

ZENTRALER KREDITAUSSCHUSS

MITGLIEDER: BUNDESVERBAND DER DEUTSCHEN VOLKSBANKEN UND RAIFFEISENBANKEN E.V. BERLIN · BUNDESVERBAND DEUTSCHER BANKEN E.V. BERLIN
BUNDESVERBAND ÖFFENTLICHER BANKEN DEUTSCHLANDS E.V. BERLIN · DEUTSCHER SPARKASSEN- UND GIROVERBAND E.V. BERLIN-BONN
VERBAND DEUTSCHER PFANDBRIEFBANKEN E.V. BERLIN

11 September 2007
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Committee of European Securities Regulators
11-13 avenue de Friedland
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CESR Call for Evidence “The Possible Level 3 Work on the Transparency Directive” ZKA: 413-WPDL

Dear Sirs,

the ZENTRALER KREDITAUSSCHUSS welcomes the opportunity to comment on the CESR Call for Evidence on “The Possible Level 3 Work on the Transparency Directive” (Ref.: CESR/07-487) and it is our pleasure to enclose a document outlining our joint position to this effect. Should you have any queries regarding our comments, please do not hesitate to contact us.

Yours sincerely
on behalf of
the ZENTRALER KREDITAUSSCHUSS
Deutscher Sparkassen- und Giroverband



Dr. Thomas Schürmann



Dr. Lars Röh

Enclosure

ZENTRALER KREDITAUSSCHUSS

MEMBERS: BUNDESVERBAND DER DEUTSCHEN VOLKSBANKEN UND RAIFFEISENBANKEN E.V. BERLIN • BUNDESVERBAND DEUTSCHER BANKEN E.V. BERLIN
BUNDESVERBAND ÖFFENTLICHER BANKEN DEUTSCHLANDS E.V. BERLIN • DEUTSCHER SPARKASSEN- UND GIROVERBAND E.V. BERLIN-BONN
VERBAND DEUTSCHER PFANDBRIEFBANKEN E.V. BERLIN

Zentraler Kreditausschuss (ZKA)¹ Response to CESR Call for Evidence on „The Possible Level 3 Work on the Transparency Directive“

Ref. CESR/07-487

10 September 2007

¹ The ZKA is the joint committee operated by the central associations of the German banking industry. These associations are the *Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR)*, for the cooperative banks, the *Bundesverband deutscher Banken (BdB)*, for the private commercial banks, the *Bundesverband Öffentlicher Banken Deutschlands (VÖB)*, for the public-sector banks, the *Deutscher Sparkassen- und Giroverband (DSGV)*, for the savings banks financial group, and the *Verband deutscher Pfandbriefbanken (VDP)*, for the mortgage banks. Collectively, they represent more than 2,500 banks.

The ZKA 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. We therefore find it all the more appropriate for CESR to give at this stage thought to ways of enhancing the convergence in national implementation.

1. 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.

2. A priori, we have identified **three major areas of work for CESR, which are conflicts of competences between authorities linked to Article 21 of the TD, and to information requirements pursuant to Articles 16-18 of the TD.** On the latter, 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. Additionally, with regard to **Article 9 of the TD** it should be clarified that any short term holding (maximum of three trading days) of shares with voting rights by a financial institution related to an initial public offering or capital measures of an issuer should fall within the clearing and settlement exemption under the TD. In such case the financial institution has a supportive role in the offering process that equals the function of clearing and settlement.

3. The experience with the publication of CESR's harmonisation work in the prospectus area in the form of a Q&A was positive. Thus, we believe that this could also be the case with respect to the TD.

4. We think in the context of the EU pass porting the **establishment of an EU network of national storage mechanisms** should be examined carefully against the background to facilitate easy access as well for investors as for issuers. If there is willingness to pursue this work, we would request clarification on CESR's role and on the involvement of private entities to operate the storage mechanism.

5. 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.**
