

Brussels, 27 February 2026

EFAMA Position Paper on Consolidated Tape within the Market Integration and Supervision Package (December 2025)

EFAMA supports the changes introduced by the Market Integration and Supervision Package relating to the provision of the pre-trade Equities and ETF tape; namely that pre-trade data should include venue attribution and 5-layers of data. We strongly urge policymakers to consider that these changes should not wait until the next tender for a provider of the tape (2031). Rather, the changes brought about by MISP should be implemented as soon as the MISP itself enters into force. This responds to the urgent need to enhance the attractiveness and accessibility of EU capital markets. It also, in our view, would provide a major enhancement to the tape and increase the likelihood that users would want to purchase the tape thereby ensuring its very survival.

Brief history of the Consolidated Tape

Market demands for introducing a European consolidated tape go back more than 15 years. Underpinning these discussions there is a longstanding need for greater transparency and efficiency in our capital markets. In 2010 the European Commission was consulting on the legal framework to introduce a consolidated tape to *'mitigate the effects of a fragmented market structure'*¹ It was not until 2014 and the MiFID II review that formal provisions were introduced to establish a consolidated tape. Even with the legislative framework in place (2018), not a single entity stepped forward to become a tape provider. There is near-unanimous agreement on why there was a failure to attract any private entities to provide the 'official' tape. Any entrant would have had to negotiate agreements with an estimated 300+ individual equity market data sources (trading venues and authorised publication agents) in the absence of mandated contribution of data to the tape provider; this was compounded by the fact that the costs for accessing data would have been prohibitive (restrictive licensing policies from the exchanges). Simply put, much as European markets and issuers needed a tape, there was no viable business model.

In 2021, MiFIR was reviewed once again under the CMU Action Plan, and this time the design of the tape was better calibrated, including mandatory contributions to the tape by regulated markets. And yet, we were only part way there. The tape had to be a tape that market participants (buy-side traders, sell-side traders, portfolio managers, market makers across the globe) would actually want to consume. An equities tape would need both post-trade data, but also pre-trade data, as they serve different yet complementary purposes. (see annex on pre-trade data use-cases) Unfortunately, the final MiFIR package included a very partial view on pre-trade data: a European Best Bid Offer but no information on the venue that is providing said liquidity and price.

¹ p34 [Consultation Paper Final.doc](#)

The **Market Integration Package** is now attempting to rectify this by introducing venue attribution, and 5 layers of quotes. We wholeheartedly support this Commission proposal. EFAMA goes further in suggesting that these changes should not be delayed until the next tender for the tape (2031), but rather that these changes should come into force as soon as the package is adopted.

In Europe, we are rightly concerned about the amount of time it takes to adopt new legislation, and our inability to match the agility of other markets. In this case, we implore the co-legislators to recognize the folly of delaying by 5 years critical changes to the tape, and also reflecting on the fact that without these changes the very commercial viability of the tape is at stake. We hope that this is a lesson that can easily be extracted from the long and fraught experience of trying to establish a consolidated tape in Europe.

Why does Europe need a consolidated tape at all?

In Europe, we have a great number of regulated markets and trading venues, introducing competition in the market, and yet we never achieved the corollary to this reform, i.e greater transparency and availability of data for all market participants. If we consider lit exchanges alone (regulated markets with lit order books), the number of operational exchanges around Europe number 60, compared to about 16-20 in the US. We have three times the number of exchanges in Europe compared to the US. The fragmentation across venues, and therefore liquidity, increases even more when we take account of alternative trading venues such as MTFs, OTFs and SIs. The number increases to around 350+ venues.

Market structure has evolved in Europe toward greater competition and choice in the trading space. MiFID I, in 2007, introduced MTFs (multilateral platforms for order matching) and SIs (firms internalising client orders on own account outside multilateral venues,). This was followed with another round of reforms in 2018, with OTFs being introduced. The proposal for a consolidated tape was first introduced in 2010, and despite being codified into MiFID II, no provider emerged, requiring an overhaul of the legal provisions for a tape in the 2021 MiFID review.

Without dwelling on the pace of reform and coming into force of each phase of 'opening', one thing is for certain, the current market structure that has evolved is lop-sided. A consolidated tape of market data on equities is a critical missing component of the European trading market structure today.

