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**PRESS RELEASE**

**MiFID: CESR Members enhance supervisory co-operation for branch supervision**

CESR reports today on the progress made under the protocol for the supervision of branches in the context of the Markets in Financial Instruments Directive (MiFID). In the months since the implementation of MiFID on 1 November 2007, 16 agreements for cooperation on the supervision of branches have been concluded between CESR Members. This progress is an important step in order to achieve effective and transparent supervision and to enhance co-operation amongst supervisors.

Jean-Paul Servais, Chair of the CESR MiFID Level 3 Expert Group, said: *“Less than a year after implementation, CESR can be proud of the progress that has been made in promoting supervisory co-operation – the results prove that the framework works. I am aware that negotiations are ongoing to conclude further agreements and it is vital that we keep up the momentum to ensure effective and consistent supervision of MiFID.”*

The protocol created two models for co-operation between CESR Members. The co-operation can either be in the form of a joint supervision conducted through common oversight programmes, or through requests for assistance based on efficient allocation of supervisory tasks. The second model is general in nature, while the first allows supervisors to adopt a tailored agreement for particularly important branch operations.

Standing requests for assistance have been concluded between the following CESR Members:

- BaFin (Germany) and the CBFA (Belgium);
- the CBFA and the FSA (UK);
- the CSSF (Luxembourg) and the FSA;
- the FSC (Bulgaria) and the CBFA;
- the FMA (Austria) and the CBFA;
- the FSA and BaFin;
- the CBFA and the HFSA (Hungary);
- BaFin and the NBS (Slovakia);
- the HCMC (Greece) and CBFA;
- the CBFA and the CNB (Czech Republic);
- the CBFA and the CNVM (Romania);
- the Irish Financial Regulator and the FSA; and
- the FSA and the National Bank of Slovakia

BaFin and the FSA have also concluded three common oversight programmes.



#### Notes to Editors:

1. CESR made passporting a key priority in the run-up to MiFID implementation, with the publication of Level 3 recommendations in a document called: 'The Passport under MiFID' (Ref. CESR/07-337) in May 2007, followed in October by a common protocol for the supervision of branches under MiFID (Ref. CESR/07-672).
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 European 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.
3. 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.
4. 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 MARKT as its representative. Furthermore, the securities regulators of Norway and Iceland are also represented at a senior level.
5. CESR has established a MiFID Level 3 Expert Group that undertakes work to deliver supervisory convergence in the day-to-day application of the legislation (i.e. Level 3). This group is chaired by Jean Paul Servais, Chairman of the Management Committee of the Belgian CBFA. The rapporteur for this group at the CESR Secretariat is Eija Holttinen, Acting Director of Markets and Intermediaries.
6. There are two working sub-groups reporting to the MiFID Level 3 Expert Group:
  - The 'Intermediaries Sub-group', chaired by María José Gómez Yubero, Director at the Comisión Nacional del Mercado de Valores (CNMV), Spain's securities supervisor. The rapporteur of the 'Intermediaries Sub-group' is Diego Escanero, Senior Officer at the CESR Secretariat;
  - The 'Markets Sub-group', chaired by Hans Wolters, Head of Policy at the Autoriteit Financiële Markten, The Netherlands' securities supervisor. The rapporteur of the 'Markets Sub-group' is Eija Holttinen, Acting Director of Markets and Intermediaries.
7. CESR has formed a MiFID Consultative Working Group which draws together technical experts from the markets and industry practitioners with expertise in the various sectors covered by MiFID to provide advice on the technical practicalities of the guidance developed under the work programme. A list of its members is available on the CESR website.

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