interest. Accordingly, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.[18]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule change should be approved or disapproved.

## IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission's internet comment form (*https://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov*. Please include file number SR–NYSENAT–2024–17 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to file number SR–NYSENAT–2024–17. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (*https://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–NYSENAT–2024–17 and should be submitted on or before July 2, 2024.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[19]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2024–12688 Filed 6–10–24; 8:45 am]

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[18] For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–100274; File No. SR–ICC–2024–003]**

## Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule Change Relating to the ICC Collateral Risk Management Framework

June 5, 2024.

## I. Introduction

On April 16, 2024, ICE Clear Credit LLC (''ICC'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934 (the ''Act'') [1] and Rule19b–4 thereunder,[2] a proposed rule change to revise its Collateral Risk Management Framework (''CRMF''). The proposed rule change was published for comment in the **Federal Register** on April 26, 2024.[3] The Commission did not receive comments regarding the proposed rule change. For the reasons discussed below, the Commission is approving the proposed rule change.

[19] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change Relating to the ICC Collateral Risk Management Framework; Exchange Act Release No. 100008 (Apr. 22, 2024), 89 FR 32496 (Apr. 26, 2024) (File No. SR–ICC–2024–003) (''Notice'').

## II. Description of the Proposed Rule Change

ICC is registered with the Commission as a clearing agency for the purpose of clearing credit default swaps (''CDS'') contracts. The CRMF describes ICC's risk management methodology for the collateral it accepts from Clearing Participants to collateralize their individual credit exposure to ICC, including a description of ICC's quantitative risk management approach that accounts for the risk associated with fluctuations of collateral asset prices (*i.e.,* ''haircuts''). Collateral used to cover obligations are subject to a ''haircut'' assessment, where the assets are priced and posted at a discount to account for certain market risks. The current CRMF contemplates two risk measures for the haircut model approach—a 2-day 99.9% Value-at-Risk (''VaR'') and a 5-day Expected Shortfall (''ES'')—and requires ICC to use the measure that produces the more conservative result. Based on a comprehensive review of its risk calculations and data, ICC has determined that VaR has never produced the more conservative measurement and, therefore, ICC has always used the ES measurement instead of VaR.[4] These risk calculations and data also show that ES will continue to produce more conservative results compared to VaR in essentially all circumstances going forward.

Based on these results, the purpose of the proposed rule change is to amend ICC's CRMF to permit ICC to rely solely on the ES to establish its haircut factors for the purposes of pricing and posting collateral. To do so, the proposed rule change would remove all references to the VaR from the CRMF.

The proposed rule change also would remove, renumber, and revise certain figures in the CRMF. The current CRMF contains various charts, graphs, and other figures (collectively, ''Figures'') by which ICC displays the data used to establish the relevant measurements, including Figures relevant to both the VaR and ES measurements. To effectively remove all references to VaR from the CRMF, the proposed rule change also would remove and revise certain Figures as necessary to effectuate the removal of VaR from the CRMF. Specifically, in connection with the deletion of the 2-day 99.9% VaR risk measure, the proposed rule change

[4] *See* Notice, supra note 3, at 32496. ICC has provided responses to Commission requests for collateral risk data and analysis as part of its confidential Exhibit 3 to File No. SR–ICC–2024–003. The confidential collateral risk data that ICC provided to the Commission as part of this filing shows the risk calculations conducted by ICC.

would remove Figures 11, 12, 26, 27, 28, 29, 38, and 39 because those figures relate to the VaR risk measure, including 1-day 99.9% VaR which was used to calculate the VaR risk measure. As a consequence of deleting those figures, the proposed rule change would renumber the remaining figures.

ICC has further determined that altering certain Figures within the CRMF would better illustrate the data used to establish the remaining applicable ES risk measure. As discussed below, the changes are consistent with the current practice of the ICC under its current CRMF, or are being amended for illustrative purposes, and therefore will have no practical impact.

Therefore, the proposed rule change would revise certain figures to correct the label on the y-axis from percentage to bps and to make other typographical fixes, specifically Figures 16, 17, 20, 21, 28 and 30 (as renumbered). It would also correct the label on the x-axis in certain figures. Specifically, the proposed rule change would revise Figures 12, 13, and 26 (as renumbered), to correct the label on the x-axis from percentage to bps. In doing so, the proposed rule change would re-scale those figures to reflect the change from percentage to bps. While the change from percentage to bps does not affect the data underlying the figures, the change affects the presentation of these figures because the scale will be larger as 1 bps equals 1/100 of a percentage point.

The proposed rule change would similarly re-scale Figure 5 to make the x-axis bps and would also adjust the bin size of Figure 5, which relates, illustratively, to the thickness of the bars in the figure. The phrase ''bin size'' in risk data refers to the width of intervals used to group similar data points when analyzing risk. A change in bin size, while not changing the data, can apportion the data more widely or more narrowly across a figure within newly created intervals. As the distributions change, so could the trend lines across the intervals change.

