

MEMO# 29155

July 9, 2015

ICI Global Comment Letter to European Authorities on Margin for Uncleared Derivatives

[29155]

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TO: DERIVATIVES MARKETS ADVISORY COMMITTEE No. 52-15
INTERNATIONAL MEMBERS No. 25-15
ICI GLOBAL TRADING & MARKETS COMMITTEE No. 33-15
ICI GLOBAL REGULATED FUNDS COMMITTEE No. 38-15
SECURITIES OPERATIONS ADVISORY COMMITTEE RE: ICI GLOBAL COMMENT LETTER TO EUROPEAN AUTHORITIES ON MARGIN FOR UNCLEARED DERIVATIVES

ICI Global submitted a comment letter in response to the second consultation paper issued by the European Securities and Markets Authority (“ESMA”), the European Banking Authority, and the European Insurance and Occupational Pensions Authority (collectively “European Supervisory Authorities” or “ESAs”) on draft regulatory technical standards (“RTS”) for margin requirements for non-centrally cleared OTC derivatives. [\[1\]](#) A copy of the comment letter is attached.

In the letter, ICI Global generally supports the modifications proposed by the ESAs in the Consultation Paper to more closely align the draft RTS with the final margin policy framework for non-centrally cleared derivatives developed by the Basel Committee on Banking Supervision and the International Organization of Securities Commissions. [\[2\]](#) The letter seeks, however, clarification on a number of issues.

Jennifer S. Choi
Associate General Counsel

[Attachment](#)

endnotes

[\[1\]](#) Second Consultation Paper on Draft Regulatory Technical Standards on Risk-Mitigation Techniques for OTC-Derivative Contracts Not Cleared by a CCP under Article 11(15) of

Regulation (EU) No. 648/2012, June 10, 2015, available at <https://www.eba.europa.eu/documents/10180/1106136/JC-CP-2015-002+JC+CP+on+Risk+Management+Techniques+for+OTC+derivatives+.pdf> ("Consultation Paper"). For a summary of the Consultation Paper, see ICI Memorandum No. 29091, June 16, 2015, available at <https://www.iciglobal.org/iciglobal/pubs/memos/memo29091>.

[2] Margin Requirements for Non-Centrally-Cleared Derivatives, Basel Committee on Banking Supervision and Board of the International Organization of Securities Commissions, September 2013, available at <http://www.iosco.org/library/pubdocs/pdf/IOSCOPD423.pdf>.

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