

MiFID II: The new regulatory regime

The MiFID II/MiFIR framework is going to affect the financial regulation and securities markets in a profound and novel way. To this end the new legislation is relevant to most of the industry players, including banking and capital markets lawyers, practitioners and supervisors.

MiFID II introduces a new, enhanced regime of market regulation, which includes new provisions with respect to investment advice (including advice on trade order placement & best possible price), risk management and bank-clients relationship including, *inter alia*, client categorisation and key needs of client base, as well as possible conflicts of interest. In addition, the new legislation contributes to greater transparency in the financial markets by introducing pre and post trade reporting requirements which are very precise as to who has to report, how the reporting has to be carried out and what has to be reported.

MiFID II's scope for changing the system is substantial but this should not mean that an abrupt separation with the old framework is on the cards. Rather, considering the substantial impact such a regime will have on both players and the system, it is important to make the transition as seamlessly as possible.

In this connection, it is of importance to make the right choice of trading strategy, particularly when it comes to restructuring of platforms, the use of algorithmic execution and high frequency trading.

To this end, fitting MIFID II requirements into an existing regulatory programme appears to be essential for the smooth transition to the new regime. Just as important, however, is to make oneself familiar with the many ways MiFID II and MiFIR break new ground.

The [ERA event](#) is aimed at exactly that: to arm industry practitioners with the necessary knowledge and understanding which will allow them to function successfully within the new regulatory framework.

[The New Regulatory Regime Introduced by MiFID II, 23.-24.03.2017, in Trier.](#)

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