

06 January 2022

Circular on the Call for Evidence on a Pilot Regime for Market Infrastructures Based on Distributed Ledger Technology ('DLT')

Introduction

This Circular is being addressed to trading venues, securities settlement systems and entities that are considering operating under the DLT Pilot Regime, as well as for market participants that plan to use DLT market infrastructures.

This Circular should be read in conjunction with the Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on the markets in financial instruments and amending Regulation (EU) No 648/2012 ('MIFIR'), its Delegated Regulations and previous Circulars issued by the Authority, as the case may be.

Overview

The Malta Financial Services Authority (the 'Authority') would like to inform all relevant stakeholders that on 4 January 2021 the European Securities and Markets Authority ('ESMA') has issued a [Call for evidence on the DLT Pilot Regime and review of MiFIR regulatory technical standards on transparency and reporting](#).

ESMA is required to assess whether the RTS developed under MIFIR relative to certain pre- and post-trade transparency and data reporting requirements need to be amended to be effectively applied to securities issued, traded and recorded on DLT systems. Feedback from stakeholders is therefore being sought by ESMA through the call for evidence.

Areas Covered in the Call

The call for evidence covers various regulatory technical standards including equity transparency, non-equity transparency, double volume cap and provision of data, order record keeping, clock synchronization, and data reporting requirements.

Views by stakeholders on the effective access by regulators to information on transactions, financial instruments' reference data and transparency data are also being sought.

Next Steps

Comments shall be submitted to ESMA by not later than 4 March 2022 through [ESMA's website](#). Following the call for evidence, ESMA will consider whether any amendments to the RTS are necessary. The final draft RTS will be submitted to the European Commission for adoption following consultation on the proposal.

ESMA considers it important to already consult at this stage since the DLT Pilot Regime is likely to start applying in the beginning of 2023, which leaves insufficient time for the assessment and potential amendments of the RTS.

Contacts

Should you have any queries on the above, please do not hesitate to contact the Authority's **Market Infrastructures Team** on MarketInfrastructures@MFSA.mt or **FinTech Supervision Team** on Fintech@MFSA.mt for any further clarifications.