

I am an Austrian citizen and wish to comment on the paper with these following statements:

Q1: We do not support removing the special process. The CCPs are in the best position to identify the parties that fail to deliver securities and/or cash for settlement. With the Unique Transaction Identifier, the CCPs will be in a position to identify the specific market participants who fail settlement.

Q2: We do not support the amendment suggested in Annex IV. Passing information about settlement failures post-netting and after the CCPs have interposed themselves between failing and receiving parties only adds a layer of complication to the calculation. This is not to say we disagree with the CSDs performing the funds movements; only that the calculation for collection must remain with the CCP responsible for novation and netting.

Q3: We do not support the additional six-month delay after publication for application, in the event the amendments are approved. The reporting of settlement fails, and subsequent assessment of fines were delayed multiple times from the 2014 passage of the regulation. There should be no further excuse for delaying implementation that the EC intended to occur more than five or six years ago. Given that the amendment is already available, and that the CCPs and CSDs have already agreed to the processes described in the amendment, we see no need for more than 30-days post-publication for implementation.