

Towarowa Giełda Energii (TGE) strengthens liquidity by introducing a maker-taker scheme on the gas market

Press Release

- **At the beginning of 2021, TGE extended its Maker-Taker Programme on the gas forward market. The pilot implementation will continue through June 30, 2021.**
- **During the pilot, TGE will also continue programs introduced in January 2019 to improve liquidity in the electricity market.**

'One of the TGE's priorities is to ensure safety of trading through, among other things, introducing mechanisms to stabilize price fluctuations on the its markets and to improve liquidity. Such is the aim of the Maker-Taker Programme which we launched two years ago, initially on the electricity market and, starting from this year, also on the gas market. Repeated analyses have shown the beneficial effects of this solution. The participants have been increasingly active in trading less liquid instruments. We expect similar effects also on the gas market' - said Piotr Listwoń, Vice President of the Management Board of TGE.

The Liquidity Improvement Programme introduced in January 2019 consisted of multiple elements such as the New Market Making Model incorporating the Fast Market mechanism and the Best Market Maker Program, or the Maker-Taker Programme initially implemented on a pilot basis. The individual elements of the Liquidity Improvement Programme were the subject of extensive discussions with market participants, the entities supervising the operation of TGE and the Market Council, which approved the extension of the Maker-Taker Programme onto the gas market.

The primary objective of the Maker-Taker Programme is to narrow the difference between the best buy and sell orders (called market spreads) for the least liquid instruments. The scheme consists in the reduction of transaction fees by up to 75% for the originators of transactions acting on their own account in the forward instruments market with physical delivery of electricity and gas. The reduction of transaction fees has been accompanied by a corresponding reduction of fees for the registration of positions in the Warsaw Commodity Clearing House (clearing fees).

Based on the analyses carried out to verify the potential impact of the scheme on the liquidity of natural gas trading on the OTF, 7 series of instruments characterised by the lowest liquidity were identified, i.e. the second, third and fourth series of weekly instruments, the third and fourth series of quarterly instruments, the first and the second series of summer seasonal instruments.

The Maker-Taker Programme operated on the electricity market covers 57 series of instruments.

¹ **Towarowa Giełda Energii S.A. (TGE)** is the only licensed commodity exchange in Poland, holding a licence to operate a regulated market since March 2015. The Exchange is the Nominated Electricity Market Operator (NEMO) for the Polish pricing area. Since 15 November 2017, TGE has been active on the European Day-Ahead Market SDAC. On 19 November 2019, the Exchange launched its cross-border SIDC Intraday Market based on the XBID model. TGE is included on the ACER's list of platforms for reporting transaction information according to REMIT requirements. Since March 2012, TGE has been a member of the Warsaw Stock Exchange Group.