

Deloitte regulatory news alert

MiFID II - Delay Statement

12 February 2016

In its meeting of February 10th 2016, the College of Commissioners officially announced its final position concerning the delayed coming into force of the revised Markets in Financial Instruments Directive ("MiFID II / MiFIR"). The key points of this announcement are as follows:

MiFID II

- The legislative proposal postpones by a year the application date (January 2018), the repeal of MiFID I as well as all the review clauses contained in the legislation
- Article 93(1) MiFID II, requiring Member States to transpose MiFID II in national legislation by 3 July 2016 does not seem to have been modified, contrary to the wish of Member States as expressed during the Financial Services Committee of 21 January 2016

MiFIR

- The legislative proposal postpones by a year the application date (January 2018), as well as all the review clauses contained in the regulation
- In addition, the proposal postpones all deadlines for reports and the expected technical standards on the double volume cap mechanism which are to be produced by ESMA and the Commission by a year

For more information, view the official European Commission release [here](#).

In light of this delay, we foresee several available options for the MiFID II / MiFIR Compliance Program within your organisation:

1. Continue as planned

- This option would maximize your chance of being compliant on time, by ensuring knowledge and momentum preservation
- In this scenario, your program must ensure that it integrates the latest market practices on an ongoing basis, and the latest interpretations in a way that they do not interfere with your implementation process
- Due to the extended timeline, and considering the potential delay in publishing the final technical standards, a strict budget monitoring will be key to avoid an increase in the overall project management effort

2. Finalize gap assessment & strategic decisions

- This option would allow momentum and knowledge retention, while adapting the use of business and IT resources in a more flexible way
- The definition of the implementation phase will have to quickly follow the endorsement by the Commission of the technical standards, in order to maximise your chances of being compliant on time

3. Phase the implementation

- This option would allow phasing developments, while taking complexity of implementation and business criticality into account. In terms of deadline feasibility, it would have the same impact as finalizing gap assessment & strategic decisions
- The implementation plan must also take into account regulatory certainty in order to delay topics on which market practice and regulatory interpretations are still needed

How can Deloitte help?

We offer to organize an informal workshop in your offices, to answer your questions and discuss the right approach with respect to this delay and the next steps to consider. Depending on the servicing model and level of regulatory maturity, the answer may differ significantly between organisations.

Please do not hesitate to contact us, as we would be more than happy to prepare a workshop tailor-made to your requirements.

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