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PRESS RELEASE

CESR CONSULTS ON MINIMUM DISCLOSURE REQUIREMENTS FOR SOVEREIGN ISSUERS AND FINANCIAL INFORMATION ON PROSPECTUS

CESR releases today a consultation paper on possible draft technical measures to implement the Directive on Prospectus. The proposed measures would need to be met when securities are offered to the public or admitted to trading. Responses to the consultation paper (Ref. CESR/03-210b and Annexes available on the CESR website) are required by 30 October 2003. This will shape the basis of CESR's final submission to the European Commission requested by 31 December 2003. Interested parties are invited to attend a public hearing to be held in Paris on 9 October 2003 (afternoon) at the CESR offices.

The proposed measures to implement the Prospectus Directive include:

- **minimum disclosure requirements for securities issued by EU Member States, Non-EU States and their regional or local authorities.** The proposals also include requirements regarding the use of **historical financial information to be included in prospectus both for EU and non-EU issuers.** This complements CESR's advice on the Prospectus Directive to be submitted to the European Commission on 31 July 2003.
- **the dissemination of advertisements** in relation to an offer of securities to the public or the admission to trading, in particular before the prospectus has been made available to the public or before the opening of the subscription.

The proposed measures have been developed by an expert group under the chairmanship of Mr Fernando Teixeira dos Santos, Chairman of the Portuguese Securities Commission and supported by Mr Javier Ruiz of the CESR Secretariat. The group is assisted by a Consultative Working Group of experts drawn from a broad range of market participants.

Responses should be addressed by email to Mr. Fabrice Demarigny, Secretary General, CESR, at secretariat@europefesco.org.

CESR strongly urges respondents to ensure comments are submitted by the deadline of 30 October 2003 to enable comments to be fully considered. It may not be possible to reflect comments received after the deadline in CESR's submission to the European Commission on 31 December 2003. CESR will publish all responses on its website, unless a specific request is made to keep a response confidential.



Notes for Editors:

1. The measures proposed in the consultation paper are being developed on the basis of a provisional mandate given to CESR by the European Commission published on 27 March 2002 and an additional provisional mandate published on 7 February 2003.
2. Under these mandates, CESR has been asked to widely consult all interested parties according to the principles set out in the Final Report of the Committee of Wise Men and to provide its advice to the Commission on the appropriate measures by three different deadlines: 31 July 2003, 30 September 2003 and 31 December 2003.
3. The Prospectus Directive was adopted by the European Council on 15 July 2003 and the European Parliament on 2 July 2003.
4. To register for the public hearing please email the CESR secretariat at secretariat@europescf.org. Please state clearly which hearing you wish to attend and your full contact details.
5. CESR is an independent Committee of European Securities Regulators. The role of the Committee is to:
 - Improve co-ordination among securities regulators;
 - Act as an advisory group to assist the EU Commission, in particular in its preparation of draft implementing measures in the field of securities;
 - Work to ensure more consistent and timely day to day implementation of community legislation in the member states.
 - The Committee was established under the terms of the European Commission's decision of 6 June 2001 (2001/1501/EC). It is one of the two committees envisaged in the Final Report of the group of Wise Men on the regulation of European securities markets. Baron Alexandre Lamfalussy chaired this group. The report itself was endorsed by the European Council and the European Parliament. The relevant documents are available on the CESR website.
6. Each Member State of the European Union has one member on the Committee. The members are nominated by the Members States and are the Heads of the national public authorities competent in the field of securities. The European Commission has nominated the Director General of the DG Market as its representative. Furthermore, the securities authorities of Norway and Iceland are also represented at a senior level. The following eight Authorities of the Candidate Countries for Accession to the EU joined CESR in 2003 with observer status: the Cyprus Securities and Exchange Commission, the Czech Securities Commission, the Estonian Financial Supervision Authority, the Hungarian Financial Supervisory Authority, the Lithuanian Securities Commission, the Malta Financial Services Authority, the Slovakian Financial Market Authority and the Slovenian Securities Market Agency.
7. 'Implementing measures' form part of the four level approach to European legislation for financial services proposed in the report by the working group chaired by Baron Lamfalussy (available on the CESR website as described in paragraph 5). The four level approach can be summarised very briefly



as follows: Level one measures set out the high level objectives that the legislation must achieve. Level two measures set out some of the technical requirements necessary to achieve these objectives. Level three measures are intended to ensure common and uniform implementation by the use of common standards, recommendations or guidance agreed amongst regulators in CESR. Level four measures relate to the enforcement of EU legislation.

Page 8 of the Lamfalussy report illustrates diagrammatically how these four levels of legislation fit together and the procedure to adopt these measures. The Level 2 'implementing measures' including the conditions for their adoption are described in more detail on page 31 of the report.

8. The Members of the Consultative Working Group for this work on Prospectuses are:

Ms Ann Fitzgerald, Irish Association of Investment Managers, Secretary General, Ireland
Mr Daniel Hurstel, Willkie, Farr & Gallagher, International Bar Association's Issues and Trading in Securities Committee, France
Mr Jaap Winter, Unilever, Netherlands
Ms Kaarina Stahlberg, Nokia, Finland
Mr Lars Milberg, Shareholder Ombudsman (shareholder association), Sweden
Mr Pierre Lebeau, Petercam, Belgium
Mr Regis Ramseyer, Certified Internal Auditor of the Institute of Internal Auditors, Luxemburg
Mr Stefano Vincenzi, Mediobanca, Italy
Mr Torkild Varran, Avanse Forvaltning (investment-fund), Norway
Mr Victor Pisante, EFG Eurobank-Ergasias, S.A., Greece
Mr Wolfgang Gerhardt, Sal. Oppenheim Jr and Cie, Germany.

9. For further information please contact:

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