

MEMO# 30303

October 12, 2016

EU Benchmarks Regulation - Analysis of Technical Standards

[30303]

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TO: ICI GLOBAL EXCHANGE TRADED FUNDS COMMITTEE No. 8-16
ICI GLOBAL REGULATED FUNDS COMMITTEE No. 69-16
ICI GLOBAL TRADING & MARKETS COMMITTEE No. 49-16
INTERNATIONAL COMMITTEE No. 55-16
FIXED-INCOME ADVISORY COMMITTEE No. 34-16
EQUITY MARKETS ADVISORY COMMITTEE No. 40-16 RE: EU BENCHMARKS REGULATION -
ANALYSIS OF TECHNICAL STANDARDS

The European Securities and Markets Authority (ESMA) is developing draft technical standards under the EU's Benchmarks Regulation.^[1] On 29 September 2016, ESMA published a Consultation Paper (CP) setting out its draft proposals.^[2] Responses to the CP are due by 2 December 2016, via a reply form.^[3] ESMA has also announced that it is holding an open hearing on 8 November 2016 in Paris.^[4]

Cost/Benefit Analysis

As previously notified,^[5] ESMA has appointed Europe Economic Research Limited ("Europe Economics")^[6] – a consultancy specialising in the application of economics to public and business policy issues – to conduct cost/benefit analysis of the draft technical standards.

Europe Economics has approached ICI Global to seek member input, including through interviews, in parallel with ESMA's consultation. We are seeking: (i) input from members regarding the details and benefits of certain requirements; and (ii) expressions of interest from members to participate in bilateral interviews with Europe Economics. Our previous memo,^[7] outlines the high-level areas where ESMA has a mandate to develop technical standards. Europe Economics has published an online survey,^[8] to be completed by participants either on a standalone basis or in conjunction with an interview. A pdf version of the survey, which contains all questions of relevance to administrators, contributors and users, is attached.

Please advise Giles Swan on +44 207 961 0832 or at giles.swan@iciglobal.org if you are interested in contributing to this work, including participating in interviews with Europe Economics, or if you require any further information.

Giles Swan
Director of Global Funds Policy - ICI Global

Attachment

endnotes

[1] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, available from <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016R1011>

[2] Consultation Paper, Draft technical standards under the Benchmarks Regulation, 29 September 2016, available from <https://www.esma.europa.eu/sites/default/files/library/2016-1406.pdf>

[3] https://www.esma.europa.eu/sites/default/files/library/form_to_reply_cp_bmr.docx

[4] <https://www.esma.europa.eu/press-news/hearings/open-hearing-draft-technical-standards-under-benchmarks-regulation>

[5] See [Memo](#) 30201 Re: EU Benchmarks Regulation – Analysis of technical standards – Request for expressions of interest for member contributions, 2 September 2016, available from <https://www.iciglobal.org/portal/site/ICI/menuitem.9ad35c6866c5fcca09ce3110b52001ca/?vgnextoid=e20dbd93a87e6510VgnVCM100000650210acRCRD&vgnextchannel=304db7b54e26b310VgnVCM1000005a0210acRCRD&vgnextfmt=global>

[6] Appointment of Europe Economics as a consultant for Benchmarks Regulation cost-benefit analysis, available from http://www.europe-economics.com/attachments/esma_cba_letter_for_europe_economics_interviews_and_data_collection_-_benchmarks_regulation_1467888036.pdf

[7] [Memo](#) 30201, <https://www.iciglobal.org/portal/site/ICI/menuitem.9ad35c6866c5fcca09ce3110b52001ca/?vgnextoid=e20dbd93a87e6510VgnVCM100000650210acRCRD&vgnextchannel=304db7b54e26b310VgnVCM1000005a0210acRCRD&vgnextfmt=global>

[8] <http://www.surveygizmo.com/s3/3053186/CBA-of-ESMA-s-draft-TS-on-BMR-REVISED>