

NEWS RELEASE

Rome-Paris, April 9 2025

The Italian and the French authorities make proposals for a more competitive “Pilot Regime” in Europe

Since its entry into force in March 2023, the Pilot Regime has struggled to gain a foothold in the market, despite growing interest from market participants. In light of this, the Italian CONSOB and the French AMF are submitting proposals to the European Commission and the European co-legislators to create a more suitable regulatory framework to allow for a real development in experimentations of distributed ledger technology (DLT) by European market infrastructures.

The European Regulation on a Pilot Regime for market infrastructures based on distributed ledger technology (the "Pilot Regime"), provides a framework of regulatory exemptions to encourage market infrastructures to experiment with this technology for the trading, delivery and settlement of financial instruments.

In recent years, the development and use of the blockchain technology and of distributed ledgers (DLT) in financial markets, has accelerated. However, while there is now a relative consensus that blockchain is a technology that can bring transformative benefits and efficiencies to capital markets, the uptake of the Pilot Regime remains marginal.

Considering that the European Union needs to better encourage innovation and reap the potential benefits of this technology, in the context of the Savings and Investment Union, the CONSOB (Commissione Nazionale per le Società e la Borsa) and the AMF (Autorité des Marchés Financiers) propose ways to make the Pilot Regime more efficient in three areas:

➤ A more flexible regulatory framework to encourage experimentation

The Pilot Regime must play a more important role in allowing DLT experimentations, providing greater flexibility to market participants. To achieve this, it is essential to introduce greater proportionality, based on the size and nature of the project. At the same time, strengthening the role of ESMA will ensure consistency and convergence of practices across the European Union. Moreover, the use of electronic money tokens and tokenised deposits for transactions settlement could be authorised more widely, while supporting the rapid implementation of a solution for safe and efficient centralised money settlement of financial assets issued through DLT.

➤ Broaden the scope and ensure long-term visibility

To make the Regime more competitive, in particular compared to the regulatory frameworks in other financial centres, the eligibility and capitalisation limits for infrastructures could be raised to allow testing of larger-scale projects, while granting ESMA with powers to review such limits to more timely adapt to market developments. In addition, the list of eligible assets could be extended to include more diversified financial products, such as structured bonds and some derivatives. Lastly, extending the duration of the Pilot Regime and clarifying the exit process is necessary to allow the level of investment needed to develop long-term projects, by offering greater visibility to the investors.

NEWS RELEASE

🔗 **Developing interoperability and raising market awareness**

To successfully integrate DLT technology into the European financial sector, gateways need to be built between DLT infrastructure and traditional systems. Therefore, the definition of common standards at European level is a crucial step to ensure the interoperability of systems between the different market participants and simplify processes for all stakeholders. Finally, it is important to raise awareness among issuers and investors of the opportunities offered by listing financial assets on DLT, in order to promote the adoption of this technology by all stakeholders.

“At a time when Europe wishes to develop its financial markets to meet its financing needs with the Savings and Investment Union, it is clearly a priority that Europe puts in place a competitive framework to encourage innovation, and market testing of distributed ledger technology, in order to better measure the potential benefits” have declared Paolo Savona, CONSOB chair, and Marie-Anne Barbat-Layani, AMF Chair.

📄 **About the AMF**

The AMF is an independent public authority responsible for ensuring that savings invested in financial products are protected and that investors are provided with adequate information. The AMF also supervises the orderly operations of markets.
Visit our website <https://www.amf-france.org>



📄 **About CONSOB**

CONSOB is the Italian regulatory and supervisory body on financial markets. It is an independent authority, whose aim is to protect investors and ensure a well functioning financial market through transparent information and fair behaviour of all participants
Visit our website <https://www.consob.it>
