

Information about coming rules for transaction reporting

The revision of MiFID I and the introduction of the Markets in Financial Instruments Regulation ("MiFIR") are often collectively referred to as MiFID II. MiFIR is a European regulation which means it has direct effect on the laws of European member states. The national competent authorities of Denmark, Finland, the Netherlands, Norway and Sweden consider it important to inform about this change and specifically the requirement to report transactions.

The aim of MiFID II/MiFIR is to promote the efficiency and transparency of the European financial markets and increase investor protection. MiFID II/MiFIR significantly extends the scope of the legislation and the number of financial instruments which will be covered increases considerably. For transaction reporting this means that a broader range of asset classes will be encompassed and there will be an increase in the number of reportable data fields.

Due to technical implementing challenges of essential data infrastructures faced by the European Securities and Markets Authority (ESMA) and by national competent authorities the transposition and application date for MiFID II/MiFIR has been postponed. The date of application has been postponed by one year from 3 January 2017 to 3 January 2018. The deadline for the member states to transpose the new directive into national legislation will be set for 3 July 2017.

Obligations relating to transaction reporting

When MiFID II/MiFIR applies each investment firm will be responsible for reporting the details of their transactions executed in financial instruments (and all instruments derived thereof) which are traded, authorized or permitted to be traded on a trading platform (regulated market, MTF or OTF) regardless of the place of execution. This information should as soon as possible, latest by the end of the next working day, fully and accurately be reported to the supervisor. The contents of the transaction data and the specific requirements are described in the "technical standards" (RTS22¹) established by ESMA. Furthermore, ESMA published 25 December 2015 a consultation document "Guidelines on transaction reporting, reference data, order recordkeeping and clock synchronization"² in which examples are included which describe how to report different scenarios.

Investment firms may report transaction data by them self, by a company acting as Approved Reporting Mechanism ("ARM") or by a trading platform whose systems were used in order to carry out the transaction.

¹ ESMA/2015/1464

² ESMA/2015/1909



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Northern TRS

To meet the requirements in MiFID II/MiFIR the competent authorities in Denmark, Finland, the Netherlands, Norway and Sweden, have decided to jointly develop a new system to address the new requirements. This cooperation is called Northern TRS (NTRS) and the development of the system is done together with an external supplier.

The project started in 2015 and has now reached the development phase. According to the project plan the system will be ready for production 3 January 2018 and testing with submitting entities is planned to start in the middle of 2017. The project has strong dependencies to ESMA and its MiFID II/MiFIR implementation program called ESMA Delegated Projects. Further information about the project's time plan and related technical specifications will be provided on a continuous basis jointly by the signed competent authorities.