Finally, ICC has corrected certain other deficiencies by updating a footnote to a current link on its website, and in correcting small typographical errors elsewhere in the CRMF.

## III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act requires the Commission to approve a proposed rule change of a self-regulatory organization if it finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the organization.[5] Under the Commission's Rules of Practice, the ''burden to demonstrate that a proposed rule change is consistent with the Exchange Act and the rules and regulations issued thereunder . . . is on the self-regulatory organization ['SRO'] that proposed the rule change.'' [6]

The description of a proposed rule change, its purpose and operation, its effect, and a legal analysis of its consistency with applicable requirements must all be sufficiently detailed and specific to support an affirmative Commission finding,[7] and any failure of an SRO to provide this information may result in the Commission not having a sufficient basis to make an affirmative finding that a proposed rule change is consistent with the Exchange Act and the applicable rules and regulations.[8] Moreover, ''unquestioning reliance'' on an SRO's representations in a proposed rule change is not sufficient to justify Commission approval of a proposed rule change.[9]

After carefully considering the proposed rule change, the Commission finds that the proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to ICC. More specifically, the Commission finds *that* the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act [10] and Rules 17Ad–22(e)(5) thereunder.[11]

### *a. Consistency With Section 17A(b)(3)(F) of the Act*

Section 17A(b)(3)(F) of the Act requires, among other things, that the rules of ICC be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions.[12] Based on the review of the record, and for the reasons described below, ICC's proposed updates in the manner described above are consistent with the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions.

The proposed rule change is consistent with Section 17A(b)(3)(F) of the Act because it would clarify the CRMF by eliminating an unnecessary risk measurement. The use of ES as a risk measurement to establish haircut factors for pricing collateral is already a part of ICC's risk methodology, and ICC has determined that this calculation will always be more conservative than, and thus always used in lieu of, a VaR risk measurement. The confidential risk calculations and data provided by ICC and reviewed by the Commission demonstrate that ES has always been the most conservative methodology for setting collateral haircut factors when compared to VaR and that it is reasonable to expect that, going forward, ES will continue to be the most conservative methodology for setting collateral haircut factors in essentially all circumstances. Therefore, there would be no actual change in the actual haircut calculation when ICC applies its risk methodology after the proposed rule change is effectuated. Removing VaR as a risk measurement would help avoid the impression that ICC uses both VaR and ES, and therefore would make the CRMF clearer and easier to apply in practice.

Having policies and procedures that clearly and accurately document the way ICC measures risk associated with fluctuations of collateral asset prices is an important component to the effectiveness of ICC's risk management system and supports ICC's ability to maintain adequate financial resources and collateral management resources. The proposed rule change is, consequently, consistent with the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions, within the meaning of Section 17A(b)(3)(F) of the Act.[13]

### *b. Consistency With Rule 17Ad–22(e)(5) of the Act*

Rule 17Ad–22(e)(5) under the Act requires ICC to establish, implement, maintain and enforce written policies and procedures reasonably designed to limit the assets it accepts as collateral to those with low credit, liquidity, and market risks, and set and enforce appropriately conservative haircuts and concentration limits if it requires collateral to manage its or its participants' credit exposure.[14] Based on the review of the record, and for the reasons described below, ICC's

[5] 15 U.S.C. 78s(b)(2)(C).

[6] Rule 700(b)(3), Commission Rules of Practice, 17 CFR 201.700(b)(3).

[7] *Id.*

[8] *Id.*

[9] *Susquehanna Int'l Group, LLP* v. *Securities and Exchange Commission,* 866 F.3d 442, 447 (D.C. Cir. 2017) (''Susquehanna'').

[10] 15 U.S.C. 78q–1(b)(3)(F).

[11] 17 CFR 240.17Ad–22(e)(5).

[12] 15 U.S.C. 78q–1(b)(3)(F).

[13] 15 U.S.C. 78q–1(b)(3)(F).

[14] 17 CFR 240.17Ad–22(e)(5).

proposed revisions are consistent with Rule 17Ad–22(e)(5).

As noted above, while ICC's current CRMF indicates that it will use either VaR or ES to establish haircut factors for the purposes of pricing and posting collateral, in practice ES has always produced the more conservative results and therefore ICC has never utilized VaR to set and enforce the haircut factors it uses to price collateral. By removing VaR from CRMF and definitively identifying ES as the exclusive risk methodology that ICC will use to set and enforce the haircut factors it uses to price collateral going forward, the proposed revisions will make the CRMF more clear and transparent as a risk management framework and help facilitate ICC's efficient and effective pricing of Clearing Member collateral. Adjusting the Figures in the CRMF to better illustrate the data used by ICC will likewise enhance the clarity and transparency of ICC's risk methodology, and improve ICC's ability to communicate and explain its risk for establishing haircut factors for the purposes of pricing and posting collateral.

