

19<sup>th</sup> April, 2026

## VIA ELECTRONIC SUBMISSION

### European Commission

#### **Re: European Commission consultation on the competitiveness of the EU banking sector**

The Global Association of Central Counterparties (“CCP Global”) is the international association for central counterparties (“CCPs”), representing 45 members who operate over 60 individual CCPs across the Americas, EMEA, and the Asia-Pacific region.

CCP Global appreciates the opportunity to respond to the European Commission’s Targeted consultation on the competitiveness of the EU banking sector.<sup>1</sup> We commend the Commission to act on the recent Letta and Draghi reports, which underlined the strategic necessity to overcome fragmentation, limited scale, and insufficient cross-border integration of the EU banking system in order to enable banks to finance investment, innovation, and growth. To support this objective, the capital frameworks for banks should be consistently adjusted to recognize cross-product margining and to thereby align capital requirements closer to economic risk, increasing the balance sheet capacity of banks as a result.

#### **Recognizing the benefits of cross-product margining**

CCP Global supports industry-wide calls to recognize cross-product margining and netting arrangements in all relevant capital frameworks (including RWA (including the hypothetical capital requirement of a QCCP (“Kccp”)), leverage ratio, and G-SIB surcharge), in order to align capital requirements closer to economic risk.

Several CCPs offer cross-product margining, including for repos, which allows netting efficiencies for banks. However, banks cannot fully benefit from these efficiencies as a result of the standardized approach for counterparty credit risk (“SA-CCR”) calculation. Under SA-CCR, the credit exposure measurement for repos, or securities financing transactions (“SFTs”) more broadly, and derivatives are separate standalone calculations. This means that the benefits of cross-product netting agreements

---

<sup>1</sup> European Commission, Consultation document: Targeted consultation on the competitiveness of the EU banking sector (February 2026): [Link](#).

cannot be recognized causing inflated exposure measures that overstate risk and consume excessive capital and leverage capacity for low-risk, cleared portfolios. As a result, the lower margin requirements resulting from CCP cross-product margining methodologies are not sufficient to offset the increased capital requirements resulting from the capital framework (including Kccp).

This does not only discourage banks from clearing more transactions themselves, it also directly impacts the ability of banks to facilitate client access to centrally cleared markets, countering ongoing financial stability objectives to increase SFT clearing by non-bank financial institutions. Targeted amendments of SA-CCR and Kccp to recognise cleared cross-margining (at EU CCPs and recognised third-country CCPs) and cross-product netting of trade exposures in all relevant capital frameworks (including RWA, leverage ratio, and G-SIB surcharge) would unlock cross-product efficiencies which support the strategic objectives outlined by the Commission and the stability of the financial system as a whole.

**ABOUT CCP GLOBAL**

CCP Global is the international association for central counterparties (“CCPs”), representing 45 members who operate over 60 individual CCPs across the Americas, EMEA, and the Asia-Pacific region.

CCP Global promotes effective, practical, and appropriate risk management and operational standards for CCPs to ensure the safety and efficiency of the financial markets it represents. CCP Global leads and assesses global regulatory and industry initiatives that concern CCPs to form consensus views, while also actively engaging with regulatory agencies and industry constituents through consultation responses, forum discussions, and position papers.

For more information, please contact the office by e-mail at [office@ccp-global.org](mailto:office@ccp-global.org) or through our website by visiting [www.ccp-global.org](http://www.ccp-global.org).

**CCP GLOBAL MEMBERS**

