**ESMA**

**CS 60747**

**103 rue de Grenelle**

**75345 Paris Cedex 07**

**FRANCE**

Ljubljana, 22.5.2014

**Subject**: **Response to ESMA Discussion Paper on CSDR Technical Standards**

Dear Sir/Madam,

Hereby we wish to endorse the common ECSDA response to ESMA Discussion Paper on CSDR Technical Standards in its entirety. The common ECSDA response was prepared on behalf of member CSDs.

In particular, with regard to Article 48 (QQ41-42 of the Part 1 of consultation), we would like to stress the inappropriateness of fixed detailed definitions of legal standards (such as »highly liquid«, »prompt access«, »concentration limits«). Definitions should be sufficiently open as to enable their adequate appliance in many instances of very diverse circumstances. Liquidity and access should be in any case assessed in relation with actual capital and liquidity needs of each particular CSD. Where capital and liquidity requirements of particular CSD are lower, »high liquidity« and »prompt access« standards should not have the same span as in case of a CSD with higher capital and liquidity requirements.

Therefore, we disagree with the approach that tries to exhaustively enumerate highly liquid and promptly accessible financial instruments without the observance of capital and liquidity requirements of particular CSD and without the observance of particular market's conditions.

We believe the clause should at least be inserted that allows for investments in »other similar financial instruments that are generally considered highly liquid/promptly accessible by the participants of the relevant market«.

Yours faithfully,

Boris Tomaž Šnuderl

President & CEO