



### **European Communication on the European Green Deal**

The European Commission [communication](#) on the European Green Deal was published on 11 December along with an [annex](#) and presented to the European Parliament during an extraordinary plenary meeting on the same day. On the financial services front, a renewed sustainable finance strategy is expected in autumn 2020, which will focus on the following actions:

- The European Commission aims to incorporate sustainability into the corporate governance framework. This will be done through the review of the Non-Financial Reporting Directive (NFRD) expected in the course of 2020.
- The European Commission will also develop standardised natural capital accounting practices within the EU and internationally.
- Labels for retail investment products and the creation of an EU green bond standard are also included into the list of actions.
- Finally, the European Commission mentions the assessment of the suitability of the existing capital requirements for green assets (the so called green supporting factor).

### **Low-carbon benchmarks regulation**

On 9 December the [low-carbon benchmarks regulation](#) was published in the EU Official Journal. It amends the benchmarks regulation by creating two new categories of benchmarks: climate-transition and Paris aligned benchmarks.

### **Benchmarks regulation**

ESMA issued on 11 December a [briefing](#) on the recognition regime under article 32 of BMR, which has been designed to be used by administrators located in a third country and NCAs.

### **Market Abuse Regulation**

The ESMA Securities and Markets Stakeholder Group (SMSG) published on 12 December its [response](#) to the ESMA consultation on MAR review.

## I. ACTIVE PRIORITIES

### Brexit

CMCE priorities: Ancillary activity test, access to UK and EU trading venues, CCPs and TRs

Latest developments & CMCE action	Next steps
<p>The Conservative Party won on 12 December a landslide victory, with 364 (+47) of the 650 seats in the House of Commons, giving the party the largest majority since 1987. The <a href="#">Withdrawal Agreement Bill</a> (WAB), which is required to ratify the <a href="#">Withdrawal Agreement</a> negotiated with the EU in UK domestic law, is expected to return to the Commons on 20 December to ensure the UK will leave the EU on 31 January.</p> <p>With such a big majority for the Conservative Party none of the big contentious issues of the past should block the adoption of the WAB. But we expect some amendments, most likely on the transition period extension decision. On Tuesday Boris Johnson indeed vowed to amend the WAB so that the transition period must end on 31 December 2020 and there will be no request to the EU for a further extension. According to the Withdrawal Agreement, the transition period shall start on the date on entry into force of the Withdrawal Agreement and shall end on 31 December 2020. Any extension to the transition period must be decided by 30 June 2020. During the election campaign the Conservative Party promised in its manifesto not to extend the transition.</p>	
<b>MiFID II</b>	
<i>CMCE priorities: AA exemption, position limits, reporting, physical forwards</i>	
Latest developments & CMCE action	Next steps
<p>There were no significant developments in the past two weeks.</p> <p><b>CMCE action</b> A CMCE response to the ESMA <a href="#">call for evidence</a> on position limits and position management in commodity derivatives was submitted on 5 July and was published by ESMA on 12 July with all the <a href="#">responses</a> it received to the call for evidence.</p> <p>CMCE is currently preparing its response to the ESMA consultation on position limits, which will close on 8 January 2020.</p>	<p><b>8 January 2020</b> – ESMA consultation on position limits closes</p> <p><b>January 2020</b> – Deadline for ESMA to provide input to the European Commission on MiFID II/MiFIR review report on C6 energy derivatives contracts</p> <p><b>31 March 2020</b> – Deadline for ESMA to provide input to the European Commission on MiFID II/MiFIR review report on position limits and reporting</p>
<b>EMIR</b>	
<i>CMCE priorities: reporting, risk mitigation for uncleared trades, calculation of NFC's positions</i>	
Latest developments	Next steps
There were no significant developments in the past two weeks.	

## Benchmarks

*CMCE priorities: commodity benchmarks, critical benchmarks, third-country equivalence*

### Latest developments & CMCE action

On 9 December the [low-carbon benchmarks regulation](#) was published in the EU Official Journal.

ESMA issued on 11 December a [briefing](#) on the recognition regime under article 32 of BMR, which has been designed to be used by administrators located in a third country and NCAs.

On 13 December ESMA made available [information](#) on pending authorisation/registration applications by EU-based administrators under BMR.

#### **CMCE action**

CMCE submitted on 18 December its response to the European Commission consultation on BMR review. In addition, the BMR WG is currently preparing its response to the FCA consultation on the SM&CR regime.

### Next steps

**31 December 2019** – European Commission consultation on the review of the benchmark regulation closes

**28 February 2020** – FCA consultation on SM&CR closes

**7 December 2020** – Application of the SM&CR regime to benchmark administrators

## II. WATCHING BRIEF

## IFR

*CMCE priorities: commodity dealer IF regime, scope of class I, changes to MiFID III/MiFIR third-country regime*

### Latest developments & CMCE action

The [IFR/IFD](#) texts were published on 5 December in the EU Official Journal. IFR will apply from 26 June 2021, except points (2) and (3) of Article 63 on tick sizes and systematic internalisers, which will apply from 26 March 2020, and point 30 of Article 62 on which will apply from 25 December 2019. Concerning IFD, Member States shall adopt the national transposition measures by 26 June 2021.

### Next steps

**26 June 2021** – Application of IFR

## MAR

*CMCE priorities: Insider dealing, MM indicators*

Latest developments & CMCE action		Next steps
<p>ESMA published on 13 December the <a href="#">responses</a> received to the consultation on MAR review.</p> <p>The ESMA Securities and Markets Stakeholder Group (SMSG) published on 12 December its <a href="#">response</a> to the consultation on the MAR review.</p> <p><b>CMCE action</b> CMCE submitted its response to the ESMA consultation on MAR review on 28 November.</p>		<p><b>Spring 2020</b> – ESMA to submit the final report providing technical to the European Commission on MAR review</p>
<b>SFTR</b>		
<i>CMCE priorities: reporting obligations</i>		
Latest developments & CMCE action		Next steps
<p>There were no significant developments in the past two weeks.</p>		<p><b>11 January 2021</b> – Reporting go-live for non-financial counterparties</p>
<b>Other relevant developments</b>		
<b>International role of the euro</b>	<p>There were no significant developments in the past 2 weeks.</p>	<p><b>2020</b> – European Commission to report on the results of the consultation on the international role of the euro</p>
<b>REMIT</b>	<p>There were no significant developments in the past 2 weeks.</p>	