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## **CALL FOR EVIDENCE ON CROSS SECTORAL INTERNAL GOVERNANCE ISSUES**

The 3 Level 3 Committees, CESR, CEBS and CEIOPS, publish today a Call for Evidence on cross sectoral internal governance issues.

In order to explore ways of promoting greater convergence of regulatory and supervisory practices in the area of internal governance, the 3L3 conducted a stock take on and analysis of existing internal governance requirements applicable in the areas of banking, insurance and securities. The 3L3 have produced a report<sup>1</sup> containing the result of this stock-take that was performed and their subsequent analysis of the differences identified, as well as some proposed options to achieve a higher level of harmonisation. This report is contained as an Annex to this Call for Evidence.

This 3L3 analysis did not identify any major issues seeking a high priority for convergence, although the 3L3 identified the following areas where further harmonisation could be achieved:

- Management of conflicts of interest;
- Policies, processes and procedures related to the risks covered by the risk management systems;
- How the risk management, compliance and internal audit functions might be "independent" in the light of their different sectoral requirements;
- The supervisory review process.

Accordingly, the 3L3 Committees invite all interested parties to comment on whether cross sectoral convergence is needed in the above mentioned areas. This includes a view as to whether there are any conflicting rules and additional implementation burden due to differences in the regulation for the different financial sectors which need to be remedied.

Comments should be provided from today until the 9<sup>th</sup> April 2010 to: [secretariat@cesr.eu](mailto:secretariat@cesr.eu); [secretariat@c-eps.org](mailto:secretariat@c-eps.org) and [secretariat@ceiops.eu](mailto:secretariat@ceiops.eu). All comments received will be published on CESR, CEBS, and CEIOPS websites unless respondents request otherwise.

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<sup>1</sup> The report is based on the existing regulation or in case of Solvency II prospective regulation as at October 2009