



Brussels, 19 May 2022
(OR. en)

9308/22

EF 144
ECOFIN 454

COVER NOTE

From:	Ms Verena ROSS, The Chair, European Securities and Markets Authority (ESMA)
date of receipt:	16 May 2022
To:	Ms Mairead McGuinness, Commissioner for Financial Stability, Financial Services and the Capital Markets Union, European Commission
Subject:	ESMA's Final Reports on the resolution mandates under the CCP Recovery and Resolution Regulation (Regulation (EU) 2021/23)

Delegations will find attached a letter regarding ESMA's reports on the item in subject.

The full reports can be viewed and downloaded from the links hereunder and/or from the ESMA's website: [ESMA publishes Final Reports on CCP resolution regime \(europa.eu\)](https://www.esma.europa.eu/press/news/124224)

- Draft RTS on safeguards clients and indirect clients (Article 63(2) of CCPRRR)

<https://www.esma.europa.eu/file/124224/download?token=uh1b0wwx>

- Draft RTS specifying the requirements for independent valuers, the methodology for assessing the value of the assets and liabilities of a CCP, the separation of the valuations, the buffer for additional losses to be included in provisional valuations and the methodology for carrying out the valuation for the purpose of the 'no creditor worse off' principle (Articles 25(6), 26(4) and 61(5) of CCPRRR)

<https://www.esma.europa.eu/file/124225/download?token=9xqmtxgp>

- Guidelines for the methodology to value each contract prior to termination (Article 29(7) of the CCPRRR)

<https://www.esma.europa.eu/file/124226/download?token=lyxt1wi5>

- RTS on the content of CCP resolution plans (Article 12(9) of CCPRRR)

<https://www.esma.europa.eu/file/124227/download?token=lajxnxp6>

- Draft RTS on resolution colleges (Article 4(7) of the CCPRRR)

<https://www.esma.europa.eu/file/124228/download?token=g4hg-8qk>

- Guidelines on the application of the circumstances under which a CCP is deemed to be failing or likely to fail (Article 22(6) of CCPRRR)

<https://www.esma.europa.eu/file/124229/download?token=-ezlqbj>

Encl.

E-MAIL

IM 004938 2022
16.05.2022



ESMA REGULAR USE

The Chair
16 May 2022
ESMA91-372-2203

**Ms Mairead McGuinness
Commissioner for Financial Stability,
Financial Services and
the Capital Markets Union
European Commission
1049 Brussels
Belgium**

Ref: ESMA's Final Reports on the resolution mandates under the CCP Recovery and Resolution Regulation (Regulation (EU) 2021/23)

Dear Commissioner McGuinness, *dear Mairead*,

I am writing to you to submit ESMA's Final Reports on the Regulatory Technical Standards (RTS) referred to in the mandates in Articles 4(7), 12(9), 25(6), 26(4), 61(5) and 63(2) of the CCP Recovery and Resolution Regulation ((EU) 2021/23 of the European Parliament and of the Council ('CCPRRR')) to the Commission for adoption.

The Final Reports have been approved by the Board of Supervisors on 12 May 2022, i.e. with a slight delay of 3 months compared to the deadlines established by the following mandates under CCPRRR.

Article 4(7) of CCPRRR mandates ESMA to develop draft RTS in order to specify the content of the written arrangements and procedures for the functioning of the resolution colleges.

Article 12(9) of CCPRRR mandates ESMA to develop draft RTS further specifying the contents of the resolution plan.

Article 25(6) of CCPRRR mandates ESMA to develop draft RTS to specify; (a) the circumstances in which a person is deemed to be independent from both the resolution authority and from the CCP; (b) the methodology for assessing the value of the assets and

¹ Regulation (EU) No 2021/23 of the European Parliament and of the Council of 16 December 2020 on a framework for the recovery and resolution of central counterparties and amending Regulations (EU) No 1095/2010, (EU) No 648/2012, (EU) No 600/2014, (EU) No 806/2014 and (EU) 2015/2365 and Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132 (Text with EEA relevance) (OJ L 22, 22.1.2021, p. 1).

liabilities of the CCP; and (c) the separation of the valuations under Articles 24 and 61 of CCPRRR.

Article 26(4) of CCPRRR mandates ESMA to develop draft RTS to specify the methodology for calculating the buffer for additional losses to be included in provisional valuations.

Article 61(5) of CCPRRR mandates ESMA to develop draft RTS specifying the methodology for carrying out the valuation referred to in Article 61(1) of CCPRRR.

Article 63(2) of CCPRRR mandates ESMA to specify, in a transparent manner, to the extent allowed by confidentiality of contractual arrangements, the conditions under which the passing on of compensation, cash equivalent of such compensation or any proceeds referred to in Article 63(1) of CCPRRR is required, and the conditions under which it is to be considered proportionate.

The mandates set out in Articles 25(6), 26(4) and 61(5) of CCPRRR are jointly presented under the draft RTS on valuations.

To perform the corresponding work, ESMA has taken into account the feedback received during the public consultations, held in accordance with Article 10(1) of ESMA Regulation. ESMA also sought advice from the Securities and Markets Stakeholder Group and a cost and benefit analysis has been provided for every RTS.

Furthermore, in accordance with Article 12(9) of CCPRRR, in relation to the RTS specifying the contents of the resolution plan ESMA has consulted the European Systemic Risk Board.

Should you or your staff want to discuss further the subject matter of the Final Reports or require any further information, please do not hesitate to contact either me, or Mr. Klaus Löber, Chair of the CCP Supervisory Committee (klaus.loeber@esma.europa.eu) and Ms Nicoletta Giusto, Independent Member of the CCP Supervisory Committee (nicoletta.giusto@esma.europa.eu).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Verena Ross'.

Verena Ross