

Scope of rules for benchmarks, use in the Union of benchmarks provided by an administrator located in a third country, and certain reporting requirements

2023/0379(COD) - 06/05/2025 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a legislative resolution **approving** without amendment the Council's position at first reading with a view to the adoption of a regulation of the European Parliament and of the Council amending Regulation (EU) 2016/1011 as regards the scope of the rules for benchmarks, the use in the Union of benchmarks provided by an administrator located in a third country, and certain reporting requirements.

The overall objective of the proposed regulation is to reduce the regulatory and administrative burden on EU businesses and investors on those benchmarks with the greatest economic impact and to ensure that EU benchmark users continue to have access to the broadest possible set of benchmarks, including third-country benchmarks. In addition, the proposal aims to establish a simplified framework for third-country benchmarks in the EU.

The Council's position:

- introduces certain amendments concerning significant benchmarks. In addition to the EUR 50 billion threshold, qualitative criteria have been introduced to identify significant benchmarks. The Commission (i) may adopt a delegated act to specify the methodology for calculating the EUR 50 billion threshold and to set clear criteria for assessing the use of benchmarks; (ii) will be required to review the adequacy of this threshold within three years and report its findings to the European Parliament and the Council;
- introduces a specific mechanism allowing the continued use of a benchmark following the publication of a public notice that would normally prohibit its use. The European Securities and Markets Authority (ESMA) or the competent authority may authorise the use of such a benchmark for a period of six to twenty-four months after the publication of the public notice;
- makes changes to the regulatory treatment of commodity benchmarks to better reflect their specific characteristics and ensure a proportionate regulatory burden;
- maintains the exemption of spot foreign exchange benchmarks and empowers the Commission to designate, by means of implementing acts, certain exchange rate benchmarks as exempt;
- allows administrators who would be excluded from the scope of the regulation to choose to voluntarily apply the rules ('opt-in') under certain conditions;
- introduces a requirement for administrators of EU climate transition benchmarks and EU Paris-aligned benchmarks to be registered, authorised, recognised or endorsed in order to avoid misleading ESG claims;
- extends ESMA's supervisory powers over third-country benchmark administrators active in the EU. Additionally, it establishes ESMA as their sole supervisor.