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Dear Sir

Publication & Consolidation of MiFID Market Transparency

The Association of Private Client Investment Managers and Stockbrokers (APCIMS) is the organisation that represents those firms who act for the private investor and who offer them services that range from no advice or execution only trading through to portfolio management for the high net worth individual. Our 217 member firms operate on more than 500 sites in the UK, Ireland, Isle of Man and Channel Islands, and following the merger of EASD into APCIMS increasingly in other European countries as well. APCIMS members employ 22,000 regulated staff, they have under management £340bn for the private investor and undertook last year 18.6 million trades on their behalf.

APCIMS welcomes the opportunity to comment on CESR's public consultation and to offer its support for the approach CESR has taken in proposing guidance on those areas of the MiFID transparency regime which are of the greatest practical concern to market participants and where divergent Member State requirements would be particularly problematic.

As we have made clear in earlier contributions to CESR's work in this area, our major concern is that, post-MiFID, there should be an affordable and cost-effective source of reliable and informative post-trade data available to our member firms. With this in mind, APCIMS has long held -

- that regulatory agencies (both national and EU) should take account of the uncertainty that still pertains as to post-MiFID market structure and, consequently, should not impose prescriptive requirements that may, within a reasonably short period of time, prove to be inappropriate or needlessly burdensome; and
- that the debate about future arrangements for the publication and consolidation of trade data should be driven primarily by markets and market users; but
- that, while allowing for the above, regulatory activity in this area should be guided by CESR in ways that tend towards supervisory convergence without being unduly prescriptive.

We are pleased to see that these concerns have been reflected in the CESR document. Furthermore, we particularly welcome the indications given in the document that measures deemed necessary for convergence should be implemented in a proportionate way which takes into account the fact that even the very smallest investment firms may be directly affected by them. In this regard, we welcome confirmation recently received from the FSA that the feedback statement to its CP06/14 (Implementing MiFID for Firms and Markets) will (a) quote paragraph 5.7 of the CESR paper concerning the need for trade data verification processes to be “reasonable and proportionate in relation to the business” and (b) confirm that the FSA will implement the guidance in this way.

More generally, while we are aware that the transparency debate will be driven forward primarily by the major banks, trading houses and data vendors, it is imperative that the interests of smaller investment firms and their clients are kept firmly in mind. If trade publication requirements affecting only a very small proportion of such firms’ overall activity result in disproportionate costs as regards the development of systems and processes, it is inevitable that these costs will be passed on to the private investors for whom they act. Paragraph 1.3 of the paper identifies the intention behind MiFID’s transparency provisions as being that “an adequate level of pre- and post-trade information contributes to the effective operation of a market and to investor protection”. So far as small and medium-size enterprises impacted by the MiFID transparency regime are concerned, “adequate” is the key word here – there is no appetite for a scenario where data attains the highest possible standards as regards consolidation/publication but is consequently unaffordable for any but the biggest market players.

Yours faithfully



Guy Sears
Deputy Chief Executive