

ESMA PUBLISHES ANNUAL PEER REVIEW OF EU CCP SUPERVISION

Overall, the review found that NCAs' supervisory activities on CCPs' liquidity stress testing are satisfactory. However, the peer review showed that the assessment of some areas of liquidity stress testing was not always performed or being evidenced sufficiently. In particular, NCAs should make sure that the settlement of obligations of defaulting clearing members are reflected in full in the liquidity stress testing framework.

The report also identifies several best practices and considerations to further enhance supervisory convergence with respect to CCPs' liquidity stress testing.

On the functioning of CCP colleges, the review of colleges' activities during the reporting period remains overall positive.

Next steps

ESMA will follow up on the report's findings to identify, where relevant, the most appropriate tools to further enhance supervisory convergence.

Background

The peer reviews under EMIR assess the overall functioning of CCP colleges and provide an in-depth analysis of supervisory activities by NCAs on CCPs in relation to EMIR's requirements. The reviews also assess if NCAs are following the relevant guidelines and opinions agreed by ESMA and identifies best practices.

The CCP Supervisory Committee is mandated to conduct, at least annually, a peer review analysis of the supervisory activities of all NCAs in relation to the authorisation and the supervision of CCPs in accordance with Article 30 of Regulation (EU) No 1095/2010 (ESMA Regulation).