

**Opinion of the European Economic and Social Committee on the ‘Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 575/2013 as regards exemptions for commodity dealers’**

**(COM(2015) 648 final — 2015/0295 (COD))**

(2016/C 264/12)

**Rapporteur: John WALKER**

On 12 January 2016 and on 18 January 2016, the Council and the European Parliament, respectively, decided to consult the European Economic and Social Committee, under Article 114 of the Treaty on the Functioning of the European Union, on the:

*Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 575/2013 as regards exemptions for commodity dealers*

(COM(2015) 648 final — 2015/0295 (COD)).

The Section for the Single market, Production and Consumption, which was responsible for preparing the Committee’s work on the subject, adopted its opinion on 13 April 2016.

At its 516th plenary session, held on 27 and 28 April 2016 (meeting of 27 April), the European Economic and Social Committee adopted the following opinion by 224 votes to 1, with 5 abstentions.

## **1. Conclusions and recommendations**

1.1 The EESC accepts the need to amend Capital Requirements Regulation (EU) No 575/2013 and approves the proposed amendments.

1.2 The EESC looks forward to giving its opinion on the revised Regulation in due course.

## **2. Introduction**

2.1 The following paragraphs, which are taken from the preamble to the draft Regulation, explain the requirement concisely.

2.2 Regulation (EU) No 575/2013 exempts investment firms whose main business consists exclusively of the provision of investment services or activities in relation to the financial instruments set out in points 5, 6, 7, 9 and 10 of Section C of Annex I to Directive 2004/39/EC of the European Parliament and of the Council and to whom Council Directive 93/22/EEC did not apply on 31 December 2006 (‘commodity dealers’) from large exposures requirements and from own funds requirements. Those exemptions apply until 31 December 2017.

2.3 Regulation (EU) No 575/2013 also requires the Commission to prepare, by 31 December 2015, a report on an appropriate regime for the prudential supervision of commodity dealers. Furthermore, that Regulation requires the Commission to prepare a report on an appropriate regime for the prudential supervision of investment firms in general by the same date. Where appropriate, those reports are to be followed by legislative proposals.

2.4 The review of the prudential treatment of investment firms (‘investment firms review’), including commodity dealers is currently underway but has not been completed yet. The finalisation of the review and the adoption of new legislation that may be required in light of that review will be concluded only after 31 December 2017.

2.5 Under the existing regime, after 31 December 2017 commodity dealers will become subject to the large exposures requirements and own funds requirements. This could force them to significantly increase the amount of own funds that they need to have in order to continue their activities and could therefore increase the related costs of performing those activities.

2.6 The decision to apply large exposures requirements and own funds requirements to commodity dealers should not come as a result of a lapsed exemption. Instead, that decision should be a thoroughly reasoned one, based on conclusions of the investment firms review, and clearly expressed in legislation.

2.7 A new time limit until which the exemptions apply should therefore be established. Regulation (EU) No 575/2013 should be amended accordingly.

### 3. EESC perspective

3.1 The EESC accepts the fact that the Regulation contains nothing more than an amendment to change the deadline, as per paragraph 2.7 above, from 31 December 2017 to 31 December 2020.

3.2 The EESC regrets that the Commission has not been able to meet the deadlines it set itself, referred to in paragraph 2.4 above. However, it considers that prudential requirements should be established by detailed analysis and review. The exemptions presently available to Commodity Brokers should not be removed simply because an arbitrary deadline has been missed.

Brussels, 27 April 2016.

*The President*  
*of the European Economic and Social Committee*  
Georges DASSIS

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