



Brussels, **XXX**
[...](2016) **XXX** draft

COMMISSION IMPLEMENTING REGULATION (EU) .../...

of XXX

laying down implementing technical standards with regard to the templates and procedures for the reporting and transmission of information on internalised settlements in accordance with Regulation (EU) No 909/2014 of the European Parliament and of the Council

(Text with EEA relevance)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012¹, and in particular the third subparagraph of Article 9(3) thereof,

Whereas:

- (1) In accordance with Regulation (EU) No 909/2014 settlement internalisers and competent authorities are to report and transmit information on internalised settlements using standard forms, templates and procedures. Standard forms, templates and procedures also need to be used when competent authorities inform the European Securities and Markets Authority (ESMA) on any potential risk resulting from the settlement activity.
- (2) In order to facilitate the implementation of the procedures and processes related to the reporting requirements on internalised settlements across market participants and to minimize the associated costs, the information should be provided using codes specified in standards published by the International Organization for Standardization where such codes are available.
- (3) In order to facilitate the processing of large volumes of data in a consistent and efficient manner, reports should be transmitted in a machine readable format.
- (4) The reporting requirements set out in this Regulation may require significant IT system changes, market testing and adjustments to legal arrangements of the institutions concerned. It is therefore necessary to give those institutions sufficient time to prepare for application of those requirements.
- (5) This Regulation is based on the draft implementing technical standards submitted by ESMA to the Commission.
- (6) ESMA has conducted an open public consultation on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Securities and Markets Stakeholder Group

¹ OJ L 257, 28.8.2014, p. 1.

established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council²,

HAS ADOPTED THIS REGULATION:

Article 1

1. A settlement internaliser shall use the template set out in Annex I to this Regulation when it reports to the competent authority in accordance with the first subparagraph of Article 9(1) of Regulation (EU) No 909/2014. That report shall be submitted within 10 working days from the end of each quarter of a calendar year.
The first report under the first subparagraph shall be submitted within 10 working days from the end of the first quarter following ... [*insert date - two years following its publication in the Official Journal*].
2. The competent authority shall use the template set out in Annex I to this Regulation when it transmits to European Securities and Markets Authority (ESMA) the information received under the first subparagraph of Article 9(1) of Regulation (EU) No 909/2014. That information shall be transmitted within five working days from the date of receipt of each report referred to in paragraph 1 of this Article.
3. The template set out in Annex I shall be completed in accordance with the instructions set out in Annex II.
4. The competent authority shall use the template set out in Annex III when it informs ESMA of any potential risk resulting from internalised settlement activity. Information on any potential risk resulting from internalised settlement activity shall be submitted within 30 working days from the end of each quarter of a calendar year. The competent authority shall complete that template in accordance with the instructions set out in Annex IV.
5. The information referred to in paragraphs 1, 2 and 4 shall be provided in a machine readable format.

Article 2

This Regulation shall enter into force on [*insert date - two years following its publication in the Official Journal*].

This Regulation shall be binding in its entirety and directly applicable in all Member States.

² Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

Done at Brussels,

*For the Commission
The President
Jean-Claude Juncker*