



Date: 28 June 2005
Ref: 05-445

The Committee of European Securities Regulators and the U. S. Commodity Futures Trading Commission Publishes Final Communiqué on Common Work Program to Facilitate Trans-Atlantic Derivatives Business

The Committee of European Securities Regulators (CESR) and the U. S. Commodity Futures Trading Commission (CFTC) today published the final Communiqué. This Communiqué sets out a common work program to facilitate trans-Atlantic derivatives business and reflects considerable industry input. The work program was announced today, together with the names of the initial jurisdictions joining the Task Force, following a meeting in London with the Chairs of the Committee of European Securities Regulators and the Acting Chairman of the CFTC, Sharon Brown-Hruska.

Confirmation of the final Communiqué and work program follows publication for comment of a proposed plan on 31 March 2005. The proposal in turn followed a Round-Table that was held at the CESR headquarters in Paris, France on 10-11 February 2005.

The work program incorporates the views of organised derivatives markets, intermediaries and end-users from the European Union and the United States concerning practical operational issues that most affect their conduct of trans-Atlantic business in exchange-traded derivatives and related transactions, and cooperative strategies to further a compatible business and regulatory environment.

Under the terms set forth in the work program, a task force drawn from CESR and the CFTC will be established to review issues relating to enhanced transparency and clarity of regulatory developments, simplified access or recognition procedures, and targeted consultation on cross-border issues, as well as to consider issues raised by the derivatives industry and end-users.

During the consultation (which closed on 15 May 2005) 13 comment letters were received from 2 intermediaries, 7 derivatives exchanges and 4 trade associations (3 representing intermediaries and 1 representing swap dealers). As noted in the separate Feedback statement summarising the comments, respondents generally supported the work program as proposed but offered certain enhancements and clarifications. As explained in the Feedback Statement, it is intended that the comments identifying issues of more particularity be tabled by the Task Force as part of their more general deliberations.

CESR and the CFTC have committed to ensure that the regulatory Task Force will ensure, through a variety of means, including targeted consultations, and possible formation of working groups or additional roundtables, that there is meaningful and ongoing involvement of the derivatives industry and end-users in the EU and the US in order to assist in the identification of issues and the development of practical solutions. In order to facilitate specific deliberations of the Task Force, all letters that were received in response to the 31 March 2005 Communiqué will be provided to Task Force members. In addition, the Task Force will seek to involve the derivatives industry and end-users at the earliest stage in its deliberations.

Additionally, to the extent that matters are identified that require for resolution the cooperation of other authorities, it is the intention of CESR and the CFTC to explore means to best pursue such cooperation.

CFTC's Acting Chairman Sharon Brown-Hruska said:

"I am extremely pleased to be here in London to join Arthur Docters van Leeuwen in announcing the final adoption of the Communiqué and Work Plan, which CESR and the CFTC have jointly sponsored.



I am also pleased that the comment process led us to make clear our intention that market participants, market operators, exchanges and end-users continue to be involved in the development of responses to the issues identified in the work program. Now it is just a question of getting down to work and delivering practical and achievable results. I am confident that today's major step forward in our transatlantic relationship will move us closer to the seamless marketplace to which I am committed."

CESR's Chairman Arthur Docters van Leeuwen noted:

"Today marks an important and practical step forward – we now have a concrete work programme to realise which will lead to a focused and productive dialogue with tangible results. This has ensured this dialogue has commenced with considerable impetus and has laid a solid foundation on which CESR and the CFTC can build."



Notes for Editors:

1. The CFTC is the independent Federal regulatory authority in the US with jurisdiction over future transactions/markets and professionals. For information regarding the CFTC, please visit the website www.cftc.gov.
2. CESR is an independent Committee of European Securities Regulators (www.cesr-eu.org). 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, chaired by Baron Alexandre Lamfalussy. The report itself was endorsed by the European Council and the European Parliament. The relevant documents are available on CESR's website.

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.

3. 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

CFTC Andrea M. Corcoran
 Director
 Office of International Affairs
 Tel: + 1 202-418-5645
 or
 Alan Sobba Tel: + 1 202-418-5080
 R. David Gary Tel: + 1 202-418-5085
 CFTC Media Contacts
 Office of External Affairs