65/EU</p>	<p>‘BOND’ — Bonds ‘ETCS’ — ETCs</p> <p>‘ETNS’ — ETNs ‘EMAL’ — Emission Allowances</p> <p>‘DERV’ — Derivative</p>
3b	Financial instrument short name	Short name of financial instrument in accordance with ISO 18774.	{FISN}
4	Commodities or emission allowance derivative indicator	Indication as to whether the financial instrument falls within the definition of commodities derivative under Article 2(1)(30) of Regulation (EU) No 600/2014 or is a derivative relating to emission allowances referred to in Section C(4) of Annex I to Directive 2014/65/EU.	<p>‘true’ – Yes</p> <p>‘false’ – No</p>
4a	Reporting day	Day for which the reference data is provided	{DATEFORMAT}
4b	Action type	<p>Indicator of the action type:</p> <ul style="list-style-type: none"> <li>- New – report of a new instrument</li> <li>- Modify – modification of a previously reported instrument</li> <li>- Terminate – termination of a previously reported instrument</li> <li>- Error – cancelation of a wrongly submitted instrument</li> </ul>	<p>‘NEWT’ – New</p> <p>‘MODI’ – Modify</p> <p>‘TERM’ - Terminate</p> <p>‘EROR’ - Error</p>
<b>Issuer related fields</b>			
5	Issuer or operator of the trading venue identifier	LEI of issuer or trading venue operator.	{LEI}
5a	Fund manager	LEI of fund manager	{LEI}
<b>Venue/DPE related fields</b>			

6	Trading venue	Segment MIC for the trading venue <del>or systematic internaliser</del> , where available, otherwise operating MIC.	{MIC}
6a	Designated Publishing Entity (DPE)	LEI of the DPE	{LEI}
7	Financial instrument short name	Short name of financial instrument in accordance with ISO 18774.	{FISN}
6b	Venue of first admission to trading	Whether the reporting venue is the regulated market where the financial instrument was first admitted to trading.	'true' - Yes 'false' - No
8	Request for admission to trading by issuer	Whether the issuer of the financial instrument has requested or approved the trading or admission to trading of its financial instrument on a trading venue.	'true' - Yes 'false' - No
9	Date and time of approval of the admission to trading	Date and time the issuer has approved admission to trading or trading in its financial instruments on a trading venue.	{DATE_TIME_FORMAT}
Fields 10-12 can be repeated in the case of readmission to trading.			
10	Date and time of request for admission to trading	Date and time of the <b>final</b> request for admission to trading on the trading venue.	{DATE_TIME_FORMAT}
11	Date and time of admission to trading or date of first trade	Date and time of the admission to trading on the trading venue or the date and time when the instrument was first traded or an order or quote was first received by the trading venue.  Date and time of when the instrument was first traded by the DPE.	{DATE_TIME_FORMAT}
12	Termination date and time	Where available, the date and time when the financial instrument ceased to be traded or to be admitted to trading on the trading venue.  Date and time of when the instrument ceased to be traded by the DPE.	{DATE_TIME_FORMAT}
<b>Notional related fields</b>			
13	Notional currency 1	Currency in which the notional is denominated.  <del>Where applicable: the currency in which the notional amount of leg 1 is denominated.</del>  <del>In the case of debt instruments: currency of the nominal value</del>  <del>In the case of an interest rate or currency derivative contract, this will be the notional currency of leg 1 or the currency 1 of the pair.</del>  <del>In the case of swaptions where the underlying swap is single currency, this will be the notional currency of the underlying swap. For swaptions where the</del>	{CURRENCYCODE_3}



		<del>underlying is multi-currency, this will be the notional currency of leg 1 of the swap.</del>	
<b>Bonds or other forms of securitised debt related fields</b>			
13a	Bond type	Bond type as specified in Table 2.2 of Section 2 of Annex III of CDR (EU) 2017/583. To be populated only when the MiFIR identifier is equal to bonds.	‘EUSB’ — Sovereign Bond ‘OEPB’ — Other Public Bond ‘CVTB’ — Convertible Bond ‘CVDB’ — Covered Bond ‘CRPB’ — Corporate Bond ‘OTHR’ — Other
13b	Issuance date	Date on which a bond is issued	{DATEFORMAT}
14	Total issued nominal amount	Total issued nominal amount in monetary value <del>which means the number of bonds multiplied by their face value.</del>	{DECIMAL-2518/5}
15	Maturity date	Date of maturity of the financial instrument. Field applicable to debt instruments with defined maturity.	{DATEFORMAT}
<del>16</del>	<del>Currency of nominal value</del>	<del>Currency of the nominal value for debt instruments.</del>	<del>{CURRENCYCODE_3}</del>
17	Nominal value per unit <del>minimum traded value</del>	Nominal value of each instrument. <del>If not available, the minimum traded value shall be populated.</del>	{DECIMAL-2518/5} if expressed as a monetary value {DECIMAL-11/10} if expressed as a percentage
17a	Minimum trading value	To specify in which multiples the minimum trading value can take place (e.g. in steps of 1000)	{INTEGER-18}
18	Fixed rate	The fixed rate percentage of return on a Debt instrument when held until maturity date, expressed as a percentage.	{DECIMAL-11/10} Expressed as a percentage (e.g. 7.0 means 7 % and 0.3 means 0,3 %)
19	Identifier of the index/benchmark of a floating rate bond	<del>Where an identifier exists.</del> If the floating rate has an ISIN, the ISIN code for that rate.	{ISIN}
20	Name Indicator of the index/benchmark of a floating rate bond	<del>Where no identifier exists, name of the index.</del> An indication of the index/benchmark of a floating rate bond, where available	{INDEX} Or <del>{ALPHANUM-25}</del> — if the index name is not included in the {INDEX} list
20a	Name of the index/benchmark	The full name of the index/benchmark of a floating rate bond, as assigned by the index provider	{ALPHANUM-50}. Special characters are allowed if they form part

	Index of a floating rate bond		Index of the full name of the index.
20b	Benchmark administrator	LEI identifying the administrator of the benchmark	{LEI}
21	Term of the index/benchmark of a floating rate bond.  Floating rate reference period - time period	<del>Term of the index/benchmark of a floating rate bond. The term shall be expressed in days, weeks, months or years.</del>  Time period describing the reference period of the floating rate.	<del>{INTEGER-3}+'DAYS'—days {INTEGER-3}+'WEEK'—weeks {INTEGER-3}+'MNTH'—months {INTEGER-3}+'YEAR'—years</del>  4 alphabetic characters: “DAIL” = daily “WEEK” = weekly “MNTH” = monthly “YEAR” = yearly
21a	Floating rate reference period – multiplier.	Multiplier for the time period describing the reference period of the floating rate.	Any integer value greater than or equal to zero, up to 3 numeric characters.
22	Base Point Spread of the index/benchmark of a floating rate bond	Number of basis points above or below the index used to calculate a price	{INTEGER-5}
23	Seniority of the bond	<del>Identify the type of bond: senior debt, mezzanine, subordinated or junior.</del>	<del>‘SNDB’—Senior Debt ‘MZZD’—Mezzanine ‘SBOD’—Subordinated Debt ‘JUND’—Junior Debt</del>
<b>Derivatives and Securitised Derivatives related fields</b>			
24	Expiry date	Expiry date of the financial instrument. Field applicable to derivatives with a defined expiry date <b>except for interest rate swaps.</b>	{DATEFORMAT}
25	Price multiplier	Number of units of the underlying instrument represented by a single derivative contract. For a future or option on an index, the amount per index point. For spreadbets the movement in the price of the underlying instrument on which the spreadbet is based.	{DECIMAL-18/17}
26	Underlying instrument code	ISIN code of the underlying instrument.	{ISIN}

