

PRESS RELEASE

ESMA consults on implementation of the Benchmarks Regulation

The European Securities and Markets Authority (ESMA) has today published a [Discussion Paper](#) (DP) regarding the technical implementation of the incoming Benchmarks Regulation (BR). ESMA is seeking stakeholder's input to inform its future proposals on draft Regulatory Technical Standards (RTS) and Technical Advice (TA) to the European Commission.

Benchmarks are used in financial markets as a reference to price financial instruments and to measure performance of investment funds, as well as being an important element of many financial contracts and their integrity is critical to financial markets and to investors in particular. The BR's objective is to improve the governance and control over the benchmark process, thereby ensuring their reliability and protecting users. The changes aim to:

- improve the quality of the input data and methodologies used by benchmark administrators;
- ensure that benchmark contributors provide adequate data and are subject to proper controls; and
- ensure the supervision and viability of critical benchmarks.

Steven Maijoor, ESMA Chair, said:

“The Benchmark Regulation, once implemented, will ensure the accuracy, robustness and integrity of benchmarks and the benchmark setting process by clarifying the behaviours and standards expected of administrators and contributors. These requirements will ensure that benchmarks are produced in a transparent and reliable manner and so contribute to well-functioning and stable markets, and investor protection.

“ESMA, in preparing for its work on regulatory technical standards and technical advice, is keen to ensure that all affected stakeholders have their views heard on this important topic and we hope that all interested parties will take this opportunity to contribute.”

The DP is seeking stakeholder's feedback in the following areas:

- definition of benchmarks;
- requirements for the benchmark oversight function;
- requirements for the benchmark input data;
- governance and control requirements for supervised benchmark contributors;



- authorisation and registration of an administrator; and
- transparency requirements regarding the benchmark methodology.

The exact date when the Benchmarks Regulation will enter into force is still unknown as it has not yet been published in the Official Journal of the EU.

Next steps

ESMA will hold an open hearing on the DP on 29 February 2016 in Paris. It will use the responses to its DP to develop detailed implementing measures on which it will publish a follow-up consultation in Q3 2016.

Notes for editors

1. [2016/288 Discussion Paper – Benchmarks Regulation](#)
2. [Press release of the European Commission on the proposal for the BR.](#)
3. [Council statement on the proposed BR.](#)
4. ESMA's mission is to enhance investor protection and promote stable and orderly financial markets. The mission is based on the three objectives of:
 - investor protection;
 - orderly markets; and
 - financial stability.

It achieves these objectives through four activities:

1. assessing risks to investors, markets and financial stability;
 2. completing a single rulebook for EU financial markets;
 3. promoting supervisory convergence; and
 4. directly supervising specific financial entities.
5. ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with NCAs and securities markets regulators, in particular the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA).

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