

ESMA



European Securities
and Markets Authority



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ESMA Post-Trade Harmonisation Initiatives – Update for AMI-SeCo

AMI-SeCo, 4 December 2024

ESMA74-

ESMA REGULAR USE

Settlement Efficiency

ESMA Technical Advice on the CSDR penalty mechanism (*EC mandate*)

- Consultation Paper → December 2023 to February 2024
- Final Technical Advice → published on 19 November 2024: [ESMA Technical Advice on CSDR Penalty Mechanism](#)
- Topics covered:
 - ✓ alternative parameters to calculate penalties due to lack of cash, when the official interest rate for overnight credit charged by the central bank issuing the settlement currency is not available
 - ✓ treatment of historical reference prices for the calculation of late matching fail penalties
 - ✓ design and level of penalty rates for each asset class

Settlement Efficiency (cont'd)

ESMA Technical Advice on the scope of settlement discipline
(EC mandate)

- Consultation Paper (incl. SMSG and MIPC consultation) → July to September 2024
- Final Technical Advice → expected in February 2025

ESMA RTS on settlement discipline (*Art 7(10) CSDR*) + tools to improve settlement efficiency (*Art 6(5) CSDR*)

- Consultation Paper on draft RTS (incl. SMSG and MIPC consultation) → expected in the first half of 2025
- Input from T+1 Governance
- Final RTS → expected by the end of 2025

ESMA Report on settlement efficiency (*Art 74(1)(a) CSDR and Art 74(6) CSDR*) + internalised settlement (*Art 74(1)(c) CSDR*)

- Ongoing monitoring of settlement fails by ESMA and NCAs
- Settlement fails data in ESMA Trends, Risks and Vulnerabilities (TRV) Reports
- ESMA Report on settlement efficiency → expected by the end of 2025 (accompanying the draft RTS)

CSDR Colleges of Supervisors

ESMA RTS on the criteria for determining the substantial importance of CSDs for host MS (for setting up colleges of supervisors)

(Art 24a(13) CSDR)

- MIPC and ESMA SMSG consultation -> in July 2024
- No public consultation, given that the RTS concerns supervisory arrangements
- Final RTS -> expected in February 2025

ESMA Guidelines on the process for the calculation of the indicators to determine the substantial importance of CSDs for host MS

(Voluntary Guidelines)

- Relevant provisions on data collection and calculation of the indicators included in draft RTS on substantial importance of CSDs
- Guidelines may no longer be needed

Template for College written agreement

- PTWG discussions on draft template have started
- Draft template will be shared with MIPC in March/April 2025
- Aim to have a template agreed at technical level by July 2025

CSD Requirements and Supervision

ESMA RTS and ITS on review and evaluation – information to be provided by EU CSDs
(Art 22(10)-(11) CSDR)

- Consultation Paper → July to September 2024
- Final RTS and ITS → expected in February 2025

ESMA RTS on information to be provided by TC-CSDs to ESMA

(Art 25(13) and Art 69(4a) CSDR)

- Consultation Paper → July to September 2024
- Final RTS → expected in February 2025

CSD Prudential Requirements

ESMA RTS on deferred
net settlement
(Art 47a CSDR)

- Consultation Paper → expected in Q4 2025
- Final RTS → expected in Q3 2026

EBA RTS on credit and
liquidity risks for CSDs
providing banking-type
ancillary services to
other CSDs
(Art 59(5) CSDR)

- Consultation Paper expected in Q1 2025
- Final RTS expected in Q4 2025

Thank you!