		<p>For ADRs, GDRs and similar instruments, the ISIN code of the financial instrument on which those instruments are based.</p> <p>For convertible bonds, the ISIN code of the instrument in which the bond can be converted.</p> <p>For derivatives or other instruments which have an underlying, the underlying instrument ISIN code, when the underlying is admitted to trading, or traded on a trading venue. Where the underlying is a stock dividend, then the ISIN code of the related share entitling the underlying dividend.</p> <p>For Credit Default Swaps, the ISIN of the reference obligation shall be provided.</p> <p>In case the underlying is an Index and has an ISIN, the ISIN code for that index.</p> <p>Where the underlying is a basket, include the ISINs of each constituent of the basket that is admitted to trading or is traded on a trading venue. Fields 26 and 27 shall be reported as many times as necessary to list all instruments in the basket.</p>	
26a	Asset class of the underlying	To be populated when the MiFIR identifier is a securitised derivative or a derivative.	<p>‘INTR’ — Interest rate</p> <p>‘EQUI’ — Equity</p> <p>‘COMM’ — Commodity</p> <p>‘CRDT’ — Credit ‘CURR’ — Currency</p> <p><del>‘EMAL’ — Emission Allowances</del></p> <p><del>‘OCTN’ — Other C10</del></p>
26b	Underlying type	<p>To be populated when the MiFIR identifier is a derivative, the asset class of the underlying is equity and the sub-asset class is neither swaps nor portfolio swaps.</p> <p>*****T</p> <p>To be populated when the MiFIR identifier is a derivative, the asset class of the underlying is equity, the sub-asset class is either swaps or portfolio swaps and the segmentation criterion 2 as defined in Table 6.1 of Section 6 of Annex III is a single name.</p>	<p>‘STIX’ — Stock Index</p> <p>‘SHRS’ — Share/Stock</p> <p>‘DIVI’ — Dividend Index</p> <p>‘DVSE’ — Stock dividend</p> <p>‘BSKT’ — Basket of shares resulting from a corporate action</p> <p>‘ETFS’ — ETFs</p> <p>‘VOLI’ — Volatility Index</p> <p>‘OTHR’ — Other (including depositary receipts, certificates and other equity like financial instrument)</p> <p>*****</p> <p>‘SHRS’ — Share/Stock</p> <p>‘DVSE’ — Stock dividend</p> <p>‘ETFS’ — ETFs</p> <p>‘OTHR’ — Other (including depositary receipts, certificates and other equity like financial instrument)</p>

26c	Maturity of the underlying	To be populated with the date of the defined maturity of the underlying bond or swap	{DATEFORMAT}
27	Underlying issuer	<del>In case the instrument is referring to an issuer, rather than to one single instrument,</del> the LEI code of the issuer of the underlying instrument.	{LEI}
28	<del>Underlying index name</del> Indicator of the underlying index or floating rate of leg 1	<del>In case the underlying is an Index, the name of the index.</del> An indication of the underlying index or floating rate of leg 1, where available.	{INDEX} Or {ALPHANUM 25}—if the index name is not included in the {INDEX} list
28a	Name of the underlying index or floating rate of leg 1	The full name of the underlying index or floating rate of leg 1 as assigned by the index provider.	{ALPHANUM-50}
29	Term of the underlying index or floating rate of leg 1 – time period	<del>In case the underlying is an index, the term of the index.</del> Time period describing the underlying index or floating rate of leg 1.	<del>{INTEGER 3}+‘DAYS’—days</del> <del>{INTEGER 3}+‘WEEK’—weeks</del> <del>{INTEGER 3}+‘MNTH’—months</del> <del>{INTEGER 3}+‘YEAR’—years</del> 4 alphabetic characters: “DAIL” = daily “WEEK” = weekly “MNTH” = monthly “YEAR” = yearly
29a	Term of the underlying index or floating rate of leg 1 - multiplier	Multiplier for the time period describing underlying index or floating rate of leg 1	Any integer value greater than or equal to zero, up to 3 numeric characters
30	Option type	Indication as to whether the derivative contract is a call (right to purchase a specific underlying asset) or a put (right to sell a specific underlying asset) or whether it cannot be determined whether it is a call or a put at the time of execution. In case of swaptions it shall be:	‘PUTO’ – Put ‘CALL’ – Call ‘OTHR’ – where it cannot be determined whether it is a call or a put

		<p>—‘Put’, in case of receiver swaption, in which the buyer has the right to enter into a swap as a fixed-rate receiver.</p> <p>—‘Call’, in case of payer swaption, in which the buyer has the right to enter into a swap as a fixed-rate payer.</p> <p>In case of Caps and Floors it shall be:</p> <p>— ‘Put’, in case of a Floor.</p> <p>—‘Call’, in case of a Cap. Field only applies to derivatives that are options or warrants.</p>	
31	Strike price	<p><b>For instruments other than FX options, swaptions and similar products</b>, predetermined price at which the owner of an option or warrant can <del>holder will have to</del> buy or sell the underlying <del>asset instrument</del>, or an indication that the price cannot be determined at the time of execution.</p> <p><b>For foreign exchange options</b>, exchange rate at which the option can be exercised, expressed as the rate of exchange from converting the unit currency into the quoted currency. In the example 0.9426 USD/EUR, USD is the unit currency and EUR is the quoted currency; USD 1 = EUR 0.9426. Where the strike price is not known when a new transaction is reported, the strike price is updated as it becomes available.</p> <p><b>For volatility and variance swaps and similar products</b> the volatility strike price is reported in this data element.</p> <p>Field applicable to options or warrants, where strike price can be determined at the time of execution.</p> <p>Where price is currently not available but pending, the value shall be ‘PNDG’.</p> <p>Where strike price is not applicable the <b>value shall be ‘NOAP’ field shall not be populated.</b></p>	<p>{DECIMAL-18/13} in case the price is expressed as monetary value</p> <p>{DECIMAL-11/10} in case the price is expressed as percentage or yield</p> <p><del>{DECIMAL-18/17} in case the price is expressed as basis points</del></p> <p>‘PNDG’ in case the price is not available</p> <p>‘NOAP’ in case of options / warrants that do not have a strike price</p>
32	Strike price currency/ currency pair	<p><del>Currency of the strike price</del></p> <p><b>For equity options, commodity options, and similar products</b>, currency in which the strike price is denominated. For foreign exchange options: Currency pair and order in which the strike price is expressed. It is expressed as unit currency per quoted currency.</p>	<p>{CURRENCYCODE_3}</p> <p>or for foreign exchange options: {CURRENCYCODE_3} / {CURRENCYCODE_3}</p> <p>The first currency code shall indicate the base currency, and the second currency code shall indicate the quote currency.</p>

