

# Price Transparency: Implementation Analysis

Monitoring Group of the Code of  
Conduct on Clearing and  
Settlement (MOG)

# Context

- In January, the MOG concluded that “significant steps” had been taken by infrastructures but would “welcome further efforts “.
- On 20 April, the Commission presented an updated analysis of implementation of the price transparency commitments.
- Since then, the Commission has received comments from infrastructures and has seen improvements in the practical implementation.
- The following tables incorporate these comments and developments.

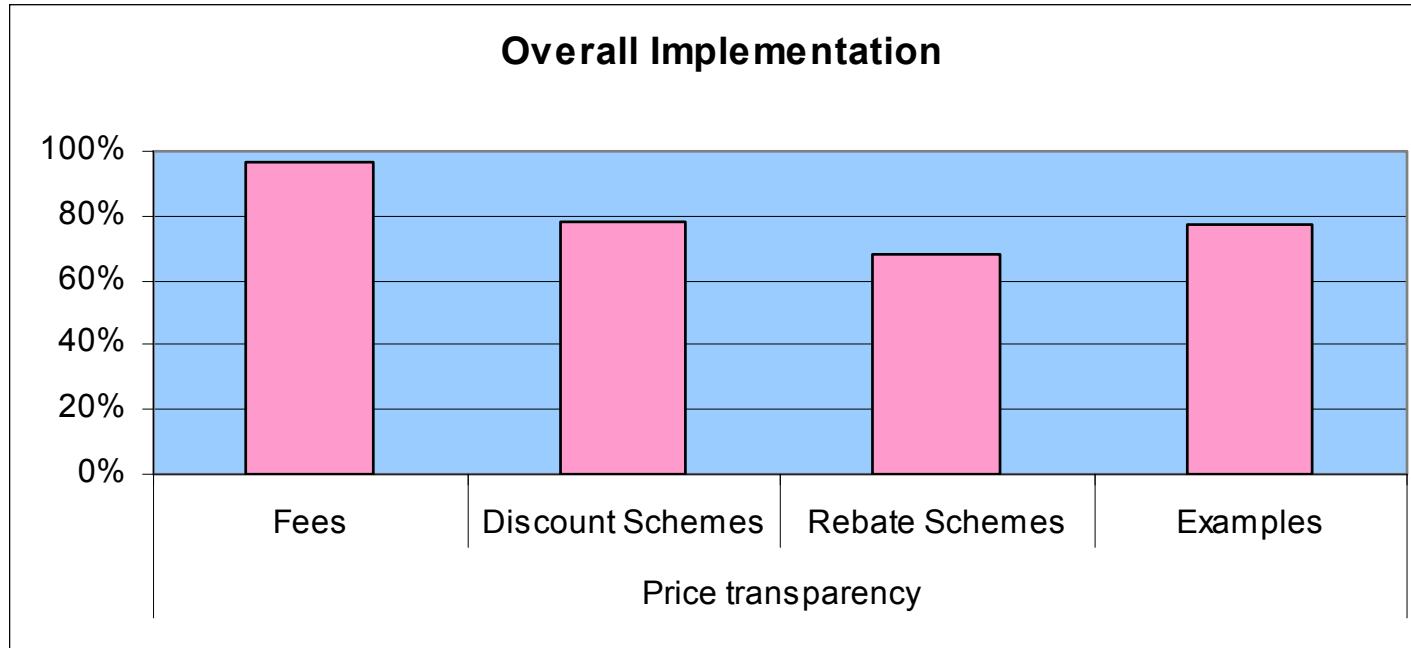
# Our method

- Based on two information sources:
    1. Primarily public information → websites
    2. Extended by Associations' implementation reports.
  - Focus → assess implementation:
    - Fees
    - Discount & rebate schemes
    - Examples
    - Billing Reconcilability
    - Price comparability
- Beyond scope of this exercise, which is based on public information

# Web Presence

- **Code**
  - information should be made available at “a prominent place on the Organisations’ websites”
- **Website = portal**
  - Main vehicle for delivering information to users
- **Dedicated Code Webpage**
  - 66% of infrastructures
- **Quality**
  - Most of the times fairly complete...
  - ...but sometimes only basic info on Code site...
  - ...and important information provided elsewhere (e.g. tariffs)

