

## III

*(Preparatory acts)*

## EUROPEAN CENTRAL BANK

## OPINION OF THE EUROPEAN CENTRAL BANK

of 29 April 2016

**on a proposal for a regulation amending Regulation (EU) No 600/2014 on markets in financial instruments, Regulation (EU) No 596/2014 on market abuse and Regulation (EU) No 909/2014 on improving securities settlement in the European union and on central securities depositories as regards certain dates, and a proposal for a directive amending Directive 2014/65/EU on markets in financial instruments as regards certain dates**

(CON/2016/27)

(2016/C 223/05)

**Introduction and legal basis**

On 25 February 2016 the European Central Bank (ECB) received two requests from the Council of the European Union, followed by two requests from the European Parliament received on 18 March 2016, for an opinion on a proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 600/2014 on markets in financial instruments, Regulation (EU) No 596/2014 on market abuse and Regulation (EU) No 909/2014 on improving securities settlement in the European Union and on central securities depositories as regards certain dates <sup>(1)</sup> (hereinafter the 'proposed regulation'), and on a proposal for a Directive of the European Parliament and of the Council amending Directive 2014/65/EU on markets in financial instruments as regards certain dates <sup>(2)</sup> (hereinafter the 'proposed directive').

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union, since the proposed regulation and directive contain provisions affecting the European System of Central Banks' task to contribute to the smooth conduct of policies pursued by the competent authorities relating to the stability of the financial system, as referred to in Article 127(5) of the Treaty. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

**Observations**

The explanatory memoranda of both the proposed regulation and directive contain a request to defer the application date of Regulation (EU) No 600/2014 of the European Parliament and of the Council <sup>(3)</sup> and Directive 2014/65/EU of the European Parliament and of the Council <sup>(4)</sup> by one year. Deferring the application date will give the competent authorities, as well as market participants, a reasonable amount of time to introduce the required technical infrastructure for their implementation. The ECB recognises that deferring this date will not have an impact on the timeline for adoption of 'Level 2' measures under Regulation (EU) No 600/2014 and Directive 2014/65/EU.

For reasons of consistency, the ECB proposes deferring the deadline for Member States to transpose Directive 2014/65/EU and also to notify the European Commission and the European Securities and Markets Authority as regards their transposition, by one year, in addition to the one-year extension of the application deadline.

The ECB has no further comments on the proposed regulation and the proposed directive.

<sup>(1)</sup> COM(2016) 57 final.

<sup>(2)</sup> COM(2016) 56 final.

<sup>(3)</sup> Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (OJ L 173, 12.6.2014, p. 84).

<sup>(4)</sup> Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349).

Where the ECB recommends that the proposed directive is amended, a specific drafting proposal is set out in a separate technical working document accompanied by an explanatory text to this effect. The technical working document is available in English on the ECB's website.

Done at Frankfurt am Main, 29 April 2016.

*The President of the ECB*

Mario DRAGHI

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