Concretely, this means that

- there is an asymmetry of information available to our investors.
 - Europe's largest financial institutions (asset managers/banks) can build, at considerable expense, a consolidated view on available liquidity and prices thanks to sophisticated in-house data teams. This is not available to smaller and mid-size firms.
 - Retail investors are at an even greater disadvantage, fully reliant on whatever limited data their broker is able to pass on to them.
- The less certainty a trader has about the market conditions, the more they are likely to trade in the dark or OTC. On the other hand, understanding market depth enables a more informed trading strategy and how to work an order.
- More consolidated data should yield tighter spreads for both retail and institutional.

Global investor needs

Asian and Latin American institutional investors (e.g., pension funds, insurers, sovereign wealth entities) increasingly allocate to UCITS ETFs for their strong regulatory protections, tax advantages, broad product range, and cost efficiency compared to local alternatives or direct US ETF access (which often faces withholding tax or registration hurdles). However, as explained above, European equity and ETF markets remain fragmented across numerous exchanges, MTFs, dark pools, and OTC venues, making true liquidity harder to assess than in centralized US markets. These non-EU investors, often executing larger block trades or needing to enter/exit positions efficiently without market impact, prioritize a full, real-time view of

liquidity to minimize implicit costs (bid-ask spreads, slippage), ensure reliable pricing for NAV reconciliation or portfolio valuation, and comply with internal risk/liquidity management requirements. Often, lack of such information is considered a high barrier to investing in European capital markets. We believe this perception must be changed to meaningfully improve the competitive standing of European capital markets in foreign portfolios.

If the CT included meaningful **pre-trade data** (e.g.venue attribution, 5 layers of quotes), it would be especially valuable to **overseas investors**: non-EU institutions can gauge real-time supply/demand balance before committing capital, spot hidden pockets of liquidity across venues, and better time large orders to avoid adverse selection or widening spreads.

For investors in Asia or Latin America, a pre-trade CT would deliver a unified, real-time picture of available depth and trading activity across the fragmented EU landscape, reducing information asymmetries, improving best execution verification, and enhancing confidence in the instrument's tradability.

Investor shifts from US to EU Equities in times of geopolitical uncertainty and policy stress

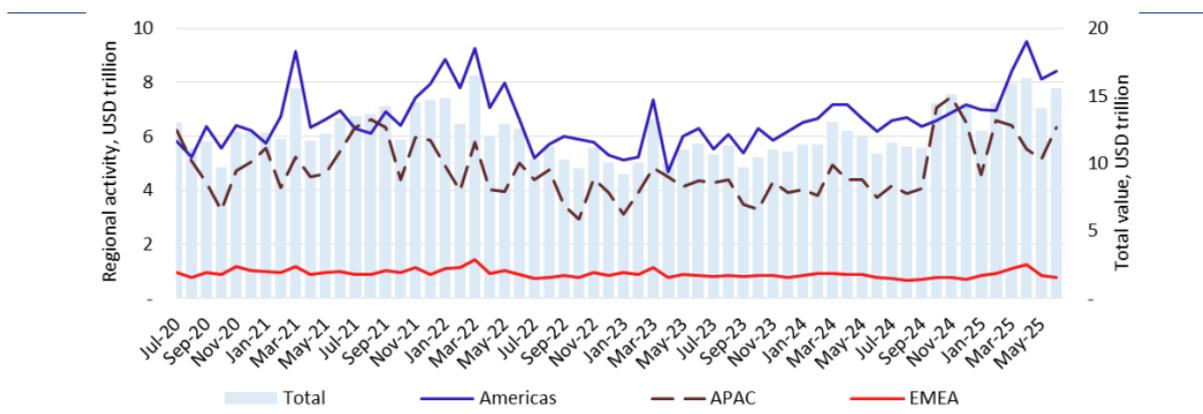
In periods of trade policy volatility and geopolitical tensions, there is strong evidence pointing to increased flows into European securities, particularly ETFs as investors search for alternatives to US equities.² So far into 2026, the Stoxx Europe 600 has pulled ahead of major US benchmarks. And in 2025, the MSCI All-Country World Index Ex-US grew by 29% compared to a 16% gain for the S&P500.³ This trend has been stable over the last few years, following different events like the 2023 US regional banking crisis (collapse of SVB bank and other entities) and in 2025 with the US 'Liberation Day' on tariff announcements. Most experts agree that with an operational consolidated tape with valuable pre-trade data, these market movements could be leveraged to a greater degree, resulting in even greater capital flows into Europe.

