

Brussels, 14 September 2007

Mr. Fabrice DEMARIGNY
Secretary General of CESR
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Subject: *CESR Call for Evidence on the possible Level 3 work on the Transparency Directive (Ref: CESR/07-487)*

Dear Mr. Demarigny,

The European Banking Federation welcomes the opportunity to comment on CESR's possible Level 3 work on the Transparency Directive (TD). Whilst we support in general the intentions and set-up of the TD, we have been disappointed about the lack of coordination in the timelines of national implementation as well as about the inconsistent application and lack of clarity in the implementation of the Directives. We therefore find it all the more important for CESR to give at this stage thought to ways of enhancing the convergence in national implementation.

In coordination between the European Commission and CESR, this **work should in our view start as early as possible** and should in principle aim to prevent that these divergences, which are not intended within the scope of the Directive, arise in the first place. However, we still wish to welcome the comparatively early timing of the present consultation.

Whilst many cases of divergences across Member States have so far become apparent, from our point of view we wish to outline three priority issues for CESR to work on. **This regards first conflicts of competences between authorities linked to Article 21 of the Transparency Directive. Furthermore, we point to the information requirements pursuant to Article 16 of the Transparency Directive** where difficulties have in particular become apparent as regards the scope of 'loan issues', the required level of detail, and changes in the rights of securities. Last, there is evidence that there are wide divergences in the application of the thresholds of the Directive. What is more, some firms have experienced major difficulties in locating the information about the applicable thresholds in the first place, so that compliance is rendered even more difficult.

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With regard to CESR's Question 4, we believe that there could be merit in examining the possibility of central mechanisms for the storage and filing of information further. If there is sufficient support to pursue this work, we would request clarification on CESR's role and on the involvement of private entities to operate the mechanisms.

Finally, we have in the past **regretted the TD requirements regarding the dissemination of information to the media, as well as the introduction of mandatory requirements for the number and type of media connections.** We continue to believe that issuers should be free to choose how best to disseminate regulated information and observe, moreover, that the divergent national requirements now in place give rise to significant level playing field distortions. Whilst we recognise that the current practices are in line with the wording of the Directive, we nevertheless wish to call on CESR to work with its members to **avoid the most burdensome practices currently applied in some Member States.**

We look forward to CESR addressing those issues and would encourage CESR to continue consulting the market on them.

Yours sincerely,



Guido RAVOET