Accordingly, the proposed rule change is consistent with the requirements of Rule 17Ad–22(e)(5) under the Act.[15]

## IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act, and in particular, with the requirements of Section 17A(b)(3)(F) [16] of the Act and Rule 17Ad–22(e)(5) thereunder.[17]

*It is therefore ordered* pursuant to Section 19(b)(2) of the Act [18] that the proposed rule change (SR–ICC–2024–003), be, and hereby is, approved.[19]

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[20]

**Sherry R. Haywood,**

*Assistant Secretary.*

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[15] 17 CFR 240.17Ad–22(e)(5).

[16] 15 U.S.C. 78q–1(b)(3)(F).

[17] 17 CFR 240.17Ad–22(e)(5).

[18] 15 U.S.C. 78s(b)(2).

[19] In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[20] 17 CFR 200.30–3(a)(12).

## DEPARTMENT OF STATE

**[Public Notice: 12414]**

### Annual Determination and Certification of Shrimp-Harvesting Nations

**AGENCY:** Bureau of Oceans and International Environmental and Scientific Affairs, State Department.

**ACTION:** Notice of annual determination and certification.

**SUMMARY:** On May 23, 2024, the Department of State determined and certified to Congress that wild-caught shrimp harvested in the following nations, particular fisheries of certain nations, and Hong Kong are eligible to enter the United States: Argentina, Australia (Northern Prawn Fishery, the Queensland East Coast Trawl Fishery, the Spencer Gulf, and the Torres Strait Prawn Fishery), the Bahamas, Belgium, Belize, Canada, Chile, Colombia, Costa Rica, Denmark, the Dominican Republic, Ecuador, El Salvador, Estonia, Fiji, France (French Guiana), Gabon, Germany, Guatemala, Guyana, Honduras, Iceland, Ireland, Italy (giant red shrimp), Jamaica, Japan (shrimp baskets in Hokkaido), Republic of Korea (mosquito nets), Mexico, the Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Oman, Panama, Peru, Russia, Spain (Mediterranean red shrimp), Sri Lanka, Suriname, Sweden, the United Kingdom, and Uruguay. For nations, economies, and fisheries not listed above, only shrimp harvested from aquaculture is eligible to enter the United States. All shrimp imports into the United States must be accompanied by the DS–2031 Shrimp Exporter's/Importer's Declaration.

**DATES:** This determination and certification notice is effective on June 11, 2024.

**FOR FURTHER INFORMATION CONTACT:** Jared Milton, Section 609 Program Manager, Office of Marine Conservation, Bureau of Oceans and International Environmental and Scientific Affairs, Department of State, 2201 C Street NW, Washington, DC 20520–2758; telephone: (202) 647–3263; email: *DS2031@state.gov.*

**SUPPLEMENTARY INFORMATION:** Section 609 of Public Law 101–162 (''Sec. 609'') prohibits imports of wild-caught shrimp or products from shrimp harvested with commercial fishing technology unless the President certifies to the Congress by May 1, 1991, and annually thereafter, that either: (1) the harvesting nation has adopted a regulatory program governing the incidental taking of relevant species of sea turtles in the course of commercial shrimp harvesting that is comparable to that of the United States and that the average rate of that incidental taking by the vessels of the harvesting nation is comparable to the average rate of incidental taking of sea turtles by United States vessels in the course of such harvesting; or (2) the particular fishing environment of the harvesting nation does not pose a threat of the incidental taking of sea turtles in the course of shrimp harvesting. The President has delegated the authority to make this certification to the Secretary of State (''Secretary'') who further delegated the authority within the Department of State (''Department''). The Revised Guidelines for the Implementation of Sec. 609 were published in the **Federal Register** on July 8, 1999, at 64 FR 36946.

On May 23, 2024, the Department certified to Congress the following nations pursuant to section 609(b)(2)(A) and (B) on the basis that they have adopted a regulatory program governing the incidental taking of relevant species of sea turtles in the course of commercial shrimp harvesting that is comparable to that of the United States and that the average rate of that incidental taking by the vessels of the harvesting nation is comparable to the average rate of incidental taking of such sea turtles by United States vessels in the course of such harvesting: Colombia, Ecuador, El Salvador, Gabon, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Nigeria, Panama, and Suriname. The Department also certified pursuant to section 609(b)(2)(C) several shrimp-harvesting nations and one economy as having fishing environments that do not pose a threat to sea turtles, including the following nations with shrimping grounds only in cold waters where the risk of taking sea turtles is negligible: Argentina, Belgium, Canada, Chile, Denmark, Estonia, Germany, Iceland, Ireland, the Netherlands, New Zealand, Norway, Russia, Sweden, the United Kingdom, and Uruguay. Additionally, the Department certified pursuant to section 609(b)(2)(C) that the following nations and Hong Kong only harvest shrimp using small boats with crews of less than five that only use manual rather than mechanical means to retrieve nets or catch shrimp using other methods that do not pose a threat of incidental taking of sea turtles: the Bahamas, Belize, Costa Rica, the Dominican Republic, Fiji, Jamaica, Oman, Peru, and Sri Lanka.

The Department has certified the above listed nations and Hong Kong pursuant to Sec. 609, and shrimp and products from shrimp are eligible for importation into the United States