ETF Competitiveness in Perspective (mid to long-term view)

EU trading volumes

Cash Equity

Chart 2: Value traded through Electronic Order Book (EOB)



Source: World Federation of Exchanges, H1 2024 Highlights

² [Why U.S. Investors Are Warming to European Equities in 2025 | WisdomTree](#)
[Europeans pile into local ETFs at record rate, at expense of US stocks | Reuters](#)

³ Wall Street's Hunt for Cheaper Stocks Goes Global, Wall Street Journal, 10 February 2026

EU trading volumes measured by value traded through the Electronic Order Book have remained flat over the last 5 years. In this 5-year period the Americas went from just under \$US 6 trillion to over \$US 8 trillion, while in the EU value traded has remained stagnant, at an already much lower level under \$1trillion.

EU shares in global indices:

Over a longer-time horizon, looking at the last 20 years, US markets have outperformed Europe, meaning that US securities are becoming an ever larger weight in global benchmarks relative to EU securities. As the passive fund universe continues to grow this will only lead to more investment in US securities, relative to the EU, resulting in higher trading volumes, a more attractive environment for IPOs, reinforcing a virtuous cycle for the US and the opposite for Europe. As such it is critical we do all we can to level the playing field and make EU capital markets as attractive as possible. To this end the CTP data will also be instrumental for the set-up of an EU All Shares Index family as recently supported by the ECB and the European Parliament.⁴

Consolidated Tapes around the world

The US consolidated tape dates back to the mid-1970s when it was first introduced as part of the National Market System (NMS) reforms. In 1976, as now, the consolidated tape disseminates real-time trade and quote information from NYSE and all SEC-registered stock exchanges. It is regarded as a global standard for market transparency and one that is instrumental for best execution monitoring, portfolio valuation, index calculation, retail investor access to NBBO (National Best Bid and Offer), and regulatory surveillance (market abuse). Pre-trade equity data (quotes), in particular, are important for smart order routing by brokers, pre-trade risk checks, algorithmic trading decisions, and providing a unified view of visible liquidity across fragmented venues, helping reduce information asymmetries in a multi-exchange environment.

Under the SEC's Market Data Infrastructure rule, the US equities tape will be enhanced with 5 layers of pre-trade best bid and offer, as opposed to the single layer of best bid and offer today. This is a much valued improvement for investors. Once it is implemented, it will give US capital markets another advantage over other markets. This is why it is so important that the changes proposed under the MISP are implemented as soon as the package is adopted and not after a five year period when a new CT tender is launched.

Commercial impact

There are two frequently made arguments that we would like to address here.

Inclusion of 5 layers of tape will drive up the cost of the tape and make it too expensive

The consolidated tape provider will face greater costs in terms of collecting, consolidating, and disseminating expanded data (5 layers). However, as the CT provider is required, under MiFIR art. 13, to provide data on a Reasonable Commercial Basis, we expect the price differential between top of the book (aka European Best Bid Offer 'EBBO' and 5 layers of order-book depth (EBBO + 4 additional levels of bids and offers) to be reasonable and reflective only of the additional costs of collecting and disseminating the data. The only question when assessing 5 layers of depth should be does it bring sufficient value to users of the tape to warrant the (reasonable) cost increment. The answer is clearly yes.

Enhancements to the tape (venue attribution and 5-layers) will divert revenue away from the proprietary feeds and reduce the income of exchanges

⁴ See p 17, [Aurore Lalucq Report on facilitating the financing of investments and reforms to boost European competitiveness and creating a Capital Markets Union \(Draghi Report\), European Parliament, ECON Committee](#)

See p 52, [ECB Occasional Paper Series No 369: Capital Markets Union, a deep dive.](#)

We often hear concern voiced that a tape with 5 layers of BBO could harm the existing data revenues of the stock exchanges. For the overwhelming majority of users of the tape, both buy-side and sell-side firms, an equities consolidated tape is only *complementary* to the proprietary feeds of the exchanges, and not a *substitute*. The proprietary feeds relay ultra-low latency data needed to compete on prices and execute trades, the pre-trade quotes on the consolidated tape will be on a much higher latency (i.e slower speed of dissemination to limit the costs of technical architecture). The user of the CT do not expect it to compete on speed and granularity with the proprietary feeds. Rather they expect a CT to provide the holistic view across regulated markets and other venues on available liquidity and pricing at multiple levels.

