

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Circular on Markets in Financial Instruments Regulations ('MiFIR') *Consultation Paper on the Trading Obligation for Derivatives under MiFIR*

This circular is being addressed to all market participants, particularly Trading Venues and counterparties trading over-the-counter ('OTC') derivatives that may become subject to the trading obligation, or any other entities subject to MiFIR. Readers will find an update on a Consultation Paper on the trading obligation for derivatives under MiFIR.

On the 19th June 2017, ESMA published a Consultation Paper ('CP') on the trading obligation for derivatives under MiFIR. More specifically, the CP provides explanations on ESMA's revised approach for implementing the trading obligation for derivatives as per Articles 28 and 32 of MiFIR, following the publication of a Discussion Paper ('DP') in September 2016 that sought stakeholders' views on ESMA's first proposals of how to implement the trading obligation for derivatives as per the aforementioned articles.

The CP invites stakeholders to provide feedback on the:

- i. Revised approach;
- ii. Liquidity analysis for interest rate derivatives and index credit default swaps based on a dataset covering the second half of 2016;
- iii. Draft regulatory technical standards ('RTS') which are outlined in Annex II of the CP; and
- iv. Draft Cost-Benefit Analysis ('CBA') which is outlined in Annex III of the CP.

ESMA invites respondents to comment on all matters relating to this Consultation Paper by 31st July 2017. Respondents should submit an online form under the heading, 'Your input – Consultations', which is published on the ESMA website, www.esma.europa.eu.

A copy of the Consultation Paper may be accessed through this [link](#).

Contacts

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for any further clarifications.

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