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Committee on Economic and Monetary Affairs

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AMENDMENTS
335 - 499

Draft report
Johan Van Overtveldt
(PE689.571v01-00)

Pilot regime for market infrastructures based on distributed ledger technology

Proposal for a regulation
(COM(2020)0594 – C9-0305/2020 – 2020/0267(COD))

Amendment 335
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. At its request, ***a CSD*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 2(4) on dematerialised form, Article 2(9) on transfer of orders, Article 2(28) on securities accounts, Article 3 on the recording of securities, Article 37 on the integrity of issue, Article 38 on the segregation of assets of Regulation (EU) No 909/2014, provided that the ***CSD*** operating the DLT securities settlement system:	2. At its request, ***an entity*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 2(4) on dematerialised form, Article 2(9) on transfer of orders, Article 2(28) on securities accounts, Article 3 on the recording of securities, Article 37 on the integrity of issue, Article 38 on the segregation of assets of Regulation (EU) No 909/2014, provided that the ***entity*** operating the DLT securities settlement system:

Or. en

Justification

Openness of the pilot regime

Amendment 336
Jessica Polfjärd

Proposal for a regulation
Article 5 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) demonstrates that the use of a 'securities account' as defined under Article 2(28) of Regulation (EU) No 909/2014 or the use of book-entry form are incompatible with the ***use of its*** particular DLT;	(a) demonstrates that the use of a 'securities account' as defined under Article 2(28) of Regulation (EU) No 909/2014 or the use of book-entry form are incompatible with the particular DLT ***used by the CSD concerned***;

Or. en

Amendment 337

Eva Kaili

Proposal for a regulation
Article 5 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) demonstrates that the use of a 'securities account' as defined under Article 2(28) of Regulation (EU) No 909/2014 or the use of book-entry form are incompatible with the use of ***its*** particular DLT;	(a) demonstrates that the use of a 'securities account' as defined under Article 2(28) of Regulation(EU) No 909/2014 or the use of book-entry form are incompatible with the use of ***the*** particular DLT ***deployed***;

Or. en

Justification

In the context of a more technology-neutral approach on the use of DLTs.

Amendment 338
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) proposes compensatory measures to meet the objectives pursued by the provisions from which an exemption is requested, and ensures at minimum that:	(b) proposes compensatory ***or corrective*** measures to meet the objectives pursued by the provisions from which an exemption is requested, and ensures at minimum that:

Or. en

Justification

Editorial comment.

Amendment 339
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 5 – paragraph 3

Text proposed by the Commission	*Amendment*
3. At its request, a CSD operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 19 and Article 30 of Regulation (EU) No 909/2014, provided that:	***deleted***
(a) such provisions are incompatible with the use of a DLT as envisaged by the particular DLT operated by the CSD concerned; and	
(b) the CSD operating the DLT securities settlement system ensures that the conditions set out in points (c) to (i) of Article 30(1) and in Article 30(2) of Regulation (EU) No 909/2014 are complied with.	

Or. en

Justification

There should not be any delegation of responsibility in relation to outsourcing of activities or services to a third party.

Amendment 340
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 5 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. At its request, a CSD operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 19 ***and Article 30*** of Regulation (EU) No 909/2014, provided that:	3. At its request, a CSD operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 19 of Regulation (EU) No 909/2014, ***in relation only to the outsourcing of a core service to a third party, and from Article 30 of that Regulation,*** provided that:

Or. en

Justification

As per the ECB' opinion.

Amendment 341
Johan Van Overtveldt

Proposal for a regulation
Article 5 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. At its request, a CSD operating a DLT ***securities settlement system*** may be exempted by the competent authority from the application of Article 19 ***and Article 30*** of Regulation (EU) No 909/2014, provided that:	3. At its request, a CSD operating a DLT ***SSS*** may be exempted by the competent authority from the application of Article 19 of Regulation (EU) No 909/2014, ***in relation only to the outsourcing of a core service to a third party, and from Article 30 of that Regulation,*** provided that:

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. The exemption from Article 19 of Regulation (EU) No 909/2014 should be narrowed to the outsourcing of services. In addition, the operation by a CSD of a DLT SSS may not be tantamount to the operation of a 'system'. In such a case, the operation of a DLT SSS would not be regarded as an extension of activities or services under Regulation (EU) No 909/2014. As a result, an assessment by the relevant authorities of the authorisation for the operation of a DLT SSS would be necessary in accordance with Article 19 of Regulation (EU) No 909/2014.

Amendment 342
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. At its request, ***a CSD*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 19 and Article 30 of Regulation (EU) No 909/2014, provided	3. At its request, ***an entity*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 19 and Article 30 of Regulation (EU) No 909/2014, provided

that:	that:

Or. en

Justification

Openness of the pilot regime

Amendment 343
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 3 – point a

Text proposed by the Commission	*Amendment*
(a) such provisions are incompatible with the use of a DLT as envisaged by the particular DLT operated by the ***CSD*** concerned; and	(a) such provisions are incompatible with the use of a DLT as envisaged by the particular DLT operated by the ***entity*** concerned; and

Or. en

Justification

Openness of the pilot regime

Amendment 344
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 3 – point b

Text proposed by the Commission	*Amendment*
(b) the ***CSD*** operating the DLT securities settlement system ensures that the conditions set out in points (c) to (i) of Article 30(1) and in Article 30(2) of Regulation (EU) No 909/2014 are complied with.	(b) the ***entity*** operating the DLT securities settlement system ensures that the conditions set out in points (c) to (i) of Article 30(1) and in Article 30(2) of Regulation (EU) No 909/2014 are complied with.

Or. en

Justification

Openness of the pilot regime

Amendment 345
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 4 – introductory part

Text proposed by the Commission	*Amendment*
4. At its request, ***a CSD*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 2(19) of Regulation (EU) No 909/2014 on participants and may be permitted to admit as participants natural and legal persons other than those referred to in Article 2(19), provided that such persons:	4. At its request, ***an entity*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 2(19) of Regulation (EU) No 909/2014 on participants and may be permitted to admit as participants natural and legal persons other than those referred to in Article 2(19), provided that such persons:

Or. en

Justification

Openness of the pilot regime

Amendment 346
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 5 – paragraph 4 – point b a (new)

Text proposed by the Commission	*Amendment*
	(b a) have given informed consent to be included in the pilot regime provided for in this Regulation and have been adequately informed of its experimental nature and the risks associated with it.

Or. en

Amendment 347
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation

Article 5 – paragraph 5 – introductory part

Text proposed by the Commission	*Amendment*
5. At its request, ***a CSD*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 40 of Regulation (EU) No 909/2014 on cash settlement, provided that the ***CSD*** ensures delivery versus payment.	5. At its request, ***an entity*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Article 40 of Regulation (EU) No 909/2014 on cash settlement, provided that the ***entity*** ensures delivery versus payment.

Or. en

Justification

Openness of the pilot regime

Amendment 348
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 5 – introductory part

Text proposed by the Commission	*Amendment*
5. At its request, a CSD operating a DLT ***securities settlement system*** may be exempted by the competent authority from the application of Article 40 of Regulation (EU) No 909/2014 on cash settlement, provided that the CSD ensures delivery versus payment.	5. At its request, a CSD operating a DLT ***SSS*** may be exempted by the competent authority from the application of Article 40 of Regulation (EU) No 909/2014 on cash settlement, provided that the CSD ensures delivery versus payment.

Or. en

Amendment 349
Johan Van Overtveldt

Proposal for a regulation
Article 5 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
The settlement of ***payments may*** be carried out through central bank money, where practicable and available, or where not	The settlement of ***the payment leg shall*** be carried out through central bank money, where practicable and available, or where

practicable and available, through commercial bank money, including commercial bank money in a token-based form, or in e-money tokens.	not practicable and available, through commercial bank money, including commercial bank money in a token-based form, or in e-money tokens.

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. Settlement in central bank should be the default requirement for DLT market infrastructures. An exemption from this requirement should be possible only in cases where the relevant DLT market infrastructure proves that this settlement method is not available and practicable.

Amendment 350
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
The settlement of ***payments*** may be carried out through central bank money, where practicable and available, or where not practicable and available, through commercial bank money, including commercial bank money in a token-based form, or in e-money tokens.	The settlement of ***the payment leg*** may be carried out through central bank money, where practicable and available, or where not practicable and available, through commercial bank money, including commercial bank money in a token-based form, or in e-money tokens.

Or. en

Justification

Editorial comment.

Amendment 351
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 5 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
The settlement of payments ***may*** be carried out through central bank money, where practicable and available, or where not	The settlement of payments ***shall*** be carried out through central bank money, where practicable and available, or where

practicable and available, through commercial bank money, including commercial bank money in a token-based form, or in e-money tokens.	not practicable and available, through commercial bank money, including commercial bank money in a token-based form, or in e-money tokens.

Or. en

Justification

As per the ECB' opinion.

Amendment 352
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 5 – subparagraph 2

Text proposed by the Commission	*Amendment*
Where settlement occurs through commercial bank money or e-money tokens, the investment firm or market operator operating the DLT ***MTF*** shall identify, measure, monitor, manage, and minimise any counterparty risk arising from the use of such money.	Where settlement occurs through commercial bank money or e-money tokens, the investment firm or market operator operating the DLT ***SSS*** shall identify, measure, monitor, manage, and minimise any counterparty risk arising from the use of such money. ***Where settlement occurs through e-money tokens for the payment leg, participants in a DLT SSS may open accounts directly with the DLT SSS for the purposes of settling the cash leg in e-money tokens, or alternatively the DLT SSS and its participants may open an account with a third party providing services relating to e-money tokens. In those cases, the DLT SSS or the third party shall be the issuer of e-money tokens and shall ensure that settlement of the payment leg takes place in e-money tokens. Since e-monkey tokens can only be issued either by credit institutions or e-money institutions under the Regulation No 2021/XX on Markets in Crypto-Assets, the exemption provided under this Regulation with respect to the cash settlement provisions of the CSDR is not intended to exempt the DLT SSS, or a third party issuing e-money tokens and settling the payment leg of securities***

	transactions through its own accounts, from the licensing requirements under the Regulation No 2021/XX on Markets in Crypto-Assets.

Or. en

Justification

Correction (Article 5 relates to DLT SSSs and not DLT MTFs). Furthermore, it is suggested to incorporate point 3.3.7 of the Opinion of the ECB on the DLT pilot regime of April 28th as regards the settlement in EMTs.

Amendment 353
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 5 – paragraph 5 – subparagraph 2

Text proposed by the Commission	*Amendment*
Where settlement occurs through commercial bank money or e-money tokens, the ***investment firm or market operator*** operating the DLT ***MTF*** shall identify, measure, monitor, manage, and minimise any ***counterparty*** risk arising from the use of such money.	Where settlement occurs through commercial bank money or e-money tokens, the ***CSD*** operating the DLT ***securities settlement system*** shall identify, measure, monitor, manage, and minimise any risk arising from the use of such money***, also taking into account any risk arising from the designation or non-designation of the DLT SSS as a system for the purposes of Directive 98/26/EC and of paragraph 8 of this Article***.

Or. en

Justification

As per the ECB' opinion.

Amendment 354
Johan Van Overtveldt

Proposal for a regulation
Article 5 – paragraph 5 – subparagraph 2

Text proposed by the Commission	*Amendment*

Where settlement occurs through commercial bank money or e-money tokens, the ***investment firm or market operator*** operating ***the DLT MTF*** shall identify, measure, monitor, manage, and minimise any ***counterparty*** risk arising from the use of such money.	Where settlement occurs through commercial bank money or e-money tokens, the ***CSD*** operating ***a DLT SSS*** shall identify, measure, monitor, manage, and minimise any risk arising from the use of such money***, also taking into account any risk arising from the designation or non-designation of the DLT SSS as a system for the purposes of Directive 98/26/EC and of paragraph 8 of this Article***.

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. When the CSD operating the DLT securities settlement system is identifying risks arising from the use of commercial bank money and e-money tokens it should also take account of whether or not insolvency protection under Directive 98/26/EC exists. See paragraphs 3.3.2 and 3.3.5 to 3.4 of the ECB Opinion.

Amendment 355
Jessica Polfjärd

Proposal for a regulation
Article 5 – paragraph 5 – subparagraph 2

Text proposed by the Commission	*Amendment*
Where settlement occurs through commercial bank money or e-money tokens, the ***investment firm or market operator*** operating the DLT ***MTF*** shall identify, measure, monitor, manage, and minimise any counterparty risk arising from the use of such money.	Where settlement occurs through commercial bank money or e-money tokens, the ***CSD*** operating the DLT ***securities settlement system*** shall identify, measure, monitor, manage, and minimise any counterparty risk arising from the use of such money.

