Commission Delegated Regulation (EU) 2019/461 of 30 January 2019 amending Delegated Regulation (EU) 2016/522 as regards the exemption of the Bank of England and Her Majesty's Treasury from the scope of Regulation (EU) No 596/2014 of the European Parliament and of the Council (Text with EEA relevance)

[[X1]COMMISSION DELEGATED REGULATION (EU) 2019/461

of 30 January 2019

amending Delegated Regulation (EU) 2016/522 as regards the exemption of the Bank of England and Her Majesty's Treasury from the scope of Regulation (EU) No 596/2014 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 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC[(1)], and in particular Article 6(5) thereof,

Whereas:

(1) Transactions, orders or behaviour, in pursuit of monetary, exchange rate or public debt management policy by a Member State, the members of the ESCB, a ministry, agency or special purpose vehicle of one or several Member States, or by a person acting on its behalf, or, in the case of a Member State that is a federal state, a member making up the federation are exempt from the scope of application of Regulation (EU) No 596/2014 pursuant to Article 6(1) thereof.

(2) Such an exemption from the scope of Regulation (EU) No 596/2014 may be extended, in accordance with Article 6(5) of that Regulation, to certain public bodies and central banks of third countries.

(3) The list of exempted central banks of third countries set out in Commission Delegated Regulation (EU) 2016/522[(2)] should be updated, including with a view to extend, whenever necessary, the scope of the exemption laid down in Article 6(1) of Regulation (EU) No 596/2014 to other central banks and certain public bodies of third countries. The Commission monitors and assesses relevant legislative and regulatory developments in third countries and may undertake a review of the exemptions at any time.

(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, Regulation (EU) No 596/2014, including the exemption provided for in Article 6(1) 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 and the United Kingdom Debt Management Office will no longer benefit from the existing exemption unless they are included in the list of exempted third-country central banks and debt management offices.

(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 and the United Kingdom Debt Management Office. That report[(3)] concluded that it is appropriate to grant an exemption from the scope of Regulation (EU) No 596/2014 to United Kingdom's central bank and debt management office once the United Kingdom is a third country. Accordingly, the Bank of England and the United Kingdom Debt Management Office should be included in the list of exempted public entities set out in Delegated Regulation (EU) 2016/522.

(8) The authorities of the United Kingdom have provided assurances on the status, rights and obligations of ESCB members, including their intention to grant to the members of the ESCB and other Union and Member States' bodies performing monetary, exchange rate or public debt management policy an exemption comparable to the one provided for in Article 6(1) of Regulation (EU) No 596/2014.

(9) Therefore, Delegated Regulation (EU) 2016/522 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 market abuse requirements laid down in the list in the Annex I to Delegated Regulation (EU) 2016/522. 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 596/2014 ceases to apply to and in the United Kingdom,

HAS ADOPTED THIS REGULATION:

Editorial Information

X1 Substituted by Corrigendum to Commission Delegated Regulation (EU) 2019/461 of 30 January 2019 amending Delegated Regulation (EU) 2016/522 as regards the exemption of the Bank of England and

the United Kingdom Debt Management Office from the scope of Regulation (EU) No 596/2014 of the European Parliament and of the Council (Official Journal of the European Union L 80 of 22 March 2019).

Article 1

Annex I to Delegated Regulation (EU) 2016/522 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 Regulation (EU) No 596/2014 ceases to apply to and in the United Kingdom.

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