



ASSOGESTIONI

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ESMA
European Securities and
Market Authority
103 Rue de Grenelle
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Assogestioni's Reply to ESMA's Consultation Paper on Draft Technical Standards for the Regulation on OTC Derivatives, CCPs and Trade Repositories (EMIR).

Assogestioni, the Italian Association of asset managers, would like to thank ESMA for the opportunity to contribute to the debate promoted by the discussion paper on the proposed Technical Standards for the Regulation on OTC Derivatives, CCPs and Trade Repositories (EMIR).

Assogestioni is a member of EFAMA, the association representative for the European Investment management industry and shares EFAMA's views expressed on the current Discussion paper. In particular Assogestioni's shares Efama concerns on the lack of attention devoted to the specific aspects related to the role of agents/fund managers and other intermediaries acting on behalf of clients.

Assogestioni welcomes the initiative aiming at enhancing safety and transparency in the over-the-counter derivatives market and agrees with the overall approach of the proposal. With regards to replies to the specific issues raised in the questionnaire we refer to EFAMA's reply but we would like however to comment on some issues that we regard as most relevant.

With reference to the general provisions of the standards, we would like to point out that not only the necessities of CCPs in the transition to the new regime should be accounted for but also the time and effort it will take counterparties to move to clearing via CCPs. Due regard should be given to the provision of an adequate transition period to adapt to the new regime from the operational point of view as well as the legal and risk management point of view.

Concerning the definition of what the categories of contracts eligible for clearing are, we appreciate ESMA intention of adopting a bottom up approach starting from the reality of the markets however we feel that a lack of detailed description and definition of the relevant class of OTC could create confusion in the market. Not only ESMA should obtain and publish from the CCPs accepting a class for clearing all



relevant information but should also publish a register detailing which CCPs are available for clearing which categories of contracts.

With regards to the request of collateral to be posted, due consideration should be given to the different type of end client the CCP will deal with. In particular, when the end client is a UCITS, a request of high cash margin would pose undue stress onto funds which by mandate usually hold a very low share of their assets in cash. Similarly, not considering the typical long position of UCITS in the calculations of collateral could lead to unduly high - and costly - margin request.

As for reporting, it should be clearly defined who the reporting entity is. We believe that when dealing with an investment fund, the reporting duty should be fulfilled by the investment bank; we therefore recommend to clearly state that when a transaction is executed between a fund and an investment bank, the latter, or the broker making the market, should be responsible for reporting. This would clarify responsibilities and avoid double entry. In addition, we strongly support the objective of avoiding duplication of reporting duties required under Mifid.

We look forward to contributing to further discussion on the technical standards and we are available for any clarification.

General Director