

Commission Delegated Regulation (EU) No 153/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to regulatory technical standards on requirements for central counterparties (Text with EEA relevance)

CHAPTER XII

REVIEW OF MODELS, STRESS TESTING AND BACK TESTING

(Article 49 Regulation (EU) No 648/2012)

SECTION 6

Reverse stress tests

Article 57

Reverse stress tests

1 A CCP shall conduct reverse stress tests which are designed to identify under which market conditions the combination of its margin, default fund and other financial resources may provide insufficient coverage of credit exposures and for which its liquid financial resources may be insufficient. When conducting such tests, a CCP shall model extreme market conditions that go beyond what are considered plausible market conditions, in order to help determine the limits of its models, its liquidity risk management framework, its financial resources and its liquid financial resources.

2 A CCP shall develop reverse stress tests tailored to the specific risks of the markets and of the contracts that it provides clearing services for.

3 A CCP shall use the conditions identified in paragraph 1 and the results and analysis of its reverse stress tests to help in identifying extreme but plausible scenarios in accordance with Chapter VII.

4 A CCP shall periodically report its reverse stress testing results and analysis in a form that does not breach confidentiality to the risk committee in order to seek their advice in its review.

Changes to legislation:

There are currently no known outstanding effects for the Commission Delegated Regulation (EU) No 153/2013, SECTION 6.

EUR 2013 No. 153 may be subject to amendment by EU Exit Instruments made by the [Bank of England](#) under powers set out in The Financial Regulators' Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 ([S.I. 2018/1115](#)), regs. 2, 3, Sch. Pt. 3. These amendments are not currently available on [legislation.gov.uk](#). Details of relevant amending instruments can be found on their website/s.