

MEMO# 30563

February 3, 2017

Summary of ICI Global Position on European Commission's Proposed Regulation on Clearinghouse Recovery and Resolution; Feedback Requested by Friday, February 10

[30563] February 3, 2017 TO: Derivatives Markets Advisory Committee

ICI Global Trading & Markets Committee

International Committee

Securities Operations Advisory Committee RE: Summary of ICI Global Position on European Commission's Proposed Regulation on Clearinghouse Recovery and Resolution; Feedback Requested by Friday, February 10

As previously reported, the European Commission has proposed a regulation that would govern the recovery and resolution of central counterparties ("CCPs") in the European Union.^[1] The proposal would provide a European Union-level framework for the recovery and resolution of CCPs to ensure that CCPs are subject to similar tools and procedures to address their possible distress or failure.

We held a member call on January 11, 2017, to hear your views about the proposal. We have drafted the attached summary of ICI Global's position on the proposed regulation based on the feedback you provided during that call. The summary reflects your suggestion that the proposal should be modified to correct an imbalance between two competing policy objectives: regulatory flexibility and the market's need for certainty. The proposed regulation tilts too far toward regulatory flexibility. The summary suggests various measures that would improve certainty about the tools available to CCPs and resolution authorities, and enhance transparency into the recovery and resolution process. We intend to use this summary to prepare materials for our advocacy efforts with the European Parliament and Council.

If you have comments on the summary, please send them to George Gilbert at george.gilbert@ici.org by **Friday, February 10**.

Separately, we have heard that key members of the European Parliament are considering holding a hearing on the proposed regulation in the near future. If you would be interested in appearing at this hearing, please let George Gilbert know by **Friday, February 10**.

Jennifer S. Choi
Associate General Counsel

George M. Gilbert
Counsel

[Attachment](#)

endnotes

[1] For a summary of the proposal, see ICI Memorandum No. 30498 (January 4, 2017), available at <https://www.iciglobal.org/iciglobal/pubs/memos/memo30498>.

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