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European Securities and Markets Authority  
103, rue de Grenelle  
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19 January 2022

**Re: Review of the clearing thresholds under EMIR**

Dear Sir/Madam

The Global Foreign Exchange Division (“GFXD”) of the Global Financial Markets Association (“GFMA”) welcomes the opportunity to provide comments to ESMA on its Discussion Paper on the Review of the clearing thresholds under EMIR, published on 22 November 2021.

The GFXD was formed in co-operation with the Association for Financial Markets in Europe (“AFME”), the Securities Industry and Financial Markets Association (“SIFMA”) and the Asia Securities Industry and Financial Markets Association (“ASIFMA”). Its members comprise 23 global FX market participants,<sup>1</sup> collectively representing the majority of the FX inter-dealer market.<sup>2</sup>

The FX market is the world’s largest financial market. Effective and efficient exchange of currencies underpins the world’s entire financial system. Many of the current legislative and regulatory reforms have had, and will continue to have, a significant impact upon the operation of the global FX market, and the GFXD wishes to emphasise the desire of our members for

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<sup>1</sup> Bank of America, Bank of New York Mellon, Barclays, BNP Paribas, Citi, Credit Agricole, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, JP Morgan, Lloyds, Mizuho, Morgan Stanley, MUFG Bank, NatWest Markets, Nomura, Northern Trust, RBC, Standard Chartered Bank, State Street, UBS and Wells Fargo.

<sup>2</sup> According to Euromoney league tables.

globally co-ordinated regulation which we believe will be of benefit to both regulators and market participants alike.

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**Question 11: Considering the current coverage provided by the clearing thresholds in relation to currency derivatives and the different type of counterparties (FCs and NFCs); is there any aspect or issue you consider ESMA should look into or pay attention to?**

Given the interconnectedness of the clearing thresholds for each of the asset classes in the Discussion Paper and the current calibration for FX, based on the data available, the clearing threshold appears to be appropriate and that there are no issues that should be brought to the attention of ESMA.

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We appreciate you giving us the opportunity to share our views. Please do not hesitate to contact either Andrew Harvey at [aharvey@eu.gfma.org](mailto:aharvey@eu.gfma.org) or John Ball at [jball@ap.gfma.org](mailto:jball@ap.gfma.org) should you wish to discuss the above.

Yours sincerely,

James Kemp  
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