



Date: 29 June 2004
Ref.: CESR/04-328

PRESS RELEASE

**CESR ANNOUNCES A CALL FOR EVIDENCE REGARDING THE EUROPEAN COMMISSION'S MANDATES
ON THE TRANSPARENCY DIRECTIVE**

The European Commission published today its first set of provisional mandates requesting CESR's advice on possible technical measures to implement the Transparency Directive. CESR therefore invites interested parties to submit any views by 29 July 2004 regarding what should be covered in CESR's advice to the European Commission.

The aim of the Level 1 Directive, approved on 11 May, 2004 by the ECOFIN Council and the Level 2 implementing measures, is to upgrade the information available to investors, thus helping them to allocate their funds on the basis of a more informed assessment. Market participants should benefit from improved efficiency, openness and integrity of European capital markets and the removal of certain national barriers linked to transparency requirements, which may discourage issuers from having their securities admitted to trading on more than one regulated market in the EU. In order to achieve these aims, the Directive (and the implementing measures that follow) would upgrade the current level and frequency of the mandatory financial information that issuers have to provide markets with throughout the financial year. It would also simplify requirements issuers must meet on the use of languages and on the way information is disseminated.

CESR has been asked to submit its advice by 30 June 2005 and the entire package of measures must come into force by the end of 2006. The call for evidence and mandates (Ref: CESR/04-284) which are available on CESR's website covers in general terms, the following issues:

- Implementation measures for the application of the Directive's provision on the disclosure of information about major holdings;
- Dissemination of regulated information: This will include advice on minimum standards for the dissemination of regulated information by issuers (Article 17 (1)) and how issuers might make available periodic financial reports to the public (Articles 4 (5) and 5 (5));
- Procedural arrangements by which an issuer may elect its Home Member State;
- As regards half-yearly reports (Articles 5 (5)): CESR's advice should clarify the nature of the auditor's review and description of the minimum content of half-yearly financial information when the issuers does not make use of IAS/IFRS;
- Third countries: How equivalence will be assessed as regards issuers and UCITS management companies and investment firms (Article 19).

A timetable for CESR's work in this area is attached in the note to editors (and can also be found in the Call for Evidence).

Apart from this mandate, the Commission has invited CESR to present a progress report on possible European wide electronic networks of information about security issuers. A first progress report is expected from CESR in February 2005. Based on this progress report, the Commission will consider whether a second mandate should be sent to CESR requesting advice on mechanisms for storage of information and electronic filing of information with securities regulators in spring 2005.



Notes for Editors:

1. CESR's advice is prepared by an expert group chaired by Andres Trink, Chairman of the Estonian Financial Supervision Authority. In addition, a consultative group of 11 market participants has also been appointed to provide technical advice to the expert group. The market participants are experts drawn from across the European Markets. They are not intended to represent national or a specific firm's interest and do not replace the important process of full consultation with all market participants. A full list of the participants can be found on the CESR website, on the page of the Transparency Expert Group under Consultative Working Group.
2. CESR is an independent Committee of European Securities Regulators. The role of the Committee is to:
 - Improve co-ordination among securities regulators;
 - Act as an advisory group to assist the EU Commission, in particular in its preparation of draft implementing measures in the field of securities;
 - Work to ensure more consistent and timely day to day implementation of community legislation in the member states;
 - The Committee was established under the terms of the European Commission's decision of 6 June 2001 (2001/1501/EC). It is one of the two committees envisaged in the Final Report of the group of Wise Men on the regulation of European securities markets. Baron Alexandre Lamfalussy chaired this group. The report itself was endorsed by the European Council and the European Parliament. The relevant documents are available on the CESR website.
3. Each Member State of the European Union has one member on the Committee. The members are nominated by the Member States and are the Heads of the national public authorities competent in the field of securities. The European Commission has nominated the Director General of the DG Market, as its representative. Furthermore, the securities authorities of Norway and Iceland are also represented at a senior level. .
4. For further information please contact:

CESR

Fabrice Demarigny
Secretary General of CESR

Or

Victoria Powell
Communications Officer

Tel : +33 (0)1.58 36 43 21
Fax: +33 (0)1.58 36 43 30
Email: secretariat@cesr-eu.org
Web site: www.cesr-eu.org



Indicative CESR Work Plan for the provisional mandate and progress report under the Transparency Directive

