Commission Delegated Regulation (EU) 2017/979 of 2 March 2017 amending Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to the list of exempted entities (Text with EEA relevance)

COMMISSION DELEGATED REGULATION (EU) 2017/979

of 2 March 2017

amending Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to the list of exempted entities

(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 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories[(1)], and in particular Article 1(6) thereof,

Whereas:

(1) The exercise of monetary responsibilities and the management of sovereign debt have a combined impact on the functioning of interest rate markets and should be coordinated to ensure that these two functions are performed efficiently. As Regulation (EU) No 648/2012 excludes from its scope Union central banks and other Union public bodies managing debt so as not to impede their ability to perform tasks of common interest, the application of different rules to such functions when they are exercised by third-country entities would be detrimental to their effectiveness. In order to ensure that third country central banks and other public bodies charged with or intervening in the management of the public debt continue to be in a position to perform their tasks adequately, third-country public bodies charged with or intervening in the management of the public debt should also be exempted from Regulation (EU) No 648/2012.

(2) The Commission carried out an assessment of the treatment of public bodies charged with or intervening in the management of public debt and central banks under the national laws of certain third countries and presented its conclusions to the European Parliament and the Council. In particular, the Commission conducted a comparative analysis of that treatment as well as of the risk-management standards applicable to the derivative transactions entered into by those bodies and by central banks in those jurisdictions.

(3) The Commission's analysis concluded that central banks and public bodies charged with or intervening in the management of public debt in Australia, Canada, Hong Kong, Mexico, Singapore, and Switzerland should be exempted from the clearing and reporting requirements laid down in Regulation (EU) No 648/2012.

Changes to legislation: *There are currently no known outstanding effects for the Commission Delegated Regulation (EU) 2017/979. (See end of Document for details)*

(4) The central banks and public bodies charged with or intervening in the management of the public debt in Australia, Canada, Hong Kong, Mexico, Singapore, and Switzerland should therefore be added to the list of exempted entities laid down in Regulation (EU) No 648/2012.

(5) The Commission continues to monitor on a regular basis the treatment of those central banks and public bodies exempted from the clearing and reporting requirements laid down in Regulation (EU) No 648/2012. The 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 removal of certain third countries from the list of exempted entities,

HAS ADOPTED THIS REGULATION:

Article 1

In Article 1(4)(c) of Regulation (EU) No 648/2012, the following points are added:

(iii) Australia;

(iv) Canada;

(v) Hong Kong;

(vi) Mexico;

(vii) Singapore;

(viii) Switzerland.

Article 2

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

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

Done at Brussels, 2 March 2017.

For the Commission

The President

Jean-Claude JUNCKER