33	Option exercise style	<p><del>Indication as to</del> Indicates whether the option may be exercised only at a fixed date (European <del>and Asian style</del>), a series of pre-specified dates (Bermudan) or at any time during the life of the contract (American style).</p> <p>This field is only applicable for options, warrants and entitlement certificates.</p>	<p>‘EURO’ – European  ‘AMER’ – American  <del>‘ASIA’ – Asian</del>  ‘BERM’ – Bermudan  <del>‘OTHR’ – Any other type</del></p>
34	Delivery type	<p><del>Indication as to</del> Indicates whether the financial instrument is settled physically or in cash.</p> <p>Where delivery type cannot be determined at time of execution, the value shall be ‘OPTL’.</p> <p>This field is only applicable for derivatives.</p>	<p>‘PHYS’ – Physically <del>Settled</del>  ‘CASH’ – Cash <del>settled</del>  ‘OPTL’ – Optional for counterparty or when determined by a third party</p>
34a	Parameter	<p>To be populated when the MiFIR identifier is a derivative, the asset class of the underlying is equity and the sub-asset class is one of the following: swaps, portfolio swaps.</p>	<p>‘PRBP’ — Price return basic performance parameter  ‘PRDV’ — Parameter return dividend  ‘PRVA’ — Parameter return variance  ‘PRVO’ — Parameter return volatility</p>
<b>Commodity and emission allowances derivatives</b>			
35	Base product	<p>Base product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table.</p>	<p>Only values in the ‘Base product’ column of the classification of commodities derivatives table are allowed.</p>
36	Sub product	<p>The Sub Product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table.</p> <p>Field requires a Base product.</p>	<p>Only values in the ‘Sub product’ column of the classification of commodities derivatives table are allowed are allowed.</p>
37	Further sub product	<p>The Further sub product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table.</p> <p>Field requires a Sub product.</p>	<p>Only values in the ‘Further sub product’ of the classification of commodities derivatives table are allowed.</p>
38	Transaction type	<p><del>Transaction type as specified by the trading venue</del></p>	<p><del>‘FUTR’ – Futures  ‘OPTN’ – Options  ‘TAPO’ – TAPOS  ‘SWAP’ – SWAPS  ‘MINI’ – Minis  ‘OTCT’ – OTC  ‘ORIT’ – Outright  ‘CRCK’ – Crack</del></p>

			<del>‘DIFF’—Differential</del> <del>‘OTHR’—Other</del>
39	<del>Final price type</del>	<del>Final price type as specified by the trading venue</del>	<del>‘ARGM’—Argus/McCloskey</del> <del>‘BLTC’—Baltic</del> <del>‘EXOF’—Exchange</del> <del>‘GBCL’—GlobalCOAL</del> <del>‘IHSM’—IHS McCloskey</del> <del>‘PLAT’—Platts</del> <del>‘OTHR’—Other</del>
39a	Delivery period	In case of electricity and natural gas derivatives, number of hours of delivery during the delivery period.	{INTEGER-18}
39b	Delivery point or zone	In case of electricity or natural gas derivatives, the delivery point or market area.	{EIC}
<b>Interest rate derivatives</b>			
—The fields in this section shall only be populated for instruments that have non-financial instrument of type interest rates as underlying.			
40	Reference rate	Name of the reference rate	{INDEX} Or {ALPHANUM 25} if the reference rate is not included in the {INDEX} list
41	<del>IR Term Tenor</del> of contract – time period	If the asset class is Interest Rates, this field states the <del>term</del> time period describing the tenor of the contract. <del>The term shall be expressed in days, weeks, months or years.</del>	<del>{INTEGER 3}+‘DAYS’—days</del> <del>{INTEGER 3}+‘WEEK’—weeks</del> <del>{INTEGER 3}+‘MNTH’—months</del> <del>{INTEGER 3}+‘YEAR’—years</del> 4 alphabetic characters: “DAIL” = daily “WEEK” = weekly “MNTH” = monthly “YEAR” = yearly
41a	Tenor of contract – multiplier	If the asset class is Interest Rates, this field states the multiplier describing the tenor of the contract.	Any integer value greater than or equal to zero, up to 3 numeric characters
42	Notional currency 2	In the case of multi-currency or cross-currency swaps the currency in which leg 2 of the contract is denominated.  For swaptions where the underlying swap is multi-currency, the currency in which leg 2 of the swap is denominated.	{CURRENCYCODE_3}

43	Fixed rate of leg 1	An indication of the fixed rate of leg 1 used, if applicable.	{DECIMAL -11/10} Expressed as a percentage (e.g. 7.0 means 7 % and 0.3 means 0,3 %)
44	Fixed rate of leg 2	An indication of the fixed rate of leg 2 used, if applicable	{DECIMAL -11/10} Expressed as a percentage (e.g. 7.0 means 7 % and 0.3 means 0,3 %)
45	<del>Floating rate of leg 2</del> Indicator of the floating rate of leg 2	<del>An indication of the interest rate used if applicable.</del> An indication of the interest rate, where available.	{INDEX} <del>Or</del> <del>{ALPHANUM 25} if the reference rate is not included in the {INDEX} list</del>
45a	Name of the floating rate of leg 2	The full name of the interest rate as assigned by the index provider.	{ALPHANUM-50}
46	<del>IR Term of contract of leg 2</del> Floating rate of leg 2 reference period - time period	<del>An indication of the reference period of the interest rate, which is set at predetermined intervals by reference to a market reference rate. The term shall be expressed in days, weeks, months or years.</del> Time period describing the reference period of the floating rate of leg 2.	<del>{INTEGER 3}+'DAYS'</del> days <del>{INTEGER 3}+'WEEK'</del> weeks <del>{INTEGER 3}+'MNTH'</del> months <del>{INTEGER 3}+'YEAR'</del> years 4 alphabetic characters: "DAIL" = daily "WEEK" = weekly "MNTH" = monthly "YEAR" = yearly
46a	Floating rate of leg 2 reference period – multiplier.	Multiplier for the time period describing the reference period of the floating rate of leg 2.	Any integer value greater than or equal to zero, up to 3 numeric characters.
46b	Issuance date of the underlying bond	To be populated with the issuance date of the underlying bond.	{DATEFORMAT}
<b>Foreign exchange derivatives</b>			
—The fields in this section shall only be populated for instruments that have non-financial instrument of type foreign exchange as underlying.			
47	Notional currency 2	Field shall be populated with the underlying currency 2 of the currency pair (the currency one will be populated in the notional currency 1 field 13).	{CURRENCYCODE_3}