# Overall Implementation



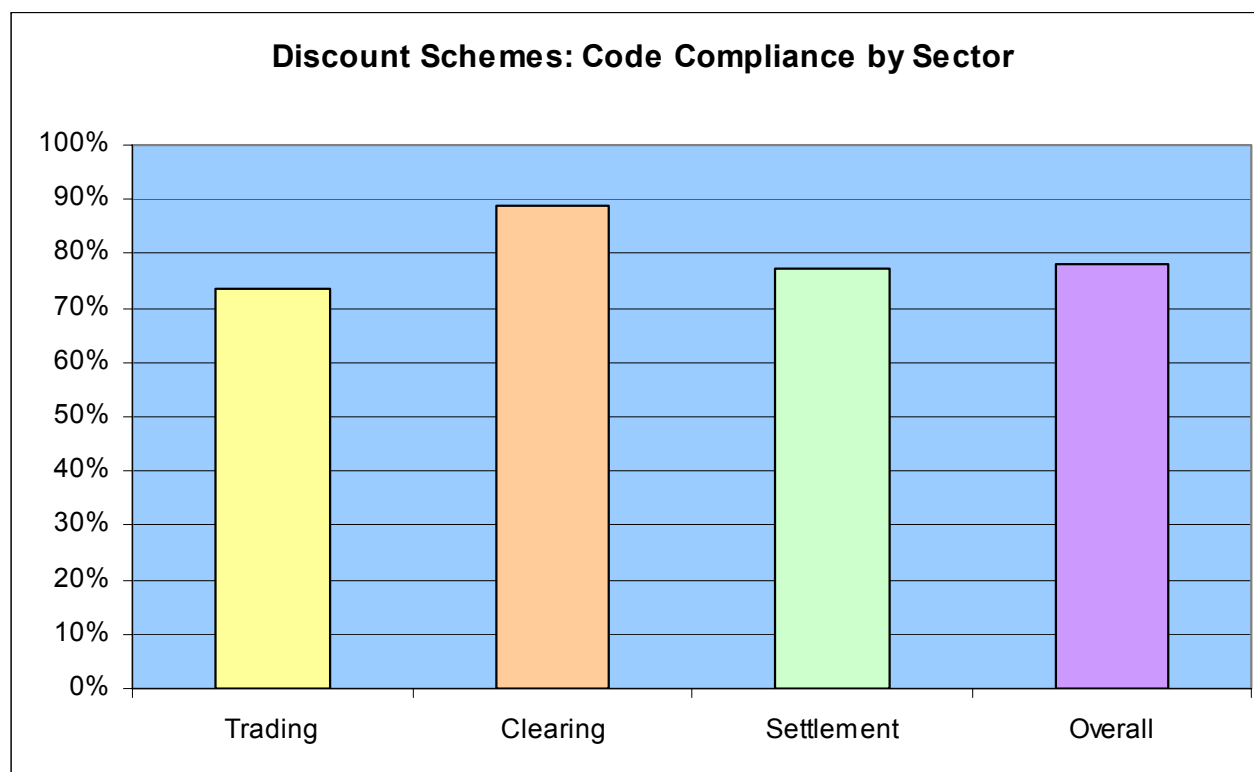
- Code has had an impact.
  - Significant and positive effects
- Level of implementation differs between commitments
  - Fees; high level of implementation
  - Further focus on Rebate & Discount schemes and Examples

