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9873/16

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'I/A' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
No. Cion doc.:	COM(2013) 615 final
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on Money Market Funds - General approach

I. INTRODUCTION

1. On 5 September 2013, the Commission transmitted to the Council its proposal for a Regulation of the European Parliament and of the Council on Money Market Funds.
2. MMFs are an important source of short-term financing for financial institutions, corporates and governments. The aim of the Commission proposal is to create a regulatory framework which will make those funds safer and more resilient to possible future financial shocks, while securing their financing role for the economy and preserving the integrity and stability of the internal market.
3. The ECON Committee of the European Parliament adopted its report on 4 March 2015. The European Economic and Social Committee and the European Central Bank¹ delivered their opinions on 10 December 2013 and 22 May 2014 respectively.

¹ Doc. 12713/14

II. STATE OF PLAY

4. The Italian Presidency started negotiations on the proposal. The text has been examined by the Working Party on Financial Services in eleven meetings. Six compromise proposals were prepared with a view to reaching an agreement on the Council's general approach.
5. Following the last meeting of the Working Party on 7 June 2016 and its subsequent silence procedure, all delegations could agree on the Netherlands Presidency proposal for a general approach on the file, as set out in document 9874/16.

III. CONCLUSION

6. Against this background, the Presidency therefore suggests that the Permanent Representatives Committee invites the Council (ECOFIN on 17 June 2016) to:
 - agree, as an "A" item, on the general approach on the proposed Regulation, as set out in document 9874/16;
 - invite the Presidency to start negotiations with the European Parliament on the basis of this general approach with a view to reaching an agreement at first reading.
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