

## Press release

### **MiFID/MiFIR concluded at political level: ESMA to start consulting on level 2 measures**

The European Banking Federation (EBF) has closely followed the MiFID review and congratulates the co-legislators for the progress made on this essential file for European Capital markets.

The EBF welcomes that the existing transparency waivers under MiFID I will continue to be available in order to prevent unwanted impacts on the price formation process and on liquidity, however the EBF fears that the volume cap mechanism introduced in certain cases will make the waivers unworkable. European banks expect that the volume cap will increase market volatility. It is of the utmost importance that these new rules on the volume cap do not negatively impact the attractiveness of the European equities markets.

Concerning investor protection, the EBF believes that investors should not be restricted in their access to quality advice and firmly supports a high level of transparency on investment advice. In this respect, the EBF encourages ESMA to draft level 2 measures that find the right balance between consumer choice and consumer protection.

During 2014, ESMA will have to work on a large number of level 2 measures according to its work program<sup>[1]</sup>. The EBF therefore strongly encourages the co-legislators to give ESMA sufficient time to produce thorough impact assessments and to engage in adequate public consultation while preparing the technical standards.

Last but not least, it is also vital to allow enough time – a minimum of 12 months – between the finalisation of the rules and the implementation date so that investors, banks and market infrastructures can make and safely test what may need to be significant system changes.

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<sup>[1]</sup> [http://www.esma.europa.eu/system/files/2012-631\\_0.pdf](http://www.esma.europa.eu/system/files/2012-631_0.pdf) (Annex 3)