Basic information

2022/2899(DEA) DEA - Delegated acts procedure	Procedure completed - delegated act enters into force
Value of the clearing threshold for positions held in OTC commodity derivative contracts and other OTC derivative contracts Supplementing 2010/0250(COD) **Subject** 2.50.03 Securities and financial markets, stock exchange, CIUTS, investments 2.50.08 Financial services, financial reporting and auditing 2.50.10 Financial supervision	

Key players

	Committee responsible	Rapporteur	Appointed
European Parliament	ECON Economic and Monetary Affairs	TINAGLI Irene (S&D)	26/10/2022

Key events

Date	Event	Reference	Summary
18/10/2022	Non-legislative basic document published	C(2022)07413	
18/10/2022	Initial period for examining delegated act 3 month(s)		
09/11/2022	Committee referral announced in Parliament		
21/11/2022	Delegated act not objected by Council		
24/11/2022	Decision by Parliament	T9-0416/2022	Summary
24/11/2022	Results of vote in Parliament		

Technical information

Procedure reference	2022/2899(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/9/10354

Documentation gateway				
European Parliament				
Document type	**Committee**	**Reference**	**Date**	**Summary**
Recommendation for early non-objection of delegated act		B9-0490/2022	17/11/2022	
Text adopted by Parliament, single reading		T9-0416/2022	24/11/2022	Summary

European Commission			
Document type	**Reference**	**Date**	**Summary**
Non-legislative basic document	C(2022)07413	18/10/2022	

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Value of the clearing threshold for positions held in OTC commodity derivative contracts and other OTC derivative contracts

2022/2899(DEA) - 24/11/2022 - Text adopted by Parliament, single reading

The European Parliament decided not to object to the Commission's Delegated Regulation of 18 October 2022 amending the regulatory technical standards laid down in Delegated Regulation No (EU) 149/2013 as regards the value of the clearing threshold for positions held in OTC commodity derivative contracts and other OTC derivative contracts.

Parliament recalled that commodity prices have increased recently, significantly exacerbated by Russia’s military aggression against Ukraine. Rising prices and extreme volatility on energy derivative markets have recently led to higher margin calls by central counterparties for energy companies to cover the related exposures. This situation has created liquidity strains for non-financial counterparties, such as energy companies.

Energy companies which have often less liquid assets to meet margin requirements may be forced to either reduce their positions or leave them improperly hedged, thus exposing them to further price variations. Energy companies should maintain the financial ability and liquidity to secure supplies and purchases of energy commodities in the medium term - while preserving financial stability - in order to benefit Union households and businesses.

The Commission asked ESMA on 13 September 2022 to consider whether Delegated Regulation (EU) No 149/2013 should be temporarily amended to alleviate some of these burdens.

In its response of 22 September 2022, ESMA indicated that it submitted its draft regulatory technical standards on commodity clearing thresholds on 3 June 2022 to the Commission that proposed to increase the commodity clearing threshold by EUR 1 billion, bringing it to EUR 4 billion.

ESMA confirmed the appropriateness of the proposed increase and invited the Commission to adopt that measure as soon as possible.

Therefore, the Commission adopted the Delegated Regulation which increases the clearing threshold value for positions held in OTC commodity derivatives stipulated in Delegated Regulation (EU) No 149/2013 **from EUR 3 billion to EUR 4 billion**.

Parliament considers that the delegated regulation should enter into force as a matter of urgency in order to alleviate the increased liquidity pressure of energy companies.