Commission Delegated Regulation (EU) 2019/462 of 30 January 2019 amending Delegated Regulation (EU) 2017/1799 as regards the exemption of the Bank of England from the pre- and post-trade transparency requirements in Regulation (EU) No 600/2014 of the European Parliament and of the Council (Text with EEA relevance)

COMMISSION DELEGATED REGULATION (EU) 2019/462

of 30 January 2019

amending Delegated Regulation (EU) 2017/1799 as regards the exemption of the Bank of England from the pre- and post-trade transparency requirements in Regulation (EU) No 600/2014 of the European Parliament and of the Council

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012[(1)], and in particular Article 1(9) thereof,

Whereas:

(1) Transactions where members of the European System of Central Banks (ESCB) are counterparties are exempt from the trade transparency requirements in accordance with Article 1(6) of Regulation (EU) No 600/2014 insofar as those transactions are in pursuit of monetary, foreign exchange or financial stability policy.

(2) Such an exemption from the scope of Regulation (EU) No 600/2014 may be extended, in accordance with Article 1(9) of that Regulation, to central banks of third countries as well as to the Bank for International Settlements.

(3) The list of exempted central banks of third countries set out in Commission Delegated Regulation (EU) 2017/1799[(2)] should be updated, including with a view to extend, where appropriate, the scope of the exemption laid down in Article 1(6) of Regulation (EU) No 600/2014 to other central banks of third countries.

(4) On 29 March 2017, the United Kingdom submitted the notification of its intention to withdraw from the Union pursuant to Article 50 of the Treaty on European Union. The Treaties will cease to apply to the United Kingdom from the date of entry into force of a withdrawal agreement or failing that, two years after that notification, unless the European Council, in agreement with the United Kingdom, unanimously decides to extend that period.

(5) The withdrawal agreement as agreed between the negotiators contains arrangements for the application of provisions of Union law to and in the United Kingdom beyond the date the Treaties cease to apply to the United Kingdom. If that agreement enters into force,

Changes to legislation: *There are currently no known outstanding effects for the Commission Delegated Regulation (EU) 2019/462. (See end of Document for details)*

Regulation (EU) No 600/2014, including the exemption provided for in Article 1(6) of that Regulation, will apply to and in the United Kingdom during the transition period in accordance with that agreement and will cease to apply at the end of that period.

(6) The withdrawal of the United Kingdom from the Union would, in the absence of any special provisions, have the effect that the Bank of England will no longer benefit from the existing exemption unless it is included in the list of exempted third-country central banks.

(7) In light of information obtained from the United Kingdom, the Commission prepared and presented to the European Parliament and to the Council a report assessing the international treatment of the Bank of England. That report[(3)] concluded that it is appropriate to grant an exemption from pre- and post-trade transparency requirements in Regulation (EU) No 600/2014 to the central bank of the United Kingdom. Accordingly, the Bank of England should be included in the list of exempted central banks set out in Delegated Regulation (EU) 2017/1799.

(8) The authorities of the United Kingdom have provided reassurances on the status, rights and obligations of ESCB members, including their intention to grant to the members of the ESCB in pursuit of monetary, foreign exchange and financial stability policy an exemption comparable to the one provided for in Article 1(6) of Regulation (EU) No 600/2014.

(9) Therefore, Commission Delegated Regulation (EU) 2017/1799 should be amended accordingly.

(10) The Commission continues to monitor on a regular basis the treatment of those central banks and public bodies exempted from the trade transparency requirements laid down in the list in the Annex to Commission Delegated Regulation (EU) 2017/1799. That list may be updated in light of the development of the regulatory arrangements in those third countries and taking into account any relevant new sources of information. Such reassessment could lead to the removal of certain third countries from the list of exempted entities.

(11) This Regulation should enter into force as a matter of urgency and should apply from the day following that on which Regulation (EU) No 600/2014 ceases to apply to and in the United Kingdom,

HAS ADOPTED THIS REGULATION:

Article 1

Annex I to Delegated Regulation (EU) 2017/1799 is replaced by the text in the Annex to this Regulation.

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply from the day following that on which on which Regulation (EU) No 600/2014 ceases to apply to and in the United Kingdom.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 30 January 2019.

For the Commission

The President

Jean-Claude JUNCKER