

Markets in financial instruments: certain dates

2016/0033(COD) - 23/06/2016 - Final act

PURPOSE: to put back by one year the time limit for transposition and application of rules on markets in financial instruments (MIFID II package).

LEGISLATIVE ACT: Directive (EU) 2016/1034 of the European Parliament and of the Council amending Directive 2014/65/EU on markets in financial instruments.

CONTENT: this Directive amends Directive 2014/65/EU (MIFID II) in order to **put back the date of entry into application of the MIFID II**, following difficulties encountered by the European Securities and Markets Authority ('ESMA') and national competent authorities, and stakeholders in technical implementation.

The MIFID II directive, like [Regulation \(EU\) No 600/2014](#) (MiFIR) should be applied 30 months after entry into force, i.e. 3 January 2017. The date of transposition of MIFID II is 3 July 2016. However, following **difficulties in technical implementation** encountered by ESMA and national competent authorities, new data collection infrastructure will not be in place by 3 January 2017.

The implementation process for the **data collection infrastructures** involves five steps: business requirements, specifications, development, testing and deployment. ESMA estimates that those steps will be completed by January 2018.

Deferral of dates: in order to ensure legal certainty and avoid potential market disruption, the Directive defers the date by which the Member States need to transpose Directive 2014/65/EU to **3 July 2017**. The new date for application of the Directive is 3 January 2018. The dates for reports and review are set back accordingly.

Exemptions: the exemption set out in point (d) of Article 2(1) of Directive 2014/65/EU is extended to include non-financial entities who are members of or participants in a regulated market or a multilateral trading facility (MTF), or have direct electronic access to a trading venue when executing transactions on a trading venue which are objectively measurable as reducing risks directly relating to the commercial activity or treasury financing activity of those non-financial entities or their groups.

Third-country markets: the Directive provides that a third-country market shall be considered to be equivalent to a regulated market if the certain requirements laid down in the Directive are fulfilled. At the request of the competent authority of a Member State, the Commission shall adopt equivalence decisions in accordance with the examination procedure (comitology).

The Directive sets out the conditions that the third-country legal and supervisory framework must fulfil in order to be considered equivalent.

ENTRY INTO FORCE: 1.7.2016.