

24 November 2021

## Circular on Markets in Financial Instruments Directive ('MiFID II') and Markets in Financial Instruments Regulation ('MiFIR')

### **ESMA Publishes Draft Commodity Derivative Technical Standards under MiFID II Recovery Package**

This Circular is being addressed to all market participants, particularly investment firms, credit institutions providing investment services and/or performing investment activities and market operators including any trading venues they operate.

This circular shall be read in conjunction with MiFID II and MiFIR, the delegated regulations and previous circulars issued by the Authority, as the case may be.

### **The Draft Regulatory Technical Standards ('RTSs')**

The Authority would like to inform market participants that on the 22 November 2021, the European Securities and Markets Authority ('ESMA') has published its Final Report on Draft RTS for commodity derivatives under the MiFID II Recovery Package. In drafting the RTS, ESMA took into consideration the feedback received in the public consultation and includes proposals on the application procedure for position limit exemptions, a methodology to determine position limits and position management tools for trading venues, which will contribute to stable and orderly commodity derivative markets at a time of heightened scrutiny.

A copy of the final report may be accessed through the following [link](#).

### **Next Steps**

The final report has been submitted to the European Commission on 19 November 2021. The European Commission has three months to decide whether to endorse the draft regulatory and implementing standards or otherwise. Accordingly, the revised MiFID II regime for commodity derivatives will apply at the end of February 2022.

### **Contacts**

Should you have any queries on the above, please do not hesitate to contact the Authority's Market Infrastructures team on [MarketInfrastructures@mfsa.mt](mailto:MarketInfrastructures@mfsa.mt) for any further clarifications.