

Jonathan Faull
Director General,
Internal Market and
Services
European Commission
Rue de Spa 2
B-1049 Brussels
Belgium

Ref: Technical advice on third country regulatory equivalence under EMIR

Dear Mr. Faull,

DEAR JONATHAN,

On 11th October 2012, you sent a formal request for technical advice on the equivalence between certain third country legal and supervisory frameworks and the requirements in EMIR. This request was subsequently amended to revise the list of countries to be considered, to change the scope of ESMA's advice in respect of some countries and to extend the deadlines for ESMA to deliver its technical advice.

ESMA's advice to the European Commission in respect of the equivalence between the Japanese regulatory regime for CCPs and the EU regulatory regime for CCPs under EMIR was included in the Final report annexed to my letter of 2 September 2013 (ESMA/2013/1158).

Subsequent to ESMA providing this advice to the European Commission, and although ESMA had consulted with the relevant authorities in Japan (JFSA and the Bank of Japan), ESMA has become aware that there is a separate regulatory regime in Japan for CCPs which clear commodities transactions. This regulatory regime is separate to that which was assessed by ESMA as part of its advice to the European Commission in September 2012.

In its September 2012 advice, ESMA advised only in respect of the regulatory regime in Japan for CCPs which clear transactions relating to securities, currencies, interest rates, credit, weather, GDP and other indices. This supplement to the September 2012 Final report sets out ESMA's advice in respect of the equivalence between the Japanese regulatory regime for Commodities CCPs and the EU regulatory regime for CCPs under EMIR.

I am therefore pleased to enclose herewith the supplement to the final report on ESMA's technical advice under EMIR on Japan regarding Central Counterparties.

As for our previous technical advice, ESMA recommends the European Commission to use conditional equivalence in respect of the Japanese regulatory regime for Commodities CCPs.



We remain at your disposal should you need any additional information while preparing the corresponding European Commission decisions. Please contact Rodrigo Buenaventura, Head of the Markets Division, in case you need any further information on this matter.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'S. Maijoor', written over a light blue horizontal line.

Steven Maijoor
Chair ESMA

Cc: S. Bowles, W. Langen, K. Swinburne, L. Domenici, S. Giegold, Council Secretariat, N. Calvino, P. Pearson