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NOTE

From:	General Secretariat of the Council
To:	Delegations
No. prev. doc.:	15600/23 REV 1
Subject:	Progress on financial services legislative files

Delegations will please find attached information from the Presidency concerning the state of play of legislative proposals in the field of financial services.

PROGRESS ON KEY FINANCIAL SERVICES LEGISLATIVE FILES

16 January 2024

Colours are used as follows to reflect the stage for each file:
Review (of Commission proposal) in the Council WP ongoing
Trilogues to start
Trilogues ongoing
Finalisation ongoing

No	File	Presented by the Commission	State of play
1	Regulation establishing an European Deposit Insurance Scheme (EDIS) <i>Aim: to create a European Deposit Insurance Scheme to complement and gradually replace existing national deposit guarantee funds.</i>	November 2015	Review in the Council WP ongoing
2	NPLs: Directive on accelerated extrajudicial collateral enforcement mechanism <i>Aim: to establish an accelerated extrajudicial collateral enforcement procedure (AECE).</i>	March 2018	Negotiating mandate on 27 November 2019
3	Sovereign Bond-backed Securities (SBBS) <i>Aim: to enable a market demand-led development of Sovereign Bond-Backed Securities (SBBSS) and to support further integration and diversification within the EU's financial sector, leading to a stronger and more resilient Economic and Monetary Union.</i>	May 2018	Review in the Council WP ongoing
4	AML: Agency Regulation <i>Aim: establishing a new European Anti Money Laundering Authority ("AMLA") to transform AML/CFT supervision in the EU and to enhance cooperation among Financial Intelligence Units (FIUs).</i>	July 2021	- Review in the Council ongoing - Partial negotiating mandate on 29 June 2022 - Provisional agreement reached with the EP on 12 December 2023, excluding the seat
5	AML: Rulebook Regulation <i>Aim: The Single EU Rulebook for AML/CFT will harmonise AML/CFT rules across the EU, including, for example, more detailed rules on Customer Due Diligence, Beneficial Ownership and the powers and task of supervisors and Financial Intelligence Units (FIUs).</i>	July 2021	- Negotiating mandate on 7 December 2022 - Trilogues ongoing
6	AML: Rulebook Directive <i>Aim: to replace AML Directives 4 and 5, updating and supplementing those elements which are not transferred to the new AML rulebook regulation.</i>	July 2021	- Negotiating mandate on 7 December 2022 - Trilogues ongoing

