

**Question for written answer E-001403/2018
to the Commission**
Rule 130
Werner Langen (PPE)

Subject: EMIR - Risk-mitigation techniques for OTC derivative contracts not cleared by a CCP - Requirements for intragroup transactions

In accordance with Article 11(3) and Articles 11(6) to (10) of Regulation (EU) No 648/2012, intragroup transactions must in principle be collateralised in the same manner as external transactions. The requirements for exemption require a large expenditure of time and money.

In the Commission's report of 23 November 2016 (COM(2016)0857 final) is the following:

'It is appropriate to review to what extent transactions entered into before the clearing obligation enters into force and intragroup transactions should remain in scope of the relevant requirements'.

In the proposal for a regulation of 4 May 2017 (COM(2017)0208 final), the European Commission does not suggest any changes to formulate the above requirements in a more appropriate manner.

1. Is the Commission of the opinion that the intragroup transactions in question pose a significantly lower risk, since they are unable to have any effect on the business' risk profile?
2. How does the Commission justify the lack of proportionality of the requirements in comparison to their potential benefits, and what are those benefits?
3. Based on their own analysis, why does the Commission not see a need to exempt intragroup transactions accordingly?