

Technical adjustments to financial services contingency measures to reflect the Decision of the European Council of 22 March

To reflect the decision of the European Council on 22 March, taken in agreement with the United Kingdom, to extend the period under Article 50 (3) TEU , the Commission will ensure that the equivalence decisions adopted on 19 December 2018 in relation to UK CCPs and CSDs reflect this extension (Commission Implementing Decision (EU) 2018/2031 determining, for a limited period of time, that the regulatory framework applicable to central counterparties in the United Kingdom is equivalent, in accordance with Regulation (EU) No 648/2012 of the European Parliament and of the Council; Commission Implementing Decision (EU) 2018/2030 determining, for a limited period of time, that the regulatory framework applicable to central securities depositories of the United Kingdom is equivalent in accordance with Regulation (EU) No 909/2014 of the European Parliament and of the Council.)

These purely technical adjustments contain no change in substance but will ensure that market participants do not need to take any particular action in relation to the change of the date for the withdrawal. There will be no disruption in the provision of clearing and settlement services.

The Commission will also be working with ESMA and the other ESAs on the technical standards on the exemption from the clearing obligation and bilateral margins for novated OTC derivatives to ensure that the intended effects are preserved (Commission Delegated Regulation (EU) amending Commission Delegated Regulation (EU) 2015/2205, Commission Delegated Regulation (EU) 2016/592 and Commission Delegated Regulation (EU) 2016/1178 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council as regards the date at which the clearing obligation takes effect for certain types of contracts (C(2018) 9122); Commission Delegated Regulation (EU) 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 (C(2018) 9118).

The Commission reminds market participants of their duty to be fully prepared for all possible outcomes.