It is also critical to highlight that exchanges charge for their proprietary data feeds today, but they will also be remunerated for their contributions to the consolidated tape by receiving a revenue share from the CTP. Effectively, the exchanges have now opened up two revenues streams with the advent of the tape. Furthermore, the smaller exchanges qualify for preferential treatment and a higher portion of revenues off the tape. **Users of the tape are not getting data for free, and no-one is suggesting that that should be the case.**

Finally, there is no better example than the US itself, where with 50 years of consolidated tape , there has been no cannibalising of revenues away from the proprietary feeds and into the consolidated tape. US exchanges have continued to post very healthy margins and profits off data revenue, without the tape posing any threat. An often overlooked aspect of US exchanges' continued commercial success is the overall growth of US equity market trading (currently c.10x bigger than Europe) and the confidence investors place in its transparency which is largely driven by reforms to its consolidated tape.

Commercial viability of the tape

EFAMA has strongly advocated for a tape that contains pre-trade data, non-anonymised from the very outset of the last round of MiFIR negotiations. The rationale was simply a commercial calculation. The tape must appeal to the broadest number of constituents in order to be commercially viable. Enhancing the data with 5-layers, and ensuring that EBBO is actually meaningful with venue attribution, are critical ways to make the data attractive and relevant to investors.

Retail

In Europe, with the Savings and Investment Union and the CMU before it, we have a number of urgent challenges to address, one of which is to increase retail participation in capital markets. Deploying passive cash savings currently sitting in bank accounts into capital markets is one major goal of the SIU. Direct participation in capital markets is feasible and hugely facilitated by a consolidated tape, and especially a consolidated tape with depth, that provides venue information and the proposed 5-layers of data.

Retail investors use this data to make informed decisions on limit orders (e.g., setting prices at or near the EBBO to seek price improvement), evaluate whether a quoted price from their broker is competitive, and gain confidence in best execution protections). Again, in the US for many retail users on broker platforms, this consolidated pre-trade view appears directly in trading apps or websites (often free or low-cost), supporting simple monitoring, price checking, and basic trading strategies without needing expensive proprietary depth feeds.

A meaningful pre-trade tape empowers the average EU investor, allowing trading to occur with the confidence that execution quality is always respected. We also need to consider that EU retail investors also have the choice to invest directly in US capital markets. It has never been easier for non-US retail investors to access US markets via mobile platforms with transparency on prices and volumes with best bid and offer data. The US Consolidated Tape Alliance is projected to further expand the BBO data to 5 layers as per the latest SEC rules. This adds pressure on the EU tape, yet to go live, to add 5-layers of pre-trade data to better inform retail investors and provide the guardrails to enable them to trade with confidence.

MISP Proposal

The Commission proposal correctly questions the value of pre-trade data as it is currently envisaged where the European Best Bid Offer is published, but not the identity of the trading venue that is offering that quote. The MISP also proposes to go further in enhancing the attractiveness of the tape by providing more in-depth data by displaying the five best buying and selling prices. EFAMA wholeheartedly agrees with these changes, and only asks that these are brought forward to improve the chances of bringing a successful consolidated tape to market. **We reiterate that the failed attempts to introduce a tape in the past should teach us not to make the same mistakes.** ⁵

⁵ See One Tape

ANNEX: Pre-trade data use-cases (5 layers and venue attribution)

Why depth matters:

Top-of-book alone doesn't show:

- Available size beyond the first level
- How quickly liquidity thins out
- Slippage risk

With 5 levels across venues, users can:

- Reconstruct the displayed liquidity at the time of execution
- Measure whether sufficient size was available elsewhere
- Analyse price impact and opportunity costs

Why venue attribution matters:

You can:

- Assess whether you could have achieved better prices on specific venues
- Compare venue spreads and depth quality
- Identify systematic routing bias

1. Better informed buy-side trader (reduced structural information asymmetry)

By only looking at a single venue or listing, or simply having old data, this will skew the impact and limit the strategies the dealer may implement. It will also influence whether a trader decides to patiently trade in a lit market versus trading in the dark or even more immediately by executing a block trade with a broker.

