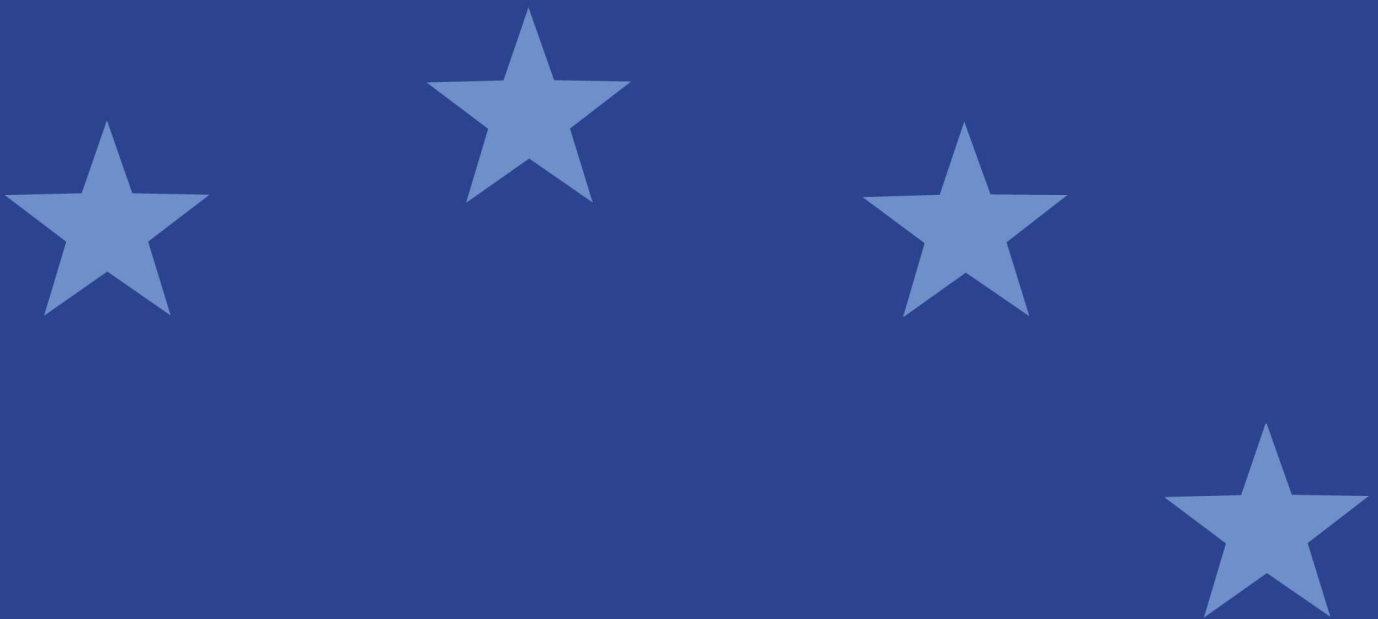


## **Response form for the Consultation Paper on Review of the MiFID II framework on best execution reports**



## Responding to this paper

ESMA invites responses to the questions set out throughout this Consultation Paper and summarised in Annex II. Responses are most helpful if they:

- respond to the question stated and indicate the specific question to which they relate;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **Thursday 23<sup>th</sup> December 2021**.

All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading 'Your input - Consultations'.

### Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the steps below when preparing and submitting their response:

- Insert your responses to the consultation questions in this form.
- Please do not remove tags of the type <ESMA\_QUESTION\_BEEX\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
- If you do not wish to respond to a given question, please do not delete it but simply leave the text "TYPE YOUR TEXT HERE" between the tags.
- When you have drafted your response, name your response form according to the following convention: ESMA\_BEEX\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_BEEX\_ABCD\_RESPONSEFORM.
- Upload the form containing your responses, in Word format, to ESMA's website ([www.esma.europa.eu](http://www.esma.europa.eu) under the heading 'Your input – Open consultations' → 'Consultation on Review of the MiFID II framework on best execution reports').

## **Publication of responses**

All contributions received will be published following the close of the consultation, unless you request otherwise. If you do not wish for your response to be publicly disclosed, please clearly indicate this by ticking the appropriate box on the website submission page. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

## **Data protection**

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading '[Data protection](#)'.

## **Who should read this paper?**

This document is of interest to execution venues, investment firms and their associations, investors, consumer associations, as well as any market participant engaged in the execution of orders under the MiFID II framework.

