

How to report the NSPs under the new reporting threshold of 0.1%

1. On 16 March 2020, during the Covid19 crisis, ESMA took the [decision](#) to temporarily lower the notification threshold of net short positions (NSPs) from 0.2% to 0.1% and, at the same time, it established a temporary daily reporting regime to ESMA on the basis of such threshold.
2. ESMA renewed the emergency measures on 10 [June](#), 16 [September](#) and 16 [December](#) 2020. In March 2021, ESMA let the [decision](#) expire but in May 2021 [recommended](#) to the European Commission to permanently lower the threshold to 0.1% as per Article 5 of Regulation (EU) No 236/2012 (SSR).
3. The European Commission adopted the decision to permanently lower the threshold from 0.2% to 0.1% on 27 September 2021 and it was published in the Official Journal on 11 January 2022. Therefore, the Commission Delegated Regulation (EU) 2022/27 of 27 September 2021 amending Regulation (EU) No 236/2012 of the European Parliament and of the Council as regards the adjustment of the relevant threshold for the notification of significant net short positions (NSPs) in shares will start applying on Monday, 31 January 2022.
4. Therefore, the last day of application of the old reporting threshold (0.2%) will be in relation to Friday, 28 January 2022 with NSPs to be reported to Relevant Competent Authorities (RCAs) by 15.30 of the following trading day, i.e. Monday, 31 January 2022.
5. From Monday, 31 January 2022 onwards, position holders will have to report when their NSPs in shares exceed or are equal to 0.1% of the issued share capital and each 0.1% above that.
6. With specific reference to the first day of application of the new reporting regime based on 0.1% threshold, it is worth highlighting that position holders will have to send to the RCA notifications by 15.30 of Tuesday, 1 February 2022 if:
 - a. at the end of Friday, 28 January 2022 they did not hold any NSPs above or equal to 0.2% and at the end of Monday, 31 January 2022 they hold a net short position on a share equal to or larger than 0.1%. The crossing of the 0.1% threshold could be both the result of NSPs entered on a previous day than Monday 31 January 2022 (Case 1a) or the result of NSPs entered on the same day, i.e. on Monday 31 January 2022 (Case 1b);

- b. at the end of Friday, 28 January 2022 they held a NSPs above or equal to 0.2% and at the end of Monday, 31 January 2022 they cross downwards the 0.1% threshold (Case 2a), the 0.2% threshold (Case 2b) or either downwards or upwards any 0.1% above 0.2% (Cases 2c, 2d).

Case number	Your NSP value on Friday, 28 January 2022 - Last day of application of 0.2%	What to report as NSP value in relation to Friday, 28 January 2022 - Last day of application of 0.2%	Your NSP value on Monday, 31 January 2022 - First day of application of 0.1%	What to report as NSP value in relation to Monday, 31 January 2022 - First day of application of 0.1%
Case 1a	0.13%	No reporting	0.13%	0.13%
Case 1b	0.05%	No reporting	0.15%	0.15%
Case 2a	0.23%	0.23%	0.04%	0.04%
Case 2b	0.23%	0.23%	0.18%	0.18%
Case 2c	0.23%	0.23%	0.31%	0.31%
Case 2d	0.33%	0.33%	0.29%	0.29%
Case 3a	0.23%	0.23%	0.29%	No reporting
Case 3b	0.23%	0.23%	0.21%	No reporting
Case 3c	0.07%	No reporting	0.07%	No reporting
Case 3d	0.13%	No reporting	0.09%	No reporting

Case 3e	0.05%	No reporting	0.09%	No reporting
---------	-------	--------------	-------	--------------