Or. en

Amendment 356
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 5 – subparagraph 2

Text proposed by the Commission	*Amendment*
Where settlement occurs through commercial bank money or e-money tokens, the investment ***firm or market operator*** operating the DLT MTF shall identify, measure, monitor, manage, and minimise any counterparty risk arising from the use of such money.	Where settlement occurs through commercial bank money or e-money tokens, the investment ***entity*** operating the DLT MTF shall identify, measure, monitor, manage, and minimise any counterparty risk arising from the use of such money.

Or. en

Justification

Openness of the pilot regime

Amendment 357
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 6

Text proposed by the Commission	*Amendment*
6. At its request, ***a CSD*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Articles 50 and/or Article 53 on standard link access and access between a CSD and another market infrastructure of Regulation (EU) No 909/2014, provided that it demonstrates that the use of a DLT is incompatible with legacy systems of other CSDs or other market infrastructures or that granting such access to another CSD or another market infrastructure using legacy systems would trigger disproportionate costs, given the size of the DLT securities settlement system.	6. At its request, ***an entity*** operating a DLT securities settlement system may be exempted by the competent authority from the application of Articles 50 and/or Article 53 on standard link access and access between a CSD and another market infrastructure of Regulation (EU) No 909/2014, provided that it demonstrates that the use of a DLT is incompatible with legacy systems of other CSDs or other market infrastructures or that granting such access to another CSD or another market infrastructure using legacy systems would trigger disproportionate costs, given the size of the DLT securities settlement system.

Or. en

Justification

Openness of the pilot regime

Amendment 358
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 6

Text proposed by the Commission	*Amendment*
6. At its request, a CSD operating a DLT ***securities settlement system*** may be exempted by the competent authority from the application of Articles 50 and/or Article 53 on standard link access and access between a CSD and another market infrastructure of Regulation (EU) No 909/2014, provided that it demonstrates that the use of a DLT is incompatible with legacy systems of other CSDs or other market infrastructures or that granting such access to another CSD or another market infrastructure using legacy systems would trigger disproportionate costs, given the size of the DLT securities settlement system.	6. At its request, a CSD operating a DLT ***SSS*** may be exempted by the competent authority from the application of Articles 50 and/or Article 53 on standard link access and access between a CSD and another market infrastructure of Regulation (EU) No 909/2014, provided that it demonstrates that the use of a DLT is incompatible with legacy systems of other CSDs or other market infrastructures or that granting such access to another CSD or another market infrastructure using legacy systems would trigger disproportionate costs, given the size of the DLT securities settlement system.

Or. en

Justification

Editorial comment.

Amendment 359
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 7 – introductory part

Text proposed by the Commission	*Amendment*
7. Where a CSD operating a DLT ***securities settlement system*** has requested an exemption in accordance with the first sub-paragraph, it shall give access to other CSDs operating a DLT ***securities settlement system*** or to DLT MTFs.	7. Where a CSD operating a DLT ***SSS*** has requested an exemption in accordance with the first sub-paragraph, it shall give access to other CSDs operating a DLT ***SSS*** or to DLT MTFs.

Or. en

Justification

Editorial comment.

Amendment 360
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 7 – introductory part

Text proposed by the Commission	*Amendment*
7. Where ***a CSD*** operating a DLT securities settlement system has requested an exemption in accordance with the first sub-paragraph, it shall give access to other ***CSDs*** operating a DLT securities settlement system or to DLT MTFs.	7. Where ***an entity*** operating a DLT securities settlement system has requested an exemption in accordance with the first sub-paragraph, it shall give access to other ***entities*** operating a DLT securities settlement system or to DLT MTFs.

Or. en

Justification

Openness of the pilot regime

Amendment 361
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 7 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
Where ***a CSD*** operating a DLT securities settlement system requests an exemption in accordance with paragraphs 2 to 6, it shall in any case demonstrate that:	Where ***an entity*** operating a DLT securities settlement system requests an exemption in accordance with paragraphs 2 to 6, it shall in any case demonstrate that:

Or. en

Justification

Openness of the pilot regime

Amendment 362

Eva Kaili

Proposal for a regulation
Article 5 – paragraph 7 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
Where a CSD operating a DLT ***securities settlement system*** requests an exemption in accordance with paragraphs 2 to 6, it shall in any case demonstrate that:	Where a CSD operating a DLT ***SSS*** requests an exemption in accordance with paragraphs 2 to 6, it shall in any case demonstrate that:

Or. en

Justification

Editorial comment.

Amendment 363
Jessica Polfjärd

Proposal for a regulation
Article 5 – paragraph 7 – subparagraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) the exemption requested is proportionate to and justified by the use of ***its DLT***, and;	(a) the exemption requested is proportionate to and justified by the use of ***the particular DLT used by the CSD concerned***, and;

Or. en

Amendment 364
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 7 – subparagraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) the exemption requested is proportionate to and justified by the use of ***its*** DLT, and;	(a) the exemption requested is proportionate to and justified by the use of ***a*** DLT, and;

Or. en

Justification

Editorial comment in corporationg a more technology-neutral approach.

Amendment 365
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 7 – subparagraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) the exemption requested is limited to the DLT securities settlement system and does not extend to any other securities settlement system as defined in Article 2(10) of Regulation (EU) No 909/2014 operated by the same ***CSD***.	(b) the exemption requested is limited to the DLT securities settlement system and does not extend to any other securities settlement system as defined in Article 2(10) of Regulation (EU) No 909/2014 operated by the same ***entity***.

Or. en

Amendment 366
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 7 – subparagraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) the exemption requested is limited to the DLT ***securities settlement system*** and does not extend to any other securities settlement system as defined in Article 2(10) of Regulation (EU) No 909/2014 operated by the same CSD.	(b) the exemption requested is limited to the DLT ***SSS*** and does not extend to any other securities settlement system as defined in Article 2(10) of Regulation (EU) No 909/2014 operated by the same CSD.

Or. en

Justification

Editorial comment.

Amendment 367
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 8

Text proposed by the Commission	*Amendment*
8. Where a CSD has requested and been granted an exemption under paragraph 3, the requirement in Article 39(1) of Regulation (EU) No 909/2014/EU for Member States to designate and notify the ***securities settlement system*** operated by the CSD in accordance with Directive 98/26/EC shall not apply to the DLT ***securities settlement system***. The foregoing shall not preclude Member States from designating and notifying a DLT ***securities settlement system*** in accordance with Directive 98/26/EC where the DLT ***securities settlement system*** fulfils all of the requirements of that Directive.	8. Where a CSD has requested and been granted an exemption under paragraph 3, the requirement in Article 39(1) of Regulation (EU) No 909/2014/EU for Member States to designate and notify the ***SSS*** operated by the CSD in accordance with Directive 98/26/EC shall not apply to the DLT ***SSS***. The foregoing shall not preclude Member States from designating and notifying a DLT ***SSS*** in accordance with Directive 98/26/EC where the DLT ***SSS*** fulfils all of the requirements of that Directive.

Or. en

Justification

Editorial comment.

Amendment 368
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 8

Text proposed by the Commission	*Amendment*
8. Where ***a CSD*** has requested and been granted an exemption under paragraph 3, the requirement in Article 39(1) of Regulation (EU) No 909/2014/EU for Member States to designate and notify the securities settlement system operated by the ***CSD*** in accordance with Directive 98/26/EC shall not apply to the DLT securities settlement system. The foregoing shall not preclude Member States from designating and notifying a DLT securities settlement system in accordance with Directive 98/26/EC where the DLT	8. Where ***an entity*** has requested and been granted an exemption under paragraph 3, the requirement in Article 39(1) of Regulation (EU) No 909/2014/EU for Member States to designate and notify the securities settlement system operated by the ***entity*** in accordance with Directive 98/26/EC shall not apply to the DLT securities settlement system. The foregoing shall not preclude Member States from designating and notifying a DLT securities settlement system in accordance with Directive 98/26/EC where the DLT

securities settlement system fulfils all of the requirements of that Directive.	securities settlement system fulfils all of the requirements of that Directive.

Or. en

Justification

Openness of the pilot regime

Amendment 369
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 5 – paragraph 8 a (new)

Text proposed by the Commission	*Amendment*
	8 a. An entity that is not subject to the requirements applicable to a CSD under Regulation (EU) No 909/2014 at the time of the application for a specific permission to operate a DLT MTF under this Regulation, shall be allowed to apply in accordance with paragraphs 1 to 8 of this Article. Competent authorities shall put in place specific procedures for entities that are not subject to the requirements applicable to a CSD under Regulation (EU) No 909/2014 at the time of their application.

Or. en

Justification

Fast-track procedure for entities not authorised as a CSD at the time of the application.

Amendment 370
Eva Kaili

Proposal for a regulation
Article 5 – paragraph 8 a (new)

Text proposed by the Commission	*Amendment*
	8 a. At its request, and in accordance with Article 7, a CSD operating a DLT

SSS may also operate a DLT MTF.

Or. en

Justification

Reciprocity and level playing field between LDT MTFs and DLT SSSs by providing for DLT SSSs wishing to operate a DLT MTF.

Amendment 371
Antonio Maria Rinaldi, Francesca Donato, Valentino Grant, Marco Zanni, Gunnar Beck

Proposal for a regulation
Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
They shall also have up-to-date, clear and detailed publically available written documentation, which may be made available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.	They shall also have up-to-date, clear and detailed publically available written documentation, which may be made available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. ***The same documentation shall also include the privacy notice containing the list of processing operations carried out in connection with the DLT market infrastructure, together with the roles and responsibilities of the entities involved in the processing of personal data.*** Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.

Or. it

Amendment 372

Johan Van Overtveldt

Proposal for a regulation
Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
They shall also have up-to-date, clear and detailed ***publically*** available written documentation, which may be made available by electronic means, defining the rules under which the DLT market ***infrastructure*** shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.	They shall also have up-to-date, clear and detailed ***publicly*** available written documentation, which may be made available by electronic means, defining the rules under which the DLT market ***infrastructures and their operators*** shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism***, any insolvency protection measures under Directive 98/26/EC*** and the jurisdiction for bringing legal action.

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. From an oversight perspective, the settlement finality and insolvency risks, together with the relevant mitigating measures, should be specified and disclosed to the participants in the DLT market infrastructures.

Amendment 373
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
They shall also have up-to-date, clear and detailed publically available written documentation, which may be made	They shall also have up-to-date, clear and detailed publically available written documentation, which may be made

available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.	available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism***, any insolvency protection measures under Directive 98/26/EC,*** and the jurisdiction for bringing legal action.

Or. en

Justification

Integrates recommendation in ECB opinion.

Amendment 374
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
They shall also have up-to-date, clear and detailed publically available written documentation, which may be made available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.	They shall also have up-to-date, clear and detailed publically available written documentation, which may be made available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism***, any insolvency protection measures under Directive***

	98/26/EC and the jurisdiction for bringing legal action.

Or. en

Justification

As per the ECB' opinion.

Amendment 375
Eva Kaili

Proposal for a regulation
Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
They shall also have up-to-date, clear and detailed ***publically*** available written documentation, which may be made available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.	They shall also have up-to-date, clear and detailed ***publicly*** available written documentation, which may be made available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.

Or. en

Justification

Editorial comment.

Amendment 376
Markus Ferber

Proposal for a regulation
Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
They shall also have up-to-date, clear and detailed ***publically*** available written documentation, which may be made available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.	They shall also have up-to-date, clear and detailed ***publicly*** available written documentation, which may be made available by electronic means, defining the rules under which the DLT market infrastructure shall operate, including the agreed upon associated legal terms defining the rights, obligations, responsibilities and liabilities of the operator of the DLT market infrastructure, as well as that of the members, participants, issuers and/or clients using the DLT market infrastructure concerned. Such legal arrangements shall specify the governing law, the pre-litigation dispute settlement mechanism and the jurisdiction for bringing legal action.

Or. en

Amendment 377
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 6 – paragraph 2

Text proposed by the Commission	*Amendment*
2. ***A CSD operating a DLT securities settlement system, and an investment firm or a*** market ***operator operating a DLT MTF requesting an exemption from Article 3(2) of*** Regulation ***(EU) No 909/2014,*** shall establish rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures.	2. ***The operators of DLT*** market ***infrastructures shall at all times remain fully responsible for the services and activities they carry out under this*** Regulation***, including the operation of their DLT. They*** shall establish rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any ***risk*** mitigation measures ***to ensure investor protection and financial stability***. ***Where the operators of DLT market infrastructures outsource part of their services and activities they shall ensure***

that the conditions laid down in Article 30 of Regulation (EU) No 909/2014 are fully complied with, mutatis mutandis.