Example of an institutional investor deciding on a trading strategy to sell 50,000 shares of Novo Nordisk:⁶

Level	Bid Price (DKK)	Bid Size (shares)	Venue (Primary Contributor)	Ask Price (DKK)	Ask Size (shares)	Venue (Primary Contributor)
1 (best)	310.60	12,500	Nasdaq Copenhagen	311.00	8,200	Nasdaq Copenhagen
2	310.40	18,000	Cboe Europe	311.20	14,300	Cboe Europe
3	310.20	15,800	Nasdaq Copenhagen	311.40	11,700	Turquoise
4	310.00	20,200	Turquoise	311.60	16,400	Nasdaq Copenhagen
5	309.80	14,100	Cboe Europe	311.80	13,900	Other MTFs

⁶ All share data shown in this annex is fictional and for illustrative purposes.

This data shows bid depth, i.e there is significant volume available immediately below the best bid/ask. It also shows fairly tight spreads, again indicating supportive liquidity providers across venues.

2. Retail Investors

Stakeholders from across the financial services industry, as well as policymakers and regulators agree that improved financial literacy goes hand in hand with increased capital market participation, a key goal of the Savings and Investment Union.

We view the retail investor journey as a continuum which needs to be reinforced at different junctures. A retail trader requires transparency and full data to participate confidently in capital markets. A pre-trade tape with 5 layers and venue attribution will allow:

- A retail investor to not just trade at the market price (i.e whatever the best available price is, though it might deteriorate once the order is on the market), but rather to trade with a limit price, i.e limits set by the investor to only trade if a certain price or better is reached.
- Challenge the PFOF model and any successors, by allowing/educating the investor to see that other prices are available and the neobroker price may not be the best one.
- The retail investor will also be able to visualise liquidity throughout the trading day and into extended trading hours, again supporting best execution and venue choice.
- Over time, the retail investor will be able to challenge their broker if (s)he is consistently failing to provide connectivity to the venues with the best prices and depth, now visible to the retail investor.
- The potential market for use of the tape is enormous, 370million plus European retail savers.

Below, we provide an example of data that a 5-layer tape would provide to help a retail investor trade a stock, LVMH in this instance.

- i) In the absence of a 5-layer tape, the retail investor would only see the data that his broker displays with only the single market maker venue listed (Tradegate in this instance, only the row in yellow would be available). The investor would have no ability to see that better prices and greater liquidity is available elsewhere.
- ii) Without venue attribution, a retail investor can only see that there is a venue providing the best buy price at EUR 646.1, and the best sell price at 645.5 without being able to associate that price with the venue in question (see blue).

BID	ASK
€645.50 [100] Xetra	€646.10 [80] Xetra
€645.30 [250] Paris	€645.90 [200] Paris
€645.20 [150] Aquis	€646.50 [120] Cboe
€645.10 [50] Turquoise	€647.20 [90] Aquis
€644.80 [40] Tradegate	€647.80 [60] Tradegate

3. Removing artificial barriers for global investor flows into EU Equities and ETFs

European ETFs are a compelling choice for global institutional investors given the beneficial tax treatment associated with UCITS ETFs versus a US 40-Act fund. Despite this advantage, global investors underinvest in our markets due to two challenges: i) they are trading in a fragmented market where ensuring best execution is significantly undermined due to a lack of consolidated market data, and ii) in order to comply with their own jurisdictions' liquidity management rules, global institutional investors need full visibility on available liquidity, which is again not available for Europe.

For a global investor that trades in large blocs, a 5-layer CT solves for a number of issues:

- Consolidated depth of book is made available beyond the single EBBO level, showing true available liquidity at multiple price increments across all the EU lit venues that trade a single ETF instrument.
- Helps determine how the investor should trade their order, given that more of the market depth is revealed and understood. This helps the investor trade without price impact.
- Like for the retail investor, with in-depth data, venue analysis is improved, as are smart order routing decisions. It also helps with post-trade TCA tools providing a standardised reliable reference price and available liquidity for time of execution.

