



Reform Of the ESAs

FOCUS

Updated in March 2019

REGULATORY EVOLUTION

- The European Commission (EC) made proposals on 20 September 2017 to change:
 - the powers
 - the governance
 - the funding
 - the approach
 of the ESAs

- ESAs = European Supervisory Authorities
 - ESMA (European Securities and Market Authorities) for Asset Management
 - EBA (European Banking Authorities) for banks
 - EIOPA (European Insurance and Occupational Authority) for Insurance

- The general direction is towards more consolidation of power at the ESAs-level and away from National Competent Authorities

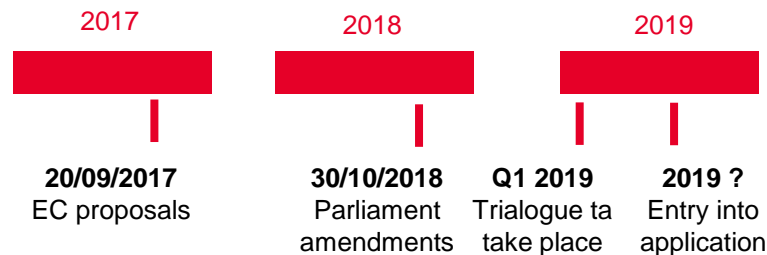
FOCAL POINTS

- New supervisory powers:
 - ESMA would be responsible for the direct supervision of EU fund types: ELTIFs, EuVECAs and EuSEFs
 - Direct supervision of capital market data such as EU critical benchmarks and third country benchmark that can be used in the EU

- New governance:
 - A new structure: a new full-time Executive Board for ESMA with members independent from National Authorities would replace the current Management Board
 - A new role: the Executive Board would be in charge of monitoring delegation and outsourcing to third countries

- New funding: replacing the current funding from NCAs with private sector funding (including funds and their managers and market participants)

- New approach: integrating technological innovation & sustainable finance considerations into financial supervision



Updated on 14 March 2019

STATEMENT

- ❑ On 30 October 2018 : the European Parliament published amendments to this regulation
- ❑ On 12 February 2019 : The Council published a press release announcing it has confirmed its general approach on the proposed legislative reforms related to the ESAs

FOR YOUR CONSIDERATION

- ❑ Trilogues between the 3 bodies (EC, Council and Parliament) will take place early 2019 and will lead to the final texts
- ❑ Final adoption could be by the end of the year 2019 in an ambitious scenario

Contact SGSS/IMP/SIR:

marie-claire.de-saint-exupery@sgss.socgen.com

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