Or. en

Amendment 378
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 6 – paragraph 2

Text proposed by the Commission	*Amendment*
2. A CSD operating a DLT securities settlement system, and an investment firm or a market operator operating a DLT MTF requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall establish rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures.	2. A CSD operating a DLT securities settlement system, and an investment firm or a market operator operating a DLT MTF requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall establish***:***
	(a) rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures***; and***
	(b) measures to mitigate the risks arising from insolvency, where insolvency protection measures under Directive 98/26/EC do not apply.

Or. en

Justification

As per the ECB' opinion.

Amendment 379

Jessica Polfjärd

Proposal for a regulation
Article 6 – paragraph 2

Text proposed by the Commission	*Amendment*
2. A CSD operating a DLT securities settlement system, and an investment firm or a market operator operating a DLT MTF requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall establish rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures.	2. A CSD operating a DLT securities settlement system, and an investment firm or a market operator operating a DLT MTF requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall establish ***or document, as appropriate,*** rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures.

Or. en

Amendment 380
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 6 – paragraph 2

Text proposed by the Commission	*Amendment*
2. ***A CSD*** operating a DLT securities settlement system, and an ***investment firm or a market operator*** operating a DLT MTF requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall establish rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures.	2. ***Where they use a proprietary DLT, an entity*** operating a DLT securities settlement system, and an ***entity*** operating a DLT MTF requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall establish rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures.

Or. en

Justification

Openness of the pilot regime & technological neutrality in relation to proprietary and public DLTs

Amendment 381
Eva Kaili

Proposal for a regulation
Article 6 – paragraph 2

Text proposed by the Commission	*Amendment*
2. A CSD operating a DLT ***securities settlement system***, and an investment firm or a market operator operating a DLT MTF requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall establish rules on the functioning of the DLT they ***operate***, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures.	2. A CSD operating a DLT ***SSS***, and an investment firm or a market operator operating a DLT MTF requesting an exemption from Article 3(2) of Regulation(EU) No 909/2014, shall establish ***or document, as appropriate,*** rules on the functioning of the DLT they ***use***, including the rules for accessing the distributed ledger technology, the participation of the validating nodes,addressing potential conflicts of interest, and risk management including any mitigation measures.

Or. en

Justification

Editorial comment and a wording mirroring a more technology-neutral approach on the use of DLTs.

Amendment 382
Johan Van Overtveldt

Proposal for a regulation
Article 6 – paragraph 2

Text proposed by the Commission	*Amendment*
2. A CSD operating a DLT ***securities settlement system***, and an investment firm or a market operator operating a DLT ***MTF*** requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall	2. A CSD operating a DLT ***SSS***, and an investment firm or a market operator operating a DLT ***TSS*** requesting an exemption from Article 3(2) of Regulation (EU) No 909/2014, shall establish***, or***

establish ***rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures.***	***document, as appropriate:***

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. It restructures Article 6(2), and adds that, from an oversight perspective, the settlement finality and insolvency risks, together with the relevant mitigation measures, should be specified and disclosed to the participants in the DLT market infrastructures.

Amendment 383
Johan Van Overtveldt

Proposal for a regulation
Article 6 – paragraph 2 – point a (new)

Text proposed by the Commission	*Amendment*
	(a) rules on the functioning of the DLT they operate, including the rules for accessing the distributed ledger technology, the participation of the validating nodes, addressing potential conflicts of interest, and risk management including any mitigation measures; and

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. It restructures Article 6(2), and adds that, from an oversight perspective, the settlement finality and insolvency risks, together with the relevant mitigation measures, should be specified and disclosed to the participants in the DLT market infrastructures.

Amendment 384
Johan Van Overtveldt

Proposal for a regulation

Article 6 – paragraph 2 – point b (new)

Text proposed by the Commission	*Amendment*
	(b) measures to mitigate the risks arising from insolvency, where insolvency protection measures under Directive 98/26/EC do not apply.

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. It restructures Article 6(2), and adds that, from an oversight perspective, the settlement finality and insolvency risks, together with the relevant mitigation measures, should be specified and disclosed to the participants in the DLT market infrastructures.

Amendment 385
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 6 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2 a. Where an entity operating a DLT securities settlement system and an entity operating a DLT MTF use a public DLT and request an exemption from Article 3(2) of Regulation (EU) No 909/2014, they shall properly describe to the relevant competent authority the functioning of the DLT they use, the way they address potential conflicts of interest, and risk management measures.

Or. en

Justification

Openness of the pilot regime & technological neutrality in relation to proprietary and public DLTs

Amendment 386
Eva Kaili

Proposal for a regulation
Article 6 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The operators of DLT market infrastructures shall provide their members, participants, issuers and clients with clear and unambiguous information on their website on how they carry out their functions, services and activities and how this performance of functions, services and activities deviates from an MTF or ***a securities settlement system***. This information shall include the type of DLT used.	3. The operators of DLT market infrastructures shall provide their members, participants, issuers and clients with clear and unambiguous information on their website on how they carry out their functions, services and activities and how this performance of functions, services and activities deviates from an MTF or ***an SSS***. This information shall include the type of DLT used. ***Furthermore, as natural persons may directly participate in DLT market infrastructures, if the payment leg of DLT transferable securities transactions were to occur on the books of a person who is not a licensed credit institution, this would have the consequence that the cash accounts held by natural persons, as well by legal persons such as micro, small and medium-sized enterprises, with DLT market infrastructures would not benefit from the deposit guarantee scheme protection under Directive 2014/49/EU of the European Parliament and of the Council (the Deposit Guarantee Schemes Directive, DGSD) and of the depositor preference under Directive 2014/59/EU of the European Parliament and of the Council (the 'BRRD'). The DGSD and the depositor preference under the BRRD only apply to deposits in the form of a credit balance which results from funds left in an account or from temporary situations deriving from normal banking transactions and which a credit institution is required to repay. In this context, DLT market infrastructures should explicitly disclose to their participants that they are not protected under the relevant DGSD and BRRD provisions.***

Or. en

Justification

Based on point 3.3.9 of the ECB Opinion on DLT of 28th April, it is of utmost importance in the spirit of enhanced investor protection, market integrity and financial stability provisions, to make explicit to DLT market infrastructures the obligation to disclose all cases where deposit guarantee schemes may not be in effect. Editorial comment.

Amendment 387
Eva Kaili

Proposal for a regulation
Article 6 – paragraph 4 – subparagraph 1

Text proposed by the Commission	*Amendment*
The operators of DLT market infrastructures shall have a specific operational risk procedure for the risks posed by the use of a DLT and crypto-assets and on how these risks would be addressed if they materialised.	The operators of DLT market infrastructures shall have a specific operational risk ***management*** procedure for the risks posed by the use of a DLT and crypto-assets and on how these risks would be addressed if they materialised.

Or. en

Justification

Editorial comment for clarification.

Amendment 388
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 6 – paragraph 5 – subparagraph 3

Text proposed by the Commission	*Amendment*
The overall IT and cyber arrangements, referred to in paragraph 4, shall ensure that the said funds, collateral and DLT transferable securities, as well as the means of access to such assets, are protected from the risks of unauthorised access, hacking, degradation, loss, cyber-attack ***or*** theft.	The overall IT and cyber arrangements, referred to in paragraph 4, shall ensure that the said funds, collateral and DLT transferable securities, as well as the means of access to such assets, are protected from the risks of unauthorised access, hacking, degradation, loss, cyber-attack***,*** theft***, fraud, negligence or other serious operational malfunctions***.

Or. en

Amendment 389
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 6 – paragraph 5 – subparagraph 3 a (new)

Text proposed by the Commission	*Amendment*
	The operator of a DLT market infrastructure shall be liable to its clients for any loss of funds, collateral and DLT transferable securities, or of means of access to such assets, resulting from unauthorised access, hacking, degradation, loss, fraud, cyber-attack, or from theft or negligence or other serious malfunctions up to an amount not exceeding the market value of the assets lost.
	The operator of a DLT market infrastructure shall establish transparent and adequate arrangements to ensure investor protection and provide clients with mechanisms for handling complaints and procedures for compensation or redress in cases of investor detriment as a result of the aforementioned serious malfunctions or of the cessation of the business due to any of the circumstances referred to in Article 7, paragraph 6, or Article 8, paragraph 6, as appropriate.
	The operator of a DLT market infrastructure shall have in place sufficient prudential safeguards in the form of own funds or insurance policy against any liability resulting from damages caused to its clients due to any of the aforementioned serious malfunctions and ensure investor protection.

Or. en

Amendment 390
Eva Kaili

Proposal for a regulation
Article 6 – paragraph 6

Text proposed by the Commission	*Amendment*
6. The operator of a DLT market infrastructure shall establish a clear, detailed and ***publically*** available strategy for transitioning out of or winding down a particular DLT market infrastructure (referred to herein as the 'transition strategy'), ready to be deployed in a timely manner, in the event that the permission or some of the exemptions granted in accordance with Article 4 or Article 5 have to be withdrawn or otherwise discontinued, or in the event of any voluntary or involuntary cessation of the business of the DLT MTF or DLT ***securities settlement system***. The transition strategy shall set out how members, participants, issuers and clients shall be treated, in the event of such withdrawal, discontinuation or cessation. The transition strategy shall be updated on an ongoing basis subject to the prior consent of the competent authority which granted the permission to operate and related exemptions under Article 4 and Article 5.	6. The operator of a DLT market infrastructure shall establish a clear, detailed and ***publicly*** available strategy for transitioning out of or winding down a particular DLT market infrastructure (referred to herein as the 'transition strategy')***, including the transition or reversion of their DLT operations to traditional infrastructures***, ready to be deployed in a timely manner, in the event that the permission or some of the exemptions granted in accordance with Article 4 or Article 5 have to be withdrawn or otherwise discontinued, or ***the thresholds envisaged in this Regulation have been reached or*** in the event of any voluntary or involuntary cessation of the business of the DLT MTF or DLT ***SSS***. The transition strategy shall set out how members, participants, issuers and clients shall be treated, in the event of such withdrawal, discontinuation or cessation. The transition strategy shall be updated on an ongoing basis subject to the prior consent of the competent authority which granted the permission to operate and related exemptions under Article 4 and Article 5.

Or. en

Justification

Editorial comment. In all cases, DLT market infrastructures must be in place to revert to traditional market infrastructures, following a clear exit and reversion/transition strategy.

Amendment 391
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 6 – paragraph 6 a (new)

Text proposed by the Commission	*Amendment*
	6 a. Where a DLT market infrastructure is authorised to operate with exemptions, in accordance with Article 7 (1a) and Article 8 (1a), and has not applied for authorisation under Directive 2014/65/EU or under Regulation (EU) No 909/2014, the transition strategy shall include specific arrangements with CSDs authorised under Regulation (EU) No 909/2014 to ensure business continuity in the best interest of the members, participants, issuers and clients.
	CSDs authorised under Regulation (EU) No 909/2014 shall offer to conclude such arrangements in a non-discriminatory manner against a reasonable commercial fee based on actual costs.

Or. en

Amendment 392
Antonio Maria Rinaldi, Francesca Donato, Valentino Grant, Marco Zanni, Gunnar Beck

Proposal for a regulation
Article 6 – paragraph 6 a (new)

Text proposed by the Commission	*Amendment*
	6a. Where activities relating to the operation of DLT market infrastructure involve the processing of personal data, at least one of the two conditions set out in Article 6(b) or (c) of of Regulation (EU) 2016/67 must be met.

Or. it

Amendment 393
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 1

Text proposed by the Commission	*Amendment*
1. A legal person authorised either as an investment firm or to operate a regulated market, under Directive 2014/65/EU, may apply for a specific permission to operate a DLT MTF under this Regulation.	***deleted***

Or. en

Justification

Openness of the pilot regime to new entrants

Amendment 394
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 7 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1 a. By way of derogation from paragraph 1 of this Article, any legal person that is not authorised as an investment firm in accordance with Directive 2014/65/EU may apply for a specific permission to operate a DLT MTF in accordance with paragraph 2 of this Article, provided that it complies with the authorisation requirements and all other obligations laid down in Directive 2014/65/EU, other than those requirements from which the applicant has been granted an exemption under this Regulation.

