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DG Internal Market and Services / Company Law, Corporate Governance and Financial Crime Unit

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**Nordic Securities Association's response to Commission consultation on the modernisation of the Directive 2004/109/EC (transparency requirements for listed companies)**

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The Nordic Securities Association (NSA) represents the common interests of member firms in the Nordic securities dealers associations towards external stakeholders primarily in the Nordic market but also on European and international issues of common interest. Members of the NSA are the Danish Securities Dealers Association, the Finnish Federation of Financial Services, the Norwegian Securities Dealers Association and the Swedish Securities Dealers Association.

The NSA welcomes the opportunity to respond to the consultation on modernisation of the transparency directive.

The NSA supports in general the response from the European Banking Federation (the EBF). However we would like to further emphasize that we do not support a full transparency requirement for cash-settled derivatives. The NSA understands the interest and need for regulators to have this information, but at least for financial institutions the information will be available via TRS and in the longer term also via the trade repositories. If the Commission insists on full transparency for all cash-settled derivatives, we believe from a market information perspective that such information must be disclosed in isolation from straight shareholdings in order to it having value and not being misleading. The NSA shares the view expressed by the EBF that the administrative burden for the "full" disclosure exceeds by far the value of the information.

Finally, from a smaller market's perspective we want to stress the utmost importance of full harmonization in this area. Different transparency rules in the EEA countries would lead to high administrative costs and to high risk of

non-compliance of the rules and to the misunderstanding of information. In short, full harmonization is necessary for the EU to remain competitive in the global investment arena.

Kind Regards

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