No	File	Presented by the Commission	State of play
7	Solvency Directive - amendment <i>Aim: to update the Solvency framework as regards proportionality, quality of supervision, reporting, long-term measures, macro-prudential tools, sustainability risks, group and cross-border supervision.</i>	September 2021	• Negotiating mandate on 17 June 2022 • Provisional agreement reached with the EP on 13 December 2023
8	Insurance Recovery and Resolution (IRR) <i>Aim: to introduce a recovery and resolution framework in the insurance sector.</i>	September 2021	• Negotiating mandate on 20 December 2022 • Provisional agreement reached with the EP on 14 December 2023
9	Basel III implementation: amendments to Capital Requirements Regulation <i>Aim: to implement outstanding elements of the "Basel III" Agreement, including on the output floor and updates to credit risk and market risk rules, while taking into account EU specificities, as well as include some other non-Basel related updates.</i>	October 2021	• General Approach adopted on 8 November 2022 • Provisional agreement reached with the EP on 27 June 2023
10	Basel III implementation: amendments to Capital Requirements Directive <i>Aim: to include additional rules on environmental, social and governance (ESG) risks, supervisory powers and process, and a new framework for third-country branches.</i>	October 2021	• General Approach adopted on 8 November 2022 • Provisional agreement reached with the EP on 27 June 2023
11	CMU package: Amendments to the Markets in Financial Instruments Directive & Regulation (MiFID/MiFIR) <i>Aim: to provide for a European consolidated tape for trading and post trading data, thereby increasing market transparency.</i>	November 2021	• Negotiating mandate on 20 December 2022 • Provisional agreement reached with the EP on 29 June 2023
12	CMU package: Amendments to the Alternative Investment Fund Directive (AIFMD) <i>Aim: to harmonise the rules around loan-originating funds (debt funds), in order to facilitate lending to real economy.</i>	November 2021	• Negotiating mandate on 17 June 2022 • Provisional agreement reached with the EP on 19 July 2023
13	Instant Payments Regulation <i>Aim: The proposal aims to ensure that instant payments in euro are affordable, secure, and processed without hindrance. It amends the SEPA Regulation and the Regulation on cross border payments.</i>	October 2022	• Negotiating mandate on 17 May 2023 • Provisional agreement reached with the EP on 7 November 2023
14	EMIR/CCP review: Regulation <i>Aim: increase the safety and attractiveness of Union CCPs by improving their efficiency, encouraging clearing in the Union and enhancing the cross-border consideration of risks.</i>	December 2022	• Negotiating mandate on 6 December 2023 • Trilogues ongoing
15	EMIR/CCP review: Directive <i>Aim: ensure that credit institutions, investment firms and their competent authorities adequately monitor and mitigate the concentration risk arising from exposures towards Tier 2 CCPs which offer services of substantial systemic importance and eliminating counterparty risk limits for derivative transactions that are centrally cleared by a CCP authorised or recognised in accordance with Regulation (EU) No 648/2012.</i>	December 2022	• Negotiating mandate on 6 December 2023 • Trilogues ongoing

No	File	Presented by the Commission	State of play
16	Listing Act: proposal for a Regulation amending the Prospectus Regulation, Market Abuse Regulation, and the Markets in Financial Instruments Regulation <i>Aim: make public capital markets in the Union more attractive for companies and to facilitate access to capital for small and medium-sized enterprises. The proposal seeks to streamline the rules applicable to companies going through a listing process and companies already listed on EU public markets with an aim to simplify it for the companies and to reduce excessive bureaucratic procedures, while preserving a sufficient degree of transparency, investor protection and market integrity.</i>	December 2022	- Negotiating mandate on 14 June 2023 - Provisional agreement reached with the EP on 14 December 2023
17	Listing Act: proposal for a Directive amending the Markets in Financial Instruments Directive and repealing the Listing Directive <i>Aim: make public capital markets in the Union more attractive for companies and to facilitate access to capital for small and medium-sized enterprises. The proposal seeks to streamline the rules applicable to companies going through a listing process and companies already listed on EU public markets with an aim to simplify it for the companies and to reduce excessive bureaucratic procedures, while preserving a sufficient degree of transparency, investor protection and market integrity.</i>	December 2022	- Negotiating mandate on 14 June 2023 - Provisional agreement reached with the EP on 14 December 2023
18	Crisis Management and Deposit Insurance (CMDI): Regulation on early intervention measures, conditions for resolution and funding of resolution action <i>Aim: To further strengthen the EU resolution framework by harmonising early intervention measures, the public interest assessment for resolution procedures, the least cost test and the use of DGS funds within the banking union</i>	April 2023	Review in the Council WP ongoing
19	Crisis Management and Deposit Insurance (CMDI): Directive on early intervention measures, conditions for resolution and financing of resolution action <i>Aim: To further strengthen the EU resolution framework by harmonising early intervention measures, the public interest assessment for resolution procedures, the least cost test and the use of DGS funds.</i>	April 2023	Review in the Council WP ongoing
20	Crisis Management and Deposit Insurance (CMDI): Directive on the scope of deposit protection, use of deposit guarantee schemes funds, cross-border cooperation, and transparency <i>Aim: To operationalise and further harmonise the conditions for the usage of DGS funds in resolution, to further clarify the scope of deposit protection as well as its cross-border aspects.</i>	April 2023	Review in the Council WP ongoing
21	Crisis Management and Deposit Insurance (CMDI): Directive on certain aspects of the minimum requirement for own funds and eligible liabilities <i>Aim: To ensure the effectiveness of the resolution framework in certain groups.</i>	April 2023	- Negotiating mandate on 17 November 2023 - Provisional agreement reached with the EP on 6 December 2023

