
**EACH Response - CPMI-IOSCO consultation
on updated guidance and public
disclosures to implement initial margin
proposals**

June 2026

Introduction

The European Association of CCP Clearing Houses (EACH) represents the interests of Central Counterparties (CCPs) in Europe since 1992. CCPs are financial market infrastructures that significantly contribute to safer, more efficient and transparent global financial markets. EACH currently has 19 members from 14 different European countries. EACH is registered in the European Union Transparency Register with number 36897011311-96.

EACH appreciates the opportunity to respond to the CPMI-IOSCO [consultation](#) on updated guidance and public disclosures to implement initial margin proposals. Overall, EACH believes that the implementing text accurately reflects the BCBS/CPMI-IOSCO recommendations and believe that this provides an appropriate global standard. In this regard we emphasise the importance of also implementing recommendations 9 and 10 of the 2025 final report¹, as these will provide the additional required clarity on the roles and responsibilities of both CCPs and clearing members (CMs) within the margin transparency framework.

We also note that in the European Union (EU) the final margin transparency technical legislation proposed by ESMA significantly diverges from the final guidance by CPMI-IOSCO, even though both the global and EU workstreams were conducted in parallel.² For instance, the international guidance recommends the inclusion of key historical stress events in the margin simulators, while the ESMA RTS emphasises hypothetical scenarios. Agreeing with the international guidance, EACH considers historical scenarios to be more useful, as they are based on clearly identifiable events that market participants understand in a consistent way, whereas hypothetical scenarios inherently rely on assumptions. This not only makes hypothetical scenarios more difficult to interpret, but also leads to significant variation across CCPs, making it harder for end-clients to meaningfully understand and compare outcomes.

The divergence between the EU rules and international guidance is unfortunate, as it has a negative impact on the level-playing field between jurisdictions, and the purpose of the exercise of setting global standards.

1. Additions to the PFMI

1.1 Margin Simulators

We believe that the implementing text accurately reflects the recommendations on margin simulators. We particularly welcome the optionality that is granted by appropriate reflection that Margin simulator access for clients should be granted only where feasible, and the language around replicability of margin requirements. The current formulation provides CCPs with the flexibility necessary to determine whether the provision of simulator tools to end clients is in fact feasible. While CCPs do support client access, the following constraints should be considered:

¹ <https://www.bis.org/bcbs/publ/d590.htm>

² <https://www.esma.europa.eu/document/final-report-draft-rts-margin-transparency-requirements>

- **No two clients are the same.** There is generally a variation among clients in terms of the sophistication of their infrastructure and, consequently, their ability to establish API connections. Considering the complexity of margin simulators, especially when they need to fulfil extensive regulatory requirements, the CCP simulators may not be the most useful tool for margin preparedness for smaller clients.
- **CCPs typically lack knowledge about end-clients** (unless they are disclosed) and have no contractual relationship with them. Accordingly, CCPs cannot ensure client access to simulators. Furthermore, CCPs do not know the clients' positions, hence, clients would have to enter their position data directly into the margin simulator.
- **CMs have a clear responsibility** when it comes to the provision of margin transparency to end-clients. Not only do they have a direct relationship with the clients, but **CMs may also charge margin add-ons, which CCPs do not have any visibility on**, and which therefore cannot be included in a CCP simulator.

We also note the unfortunate divergence of the final EU margin transparency draft RTS with the international work which was conducted in parallel. In particular, the international guidance recommends the inclusion of key historical stress events in the margin simulators, while the ESMA RTS emphasises hypothetical scenarios. As noted above, EACH considers historical scenarios to be more useful, as they are based on clearly identifiable events that market participants understand in a consistent way, whereas hypothetical scenarios inherently rely on assumptions. This not only makes hypothetical scenarios more difficult to interpret, but also leads to significant variation across CCPs, making it harder for end-clients to meaningfully understand and compare outcomes. This divergence has a negative impact on the level-playing field between jurisdictions, and the purpose of the exercise of setting global standards.

1.2 Qualitative model disclosures

EACH believes that the implementing text accurately reflects the BCBS/CPMI-IOSCO recommendation on the qualitative model disclosure.

1.3 Responsiveness Framework

EACH believes that the implementing text accurately reflects the BCBS/CPMI-IOSCO recommendations on the responsiveness framework. We particularly welcome the fact that the international standard setters apply an outcome-based approach regarding APC, which is based on an aligned measurement approach and public disclosure. This gives CCPs the ability to efficiently apply APC measures through internal tools based on their specific needs. This approach, however, stands in contrast to the prescriptive approach taken in the EU³ EMIR clearing rules, which forces CCPs to apply rigid tools defined by the regulator. Future revisions of the APC framework in the EU should close that divergence from international standards.

³ While UK rules also include the three EU EMIR APC provisions, the UK authorities are in the final stages of the 'repeal and replace' process. The UK's final APC provisions are therefore still to be published.

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1.4 Model overrides

EACH believes that the implementing text accurately reflects the BCBS/CPMI-IOSCO recommendations on the Model Overrides.

2. Section 2 – Additions to the PQDs

Overall, EACH believes that the implementing text accurately reflects the BCBS/CPMI-IOSCO recommendations.

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