

PRESS RELEASE

ESMA launches public consultations on CCP recovery regime

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, today launched seven public consultations to gather stakeholder feedback on how to implement its central counterparty (CCP) recovery mandates.

The seven consultation papers contain, among others, proposals for Draft Regulatory Technical Standards (RTS) on the methodology for calculation and maintenance of the additional amount of pre-funded dedicated own resources, Guidelines on the consistent application of the triggers for the use of Early Intervention Measures as well as Guidelines on CCP recovery plan indicators and scenarios.

ESMA's recommendations support the development of CCP recovery plans that are aimed at safeguarding financial soundness of CCPs without the need for public financial support in crisis situations.

Klaus Löber, Chair of the CCP Supervisory Committee, said:

“The launch of ESMA's public consultations, on the implementation of the CCP recovery mandates, is the first step to ensuring consistency of EU central counterparties recovery regimes at EU level in line with the highest international standards.”

“The proposed Regulatory Technical Standards and Guidelines complement the new EU Regulation on recovery and resolution, and will provide national and EU regulators with the necessary tools to support their supervisory and financial stability objectives while ensuring supervisory convergence across the EU.”

Harmonised CCP recovery measures will also allow central counterparties to continue to provide critical functions in case of a significant deterioration of their financial situation or when there is a risk of breaching their capital and prudential requirements.



The closing date for responses is 20 September 2021. ESMA will organise an open hearing on the consultation papers on the 14 September 2021 (registrations will open in August). ESMA will consider the responses to this consultation with a view to publish the final reports by Q4 2021/Q1 2022.

Notes for editors

1. ESMA70-151-3244 Consultation Paper on Draft RTS on the methodology for calculation and maintenance of the additional amount of pre-funded dedicated own resources (Article 9(15) of CCPRRR);
2. ESMA70-151-3273 Consultation Paper on Draft RTS specifying the conditions for recompense (Article 20(2) of CCPRRR);
3. ESMA91-372-1356 Consultation Paper on Draft RTS further specifying the factors that shall be considered by the competent authority and the supervisory college when assessing the CCP recovery plan (Article 10(12) CCPRRR);
4. ESMA70-151-3404 Consultation Paper on Draft Guidelines on CCP recovery plan scenarios (Article 9(12) CCPRRR);
5. ESMA70-151-3421 Consultation Paper on Draft Guidelines on CCP recovery plan indicators (Article 9(5) CCPRRR);
6. ESMA70-151-3423 Consultation Paper on Draft Guidelines on the consistent application of the triggers for the use of Early Intervention Measures (Article 18(8) CCPRRR); and
7. ESMA91-372-1358 Consultation Paper on Draft Guidelines further specifying the circumstances for temporary restrictions on dividends in the case of a significant non-default event in accordance with Article 45a of EMIR
8. The Commission adopted the regulation on recovery and resolution of central counterparties (CCPRRR) on the 16 December 2020 and it entered into force on 12 February 2021. It includes several mandates to ESMA to provide guidelines and draft regulatory technical standards, some in cooperation with ESRB, ESCB and EBA.
9. ESMA is the European Union's securities markets regulator. Its mission is to enhance investor protection and promote stable and orderly financial markets.

It achieves these objectives through four activities:

- i. assessing risks to investors, markets and financial stability;
 - ii. completing a single rulebook for EU financial markets;
 - iii. promoting supervisory convergence; and
 - iv. directly supervising specific financial entities.
10. ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), the European Systemic Risk Board, and with national authorities with competencies in securities markets (NCAs).



Further information:

Sarah Edwards

Communications Officer

Tel: +33 (0)1 58 36 43 27

Email: press@esma.europa.eu