Or. en

Amendment 395

Jessica Polfjärd

Proposal for a regulation
Article 7 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1 a. Where a legal person applies for authorisation of a market operator or an investment firm under Directive 2014/65/EU and, at the same time, applies for a specific permission under this Article, with the sole purpose of operating a DLT MTF, the competent authority shall not assess compliance with the requirements of Directive 2014/65/EU in respect of which the applicant has requested and been granted an exemption pursuant to Article 4 of this Regulation.

Or. en

Amendment 396
Eva Kaili

Proposal for a regulation
Article 7 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) where applicable, the functioning of ***its proprietary DLT*** as referred to in Article 6(2);	(c) where applicable, the functioning of ***the DLT used*** as referred to in Article 6(2);

Or. en

Justification

The deletion aims to adopt a more technology neutral approach and allow DLT market infrastructures to use, as well, public or consortia DLTs, as currently used in many EU pilot projects (e.g. issuance of bond on public DLT Société Générale Forge). No matter the DLT used, the liability for the functioning of the DLT should remain with the DLT market infrastructure.

Amendment 397
Jessica Polfjärd

Proposal for a regulation
Article 7 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) where applicable, the functioning of ***its proprietary*** DLT as referred to in Article 6(2);	(c) where applicable, the functioning of ***the*** DLT as referred to in Article 6(2);

Or. en

Amendment 398
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 7 – paragraph 2 – point d a (new)

Text proposed by the Commission	*Amendment*
	(d a) evidence that the applicant has in place sufficient prudential safeguards to meet its liabilities and compensate its clients in the event of a serious malfunction of the DLT, as referred to in Article 6 (5b);

Or. en

Amendment 399
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 7 – paragraph 2 – point e a (new)

Text proposed by the Commission	*Amendment*
	(e a) a description of the arrangements to ensure investor protection and the mechanisms for handling complaints and consumer redress, as referred to in Article 6 a (new);

Or. en

Amendment 400
Eva Kaili

Proposal for a regulation
Article 7 – paragraph 2 – point g

Text proposed by the Commission	*Amendment*
(g) the exemptions it is requesting in accordance with Article 4, the justification for each exemption sought, any compensatory measures proposed as well as the means envisaged to comply with the conditions attached to such exemptions under Article 4.	(g) the exemptions it is requesting in accordance with Article 4, the justification for each exemption sought, any compensatory ***or corrective*** measures proposed as well as the means envisaged to comply with the conditions attached to such exemptions under Article 4.

Or. en

Justification

Editorial comment.

Amendment 401
Johan Van Overtveldt

Proposal for a regulation
Article 7 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall notify and provide all relevant information on the DLT MTF to ESMA, an explanation of the exemptions requested, their justifications and any compensatory measures proposed by the applicant or required by the competent authority.	3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall notify and provide all relevant information on the DLT MTF***, in the case of an application by a credit institution, to its prudential supervisor, including the ECB for significant credit institutions, and, in all cases,*** to ESMA, ***including*** an explanation of the exemptions requested, their justifications and any compensatory ***or corrective*** measures proposed by the applicant or required by the competent authority. ***In addition, where an applicant intends to provide any of the core services listed in Section A of the Annex to***

Regulation (EU) No 909/2014, before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall transmit all information included in the application to the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 and consult those authorities on the features of the securities settlement system operated by the applicant. A relevant authority may inform the competent authority of its views within three months of receipt of the information from the competent authority.

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competences of the national competent authorities and the ECB with respect to credit institutions, the national competent authorities and the ECB should be notified of the assessment process. In addition, the provision by an operator of a DLT MTF of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with articles 16 and 17 of Regulation (EU) No 909/2014. This requirement is implicitly addressed with the introduction of the DLT TSS concept. It is however relevant to further specify it in this section.

Amendment 402
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 7 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall notify and provide all relevant information on the DLT MTF to ESMA, an explanation of the exemptions requested, their justifications and any compensatory measures proposed by the applicant or required by the competent authority.	3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall notify and provide all relevant information on the DLT MTF***, in the case of an application by a credit institution, to its prudential supervisor, including the ECB for significant credit institutions, and, in all cases,*** to ESMA, ***including*** an explanation of the exemptions requested,

their justifications and any compensatory measures proposed by the applicant or required by the competent authority. ***In addition, where an applicant intends to provide any of the core services listed in Section A of the Annex to Regulation (EU) No 909/2014, before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall transmit all information included in the application to the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 and consult those authorities on the features of the securities settlement system operated by the applicant. A relevant authority may inform the competent authority of its views within three months of receipt of the information from the competent authority.***

Or. en

Justification

As per the ECB' opinion.

Amendment 403
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 7 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State ***shall notify and provide all relevant information on the DLT MTF to ESMA, an explanation of the exemptions*** requested***, their justifications and any compensatory measures proposed*** by the applicant ***or required by the competent authority***.	3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, ***ESMA shall notify*** the competent authority of the home Member State ***and, where the DLTT MTF has*** requested ***permission to record and settle securities in accordance with Article 4 (2), shall also notify the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014, and shall consult those authorities on the features***

	of the securities settlement system operated by the applicant.

Or. en

Amendment 404
Eva Kaili

Proposal for a regulation
Article 7 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall notify and provide all relevant information on the DLT MTF to ESMA, an explanation of the exemptions requested, their justifications and any compensatory measures proposed by the applicant or required by the competent authority.	3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall notify and provide all relevant information on the DLT MTF to ESMA, an explanation of the exemptions requested, their justifications and any compensatory ***or corrective*** measures proposed by the applicant or required by the competent authority.

Or. en

Justification

Editorial comment.

Amendment 405
Christophe Hansen, Lídia Pereira

Proposal for a regulation
Article 7 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. ***Before*** deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall notify and provide ***all relevant information*** on the DLT MTF to ESMA***, an explanation of the exemptions requested,***	3. ***After*** deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority of the home Member State shall notify and provide ***the application to operate*** on the DLT MTF to ESMA ***for information purposes and in order to***

their justifications and any compensatory measures proposed by the applicant or required by the competent authority.	***fulfil the obligations set out in Article 7, paragraph 5, second subparagraph***.

Or. en

Amendment 406
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 7 – paragraph 3 – subparagraph 1

Text proposed by the Commission	*Amendment*
Within three months of receipt of the ***notification***, ESMA shall ***provide the competent authority with a non-binding opinion*** on the application and shall ***make any recommendations*** on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall ***also*** promote the consistency and proportionality of exemptions granted by competent authorities to investment firms or market operators operating DLT MTFs across the Union. ***In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its opinion.***	Within three months of receipt of the ***application***, ESMA shall ***issue a decision*** on the application and shall ***require any additional compensatory measures*** on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall ***adopt a risk-based approach and*** promote the consistency and proportionality of exemptions granted by competent authorities to investment firms or market operators operating DLT MTFs across the Union.

Or. en

Justification

ESMA should have a direct supervisory mandate for overseeing the application of this pilot regime and granting permissions and exemptions. A centralisation towards the ESMA would ensure consistency, supervisory effectiveness and avoid supervisory competition and market fragmentation.

Amendment 407
Eva Kaili

Proposal for a regulation

Article 7 – paragraph 3 – subparagraph 1

Text proposed by the Commission	*Amendment*
Within three months of receipt of the notification, ESMA shall provide the competent authority with a ***non-binding opinion*** on the application and shall make any recommendations on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall also promote the consistency and proportionality of exemptions granted by competent authorities to investment firms or market operators operating DLT MTFs across the Union. In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its ***opinion***.	Within three months of receipt of the notification, ESMA shall provide the competent authority with a ***recommendation issued in accordance with Article 16 of Regulation (EU) No 1095/2010*** on the application and shall make any recommendations on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall also promote the consistency and proportionality of exemptions granted by competent authorities to investment firms or market operators operating DLT MTFs across the Union. In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its ***recommendation***.

Or. en

Justification

With a view to ensuring the supervisory convergence, consistency and proportionality of the exemptions granted by different NCAs across the Union, that may not share the same level of tech savviness, and thus fostering the level playing field and discourage regulatory arbitrage, it is suggested that ESMA should issue a recommendation instead of a non-binding opinion.

Amendment 408
Markus Ferber

Proposal for a regulation
Article 7 – paragraph 3 – subparagraph 1

Text proposed by the Commission	*Amendment*
Within three months of receipt of the notification, ESMA shall provide the competent authority with a ***non-binding*** opinion on the application and shall make any recommendations on the exemptions requested by the applicant, that are necessary to ensure investor protection,	Within three months of receipt of the notification, ESMA shall provide the competent authority with a ***binding*** opinion on the application and shall make any recommendations on the exemptions requested by the applicant, that are necessary to ensure investor protection,

market integrity and financial stability. ESMA shall also ***promote*** the consistency and proportionality of exemptions granted by competent authorities to investment firms or market operators operating DLT MTFs across the Union. In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its opinion.	market integrity and financial stability. ESMA shall also ***ensure*** the consistency and proportionality of exemptions granted by competent authorities to investment firms or market operators operating DLT MTFs across the Union. In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its opinion.

Or. en

Justification

In order to ensure a consistent application of the rules of the pilot project and avoid regulatory arbitrage, ESMA's opinion on whether to operate DLT market infrastructure should be binding.

Amendment 409
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 3 – subparagraph 1

Text proposed by the Commission	*Amendment*
Within three months of receipt of the notification, ESMA shall provide the competent authority with a non-binding opinion on the application and shall make any recommendations on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall also promote the consistency and proportionality of exemptions granted by competent authorities to ***investment firms or market operators*** operating DLT MTFs across the Union. In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its opinion.	Within three months of receipt of the notification, ESMA shall provide the competent authority with a non-binding opinion on the application and shall make any recommendations on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall also promote the consistency and proportionality of exemptions granted by competent authorities to ***entities*** operating DLT MTFs across the Union. In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its opinion.

Or. en

Justification

Openness of the pilot regime

Amendment 410
Stéphanie Yon-Courtin, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission	*Amendment*
	With a view to establishing consistent, efficient and effective supervisory practices and to ensuring the common, uniform and consistent application of Union law, ESMA may adopt guidelines to further specify the conditions for granting exemptions and requiring compensatory measures, based on relevant experience from competent authorities and on ESMA's non-binding opinions.

Or. en

Justification

In addition to non-binding opinions, ESMA may wish to adopt additional guidance in the form of guidelines.

Amendment 411
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 5 – introductory part

Text proposed by the Commission	*Amendment*
5. The specific permission granted to ***either an investment firm or a market operator*** to operate a DLT MTF shall be valid throughout the Union for up to six years from the date of the specific permission. It shall specify the exemptions that are granted, in accordance with Article	5. The specific permission granted to ***an entity*** to operate a DLT MTF shall be valid throughout the Union for up to six years from the date of the specific permission. It shall specify the exemptions that are granted, in accordance with Article 4.

4.

Or. en

Justification

Openness of the pilot regime

Amendment 412
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 7 – paragraph 5 – introductory part

Text proposed by the Commission	*Amendment*
5. The specific permission granted to either an investment firm or a market operator to operate a DLT MTF shall be valid throughout the Union for up to ***six*** years from the date of the specific permission. It shall specify the exemptions that are granted, in accordance with Article 4.	5. The specific permission granted to either an investment firm or a market operator to operate a DLT MTF shall be valid throughout the Union for up to ***four*** years from the date of the specific permission. It shall specify the exemptions that are granted, in accordance with Article 4.

Or. en

Amendment 413
Eva Kaili

Proposal for a regulation
Article 7 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
ESMA shall publish on its website the list of DLT MTFs, the start and end dates of their specific permissions and the list of exemptions granted to each of them.	ESMA shall publish on its website ***(a)*** the list of DLT MTFs, the start and end dates of their specific permissions and the list of exemptions granted to each of them***, and (b) the total number of requests for exemptions that have been made under this Regulation, indicating the number of exemptions accepted or refused together with the respective justifications, on an anonymous basis***.

Or. en

Justification

In order to ensure transparency and uniformity, the requests for permissions and exemptions as well as the respective justified decisions should be made public.

