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REGULATORY SCRUTINY BOARD OPINION

**Proposal for a Regulation of the European Parliament and of the Council
establishing a European single access point providing centralised access to
publicly available information of relevance to financial services, capital
markets and sustainability**

{COM(2021) 723 – 724 – 725 final}
{SWD(2021) 344 final}
{SWD(2021) 345 final}



EUROPEAN COMMISSION
Regulatory Scrutiny Board

Brussels,
RSB

Opinion

Title: Impact assessment / European Single Access Point

Overall opinion: POSITIVE

(A) Policy context

To make sound investment decisions, investors in capital markets need access to financial and sustainability-related information from companies and information on financial products. However, this information is scattered and is often not available in machine readable formats. This makes it costly for users to search, use and analyse the relevant information. The Action Plan on the Capital Markets Union of September 2020 proposes to build a European Single Access Point (ESAP) to integrate access to existing financial and non-financial information of relevance to capital markets. It would provide access to raw information to all and facilitate digital use and re-use of data.

This impact assessment assesses options for the set-up and design of the ESAP.

(B) Summary of findings

The Board notes the useful additional information provided in advance of the meeting and commitments to make changes to the report.

The Board gives a positive opinion. The Board also considers that the report should further improve with respect to the following aspects:

- (1) The report is not sufficiently clear on the rationale and need for this initiative. It does not sufficiently place it in the framework of existing databases and reporting obligations, in particular the Business Registers Interconnection System.**
- (2) The analysis of all relevant impacts that affect different stakeholders is not sufficiently developed.**

(C) What to improve

- (1) The report should further explain and justify the rationale for this initiative. It should demonstrate the problems more convincingly, basing them on the needs reported by the stakeholders and link them clearly to the solutions proposed by the ESAP. In doing so, the report should better distinguish the various types of stakeholders and their respective**

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This opinion concerns a draft impact assessment which may differ from the final version.

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needs. It should be clear how the different stakeholders, including data aggregators, could benefit from the ESAP, albeit in a different way. This analysis should include aspects pertaining to competition or complementarities between the services offered by data vendors and aggregators, and the ESAP.

(2) Interactions with the existing databases, in particular the Business Registers Interconnection System (BRIS), should be better explained, showing the complementarities and the overlaps. The report should also discuss in more depth why it discards solutions based on an integrated or interlinked approach to the ESAP and BRIS and why complying fully with the 'once only' principle seems not possible.

(3) The report should better explain why it does not include an option on harmonising data formats simultaneously with the possible future harmonisation and rationalisation of reporting requirements, which could help to limit the scope of the ESAP initiative and its costs. In this context, the staged approach of the ESAP could be better accentuated under the analysis of options.

(4) The report should strengthen and complete the analysis of impacts. It should discuss all relevant impacts, at least qualitatively, within the main report, including impacts on SMEs and indirect impacts on the single market. As many aspects of the initiative are likely to be finalised via implementing legislation, the report should be clearer about these, while keeping some of the possible costs indications (e.g. related to the legal entity identifier).

(5) The comparison of options should better explain to what extent and how all stakeholders will benefit from the same ESAP. The report could further discuss why opting, in most cases for the sub-options with the full coverage is indeed the best in terms of meeting stakeholders' needs while incurring only marginally higher costs.

The Board notes the estimated costs and benefits of the preferred option in this initiative, as summarised in the attached quantification tables.

Some more technical comments have been sent directly to the author DG.

(D) Conclusion

The DG may proceed with the initiative.

The DG must take these recommendations into account before launching the interservice consultation.

If there are any changes in the choice or design of the preferred option in the final version of the report, the DG may need to further adjust the attached quantification tables to reflect this.

Full title	European Single Access Point
Reference number	PLAN/2020/9145
Submitted to RSB on	28 June 2021
Date of RSB meeting	22 July 2021

ANNEX – Quantification tables extracted from the draft impact assessment report

<i>I. Overview of Benefits for all provisions – Preferred Option</i>			
<i>Description</i>	<i>EU/Member states</i>	<i>Data users</i>	<i>Data preparers</i>
All information published by entities in the scope of EU financial markets legislation shall be accessible via ESAP. All voluntary information shall be accepted.	<i>Direct benefits</i>		
	-	<ul style="list-style-type: none"> • Access to all data from a single source • Easier access to the specific information needed 	<ul style="list-style-type: none"> • Increased visibility • Attract potential investors • Less direct data inquiries from stakeholders
	<i>Indirect benefits</i>		
	<ul style="list-style-type: none"> • Make EU capital markets more attractive • Better visibility to sustainability issues 	<ul style="list-style-type: none"> • Lower search costs, especially as regards cross border information • Better informed decisions (including as regards sustainability risks and impacts), which can lead to better allocation of capital • Enabling the offer of new services 	<ul style="list-style-type: none"> • Ensure a more level playing field for SMEs • Simplified reporting process and reduced costs through harmonisation • Better insights on the industry performance
Only open and widely used data extractable formats that enable machine-readability are accepted + common minimum metadata for all information/documents.	<i>Direct benefits</i>		
	-	<ul style="list-style-type: none"> • Automated search of information in a document is made possible, allowing for more efficient analysis 	<ul style="list-style-type: none"> • Added visibility through comparable data
	<i>Indirect benefits</i>		
	-	<ul style="list-style-type: none"> • Automated solutions to gather and process the data • Enabling new kinds of digital services and solutions based on a variety of data • Increase in the comparability of the reports content • Reduced decision-making time 	<ul style="list-style-type: none"> • Increased quality of data • Increased trust in preparers' information
Entities submit the information to a collection point that is interconnected with the ESAP at the same time as they make the information public. OAMs, ESAs (where needed), NCAs (where needed) and other collection points are interconnected with the ESAP	<i>Direct benefits</i>		
	-	<ul style="list-style-type: none"> • Access to timely data 	<ul style="list-style-type: none"> • Have data available to a broader audience in a timely matter
	<i>Indirect benefits</i>		
	<ul style="list-style-type: none"> • Facilitation of supervisory tasks 	<ul style="list-style-type: none"> • Increased confidence in data integrity • Data still accessible at national level 	-
Open data and service fees: Possible fees with the exception of individual or public interest use	<i>Direct benefits</i>		
	-	<ul style="list-style-type: none"> • Broad and easy access to relevant data across the EU • Reduced costs of data access/discovery • Ability to create more data-driven models and digital solutions in a cost-efficient manner 	<ul style="list-style-type: none"> • Added visibility and transparency