# Publication of discount schemes (Art. 11, 13)

## Focus & Results

- **Key information:**

- Decreasing fee structures → table displaying volume discount



– 78 % Average Compliance

– Fairly Homogeneous between segments

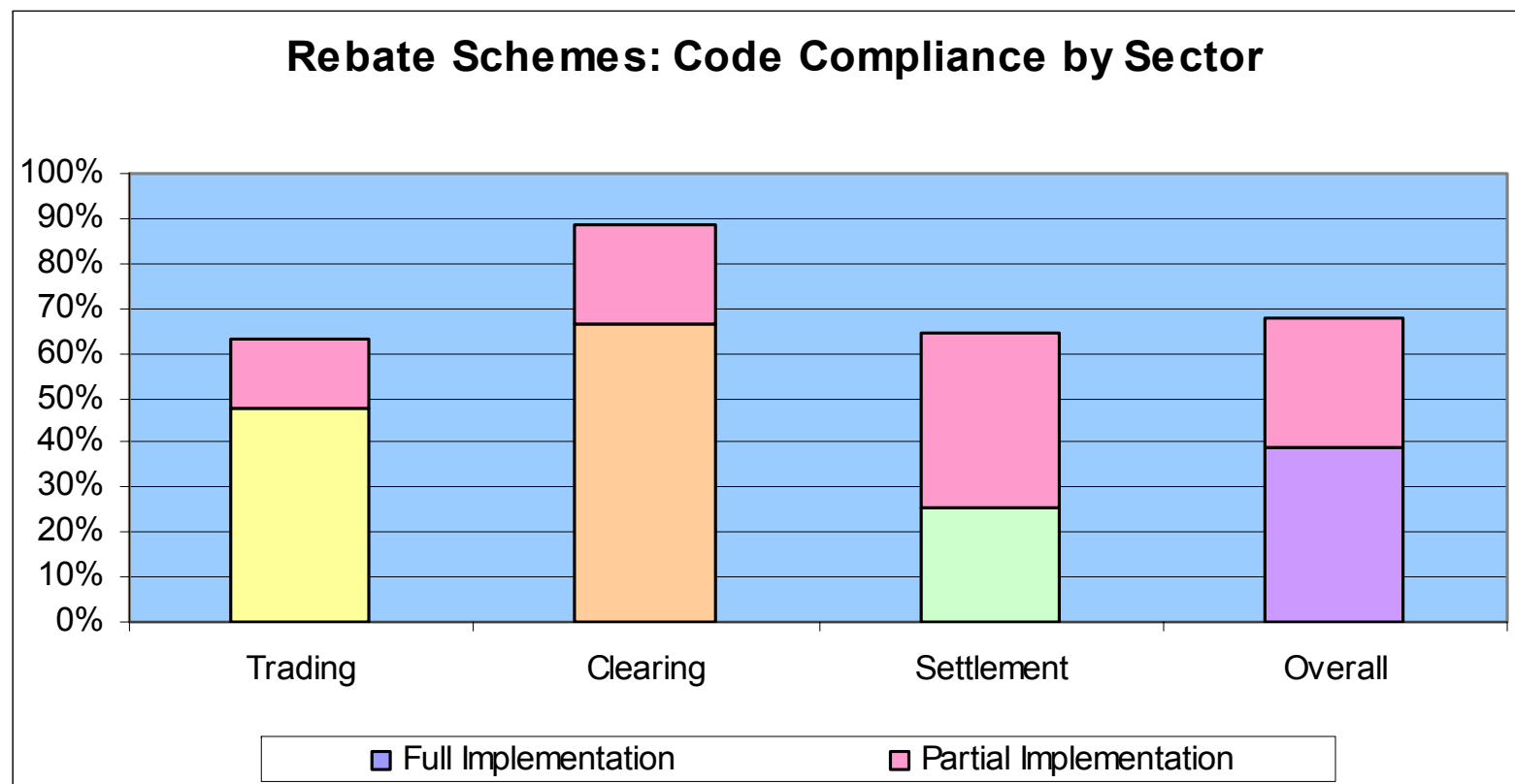
# Publication of rebate schemes (Art. 12, 13)

Focus - Result

- **Different rebate schemes:**
  - Public information only on “mechanical” schemes
  - Nothing on “discretionary” schemes
- **Key information for an equitable rebate:**
  - Whether infrastructure applies any rebate scheme or not;
  - The eligibility criteria, fees included and clients covered;
  - A formula or a calculation grid including all relevant variables.
- **Info about prior rebates**

# Publication of rebate schemes (Art. 12, 13)

## Focus - Results



- Partial implementation → info available in the implementation report:
  - Includes infrastructures that state in implementation reports that rebates are N.A. but that do not publish this information on its website

