

TERMS OF REFERENCE

CCP Policy Committee (CCPPC)

1. ESMA achieves its mission to enhance investor protection and promoting stable and orderly financial markets 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) supervising specific financial entities.
2. The ESMA Regulation¹ states that ESMA shall act within the powers conferred by this Regulation and among others within the scope of Regulation (EU) No 648/2012 (EMIR), Directive 2002/47/EC on financial collateral arrangements, Directive 2014/65/EU and Regulation (EU) No 600/2014 (MIFID2 and MIFIR) where related to post-trading and more specifically central counterparties (CCP) aspects, and any further legally binding Union act which confers tasks to ESMA on CCP matters and any other Union act for which ESMA need to be consulted for matters affecting CCPs.
3. In order to fulfil its mission, the Board of Supervisors has established the CCP Policy Committee (CCPPC). The Terms of Reference cover the responsibilities and tasks of this group and the Procedures for ESMA groups (ESMA/2011/BS/236rev3) set out the rules concerning its structure, governance and working methods.
4. In line with the ESMA 2020-200 Strategic Orientation (ESMA22-106-1942), the CCP Policy Committee will consider in all its activities how to (i) contribute to a larger retail investor base to develop the Capital Markets Union, (ii) promote sustainable finance and long-term oriented capital markets, (iii) develop digital finance as an opportunity for market participants and regulators, (i) achieve a proportionate approach.
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1. Responsibilities

6. The CCPPC contributes to ESMA's mission by addressing issues related to:
 - *Assessing the Risks to Investors, Markets and Financial Stability, including:*
 - o Definition of organisational, conduct of business and prudential requirements applicable to CCPs as financial markets infrastructures;

¹ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority) amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC



- *Promoting Supervisory Convergence, including:*
 - o Development of Q&As or opinions related to CCP matters under EMIR or under any other EU legislation;
 - *Completing a Single Rulebook for EU financial markets through the:*
 - o Development of guidelines related to CCP matters under EMIR or under any other EU legislation such as the forthcoming CCP Recovery and Resolution Regulation, until the Resolution Committee is established.
 - o Development of new or where necessary revision of existing technical standards under EMIR related to CCP as well as under the forthcoming CCP Recovery and Resolution Regulation, until the Resolution Committee is established;
 - o Reports assessing the implementation, the revision or potential extensions of EMIR or similar reports related to other EU legislation for matters affecting CCPs, except those to be prepared by the CCPSC in accordance with EMIR;
 - o Development of technical advice related to CCP matters.
7. The CCPPC shall liaise and coordinate with the CCP Supervisory Committee (CCPSC) and any other relevant groups reporting to ESMA Board where its activities relate or are complementary to those of CCPSC and of other groups.

2. Composition Structure and governance

8. The CCPPC shall be composed of:
- (a) The Chair of the CCPPC, who shall be the Chair of the CCPSC appointed in accordance with Article 24a(5) of EMIR;
 - (b) All voting members of ESMA Board of Supervisors, which shall be CCPPC Members;
 - (c) All non-voting members of ESMA Board of Supervisors, which can be CCPPC Observers;
 - (d) All (voting and non-voting) members of the CCPSC which are not members of ESMA Board of Supervisors (namely other competent authorities of Member States with an authorised CCP – where the members state has nominated more than one competent authority, central banks of issues and the two independent members of the CCPSC), which can be CCPPC Observers.
9. Each CCPPC Member and Observer shall appoint one primary representative and one alternate representative. The latter can attend a meeting of the CCPPC only in case the primary representative is prevented from attending that meeting. The CCPPC Observers under section 6(d), i.e. all (voting and non-voting) members of the CCPSC which are not members of ESMA Board of Supervisors, shall be represented in the CCPPC by the same representatives (primary and alternate) as in the CCPSC.



3. Structure and governance

10. The responsibilities of the Chair, rapporteur and members of the CCPPC are as set out in the Procedures for ESMA groups.
11. Permanent or temporary groups reporting to the CCPPC may be set-up when required in line with the Procedures for ESMA groups.
12. In the interest of efficiency, the meetings of the CCPPC shall, as far as possible, be organised back-to-back with the meetings of the CCPSC.
13. The CCPPC will meet on a regular basis as required in order to deliver ESMA's (multi-) annual work programme. Meetings of substructures will be organised as necessary to enable the CCPPC to fulfil its tasks.
14. The CCPPC shall establish a Consultative Working Group. The Standing Committee can – where appropriate – and in liaison with the rapporteur of the relevant Standing Committee consult other Consultative Working Groups.

4. Review

15. The Terms of Reference will be reviewed at least every two years by the Board of Supervisors, following a proposal of the CCPSC.