

# **ICMA draft response to the ESMA MiFIR Review Consultation Package**

Consultation Paper on the RTS on Reasonable Commercial Basis (page 64)

**28 August, 2024**

---

## ***Introduction:***

ICMA welcomes the opportunity to respond to the ESMA MiFIR Review Consultation Package – Consultation Paper on Reasonable Commercial Basis and related questions hereunder.

ICMA promotes well-functioning cross-border capital markets, which are essential to fund sustainable economic growth. It is a not-for-profit membership association with offices in Zurich, London, Paris, Brussels and Hong Kong, serving over 620 member firms in 67 jurisdictions globally. Its members include private and public sector issuers, banks and securities dealers, asset and fund managers, insurance companies, law firms, capital market infrastructure providers and central banks. ICMA provides industry-driven standards and recommendations, prioritising three core fixed income market areas: primary, secondary and repo and collateral, with cross-cutting themes of sustainable finance and FinTech and digitalisation. ICMA works with regulatory and governmental authorities, helping to ensure that financial regulation supports stable and efficient capital markets.

## ***Executive summary:***

ICMA welcomes ESMA's proposals to improve the provision of, and access to, market data in the European Union, following the latest amendment of the Markets in Financial Instruments Regulation (MiFIR) which entered into force on 28 March 2024.

The response to this consultation is referring to the market data in bond markets and has been composed within the remit of ICMA's MiFID Working Group, notably secondary trading desks, investors, exchanges and data providers across the international bond markets.

Key points:

- ✓ ICMA welcomes ESMA's proposals in the Consultation on the Draft RTS on Reasonable Commercial Basis, aiming to improve the provision of market data and related requirements.
- ✓ ICMA members agree that there should be a cost-based approach, that terms should be simple and non-discriminatory, that a duplication of fees should be avoided, and that further work needs to be done in the field of market data redistribution.
- ✓ ICMA members welcome that 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 a viable business for data providers and the need to ensure as wide as possible access to data for market participants.
- ✓ Furthermore, ICMA welcomes the removal of burdensome practices with respect to market data agreements, penalties and audit.