Amendment 414
Eero Heinäluoma, Paul Tang, Jonás Fernández, Pedro Marques

Proposal for a regulation
Article 7 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
ESMA shall publish on its website the list of DLT MTFs, the start and end dates of their specific permissions and the list of exemptions granted to each of them.	ESMA shall publish on its website the list of DLT MTFs, the start and end dates of their specific permissions and the list of exemptions granted to each of them. ***Furthermore, ESMA shall publish on its website all requests for exemptions that have been made under this Regulation, indicating in each case whether ESMA recommended that the exemption be accepted or refused.***

Or. en

Amendment 415
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 7 – paragraph 6 – introductory part

Text proposed by the Commission	*Amendment*
6. Without prejudice to Article 8 and Article 44 of Directive 2014/65/EU, the competent authority which granted a specific permission under this Regulation shall withdraw such permission or any of the exemptions granted, after consultation with ESMA, in accordance with paragraph 3, if any of the following has occurred:	6. Without prejudice to Article 8 and Article 44 of Directive 2014/65/EU, the competent authority which granted a specific permission under this Regulation shall withdraw such permission or any of the exemptions granted, after consultation with ESMA, ***and informing the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 and, in the case of a specific permission granted to a credit institution, its prudential***

	supervisor, including the ECB for significant credit institutions, in accordance with paragraph 3, if any of the following has occurred:

Or. en

Justification

As per the ECB' opinion.

Amendment 416
Johan Van Overtveldt

Proposal for a regulation
Article 7 – paragraph 6 – introductory part

Text proposed by the Commission	*Amendment*
6. Without prejudice to Article 8 and Article 44 of Directive 2014/65/EU, the competent authority which granted a specific permission under this Regulation shall withdraw such permission or any of the exemptions granted, after consultation with ESMA, in accordance with paragraph 3, if any of the following has occurred:	6. Without prejudice to Article 8 and Article 44 of Directive 2014/65/EU, the competent authority which granted a specific permission under this Regulation shall withdraw such permission or any of the exemptions granted, after consultation with ESMA ***and informing the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 and, in the case of a specific permission granted to a credit institution, its prudential supervisor, including the ECB for significant credit institutions***, in accordance with paragraph 3, if any of the following has occurred:

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competences of the national competent authorities and the ECB with respect to credit institutions, the national competent authorities and the ECB should be notified of the assessment process. In addition, the provision by an operator of a DLT MTF of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with articles 16 and 17 of Regulation (EU) No 909/2014.

Amendment 417
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 6 – point b

Text proposed by the Commission	*Amendment*
(b) the ***investment firm or market operator*** operating the DLT MTF has breached the conditions attached to the exemptions granted by the competent authority;	(b) the ***entity*** operating the DLT MTF has breached the conditions attached to the exemptions granted by the competent authority;

Or. en

Justification

Openness of the pilot regime

Amendment 418
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 6 – point c

Text proposed by the Commission	*Amendment*
(c) the ***investment firm or market operator,*** operating a DLT MTF has admitted to trading financial instruments that do not fulfil the conditions laid down in Article 3(1) and 3(2);	(c) the ***entity*** operating a DLT MTF has admitted to trading financial instruments that do not fulfil the conditions laid down in Article 3(1) and 3(2);

Or. en

Justification

Openness of the pilot regime

Amendment 419
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 6 – point d

Text proposed by the Commission	*Amendment*
(d) the ***investment firm or market operator,*** operating a DLT MTF, that has requested an exemption from Article 3(2) of Regulation (EU) No 909/2014, has recorded DLT transferable securities that do not fulfil the conditions laid down in Article 3(1) and 3(2);	(d) the ***entity*** operating a DLT MTF, that has requested an exemption from Article 3(2) of Regulation (EU) No 909/2014, has recorded DLT transferable securities that do not fulfil the conditions laid down in Article 3(1) and 3(2);

Or. en

Justification

Openness of the pilot regime

Amendment 420
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 6 – point e

Text proposed by the Commission	*Amendment*
(e) the ***investment firm or market operator,*** operating a DLT MTF, that has requested specific permission to be exempted from Article 3(2) of Regulation (EU) No 909/2014, has exceeded the thresholds referred to in Article 3(3) or (5), third subparagraph; or	(e) the ***entity*** operating a DLT MTF, that has requested specific permission to be exempted from Article 3(2) of Regulation (EU) No 909/2014, has exceeded the thresholds referred to in Article 3(3) or (5), third subparagraph; or

Or. en

Justification

Openness of the pilot regime

Amendment 421
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 6 – point f

Text proposed by the Commission	*Amendment*
(f) the competent authority becomes	(f) the competent authority becomes

aware that the ***investment firm or market operator*** that applied for a specific permission to operate a DLT MTF, obtained such permission or related exemptions on the basis of misleading information including any material omission.	aware that the ***entity*** that applied for a specific permission to operate a DLT MTF, obtained such permission or related exemptions on the basis of misleading information including any material omission.

Or. en

Justification

Openness of the pilot regime

Amendment 422
Eva Kaili

Proposal for a regulation
Article 7 – paragraph 7 – introductory part

Text proposed by the Commission	*Amendment*
7. Where in the course of its activity, an investment firm or a market operator operating a DLT MTF proposes to ***introduces*** a material change to the functioning of the DLT, or to its services or activities, which requires a new permission, a new exemption, or the modification of one or more of its existing exemptions or of any conditions attached to it, it shall request such permission, exemption or modification in accordance with Article 4. Such permission, exemption or modification shall be processed by the competent authority, in accordance with paragraphs 2 to 5.	7. Where in the course of its activity, an investment firm or a market operator operating a DLT MTF proposes to ***introduce*** a material change to the functioning of the DLT, or to its services or activities, which requires a new permission, a new exemption, or the modification of one or more of its existing exemptions or of any conditions attached to it, it shall request such permission, exemption or modification in accordance with Article 4. Such permission, exemption or modification shall be processed by the competent authority, in accordance with paragraphs 2 to 5.

Or. en

Amendment 423
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 7 – paragraph 7 – introductory part

Text proposed by the Commission	*Amendment*
7. Where in the course of its activity, an ***investment firm or a market operator*** operating a DLT MTF proposes to introduces a material change to the functioning of the DLT, or to its services or activities, which requires a new permission, a new exemption, or the modification of one or more of its existing exemptions or of any conditions attached to it, it shall request such permission, exemption or modification in accordance with Article 4. Such permission, exemption or modification shall be processed by the competent authority, in accordance with paragraphs 2 to 5.	7. Where in the course of its activity, an ***entity*** operating a DLT MTF proposes to introduces a material change to the functioning of the DLT, or to its services or activities, which requires a new permission, a new exemption, or the modification of one or more of its existing exemptions or of any conditions attached to it, it shall request such permission, exemption or modification in accordance with Article 4. Such permission, exemption or modification shall be processed by the competent authority, in accordance with paragraphs 2 to 5.

Or. en

Justification

Openness of the pilot regime

Amendment 424
Jessica Polfjärd

Proposal for a regulation
Article 8 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1 a. Where a legal person applies for an authorisation of a CSD under Regulation (EU) No 909/2014 and, at the same time, applies for a specific permission under this Article, with the sole purpose of operating a DLT securities settlement system, the competent authority shall not assess compliance with the requirements of Regulation (EU) No 909/2014 in respect of which the applicant has requested and been granted an exemption pursuant to Article 5 of this Regulation.

Or. en

Amendment 425
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 8 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) the functioning of ***its proprietary*** DLT as referred to in Article 6(2);	(c) the functioning of ***the*** DLT as referred to in Article 6(2) ***and (2a)***;

Or. en

Justification

Technological neutrality in relation to proprietary and public DLTs

Amendment 426
Jessica Polfjärd

Proposal for a regulation
Article 8 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) the functioning of ***its proprietary*** DLT as referred to in Article 6(2);	(c) the functioning of ***the*** DLT as referred to in Article 6(2);

Or. en

Amendment 427
Eva Kaili

Proposal for a regulation
Article 8 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) the functioning of its ***proprietary*** DLT as referred to in Article 6(2);	(c) the functioning of its DLT as referred to in Article 6(2);

Or. en

Justification

The deletion aims to adopt a more technology neutral approach and allow DLT market infrastructures to use, as well, public or consortia DLTs, as currently used in many EU pilot projects. Proper governance of any market infrastructure is important to ensure its safety and efficiency. It is even more important in the case of a DLT network, where different legal entities share responsibility for at least some processes and data.

Amendment 428
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 2 – point d a (new)

Text proposed by the Commission	*Amendment*
	(d a) evidence that the applicant has in place sufficient prudential safeguards to ensure consumer and investor protection and a description of the arrangements in place to ensure consumer and investor protection and of the mechanisms for handling complaints and consumer redress, as referred to in Article 6a (new);

Or. en

Amendment 429
Eva Kaili

Proposal for a regulation
Article 8 – paragraph 2 – point g

Text proposed by the Commission	*Amendment*
(g) the exemptions it is requesting, in accordance with Article 5, the justifications for each exemption sought, any compensatory measures proposed as well as the measures envisaged to comply with the conditions attached to such exemptions under Article 5.	(g) the exemptions it is requesting, in accordance with Article 5, the justifications for each exemption sought, any compensatory ***or corrective*** measures proposed as well as the measures envisaged to comply with the conditions attached to such exemptions under Article 5.

Or. en

Justification

Editorial comment.

Amendment 430
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2 a. By way of derogation from paragraph 1, any legal person that is not authorised as a CSD under Regulation (EU) No 909/2014 may apply for a specific permission to operate a DLT securities settlement system in accordance with paragraph 2 of this Article, provided that it complies with the authorisation requirements and all other obligations laid down in Regulation (EU) No 909/2014, in a manner proportionate to the nature, scale and risks of the business, except for those requirements from which the applicant has been granted an exemption under this Regulation.

Or. en

Amendment 431
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 8 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT MTF under this Regulation, the competent authority shall notify and provide all relevant information on the DLT securities settlement system to ***ESMA and*** an explanation of the exemptions requested, their justification and any compensatory	3. Before deciding on an application for a specific permission to operate a DLT MTF ***securities settlement system*** under this Regulation, the competent authority shall notify and provide all relevant information on the DLT securities settlement system to ***the relevant authorities specified in Article 12 of***

measures proposed by the applicant or required by the competent authority.	***Regulation (EU) No909/2014 and shall consult those authorities on the features of the securities settlement system operated by the applicant and, in the case of an application by a credit institution, shall provide all such relevant information to the prudential supervisor, including the ECB for significant credit institutions, and, in all cases, to ESMA, and including*** an explanation of the exemptions requested, their justification and any compensatory measures proposed by the applicant or required by the competent authority. ***Within three months of receipt of the notification, the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 may respond to the competent authority, and ESMA shall provide the competent authority with a non-binding opinion on the application and shall make any recommendations on the exemptions requested by the applicant that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall also promote the consistency and proportionality of exemptions granted by competent authorities to CSDs operating DLT securities settlement systems, across the Union. In order to do so, ESMA shall consult the competent authorities of the other Member States in a timely manner and take account of their views in its opinion.***

Or. en

Justification

As per the ECB' opinion.

Amendment 432
Johan Van Overtveldt

Proposal for a regulation
Article 8 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT ***MTF*** under this Regulation, the competent authority shall notify and provide all relevant information on the DLT securities settlement system to ESMA ***and*** an explanation of the exemptions requested, their justification and any compensatory measures proposed by the applicant or required by the competent authority.	3. Before deciding on an application for a specific permission to operate a DLT ***SSS*** under this Regulation, the competent authority shall notify and provide all relevant information on the DLT ***SSS to the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 and shall consult those authorities on the features of the*** securities settlement system ***operated by the applicant and, in the case of an application by a credit institution, shall provide all such relevant information to the prudential supervisor, including the ECB for significant credit institutions, and, in all cases,*** to ESMA***, including*** an explanation of the exemptions requested, their justification and any compensatory ***or corrective*** measures proposed by the applicant or required by the competent authority.

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competences of the national competent authorities and the ECB with respect to credit institutions, both the national competent authorities and the ECB should be kept informed of the authorisation and post-authorisation process for credit institutions that are CSDs operating DLT SSSs. In addition, the provision by a CSD operating a DLT SSS of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with Articles 16 and 17 of Regulation (EU) No 909/2014.

Amendment 433
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT ***MTF under this Regulation, the***	3. Before deciding on an application for a specific permission to operate a DLT ***operating*** securities settlement system

competent authority shall notify and provide all relevant information on the DLT securities settlement system ***to ESMA and an explanation of the exemptions requested, their justification and any compensatory measures proposed by the applicant or required by*** the competent authority.

under this Regulation, ESMA shall notify the competent authority ***of the home Member State and the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014, and shall consult those authorities on the features of the securities settlement system operated by the applicant***.

