

# The response to the Crisis

## The MiFID review

Wiesbaden, 7 December 2010

European Commission   
Internal Market & Services DG

# Commission response to the financial crisis

- Commission Communication of 4 March 2009 to Spring European Council (Driving European Recovery)
- Commission Communication of 2 June 2010 (Regulating Financial Services for Sustainable Growth)

# Key principles (and initiatives)

- Strengthened responsibility and investor protection
- Enhanced transparency
- Effective supervision and enforcement
- Resilience and stability of the financial sector (including crisis management)

# MiFID – The main objectives

- Integrating EU securities markets
- Protecting investors
- Strengthening competition
- Removing obstacles to cross border provision of services/activities
- Harmonizing regulatory framework

# MiFID – The general framework

- Rules on trading venues
- Transparency regime for (equity) trading
- Investment services and investor protection
- Supervisory framework

# The context

- Financial crisis
- Market developments
- Orientations at international level
- Institutional evolution
- Interaction with other EU regulatory initiatives (Green paper on Corporate Governance, PRIPs, EMIR ...)

# Review: possible areas of analysis

- Trading venues
- Transparency regime for equity and non-equity
- Quality and cost of trading data
- OTC derivatives
- High frequency trading
- Transaction reporting

# Review: possible areas of analysis

- Investment services and investor protection
  - Scope
  - Organisational requirements
  - Conduct of business rules



# Interaction with initiatives on Corporate Governance

- The Green Paper on Corporate Governance in Financial institutions.
- Relevance of financial institutions
- Fit and proper criteria and role of Boards
- Risk management and other internal functions
- The role of supervisors

# Next steps

- Consultation document
- Legislative proposal Q2 2011

# Thank you

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