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PRESS RELEASE

CESR adopts its MiFID Level 3 work program for 2007 and launches work with a consultation on record keeping requirements and market data consolidation

CESR adopts its workplan to deliver supervisory convergence in the application of MiFID:

Following the finalisation of the legislative phase of MiFID, CESR is shifting its priorities to tasks of an operational nature. CESR is of the view that a key factor in the successful functioning of MiFID will be dependent upon an intensification of efforts to strengthen supervisory convergence. In this regard, CESR has determined to advance uniform implementation of the rules across the EU and the establishment of the MiFID work programme, following consultation with market participants, was the first step towards delivery of this objective.

Responses to the consultation on CESR's MiFID Level 3 work program called on CESR to prioritise work that will have an impact on firm's processes and systems, and work that has a direct impact on facilitating the cross-border provision of investment services and activities, record keeping requirements and transaction reporting. The MiFID Level 3 work programme, published today, therefore focuses on those priorities for 2007 (Ref. CESR/06-550b) which are most considered to assist the market stakeholders in their preparation for implementation. Furthermore, responses indicated the need for much of this guidance to be delivered by end of February (early March), and stakeholders agreed that in order to achieve this, shorter consultation periods (from CESR's usual practice of 3 months) would be acceptable.

CESR begins work through the launching of its first round of public consultation:

Today's announcement also launches the first round of public consultations relating to Level 3 work under MiFID. The consultations launched today include two documents, on record keeping requirements and market data publication and consolidation.

Record keeping requirements:

In brief, MiFID establishes that competent authorities shall draw up and maintain a list of the minimum records investment firms are required to keep. In this regard, CESR is considering, as described in its consultation paper (Ref. CESR/06-552), issuing a recommendation to its members with the content of the list of minimum records that competent authorities need to develop. It is important to note, however, that CESR is not proposing to harmonise the content of the different records in the list.

CESR is of the opinion that both investors and industry would benefit from a common approach to the list that the different competent authorities have to establish. This is in line with our objectives of (i) facilitating a consistent and timely day-to-day implementation of the regime, (ii) fostering supervisory convergence, (iii) facilitating the provision of cross-border investment services and activities, and (iv) ensuring a common minimum basis for investor protection.



Comments are welcomed by 27 November 2006 and can be submitted on CESR's website (as is the usual practice, under 'consultations').

Publication and consolidation of MiFID market transparency

MiFID introduces a harmonised regime for publication of market transparency information, at the same time it opens up the market for more competition in trading.

In order to ensure smooth functioning of the publication of pre and post trade information as well as the consolidation of this information CESR members are considering joint interpretations and Level 3 guidance on publication mechanisms (including the use of websites), availability of the transparency information, and related data standards.

The proposals (Ref: CESR/06-551) are based on views expressed during the call for evidence in spring 2006 and related discussions with market participants.

Comments are welcomed by 15 December 2006 and can be submitted on CESR's website (as is the usual practice, under 'consultations').



Notes for Editors:

1. 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, 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.

2. CESR has established a 'MiFID Level 3 Expert Group' that will undertake work to deliver supervisory convergence in the day-to-day application of the legislation (i.e. Level 3). This group is chaired by Arthur Philippe, Director and member of the Management Board at the Commission de Surveillance du Secteur Financier, Luxembourg's securities supervisor. The secretariats' rapporteur of this group is Carlo Comporti, Deputy to the Secretary General at CESR and Director of Markets and Intermediaries.

There are two working sub-groups reporting to the MiFID Level 3 Expert Group:

- the 'Intermediaries sub-group', chaired by Antonio Carrascosa, Director General at the Comision Nacional del Mercado de Valores (CNMV), Spain's securities supervisor. The rapporteur of the 'intermediaries sub-group' is Diego Escanero, Senior Officer at CESR Secretariat;
- the 'Markets sub-group', chaired by Hans Wolters, Head of Policy at the Autoriteit Financiële Markten, Holland's securities supervisor. The rapporteur of the 'markets sub-group' is Jari Virta, Senior Officer at CESR Secretariat.

CESR has formed a MiFID Consultative Working Group which draws together technical experts from the markets and types of firms affected to provide advice on the technical practicalities of the guidance developed under the work programme. A list of its members is available on CESR's web site.

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. From 1st January 2006, the securities supervisors of Romania and Bulgaria attend CESR meetings as observers.

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