

MEMO# 29136

July 1, 2015

Draft ICI Global Comment Letter to European Authorities on Margin for Uncleared Derivatives; Member Feedback Requested by July 3.

[29136]

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TO: SECURITIES OPERATIONS ADVISORY COMMITTEE RE: DRAFT ICI GLOBAL COMMENT LETTER TO EUROPEAN AUTHORITIES ON MARGIN FOR UNCLEARED DERIVATIVES; MEMBER FEEDBACK REQUESTED BY JULY 3.

Recently, 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”) issued a second consultation paper on draft regulatory technical standards (“RTS”) for margin requirements for non-centrally cleared OTC derivatives. [1] ICI Global has drafted a comment letter, a copy of which is attached for your review. If you have any comments on the draft letter, please send them to Jennifer Choi at jennifer.choi@ici.org by Friday, July 3.

In the draft 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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