

Bundesverband der Wertpapierfirmen e.V.  
Schillerstraße 20, 60313 Frankfurt/Main

**European Securities and Markets Authority (ESMA)**

CS 60747

103 rue de Grenelle

75345 Paris Cedex 07, France

*transmitted via ESMA's webpage*

**ESMA Consultation on MiFID II / MiFIR**

Consultation Paper [ESMA/2014/549] & Discussion Paper [ESMA/2014/548]

**Dear Sir or Madam,**

the bwf is a nationwide trade association representing the common professional interests of securities trading firms in Germany on a national and European level. In this capacity, we expressly welcome the opportunity to participate in ESMA's consultation on MiFID II / MiFIR.

While we expressly acknowledge ESMA's endeavour for a detailed and structured consultation approach and we are well aware that the legislative timeline does not lie within ESMA's responsibility, we must also note that for smaller associations like bwf, a careful and comprehensive analysis of 844 pages of consultative documents with 860 dedicated questions asked, could not have been accomplished with reasonable diligence within the available timeframe. Therefore, we could only answer a very selective set of questions and consider the overall circumstances of this consultation to be highly dissatisfying and inappropriate taking into account the importance and potential impact of this far reaching legislation.

According to a statement given by ESMA in the course of the public hearing hold on this issue on the 7<sup>th</sup> and 8<sup>th</sup> of June 2014 in Paris, it took ESMA about a year to prepare for this consultation while stakeholders were given only ten weeks to analyse and to respond to ESMA's proposals. Even though ESMA had a significant longer period of time to draft the consultation, the text is not free of error: in Paragraph 4 of Chapter 4.2. CP ESMA suggests to add "OTFs" to the list of venues where unexecuted limit orders on shares could be transmitted, while the option of OTFs for equities was deleted from the Level I text completely. We think that this easy to detect mistake clearly exemplifies the inherent dangers of "fast track

your reference

your message of

city\_date

**Frankfurt/Main, 01.08.2014**

**Bundesverband der Wertpapierfirmen e.V.**

*Federal Association of Securities Trading Firms – a registered association*

**Registered Seat**  
Fasanenstraße 3  
D-10623 Berlin

**Postal Address & Office**  
Schillerstraße 20  
D-60313 Frankfurt/Main

Tel.: +49 (0) 69 92 10 16 91  
Fax: +49 (0) 69 92 10 16 92  
mail@bwf-verband.de  
www.bwf-verband.de

**Board of Governors**

Prof. Dr. Jörg Franke (Vorsitzender)  
Daniel Förtsch  
Dirk Freitag  
Kai Jordan  
Franz Christian Kalischer  
Torsten Klanten  
Dr. Annette Kliffmüller-Frank  
Christoph Lammersdorf  
Michael Wilhelm

**Secretary General**

Michael H. Sterzenbach  
m.sterzenbach@bwf-verband.de

**Legal Adviser**

Dr. Hans Mewes  
Am Sandtorkai 44, 20457 Hamburg  
Tel.: +49 (0) 40 36 80 5 - 132  
Fax: +49 (0) 40 36 28 96  
h.mewes@bwf-verband.de

**Banking-Account**

Deutsche Bank PGK Frankfurt  
Swift: DEUTDEFFXXX / DEUTDEDBFRA  
Bank Code: 500 700 24  
Account: 0 18 32 10 00

legislation” which impairs legislators and stakeholders alike and therefore should be necessarily avoided in the future.

This said, we are pleased to present our responses to ESMA’s consultation- and discussion paper for which we have used the dedicated reply forms provided on ESMA’s webpage. Furthermore, bwf did participate in a joint petition together with German exchanges which is titled: *“MiFID II technical standards on “market maker agreements” and “market maker schemes” must not impair long established, legally sound and liquid “Hybrid” Market Models which in particular fulfil the needs of retail investors and SME-issuers”*. All documents mentioned above, together with this cover letter, will be transmitted using the upload functionality on ESMA’s webpage.

We kindly ask ESMA to take our consideration into account in the course of finalising its technical advices and drafting its Consultation Paper on future technical standards for MiFID II. We also would be very pleased to discuss with you and further elaborate any of the issues addressed in our responses.

Yours sincerely,

Michael H. Sterzenbach  
Secretary General