

27 January 2022

Circular on Regulation (EU) No 236/2012 on Short-Selling – ESMA Requires to Report Net Short Positions between 0.1% and 0.2% During Transition

The European Securities and Markets Authority ('ESMA') has on 26 January 2022 issued a [statement](#) to clarify how to report net short positions ('NSPs') between 28 and 31 January 2022 when the reporting threshold changes from 0.2% to 0.1%.

The last day of application of the old reporting threshold (0.2%) will be in relation to NSPs entered into on Friday, 28 January 2022, with NSPs to be reported to Relevant Competent Authorities ('RCAs') by 15:30 of the following trading day, i.e. Monday, 31 January 2022.

Accordingly, from Monday, 31 January 2022 onwards, position holders will have to report when their NSPs in shares exceed or are equal to 0.1% of the issued share capital and each 0.1% above that.

The statement requires position holders to report NSPs between 0.1% and 0.2% on the day of application of the 0.1% reporting threshold, even where they were entered into ahead of that date. This is to give RCAs the full picture of NSPs above the new threshold, which otherwise would be incomplete.

Reporting entities are invited to read the [statement](#) which also provides for practical examples on when and how to report the NSPs under the new reporting threshold of 0.1%.

Contact

Any queries in relation to the above, or in relation to the Short-Selling Regulation in general, should be directed to the MFSA via email on ssr@mfsa.mt.