



April 7, 2025

Approval procedures – Introductory Note

SIX operates the financial market infrastructure for the Swiss and Spanish financial centers, catering to a broad international client base. SIX encompasses two Central Counterparties (CCPs): SIX x-clear AG in Switzerland and BME Clearing SA in Spain. SIX x-clear is an interoperable CCP clearing cash equity and fixed income across 2 trading venues and 19 markets. In contrast, BME Clearing is diversified in asset classes, clearing cash equity, financial derivatives, fixed income, energy derivatives, within the Spanish value chain.

SIX thanks the European Securities and Markets Authority (ESMA) for the opportunity to provide feedback to the Consultation Papers on the draft RTS on the conditions for extensions of authorization and the list of documents for applications for initial authorizations and extensions of authorization under EMIR (Articles 14(6), 15(3), 17a(5) and 15a(2) , and on the draft RTS on the conditions and the list of documents for an application for validation of changes to models and parameters under Articles 49 and 49a of EMIR.

SIX welcomes the efficiency and competitiveness of streamlining and shortening the supervisory procedures for initial authorization, extension of services and activities authorization, and validation of changes to models and parameters. This increased agility is a crucial factor for European CCPs to provide appealing services, meet market demands, and enhance the overall attractiveness of European financial markets.

While SIX understands and supports the goals set out by the proposed Regulatory Technical Standards (RTS) on approval procedures, we would like to make the following general comments applicable to both the RTS on Extension of Services and Activities and to the RTS on Changes to model and parameters:

- The scope for accelerated procedures includes instances that were previously handled as business as usual and were not subject to any kind of approval processes. Additionally, excessive documentation requirements imposed on the accelerated procedures and exemptions from authorization, will add to the current regulatory burden.
- In particular the governance requirements to support an application should be kept more flexible to account for different CCP set-ups and national legal requirements.



Regarding Draft RTS on Changes to model and parameters, we welcome EMIR and ESMA initiative to make the procedure more agile and clear. However, we believe that the framework could benefit from simplification to continue ensuring a sound risk management along the following lines:

- We propose some amendments as to how the qualification for a significant and non-significant model change is performed. We suggest a linkage of model change type to criteria applicable to a specific model, a revision of look-back period as well as changes in number of observations performed and maximum number of criteria breach to qualify as significant change.
- Further, we propose an alternative approach to the assessment of some of 'structural model changes' – in our opinion standard numerical criteria shall be used, wherever applicable (does not refer to change of model type or APC check).
- It is crucial in our view to ensure that risk mitigating changes to model can follow the emergency procedure as described in EMIR Level 1 Art 49 1g
- Regarding the required documentation, we believe that the set of documents should allow the competent authority to gain a full and in-depth understanding of the proposed model changes but at the same time, remain concise enough to enable the efficient processing of the application. We propose some amendments in this direction
- As concerns testing results, we believe they shall be more aligned with 'significance check' criteria as described in Art. 10.

In addition to our introductory notes above, please find answers to all your questions in SIX' online submission. Complementing our answers, SIX fully supports the responses provided by the European Association of CCP Clearinghouses, EACH.

As an active participant in the EU financial market, SIX has a sincere interest in a robust and competitive clearing framework within the EU. We would therefore like to express our appreciation for the work ESMA has dedicated to create more efficient and rapid approval processes for CCPs and their Members. We thank you for the opportunity to contribute to this by offering our views on how these measures can be further strengthened and remain open to engage with you on any of these topics.