## Basic information

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|---|---|
| **2018/3003(DEA)**<br><br>DEA - Delegated acts procedure | Procedure completed - delegated act enters into force |
| Date until which counterparties may continue to apply their risk-management procedures for certain OTC derivative contracts not cleared by a CCP<br><br>Supplementing 2010/0250(COD)<br><br>**Subject**<br><br>2.50.03 Securities and financial markets, stock exchange, CIUTS, investments<br>2.50.08 Financial services, financial reporting and auditing | |

## Key players

European Parliament

| Committee responsible | Rapporteur | Appointed |
|---|---|---|
| ECON Economic and Monetary Affairs | | |

## Key events

| Date | Event | Reference | Summary |
|---|---|---|---|
| 19/12/2018 | Non-legislative basic document published | C(2018)09118 | |
| 19/12/2018 | Initial period for examining delegated act 3 month(s) | | |
| 16/01/2019 | Committee referral announced in Parliament | | |
| 29/01/2019 | Delegated act not objected by Parliament | | |
| 13/02/2019 | Decision by Parliament | T8-0102/2019 | Summary |

## Technical information

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| **Procedure reference** | 2018/3003(DEA) |
| **Procedure type** | DEA - Delegated acts procedure |
| **Procedure subtype** | Examination of delegated act |
| **Amendments and repeals** | Supplementing 2010/0250(COD) |
| **Legal basis** | Rules of Procedure EP 0114-p6 |
| **Stage reached in procedure** | Procedure completed - delegated act enters into force |
| **Committee dossier** | ECON/8/15260 |

## Documentation gateway

**European Parliament**

| Document type | Committee | Reference | Date | Summary |
|---|---|---|---|---|
| Recommendation for early non-objection of delegated act | | B8-0089/2019 | 31/01/2019 | |
| Text adopted by Parliament, single reading | | T8-0102/2019 | 13/02/2019 | Summary |

**European Commission**

| Document type | Reference | Date | Summary |
|---|---|---|---|
| Non-legislative basic document | C(2018)09118 | 19/12/2018 | |
| Document attached to the procedure | C(2019)5465 | 17/07/2019 | |

**Additional information**

| Source | Document | Date |
|---|---|---|
| European Commission | EUR-Lex | |

# Date until which counterparties may continue to apply their risk-management procedures for certain OTC derivative contracts not cleared by a CCP

2018/3003(DEA) - 13/02/2019 - Text adopted by Parliament, single reading

The European Parliament declared it has no objections to the Commission delegated regulation of 19 December 2018 amending Delegated Regulation (EU) 2016/2251 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council as regards the date until which counterparties may continue to apply their risk management procedures for certain OTC derivative contracts not cleared by a CCP.

As of the withdrawal date, counterparties established in the United Kingdom will no longer be able to perform certain so-called “life-cycle events” (such as novations, unwinding by entering into an offsetting transaction, compression with new replacement contracts, etc.) in the EU under the current passport regime.

The performance of those “life-cycle events” on certain cross-border (UK-EU27) contracts may require authorisation in Member States, in line with national third country regimes that still prevail today under Regulation (EU) No 600/2014. These counterparties established in the United Kingdom could then face up to 27 different national third-country regimes.

The delegated act contains important rules related to transactions concluded between a counterparty established in the United Kingdom and a counterparty established in the EU-27 and is part of the package of contingency measures in the event of a no-deal Brexit.

Parliament agreed on the importance for competent authorities and financial markets of exempting certain transactions resulting from a novation, for a limited period of 12 months, if the counterparty established in the UK is changed to a counterparty within the EU-27.

Parliament considered that the RTS adopted are not the same as the draft RTS submitted by the European Supervisory Authorities (ESAs) owing to the Commission’s changes that were introduced in this draft. It considered that it has three months (‘the scrutiny period’) to object to the RTS.

Parliament urged the Commission to indicate the one-month scrutiny period only in cases where the Commission has adopted the ESAs’ drafts without changes, i.e. where the draft and the adopted RTS are the same.