Or. en

Amendment 434
Jessica Polfjärd

Proposal for a regulation
Article 8 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT ***MTF*** under this Regulation, the competent authority shall notify and provide all relevant information on the DLT securities settlement system to ESMA and an explanation of the exemptions requested, their justification and any compensatory measures proposed by the applicant or required by the competent authority.	3. Before deciding on an application for a specific permission to operate a DLT ***securities settlement system*** under this Regulation, the competent authority shall notify and provide all relevant information on the DLT securities settlement system to ESMA and an explanation of the exemptions requested, their justification and any compensatory measures proposed by the applicant or required by the competent authority.

Or. en

Amendment 435
Eva Kaili

Proposal for a regulation
Article 8 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Before deciding on an application for a specific permission to operate a DLT ***MTF*** under this Regulation, the competent authority shall notify and provide all relevant information on the DLT ***securities***	3. Before deciding on an application for a specific permission to operate a DLT ***SSS*** under this Regulation, the competent authority shall notify and provide all relevant information on the DLT ***SSS*** to

settlement system to ESMA and an explanation of the exemptions requested, their justification and any compensatory measures proposed by the applicant or required by the competent authority.	ESMA and an explanation of the exemptions requested, their justification and any compensatory ***or corrective*** measures proposed by the applicant or required by the competent authority.

Or. en

Justification

Editorial comment and correction as Article 8 relate to DLT SSSs.

Amendment 436
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 3 – subparagraph 1

Text proposed by the Commission	*Amendment*
Within three months of receipt of the ***notification***, ESMA shall ***provide the competent authority with a non-binding opinion*** on the application and shall ***make any recommendations*** on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall ***also*** promote the consistency and proportionality of exemptions granted by competent authorities to CSDs operating DLT securities settlement systems***,*** across the Union. ***In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its opinion.***	Within three months of receipt of the ***application***, ESMA shall ***issue a decision*** on the application and shall ***require any additional compensatory measures*** on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall ***adopt a risk-based approach and*** promote the consistency and proportionality of exemptions granted by competent authorities to CSDs operating DLT securities settlement systems across the Union.

Or. en

Amendment 437
Johan Van Overtveldt

Proposal for a regulation
Article 8 – paragraph 3 – subparagraph 1

Text proposed by the Commission	*Amendment*
Within three months of receipt of the notification, ESMA shall provide the competent authority with a non-binding opinion on the application and shall make any recommendations on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall also promote the consistency and proportionality of exemptions granted by competent authorities to CSDs operating DLT securities settlement systems, across the Union. In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its opinion.	Within three months of receipt of the notification, ***the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 may respond to the competent authority, and*** ESMA shall provide the competent authority with a non-binding opinion on the application and shall make any recommendations on the exemptions requested by the applicant, that are necessary to ensure investor protection, market integrity and financial stability. ESMA shall also promote the consistency and proportionality of exemptions granted by competent authorities to CSDs operating DLT securities settlement systems, across the Union. In order to do so, ESMA, shall consult the competent authorities of the other Member States in a timely manner and take the utmost account of their views in its opinion.

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competences of the national competent authorities and the ECB with respect to credit institutions, both the national competent authorities and the ECB should be kept informed of the authorisation and post-authorisation process for credit institutions that are CSDs operating DLT SSSs. In addition, the provision by a CSD operating a DLT SSS of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with Articles 16 and 17 of Regulation (EU) No 909/2014.

Amendment 438
Johan Van Overtveldt

Proposal for a regulation
Article 8 – paragraph 4 – introductory part

Text proposed by the Commission	*Amendment*
4. Without prejudice to Article 17 of Regulation (EU) No 909/2014, a competent authority shall refuse to grant a specific permission under this Regulation,	4. Without prejudice to Article 17 of Regulation (EU) No 909/2014***, and after having informed the relevant authorities specified in Article 12 of Regulation (EU)***

if there are grounds for believing any of the following:	***No 909/2014 and, in the case of a credit institution, its prudential supervisor, including the ECB for significant credit institutions***, a competent authority shall refuse to grant a specific permission under this Regulation, if there are grounds for believing any of the following:

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competences of the national competent authorities and the ECB with respect to credit institutions, both the national competent authorities and the ECB should be kept informed of the authorisation and post-authorisation process for credit institutions that are CSDs operating DLT SSSs. In addition, the provision by a CSD operating a DLT SSS of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with Articles 16 and 17 of Regulation (EU) No 909/2014.

Amendment 439
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 8 – paragraph 4 – introductory part

Text proposed by the Commission	*Amendment*
4. Without prejudice to Article 17 of Regulation (EU) No 909/2014, a competent authority shall refuse to grant a specific permission under this Regulation, if there are grounds for believing any of the following:	4. Without prejudice to Article 17 of Regulation (EU) No 909/2014***, and after having informed the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 and, in the case of a credit institution, its prudential supervisor, including the ECB for significant credit institutions***, a competent authority shall refuse to grant a specific permission under this Regulation, if there are grounds for believing any of the following:

Or. en

Justification

As per the ECB' opinion.

Amendment 440
Eva Kaili

Proposal for a regulation
Article 8 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
ESMA shall publish on its website the list of DLT ***securities settlement systems***, the start and end dates of their specific permissions and the list of exemptions granted to each of them.	ESMA shall publish on its website ***(a)*** the list of DLT ***SSSs***, the start and end dates of their specific permissions and the list of exemptions granted to each of them***, and (b) the total number of requests for exemptions that have been made under this Regulation, indicating the number of exemptions accepted or refused together with the respective justifications, on an anonymous basis***.

Or. en

Justification

In order to ensure transparency and uniformity, the requests for permissions and exemptions as well as the respective justified decisions should be made public.

Amendment 441
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 8 – paragraph 6 – introductory part

Text proposed by the Commission	*Amendment*
6. Without prejudice to the application of Article 20 of Regulation (EU) No 909/2014, the competent authority which granted the specific permission, under this Regulation shall withdraw such permission or any of the exemptions granted, after consultation with ESMA, in accordance with paragraph 3, if any of the following has occurred:	6. Without prejudice to the application of Article 20 of Regulation (EU) No 909/2014, the competent authority which granted the specific permission, under this Regulation shall withdraw such permission or any of the exemptions granted, after consultation with ESMA ***and the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 and informing, in the case of a credit institution, its prudential supervisor, including the ECB for significant credit institutions***, in accordance with paragraph 3, if any of the following has occurred:

Or. en

Justification

As per the ECB' opinion.

Amendment 442
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 8 – paragraph 6 – point a

Text proposed by the Commission	*Amendment*
(a) a flaw has been discovered in the functioning of the DLT or in the services and activities provided by the ***CSD*** operating a DLT securities settlement system that poses a risk to market integrity, investor protection or financial stability, which outweighs the benefits of the services and activities under experimentation; or	(a) a flaw has been discovered in the functioning of the DLT or in the services and activities provided by the ***entity*** operating a DLT securities settlement system that poses a risk to market integrity, investor protection or financial stability, which outweighs the benefits of the services and activities under experimentation; or

Or. en

Justification

Openness of the pilot regime

Amendment 443
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 8 – paragraph 6 – point b

Text proposed by the Commission	*Amendment*
(b) the ***CSD*** operating the DLT securities settlement system has breached the conditions attached to the exemptions granted by the competent authority; or	(b) the ***entity*** operating the DLT securities settlement system has breached the conditions attached to the exemptions granted by the competent authority; or

Or. en

Justification

Openness of the pilot regime

Amendment 444
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 8 – paragraph 6 – point c

Text proposed by the Commission	*Amendment*
(c) the ***CSD*** operating the DLT securities settlements system has recorded financial instruments that do not fulfil the conditions laid down Article 3(1) and (2); or	(c) the ***entity*** operating the DLT securities settlements system has recorded financial instruments that do not fulfil the conditions laid down Article 3(1) and (2); or

Or. en

Justification

Openness of the pilot regime

Amendment 445
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 8 – paragraph 6 – point d

Text proposed by the Commission	*Amendment*
(d) the ***CSD*** operating the DLT securities settlements system has exceeded the thresholds referred to in Article 3(3) and (5), third subparagraph; or	(d) the ***entity*** operating the DLT securities settlements system has exceeded the thresholds referred to in Article 3(3) and (5), third subparagraph; or

Or. en

Justification

Openness of the pilot regime

Amendment 446
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 8 – paragraph 6 – point e

Text proposed by the Commission	*Amendment*
(e) the competent authority becomes aware that the ***CSD*** operating the DLT securities settlement system that applied for a specific permission to operate a DLT securities settlement system, obtained such permission or related exemptions on the basis of misleading information including any material omission.	(e) the competent authority becomes aware that the ***entity*** operating the DLT securities settlement system that applied for a specific permission to operate a DLT securities settlement system, obtained such permission or related exemptions on the basis of misleading information including any material omission.

Or. en

Justification

Openness of the pilot regime

Amendment 447
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 8 – paragraph 7 – introductory part

Text proposed by the Commission	*Amendment*
7. Where in the course of its activity, ***a CSD*** operating a DLT securities settlement system proposes to introduces a material change to the functioning of the DLT, or to its services or activities, which require a new permission, a new exemption or the modification of one or more of its existing exemptions or of any attached conditions, it shall request such permission, exemption or modification, in accordance with Article 5. Such permission, exemption or modification, shall be processed by the competent authority, in accordance with paragraphs 2 to 5.	7. Where in the course of its activity, ***an entity*** operating a DLT securities settlement system proposes to introduces a material change to the functioning of the DLT, or to its services or activities, which require a new permission, a new exemption or the modification of one or more of its existing exemptions or of any attached conditions, it shall request such permission, exemption or modification, in accordance with Article 5. Such permission, exemption or modification, shall be processed by the competent authority, in accordance with paragraphs 2 to 5.

Or. en

Justification

Openness of the pilot regime

Amendment 448
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 8 – paragraph 7 – subparagraph 1

Text proposed by the Commission	*Amendment*
Where in the course of its activity, ***a CSD*** operating a DLT securities settlement system requests a new permission or exemption, it shall request such permission or exemption, in accordance with Article 5. Such permission or exemption or modification shall be processed by the competent authority, in accordance with paragraphs 2 to 5.	Where in the course of its activity, ***an entity*** operating a DLT securities settlement system requests a new permission or exemption, it shall request such permission or exemption, in accordance with Article 5. Such permission or exemption or modification shall be processed by the competent authority, in accordance with paragraphs 2 to 5.

Or. en

Justification

Openness of the pilot regime

Amendment 449
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 7 a (new)

Text proposed by the Commission	*Amendment*
	7 a. ESMA shall develop implementing technical standards to specify the content, standardised formats and templates for the presentation and transmission of information required for the purpose of the authorisation under this Article and under Article 7.
	ESMA shall submit those draft implementing technical standards to the

Commission by... [six months after the date of entry into force of this Regulation].

Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010.

Or. en

Amendment 450
Johan Van Overtveldt

Proposal for a regulation
Article 9 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Without prejudice to the application of any relevant provisions of Directive 2014/65/EU and Regulation (EU) No 909/2014, the operators of DLT market infrastructures shall cooperate with the competent authorities which are entrusted with granting specific permissions under this Regulation and with ESMA.	1. Without prejudice to the application of any relevant provisions of Directive 2014/65/EU and Regulation (EU) No 909/2014, the operators of DLT market infrastructures shall cooperate with the competent authorities***, including, in the case of credit institutions, their prudential supervisors, and including the ECB in the case of significant credit institutions,*** which are entrusted with granting specific permissions under this Regulation and with ESMA.

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competence of the national competent authorities and the ECB for significant credit institutions, the national competent authorities and the ECB should be kept informed of any material change post-authorisation and notified accordingly. In addition, the provision by an operator of a DLT market infrastructure of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with Articles 16 and 17 of Regulation (EU) No 909/2014.

Amendment 451
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 9 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Without prejudice to the application of any relevant provisions of Directive 2014/65/EU and Regulation (EU) No 909/2014, the operators of DLT market infrastructures shall cooperate with the competent authorities which are entrusted with granting specific permissions under this Regulation and with ESMA.	1. Without prejudice to the application of any relevant provisions of Directive 2014/65/EU and Regulation (EU) No 909/2014, the operators of DLT market infrastructures shall cooperate with the competent authorities***, including, in the case of credit institutions, their prudential supervisors, and including the ECB in the case of significant credit institutions,*** which are entrusted with granting specific permissions under this Regulation and with ESMA.

Or. en

Justification

As per the ECB' opinion.

