
TO : **Regulated Entities**
i. **Cyprus Investment Firms (CIFs)**
ii. **UCITS Management Companies ('UCITS MC')**
iii. **Alternative Investment Fund Managers (AIFMs)**

FROM : **Cyprus Securities and Exchange Commission**

DATE : **May 12, 2023**

CIRCULAR No : **C572**

SUBJECT : **ESMA Guidelines on CCP recovery plan scenarios (Article 9(12) of Regulation (EU) 2021/23 on a framework for the recovery and resolution of central counterparties (CCPRRR))**

1. The Cyprus Securities and Exchange Commission (the 'CySEC') wishes to remind the regulated entities that the European Securities and Markets Authority (ESMA) has published the Guidelines on CCP recovery plan scenarios (Article 9(12) of CCPRRR) (the 'Guidelines') on March 24, 2023, translated in all official languages of the EU.
2. These Guidelines apply to national competent authorities and to CCPs authorised under Article 14 of Regulation (EU) 648/2012 as amended (EMIR).
3. The objectives of the Guidelines are to establish consistent, efficient and effective supervisory practices and to ensure the common, uniform and consistent application of Article 9(1) of CCPRRR. They aim at specifying the range of recovery plan scenarios to be considered by CCPs when drawing up and maintaining their recovery plans and by competent authorities when assessing those recovery plans.
4. The objective of preparing the range of recovery plans scenarios is to identify a range of forward-looking events of severe distress, a CCP may face, against which the effectiveness of recovery measures and the adequacy of indicators contained in the CCP recovery plan can be tested.
5. The Guidelines are applicable from 24 May 2023.

6. CySEC has adopted these Guidelines by incorporating them into its supervisory practices and regulatory approach.

Sincerely

George Karatzias
Vice Chairman of the Cyprus Securities and Exchange Commission