We can illustrate below the usability of the tape from a global institutional investor standpoint. We assume that a global (outside EU) pension fund is looking to invest into STOXX Europe 600 UCITS ETF, offered by Amundi. With 5 layers of pre-trade the global investor can form an immediate and accurate view of **aggregated daily liquidity (ADL)**. ADL is important because:

- It allows an estimation of the amount of ETF that can be bought or sold in a single trading day without causing price impact or slippage.
- It aggregates visible secondary market trading activity across all venues.
- The table shows immediate executable liquidity at multiple price levels.

Amundi STOXX Europe 600 ETF - Aggregated Daily Liquidity

Xetra: €8.2M (32%)	Depth: 5 layers show €2.5M at L1
Euronext Paris: €4.1M (16%)	Depth: 5 layers show €1.2M at L1
Cboe Europe: €2.8M (11%)	Depth: 5 layers show €800k at L1
Aquis Exchange: €2.3M (9%)	Depth: 5 layers show €600k at L1
Turquoise: €1.9M (7%)	Depth: 5 layers show €500k at L1
Other MTFs: €6.2M (25%)	Depth: Not applicable
Total ADL: €25.5M (100%)	Visible depth in current CT: €500k – 2.5M and no information on venue

Without a 5-layer pre-trade CT the above table would not be available to investors. If investors were particularly motivated they could (at great expense) build an internal 'full order book' based on direct proprietary feeds, with an internal team of data scientists.

*****The total outstanding value of US-listed ETFs stands around \$14 trillion, of which around 20% is held by non-US clients/investors. This amounts to circa. \$2.8 trillion of potential AUM that Europe could stand to capture with an enhanced transparency offering as described above.*****

4. Investment into ETFs exposed to small and mid-cap European firms

Lack of transparency dampens interest in small and mid-cap European stocks.

'Optimising out' phenomenon

As the UCITS ETF industry continues to grow, more and more focus is spent on product development to ensure funds are as scalable as possible. As such, most ETF providers will work with index providers to design indices that utilise liquidity filters to ensure funds are not constructed with securities that don't meet certain trading parameters, even if they would ordinarily be included in a given benchmark. If there is not enough transparency into the liquidity of certain securities, usually small and mid cap securities, they may end up being screened out of benchmarks, which prevents ETFs investing in them as part of the portfolio.

Small and mid-cap are not bought up to full potential

As well as screening out securities, ETF providers may cap weights of certain securities due to potential liquidity considerations resulting in some securities receiving smaller allocations than they would have otherwise, which again limits the investment in these securities by UCITS ETFs. Having an EU CT with added transparency will allow ETF and fund providers to analyse the full liquidity profile of all EU securities and ensure index inclusion decisions are based on the complete liquidity profile of those securities. This in turn will lead to increased trading volumes in those securities, which is beneficial for the exchanges and EU capital markets overall and again, this is most likely to apply to small and mid cap securities that may trade less, or appear to have lesser liquid profiles.

5. Driving more flows into lit markets

We believe that there will be a marked impact on routing behaviour, which today in the absence of a 5-layered tape, can default into dark pools.

To recap, the 5-layered pre-trade tape will identify :

- (1) *where* the genuine, tradable liquidity is, and
- (2) *how much* is available across venues—not just the best tick

The 5-layer pre-trade tape can rejuvenate the lit exchanges' Central Limit Order Book (CLOB)

- With five levels on the tape, liquidity providers can calibrate quotes against a *pan-EU* view of depth rather than a single-venue snapshot. This reduces uncertainty about being overlooked, enabling tighter and larger displayed quotes on CLOBs. Tighter/taller books attract marketable orders, creating a virtuous circle for on-book trading
- A fuller, *reasonable-cost* pre-trade CT strengthens the audit trail for best-execution: if venue X consistently shows *more* tradable depth at or near the touch, routing away from that lit venue is harder to justify. Over time that re-anchors baseline flow to the CLOB where the public book demonstrably offers size.
- A tape with five levels makes it easier to evidence when internalised fills are *inferior* to lit alternatives with visible size one tick away. That transparency pressures internalisers/SIs to either (a) improve or (b) release more order flow to the lit book to avoid regulatory and reputational challenges on execution quality.
- SORs (smart order routers) can infer the "real" on-book queue and likelihood-of-fill per venue using top-5 sizes, not just the touch.