No	File	Presented by the Commission	State of play
22	Retail investment: Directive <i>Aim: Omnibus Directive amending the Markets in financial instruments Directive (MIFID), the Insurance distribution Directive (IDD), Solvency II, the Undertakings for Collective Investment in Transferable Securities (UCITS) Directive and Alternative Investment Fund Managers Directive (AIFMD), seeking to ensure that the legal framework for retail investments sufficiently empowers consumers, adequately protects them, ensures fair market outcomes and ultimately creates the necessary conditions to grow retail investor participation in the capital markets.</i>	May 2023	Review in the Council WP ongoing
23	Retail investment: Regulation <i>Aim: Regulation amending the Packaged Retail and Insurance-based Investment Products Regulation (PRIIPs), aims to make targeted changes to adapt the PRIIPs Key Information Documents (KIDs) to the digital environment and to the evolving needs of retail investors.</i>	May 2023	Review in the Council WP ongoing
24	Regulation on environmental, social and governance ratings <i>Aim: enhance the quality of information about ESG ratings by improving transparency of ESG ratings characteristics and methodologies and by ensuring increased clarity on operations of ESG rating providers and the prevention of risks of conflict of interest at ESG rating providers' level.</i>	June 2023	- Negotiating mandate on 20 December 2023 - Trilogues ongoing
25	Open finance: Regulation on a Framework for Financial Data Access <i>Aim: promote the adoption of data-driven business models in the financial sector and foster the introduction of highly personalised financial products and services that can improve access to finance for consumers, in particular SMEs.</i>	June 2023	Review in the Council WP ongoing
26	Open finance: Directive on payment services (PSD3) <i>Aim: further harmonise the licensing and supervision of payment service providers.</i>	June 2023	Review in the Council WP ongoing
27	Open finance: Regulation on payment services (PSR) <i>Aim: strengthen user protection and confidence in payments, improve the competitiveness and ensure a level playing field in the European payments market.</i>	June 2023	Review in the Council WP ongoing
28	Digital Euro: Regulation on the establishment of the digital euro <i>Aim: establish a legal framework for a possible digital euro as a complement to euro banknotes and coins.</i>	June 2023	Review in the Council WP ongoing
29	Digital Euro: Regulation on the provision of digital euro services by payment services providers incorporated in Member States whose currency is not the euro <i>Aim: lay down rules concerning the specific obligations that payment service providers incorporated in Member States whose currency is not the euro shall respect when distributing the digital euro and the supervision and enforcement of those obligations.</i>	June 2023	Review in the Council WP ongoing

No	File	Presented by the Commission	State of play
30	Benchmarks: Regulation amending Regulation (EU) 2016/1011 <i>Aim: amend the scope of the rules for benchmarks, the use in the Union of benchmarks provided by an administrator located in a third country, to alleviate certain reporting requirements and to rationalise authorisation and registration requirements for smaller benchmark administrators and benchmark users.</i>	October 2023	• Negotiating mandate on 20 December 2023
31	Reporting requirements Regulation <i>Aim: Firstly, as regards financial sector regulation, to facilitate the sharing and reuse of the information collected by Union and national authorities, while safeguarding data protection, professional secrecy and intellectual property, with the aim of reducing the burden on reporting entities and on authorities by avoiding duplicative requests; Secondly, as regards the InvestEU programme, to change the frequency of the reporting by implementing partners from biannual to annual with the aim of reducing the workload of the implementing partners, the financial intermediaries, SMEs and other companies, without changing any of the substantive elements.</i>	October 2023	• Review in the Council to start