

Olivier Guersent
Director General
Financial Stability, Financial Services
and Capital Markets Union
European Commission
1049 Brussels
Belgium

Ref: Implementation timeline for MIFID/MiFIR

Dear Olivier,

I am writing to you to share a recent analysis we produced on the feasibility of having certain systems envisaged in MiFID/MiFIR ready for the January 2017 go-live date.

After discussing this at length with National Competent Authorities, we came to the conclusion that a number of technically complex elements envisaged in MiFID will not be operational by the time that MiFID II will become applicable (January 2017). This affects mainly the availability of reference data, the new transaction reporting system, those elements of the transparency regime depending on reference data and the position reporting for commodity derivatives.

I am attaching a short note to describe the reasons for this and how some of those elements are interconnected. The fact that some of these systems require a full overhaul (by industry, supervisors and ESMA) compared to MiFID I arrangements and the circumstance that the technical rules that shape them will most likely only come into force a few months before January 2017 are at the heart of the problem.

We would like to have the opportunity, at your earliest convenience, to expand on these considerations with the relevant staff within DG FISMA and to discuss which solutions could be envisaged for this matter. Should those solutions involve an amendment in Level 1, Level 2 or both, we need of course to ensure the early and full involvement of the co-legislators. We think that it will be extremely important to come as soon as possible to a precise assessment of the length of such delay, in order to allow the different stakeholders to plan and develop the systems properly. Before that, we consider it is better not to publicise these early discussions and considerations between us and the EU institutions, to avoid confusion



and speculation, which could be counterproductive. We are therefore not publishing this letter for this reason.

We remain at your disposal to expand the description of this important matter and to discuss possible solutions.

Yours sincerely,

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a vertical line and a horizontal stroke.

Steven Maijor