# EU CCP Recovery and Resolution Regulation – Industry standard disclosures under Articles 9(23) and 87(7)

**Proposed pricing model for FIA members and non-members**

February 2023

# Background

- To address the challenges posed by the growing importance of CCPs, and the potential risks for financial stability if a CCP were to fail, a new piece of regulation was adopted in the European Union (EU) - [CCP Recovery and Resolution Regulation](#) ('**EU CCPRRR**').

- Most of the provisions in EU CCPRRR came into effect on **12 August 2022**.

- EU CCPRRR introduces two new disclosure requirements for clearing members of EU CCPs ('**CCPRRR disclosures**'). They are set out in EU CCPRRR **Articles 9(23) and 87(7)**, which amends EMIR Article 38 – new Article 38(8).

- Article 9(23) requires clearing members to communicate to clients how measures in a CCP's recovery plan may affect them.

- New EMIR Article 38(8) requires clearing members to inform clients of the potential losses or other costs that they may bear as a result of the application of the default management procedures and loss and position allocation arrangements under the CCP's operating rules.

FIA

# FIA's approach to creating the CCPRRR disclosures

- FIA has worked with clearing members and external counsel to produce a single disclosure letter that covers both EU CCPRRR clearing member disclosure requirements referred to in this deck. [*It is currently still in draft form.*]

- The document is split into two main parts, namely the front-end disclosure template, which is CCP-agnostic, and CCP-specific appendices, which explain which recovery measures, as well as loss allocation and reduction tools the EU CCPs covered in the appendices have in their rulebooks, and whether/how they differ from the generic description of these tools in the front-end of the disclosure.

- The final CCPRRR disclosures will be available online to members and non-members upon subscription (*see next slide for pricing details*). An annual maintenance fee will be confirmed after a decision has been made as to whether and how often these disclosures will be reviewed and updated.

- In case of any questions, please reach out to Mitja Siraj (msiraj@fia.org).

# Proposed pricing of CCPRRR disclosures

| Group | CCP Name | Jurisdiction | CCP RR Coverage | CCPRR Subscriber Price | FIA Member Price | Non-Member Price |
|---|---|---|---|---|---|---|
| 1 | Eurex Clearing AG | Germany | Yes | £ 500 | £ 1,500 | £ 3,000 |
| 1 | Cassa di Compensazione e Garanzia S.p.A. (CCG) | Italy | Yes | £ 500 | £ 1,500 | £ 3,000 |
| 1 | LCH SA | France | Yes | £ 500 | £ 1,500 | £ 3,000 |
| 1 | BME Clearing | Spain | Yes | £ 500 | £ 1,500 | £ 3,000 |
| 1 | Nasdaq OMX Clearing AB | Sweden | Yes | £ 500 | £ 1,500 | £ 3,000 |
| 1 | European Commodity Clearing | Germany | No | | £ 3,000 | £ 6,000 |
| 2 | KDPW_CCP | Poland | No | | £ 3,000 | £ 6,000 |
| 2 | European Central Counterparty N.V. | The Netherlands | No | | £ 3,000 | £ 6,000 |
| 2 | ICE Clear Netherlands B.V. | The Netherlands | No | | £ 3,000 | £ 6,000 |

## Pricing Model Principles:

**Group** is anticipated order of CCPRRR disclosures to be created. This means that Group 1 CCPs will be completed before we start Group 2.

Proposed pricing for CCPs that are not covered by CCP RR only applies if at least 7 (seven) firms confirm interest. If there are fewer firms interested in specific CCP, we shall discuss pricing with the interested firms separately.

Currently, ECC, KDPW_CCP, ECC N.V. and ICE Clear Netherlands do not meet the threshold of 7 subscribing members, however this may change in the future.

**CCP RR** is FIA''s CCP Risk Review Programme.

**CCPRR Subscriber Price** is the price to any FIA Member that currently subscribes to CCP Risk Review Programme. Subscriber does not need to subscribe directly to the CCP listed.

**FIA Member Price** is the price to any FIA member firm.

**Non-Member Price** is for all other entities.