

PRESS RELEASE

ESMA publishes its first Review Reports on the MiFIR transparency regime

The European Securities and Markets Authority (ESMA), the EU’s securities markets regulator, has published today two final Reports reviewing key provisions of the MiFID II/MiFIR transparency regime.

The [first Report](#) reviews the MiFIR transparency regime for equity instruments and contains proposals for targeted amendments regarding the transparency obligations for trading venues and specifically the double volume cap mechanism. It also includes recommendations on other key transparency provisions, in particular the trading obligation for shares and the transparency provisions applicable to systematic internalisers in equity instruments. The [second Report](#) reviews the pre-trade transparency obligations applicable to systematic internalisers in non-equity instruments.

The proposals put forward in both reports aim to simplify the current complex transparency regime while trying to improve the transparency available and are taking into account the feedback received from market participants through consultations.

Steven Maijor, Chair, said:

“The reports published today shed light on existing limitations to transparency and, at the same time, clearly demonstrate ESMA’s ability to deliver concrete recommendations based on the data following the implementation of MiFID II. The proposals aim to simplify the transparency regime and increase transparency available to market participants. These important reports provide a solid foundation for any review of the MiFIR transparency regime in the future”.

Final report on the transparency regime for equity instruments	
 Area	 Proposal
pre-trade transparency regimes applicable to trading venues	restricting the use of the reference price waiver to larger orders
systematic internaliser regime	increasing the minimum quoting obligations and a revised methodology for determining the standard market sizes relevant for the quoting by internalisers
double volume cap mechanism	simplifying the regime and transform the mechanism into a single volume cap with the deletion of the trading venue threshold of 4% improving transparency by lowering the EU level threshold
share trading obligation	clarifying the scope of the trading obligation specifically in relation to third-country shares

Final report on the pre-trade transparency obligations applicable to systematic internalisers in non-equity instruments	
 Area	 Proposal
qualitative assessment of Article 18 MiFIR	maintaining the publication of the quotes in liquid instruments while deleting the requirements to provide quotes to other clients and to enter into transactions with multiple clients removing the obligation in relation to illiquid instruments harmonising the way in which SIs publish their quotes in equity and non-equity instruments

quantitative monitoring mandate	no change to the applicable legal framework at this stage
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In light of the current developments concerning COVID-19, ESMA has agreed to extend the consultations and questionnaires on the delivery of MiFID II Review Reports. A new timeline for the delivery of some of the remaining reports is available [here](#).

Notes for editors

- [ESMA70-156-2682 – Report on the transparency regime for equity instruments](#)
- [ESMA70-156-2756 – Report on the pre-trade transparency obligations applicable to systematic internalisers in non-equity instruments](#)
- [ESMA71-99-1369 Timeline of upcoming MiFID II Review Reports – ESMA pager](#)
- ESMA is the European Union’s securities markets regulator. Its mission is to enhance investor protection and promote stable and orderly financial markets. It achieves these objectives through four activities:
 - assessing risks to investors, markets and financial stability;
 - completing a single rulebook for EU financial markets;
 - promoting supervisory convergence; and
 - directly supervising specific financial entities.
- ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), the European Systemic Risk Board, and with national authorities with competencies in securities markets (NCAs).

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