Stockholm 17 of July 2013

SSDA response to the Consultation from the European Commission on the review of the European System of Financial Supervision (ESFS)

General Remarks

The Swedish Securities Dealers Association (SSDA) welcomes the European Commission's Public consultation on the ESFS review. We have concentrated our response mainly on the European Securities and Market Authority (ESMA). As a trade association for securities markets we have a keen interest in the work of ESMA and also some experience of ESMA. We have the following main remarks.

It is too early to assess properly ESMA and the ESFS

It is too early to properly assess the impact of ESFS and ESMA and draw any definite conclusions. EU is still in the middle of a vast reform effort aiming to cover legislative gaps, reduce systemic risk and strengthen the supervisory structure. ESMA has been up and running for only two and half years, within that time it took ESMA some months to get going. During those years, ESMA has had a huge workload related to the regulatory agenda consisting of for example advice for delegated acts and implementing acts and proposals for technical standards to the Commission. In our opinion those tasks, pieces of advice regarding acts and proposals for technical standards, have been a very dominant part of ESMAs agenda so far, at least as seen from outside. ESMA has also had to produce those advice and proposals under quite difficult circumstances, often with very short deadlines and with limited time for preparatory works and consultations.

We have had very little experience of some of ESMA's powers and tasks described in article 8 and 9 of the ESMA-regulation[1] and also for example regarding breach of Union law (article 17), action in emergency situations (article 18), settlement of disagreements between competent authorities in cross-border situations (article 19) and identification and measurements of systemic risk (article 23). We have so far also limited experience of ESMA as a single supervisor.

In our opinion more time and experience is needed before considering any fundamental changes regarding the powers and tasks of ESMA. In this regards the major changes of the supervisory structure – banking union - which have been partly agreed but not yet entered into force must be taken into account. In short, we need more experience of the new system before we can make a full and proper assessment and discuss more fundamental changes in the powers and tasks of ESMA, like for example more direct supervisory powers for ESMA. However, the system could be improved without any changes of the rules by for example increased openness and transparency.

Increase the transparency of the work of ESMA

The formal consultation process of ESMAs is open but it could be challenging for market participants to follow and identify how issues are progressing within ESMA and also at the level of the Commission regarding level 2 measures. We recognized that ESMA has done a lot to operate in a transparent way through information on their website. However, increased transparency regarding ESMA's work and progress on advice and proposals would be helpful as well as more information regarding task forces, working groups etc.

Increased transparency is also of utmost importance for the Stakeholder groups. Cooperation with market participants would work much better if there was more transparency regarding the composition of these group and the detailed duties assigned to them. The extremely strict secrecy around the Stakeholder groups is not helpful, quite the opposite, for creating well considered and workable rules for the securities markets.

It is absolutely necessary for members of Stakeholders groups, tasks forces and other working groups to be allowed to consult and discuss with colleagues also outside those groups. Even if the members of the groups have very good knowledge of the securities markets it could be very difficult to master all very detailed and technical issues ESMA has to handle. Only through a more

[1] Regulation (EU) No 1095/2010 establishing a European Supervisory Authority (European Securities and Market Authority)

transparent procedure will those groups be able to give complete and correct input to ESMA.

In our opinion improved transparency towards market participants and other stakeholders would enhance the effectiveness of the process of rulemaking in ESMA. It allows market participants to better understand the discussed rules and the aim of the regulator. Broad participation in a transparent process would also improve the decision making process as well as reduce the risk that new rules will have unintended and negative consequences for financial markets. A transparent process will also give market participants and others a better understanding of a forthcoming regulation.
A more transparent ESMA could also lead to more transparency regarding the work of the national supervisors, not only when they interact with ESMA but also in other areas.

In the Guidelines from ESMA on the Market Maker exemption in the Short Selling Regulation the legal analysis from the Commission was crucial. It was in essential the main argument ESMA used to defend the very strict interpretation of the level 1 text. However, the legal advice from the Commission was not published by ESMA, nor was it an integrated part of the Guidelines. It is rather remarkable to base a decision on a legal analyze and at the same time keep the analyze secret. It is essential for the system and also for the public trust in the work of the authority that important argument or document is not kept confidential. The procedures in this case also created some doubts regarding the role of the Commission in relation to ESMA as we discuss further under independence. Furthermore, European legislators should not leave critical concepts of level 1 legislation for further definition at the level 3-stage.

