

04 December 2024

## Amendments to the Prevention of Financial Markets Abuse Rules

This circular is being addressed to all market participants falling within scope of Regulation (EU) 596/2014 on market abuse ('MAR') and should be read in conjunction with the Regulation and its Delegated and Implementing Regulations, ESMA's Question and Answer Document on MAR and previous circulars issued by the Authority, as the case may be.

### 1.0 Introduction

On 14 November 2024, the EU Listing Act Package was published within the Official Journal of the EU. Proposed by the European Commission in 2022, the Listing Act includes *inter alia* the Listing Act Directive ([Directive \(EU\) 2024/2811](#)) and the Listing Act Regulation ([Regulation \(EU\) 2024/2809](#)) (the 'Amending Regulation'), with the latter amending the Prospectus Regulation, the Market Abuse Regulation ('MAR'), and the Markets in Financial Instruments Regulation (MiFIR).

### 2.0 Amendments to the thresholds applicable to PDMR Notifications

One of the amendments brought about by the Amending Regulation relates to the threshold applicable to the notification of transactions in terms of Article 19 of MAR.

Article 19 of MAR provides for preventive measures against market abuse and, more specifically, insider dealing, concerning persons discharging managerial responsibilities ('PDMRs') and persons closely associated with them ('PCAs'). Such measures range from the notification of transactions in financial instruments of the relevant issuer to the prohibition to conduct transactions in such instruments during certain defined periods. In particular, Article 19(8) of MAR (prior to the amendments of the Listing Act Regulation) stated that PDMRs are required to notify the issuer and the competent authority where those persons have transactions reaching the threshold of EUR 5 000 in a calendar year, as well as any subsequent transaction in the same year. Article 19(9) of Regulation (EU) No 596/2014 allowed competent authorities to increase (at their discretion) the threshold to EUR 20 000.

The Amending Regulation sought to raise the threshold for reporting and related disclosures from EUR 5 000 to EUR 20 000. At the same time competent authorities are

given flexibility to increase that threshold to EUR 50 000 or to decrease it to EUR 10 000, where justified in light of national market conditions.

The MFSA would like to inform market participants that it has opted to make use of the discretion afforded to it by Article 19(9) as amended by the Amending Regulation, decreasing hence the threshold for PDMR notifications to EUR 10,000. For the sake of clarity, Article 19(1) of MAR shall therefore apply to any subsequent transaction once a total amount of EUR 10,000 has been reached within a calendar year. The threshold of €10,000 shall be calculated by adding without netting all transactions referred to in paragraph 1 of Article 19.

The reporting threshold applicable for the purpose of Article 19(1) of MAR is being reflected within the Authority's Prevention of Financial Markets Abuse Rules.

### 3.0 Details of the Amendments

The amendments made to the Authority's Prevention of Financial Markets Abuse Rules, specifically within Section 3 of Title 3 therein, consist in the introduction of the following new rule:-

#### QUOTE

**R3-3.3** *In view of the discretion afforded to the Authority by Article 19(9) of MAR, Paragraph 1 of Article 19 of MAR shall apply to any subsequent transaction once a total amount of EUR 10 000 has been reached within a calendar year. The Threshold of EUR 10 000 shall be calculated by adding without netting all transactions referred to in paragraph 1.*

*The above rule is applicable as from 04 December 2024 and is without prejudice to any reporting obligations as applicable before 04 December 2024.*

#### UNQUOTE

### 4.0 Amended Prevention of Financial Markets Abuse Rules

The revised Prevention of Financial Markets Abuse Rules have been made public on the Authority's website and can be accessed through the following [link](#).

## 5.0 Effective Date

These amendments to the Prevention of Financial Markets Abuse Rules will become effective as from 04 December 2024. The obligation to notify transactions which had been carried out prior to effective date of the change in threshold (i.e., up until 03 December 2024) is to be determined on the basis of the threshold which had been in place up until 03 December 2024 (i.e., EUR 5 000).

## Contacts

Should you have any queries relating to the above kindly contact the Authority on [pfma@mfsa.mt](mailto:pfma@mfsa.mt).