

## Minutes

Meeting: MiFID II Implementation Roundtable  
Date of Meeting: 14 September 2015  
Venue: 25 The North Colonnade, Canary Wharf, London E14 5HS

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Present:

Nick Bayley - FCA	Stephen Hanks - FCA
Louise Rodger - FCA	Sarah Raisin - FCA
Thomas Ward - FCA	Paul Atkinson - FCA
Caroline Michel - FCA	Adam Wregglesworth - FCA
ABI	AFB
AFME	APCC
APFA	EFET
Energy UK	FESE
FIA-Europe	GAFTA
IMA	ICI-Global
ICMA	ISDA
MFA	NFU
QCA	TISA
UK Platforms Group	WMA
WMBA	

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### 1 MiFID II Implementing Measures

The FCA provided an update on the MiFID II implementing measures.

#### 1.1 Delegated Acts

- The European Commission (EC) has not yet adopted the Delegated Acts. With a process of internal consultation within the Commission still to be gone through and the need for translation of the texts, it now seems unlikely that they will be adopted before the beginning of November 2015 at the earliest. When they are adopted, the

European Parliament and Council will have a three-month period to decide whether or not to object (which can be extended by a further three months at the initiative of the European Parliament or the Council).

## 1.2 The Technical Standards

- The MiFID II Regulatory Technical Standards (RTS) will be submitted to the ESMA Board of Supervisors (BoS) meeting on 24 September for approval.
- If approved the RTS should be made public shortly after the BoS meeting, when they are sent to the EC.
- When the draft RTS are sent to the Commission it will need to decide, within three months, whether or not to endorse them. It is uncertain what would happen vis-à-vis the European Parliament and Council if the Commission decided not to endorse some standards, whether the Commission would wait to send all the RTS to them in one go or whether different standards would be sent at different points in time.
- The European Parliament and Council have one month (extendable by one month and then an additional month at the initiative of the European Parliament or the Council) to consider whether to oppose RTS notified to them by the EC which are the same as ESMA's drafts. Where the RTS notified by the EC are not the same as ESMA's drafts, the European Parliament and Council have three months (extendable by three months) to consider whether to oppose the RTS.

## 2 FCA implementation work

### 2.1 Consultation

- The FCA explained that due to the lack of certainty concerning the legislative timetable (which inhibits policy development in certain areas), the timetable for its planned December 2015 consultation on Handbook changes may shift. More will be known depending on the outcome of ESMA's September BoS meeting and once the Delegated Acts are published.
- One possibility being considered by the FCA is to issue one Consultation Paper (CP) in December 2015, on issues where there is certainty, and then to consult in a second CP early next year on other issues.
- On the domestic front, the FCA noted the recently announced Financial Advice Market Review (FAMR) which will examine how the market for financial advice could work better for consumers. FAMR is due to report in early 2016, and will likely touch on issues which are relevant to aspects of MiFID II.
- It was recognised by the FCA that the later the CPs are published, the later firms have certainty for implementation.
- The FCA stressed that although there have been delays to some elements of the EU legislative timetable, there can be no assumption that the July 2016 transposition deadline or January 2017 date of application will change.
- The FCA will continue to engage with Trade Associations and firms as fully as possible as this challenging timetable develops.
- On the eventual form of the new FCA Handbook text and rules, the FCA explained that work is underway on a wider project to make the Handbook more navigable and user friendly and work on MiFID implementation will need to be consistent with this.

### 2.2 Cost Benefit Analysis (CBA)

- The FCA noted it will be undertaking a CBA for aspects of MiFID II implementation where it has some degree of discretion. In this regard, a questionnaire, to inform the CBA for consultation, will shortly go out to firms. The FCA encourages Trade Association members to complete and return the CBA as this will assist decision-making on the policy proposals to be contained in the forthcoming MiFID II CPs. The majority of

the CBA questionnaire focuses on the retail conduct issues raised in the DP published earlier this year.

### 2.3 FCA MiFID II conference

- The FCA now has a full-time communications consultant in post who will manage the communications strategy for MiFID II and MAR.
- The strategy will be supported by an integrated programme covering: industry education and engagement, media relations, a digital campaign including regular website updates and other related activity. The FCA wishes to work in partnership with Trade Associations in getting its messages out to market participants.
- [The FCA MiFID II conference](#), which will be largely focussed on wholesale issues, will take place on 19 October 2015 at the ExCel centre in London.
- There is a limit of approximately 500 places and demand is expected to be high. The FCA is therefore targeting invitations initially to firms and the regulated community before advertising the event more widely on the FCA website. Special provision is being made for Trade Associations, and the FCA will also be inviting firms to pre-submit their questions for the conference workshops.

## 3 ESMA Level 3 work

- The FCA noted that the EC would be holding a transposition workshop on MiFID II for Member States on 21<sup>st</sup> September during a meeting of the Expert Group of the European Securities Committee. Because of the number of questions submitted by Member States for this workshop the discussion on the 21<sup>st</sup> September was subsequently cancelled. The EC is looking to find another date on which a longer discussion can be had on transposition issues.
- Because of work on the draft RTS ESMA has had little time to start to work on level 3 material to aid firms' understanding of MiFID II. And no such work which has links to any of the level 2 measures can be published until the relevant objection period for the EP and Council has expired.
- The Investor Protection and Intermediaries Standing Committee (IPISC) has been considering possible topics for level 3 work. Possible priority areas for its efforts might include product governance, best execution and costs and charges.

## 4 AOB

### 4.1 MAR Implementation

- The FCA provided a short update on MAR implementation.
- The timetable is similar to that of MiFID II: the MAR Technical Standards are nearing finalisation awaiting final approval at ESMA's 24 September BoS meeting.
- Following submission of the Technical Advice earlier this year, the Delegated Acts have yet to be adopted by the EC.
- The FCA MAR team is expected to issue its CP to enable changes to the FCA Handbook in late October or early November 2015.
- Separate MAR round-table meetings with Trade Associations are being planned for towards the end of the year /early 2016.