48	FX Type	Type of underlying currency	<del>'FXCR'</del> FX Cross Rates <del>'FXEM'</del> FX Emerging Markets <del>'FXMJ'</del> FX Majors
Credit Derivatives			
The fields in this section shall only be populated for credit derivatives			
48a	Series	The series number of the composition of the index if applicable. To be populated for a CDS Index or a derivative on a CDS Index with the series of the CDS Index.	{INTEGER-5}
48b	Version	A new version of a series is issued if one of the constituents defaults and the index has to be re-weighted to account for the new number of total constituents within the index. To be populated for a CDS Index or a derivative on a CDS Index with the version of the CDS Index.	{INTEGER-5}
48c	Roll month	All months when the roll is expected as established by the index provider for a given year. Field shall be repeated for each month in the roll. To be populated for a CDS Index or a derivative on a CDS Index.	'01', '02', '03', '04', '05', '06', '07', '08', '09', '10', '11', '12'
48d	Next roll date	To be populated in the case of a CDS Index or a derivative on a CDS Index with the next roll date of the index as established by the index provider.	{DATEFORMAT}
48e	Reference entity	To be populated with the reference entity of a single name CDS or a derivative on single name CDS.	{COUNTRYCODE_2} or ISO 3166-2 — 2 character country code followed by dash '-' and up to 3 alphanumeric character country subdivision code or {LEI}

## 15.5.2 Draft Technical Standards on the amendment of RTS 23

### **COMMISSION DELEGATED REGULATION (EU) .../... of **XXX** amending the regulatory technical standards laid down in Commission Delegated Regulation 2017/585 on financial instruments reference data**

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012<sup>59</sup>, and in particular to Article 27(3) thereof,

Whereas:

(1) Article 27 of Regulation 600/2014 was amended twice, by Regulation (EU) 2019/2175 and by Regulation (EU) 2024/791. Commission Delegated Regulation (EU) 2017/585 should therefore be amended accordingly, to cater for the new requirements applicable to the reporting of reference data.

(2) In order to enable trading venues and designated publishing entities to report reference data directly to ESMA, the relevant provisions in this Regulation concerning the timing and the methods and arrangements for the provision of reference data as well as the provisions on effective receipt of reference data and on ensuring the quality of reference data should be amended.

(3) In order to account for the evolving technical solutions and to ensure that the most optimal format for reporting and publication of reference data is used, trading venues and designated publishing entities should use a JSON common template in accordance with the ISO 20022 methodology when reporting reference data;

(4) The Annex to this Regulation should be amended to include the additional reference data needed for the transparency purposes.

(5) Formats and definitions of reference data details should be consistent, to the extent possible, across different reporting requirements and aligned to international standards. The Annex to this Regulation should be amended achieve further alignment with the reporting requirements set out in Regulations (EU) No 648/2012 and (EU) 2015/2365 and with internationally agreed standards.

(6) To enable trading venues and designated publishing entities to take all necessary actions to adapt to the new requirements, the date by which the reference data are to be reported should be deferred by eighteen months,

(7) This Regulation is based on the draft regulatory technical standards submitted to the Commission by the European Securities and Markets Authority.

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<sup>59</sup> OJ L 173, 12.6.2014, p. 84–148

(8) The European Securities and Markets Authority has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the advice of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council<sup>60</sup>.

## Article 1

### **Amendments to Commission Delegated Regulation (EU) 2017/585**

Commission Delegated Regulation (EU) 2017/585 is amended as follows:

(1) Article 1 is replaced by the following:

*“Content, standards, form and format of reference data*

*Trading venues and designated publishing entities shall provide ESMA with all details of financial instrument reference data (‘reference data’) referred to in Table 3 of the Annex that pertain to the financial instrument concerned. All details provided shall be submitted in accordance with the standards and formats specified in Table 3 of the Annex, in an electronic and machine-readable form and in a common JSON template in accordance with the ISO 20022 methodology.”*

(2) Article 2 is amended as follows:

a) Paragraph 1 is replaced by the following:

*“Trading venues and designated publishing entities shall provide ESMA by 21.00 CET on each day they are open for trading with the reference data for all financial instruments that are admitted to trading or that are traded, including where orders or quotes are placed through their system, before 18.00 CET on that day.”*

b) Paragraph 2 is replaced by the following:

*“Where a financial instrument is admitted to trading or traded, including where an order or a quote is placed for the first time, after 18.00 CET on a day on which a trading venue or designated publishing entity is open for trading, the reference data in respect of the financial instrument concerned shall be provided by 21.00 CET on the next day on which the trading venue or designated publishing entity concerned is open for trading.”*

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<sup>60</sup> Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

(3) Article 3 is amended as follows:

c) Paragraph 1 is deleted.

d) Paragraph 2 is replaced by the following:

*“Trading venues and designated publishing entities shall ensure that legal entity identifier codes included in the reference data provided comply with the ISO 17442:2012 standard, pertain to the issuer concerned, and are listed in the Global Legal Entity Identifier database maintained by the Central Operating Unit appointed by the Legal Entity Identifier Regulatory Oversight Committee.”*

(4) Article 4 is amended as follows:

a) Paragraph 1 replaced by the following:

*“ESMA shall monitor and assess the completeness of the reference data they receive from a trading venue or designated publishing entity, and the compliance of that data with the standards and formats specified in Table 3 of the Annex.”*

b) Paragraph 2 is replaced by the following:

*“Following receipt of reference data in respect of each day on which trading venues and designated publishing entities are open for trading, ESMA shall notify trading venues and designated publishing entities of any incompleteness in that data and of any failure to deliver reference data by the deadlines set out in Article 2.”*

e) Paragraphs 3 and 4 are deleted.

(5) Article 5 is replaced by the following:

*“Arrangements to ensure the quality of the reference data.*

*ESMA shall conduct quality assessments regarding the content and accuracy of the reference data received pursuant to Article 27(1) of Regulation (EU) No 600/2014 on at least a quarterly basis. Competent authorities shall undertake actions where the results of these assessments demonstrate that the quality of the financial instrument reference data is not appropriate.”*

(6) Article 6 is amended as follows:

a) Paragraph 1 is replaced by the following:

*“Trading venues and designated publishing entities shall ensure that they provide complete and accurate reference data to ESMA pursuant to Articles 1 and 3.”*

b) Paragraph 2 is replaced by the following:

*“Trading venues and designated publishing entities shall put methods and arrangements in place that enable them to identify incomplete or inaccurate reference data previously submitted. A trading venue or designated publishing entity detecting that submitted reference data is incomplete or inaccurate shall promptly notify its competent authority and ESMA and transmit to ESMA complete and correct relevant reference data without undue delay.”*

(7) Article 7 is amended as follows:

1. The title of article 7 is replaced by the following “Arrangements for efficient exchange and publication of reference data”
2. Paragraphs 1 and 2 are deleted.