## General information about respondent

Name of the company / organisation	Associazione Intermediari Mercati Finanziari - ASSOSIM
Activity	Non-governmental Organisation and Other Associations
Are you representing an association?	<input checked="" type="checkbox"/>
Country/Region	Italy

## Introduction

***Please make your introductory comments below, if any:***

<ESMA\_COMMENT\_BEEX\_1>

In general terms, with respect to RTS 27 we note that the draft legislative proposal setting out amendments to MiFID II Directive recently published by the European Commission ("MiFID Review) provides (art. 1, paragraph 4(a)) for a deletion of article 27(3) of MiFID II relating to the report to be made available by the execution venues. Therefore, we acknowledge that the repeal of such requirement is currently under discussion. We support such approach because – as ESMA itself recognizes in the Consultation Paper – the application of RTS 27 gave rise to several issues and showed to be not fully helpful for the financial industry. In particular, the contents of RTS 27 reports have proven to be in some way inconsistent; consequently, intermediaries faced difficulties in using the data provided in such reports to make comparisons between execution venues. The above being considered, we do not think to be in the position to provide comments with respect to a review of RTS 27 as long as a proposal for its repeal (which we support) is pending. Moreover, should ESMA decide to propose amendments to RTS 27 notwithstanding the aforementioned draft legislative proposal (so that they would be ideally applicable before the MiFID Review becomes effective), this would entail costs to be borne by the financial industry for short-term adjustments. We expect that such costs would be assessed in the context of a cost-benefit analysis. According to such latter rationale and to all explained above, we will not provide any comments with respect to the RTS 27 amendment proposals contained in the CP.

<ESMA\_COMMENT\_BEEX\_1>

**Q1 : Do you agree with the proposed scope in terms of execution venues for the reporting under a possible new RTS 27?**

<ESMA\_QUESTION\_BEEX\_1>

Please see our introductory comments above.

<ESMA\_QUESTION\_BEEX\_1>

**Q2 : Do you agree with the proposed level of granularity by types of financial instruments instead of individual financial instruments under a new potential reporting regime? In particular, do you agree with the two proposed categories concerning shares (i.e., shares considered to have a liquid market and shares not considered to have a liquid market)? If not, please state the reasons for your answer and clarify what alternative categorisations you would propose in order to have a meaningful level of granularity for a new reporting regime.**

<ESMA\_QUESTION\_BEEX\_2>

Please see our introductory comments above.

<ESMA\_QUESTION\_BEEX\_2>

**Q3 : Do you agree with the proposed metrics to report the execution quality obtained by execution venues?**

<ESMA\_QUESTION\_BEEX\_3>

Please see our introductory comments above.

<ESMA\_QUESTION\_BEEX\_3>

**Q4 : Have you observed good or bad practices of reporting by execution venues under the current RTS 27 that can be relevant for the elaboration of proposals to enhance access and user-friendliness of this information? Please provide specific examples if possible.**

<ESMA\_QUESTION\_BEEX\_4>

Please see our introductory comments above.

<ESMA\_QUESTION\_BEEX\_4>

**Q5 : Have you observed good or bad practices of reporting by investment firms under the current RTS 28 that can be relevant for the elaboration of proposals to enhance access and user-friendliness of this information? Please provide specific examples if possible.**

<ESMA\_QUESTION\_BEEX\_5>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_BEEX\_5>

**Q6 : Do you agree with the classification for reporting proposed in Annex I of the possible new RTS 28, especially with regard to the suggested methodology for the reporting on equity instruments? If not, what alternative categorisations would you propose?**

<ESMA\_QUESTION\_BEEX\_6>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_BEEX\_6>

**Q7 : Do you agree with the proposals for a possible review of RTS 28?**

<ESMA\_QUESTION\_BEEX\_7>

We – also jointly with other financial industry associations - have underlined in many occasions the relevant costs borne to produce RTS 28 reports against a little demand and low usefulness/understandability for the addressees of such reports. In particular, it is worth considering that professional clients may also access proprietary tools and data for assessing best execution. Furthermore, the establishment of a multiple asset class consolidated tape would help investors with respect to their best execution needs. Finally, attention should be brought to the fact that other jurisdictions removed the obligation to publish top five venues execution reports. However, we still believe that RTS 28 report could be a valuable tool provided that amendments aimed at simplifying and making more understandable its contents are made. In this respect, we think that the proposals set out by ESMA in the CP are in line with this approach.

<ESMA\_QUESTION\_BEEX\_7>

**Q8 : Do you agree with the cost benefit analysis as it has been described in Annex II?**

<ESMA\_QUESTION\_BEEX\_8>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_BEEX\_8>

**Q9 : Are there any additional comments that you would like to raise and/or information that you would like to provide?**

<ESMA\_QUESTION\_BEEX\_9>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_BEEX\_9>