

PUBLIC STATEMENT

ESMA updates on third-country CCPs' applications for recognition

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, has announced an update on the way forward for third-country CCPs (TC-CCPs) whose applications for recognition, under the European Market Infrastructure Regulation (EMIR), were suspended until 28 June 2022.

Pending Recognition Decisions

As regards TC-CCPs which are established in jurisdictions for which the EC has recently adopted equivalence decisions, i.e. Chile, China, Indonesia, Israel and Malaysia, ESMA has started processing their applications for recognition under Article 25 of EMIR and will adopt decisions granting recognition once the relevant recognition conditions are met.

The recognition procedure in EMIR includes the signing of an MoU with the relevant third-country Competent Authorities and the consultation of the relevant EU National Competent Authorities and EU authorities. ESMA will do its utmost to expedite the process.

Refusal of Recognition

For TC-CCPs which are established in jurisdictions for which the EC did not adopt equivalence decisions by 28 June 2022, i.e. Argentina, Colombia, Russia, Taiwan, Thailand and Turkey, ESMA will start the process for refusing recognition due to the lack of an equivalence decision. However, ESMA is ready to re-assess the applications should there be new developments regarding the relevant equivalence decisions during the processing period. Further, should the EC adopt the relevant equivalence decision in the future, a TC-CCP, whose application was originally refused, can re-apply for recognition to ESMA.

Until ESMA has taken a decision on granting or refusing a recognition under EMIR, a TC-CCP, who had applied under the EMIR transition provisions, and currently provides clearing services in a Member State under national law, may continue to provide clearing services in that Member State.

The detailed list of recognised [TC-CCPs](#) as well as a list of TC-CCPs who have [applied for recognition](#) are published on the ESMA website.

Notes for editors

1. Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, OJ L 201, 27.7.2012, p. 1–59.
2. European Commission Daily News 22/06/2022: “Financial markets: Commission adopts two equivalence decisions for Chinese and Israeli central counterparties” (https://ec.europa.eu/commission/presscorner/detail/en/mex_22_3966).
3. ESMA’s mission is to enhance investor protection and promote stable and orderly financial markets.
4. 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.
5. 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:

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