

**Policy Working Committee**  
**Meeting Minutes**  
**13 June 2017**

**Attendees:**

- Jesy Beeson
- Tom Li
- Shengxi Li
- Colm Grace
- Elaine Tang
- Christer Rydberg
- Karolina Ziolkowska
- Tesuo Otashiro
- Gen Nakajima
- Sophia Hsu
- Younghwan Ahn
- Seungjae Kwak
- Flavia Kobashi
- Naasson Ferreira
- Tim Hulse
- Lin Jiaqi

Admin:  
Nora Pelamo, CCP12

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<b>Acceptance of TOR</b>	Presenter
NP reminded that as the 'Terms of Reference of PWC' were distributed in advance as ground rules for the Committee and are approved by our Chairmen, thus it was questioned if anyone opposed. No Objection were heard so TOR will now apply.	NP

<b>Election of Chair Persons</b>	Presenter
NP informed that during the nominations process couple of volunteers offered to chair the Committee. The volunteers were Jesy Beeson, CME and Ryan Ingram, HKEx. Therefore, it was questioned whether anyone objects or wishes to nominate themselves during the call. No one objected nor were new nominations heard. Furthermore, the PWC then proceeded naming Jesy Beeson and Ryan Ingram as Co-Chairs of the Committee.	NP

<b>Update on CPMI-IOSCO PFMI Guidance</b>	Presenter
JB explained that we are looking to hear on further guidance in July on Governance: stress testing: margins. We are not expecting any big surprises. We might be facing them to announce that CCP's might be expected to step into this new guidance by the end of 2017. Especially because that was the way CPMI was pointing towards in round table last fall 2016. We shall have an update by early July.	JB

<b>Recovery and Resolution</b>	Presenter
JB informed that we are expecting updates by July 7 <sup>th</sup> (FSB and CPMI-IOSCO) due to the Hamburg G20 meeting this year. So we are following up. Also CCP12 admitted comments and participated for EP workshop last May, however no further feedback from EP has been promised. We shall follow up.	JB

<b>Stress Testing</b>	Presenter
JB informed that in last February CPMI-IOSCO held a round table in NY. Potential supervisory stress testing of CCP's and aiming to design a frame work on a global level. We might be joining to the conversation with CPMI. We also expect to hear more by July.	JB, NP

Quantitative Disclosure Working Group	Presenter
<p>JB shared that the CCP12 volunteered to develop the template for back when CPMI published framework for QD in 2015. They have been in use now for almost two years. The ESRB on the other hand does not have regulatory power but have been granted some authority by the ECB to investigate. The ESRB have been progressing and has developed at least 10 risk metrics based on CCP's quantitative disclosure and will likely be publishing publicly. The ESRB has run into some issues with the process, so they have approached EACH and CCP12 to help set the metrics straight.</p> <p>These metrics are focused on European CCP's for now, but we are hoping to avoid a situation where the ESRB seeks changes to the report that leads to fragmentation of jurisdictions. The ESRB is hosting a workshop in July to discuss the reports and metrics, in which CCP12 will participate.</p> <p>Also the QDWG is still an active part of CCP12 so do let NP or JB know if you wish to join.</p>	All

AOB	Presenter
<ul style="list-style-type: none"> <li>• <b>Response to HKMA on leverage ratio consultation:</b> HKMA paper to be discussed in detail in the next meeting with Ryan.</li> </ul>	JB
<ul style="list-style-type: none"> <li>• <b>Suggestion from the NCC Moscow for PWC Agenda:</b> NCC from Moscow had send an email which Nora from CCP12 introduced on their behalf as they were not present. The email wanted to introduce a possible theme to discuss in PWC on the upcoming year. Their concern and suggestion via email about "fair play" in the CCP industry wishes to see an effort in non-discriminatory treatment of third country CCP's in national jurisdictions and abandoning a quasi-extraterritorial approach applied by authorities. They also pointed out that third country CCPS's are forced to queue in some cases for years to get the recognition while suffering commercial losses. Moreover, they also mentioned that it would good to discuss with international and national regulators about ways to establish the predominance of international standards over national regulation to avoid discrimination, double standard approach and create, better and fair environment. Thus, their complete email was passed on for the chairs and EXCO to evaluate accordingly.</li> <li>• JB suggested that this was a real concern and should be taken to the EXCO.</li> </ul>	NP