

DG Internal Market Services consultation on a working document on storage of regulated financial information in relation to issuers whose securities are admitted to trading on a regulated market

Reply from Euronext  
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Euronext is grateful for the opportunity to express views on possible ways forward to facilitate the implementation of the Transparency Directive as regards the storage of regulated financial information.

As a preliminary remark, Euronext wants to reiterate its views that open access to the central storage mechanisms will enable reaching the Transparency Directive objectives and therefore provide end-users with an appropriate access to regulated information.

Regarding the minimum quality standards, Euronext mainly supports the proposed standards. We indeed consider that storage mechanisms should be subject to security and other standards as for the dissemination purpose.

However, we are of the opinion that some pre-requisites, exposed hereafter, are necessary to reach such an efficient model (free competition, accessibility of OAMs, funding).

#### Part A. Minimum quality standards for the central storage mechanism

With respect to the minimum standards, Euronext considers that the requirement to be respected by the central storage mechanisms will allow for the establishment and functioning of a safe, efficient and competitive model through the EU.

In particular, we encourage and support those provisions that will foresee and provide for alignment between the requirements to file the regulated information with the competent authorities and with the appointed mechanism for central storage. In our view, this will reduce the costs related to the filing of regulated information and facilitate the fulfillment of these obligations by making it less burdensome.

However, the Commission should re-insist that central storage mechanism should be open to receive regulated information from any entity, this latter being issuers themselves or service providers on a level playing field (same commercial basis).

In addition, we have some remarks regarding the identification of the information as regulated one. The Level I Directive enables Home Member States to make their issuers subject to requirements more stringent than those laid down in the Directive. This results in different definition of what should constitute regulated information for the purpose of dissemination and storage. This also means that an investor that would use a storage mechanism acting cross-border (and therefore storing regulated information from different Member States'

issuers) should face different levels of information, depending on the issuer's Member State, which could be confusing for him.

We therefore invite the Commission to recommend Member States to adopt as close as possible, if not the same, definition of regulated information for the purpose of dissemination and storage.

## Part B. Minimum conditions for a pan-European network for national central storage mechanisms

Euronext welcomes DG Internal Market services' willingness to push for the elaboration of a pan-European network of national central storage mechanisms. We fully agree with the Commission' view that it will facilitate public access to financial and corporate information, all the more so as the Commission wants to promote cross-border investments and shareholding.

Regarding the minimum conditions related to the characteristics of the network in terms of governance, we are supportive the proposed provisions, i.e. minimum content of the agreement, functionalities of the so-called Model C developed by CESR, conditions related to a single access point and harmonized searching facilities.

However, we would like to raise our concerns on the funding and pricing of access to information principle:

Euronext agrees with the neutrality principle of the European network in terms of pricing policy of the national storage mechanism and we also support the non-discrimination principle with regard to the way end users will access the information stored.

We also welcome the recommendation that access to the information stored in the mechanism in its raw format should be free of charges for investors.

However, Euronext considers it important to also facilitate free access to regulated information for any end user, this latter being investors or any person or entity interested in accessing it.

Moreover, if the network to be created was to be funded by EU money, we are of the opinion that national storage mechanisms being part of this network should be based on the same business model, i.e. operated by regulators. Otherwise, the single access point should result in redirecting investors toward commercial entities in some Member States and regulators in other ones. We believe this situation would be controversial, commercial entities would benefit a competitive advantage that would be based on EU funding.

We therefore prompt the Commission to recommend Member States to promote and opt for free market, opened to competition, in operating storage mechanisms.

## Appendix- draft list of types of regulated financial information

Euronext welcomes the initiative taken by the Commission to establish a list of regulated information for the purpose of filing at the Transparency Directive Officially Appointed Mechanisms.

We are indeed of the opinion that such a list will facilitate issuers identification of what has to be filed to comply with the requirements of the Directive.

