



European Securities and
Markets Authority

Response Form to the Consultation Paper

Draft Guidelines on CCP recovery plan indicators (Article 9(5) CCPRRR)



Responding to this paper

ESMA invites comments on all matters in this consultation paper and in particular on the specific questions summarised in Annex III. Comments are most helpful if they:

- respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **20 September 2021**.

All contributions should be submitted online at www.esma.europa.eu under the heading ‘Your input - Consultations’.

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:

1. Insert your responses to the questions in the Consultation Paper in the present response form.
2. Please do not remove tags of the type <ESMA_QUESTION_INDC_1>. Your response to each question has to be framed by the two tags corresponding to the question.
3. 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.
4. When you have drafted your response, name your response form according to the following convention: ESMA_INDC_nameofrespondent_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA_INDC_ABCD_RESPONSEFORM.
5. Upload the form containing your responses, in Word format, to ESMA’s website (www.esma.europa.eu under the heading “Your input – Open consultations” → “Consultation on CCP recovery plan indicators”).

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. 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 under the heading [Legal Notice](#).

Who should read this paper?

All interested stakeholders are invited to respond to this consultation. In particular, this paper may be specifically of interest for EU central counterparties, clearing members and clients of clearing members.

General information about respondent

Name of the company / organisation	KDPW_CCP SA
Activity	Central Counterparty
Are you representing an association?	<input type="checkbox"/>
Country/Region	Poland

Introduction

Please make your introductory comments below, if any

<ESMA_COMMENT_INDC_00>

We would like to express our general remark to the proposed indicators which we find too prescriptive and complex and thus burdensome for CCPs. The indicators should be a set of suggestions that can be used and chosen from by CCPs depending on their risk profile, specificities and complexity. There should be a balance between clear guidance and the need for flexibility and proportionality.

More specifically, by way of example, some early warning indicators (a) seem to overlap with some indicators signalling the move from BAU risk management to the recovery phase (b). Also, there seems to be no clear mandate for early warning indicators in Level 1 text so they should not be a mandatory part of a CCP's recovery plan but an optional element.

We also find the monitoring by CCPs of proposed types and sources of risk as a BAU kind of activity rather than what should form a part of a recovery plan.

Finally, we would like to emphasise that, as a member of EACH (European Association of Central Counterparty Clearing Houses) we support the remarks provided by the Association to the ESMA CCPRRR Consultation Papers, including those on recovery plan indicators and scenarios.

<ESMA_COMMENT_INDC_00>

Questions

Guideline 1 Question:

Q1 : Do you agree with the overarching principle and objectives of the guidelines for the framework of CCP recovery plan indicators as set out in the proposed Guideline 1?

<ESMA_QUESTION_INDC_01>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_INDC_01>

Guideline 2 Question:

Q2 : Do you agree with the proposed Guideline 2 and the categorisation of CCP recovery plan indicators into the three categories? Would you propose a different categorisation?

<ESMA_QUESTION_INDC_02>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_INDC_02>

Guideline 3 Questions:

Q3 : Do you agree with the proposal to link each recovery plan scenario of a CCP with at least one 'indicator that provides early warning for recovery actions' and one 'indicator that signals the move from Business as Usual risk management to the recovery phase'? Would you propose a higher number of indicators for each scenario?

<ESMA_QUESTION_INDC_03>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_INDC_03>

Q4 : Do you agree with the list of proposed indicators for each scenario as set out in Table 1? Would you add/delete any?

<ESMA_QUESTION_INDC_04>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_INDC_04>

Q5 : Do you agree with the degree of granularity of the proposed indicators (as set out in Table 1) or should these be more prescriptive? Example: to assess the reduced liquidity of a market and the increased likelihood of being unable to reach a balanced book, the indicators could be the withdrawal of one or several market participants, the trading volumes, and the typical transaction costs.

<ESMA_QUESTION_INDC_05>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_INDC_05>

Q6 : Do you agree with the proposed approach for the 'indicators that signal the usage of specific recovery measures'?

<ESMA_QUESTION_INDC_06>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_INDC_06>

Guideline 4 Question:

Q7 : Do you agree with the proposed Guideline 4 on the integration of CCP recovery plan indicators with the CCP's monitoring system, and with the list of risks, entities and issues that should be monitored?

<ESMA_QUESTION_INDC_07>

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<ESMA_QUESTION_INDC_07>

Guideline 5 Question:

Q8 : Do you agree with the proposed Guideline 5?

<ESMA_QUESTION_INDC_08>

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<ESMA_QUESTION_INDC_08>

Cost and Benefit Analysis Questions:

Q9 : Do you agree with the Option 3, if not please explain? Have you identified other benefits and costs not mentioned above associated to the proposed approach (Option 3)?

<ESMA_QUESTION_INDC_09>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_INDC_09>

Q10 : If you advocated for a different approach, how would it impact the cost and benefit assessment? Please provide details.

<ESMA_QUESTION_INDC_10>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_INDC_10>