

## **PUBLIC CONSULTATION**

### **3L3 MEDIUM TERM WORK PROGRAMME (CESR 07-775, CEBS 07 171; CEIOPS-3L3-11-07)**

#### **Comments by the French Association of Investment Firms (AFEI)**

The French Association of Investment Firms (AFEI) represents investment service providers which are active in France. Its members comprise more than 120 investment firms and credit institutions authorised to provide investment services. Approximately one-third of AFEI members are subsidiaries or branches of foreign institutions.

AFEI welcomes the initiative of the 3L3 Committees to set up a common work programme on cross-sector areas and their commitment to delivering consistency across sectors. We agree on the different issues identified as key areas as well as the methodology proposed to address them and we will be following their achievement with attention.

We would nevertheless like to put the stress on the particular importance of the objective of "Developing 3L3 convergence of regulatory and supervisory practices in key areas" as regards the level playing level which is a matter of priority in achieving the objective of fairly integrated financial markets. In this respect, it is necessary to achieve harmonisation between Members States but also between the regulatory and supervisory practices of the 3 regulators in cross-sector areas.

As general remark, AFEI would like to underline that, in carrying out their objectives of converging regulatory and supervisory practices in key areas such as credit rating agencies or the valuation of financial instruments, the 3L3 should keep in mind that these questions should be addressed at the end at an international level.

In general, AFEI supports the comments made by LIBA and others joint Associations on the different issues addressed in the consultation.

We would nevertheless like to make additional comments of the following issues.

#### B.(i) Competing products

AFEI does support LIBA and other Associations comments under this issue and particularly the issue of taxation which is crucial in the field of competing products

B (ii) Credit rating agencies

As a general observation, AFEI underlines that a clear distinction should be made between the rating of portfolio or securitisation vehicles and the rating of classical vehicles. The scales should not be the same and methodologies should be adapted and communicated.

B. (iii) Anti Money laundering and counter terrorism financing

AFEI supports the comments made by LIBA and other Associations under this issue and would especially like to put the stress on the importance of the typologies which are crucial to manage new situations arising in the field of money laundering.

It would also be quite appropriate to establish a list of "PPE" (Person Politically Exposed) at the European level.