Amendment 452
Christophe Hansen, Lídia Pereira

Proposal for a regulation
Article 9 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Without prejudice to the application of any relevant provisions of Directive 2014/65/EU and Regulation (EU) No 909/2014, the operators of DLT market infrastructures shall cooperate with the competent authorities which are entrusted with granting specific permissions under this Regulation ***and with ESMA***.	1. Without prejudice to the application of any relevant provisions of Directive 2014/65/EU and Regulation (EU) No 909/2014, the operators of DLT market infrastructures shall cooperate with the competent authorities which are entrusted with granting specific permissions under this Regulation.

Or. en

Amendment 453
Johan Van Overtveldt

Proposal for a regulation
Article 9 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
In particular, immediately upon becoming aware of any of the matters listed below, the operators of DLT market infrastructures shall notify, the said competent authorities and ESMA, thereof. Such matters include, without limitation:	In particular, immediately upon becoming aware of any of the matters listed below, the operators of DLT market infrastructures shall notify, the said competent authorities***, including, in the case of credit institutions, their prudential supervisors, and including the ECB in the case of significant credit institutions,*** and ESMA, thereof. Such matters include, without limitation:

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competence of the national competent authorities and the ECB for significant credit institutions, the national competent authorities and the ECB should be kept informed of any material change post-authorisation and notified accordingly. In addition, the provision by an operator of a DLT market infrastructure of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with Articles 16 and 17 of Regulation (EU) No 909/2014.

Amendment 454
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 9 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
In particular, immediately upon becoming aware of any of the matters listed below, the operators of DLT market infrastructures shall notify, the said competent authorities and ESMA, thereof. Such matters include, without limitation:	In particular, immediately upon becoming aware of any of the matters listed below, the operators of DLT market infrastructures shall notify, the said competent authorities ***including, in the case of credit institutions, their prudential supervisors, and including the ECB in the case of significant credit institutions*** and ESMA, thereof. Such matters include, without limitation:

Or. en

Justification

As per the ECB' opinion.

Amendment 455
Christophe Hansen, Lídia Pereira

Proposal for a regulation
Article 9 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
In particular, immediately upon becoming aware of any of the matters listed below, the operators of DLT market infrastructures shall notify, the said competent authorities and ESMA, thereof. Such matters include, without limitation:	In particular, immediately upon becoming aware of any of the matters listed below, the operators of DLT market infrastructures shall notify, the said competent ***national*** authorities and ESMA, thereof. Such matters include, without limitation:

Or. en

Amendment 456
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 9 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The operators of DLT market infrastructures shall provide the competent authority which granted the specific permission and ESMA with any relevant information they may require.	2. The operators of DLT market infrastructures shall provide the competent authority which granted the specific permission and ESMA with any relevant information they may require. ***In the case of a DLT SSS or a DLT MTF providing core CSD services, the competent authority shall transmit information concerning the functioning of the securities settlement system to the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 as soon as possible.***

Or. en

Justification

As per the ECB' opinion.

Amendment 457
Johan Van Overtveldt

Proposal for a regulation
Article 9 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The operators of DLT market infrastructures shall provide the competent authority which granted the specific permission and ESMA with any relevant information they may require.	2. The operators of DLT market infrastructures shall provide the competent authority which granted the specific permission and ESMA with any relevant information they may require. ***In the case of a DLT SSS or a DLT TSS, the competent authority shall transmit information concerning the functioning of the securities settlement system to the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 as soon as possible.***

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competence of the national competent authorities and the ECB for significant credit institutions, the national competent authorities and the ECB should be kept informed of any material change post-authorisation and notified accordingly. In addition, the provision by an operator of a DLT market infrastructure of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with Articles 16 and 17 of Regulation (EU) No 909/2014.

Amendment 458
Jonás Fernández, Eero Heinäluoma

Proposal for a regulation
Article 9 – paragraph 4 – introductory part

Text proposed by the Commission	*Amendment*

4. Every six months from the date of the specific permission, the operator of a DLT market infrastructure shall submit a report to the competent authority and ESMA. ***Such report*** shall ***include, without limitation:***	4. Every six months from the date of the specific permission, the operator of a DLT market infrastructure shall submit a report to the competent authority ***including, in the case of a credit institution, its prudential supervisor, and including the ECB in the case of significant credit institutions,*** and ESMA. ***In the case of a DLT securities settlement system or a DLT MTF providing core CSD services, the competent authority*** shall ***transmit that information to the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 as soon as possible.***

Or. en

Justification

As per the ECB' opinion.

Amendment 459
Johan Van Overtveldt

Proposal for a regulation
Article 9 – paragraph 4 – introductory part

Text proposed by the Commission	*Amendment*
4. Every six months from the date of the specific permission, the operator of a DLT market infrastructure shall submit a report to the competent authority ***and ESMA***. Such report shall include, without limitation:	4. Every six months from the date of the specific permission, the operator of a DLT market infrastructure shall submit a report to the competent ***authorities, including, in the case of a credit institution, its prudential supervisor, and including the ECB in the case of significant credit institutions, and ESMA. In the case of a DLT SSS or a DLT TSS, the competent*** authority ***shall transmit that information to the relevant authorities specified in Article 12 of Regulation (EU) No 909/2014 as soon as possible***. Such report shall include, without limitation:

Or. en

Justification

This amendment aims at taking into account a suggestion made in the ECB opinion. In view of the prudential supervisory competence of the national competent authorities and the ECB for significant credit institutions, the national competent authorities and the ECB should be kept informed of any material change post-authorisation and notified accordingly. In addition, the provision by an operator of a DLT market infrastructure of core CSD services should require an assessment by the relevant authorities, including ESCB central banks, in accordance with Articles 16 and 17 of Regulation (EU) No 909/2014.

Amendment 460
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 9 – paragraph 4 – point b

Text proposed by the Commission	*Amendment*
(b) the number and value of DLT transferable securities admitted to trading on the DLT MTF, the number and value of DLT transferable securities recorded by ***a CSD*** operating DLT securities settlement systems, and where applicable, the number and value of transferable securities recorded by an ***investment firm or market operator*** operating on a DLT MTF;	(b) the number and value of DLT transferable securities admitted to trading on the DLT MTF, the number and value of DLT transferable securities recorded by ***an entity*** operating DLT securities settlement systems, and where applicable, the number and value of transferable securities recorded by an ***entity*** operating on a DLT MTF;

Or. en

Justification

Openness of the pilot regime

Amendment 461
Eva Kaili

Proposal for a regulation
Article 9 – paragraph 4 – point b

Text proposed by the Commission	*Amendment*
(b) the number and value of DLT transferable securities admitted to trading on the DLT MTF, the number and value of DLT transferable securities recorded by a CSD operating DLT ***securities settlement***	(b) the number and value of DLT transferable securities admitted to trading on the DLT MTF, the number and value of DLT transferable securities recorded by a CSD operating DLT ***SSSs***, and where

systems, and where applicable, the number and value of transferable securities recorded by an investment firm or market operator operating on a DLT MTF;	applicable, the number and value of transferable securities recorded by an investment firm or market operator operating on a DLT MTF;

Or. en

Justification

Editorial comment.

Amendment 462
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 9 – paragraph 4 – point c

Text proposed by the Commission	*Amendment*
(c) the number and value of transactions traded on a DLT MTF and settled either by ***a CSD*** operating a DLT securities settlement system, or where applicable, by an ***investment firm or market operator*** operating a DLT MTF;	(c) the number and value of transactions traded on a DLT MTF and settled either by ***an entity*** operating a DLT securities settlement system, or where applicable, by an ***entity*** operating a DLT MTF;

Or. en

Justification

Openness of the pilot regime

Amendment 463
Eva Kaili

Proposal for a regulation
Article 9 – paragraph 4 – point c

Text proposed by the Commission	*Amendment*
(c) the number and value of transactions traded on a DLT MTF and settled either by a CSD operating a DLT ***securities settlement system***, or where applicable, by an investment firm or market operator operating a DLT MTF;	(c) the number and value of transactions traded on a DLT MTF and settled either by a CSD operating a DLT ***SSS***, or where applicable, by an investment firm or market operator operating a DLT MTF;

Or. en

Justification

Editorial comment.

Amendment 464
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 9 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4 a. ESMA shall make the reports referred to in the first subparagraph publicly available on its website.

Or. en

Amendment 465
Eva Kaili

Proposal for a regulation
Article 9 – paragraph 5 – introductory part

Text proposed by the Commission	*Amendment*
5. ESMA shall fulfil a coordination role between competent authorities, with a view to building a common understanding of distributed ledger technology and DLT market infrastructure as well as a common supervisory culture and convergent supervisory practices, ensuring consistent approaches and convergence in supervisory outcomes.	5. ESMA shall fulfil a coordination role between competent authorities, with a view to building a common understanding of distributed ledger technology and DLT market infrastructure as well as a common supervisory culture and convergent supervisory practices, ensuring consistent approaches and convergence in supervisory outcomes. ***ESMA shall create an ad hoc consultative committee in the form of a stakeholders' group, bringing together representatives of both public and private stakeholders for a limited period of time equivalent to the duration of the operation of the pilot regime. The ad hoc consultative committee shall undertake the preparatory and consultative work needed to support ESMA in the issuance***

of the recommendations envisaged under this Regulation, by transmitting a written statement to ESMA setting out the reasons for a refusal of an exemption, or for a permission that the committee considers to be insufficiently reasoned or ill-suited to the requirements of this Regulation. The ad hoc consultative committee shall examine complaints submitted directly to ESMA in cases where an applicant considers that its exemption request or permission to participate under the pilot regime has been inappropriately denied by its relevant national competent authority. In order to avoid the submission of abusive complaints to ESMA by applicants, only complete and well-documented complaints transmitted to the consultative committee shall be analysed. The ad hoc consultative committee may request a shortened delay of transmission after the response of the relevant NCA and may also request that a set of documentation be transmitted to the consultative committee, including in particular a summary of the applicant's activities and the requested exemption(s). The relevant documents submitted, as well as the decision of the NCA refusing the requested exemption(s) and or permission, shall be translated into English.

Or. en

Justification

According to Action 16 of the Commission's CMU New Action Plan. With a view to ensuring the supervisory convergence, consistency and proportionality of the exemptions granted under this Regulation by different NCAs across the Union, that may not share the same level of tech savviness, and thus fostering the level playing field and discourage regulatory arbitrage, it is suggested a more strengthened role for ESMA. Namely, ESMA should issue a recommendation, instead of a non-binding opinion.

Amendment 466
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation

Article 9 a (new)

Text proposed by the Commission	*Amendment*
	Article 9 a
	Reporting of breaches and protection of reporting persons
	Directive (EU) 2019/1937 shall apply to the reporting of breaches of this Regulation and the protection of persons reporting such breaches.
	ESMA shall provide one or more secure communication channels for reporting breaches of this Regulation and comply with the requirements set out in the Directive (EU) 2019/1937.

Or. en

Amendment 467
Eva Kaili

Proposal for a regulation
Article 10 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Five years from the entry into application of this Regulation***, at the latest, ESMA shall present a report to the Commission*** on:	1. ***ESMA shall present to the Commission an early-exit assessment report by ... [The three-year period assessment for the early-exit assessment should be calculated from the date of the entry into force of this Regulation, hence including the 12 months period needed for the draft regulatory technical standards, as envisaged in this Regulation] and, if the regime prescribed in this Regulation is not terminated by then, a final report by [***five years from the entry into application of this Regulation***]*** on:

Or. en

Justification

Merit in an early-exit assessment by the ESMA that would inform and advice the Commission,

to submit to the EP and the Council an assessment on a potential adjustment or discontinuation of the DLT pilot regime after three years. In case the pilot regime is decided to be discontinued with the aim to a transition to a new permanent regulatory framework, the permanent permissions granted under this Regulation should be adapted to the new regulatory framework following all necessary adjustments.