There is also room to improve the transparency of the whole legislative process in the EU. In our opinion there is a clear lack of information concerning the Council discussions. One step forward could be to mandate the Presidency to produce a detailed report at the time of the General Approach explaining why the Council has amended the Commission proposal. Such an explanation would give the outsiders a far better understanding of the end-result.

Regarding level 2 the Commission should publish the reasons for deviation from ESMA advice. This is very important for the stakeholders to be able understand the changes done by the Commission and also for the Council and Parliaments scrutiny of delegated acts. In our opinion the procedure of the Commission could be further improved and the process more transparent. Furthermore, the Commission should of course provide a cost-benefit analysis before it departs from ESMAs advice.

ESMAs independence

ESMA is an independent agency of the EU and ESMA should also be seen as an independent organization. If the co-legislators and the Commission increase the workload of ESMA without taking into account the resources available for ESMA the independence could be in danger. The legislators seem to have set the agenda of ESMA without any possibility for ESMA to take any real decision regarding priority. In short, ESMA had to follow the legislator and prioritize the regulatory agenda. Furthermore, we have to stress that from the outside the Commission appears to have much influence on the work of ESMA (amount of advice and proposal, procedure for adoption of technical standards, budget and staffing). This could lead to that the independence of ESMA could be questioned

This consultation also provides an opportunity to take stock of what has been done to address the lessons of the financial crisis and what further work is needed to achieve a stronger and safer financial system. We have enclosed some thoughts about how the system and legislation could be improved.

Questions in the consultation

1. The European Supervisory Authorities (ESAs)

1.1. Effectiveness and efficiency of the ESAs in accomplishing their tasks

1.1.a. How do you assess the impact of the creation of the ESAs on the financial system in general and on (i) financial stability, (ii) the functioning of the internal market, (iii) the quality and consistency of supervision, and (iv) consumer and investor protection in particular?

As we stated in the general remarks it is too early to properly assess the impact of ESMA and draw lessons. We are of the opinion that ESMA has met the expectations so far but it is too early to offer full assessment.

ESMA has had an important impact on the functioning of the internal market not only by providing advice and proposals to the Commission but also through instruments such as guidelines, recommendations, questions and answers. Regarding the level 3-stage it should be noted that it is a challenge for ESMA and other supervisors to find efficient solutions at this stage if the level 1 legislation is unclear, perhaps because of difficult political compromises which

do not allow for clear outcome. It is the responsibilities of the European legislator to avoid such outcomes.

We have so far seen less activity regarding the quality and consistency of supervision and also about consumer and investor protection. This is not surprising, given ESMA's workload during its first years.

1.1.b. Do the ESAs' mandates cover all necessary tasks and powers to contribute to the stability and effectiveness of the financial system? Are there elements which should be added or removed from the mandate? Please explain?

ESMA should be and should also be seen as an independent supervisory authority. The huge workload from the European institutions has of course influenced the work of ESMA. In our opinion the independence should also mean that ESMA is independent from the Commission. It is therefore of importance that ESMA has the necessary and adequate resources for its work to ensure the independent role. Furthermore, ESMA should have the possibility to influence both the workload and the time schedule of tasks given by the EU-institutions.

ESMA should at least be given 12 months' time to develop advice and proposals and if the task is not urgent even longer time. Shorter time than 12 months seems to result in a decreased consultation time which is not acceptable. If shorter time is discussed, we propose that it should be mandatory to get an opinion from ESMA that the authority can produce on time without shortening the consultation time.

As mentioned above it is too early to draw any definitive conclusions and therefore propose any fundamental changes. However the need to support economic growth in the EU could be included in ESMAs mandate.

1.1.c. In your view, do the ESAs face any obstacles in meeting their mandates? If yes, what do you consider to be the main obstacles? Please explain.

From our point of view the main obstacle for ESMA to develop all its tasks has been the obligation to provide advice and proposals to the Commission. The priority of those tasks and tight time schedule and massive workload must have been very difficult to manage for ESMA. In short, there seems to have been little time to develop other tasks given to ESMA.

To improve the effectiveness and efficiency of ESMA, we are of the opinion, that a potential revision should not focus on the mandate and powers but rather on political and material independence of ESMA as well as the condition for ESMA to fulfill its tasks.

1.1.1. Work towards achieving a single rulebook - regulatory activities

1.1.1.a. Do you consider that the technical standards and guidelines/recommendations developed by the ESAs have contributed to further harmonize a core set of standards in the area of supervision (the single rulebook)? If you have identified shortcomings, please specify how these could be addressed.