(8) The following article is inserted:

*“Article 7a*

*The date by which the reference data are to be reported*

*Trading venues and designated publishing entities shall provide ESMA with identifying reference data by the date specified in the Article 2.”*

(9) The Annex to Delegated Regulation (EU) 2017/585 is replaced by the Annex of this Regulation.

## Article 2

### **Entry into force and application.**

*This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.*

*It shall apply from [PO: please insert date 18 months after the date of entry into force]*

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Commission  
The President*

*[For the Commission  
On behalf of the President*

**ANNEX**

*Table 1*

**Legend for Table 3**

<b>1. SYMBOL</b>	<b>2. DATA TYPE</b>	<b>3. DEFINITION</b>
{ALPHANUM-n}	Up to n alphanumerical characters	Free text field.
{CFI_CODE}	6 characters	ISO 10962 CFI code
{COUNTRYCODE_2}	2 alphanumerical characters	2 letter country code, as defined by ISO 3166-1 alpha-2 country code
{CURRENCYCODE_3}	3 alphanumerical characters	3 letter currency code, as defined by ISO 4217 currency codes
{DATE_TIME_FORMAT}	ISO 8601 date and time format	—Date and time in the following format: YYYY-MM-DDThh:mm:ss.dzzzzZ. —‘YYYY’ is the year; —‘MM’ is the month; —‘DD’ is the day; —‘T’ – means that the letter 'T' shall be used —‘hh’ is the hour; —‘mm’ is the minute; —‘ss.dzzzzZ’ is the second and its fraction of a second; —Z is UTC time.

		Dates and times shall be reported in UTC.
{DATEFORMAT}	ISO 8601 date format	Dates shall be formatted by the following format: YYYY-MM-DD.
{DECIMAL-n/m}	Decimal number of up to n digits in total of which up to m digits can be fraction digits	Numerical field for both positive and negative values. —decimal separator is ‘.’ (full stop); —negative numbers are prefixed with ‘-’ (minus); —values are rounded and not truncated.
{INDEX}	4 alphabetic characters	‘ESTR’ - €STR ‘EURI’ - EURIBOR ‘EUUS’ - EURODOLLAR ‘EUCH’ - EuroSwiss ‘GCFR’ - GCF REPO ‘ISDA’ - ISDAFIX ‘LIBI’ - LIBID ‘LIBO’ - LIBOR ‘MAAA’ - Muni AAA ‘PFAN’ - Pfandbriefe ‘TIBO’ - TIBOR ‘STBO’ - STIBOR ‘BBSW’ - BBSW ‘JIBA’ - JIBAR ‘BUBO’ - BUBOR ‘CDOR’ - CDOR ‘CIBO’ - CIBOR ‘MOSP’ - MOSPRIM ‘NIBO’ - NIBOR ‘PRBO’ - PRIBOR ‘TLBO’ - TELBOR ‘WIBO’ - WIBOR ‘TREA’ - Treasury ‘SWAP’ - SWAP ‘FUSW’ - Future SWAP ‘EFFR’ - Effective Federal Funds Rate ‘OBFR’ - Overnight Bank Funding Rate ‘CZNA’ - CZEONIA [Code to be defined] - TONA
{INTEGER-n}	Integer number of up to n digits in total	Numerical field for both positive and negative integer values.

{ISIN}	12 alphanumerical characters	ISIN code, as defined in ISO 6166
{LEI}	20 alphanumerical characters	Legal entity identifier as defined in ISO 17442
{MIC}	4 alphanumerical characters	Market identifier as defined in ISO 10383
{FISN}	35 alphanumeric characters	FISN code as defined in ISO 18774
{EIC}	16 alphanumeric characters	Energy Identification Code (EIC)

*Table 2*

**Classification of commodity and emission allowances derivatives for Table 3 (Fields 35 to 37)**

<b>Base product</b>	<b>Sub product</b>	<b>Further sub product</b>
'AGRI' -Agricultural	'GROS' – Grains and Oil Seeds	'FWHT' – Feed Wheat 'SOYB' – Soybeans 'CORN' – Maize 'RPSD' – Rapeseed 'RICE' – Rice 'OTHR' – Other
	'SOFT' – Softs	'CCOA' – Cocoa 'ROBU' – Robusta Coffee 'WHSB' – White Sugar 'BRWN' – Raw Sugar 'OTHR' – Other
	'POTA' – Potato	
	'OOLI' – Olive oil	'LAMP' – Lampante 'OTHR' - Other
	'DIRY' – Dairy	
	'FRST' – Forestry	
	'SEAF' – Seafood	
	'LSTK' – Livestock	
	'GRIN' – Grain	'MWHT' – Milling Wheat 'OTHR' - Other
	'OTHR' - Other	
'NRGY' – Energy	'ELEC' – Electricity	'BSLD' -Base load 'FITR' – Financial Transmission Rights 'PKLD' – Peak load



		'OFFP' – Off-peak 'OTHR' – Other
	'NGAS' – Natural Gas	'LNGG' – LNG ""'HYDG'"" – Hydrogen ""'NGAS'"" – Natural gas 'OTHR' - Other
	'OILP' – Oil	'BAKK' – Bakken 'BDSL' – Biodiesel 'BRNT' – Brent 'BRNX' – Brent NX 'CNDA' – Canadian 'COND' – Condensate 'DSEL' – Diesel 'DUBA' – Dubai 'ESPO' – ESPO 'ETHA' – Ethanol 'FUEL' – Fuel 'FOIL' – Fuel Oil 'GOIL' – Gasoil 'GSLN' – Gasoline 'HEAT' – Heating Oil 'JTFL' – Jet Fuel 'KERO' – Kerosene 'LLSO' – Light Louisiana Sweet (LLS) 'MARS' – Mars 'NAPH' – Naptha 'NGLO' – NGL 'TAPI' – Tapis 'URAL' – Urals 'WTIO' – WTI 'OTHR' - Other
	'COAL' – Coal 'INRG' – Inter Energy 'RNNG' – Renewable energy 'LGHT' – Light ends 'DIST' – Distillates 'OTHR' - Other	
'ENVR' – Environmental	'EMIS' – Emissions	'EUAE' – EU Allowances 'OTHR' – Other Emission Allowances