	<i>Indirect benefits</i>		
	<ul style="list-style-type: none"> • Enabling access to effective data usage to new kind of data services, citizens, media, universities, etc. • Reduction of asymmetry of information • Increasing confidence between countries and markets 	<ul style="list-style-type: none"> • More resources and easier use of resources to develop analysis and algorithms lead to better service quality 	<ul style="list-style-type: none"> • Broader scope of system users increases the impact of the communication through public disclosures
<p>ESAP functionalities: (i) user friendly Web portal/Application Programming Interfaces (APIs); (ii) automated validation checks on the information received; (iii) search function to retrieve information; (iv) indication of the source of the information; (v) machine translation service for retrieved documents; (vi) reader; (vii) individual and bulk download; (viii) notifications/RSS feed; (ix) information made accessible for at least 10 years.</p>	<i>Direct benefits</i>		
	-	<ul style="list-style-type: none"> • User friendly interface • Better discovery of information • Ability to search comparable information in multiple languages • Easier retrieval of large amount of data • Comparability of information over years 	<ul style="list-style-type: none"> • Quick automated validation • Increased visibility to users
	<i>Indirect benefits</i>		
	-	<ul style="list-style-type: none"> • Lower search costs • Better focus on points of interest (notifications) 	<ul style="list-style-type: none"> • Better insights on the industry performance

III. Overview of total costs (one-off and yearly) for the preferred option

	Existing EU/national collection points (e.g. OAMs, NCAs, ESAs) [based on intended EU requirements, total number: 61]		Data preparers [with mandatory reporting obligation only, total number: around 167.000]		Commission/ESMA	
	One-off	Yearly	One-off	Yearly	One-off	Yearly
Total individual costs	<ul style="list-style-type: none"> • API implementation EUR 25 000 • Metadata implementation EUR 25 000 • Signature validation service (software) EUR 800 <p>Total EUR 50 800</p>	<ul style="list-style-type: none"> • Maintaining the API EUR 6 250 • Maintaining signature validation service EUR 200 • Data transmission costs (negligible) • Implementation of helpdesk for filers – not assessed • Increased amount of stored data and electricity consumption – not quantified <p>Total EUR 6 450</p>	<ul style="list-style-type: none"> • Creating an account with a collection point where needed (negligible) • Identify metadata (negligible) <p>Total costs negligible</p>	<ul style="list-style-type: none"> • Filing costs (also depending on the collection point – e.g. upload fees) EUR 200¹ • LEI EUR 60² • Signing tool EUR 160 • Creating and maintaining digital certificate EUR 380 <p>Total EUR 800</p>	<ul style="list-style-type: none"> • Development EUR 6.2 million <p>Total EUR 6.2 million</p>	<ul style="list-style-type: none"> • Operational governance cost 1.6 million – 2.5 million <p>Total EUR 1.6 million – 2.5 million</p>

¹ Subject to the Commission exercising its delegated powers on the specification of a machine-readable format, there could be future costs for drawing up the information in such a format. These costs would be assessed in the dedicated cost-benefit analysis for the adoption of the relevant delegated acts.

² Reasonable estimate within the price ranges observed in the market

Total collective costs ³	<ul style="list-style-type: none"> • API implementation EUR 1 525 000 • Metadata implementation EUR 1 525 000 • Signature validation service EUR 48 800 <p>Total EUR 3.1 million</p>	<ul style="list-style-type: none"> • Maintaining the API EUR 381 250 • Data transmission costs (negligible) • Implementation of helpdesk for filers – depends on each situation, not assessed • Increased amount of stored data and electricity consumption – depends on each situation, not quantified • Maintaining signature validation service EUR 12 200 <p>Total EUR 0.4 million</p>	<ul style="list-style-type: none"> • Creating an account with a collection point where needed (negligible) • Identify metadata (negligible) <p>[Negligible]</p>	<ul style="list-style-type: none"> • Filing costs (also depending on the collection point – e.g. upload fees) EUR 27 388 000⁴ • LEI EUR 3.807.600⁵ • Signing tool EUR 26 720 000 • Creating and maintaining digital certificate EUR 63 460 000 <p>Total EUR 121.4 million</p>	<ul style="list-style-type: none"> • Development EUR 6.2 million <p>Total EUR 6.2 million</p>	<ul style="list-style-type: none"> • Operational governance cost 1.6 million – 2.5 million <p>Total EUR 1.6 to 2.5 million</p>
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³ Compared to baseline

⁴ 18% of the reporting obligations are already being filed to an EU/national collection point so the cost calculation was made considering only the remaining 82% of the filing

⁵ At least 62% of the total ESAP entities (167.000) already have an LEI so the cost calculation was made considering 38% of the ESAP entities (i.e. 63.460), and an estimated reasonable cost of EUR 60.