

Group Briefing

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Commission extends MiFID II application date by 1 year

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The European Commission announced today (10 February 2016) that it is extending the deadline for the application of MiFID II, by 1 year, to 3 January 2018. This had been signalled as a possibility for some time (see our November 2015 [Client Briefing](#) for further background).

The Commission's [Press Release](#) states that the reason for the extension lies in the complex technical infrastructure that needs to be set up for the MiFID II package to work effectively. The European Securities and Markets Authority (ESMA) needs to collect data from about 300 trading venues on approximately 15 million financial instruments. To achieve this, ESMA must work closely with national competent authorities and the trading venues themselves. However, the Commission was informed by ESMA that neither competent authorities, nor market participants, would have the necessary systems ready by 3 January 2017, the date by which the MiFID II

package was initially scheduled to become operational. In light of these exceptional circumstances, and in order to avoid legal uncertainty and potential market disruption, an extension was deemed necessary.

The extension will not have an impact on the timeline for adoption of the 'Level 2' implementing measures under MiFID II. The Commission will proceed with their adoption irrespective of the new date of entry into application of MiFID II.

This document contains a general summary of developments and is not a complete or definitive statement of the law. Specific legal advice should be obtained where appropriate.

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