In the long run technical standards can contribute to the harmonization but they have to be of high quality and detailed enough to ensure that they have the right impact. The experience so far is that there are too many open issues regarding for example the technical standards for EMIR. However, this problem is a result mainly of the legislative process on level 1. In our opinion the EMIR legislation is not of the quality and legal clarity you could require of legal acts from EU.

The legal nature of guidelines is a concern and should be clarified. They are non-binding according to EU law but of a quasi-regulatory nature. According to article 16.3 financial market participants shall make every effort to comply with those guidelines and recommendations. What does that mean in legal terms?

The guidelines should of course be consistent with the level 1 and level 2 texts. If the legal text of level 1 or level 2 is unclear it should be clarified on the same level, not by non-binding guidelines and thereby establish requirements without the correct authority or legislative process. It would in our opinion be appropriate to establish a control mechanism for opposing guidelines before the formal issuance.

It is also very important that all parties involved in the legislative process and the system respect the clear line between political and technical discussions. All major issues should be resolved at level 1 and no political issues passed to level 2 or to guidelines/recommendation. The use of delegated acts and technical standards should in every case be strictly framed to avoid confusion between the legislative and supervisory powers It would be a step forward for the legislative process if even technical standards could be submitted to a

mandatory cost benefit analysis if the level 1 text had changed significantly from the proposal of the Commission. Such cost benefit analysis could be done by ESMA.

1.1.1.b. What is your assessment of the work undertaken by the ESAs as regards providing opinions (e.g. technical advice) to the EU institutions?

We have above discussed how providing advice to the Commission has generated a very huge workload for ESMA and of course for market participants. In our opinion ESMA has done a good job under not very favorable conditions. It could however be worth to consider how to ensure that ESMA is fully independent of the Commission when producing technical advice and that the standards are exclusively technical.

1.1.2. Common supervisory culture/convergence of supervisory practices

1.1.2.a. In your view, did the ESAs contribute to promoting a supervisory culture and convergence of supervisory practices? If you have identified shortcomings how these could be addressed?

National authorities are probably best placed to answer this question in detail.

1.1.3. Consistent application of EU law

1.1.3.a. In your view, do the procedures on breaches of EU law (Article 17 ESAs Regulations) and binding mediation (Article 19 ESAs Regulations) ensure the consistent application of EU law? If you have identified shortcomings how these could be addressed?

So far we have no experience of those procedures.

1.1.4. Emergency situations

1.1.4.a. Do you consider the ESAs' role in emergency situations appropriate? Please explain.

So far there has been no real test case, even if ESMA has done some useful coordination work regarding short selling.

1.1.5. Coordination function (Art 31 ESAs Regulations)

1.1.6. Tasks related to consumer protection and financial activities

1.1.6.a. How do you assess the role and achievements by the ESAs in the field of consumer protection? Please specify the main achievements by each ESA. specify how these could be addressed.

So far we have had very little experience of the role and achievement by ESMA in the field of consumer protection. Consumer protection and the fortune of end-investors are very important issues for supervisors and should also be of high priority for policy makers.

1.1.6.b. Are you aware of the warnings that were issued by the ESAs so far? If yes, please specify which ones and whether they have contributed to improve consumer protection or any other objective of the ESAs.

We are aware of the warnings but we are not sure they have contributed to improve consumer protection. It is an important task for all supervisors but also a complicated one.

1.1.7. Direct supervisory powers

1.1.7.a. How do you assess ESMA's direct supervisory powers? If you have identified shortcomings, please specify how these could be addressed.

So far we have no experience and we are of the opinion that before considering adding more direct powers to the ESA, an assessment should be done in depth regarding ESMA's handling of CRAs and TRs.

1.1.7.b. How do you assess ESMA's performance for the registration and supervision of credit rating agencies (CRAs)?

In our opinion it is too early to make a judgment.

1.1.7.c. Do you consider that further responsibilities of direct supervision should be entrusted on one or more of the ESAs, particularly with regard to institutions or infrastructures of pan-European reach? Please explain.

There are many good reasons for one single supervisory regime regarding for example infrastructures with pan-European reach. However, such

considerations should at least wait for a thorough analysis of existing powers. Furthermore, there should be clarity regarding the economic and legal consequences of such reforms, for example the consequences of a default, resolution authority and insolvency rules.

1.2. Governance of the ESAs

1.2.1. General governance issues

1.2.1.a. Are the governance requirements sufficient to ensure impartiality, objectivity and autonomy of the ESAs?

1.2.1.b. How do you assess the accountability requirements? If you have identified shortcomings, please specify how these could be addressed.

