

**TECHNICAL STANDARDS (MARKETS IN FINANCIAL INSTRUMENTS
TRANSPARENCY) (TRANSITIONAL PROVISIONS) INSTRUMENT 2024**

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the powers and related provisions in or under:
- (1) Articles 4, 7, 9, 11, 12, 20, 21 and 22 of, and paragraph 24 of Schedule 3 to, Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012; and
 - (2) the following sections of the Financial Services and Markets Act 2000 (“the Act”):
 - (a) section 138P (Technical standards)
 - (b) section 138Q (Standards instruments);
 - (c) section 138S (Application of Chapters 1 and 2); and
 - (d) section 137T (General supplementary powers).
- B. The rule-making powers listed above are specified for the purposes of section 138Q(2) (Standards instruments) of the Act.

Pre-conditions to making

- C. The FCA has consulted the Prudential Regulation Authority and the Bank of England as appropriate in accordance with section 138P of the Act.
- D. A draft of this instrument has been approved by the Treasury in accordance with section 138R of the Act.

Interpretation

- E. In this instrument, any reference to any provision of assimilated direct legislation is a reference to it as it forms part of assimilated law.

Modifications

- F. The technical standards listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2) below.

(1)	(2)
Commission Delegated Regulation (EU) 2017/577 of 13 June 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on the volume cap mechanism and the provision of information for the purposes of transparency and other calculations	Annex A

Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives	Annex B
Commission Delegated Regulation (EU) 2017/587 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of shares, depositary receipts, exchange-traded funds, certificates and other similar financial instruments	Annex C
Commission Delegated Regulation (EU) 2017/588 of 14 July 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards on the tick size regime for shares, depositary receipts and exchange-traded funds	Annex D

Commencement

G. This instrument comes into force on 4 October 2024.

Citation

H. This instrument may be cited as the Technical Standards (Markets in Financial Instruments Transparency) (Transitional Provisions) Instrument 2024.

By order of the Board
3 October 2024

In this Annex, underlining indicates new text, unless otherwise stated.

Annex A

Commission Delegated Regulation (EU) 2017/577 of 13 June 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on the volume cap mechanism and the provision of information for the purposes of transparency and other calculations

The following Articles are deleted in their entirety. The deleted text is not shown but the Articles are marked [deleted] as shown below.

Article 6

Reporting requirements for trading venues and CTPs for the purpose of the volume cap mechanism [deleted]

...

Article 8

Reporting requirements for ESMA for the purpose of the volume cap mechanism [deleted]

In this Annex, underlining indicates new text and striking through indicates deleted text.

Annex B

Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives

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CHAPTER IV PROVISIONS COMMON TO PRE-TRADE AND POST-TRADE TRANSPARENCY

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Article 13A

Transitional period for publication of transparency calculations

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- (2) For the purposes of this Article, the term ‘transitional period’ ~~has the same meaning as under Article 5(3A) of Regulation 600/2014/EU~~ means the period ending on the day this Article is revoked.
- (3) ~~During the transitional period, and until the FCA makes a publication under Article 13 in relation to the financial instrument in question, the determination of whether or not it is liquid, the minimum order and transaction size of the size specific to the financial instrument and the minimum sizes of orders and transactions that are large in scale (as appropriate) in respect of a bond, structured finance product, emission allowance or derivative shall be as follows:~~
- (a) ~~that stated in the most recent information published before IP completion day under Article 13 or 18 (whichever is the most recent) by a competent authority in the European Union (including the FCA), provided the calculations used to produce that information did not exclude trading in the UK for the relevant period; or~~
 - (b) ~~if no such information was published by a competent authority in the European Union in respect of a financial instrument under those provisions before IP completion day:~~
 - (i) ~~the financial instrument shall be considered not to have a liquid market;~~

