



February 06, 2023

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
U.S. Commodity Futures Trading Commission
77 West Jackson Blvd Suite 800
Chicago, IL 60604

Re: ICE Clear Europe Self-Certification Pursuant to Commission Rule 40.6 –
Amendments to Part Q of the Delivery Procedures

Dear Mr. Kirkpatrick:

ICE Clear Europe Limited (“ICE Clear Europe” or the “Clearing House”), a registered derivatives clearing organization under the Commodity Exchange Act, as amended (the “Act”), hereby submits to the Commodity Futures Trading Commission (the “Commission”), pursuant to Commission Rule 40.6 for self-certification, amendments to its Part Q of its Delivery Procedures to make certain clarifications with respect to the ICE Futures Europe White Sugar futures contract around the origin of the deliverable crop and certain matters relating to delivery notifications and presentation of delivery documents.¹ The amendments will become effective on the first business day following the tenth business day after submission, or such later date as ICE Clear Europe may determine.

Concise Explanation and Analysis

ICE Clear Europe is amending Part Q of its Delivery Procedures to clarify certain provisions relating to delivery specifications for ICE Futures Europe Financial and Softs White Sugar futures contracts, to be consistent with amendments that have been made to the contract specifications under exchange rules. The amendments provide

¹ Capitalized terms used but not defined herein have the meanings specified in the Delivery Procedures or, if not defined therein, the ICE Clear Europe Clearing Rules.

that deliverable sugar under such contracts must have been produced in a country included in the list of deliverable countries of production maintained by the exchange, consistent with exchange rules. Delivery would have to be made at an eligible delivery port (as defined in exchange rules as a port located in one of such countries that meets the requirements in exchange rules).

The amendments update documentation and other requirements under the delivery timetable. The amendments clarify the relevant Tender Day (which is the business day following the Last Trading Day). The concept of Notice of Tender is to be replaced with the Delivery Notification, to be consistent with exchange rules, and the amendments clarify that a separate notification must be provided for each underlying client at each Delivery Port. The contents of the Delivery Notification and manner of submission are also specified. The timing of allocations of white sugar to Buyers (and related notifications) will be moved from after 10:30 LPT to after 14:00 LPT.

Consistent with exchange rules, the concept of “Insufficient Seller” will be revised to be a seller in respect of a Delivery Port for which the minimum lot requirement under exchange rules is not satisfied (and the concept of non-qualifying port will be removed). Requirements for Insufficient Sellers to submit revised Delivery Notifications will be clarified (including that relevant notifications must be made to and from the Clearing House, instead of the exchange). The amendments add that revised Delivery Notifications that do not meet a minimum Delivery Port lot requirement will be rejected, and Insufficient Sellers will be required to submit a further revised Delivery Notification meeting the relevant requirement. Where the Insufficient Seller fails to do so, the Clearing House will determine the Deliver Port from which tenders are to be made.

The amendments also clarify the delivery documentation to be provided by the seller, including relevant certifications in accordance with the contract terms, as well as procedures for rejection of presented documents. The amendments provide that certain related notifications are to be made to and from the Clearing House (rather than the exchange), consistent with the role of the Clearing House in the delivery process.

Certain typographical corrections and similar non-substantive drafting clarifications have also been made in Part Q.

Compliance with the Act and CFTC Regulations

The amendments to the Part Q of its White Sugar Delivery Procedures are potentially relevant to the following core principles: (C) Participant and Product Eligibility and (E) Settlement Procedures and the applicable regulations of the Commission thereunder.

- *Product Eligibility.* The amendments are intended to clarify ICE Clear Europe’s arrangements and delivery procedures relating to White Sugar futures contracts and ensure consistency with the relevant contract specifications under exchange rules. Notably, the amendments reflect the requirement under exchange rules that deliverable sugar be produced in one of the countries listed in the list of deliverable countries of production maintained by the exchange. The terms and conditions of the contracts are not changing in any other material respect, and such contracts will continue to be cleared by

ICE Clear Europe in the same manner as they are currently. As a result, ICE Clear Europe believes that the amendments are consistent with the requirements of Core Principle C and Commission Rule 39.12(b).

- *Settlement Procedures.* As set out above, the amendments clarify the delivery specifications for White Sugar futures contracts, to ensure consistency with relevant contract specifications under exchange rules. The amendments address timing of allocations by the Clearing House and certain related delivery notification and delivery documentation requirements. The amendments clarify the role and responsibilities of the Clearing House and Clearing Members in the physical delivery process, particularly related to the timing and documentation. As a result, ICE Clear Europe believes the amendments are consistent with the requirements of Core Principle E and Commission Rule 39.14.

As set forth herein, the amendments consist of the amendments to the Part Q of the Delivery Procedures, a copy of which is attached hereto.

ICE Clear Europe hereby certifies that the amendments comply with the Act and the Commission's regulations thereunder.

ICE Clear Europe received no substantive opposing views in relation to the amendments.

ICE Clear Europe has posted a notice of pending certification and a copy of this submission on its website concurrent with the filing of this submission.

If you or your staff should have any questions or comments or require further information regarding this submission, please do not hesitate to contact the undersigned at George.milton@ice.com or +44 20 7429 4564.

Very truly yours,



George Milton
Head of Regulation & Compliance