



2016/0034(COD)

2.3.2016

AMENDMENTS

1 - 3

Draft report

Markus Ferber

(PE576.963v01-00)

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 600/2014 on markets in financial instruments, Regulation (EU) No 596/2014 on market abuse and Regulation (EU) No 909/2014 on improving securities settlement in the European Union and on central securities depositories as regards certain dates

Proposal for a regulation

(COM(2016)0057 – C8-0027/2016 – 2016/0034(COD))

Amendment 1

Anneliese Dodds, Markus Ferber, Neena Gill, Roberto Gualtieri, Kay Swinburne, Cora van Nieuwenhuizen

Proposal for a regulation

Recital 11a (new)

Text proposed by the Commission

Amendment

(11a) Investment firms often execute, on their own account or on behalf of clients, transactions in derivatives and other financial instruments or assets that comprise a number of interlinked, contingent trades. Such package transactions enable investment firms and their clients to better manage their risks, with the price of each component of the package transaction reflecting the overall risk profile of the package rather than the prevailing market price of each component. Package transactions can take various forms, such as exchange for physicals, trading strategies executed on trading venues, or bespoke package transactions, and it is important to take those specificities into account when calibrating the applicable transparency regime. It is therefore appropriate to specify for the purpose of Regulation (EU) No 600/2014 the specific circumstances in which pre-trade transparency should not apply to package transactions, nor to any individual component of such transactions.

Or. en

Amendment 2

Anneliese Dodds, Markus Ferber, Neena Gill, Roberto Gualtieri, Kay Swinburne

Proposal for a regulation

Article 1

Text proposed by the Commission

Amendment

(-1) In Article 1, the following paragraph is inserted:

'6a. Title II and Title III shall not apply to securities financing transactions as defined in Article 3(11) of Regulation (EU) 2015/2365.'

(-2) In Article 2(1), the following point is inserted:

'(28a) 'securities financing transaction' or 'SFT' means a securities financing transaction as defined in Article 3(11) of Regulation (EU) 2015/2365;'

Or. en

Amendment 3

Anneliese Dodds, Markus Ferber, Neena Gill, Roberto Gualtieri, Kay Swinburne, Cora van Nieuwenhuizen

Proposal for a regulation Article 1

Text proposed by the Commission

Amendment

(-3) In Article 2(1), the following points are added:

'(48) 'exchange for physical' or 'EFP' means a transaction in a derivative contract or other financial instrument contingent on the simultaneous execution of an equivalent quantity of an underlying physical asset;

(49) 'package transaction' means:

(a) an EFP; or

(b) a transaction involving the execution of two or more component transactions in financial instruments and which fulfils all of the following criteria:

(i) the transaction is executed between two

or more counterparties;

(ii) each component of the transaction bears meaningful economic or financial risk related to all the other components;

(iii) where the execution of each component is simultaneous and contingent upon the execution of all the other components.';

(2a) Article 9(1) is amended as follows:

(a) the following point is added:

'(d) a package transaction which meets one or more of the following criteria:

(i) at least one of its components is a financial instrument for which there is not a liquid market, or is an EFP;

(ii) at least one of its components is large in scale compared with the normal market size;

(iii) at least one of its components is executed on a request-for-quote or voice system and that component is above the size specific to the instrument.';

(b) the following subparagraph is added after the first subparagraph:

'Where a package transaction meets any of the criteria set out in point (d) of the first subparagraph, the competent authority shall be able to waive the obligation referred to in Article 8(1) for each individual component of the package.';

(2b) Article 18 is amended as follows:

(a) the following paragraph is inserted:

'2a. In relation to a package transaction in which one or more of the transaction's components comprise financial instruments which do not have a liquid market, systematic internalisers shall disclose quotes to their clients on request if they agree to provide a quote. That obligation may be waived where the conditions specified in Article 9(1) are met.';

(b) the following sentence is added at the end of paragraph 5:

'Without prejudice to paragraph 2a, where a systematic internaliser agrees to provide a quote in accordance with paragraph 1 for a package transaction, the obligation in this paragraph shall only apply to the package as a whole and not to any element of the package separately.'

Or. en