- (ii) ~~the minimum order and transaction size of the size specific to the financial instrument and the minimum sizes of orders and transactions that are large in scale (as appropriate) shall be that estimated by the FCA, taking into account any previous trading history of that financial instrument and of other financial instruments that are considered to have similar characteristics, and published on IP completion day.~~
[deleted]
- (4) From IP completion day and during the transitional period the FCA's obligations to perform calculations and publish information under Articles 13(17) and 13(18) are modified as follows:
- (a) it shall publish whether or not the relevant instrument appears to it to be liquid, what appears to it to be the minimum order and transaction size of the size specific to the financial instrument, and the minimum sizes of orders and transactions that are large in scale (as appropriate);
- (b) it is not required to follow the relevant methodology in Article 3, 5, 6, 9, 10, 13 or 17 (as applicable) but where it does not:
- it must have regard to the relevant methodology; and
 - it may take into account any information available in relation to trading of the financial instrument in question in the United Kingdom or in any other country; and
- (c) in the case of a publication under Article 13(17), it shall ensure publication by five working days after 30 April; and
- (d) in the case of a publication under Article 13(18), it shall ensure publication by five working days after the first day of February, May, August and November.

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Article 17

Provisions for the liquidity assessment for bonds and for the determination of the pre-trade size specific to the instrument thresholds based on trade percentiles

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- (4) ~~The FCA shall, by 30 July of the year following the date of application of Regulation (EU) No 600/2014 and by 30 July of each year thereafter, submit to the Treasury an assessment of the operation of the thresholds for the liquidity criterion 'average daily number of trades' for bonds as well as the size specific to the financial instruments~~
[deleted]
- (5) ~~The assessment referred to in paragraph 4 shall take into account:~~
- (a) ~~the evolution of trading volumes in non equity instruments covered by the pre-trade transparency obligations pursuant to Article 8 and 9 of Regulation (EU) No 600/2014;~~

- ~~(b) the impact on liquidity providers of the percentile thresholds used to determine the size specific to the financial instrument; and~~
- ~~(c) any other relevant factors. [deleted]~~
- (6) ~~The FCA shall, in light of the assessment undertaken in accordance with paragraphs 4 and 5, consider its use of the powers to amend this Regulation at regulation 3 of the Financial Regulators' Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (SI 2018/1115) and section 138P of FSMA. [deleted]~~

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Annex C

Commission Delegated Regulation (EU) 2017/587 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of shares, depositary receipts, exchange-traded funds, certificates and other similar financial instruments

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CHAPTER IV PROVISIONS COMMON TO PRE-TRADE AND POST-TRADE TRANSPARENCY CALCULATIONS

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Article 17

Methodology, date of publication and date of application of the transparency calculations (Article 22(1) of Regulation (EU) No 600/2014)

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- (2) The FCA, market operators and investment firms including investment firms operating a trading venue shall use the information published in accordance with paragraph 1 for the purposes of points (a) and (c) of Article 4(1) and paragraphs 2 and 4 of Article 14 of Regulation (EU) No 600/2014, for a period of 12 months from 1 April of the year in which the information is published or until the revocation of this Article, whichever is earlier.

Where the information referred to in the first subparagraph is replaced by new information pursuant to paragraph 3 during the 12-month period referred to therein, competent authorities, market operators and investment firms including investment firms operating a trading venue shall use that new information for the purposes of points (a) and (c) of Article 4(1) and paragraphs 2 and 4 of Article 14 of Regulation (EU) No 600/2014.

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Article 17A

Transitional period for publication of transparency calculations

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- (2) For the purposes of this Article, the term ‘transitional period’ has the same meaning as under Article ~~5(3A)~~ 14(6D) of Regulation 600/2014/EU.

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The following Article is deleted in its entirety. The deleted text is not shown but the Article is marked [deleted] as shown below.

Article 19

Transitional provisions [deleted]

In this Annex, underlining indicates new text, unless otherwise stated.

Annex D

Commission Delegated Regulation (EU) 2017/588 of 14 July 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards on the tick size regime for shares, depositary receipts and exchange traded funds

The following Article is deleted in its entirety. The deleted text is not shown but the Article is marked [deleted] as shown below.

Article 3A

Transitional period for publication of average daily number of transactions [deleted]