# Publication of Examples (Art. 14)

## Focus & Results

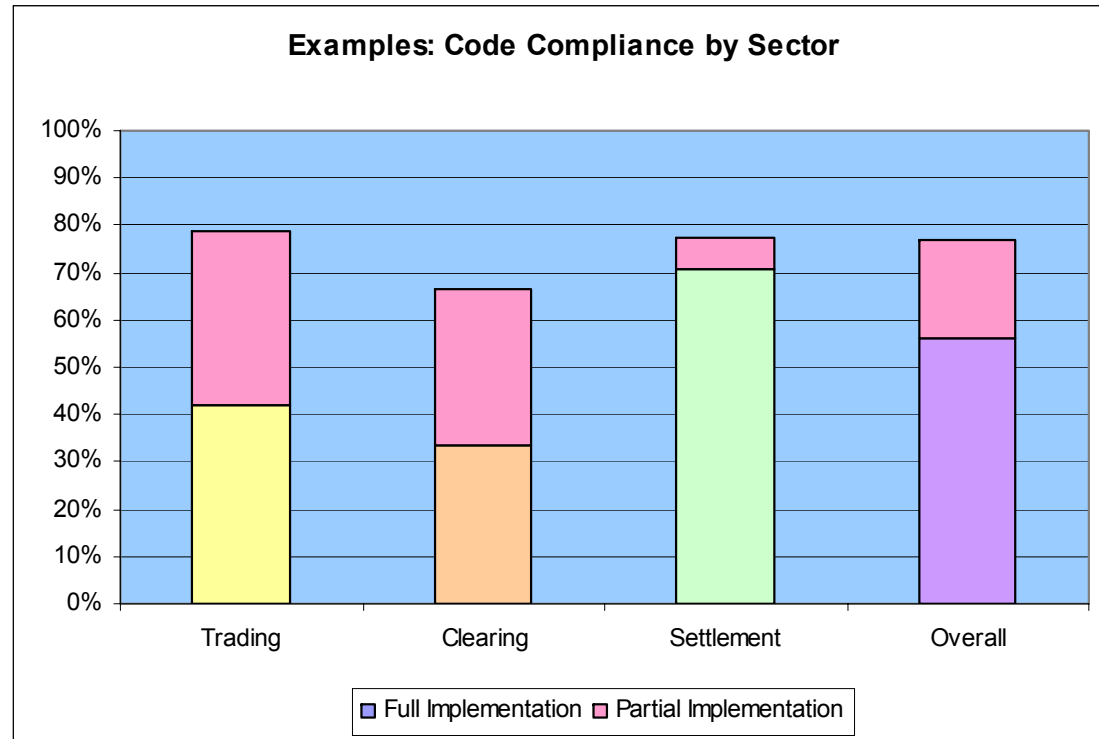
### Different approaches

- Scenario Analysis
- Price Simulator
- Potential Invoices

### Partial implementation

- Examples do not comprise the total charges incurred by users
- Examples do not fully include rebates and discounts schemes

**So much work still remains...**



# Conclusion

- While progress has been made, the MOG remains of the view that further clarity is needed in certain areas.
- Discount schemes (Arts 11, 13):
  - Some infrastructures' websites need to state more clearly whether discount schemes are applicable or not. If discount schemes apply, it should be clearly and comprehensively explained how the scheme applies to different types of clients (e.g. via table).
- Rebate schemes (Arts 12, 13):
  - Since the April MOG meeting there has been significant improvements as regards the publication of information on rebate schemes. For information, the MOG believes that organisations websites should contain a clear statement whether rebate schemes are applicable or not. If rebate schemes apply, the eligibility criteria should be clearly explained on the infrastructure's website. The scope of fees and types of client covered by the scheme in question should be published. It would be welcome if the formula, or calculation grid, including all relevant variables was also published. The relevant financial details should be published after the rebate scheme has been granted.
- Price examples (Art. 14):
  - Further efforts are sometimes necessary to ensure that the price examples posted on infrastructures' websites comprise all charges and properly incorporate discount schemes and rebate schemes.