

**Mr Jonathan Faull
Director General
Internal Market & Services
European Commission
1049 Brussels**

Ref: Clearing Obligation under EMIR

Dear Jonathan,

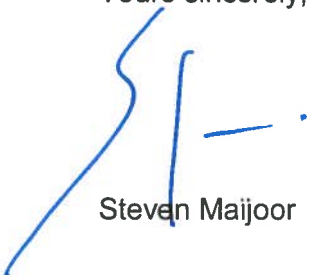
On 1 October 2014 ESMA submitted to the European Commission the first draft Regulatory Technical Standard (RTS) proposing to establish a clearing obligation on several classes of OTC interest rate derivatives¹.

This submission is expected to be the first of a series of draft RTS establishing a clearing obligation for different classes of OTC derivatives: besides interest rate derivatives, ESMA already published two consultation papers on credit derivatives² and non-deliverable forwards³.

The consultation related to the classes of OTC credit derivatives ended on 18 September 2014. After having analysed the responses and discussed the necessary changes, ESMA has finalised the second draft RTS on the clearing obligation to be submitted to the Commission.

Following our recent discussions, we understand that you are assessing certain aspects of the first RTS on OTC interest rate derivatives that could affect similar content of the second subsequent RTS. Therefore, we will hold the delivery of the forthcoming draft RTS on the clearing obligation until you finalise that assessment process. We stand ready to submit the relevant draft RTS at any time.

Yours sincerely,



Steven Maijor

Cc: Roberto Gualtieri, Werner Langen, Uwe Corsepius

¹ 2014-ESMA-1184 Final Report, Clearing Obligation under EMIR no. 1 published on 1 October 2014

² 2014-ESMA-800 Consultation Paper, Clearing Obligation under EMIR no. 2 published on 11 July 2014

³ 2014-ESMA-1185 Consultation Paper, Clearing Obligation under EMIR no. 3 published on 1 October 2014