

Regulation (EU) 2016/1033 of the European Parliament and of the Council of 23 June 2016 amending Regulation (EU) No 600/2014 on markets in financial instruments, Regulation (EU) No 596/2014 on market abuse and Regulation (EU) No 909/2014 on improving securities settlement in the European Union and on central securities depositories (Text with EEA relevance)

Article 1

Regulation (EU) No 600/2014 is amended as follows:

- (1) in Article 1, the following paragraph is inserted:
 - 5a. Title II and Title III of this Regulation shall not apply to securities financing transactions as defined in point (11) of Article 3 of Regulation (EU) 2015/2365 of the European Parliament and of the Council⁽¹⁾;
- (2) in Article 2(1), the following points are added:
 - (48) “exchange for physical” means a transaction in a derivative contract or other financial instrument contingent on the simultaneous execution of an equivalent quantity of an underlying physical asset;
 - (49) “package order” means an order priced as a single unit:
 - (a) for the purpose of executing an exchange for physical; or
 - (b) in two or more financial instruments for the purpose of executing a package transaction;
 - (50) “package transaction” means:
 - (a) an exchange for physical; or
 - (b) a transaction involving the execution of two or more component transactions in financial instruments and which fulfils all of the following criteria:
 - (i) the transaction is executed between two or more counterparties;
 - (ii) each component of the transaction bears meaningful economic or financial risk related to all the other components;
 - (iii) the execution of each component is simultaneous and contingent upon the execution of all the other components.;
- (3) in Article 4(7), the date ‘3 January 2017’ is replaced by ‘3 January 2018’ and the date ‘3 January 2019’ is replaced by ‘3 January 2020’;
- (4) in Article 5(8), the date ‘3 January 2016’ is replaced by ‘3 January 2017’;
- (5) in Article 8(1), the first sentence is replaced by the following:

‘Market operators and investment firms operating a trading venue shall make public current bid and offer prices and the depth of trading interests at those prices which are

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advertised through their systems for bonds, and structured finance products, emission allowances, derivatives traded on a trading venue and package orders.’;

(6) Article 9 is amended as follows:

(a) in paragraph 1, the following points are added:

(d) orders for the purpose of executing an exchange for physical;

(e) package orders that meet one of the following conditions:

(i) at least one of its components is a financial instrument for which there is not a liquid market, unless there is a liquid market for the package order as a whole;

(ii) at least one of its components is large in scale compared with the normal market size, unless there is a liquid market for the package order as a whole;

(iii) all of its components are executed on a request-for-quote or voice system and are above the size specific to the instrument.;

(b) the following paragraph is inserted:

2a. Competent authorities shall be able to waive the obligation referred to in Article 8(1) for each individual component of a package order.;

(c) the following paragraph is added:

6. In order to ensure the consistent application of points (i) and (ii) of paragraph (1)(e), ESMA shall develop draft regulatory technical standards to establish a methodology for determining those package orders for which there is a liquid market. When developing such methodology for determining whether there is a liquid market for a package order as a whole, ESMA shall assess whether packages are standardised and frequently traded.

ESMA shall submit those draft regulatory technical standards to the Commission by 28 February 2017.

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.;

(7) in Article 18, the following paragraph is added:

11. In respect of a package order and without prejudice to paragraph 2, the obligations in this Article shall only apply to the package order as a whole and not to any component of the package order separately.;

(8) in Article 19(1), the date ‘3 January 2019’ is replaced by ‘3 January 2020’;

(9) in Article 26(10), the date ‘3 January 2019’ is replaced by ‘3 January 2020’;

(10) in Article 35(5), the date ‘3 January 2017’ is replaced by ‘3 January 2018’ and the date ‘3 July 2019’ is replaced by ‘3 July 2020’;

(11) in Article 37(2), the date ‘3 January 2017’ is replaced by ‘3 January 2018’;

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- (12) Article 52 is amended as follows:
- (a) in paragraph 1, the date ‘3 March 2019’ is replaced by ‘3 March 2020’;
 - (b) in paragraph 4, the date ‘3 March 2019’ is replaced by ‘3 March 2020’;
 - (c) in paragraph 5, the date ‘3 March 2019’ is replaced by ‘3 March 2020’;
 - (d) in paragraph 6, the date ‘3 March 2019’ is replaced by ‘3 March 2020’;
 - (e) in paragraph 7, the date ‘3 July 2019’ is replaced by ‘3 July 2020’;
 - (f) in paragraph 8, the date ‘3 July 2019’ is replaced by ‘3 July 2020’;
 - (g) in the first subparagraph of paragraph 9, the date ‘3 July 2019’ is replaced by ‘3 July 2020’;
 - (h) in the second subparagraph of paragraph 9, the date ‘3 July 2021’ is replaced by ‘3 July 2022’;
 - (i) in the first subparagraph of paragraph 10, the date ‘3 July 2019’ is replaced by ‘3 July 2020’;
 - (j) in paragraph 11, the date ‘3 July 2019’ is replaced by ‘3 July 2020’;
 - (k) in the second subparagraph of paragraph 12, the date ‘3 January 2017’ is replaced by ‘3 January 2018’;
- (13) in the first subparagraph of Article 54(2), the date ‘3 July 2019’ is replaced by the following ‘3 July 2020’.
- (14) Article 55 is amended as follows:
- (a) the second paragraph is replaced by the following:

This Regulation shall apply from 3 January 2018.;
 - (b) the fourth paragraph is replaced by the following:

Notwithstanding the second paragraph, Article 37(1), (2) and (3) shall apply from 3 January 2020.

Article 2

Article 39 of Regulation (EU) No 596/2014 is amended as follows:

- (a) paragraph 2 is replaced by the following:

2. It shall apply from 3 July 2016 except for:

 - a Article 4(2) and (3), which shall apply from 3 January 2018; and
 - b Article 4(4) and (5), Article 5(6), Article 6(5) and (6), Article 7(5), Article 11(9), (10) and (11), Article 12(5), Article 13(7) and (11), Article 16(5), the third subparagraph of Article 17(2), Article 17(3), (10) and (11), Article 18(9), Article 19(13), (14) and (15), Article 20(3), Article 24(3), Article 25(9), the second, third and fourth subparagraphs of Article 26(2), Article 32(5) and Article 33(5), which shall apply from 2 July 2014.;
- (b) in the first subparagraph of paragraph 4, the date ‘3 January 2017’ is replaced by ‘3 January 2018’;

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- (c) in the second subparagraph of paragraph 4, the date ‘3 January 2017’ is replaced by ‘3 January 2018’.

Article 3

Article 76 of Regulation (EU) No 909/2014 is amended as follows:

- (a) in point (b) of the second subparagraph of paragraph 5, the date ‘13 June 2017’ is replaced by ‘13 June 2018’;
- (b) in paragraph 7, the date ‘3 January 2017’ is replaced by ‘3 January 2018’.

Article 4

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 23 June 2016.

For the European Parliament

The President

M. SCHULZ

For the Council

The President

A.G. KOENDERS

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- (1) Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 ([OJ L 337, 23.12.2015, p. 1](#)).';

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Changes and effects yet to be applied to :

- Regulation power to modify conferred by [2023 c. 29 s. 3 Sch. 1 Pt. 1](#)
- Regulation revoked by [2023 c. 29 Sch. 1 Pt. 1](#)