

Appropriate arrangements, systems and procedures for disclosing market participants conducting market soundings

2016/2735(DEA) - 09/06/2016 - Text adopted by Parliament, single reading

The European Parliament **decided to raise no objections** to the Commission delegated regulation of 17 May 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the appropriate arrangements, systems and procedures for disclosing market participants conducting market soundings.

To recall, Article 11(9) of [Regulation \(EU\) No 596/2014](#) ('the Market Abuse Regulation') empowers ESMA to develop draft regulatory technical standards to determine appropriate arrangements, procedures and record-keeping requirements for persons to comply with the requirements laid down that Article.

Article 11(9) of the Market Abuse Regulation empowers the Commission to adopt those regulatory technical standards in accordance with [Regulation \(EU\) No 1095/2010](#) of the European Parliament and of the Council ('the ESMA Regulation').

In order to satisfy the latter empowerment, **the Commission adopted on 17 May 2016 a delegated regulation** containing important details on the procedures to be followed by market participants when carrying out market soundings.

The delegated regulation may only enter into force at the end of the scrutiny period of the Parliament and the Council if no objection has been expressed either by the Parliament or the Council, or if, before the expiry of that period, both the Parliament and the Council have informed the Commission that they will not object.

The scrutiny period provided by the ESMA Regulation is three months from the date of notification of the regulatory technical standard, unless the standards adopted by the Commission are the same as the draft standards adopted by ESMA, in which case the scrutiny period would be one month.

Some changes having been introduced into the draft regulatory technical standards adopted by ESMA, the delegated regulation cannot be considered to be the same as the draft regulatory technical standard adopted by ESMA. Therefore, **the three-month period for objection applies, and will expire on 17 August 2016.**

Members considered that the smooth and timely implementation of the market abuse framework by 3 July 2016 requires that the market participants and competent authorities make the necessary arrangements and put the appropriate systems in place as soon as possible, and in any event by 3 July 2016, and this should be done in accordance with the delegated regulation. Accordingly, **the delegated regulation should therefore enter into force by 3 July 2016 at the latest, before the expiry of the scrutiny period on 17 August 2016.**

Furthermore, Members considered that the provisions of the delegated regulation in substance are consistent with the objectives of Parliament as expressed in the Market Abuse Regulation, and in particular with the Parliament's intention to provide competent authorities with a full set of records of all information revealed in the course of a market sounding.

Accordingly, Parliament declared that it has no objections to the delegated regulation.