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PRESS RELEASE

CESR sets out its advice on dissemination of regulated information and Considers how best to implement a Single Point for EU Investors to access Financial Information on Issuers

CESR published today for consultation its proposed advice on dissemination of regulated information which forms part of the mandate for technical advice requested by the European Commission under the Transparency Directive (Ref. CESR/04-511). In addition, CESR begins to explore how best to develop an EU-wide database which would hold the financial information of listed companies for easy access by EU investors.

CESR's advice on these two elements (including further aspects of the mandate) must be delivered to the European Commission by June 2005. The consultations will close on 28th January 2005.

With regards to **dissemination of regulated information** (such as price sensitive information, half yearly financial reports, interim management statements, major shareholdings information): CESR proposes not to require information to be published in any one particular form of media and widens the definition of what it considers to be 'publishing' to include email, fax and other forms of communication.

CESR proposes, however, some minimum standards that issuers should meet in disclosing information. These principles include that the information should be made available to consumers without delay (particularly if the information is of a price sensitive nature); all investors should have access to the information and therefore it should not only be directed at specific categories of investors; it should also be available across Europe and without charge to investors. Issuers should benefit from free competition when choosing media operators to disseminate information.

CESR also recommends that issuers be free to choose to disseminate all regulated information themselves or to outsource this function to an operator. Where this is the case, CESR proposes that the operator must meet the minimum standards set for an issuer but that in addition, they must ensure they can meet some more specific minimum standards such as ensuring an appropriate level of security into their mechanisms to disseminate information and they must be able to operate on a 24 hour basis, 7 days a week and release information at least between the hours of trading in all EU time zones.

Regarding the development of a single access point for EU investors to gain financial information on EU issuers, CESR sets out a number of questions that should be considered and some potential options that exist. CESR notes that a central storage mechanism could be operated by a competent authority or a commercial entity and explores the advantages and disadvantages of each of these options. It also considers the question of how such a service might be funded on a pan-European basis and whether investors could be charged for this. This aspect of the consultation is therefore much broader than for the dissemination issues (on which CESR is mandated to deliver technical advice to assist in the development of implementing measures) and the responses received will enable CESR to narrow down the options and to finalise a first progress report as requested by the European Commission.

As this consultation does not cover all the areas covered by the European Commission Mandate on the Transparency Directive, a further consultation paper will be published

