

FINNIUS

Entry into force of MAD/MAR

4 July 2016

 1 MINUTE

Yesterday (3 July 2016) the Market Abuse Regulation (MAR) and the Market Abuse Directive (MAD) entered into force. The MAR is a European regulation and is directly applicable in the Netherlands. With the entry into force of MAR the existing rules on the prevention of market abuse in the Financial Supervision Act (*Wet op het financieel toezicht*) will be replaced. The MAD contains criminal sanctions (imprisonment and fines) and administrative sanctions (administrative fines) as punishment for the worst cases of market abuse as well as an expansion of supervisory powers for the supervising authorities in order to react to market abuse in a proper manner.

The bill implementing the MAR (partially) and the MAD is still under discussion. Therefore, the bill itself has not entered into force on 3 July 2016. The exact date of entry into force has not been established yet. However, as already stated, market parties will have to comply with the requirements of the MAR as from 3 July 2016.