



THE CNMV IMPLEMENTS SIX ESMA GUIDELINES THAT DEVELOP THE REGULATION ON THE RECOVERY AND RESOLUTION OF CENTRAL COUNTERPARTIES (CCPRRR)

10 July 2023

The Spanish National Securities Market Commission (CNMV) has notified the European Securities and Markets Authority (ESMA) its compliance with the six Guidelines for the recovery and resolution of CCPs developing Regulation (EU) 2021/23 of the European Parliament and of the Council of 16 December of 2020 regarding the framework for the recovery and resolution of central counterparties (CCP recovery and resolution).

The guidelines are as follows:

A) In relation to recovery:

1. [Guidelines on recovery plan scenarios for CCPs \(Art.9 CCPRRR\).](#)
2. [Guidelines on recovery plan indicators for CCPs \(Art.9 CCPRRR\).](#)
3. [Guidelines on early intervention measures \(Art.18 CCPRRR\).](#)
4. [Guidelines specifying in detail the circumstances for time restrictions in the case of a relevant event in non-compliance \(Art.87 CCPRRR\).](#)

B) In relation to resolution:

5. [Guidelines on the methodology to be applied by the resolution authorities to determine valuation of contracts prior to termination \(Art.29.1 CCPRRR\).](#)
6. [Guidelines on the application of circumstances under which a central counterparty is deemed to be failing or likely to fail \(Art. 22\(6\) CCPRRR\).](#)

Recovery stage

The first four ESMA guidelines develop on various aspects of the recovery stage of CCPs. The main requirements incorporated are:

Guidelines on the Recovery Plan scenarios: The main objective is to establish the appropriate number of scenarios to be included in CCP recovery plans, the types and sources of risk to be considered and the information to be included in the description of such scenarios. Additionally, the principles to determine the scope of scenarios and the criteria for their review are defined.

Guidelines on the Recovery Plan indicators: These guidelines develop the different categories of indicators to be included in the recovery plan. It also details the aspects to be taken into account when creating indicators and the criteria for their review.

Guidelines on early intervention measures: These guidelines establish the procedure to be carried out by the competent authority in the case that any of the general indicators mentioned in Article 18 of the CCPRRR on early intervention measures are activated.

Guidelines specifying the circumstances of temporary restrictions in case of a relevant event of non-compliance in line with Article 45 bis of EMIR that allows competent authorities to request a CCP to limit or restrict the payment of dividends, share buybacks and the payment of bonuses to senior management.

Resolution stage

The two following guidelines develop on various aspects of the resolution stage of CCPs. The main requirements incorporated are:

Guidelines on the methodology to determine the valuation of contracts prior to termination: The main goal is to establish the valuation method for each contract cleared by the CCP pending execution, prior to its termination. The resolution authority shall determine a standard price for the termination of each contract.

Guidelines on the application of circumstances under which a central counterparty is deemed to be failing or likely to fail: The aim is to promote the alignment of supervisory activities and resolution on how and when resolution is to be activated in relation to circumstances where a CCP is deemed to be failing or likely to fail.

The Guidelines were issued under Article 16 of Regulation 1095/2010 of the European Parliament and of the Council of 24 November 2010 regulation the creation of ESMA, which states that competent authorities and financial market participants shall strive to comply with such guidelines. Accordingly, the CNMV's Executive Committee has agreed to implement the guidelines and to notify ESMA of its compliance.