European single access point (ESAP): access to information in relation to financial services, capital markets and sustainability

2021/0378(COD) - 25/11/2021 - Legislative proposal

PURPOSE : to amend certain Regulations as regards the establishment and functioning of the European single access point (ESAP) in particular as regards the collection of information.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the establishment of a European Single Access Point (ESAP) by 2024 is a flagship action of the Capital Markets Union (CMU) Action Plan adopted by the European Commission in September 2020. ESAP will contribute to the achievement of the CMU’s objectives by providing **EU-wide access to information published by entities that is relevant to capital markets, financial services and sustainable finance**, i.e. mainly information about their economic activities and products.

Information about entities’ activities and products is essential for decision-making by providers of capital. ESAP will contribute to further integrating the financial services and capital markets in the single market, to allocating capital more efficiently across the EU and promoting the development of smaller national capital markets and economies by giving them greater visibility. ESAP will also allow non-listed entities including Small and Medium-Sized enterprises (SMEs) to make available information on a voluntary basis.

The financial world is expected to undergo a digital transformation in the coming years, and the Union should support this, in particular by promoting data-driven finance. It is essential that information related to the sustainability of businesses is easily accessible to investors so that they are better informed when making decisions about investments. For those purposes, public access to financial and non-financial information on natural or legal persons required to make information public or submitting financial and sustainability-related information about their economic activities to a collection body on a voluntary basis (‘entities’) needs to be improved. An efficient means to do so at Union level is to establish a centralised platform, ESAP, giving electronic access to all relevant information.

This proposal is part of a package comprised of: (i) a proposal for a Directive amending certain Directives and (ii) a proposal for a Regulation amending certain Regulations which aims to establish a sound and efficient ESAP platform which will cover publicly available information about financial services provided in the Union, capital markets of the Union and sustainability.

The scope of the ESAP will need to be built in a proportionate and gradual manner from 2024 to 2026, entailing a transitional scaling-up of the collection and submission of the information on its platform.

CONTENT: the aim of this proposed Regulation is to contribute to integrating the European financial services and capital markets by providing an **easy centralised access to public information about entities and their products**.

The proposal:

- mandates ESMA to establish, by 31 December 2024, ESAP to provide public access to the information that entities must disclose to the public, and to additional categories of information, including financial or sustainability-related information that entities decide to include on a voluntary basis in ESAP;

- sets out the conditions and requirements pursuant to which entities can, on a **voluntary basis**, submit information that will be made accessible through ESAP;

- requires ESMA to maintain an up-to-date list of collection bodies responsible for accepting information disclosed by entities, to publish this list on the ESAP web portal and to notify it to the Commission;

- sets out the roles and tasks of the collection bodies, including the technical standards they shall apply to validate whether information submitted by entities comply with the specifications required by this Regulation and the accompanying amendments to sectoral legislation;

- lays down the **retention period** for the information accessible through ESAP, which should be **10 years** unless otherwise specified in the applicable EU legal act from the Annex;

- stipulates the conditions under which users will have access to the information available on ESAP, which will normally be **free of charge**. ESMA may charge fees to users that require very large volumes of data or frequently updated information. However, Union institutions, agencies and bodies, and a range of national bodies and competent authorities should always have direct and immediate access free of charge to ESAP to enable them to fulfil their respective responsibilities, mandates and obligations;

- specifies the tasks of ESMA, acting in close cooperation with the EBA and EIOPA, to manage ESAP;

- stipulates that the Commission shall review the functioning and effectiveness of ESAP 5 years after the entry into force of this Regulation.