	<p>‘WTHR’ – Weather</p> <p>‘CRBR’ – Carbon related</p> <p>‘OTHR’ - Other</p>	
‘FRGT’ – ‘Freight’	‘WETF’ – Wet	‘CLAN’ — Clean ‘DRTY’ — Dirty {ALPHANUM-4} otherwise
	‘DRYF’ – Dry	CAPE’ — Capesize ‘PNMX’ — Panamax ‘SPMX’ — Supramax ‘HAND’ — Handysize
	‘OTHR’ - Other	
‘FRTL’ – ‘Fertilizer’	<p>‘AMMO’ – Ammonia</p> <p>‘DAPH’ – DAP (Diammonium Phosphate)</p> <p>‘PTSH’ – Potash</p> <p>‘SLPH’ -Sulphur</p> <p>‘UREA’ – Urea</p> <p>‘UAAN’ – UAN (urea and ammonium nitrate)</p> <p>‘OTHR’ - Other</p>	
‘INDP’ – Industrial products	<p>‘CSTR’ – Construction</p> <p>‘MFTG’ – Manufacturing</p>	
‘METL’ – Metals	‘NPRM’ – Non Precious	<p>‘ALUM’ – Aluminium</p> <p>‘ALUA’ – Aluminium Alloy</p> <p>‘CBLT’ – Cobalt</p> <p>‘COPR’ – Copper</p> <p>‘IRON’ – Iron ore</p> <p>‘LEAD’ – Lead</p> <p>‘MOLY’ – Molybdenum</p> <p>‘NASC’ – NASAAC</p> <p>‘NICK’ – Nickel</p> <p>‘STEL’ – Steel</p> <p>‘TINN’ – Tin</p> <p>‘ZINC’ – Zinc</p> <p>‘OTHR’ – Other</p>
	‘PRME’ – Precious	<p>‘GOLD’ – Gold</p> <p>‘SLVR’ – Silver</p> <p>‘PTNM’ – Platinum</p>

		‘PLDM’ – Palladium ‘OTHR’ – Other
‘MCEX’ – Multi Commodity Exotic		
‘PAPR’ – Paper	‘CBRD’ – Containerboard ‘NSPT’ – Newsprint ‘PULP’ – Pulp ‘RCVP’ – Recovered paper ‘OTHR’ - Other	
‘POLY’ – Polypropylene	‘PLST’ – Plastic ‘OTHR’ - Other	
‘INFL’ – Inflation		
‘OEST’ – Official economic statistics		
‘OTHC’ – Other C10 as defined in Table 10.1 of Section 10 of Annex III to Commission Delegated Regulation (EU) 2017/583 <a href="#">(1)</a>		
‘OTHR’ – Other		

Table 3

**Details to be reported as financial instrument reference data**

<b>N</b>	<b>FIELD</b>	<b>CONTENT TO BE REPORTED</b>	<b>FORMAT AND STANDARDS TO BE USED FOR REPORTING</b>
<b>General Fields</b>			
1	Instrument identification code	Code used to identify the financial instrument.	{ISIN}
2	Instrument full name	Full name of the financial instrument.	{ALPHANUM-350}
3	Instrument classification	Classification of Financial Instruments ('CFI') code of the financial instrument. A complete and accurate CFI code shall be provided.	{CFI_CODE}
3a	MiFIR identifier	Identification of equity financial instruments Shares as referred to in Article 4(44)(a) of Directive 2014/65/EU;  Depository receipts as defined in Article 4(45) of Directive 2014/65/EU; ETF as defined in Article 4(46) of Directive 2014/65/EU;	Equity financial instruments: “SHRS” = shares “ETFS” = ETFs “DPRS” = depository receipts

		<p>Certificates as defined in Article 2(1)(27) of Regulation (EU) No 600/2014;</p> <p>Other equity-like financial instrument is a transferable security which is an equity instrument similar to a share, ETF, depositary receipt or certificate but other than a share, ETF, depositary receipt or certificate.</p> <p>Identification of non-equity financial instruments: Securitised derivatives as defined in Table 4.1 in Section 4 of Annex III</p> <p>Structured Finance Products (SFPs) as defined in Article 2(1)(28) of Regulation (EU) No 600/2014</p> <p>Bonds (for all bonds except ETCs and ETNs) as defined in Article 4(1)(44)(b) of Directive 2014/65/EU</p> <p>ETCs as defined in Article 4(1)(44)(b) of Directive 2014/65/EU and further specified in Table 2.4 of Section 2 of Annex III</p> <p>ETNs as defined in Article 4(1)(44)(b) of Directive 2014/65/EU and further specified in Table 2.4 of Section 2 of Annex III</p> <p>Emission allowances as defined in Table 12.1 of Section 12 of Annex III Derivative as defined in Annex I, Section C (4) to (10) of Directive 2014/65/EU</p>	<p>“CRFT” = certificates “OTHR” = other equity-like financial instruments</p> <p>Non-equity financial instruments: ‘SDRV’ — Securitised derivatives ‘SFPS’ — Structured Finance Products (SFPs) ‘BOND’ — Bonds ‘ETCS’ — ETCs ‘ETNS’ — ETNs ‘EMAL’ — Emission Allowances ‘DERV’ — Derivative</p>
3b	Financial instrument short name	Short name of financial instrument in accordance with ISO 18774.	{FISN}
4	Commodities or emission allowance derivative indicator	Indication as to whether the financial instrument falls within the definition of commodities derivative under Article 2(1)(30) of Regulation (EU) No 600/2014 or is a derivative relating to emission allowances referred to in Section C(4) of Annex I to Directive 2014/65/EU.	‘true’ – Yes ‘false’ – No
4a	Reporting day	Day for which the reference data is provided	{DATEFORMAT}
4b	Action type	<p>Indicator of the action type:</p> <ul style="list-style-type: none"> <li>- New – report of a new instrument</li> <li>- Modify – modification of a previously reported instrument</li> <li>- Terminate – termination of a previously reported instrument</li> <li>- Error – cancelation of a wrongly submitted instrument</li> </ul>	<p>‘NEWT’ – New ‘MODI’ – Modify ‘TERM’ - Terminate ‘EROR’ - Error</p>

<b>Issuer related fields</b>			
5	Issuer or operator of the trading venue identifier	LEI of issuer or trading venue operator.	{LEI}
5a	Fund manager	LEI of fund manager	{LEI}
<b>Venue/DPE related fields</b>			
6	Trading venue	Segment MIC for the trading venue, where available, otherwise operating MIC.	{MIC}
6a	Designated Publishing Entity (DPE)	LEI of the DPE	{LEI}
6b	Venue of first admission to trading	Whether the reporting venue is the regulated market where the financial instrument was first admitted to trading.	'true'- Yes 'false' – No
8	Request for admission to trading by issuer	Whether the issuer of the financial instrument has requested or approved the trading or admission to trading of its financial instrument on a trading venue.	'true'- Yes 'false' – No
9	Date and time of approval of the admission to trading	Date and time the issuer has approved admission to trading or trading in its financial instruments on a trading venue.	{DATE_TIME_FORMAT}
Fields 10-12 can be repeated in the case of readmission to trading.			
10	Date and time of request for admission to trading	Date and time of the final request for admission to trading on the trading venue.	{DATE_TIME_FORMAT}
11	Date and time of admission to trading or date of first trade	Date and time of the admission to trading on the trading venue or the date and time when the instrument was first traded or an order or quote was first received by the trading venue.  Date and time of when the instrument was first traded by the DPE.	{DATE_TIME_FORMAT}
12	Termination date and time	Where available, the date and time when the financial instrument ceased to be traded or to be admitted to trading on the trading venue.  Date and time of when the instrument ceased to be traded by the DPE.	{DATE_TIME_FORMAT}
<b>Notional related fields</b>			
13	Notional currency 1	Currency in which the notional is denominated. Where applicable: the currency in which the notional amount of leg 1 is denominated. In the case of debt instruments: currency of the nominal value	{CURRENCYCODE_3}
<b>Bonds or other forms of securitised debt related fields</b>			

