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| 22 August 2018 |

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| Response form for the Consultation Paper on the Clearing Obligation under EMIR (no. 6)  |
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| Date: 22 August 2018 |

Responding to this paper

ESMA invites responses to the questions set out throughout its Consultation Paper on the regulatory technical standards (RTS) on the clearing obligation that ESMA is drafting under Article 5(2) of the Regulation (EU) No 648/2012 of the European Parliament and Council on OTC derivatives, central counterparties and trade repositories (EMIR).

Responses are most helpful if they:

* respond to the question stated;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all responses received by 30 August 2018.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

* Insert your responses to the questions in the Consultation Paper in the present response form.
* Please do not remove tags of the type <ESMA\_QUESTION\_TIE\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
* If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
* When you have drafted your response, name your response form according to the following convention: ESMA\_TIE\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_TIE\_ABCD\_RESPONSEFORM.
* Upload the form containing your responses, in Word format, to ESMA’s website ([www.esma.europa.eu](http://www.esma.europa.eu) under the heading “Your input – Open consultations” 🡪 “Consultation on Clearing Obligation under EMIR (no. 6)”).

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly indicate by ticking the appropriate checkbox on the website submission page if you do not wish your contribution to be publicly disclosed. A confidential response may be requested from us in accordance with ESMA’s rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA’s Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading “Data protection”.

Who should read the Consultation Paper

All interested stakeholders are invited to respond to this consultation paper. In particular, responses are sought from financial and non-financial counterparties of OTC derivative transactions as well as central counterparties (CCPs) and clearing members.

# General information about respondent

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| Name of the company / organisation | The Investment Association |
| Activity | Investment Services |
| Are you representing an association? |[x]
| Country/Region | UK |

# Introduction

Please make your introductory comments below, if any:

<ESMA\_COMMENT\_TIE\_1>

The Investment Association is the trade body that represents investment managers, whose 220 members collectively manage over GBP6.9 trillion on behalf of clients. Our purpose is to ensure investment managers are in the best possible position to:

• Build people’s resilience to financial adversity

• Help people achieve their financial aspirations

• Enable people to maintain a decent standard of living as they grow older

• Contribute to economic growth through the efficient allocation of capital

The UK is the second largest investment management centre in the world and manages 37% of European assets.

More information can be viewed on our [website](https://www.theinvestmentassociation.org/).

<ESMA\_COMMENT\_TIE\_1>

1. : Do you consider that the proposed extension of the temporary intragroup exemption is justified? Please explain.

<ESMA\_QUESTION\_TIE\_1>

The Investment Association (IA) supports ESMA’s proposal to prolong the date of application by two years of Commission Delegated Regulation (EU) 2015/2205 (interest rate derivative classes denominated in the G4 currencies), i.e. until 21 December 2020.

We also support the alignment of the date for the other two Commission Delegated Regulations (EU) 2016/1178 and (EU) 2016/592 to 21 December 2020.

The IA agrees that the rationale behind the initial deferral remains valid. Therefore the application of the clearing obligation to contracts set out in the Annexes to the regulations and concluded between the counterparties established in a third country and another counterparty established in the Union belonging to the same group which meet the conditions set out in the regulations, should be further deferred for a limited period of time.

The Commission Delegated Regulations should be amended to ensure the appropriate functioning of international derivative markets and to avoid distorting the economic and hedging incentives of market participants in the global market of OTC derivatives.

<ESMA\_QUESTION\_TIE\_1>

1. : Do you identify other benefits and costs not mentioned above associated to the proposed approach? If you advocated for a different approach in the responses to the previous question, how would it impact this section on the impact assessment? Please provide details.

<ESMA\_QUESTION\_TIE\_2>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TIE\_2>