Amendment 468
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. ***Five*** years from the entry into application of this Regulation, at the latest, ESMA shall present a report to the Commission on:	1. ***Three*** years from the entry into application of this Regulation, at the latest, ESMA shall present a ***comprehensive*** report to the Commission on:

Or. en

Amendment 469
Chris MacManus
on behalf of the The Left Group

Proposal for a regulation
Article 10 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. ***Five*** years from the entry into application of this Regulation, at the latest, ESMA shall present a report to the Commission on:	1. ***Two*** years from the entry into application of this Regulation, at the latest, ESMA shall present a report to the Commission on:

Or. en

Amendment 470
Christophe Hansen, Lídia Pereira

Proposal for a regulation
Article 10 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Five years from the entry into application of this Regulation, ***at the latest,*** ESMA shall present a report to the Commission on:	1. Five years from the entry into application of this Regulation, ESMA shall present a report to the Commission on:

Or. en

Amendment 471
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 10 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) the number of DLT MTFs and ***CSDs*** operating a DLT securities settlement system which have been granted a specific permission under this Regulation;	(b) the number of DLT MTFs and ***entities*** operating a DLT securities settlement system which have been granted a specific permission under this Regulation;

Or. en

Justification

Openness of the pilot regime

Amendment 472
Eva Kaili

Proposal for a regulation
Article 10 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) the number of DLT MTFs and CSDs operating a DLT ***securities settlement system*** which have been granted a specific permission under this Regulation;	(b) the number of DLT MTFs and CSDs operating a DLT ***SSS*** which have been granted a specific permission under this Regulation;

Or. en

Justification

Editorial comment.

Amendment 473
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 10 – paragraph 1 – point d

Text proposed by the Commission	*Amendment*
(d) the number and value of DLT transferable securities admitted to trading on DLT MTFs, the number and value of DLT transferable securities recorded by ***CSDs*** operating DLT securities settlement systems, and where applicable, the number and value of transferable securities recorded by DLT MTFs;	(d) the number and value of DLT transferable securities admitted to trading on DLT MTFs, the number and value of DLT transferable securities recorded by ***entities*** operating DLT securities settlement systems, and where applicable, the number and value of transferable securities recorded by DLT MTFs;

Or. en

Justification

Openness of the pilot regime

Amendment 474
Eva Kaili

Proposal for a regulation
Article 10 – paragraph 1 – point d

Text proposed by the Commission	*Amendment*
(d) the number and value of DLT transferable securities admitted to trading on DLT MTFs, the number and value of DLT transferable securities recorded by CSDs operating DLT ***securities settlement systems***, and where applicable, the number and value of transferable securities recorded by DLT MTFs;	(d) the number and value of DLT transferable securities admitted to trading on DLT MTFs, the number and value of DLT transferable securities recorded by CSDs operating DLT ***SSSs***, and where applicable, the number and value of transferable securities recorded by DLT MTFs;

Or. en

Justification

Editorial comment.

Amendment 475
Stéphanie Yon-Courtin, Ondřej Kovařík, Gilles Boyer, Olivier Chastel

Proposal for a regulation
Article 10 – paragraph 1 – point e

Text proposed by the Commission	*Amendment*
(e) the number and value of transactions traded on DLT MTFs and settled by ***CSDs*** operating DLT securities settlement system, and where applicable, by DLT MTFs;	(e) the number and value of transactions traded on DLT MTFs and settled by ***entities*** operating DLT securities settlement system, and where applicable, by DLT MTFs;

Or. en

Amendment 476
Eva Kaili

Proposal for a regulation
Article 10 – paragraph 1 – point e

Text proposed by the Commission	*Amendment*
(e) the number and value of transactions traded on DLT MTFs and settled by CSDs operating DLT ***securities settlement system***, and where applicable, by DLT MTFs;	(e) the number and value of transactions traded on DLT MTFs and settled by CSDs operating DLT ***SSS***, and where applicable, by DLT MTFs;

Or. en

Justification

Editorial comment.

Amendment 477
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation

Article 10 – paragraph 1 – point h

Text proposed by the Commission	*Amendment*
(h) any risks presented by the use of a DLT;	(h) any risks presented by the use of a DLT ***to investor protection, market integrity and financial stability, including novel types of legal, systemic and operational risks, which are not sufficiently addressed by existing rules and any unintended effects on liquidity and volatility and financial stability***;

Or. en

Amendment 478
Markus Ferber

Proposal for a regulation
Article 10 – paragraph 1 – point h

Text proposed by the Commission	*Amendment*
(h) any risks presented by the use of a DLT;	(h) any risks***, vulnerabilities and inefficiences*** presented by the use of a DLT;

Or. en

Amendment 479
Markus Ferber

Proposal for a regulation
Article 10 – paragraph 1 – point h a (new)

Text proposed by the Commission	*Amendment*
	(h a) risks of regulatory arbitrage or level playing field issues compared to non-DLT market infrastructure;

Or. en

Amendment 480

Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 1 – point j

Text proposed by the Commission	*Amendment*
(j) ***the*** benefits resulting from the use of a DLT, in terms of ***any*** efficiency improvements and risk reductions across the entire trading and post-trading chain, including without limitation, with regard to the recording and safekeeping of DLT transferable securities, the traceability of transactions, corporate actions, reporting and supervision functions at the level of the DLT market infrastructure;	(j) ***any*** benefits resulting from the use of a DLT, in terms of ***additional liquidity and financing to start-ups and SMEs, any safety and*** efficiency improvements and risk reductions across the entire trading and post-trading chain, including without limitation, with regard to the recording and safekeeping of DLT transferable securities, the traceability of transactions ***and enhanced compliance with know your customer and anti-money laundering processes***, corporate actions ***and direct exercise of investor rights via smart contracts***, reporting and supervision functions at the level of the DLT market infrastructure;

Or. en

Amendment 481
Eero Heinäluoma, Paul Tang, Jonás Fernández, Pedro Marques

Proposal for a regulation
Article 10 – paragraph 1 – point j

Text proposed by the Commission	*Amendment*
(j) the benefits resulting from the use of a DLT, in terms of any efficiency improvements and risk ***reductions*** across the entire trading and post-trading chain, including without limitation, with regard to the recording and safekeeping of DLT transferable securities, the traceability of transactions, corporate actions, reporting and supervision functions at the level of the DLT market infrastructure;	(j) the benefits ***and costs*** resulting from the use of a DLT, in terms of any efficiency improvements***, energy consumption*** and risk ***mitigation*** across the entire trading and post-trading chain, including without limitation, with regard to the recording and safekeeping of DLT transferable securities, the traceability of transactions, corporate actions, reporting and supervision functions at the level of the DLT market infrastructure;

Or. en

Amendment 482
Eva Kaili

Proposal for a regulation
Article 10 – paragraph 1 – point j

Text proposed by the Commission	*Amendment*
(j) the benefits resulting from the use of a DLT, in terms of any efficiency improvements and risk ***reductions*** across the entire trading and post-trading chain, including without limitation, with regard to the recording and safekeeping of DLT transferable securities, the traceability of transactions, corporate actions, reporting and supervision functions at the level of the DLT market infrastructure;	(j) the benefits ***and costs*** resulting from the use of a DLT, in terms of any efficiency improvements and risk ***mitigation*** across the entire trading and post-trading chain, including without limitation, with regard to the recording and safekeeping of DLT transferable securities, the traceability of transactions, corporate actions, reporting and supervision functions at the level of the DLT market infrastructure;

Or. en

Justification

Editorial comment.

Amendment 483
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 1 – point l a (new)

Text proposed by the Commission	*Amendment*
	(l a) the potential implications resulting from an increase of the thresholds referred to in Article 3, taking into account in particular systemic considerations and different types of DLT;

Or. en

Amendment 484

Markus Ferber

Proposal for a regulation
Article 10 – paragraph 1 – point l a (new)

Text proposed by the Commission	*Amendment*
	(l a) an overall assessment of the costs and benefits of the pilot project and a recommendation whether or not and under which conditions to proceed with the pilot regime;

Or. en

Justification

Weighing the individual points, ESMA should provide an overall assessment and recommendation how to proceed.

Amendment 485
Chris MacManus
on behalf of the The Left Group

Proposal for a regulation
Article 10 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Based on the report referred to in paragraph 1, the Commission shall present a report to the European Parliament and Council ***including a cost-benefit analysis on whether the regime for DLT market infrastructures under this Regulation should be:***	2. Based on the report referred to in paragraph 1, the Commission shall present a report to the European Parliament and Council ***showing how it intends to incorporate the lessons learned into existing legislation.***

Or. en

Justification

ESMA should undertake the report with the view of establishing what novel risks are posed by these FMIs and what amendments are necessary to integrate (converge) them in the existing environment, with all ensuing factors taken into account. Such an approach would be in line with the "technology neutrality" principle the Digital Finance Package adopted, which is also used in the MiCA proposal

Amendment 486
Eva Kaili

Proposal for a regulation
Article 10 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Based on the ***report*** referred to in paragraph 1, the Commission shall present a report to the European Parliament and Council including a cost-benefit analysis on whether the regime for DLT market infrastructures under this Regulation should be:	2. Based on the ***reports*** referred to in paragraph 1, the Commission shall present a report to the European Parliament and Council ***within three months of receipt of each report,*** including a cost-benefit analysis on whether the regime for DLT market infrastructures under this Regulation should be:

Or. en

Justification

It is proposed setting a deadline for the Commission to present its report to the European Parliament and the Council.

Amendment 487
Chris MacManus
on behalf of the The Left Group

Proposal for a regulation
Article 10 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) extended for another period;	***deleted***

Or. en

Amendment 488
Eva Kaili

Proposal for a regulation
Article 10 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) extended for another period;	(a) extended for another period ***of two years, in the case of the early-exit***

assessment report referred to in Article 10, paragraph 1;

Or. en

Justification

Aligned to the proposed ESMA early-exit assessment of Art. 10 paragraph 1.

Amendment 489
Chris MacManus
on behalf of the The Left Group

Proposal for a regulation
Article 10 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) extended to other types of financial instruments that can be issued, recorded, transferred or stored on a DLT;	***deleted***

Or. en

Amendment 490
Chris MacManus
on behalf of the The Left Group

Proposal for a regulation
Article 10 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) amended;	***deleted***

Or. en

Amendment 491
Chris MacManus
on behalf of the The Left Group

Proposal for a regulation
Article 10 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) made permanent with or without amendment; or	***deleted***

Or. en

Amendment 492
Sven Giegold
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) made permanent with or without amendment; or	***deleted***

Or. en

Amendment 493
Jessica Polfjärd

Proposal for a regulation
Article 10 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) made permanent ***with or without amendment***; or	(d) made permanent ***by appropriate modifications to the Union framework on financial services legislation***; or

Or. en

Amendment 494
Markus Ferber

Proposal for a regulation
Article 10 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) made permanent ***with or without***	(d) made permanent ***by adapting the***

amendment; or	***relevant Union financial services legislation accordingly;***

Or. en

Justification

Having two parallel regimes should be avoided. If the pilot project turns out to be successful, its provisions should therefore be transposed into the

Amendment 495
Chris MacManus
on behalf of the The Left Group

Proposal for a regulation
Article 10 – paragraph 2 – point e

Text proposed by the Commission	*Amendment*
(e) terminated.	***deleted***

Or. en

Amendment 496
Chris MacManus
on behalf of the The Left Group

Proposal for a regulation
Article 10 – paragraph 2 – subparagraph 1

Text proposed by the Commission	*Amendment*
In its report, the Commission may propose any appropriate modifications to the Union framework on financial services legislation or harmonisation of national laws that would facilitate the use of distributed ledger technology in the financial sector as well as any measures needed to bridge the transition of DLT market infrastructures out of the pilot regime.	***deleted***

Or. en

Amendment 497
Jessica Polfjärd

Proposal for a regulation
Article 10 a (new)

Text proposed by the Commission	*Amendment*
	Article 10 a
	Interim reports
	ESMA shall publish annual interim reports in order to provide market participants with information on the functioning of the markets, to address incorrect behaviour of operators, to provide clarifications on the application of this Regulation and to update previous indications based on the evolution of DLT. Those reports shall also provide an overall description of the pilot regime focusing on trends and emerging risks and shall be submitted to the European Parliament, the Council and the Commission. The first such report shall be published... [12 months after the date of entry into application of this Regulation].

Or. en

Amendment 498
Antonio Maria Rinaldi, Francesca Donato, Valentino Grant, Marco Zanni, Gunnar Beck

Proposal for a regulation
Article 10 a (new)

Text proposed by the Commission	*Amendment*
	Article 10a
	Where it considers it necessary, ESMA may provide for the publication of interim reports to provide market participants with information on the functioning of the markets, to address any misconduct by operators, to provide clarifications on the application of this Regulation and its

implementing acts and to update previous indications in accordance with the evolution of DLT.

Or. it

Amendment 499
Markus Ferber

Proposal for a regulation
Article 10 a (new)

Text proposed by the Commission	*Amendment*
	Article 10 a
	Periodic Review
	One year from the entry into application of this Regulation, at the latest, and every year thereafter ESMA shall present a report to the European Parliament, the Council and the Commission highlighting the most important trends, risks and vulnerabilities in relation to the pilot project.

Or. en