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The EU Adopts a Directive Amending MiFID II and MiFIR on Data Transparency, the Consolidated Tape and Payment for Order Flow



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The Council of the European Union has confirmed that it has adopted [changes to EU trading rules](#) in the Markets in Financial Instruments Regulation (“MiFIR”) and the Markets in Financial Instruments Directive (“MiFID II”) on:

1. *A consolidated tape*: the new rules establish an EU-level consolidated tape (“CT”) centralising market data from across multiple platforms and enabling investors to access up-to-date information on price, volume and time of trades. Note that in the UK, rules for the CT for bonds are largely finalised with an expectation that operations will start in the second half of 2025. An update on next steps for an equities CT in the UK is expected later this year.
2. *A ban on payment for order flow* (“PFOF”): while the practice of brokers receiving payments for sending client orders through to particular trading platforms with which the brokers had an agreement is now generally banned, Member States that have up to now allowed PFOF may continue to do so provided that it is only provided to clients in that Member State. The practice must, however, be phased out by 30 June 2026.

Once the texts are published in the Official Journal of the EU, they will enter into force 20 days after publication and apply immediately when they are changes to MiFIR while Member States will have 18 months to bring into force changes to MiFID II.
