



FONDBOLAGENS
FÖRENING

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Committee of European Securities Regulators (CESR)

11-13 Avenue de Friedland

75008 PARIS FRANCE

Comments on CESR: s consultation on Best execution under MiFID

The Swedish Investment Fund Association¹ (below referred to as SIFA) has been given the opportunity to comment on the above-mentioned CESR consultation and would like to make the following remarks.

SIFA is a member of EFAMA and fully concurs with the views put forward in its reply to the consultation. However, SIFA wishes to further stress a few points.

Question 1:

SIFA is concerned by the wording of paragraph 22 d). It could be derived from the wording of this point that the firm shall explain in detail why the firm's execution approach will deliver the best possible results for *each* client ("those clients"). If this is intended, SIFA thinks that CESR should reconsider the issue. It is essential that the policy only describe in a general way why the firm uses the approach for certain *types* of client orders etc. A more general approach is also expressed in paragraph 20 of the consultation document.

Question 7:

We think that the analysis leads in the right direction but believe, as also EFAMA states, that a clearer distinction should be made between different functions in the execution chain. We are particularly concerned about the situation where investment managers have been given mandates including investments on markets that are not yet fully developed. It may well be that there exist no best execution arrangements in the "MiFID sense" among security dealers or other intermediaries in such markets. It cannot be the intention of CESR to restrain investment managers from investing in such markets on behalf of clients. In such cases it must, in our opinion, be sufficient for the manager to place orders on a best effort basis for it to discharge itself from its Article 45 obligations.

Question 8:

SIFA has no comments regarding this issue other than that it would be interesting to

¹ The Swedish Investment Fund Association is an association of 36 fund management companies representing app. 95 percent of the Swedish fund market.



analyse the United States example further, as speed and price are important parameters and could be well suited to be used as a harmonisation tool for “execution quality”.

SWEDISH INVESTMENT FUND ASSOCIATION

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