13a	Bond type	Bond type as specified in Table 2.2 of Section 2 of Annex III of CDR (EU) 2017/583. To be populated only when the MiFIR identifier is equal to bonds.	‘EUSB’ — Sovereign Bond ‘OEPB’ — Other Public Bond ‘CVTB’ — Convertible Bond ‘CVDB’ — Covered Bond ‘CRPB’ — Corporate Bond ‘OTHR’ — Other
13b	Issuance date	Date on which a bond is issued	{DATEFORMAT}
14	Total issued nominal amount	Total issued nominal amount in monetary value which means the number of bonds multiplied by their face value.	{DECIMAL-25/5}
15	Maturity date	Date of maturity of the financial instrument. Field applicable to debt instruments with defined maturity.	{DATEFORMAT}
17	Nominal value per unit	Nominal value of each instrument.	{DECIMAL-25/5} if expressed as a monetary value {DECIMAL-11/10} if expressed as a percentage
17a	Minimum trading value	To specify in which multiples the minimum trading value can take place (e.g. in steps of 1000)	{INTEGER-18}
18	Fixed rate	The fixed rate percentage of return on a Debt instrument when held until maturity date, expressed as a percentage.	{DECIMAL-11/10} Expressed as a percentage (e.g. 7.0 means 7 % and 0.3 means 0,3 %)
19	Identifier of the index/benchmark of a floating rate bond	If the floating rate has an ISIN, the ISIN code for that rate.	{ISIN}
20	Indicator of the index/benchmark of a floating rate bond	An indication of the index/benchmark of a floating rate bond, where available	{INDEX}
20a	Name of the index/benchmark of a floating rate bond	The full name of the index/benchmark of a floating rate bond, as assigned by the index provider	{ALPHANUM-50}. Special characters are allowed if they form part of the full name of the index.
20b	Benchmark administrator	LEI identifying the administrator of the benchmark	{LEI}

21	Floating rate reference period - time period	Time period describing the reference period of the floating rate.	4 alphabetic characters: “DAIL” = daily “WEEK” = weekly “MNTN” = monthly “YEAR” = yearly
21a	Floating rate reference period – multiplier.	Multiplier for the time period describing the reference period of the floating rate.	Any integer value greater than or equal to zero, up to 3 numeric characters.
22	Base Point Spread of the index/benchmark of a floating rate bond	Number of basis points above or below the index used to calculate a price	{INTEGER-5}
<b>Derivatives and Securitised Derivatives related fields</b>			
24	Expiry date	Expiry date of the financial instrument. Field applicable to derivatives with a defined expiry date except for interest rate swaps.	{DATEFORMAT}
25	Price multiplier	Number of units of the underlying instrument represented by a single derivative contract. For a future or option on an index, the amount per index point. For spreadbets the movement in the price of the underlying instrument on which the spreadbet is based.	{DECIMAL-18/17}
26	Underlying instrument code	ISIN code of the underlying instrument. For ADRs, GDRs and similar instruments, the ISIN code of the financial instrument on which those instruments are based. For convertible bonds, the ISIN code of the instrument in which the bond can be converted. For derivatives or other instruments which have an underlying, the underlying instrument ISIN code, when the underlying is admitted to trading, or traded on a trading venue. Where the underlying is a stock dividend, then the ISIN code of the related share entitling the underlying dividend. For Credit Default Swaps, the ISIN of the reference obligation shall be provided. In case the underlying is an Index and has an ISIN, the ISIN code for that index. Where the underlying is a basket, include the ISINs of each constituent of the basket that is admitted to trading or is traded on a trading venue. Fields 26 and 27 shall be reported as many times as necessary to list all instruments in the basket.	{ISIN}

26a	Asset class of the underlying	To be populated when the MiFIR identifier is a securitised derivative or a derivative.	‘INTR’ — Interest rate ‘EQU’ — Equity ‘COMM’ — Commodity ‘CRDT’ — Credit ‘CURR’ — Currency
26b	Underlying type	To be populated when the MiFIR identifier is a derivative, the asset class of the underlying is equity and the sub-asset class is neither swaps nor portfolio swaps. *****T To be populated when the MiFIR identifier is a derivative, the asset class of the underlying is equity, the sub-asset class is either swaps or portfolio swaps and the segmentation criterion 2 as defined in Table 6.1 of Section 6 of Annex III is a single name.	‘STIX’ — Stock Index ‘SHRS’ — Share/Stock ‘DIVI’ — Dividend Index ‘DVSE’ — Stock dividend ‘BSKT’ — Basket of shares resulting from a corporate action ‘ETFS’ — ETFs ‘VOLI’ — Volatility Index ‘OTHR’ — Other (including depositary receipts, certificates and other equity like financial instrument) ***** ‘SHRS’ — Share/Stock ‘DVSE’ — Stock dividend ‘ETFS’ — ETFs ‘OTHR’ — Other (including depositary receipts, certificates and other equity like financial instrument)
26c	Maturity of the underlying	To be populated with the date of the defined maturity of the underlying bond or swap	{DATEFORMAT}
27	Underlying issuer	The LEI code of the issuer of the underlying instrument.	{LEI}
28	Indicator of the underlying index or floating rate of leg 1	An indication of the underlying index or floating rate of leg 1, where available.	{INDEX}
28a	Name of the underlying index or floating rate of leg 1	The full name of the underlying index or floating rate of leg 1 as assigned by the index provider.	{ALPHANUM-50}
29	Term of the underlying index	Time period describing the underlying index or floating rate of leg 1.	4 alphabetic characters: “DAIL” = daily



