

# Temporary emergency measures on collateral requirements

2022/2908(DEA) - 24/11/2022 - Text adopted by Parliament, single reading

The European Parliament decided **not to object to the Commission Delegated Regulation** of 21 October 2022 amending the regulatory technical standards laid down in Delegated Regulation (EU) No 153/2013 as regards temporary emergency measures on collateral requirements.

The Delegated Regulation amending Commission Delegated Regulation (EU) No 153/2013 temporarily adapts the list of eligible collateral that may be deposited with EU CCPs to include non-collateralised bank guarantees and public guarantees for a period of 12 months.

Parliament recalls that recent political and market developments have led to significant price and volatility increases on energy markets, which have triggered substantial margin increases by central counterparties (CCPs) to cover the related exposures. These margin increases have created liquidity strains on non-financial counterparties (NFCs), which typically have fewer and less liquid assets to meet margin requirements, forcing them to either reduce their positions or leave them improperly hedged, exposing them to further price variations.

On 13 September 2022, the Commission requested that ESMA consider whether the applicable Level 2 provisions, in particular the Commission Delegated Regulation (EU) No 153/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council (EMIR) with regards to requirements for central counterparties, should be temporarily amended to alleviate some of the burden faced by NFCs, while keeping the overarching goal of EMIR of preserving financial stability.

In its response of 22 September 2022, ESMA indicated that only uncollateralised commercial bank guarantees should be considered for temporary and limited amendments under certain conditions.

In its final report, ESMA proposed draft regulatory technical standards including amendments to temporarily expand the pool of eligible collateral to uncollateralised bank guarantees for non-financial counterparties acting as clearing members and to public guarantees for all types of counterparties.

Parliament considers that the delegated regulation should enter into force as a matter of urgency in order to alleviate the increased liquidity pressure on non-financial counterparties trading on gas and electricity regulated markets and clearing via Union-based CCPs.