

Financial Markets Committee

Current activities and medium term priorities

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EBF Secretariat

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Objectives

- To establish the **common position** of all EBF members on financial markets issues;
- To ensure that the EBF plays a **full and representative role** in the political, legislative, and regulatory processes surrounding financial markets issues;
- To **work proactively towards the removal of barriers** to the conduct of securities business in the European single market so as to achieve a more efficient financial market that promotes economic growth and appropriately protects its clients;
- To **promote the principles of self-regulation and better regulation** within Europe, so as to alleviate the burden on banks and improve their competitiveness whilst working to win support for appropriate global convergence of financial markets, and securities regulation;
- To **advocate the free market and to ensure that banks operate on a level playing field**, operating free of unfair distortions of competition, both within Europe, and globally;
- To **raise awareness of banks' work on new and innovative developments in financial markets** with a particular focus on socially responsible targets and outcomes.



- Supervision of financial markets
- Implementation and assessment of MiFID
- Investment Funds
- Financial turmoil

- Lamfalussy Review
- Financial supervisory architecture
- Obstacles to a pan-European integrated capital market
- Better regulation initiatives in the area of financial markets
- New and emerging threats and opportunities

- Pro-active work:
 - Pursue instances of gold plating of MiFID where it creates a clear impediment to the development of an integrated pan-European capital market;
 - Seek to adapt and/or flex the MiFID regime based on experiences, *post*-MiFID implementation, in the interest of banks;
 - Input into global convergence work based on MiFID experience.
- Reactive work:
 - Reports required by MiFID (e.g. non-equities markets transparency);
 - Further work by CESR at Level 3.

- Harmonised funds (UCITS Review)
- Non-harmonised funds
- Substitute Products
- Private placement regime
- Alternative investments
 - Hedge Funds
 - Private equity

- The crisis has affected financial centres to differing degrees across Europe.
- The worst impact from the crisis is still ahead of us - we expect the peak of subprime mortgage 'teaser periods' to end around May 2008.
- Requires a measured and multi-disciplinary response in six areas:
 - **the Asset Backed Securities (ABS) market and securitisations;**
 - **the role of Credit Rating Agencies (CRAs);**
 - accounting and valuation issues;
 - the money market framework;
 - liquidity requirements; and
 - **supervisory co-operation.**
- The crisis requires a collective effort on the part of the industry to provide both technical solutions and higher level policy orientations.
- The crisis is global in nature and therefore requires a global response.

Financial Markets Working Group

- The banks' global interlocutor for the International Organization of Securities Commissions (IOSCO)
- Priorities:
 - Developing the dialogue between IOSCO and industry;
 - Financial turmoil;
 - Intermediaries, Secondary markets and asset management issues.

Please contact us!

Chair

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