



ESMA Call for evidence on an approach to Climate Risk Stress Testing of Central Counterparties

Link to the paper: [Call for evidence on an approach to Climate Risk Stress Testing of Central Counterparties](#)

1.- Target participants

The Call for evidence is primarily of interest to central counterparties (CCPs) and their clearing members.

2.- Information Note

Following the 2020 review of its founding Regulation, ESMA is mandated to consider environmental, social and governance (ESG) related factors in all of ESMA's tasks and powers. More specifically, ESMA shall integrate potential environment related risks in its stress testing regimes and methodologies for assessing the effect of adverse scenarios on the positions of participants in financial markets.

In this context, ESMA has developed an approach on climate risk stress testing of central counterparties (CCPs). ESMA has identified four different elements of climate risk that may adversely impact CCPs. The approach takes into account the objectives of the European Commission (EC), set out in its July 2021 Strategy for Financing the Transition to a Sustainable Economy, to develop coherent and relevant methodologies and scenarios to quantify sustainability risks and to stress test the resilience of the financial system, covering relevant financial sectors.

The Call for evidence paper, which contains ESMA's approach, seeks input from stakeholders and has several goals, like for example: building a robust mapping of the specific risks stemming from climate change that are relevant to CCPs; understanding how these risks may be assessed, and what limits need to be acknowledged; taking stock of the efforts ongoing at CCPs; and contributing to market participants' awareness of the relevance of climate risks to CCPs.

In any case, the overall objective is to proactively contribute to the assessment of the resilience of CCPs to adverse market developments, consistent with EMIR article 24a(7b). The information gathered through this Call for evidence will be used as building blocks of a future EU-wide CCP Climate Stress Test.

3.- Submission of comments

The deadline for submitting comments is 21 April 2022.

Respondents may send their comments through ESMA's website: www.esma.europa.eu. The paper of this consultation (ESMA91-372-1785) and the Response Form are available in the section [Consultation](#).

Likewise, please send a copy of your answers to the CNMV to the following email address: documentosinternacional@cnmv.es

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