

European Commission: Corporate actions

CESAME Group
23rd October 2006

Salvatore Lo Giudice,
EU Commission, DG MARKT

Three issues

- Relations among the associations working on the same set of corporate actions and between them and those not directly involved
- Interrelation between this barrier and legal and fiscal procedures barriers
- Transparency on the status of the work

Relations among institutions

- Different associations working on the same set of corporate actions
- We called for a **merge**
- The associations « have agreed to produce a **common set of deliverables** and a **common implementation monitoring roadmap** encompassing both ECSDA and ECSCA standards/recommendations »

A common set of deliverables

- Very good idea but...
- The concept of common set of deliverables should apply to **all standards/recommendations**
 - Not just those of ECSDA and ECSAs
 - Progressively to standards/recommendations other than those on mandatory distributions

A common implementation monitoring roadmap (1)

- The common implementation monitoring roadmap should go beyond current practice
 - « National markets have based their gap analysis and implementation plan on [the standards/recommendations agreed by each association] »
 - Clearly, implementation should be based on the **common set of deliverables**

A common implementation monitoring roadmap (2)

- In each market a single Market Implementation Group should be established and should be responsible for the implementation of the common set of deliverables
- The national coordinator(s) should be appointed by and accountable to the different organisations involved

Implementation deadlines

- What are the implementation deadlines?
- ECSDA (**mandatory distributions**):
 - « two years after the standards proposed by ECSA and the ECSDA have been agreed »
- What is the process for this agreement to be achieved?
- Have EALIC/ESF agreed?
- What are the other associations/institutions involved? What about exchanges and CCPs?
- Is agreement by these institutions left to national implementation?

Interrelation between this barrier and legal and fiscal procedures barriers (1)

- The associations have identified legal and fiscal procedures barriers to the full implementation of standards/recommendations on corporate actions
- They will continue to feed the expert groups with further issues as soon as they are identified by the Market Implementation Groups

Interrelation between this barrier and legal and fiscal procedures barriers (2)

- We propose to have an ad hoc meeting with representatives of the associations, of the LCG, of the FISCO group and of the Commission, to:
 - Establish a common understanding of the legal and fiscal procedures issues which impact on the full dismantling of barrier 3
 - **Technical meeting with limited participation**

Transparency

- A 'place' where to find all updated information and documents on the status of the work
 - **Operational conclusions**
 - We need the help of all associations
- Tables could be made more user friendly (no titles, no dates, use of colours, etc)