

## ESMA seeks volunteers for field tests of the European Single Electronic Format (ESEF)

The field tests will consist of transforming annual financial reports by issuers to *Inline XBRL instance documents*, according to ESMA's draft ESEF specifications.

ESMA is seeking participation from:

- issuers on European regulated markets from all industries preparing IFRS consolidated financial statements; and
- software vendors.

Participating issuers will receive free support to transform their annual financial report to Inline XBRL. They will thus be able to learn how the Inline XBRL format can be applied. Furthermore, the effort for their first filings, once the preparation of the annual financial report in the European Single Electronic Format becomes mandatory in 2020, will be significantly reduced. Additionally, participants will have the opportunity to contribute to the development of the specifications of a European Single Electronic Format that better fits their reporting needs.

### **Timeline and contact details**

Applications are welcome by **Friday 14 July**. Several workshops will be held from the end of July until the end of August. ESMA will provide interested issuers with a list of possible dates.

Issuers and software vendors interested in participating in the field tests are invited to contact [esef@esma.europa.eu](mailto:esef@esma.europa.eu).

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## European fund for sustainable development: Council confirms fina

On 28 June, EU ambassadors endorsed the compromise reached between the Presidency and the European Parliament on the proposal for a **regulation on the establishment of the European fund for sustainable development (EFSD)**.

"Thanks to today's agreement, we will be able to implement a new fund to support sustainable investment projects in developing

countries”, said Marlene Bonnici, Permanent Representative of Malta to the EU and President of the Permanent Representatives Committee. “Together with the new European consensus on development adopted earlier this month, the establishment of the EFSD will contribute to giving a new impetus to the EU’s development policy, while addressing the root causes of migration in the long term.”

Marlene Bonnici, Permanent Representative of Malta to the EU and President of the Permanent Representatives Committee

The EFSD is the main instrument for the implementation of the European external investment plan (EIP) to **support investment in African and neighbourhood countries**. The plan aims primarily at **creating jobs and addressing root causes of migration**. It will also contribute to the implementation of the Paris agreement on climate change (COP 21).

On the basis of an initial budget of 3,35 billion euros, the fund is designed to **trigger up to 44 billion euro of investments**. This amount could be doubled if member states and other donors match EU contributions.

The EFSD will operate as a “**one-stop shop**” to receive financing proposals from financial institutions and public or private investors and deliver a wide range of financial support to eligible investments. It will offer guarantees and use blending mechanisms to **encourage the private sector to invest in more risky contexts**, such as fragile states or conflict-affected areas.

The Parliament and the Council will now be called on to formally adopt the regulation, in order to be able to setup the fund as soon as possible.

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## [ESMA updates co-legislators on MiFID II implementation](#)

ESMA will deliver a specific IT infrastructure for the implementation of MiFID II on 3 January 2018. This will include pan-European IT systems, which will allow:

- The reception and publication of reference data;
- The computation and publication of various liquidity assessments and thresholds to be used for the new transparency and tick size regimes;
- The implementation of the double volume cap mechanism;
- The coordination of suspensions from trading; and
- The exchange of transaction reports

The ESMA letter also provides a timeline for the implementation of the different elements of its MiFID II IT infrastructure. In addition, ESMA will

also publish in the coming days, market size calculations for MiFID II's ancillary test as well as transitional transparency calculations.

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## [An EU budget fit for tomorrow: Commission opens debate on future of EU finances](#)

As Europe decides on its future, the EU needs a budget that is fit for purpose and makes every euro work for its citizens.

Published today, the Commission's reflection paper on the future of EU finances looks at the options to make that a reality. The issues raised in this fifth and final paper in the series are central to the debate started on 1 March with the Commission's White Paper on the Future of Europe. The reflection paper maps out possible budgetary implications of the choices we can make.

Commissioner Günther H. **Oettinger**, in charge of budget and human resources, said: *"If Europe is to tackle new challenges, the money must come from somewhere. We can either spend less or find new revenues. But whatever we do,*

*each Euro invested from the EU budget must add value and have a positive impact on people's daily lives."*

Regional Policy Commissioner Corina **Crețu** said: *"It is time we give the EU budget a makeover. Let's make it simpler, more flexible and let's reflect, with ambition and imagination, on how we can make it a powerful tool that will help us grow faster, ever closer, and leave no one behind in this globalised economy"*.

**The EU budget faces a tough challenge to fund more with less.** The EU is expected to play a bigger role in new policy areas like migration, internal and external security or defence. And Europe should also preserve its leading role on the global stage, as a major humanitarian and development aid donor and as a leader of the fight against climate change. That must be achieved with an EU budget that will only get smaller following the departure of the United Kingdom.

Today's reflection paper looks at this challenge and puts the key elements for discussion on the table, structured around the five scenarios of the White Paper: will the EU simply carry on, do less together, move ahead at different levels of intensity, do less but more efficiently or do much more together? Each of these illustrative scenarios would have different consequences – both in terms of how much to spend for what purpose, and on where the money could come from. Options range from reducing spending for existing policies to increasing revenues.

In addition, the reflection paper sets out the basic features of the EU budget and charts the principal trends and developments in key policy areas like cohesion or agriculture. It also addresses over-arching issues like the added value of EU funding or the articulation between EU funding and structural reforms in Member States.

## **Background**

The reflection process initiated by the White Paper and built on by the series of reflection papers will feed into preparing the proposal for the next multiannual financial framework for an EU of 27, which the Commission intends to present in mid-2018.

The multiannual financial framework lays down the maximum annual amounts which the EU may spend each year in different policy fields over a period of at least 5 years. The current multiannual financial framework covers the period from 2014 to 2020. Each annual budget must comply with this framework.

In order to sustain and further stimulate the debate on the issues raised in the reflection paper, a number of public events will take place in the coming months, such as the annual 'Budget focused on Results' conference organised by the Commission on 25 September 2017.

## **For More Information**

– [White Paper on the Future of Europe](#)

- [Reflection paper on the social dimension of Europe](#) (26 April 2017)
- [Reflection paper harnessing globalisation](#) (10 May 2017)
- [Reflection paper deepening the Economic and Monetary Union](#) (31 May 2017), on the basis of the [Five Presidents' Report of June 2015](#)
- [Reflection paper the future of European defence](#) (7 June 2017)
- [Reflection paper the future of EU finances](#) (28 June 2017)
- [“Future financing of the EU”](#), final report of the High Level Group chaired by Mario Monti
- [Multiannual Financial Framework \(2014-2020\)](#)
- [Future of EU finances: Five Scenarios](#)
- [Future of EU finances: Facts and Figures](#)