

# ESMA PROVIDES GUIDANCE ON WAIVERS FROM PRE-TRADE TRANSPARENCY

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, published today an [opinion](#) providing guidance on pre-trade transparency waivers for equity and non-equity instruments. The document replaces the guidance of the Committee of European Securities Regulators and ESMA's opinions on waivers from pre-trade transparency under the Market in Financial Instruments Directive (MiFID) I.

The guidance published today provides stakeholders with information on ESMA's assessment of features frequently encountered in the context of issuing opinions on waivers from pre-trade transparency over the last three years. The opinion aims to contribute to the consistent application of waivers from pre-trade transparency across the Union. The document will be updated should ESMA encounter further frequent issues in the context of assessing waiver notifications.

## **Background**

MiFIR sets out pre-trade transparency requirements for trading venues for equity and non-equity instruments to ensure that an efficient price discovery process is not impaired by the fragmentation of liquidity. MiFIR recognises however that there may be circumstances where such pre-trade transparency obligations may be waived.

Before granting a waiver, National Competent Authorities (NCAs) should notify ESMA of the intended use of each individual waiver and provide an information regarding its functioning. ESMA is required to issue an opinion to the NCA assessing the compatibility of the waiver with the MIFIR requirements. These opinions are not made public.

Over the last three years, ESMA assessed more than 900 notifications for waivers from pre-trade transparency for equity and non-equity instruments.