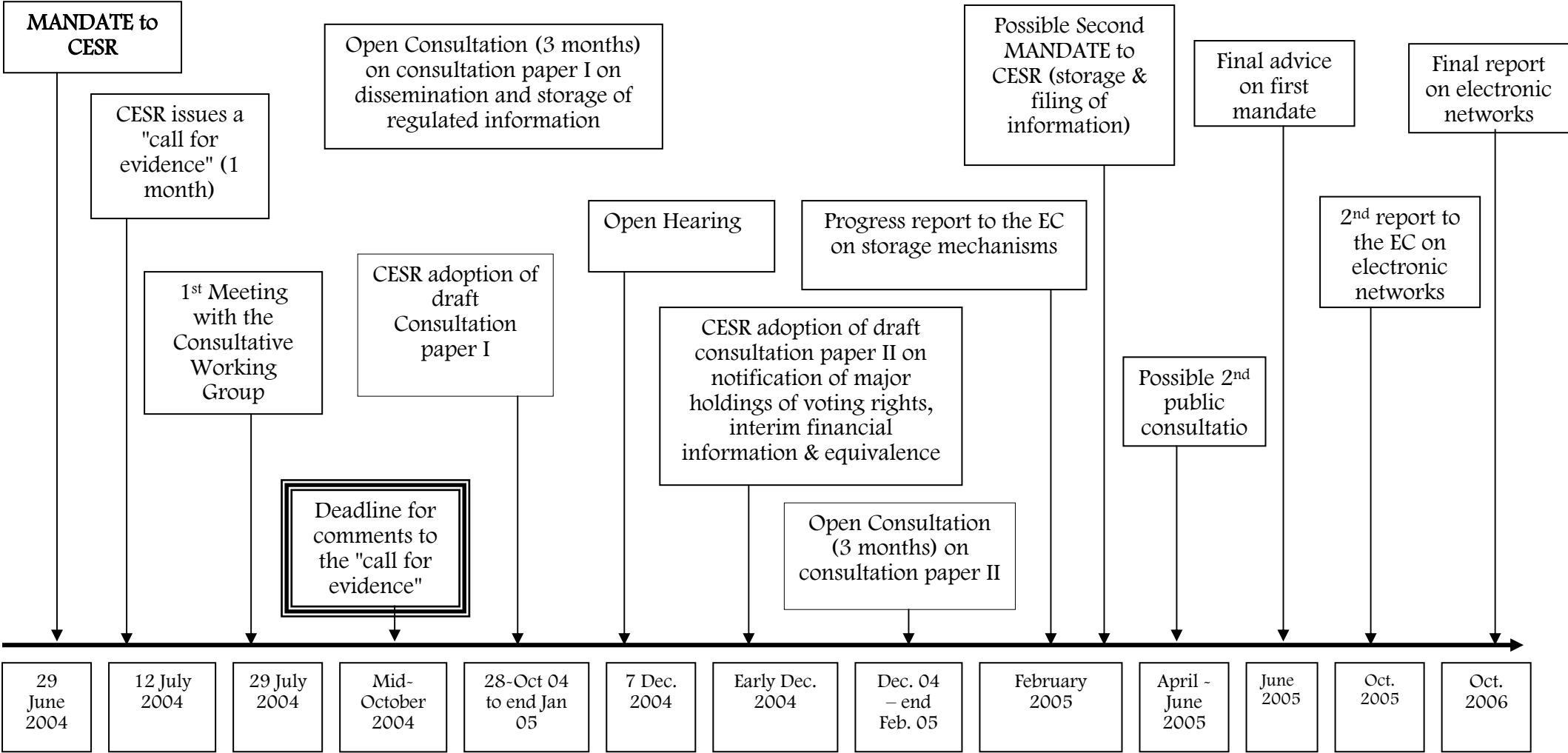


shortly covering the remaining aspects of CESR draft advice and a more detailed timeline of CESR work in this area is attached for clarity.

Responses to the proposed guidance are welcomed by 28th January 2005 and can be submitted online via CESR's website under the heading "consultations".

CESR will also be hosting a public hearing on 7 December 2004 at 2:30pm at CESR's premises in Paris. All those wishing to attend the open hearing can register via the CESR website (www.cesr-eu.org) under the heading "hearings".

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





Notes to Editors

1. CESR received on 29 June 2004 the official request from the European Commission for technical advice on implementing Level 2 measures of the Transparency Directive. The purpose of this consultation document from CESR is to seek comments on the draft technical advice that CESR proposes to give to the European Commission.
2. There were two elements in the request of the European Commission.

This first element was a mandate given to CESR for technical advice on priority measures that are needed to complete the Directive. This advice must be delivered by June 2005. This mandate covered a number of different technical issues which can be grouped as follows:

- a. Different technical issues related to **notifications of major holdings of voting rights** in companies whose shares are admitted to trading on regulated markets.
- b. The minimum standards for the **dissemination of regulated information** and implementing measures on the conditions under which periodic financial reports of issuers must be kept available.
- c. Different technical questions related to **half-yearly financial reports** and to **equivalence of transparency requirements** for third countries issuers.

The second element of the Commission's request was presented through letter of the Commission to CESR, inviting CESR to present a progress report on the conditions for officially appointed mechanisms for storage of information and on possible electronic networks of information about 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 technical advice on these issues.

3. CESR's work on Transparency is taken forward by an expert group chaired by Andres Trink, *Chairman of the Estonian Financial Supervision Authority*.
4. 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.

5. 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.
6. For further information please contact:



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