



Reviewing MAD Regime Keynote Address

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Reviewing MAD Regime
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- Operational group responsible for cross-border cooperation and exchange of information
- CESR Multilateral Memorandum of Understanding on the Exchange of Information and Surveillance of Securities Activities – CESR MoU of 26 January 1999
- Development of mechanisms and measures to enhance exchange of information, cooperation and coordination of investigators

■ MAD Level 3 Guidance by CESR

- Inform market participants about common understanding of supervision
- Convergent application of legal requirements on a day-to-day basis by supervisors
- Harmonisation of surveillance practices and approaches
- First set of guidance and information on the common operation of the Directive already in May 2005
- Second set of guidance in July 2007

■ CESR Review Panel Mapping Exercise on MAD

MAD Level 3 – 3rd Set of Guidance

■ First Paper:

- Insider Lists
- Suspicious Transaction Reports

■ Second Paper:

- Stabilisation and Buy Back Programmes
- Two-fold notion of Inside Information

■ Open Hearing: 26 November 2008 in Paris



Harmonisation of Sanctions and Powers

- Extensive CESR Work on Fact Finding
- Divergence in Member States
- Major concern of EU institutions, CESR and Market Participants
- Not in the hands of CESR

Operational Work of CESR-Pol

- High priority
- Striving for consistent application of MAD
- Main tools:
 - Urgent Issues Groups
 - Surveillance & Intelligence Group
 - Database for MAD Enforcement Cases

■ 3rd set of guidance

- Consultation of draft and public hearing on 26 November
- Publish final guidance including feedback statement
- Identify new work streams that merit level 3 guidance.

■ Provide input to the EC's review of the MAD

■ Operational work

- finalise the MAD database
- continue within CESR-Pol, the S&I group, urgent issues groups, and the recently established short selling group.