

ESMA GUIDELINES on the process for the calculation of the indicators to determine the most relevant currencies in which settlement takes place under Regulation (EU) No 909/2014 (CSDR)



On 28 March 2018 ESMA published [Guidelines on the cooperation](#) on the process for the calculation of the indicators to determine the most relevant currencies in which settlement takes place under CSDR. These guidelines apply to the AFM as the competent authority of CSDs in the Netherlands. These guidelines apply from 28 March 2018.

Purpose

Article 12 of CSDR requires, among others, the involvement in the authorisation and supervision of Dutch CSDs of the central banks in the Union issuing the most relevant currencies in which settlement takes place. The purpose of these guidelines is to ensure common, uniform and consistent application of point (b) of Article 12(1) of CSDR. In particular, they provide guidance on the process for the collection, processing and aggregation of the data necessary for the calculation of the indicators to determine the most relevant currencies in which settlement takes place.

AFM complies with these Guidelines

The AFM complies with the ESMA Guidelines on the process for the calculation of the indicators to determine the most relevant currencies in which settlement takes place. To that extend, the AFM requires Dutch CSDs to apply the following data reporting parameters:

- a. The data should include absolute values of settlement by each CSD for each currency covering the previous calendar year.
- b. The values should be expressed in the original currencies in which settlement takes place.
- c. All categories of settlement instructions against payment settled by a CSD should be included, irrespective of whether they relate to transactions that are executed on a trading venue or on an OTC basis.
- d. For operations composed of several transactions, such as securities repurchase or lending agreements, both legs should be reported once settled.
- e. In the case of intra-CSD settlement, the CSD (issuer CSD or investor CSD) should report both legs of a transaction, i.e. it should report the two settlement instructions received.
- f. In the case where more than one CSD is involved in the settlement of a transaction through standard, customised or indirect links, only the CSD (issuer CSD or investor CSD) settling the two legs of the transaction should report. It should report the two settlement instructions received. The investor CSD “settling” only one leg of the transaction should not report.
- g. In the case of cross-CSD settlement by CSDs using a common settlement infrastructure or through interoperable links, each CSD should report the single settlement instruction received in relation to a transaction.

Direct link: [ESMA GUIDELINES on the process for the calculation of the indicators to determine the most relevant currencies in which settlement takes place under Regulation \(EU\) No 909/2014 \(CSDR\)](#)

To what institutions do these Guidelines apply to?

CSDs are required to report data in the format provided in these Guidelines. As the competent authority in the Netherlands, these Guidelines apply to the AFM in its process for the calculation of the indicators to determine the most relevant currencies in which settlement for each Dutch CSD takes place. The AFM has incorporated these Guidelines into its supervisory practices.