	or floating rate of leg 1 – time period		“WEEK” = weekly “Mnth” = monthly “YEAR” = yearly
29a	Term of the underlying index or floating rate of leg 1 - multiplier	Multiplier for the time period describing underlying index or floating rate of leg 1	Any integer value greater than or equal to zero, up to 3 numeric characters
30	Option type	<p>Indication as to whether the derivative contract is a call (right to purchase a specific underlying asset) or a put (right to sell a specific underlying asset) or whether it cannot be determined whether it is a call or a put at the time of execution. In case of swaptions it shall be:</p> <p>— ‘Put’, in case of receiver swaption, in which the buyer has the right to enter into a swap as a fixed-rate receiver.</p> <p>— ‘Call’, in case of payer swaption, in which the buyer has the right to enter into a swap as a fixed-rate payer.</p> <p>In case of Caps and Floors it shall be:</p> <p>— ‘Put’, in case of a Floor.</p> <p>— ‘Call’, in case of a Cap. Field only applies to derivatives that are options or warrants.</p>	<p>‘PUTO’ – Put</p> <p>‘CALL’ – Call</p> <p>‘OTHR’ – where it cannot be determined whether it is a call or a put</p>
31	Strike price	<p>For instruments other than FX options, swaptions and similar products, predetermined price at which the owner of an option or warrant can buy or sell the underlying asset, or an indication that the price cannot be determined at the time of execution.</p> <p>For foreign exchange options, exchange rate at which the option can be exercised, expressed as the rate of exchange from converting the unit currency into the quoted currency. In the example 0.9426 USD/EUR, USD is the unit currency and EUR is the quoted currency; USD 1 = EUR 0.9426. Where the strike price is not known when a new transaction is reported, the strike price is updated as it becomes available.</p> <p>For volatility and variance swaps and similar products the volatility strike price is reported in this data element.</p> <p>Field applicable to options or warrants, where strike price can be determined at the time of execution.</p> <p>Where price is currently not available but pending, the value shall be ‘PNDG’.</p> <p>Where strike price is not applicable the value shall be ‘NOAP’.</p>	<p>{DECIMAL-18/13} in case the price is expressed as monetary value</p> <p>{DECIMAL-11/10} in case the price is expressed as percentage or yield.</p> <p>‘PNDG’ in case the price is not available</p> <p>‘NOAP’ in case of options / warrants that do not have a strike price</p>

32	Strike price currency/ currency pair	For equity options, commodity options, and similar products, currency in which the strike price is denominated. For foreign exchange options: Currency pair and order in which the strike price is expressed. It is expressed as unit currency per quoted currency.	{CURRENCYCODE_3} or for foreign exchange options: {CURRENCYCODE_3}  / {CURRENCYCODE_3}  The first currency code shall indicate the base currency, and the second currency code shall indicate the quote currency.
33	Option style	Indicates whether the option may be exercised only at a fixed date (European), a series of pre-specified dates (Bermudan) or at any time during the life of the contract (American style).  This field is only applicable for options, warrants and entitlement certificates.	'EURO' – European 'AMER' – American 'BERM' – Bermudan
34	Delivery type	Indicates whether the financial instrument is settled physically or in cash.  Where delivery type cannot be determined at time of execution, the value shall be 'OPTL'.  This field is only applicable for derivatives.	'PHYS' – Physical 'CASH' – Cash 'OPTL' – Optional for counterparty or when determined by a third party
34a	Parameter	To be populated when the MiFIR identifier is a derivative, the asset class of the underlying is equity and the sub-asset class is one of the following: swaps, portfolio swaps.	'PRBP' — Price return basic performance parameter 'PRDV' — Parameter return dividend 'PRVA' — Parameter return variance 'PRVO' — Parameter return volatility
<b>Commodity and emission allowances derivatives</b>			
35	Base product	Base product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table.	Only values in the 'Base product' column of the classification of commodities derivatives table are allowed.
36	Sub product	The Sub Product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table.  Field requires a Base product.	Only values in the 'Sub product' column of the classification of commodities derivatives table are allowed are allowed.

37	Further sub product	The Further sub product for the underlying asset class as specified in the classification of commodities and emission allowances derivatives table. Field requires a Sub product.	Only values in the 'Further sub product' of the classification of commodities derivatives table are allowed.
39a	Delivery period	In case of electricity and natural gas derivatives, number of hours of delivery during the delivery period.	{INTEGER-18}
39b	Delivery point or zone	In case of electricity or natural gas derivatives, the delivery point or market area.	{EIC}
<b>Interest rate derivatives</b>			
—The fields in this section shall only be populated for instruments that have non-financial instrument of type interest rates as underlying.			
41	Tenor of contract – time period	If the asset class is Interest Rates, this field states the time period describing the tenor of the contract.	4 alphabetic characters: “DAIL” = daily “WEEK” = weekly “MNTH” = monthly “YEAR” = yearly
41a	Tenor of contract – multiplier	If the asset class is Interest Rates, this field states the multiplier describing the tenor of the contract.	Any integer value greater than or equal to zero, up to 3 numeric characters
42	Notional currency 2	In the case of multi-currency or cross-currency swaps the currency in which leg 2 of the contract is denominated.  For swaptions where the underlying swap is multi-currency, the currency in which leg 2 of the swap is denominated.	{CURRENCYCODE_3}
43	Fixed rate of leg 1	An indication of the fixed rate of leg 1 used, if applicable.	{DECIMAL -11/10} Expressed as a percentage (e.g. 7.0 means 7 % and 0.3 means 0,3 %)
44	Fixed rate of leg 2	An indication of the fixed rate of leg 2 used, if applicable	{DECIMAL -11/10} Expressed as a percentage (e.g. 7.0 means 7 % and 0.3 means 0,3 %)
45	Indicator of the floating rate of leg 2	An indication of the interest rate, where available.	{INDEX}
45a	Name of the floating rate of leg 2	The full name of the interest rate as assigned by the index provider.	{ALPHANUM-50}
46	Floating rate of leg 2 reference	Time period describing the reference period of the floating rate of leg 2.	4 alphabetic characters: “DAIL” = daily “WEEK” = weekly “MNTH” = monthly

	period - time period		“YEAR” = yearly
46a	Floating rate of leg 2 reference period – multiplier.	Multiplier for the time period describing the reference period of the floating rate of leg 2.	Any integer value greater than or equal to zero, up to 3 numeric characters.
46b	Issuance date of the underlying bond	To be populated with the issuance date of the underlying bond.	{DATEFORMAT}
<b>Foreign exchange derivatives</b>			
—The fields in this section shall only be populated for instruments that have non-financial instrument of type foreign exchange as underlying.			
47	Notional currency 2	Field shall be populated with the underlying currency 2 of the currency pair (the currency one will be populated in the notional currency 1 field 13).	{CURRENCYCODE_3}
<b>Credit Derivatives</b>			
The fields in this section shall only be populated for credit derivatives			
48a	Series	The series number of the composition of the index if applicable. To be populated for a CDS Index or a derivative on a CDS Index with the series of the CDS Index.	{INTEGER-5}
48b	Version	A new version of a series is issued if one of the constituents defaults and the index has to be re-weighted to account for the new number of total constituents within the index. To be populated for a CDS Index or a derivative on a CDS Index with the version of the CDS Index.	{INTEGER-5}
48c	Roll month	All months when the roll is expected as established by the index provider for a given year. Field shall be repeated for each month in the roll. To be populated for a CDS Index or a derivative on a CDS Index.	‘01’, ‘02’, ‘03’, ‘04’, ‘05’, ‘06’, ‘07’, ‘08’, ‘09’, ‘10’, ‘11’, ‘12’
48d	Next roll date	To be populated in the case of a CDS Index or a derivative on a CDS Index with the next roll date of the index as established by the index provider.	{DATEFORMAT}
48e	Reference entity	To be populated with the reference entity of a single name CDS or a derivative on single name CDS.	{COUNTRYCODE_2} or ISO 3166-2 — 2 character country code followed by dash ‘-’ and up to 3 alphanumeric character country subdivision code or {LEI}