

FiSer Regulatory Roadmap – MAD II / MAR

| Regulation | Details | Key elements and impacts |
|----------------------------------|--|--|
| MAD II/MAR (Market Abuse) | MAD II/MAR introduces amendments to the original Market Abuse Directive of 2003. The objective of the new rules is to assure market integrity. Comprises a directive that criminalises insider dealing and market manipulation, and a separate market abuse regulation that addresses the issues of inside information and market abuse. Both the directive and the regulation were in force from 3 July 2016. However, the directive is not in scope of all EU member states. | <p>The companies that fall within the scope of MAD II/MAR are determined by their use of financial instruments.</p> <p>Typical arrangements (instruments) used to prevent market abuse are: segregation of duties, Chinese walls, the four eyes principle, clean desk policies and restricting lists for financial products. Training of staff and the ability by staff to report suspicious practices without repercussions are essential. When implementing MAD II/MAR, it is important to consider the related requirements in MiFID 11/MiFIR. Ideally, a regulatory change program maps the requirements across inter-related rules such as MiFID, MAR, PRIIPs KID and SFTR.</p> |