

January 17, 2023

VIA ELECTRONIC SUBMISSION ([info@dmist-standards.org](mailto:info@dmist-standards.org))  
DMIST – Derivatives Market Institute for Standards  
2001 K Street, NW  
Suite 725, North Tower  
Washington, DC 20006  
United States of America

**Re: CCP12 response to DMIST’s Consultation Paper: Standard Regarding Timeliness of Trade Give-Up and Allocation**

The Global Association of Central Counterparties (“CCP12”) appreciates the opportunity to comment on the Derivatives Market Institute for Standards’ (“DMIST”) Consultation Paper: Standard Regarding Timeliness of Trade Give-Up and Allocation (“Consultation Paper”).<sup>1</sup>

CCP12 is the international association for central counterparties (“CCPs”), representing 40 members who operate over 60 CCPs across the Americas, EMEA, and the Asia-Pacific region.

CCP12 recognizes the importance to improve and strengthen the post-trade processes across all participants for exchange traded derivatives. We therefore appreciate DMIST’s initiative on this important topic and support the proposed 30/30/30 standard. We furthermore concur that the standard is both ambitious and achievable.

We are encouraged to see that the majority of participants in the DMIST initial survey (71%) agreed that 30 minutes was the appropriate time period for the initial phase of standardization, but further analysis, as suggested by the Consultation Paper, may be required. We would be interested in hearing additional feedback from the 29% that did not agree that 30 minutes is the correct time period for the initial phase of standardization. We believe we should be mindful of stakeholder’s ability to implement the suggested standard, as there might be legal, technical, and/or operational related considerations. CCP12 and its members are committed to supporting both DMIST and market participants to determine what, if any, obstacles might stand in the way of the proposed standard.

CCP12 understands that additional analysis may be required to achieve the standard for certain challenging situations including, but are not limited to end-of-day transactions, transactions with those parties not wanting to implement the standard, reversal of transactions or governance of allocation instructions (for several working orders providing a single instruction rather than providing them as and when an order is filled), contracts on Last Trading Date (especially on physical delivery) or transactions with clear date+1 (i.e., matched trades that are cleared on the next clearing date).

For roll periods, CCP12 believes that the post-trade infrastructure / systems are robust and adequate to handle such an increase in give-up activities. The onus will be on a number of stakeholders, including clients, executing brokers, and clearing brokers, to complete the allocation exercise and we suggest, that

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<sup>1</sup> DMIST, Consultation Paper, Standard Regarding Timeliness of Trade Give-Up and Allocation (Nov. 2022), available at [Link](#)

further discussions ensure that the mentioned stakeholders align on how to manage if there is high volume on give up on a particular roll period to meet the 30/30/30 standard.

Lastly, we think it is critical that a broader buy-side perspective is taken into consideration for finalizing the recommendations on timing. It is important for all stakeholders that the recommended timing takes into consideration all operational challenges historically encountered by all involved parties. CCP12 therefore strongly encourages that proposals move forward along with appropriate engagement across market participants, particularly clients.

Going forward, CCP12 suggests that the following questions and open points are considered within the next steps of DMIST Standard Process:

- Will there be incentives to promote this standard and if yes, what will they be?
- What would be the optimum way to measure and track adherence to the standard? Would DMIST and the broader constituent group consider that CCPs have a role in this?
- Is this a global standard or (for the beginning) only related to the US-markets?

## About CCP12

The Global Association of Central Counterparties (“CCP12”) is the international association for central counterparties (“CCPs”), representing 40 members who operate over 60 CCPs across the Americas, EMEA, and the Asia-Pacific region.

CCP12 promotes effective, practical, and appropriate risk management and operational standards for CCPs to ensure the safety and efficiency of the financial markets it represents. CCP12 leads and assesses global regulatory and industry initiatives that concern CCPs to form consensus views, while also actively engaging with regulatory agencies and industry constituents through consultation responses, forum discussions and position papers.

For more information, please contact the office by e-mail at [office@ccp12.org](mailto:office@ccp12.org) or through our website by visiting [www.ccp12.org](http://www.ccp12.org).

## CCP12 Members