1.2.2. Decision-making bodies and voting modalities

1.2.2.a. Does the current composition of the Board of Supervisors (BoS) ensure that it acts efficiently? If you have identified shortcomings, please specify how these could be addressed.

1.2.2.b. Does the composition of the Management Board ensure that the ESAs are run effectively and perform the tasks conferred on them? If you have identified shortcomings, please specify how these could be addressed.

The huge workload for ESMA with many different working groups can be problematic for smaller and medium size national supervisors. There is need for them to be active in all groups and thus be able to ensure that the special circumstances of local markets could be considered in all groups. The resources are limited for all involved but more transparency and consultations could improve ESMA's possibility to take account also on local markets circumstances.

1.2.3. Financing and resources

1.2.3.a. How do you assess the arrangements on financing and resources? If you have identified shortcomings, please specify how these could be addressed.

To be able to fulfill the mandate ESMA should be given greater resources. The funding of ESMA is not without problem. As the funding is a part of the

Commission budget it puts ESMA under the control of the EU Commission with a lack of flexibility and independence. The second source of funding, by the national supervisor (NSA) could also be problematic, lack of resources of the local supervisor and the dependence of ESMA on economic support from the NSA's.

1.2.4. Involvement and role of relevant stakeholders

1.2.4.a. How would you assess the impact of the relevant stakeholder groups within the ESAs on the overall work and achievements of the ESAs?

In our opinion those groups are very important but could work better. We have the following suggestion.

The first one is increased transparency of the work of stakeholders group. Cooperation with market participants would work better if they were more transparency regarding the groups and the detailed duties assigned to the groups. The extremely strict secrecy around the Stakeholder groups is not helpful, quite the opposite, for creating well considered and workable rules for the securities markets.

It is absolutely necessary for members of those groups to be allowed to consult and discuss with colleagues even outside the particular group. Even if the members of the groups have very good knowledge of the securities markets it is very difficult to master all the very detailed and technical issues ESMA has to handle. Only through a more transparent procedure will those groups be able to give complete, correct and useful input to ESMA.

Furthermore, many of the stakeholder groups and other groups/committees have very wide mandates and also an extremely broad representation for different stakeholders in the securities markets. ESMA could in our opinion consider more groups with less wide mandate to get even more specialized expertise. Stakeholder groups should be used at a very early stage to comment on the need and direction of new standards and guidelines.

It is essential that ESMA is very transparent regarding meetings consultations and workshops with only a few selected stakeholders or experts.

1.2.4.b. Are you satisfied with the quality and timeliness of consultations carried out by the ESAs?

No, we have in our general remarks been very critical regarding the time pressure on ESMA to produce advice and proposals for level 2 legislation which at many occasions have resulted in very short consultation periods for important issues (EMIR, Short Selling Regulation). Sometimes only a few weeks during holiday time! This is not acceptable and ESMA should be given enough time, at least 12 months to produce advice and proposal of high quality. The Commission as well as the co-legislators should carefully consider both the time schedule and resources of ESMA before setting the deadlines for level 2.

Short Selling Regulation is an example of where the timetable has been so compressed that there has been very short consultation periods and ability to consider level 2 provisions. The guidance was not finalized at the time the level 1 and 2 legislation came into force. Furthermore, the level 2 legislation entered into force only a day or two after the publication in OJ. The whole procedure regarding the Short Selling Regulation is an example of the need for more realistic level 1 and level 2 timetables and a possibility to change those tables if needed. Finally, to review legislation, like the Short Selling Regulation, after only a few months after it comes into force is not serious. It is absolutely too soon to provide any meaningful comments of the regulations impact.

This review provides a key opportunity to address the failings of level 2 process, including the lack of time for consultation. We have the following suggestions for improvement.

The first one is of course to ensure that ESMA is given enough time to produce and deliver proposals and advices of high quality for level 2 legislation. The time schedule should take into account the workload and the resources of ESMA and grant sufficient time for ESMA to consult properly. Quality and legal coherence must be prioritized over speed. In our opinion ESMA should at least be given no less than 12 months (if there are many legislative acts with delegation there is a need to identify the priority and award ESMA more time to cope with the workload). The market would at least need between 6 month and one year to implement

Secondly, tools should be introduced to ease timetables for the level 1 and level 2 if problem arise during the level 2 process and the implementation process.

It could also be useful to give ESMA the opportunity to provide its view on the timetable before a proposal on level 1 is being adopted to ensure a realistic timetable with sufficient time for the necessary preparatory works and consultations by ESMA.

1.2.4.c. Are you satisfied with the appointment procedures for the stakeholder groups?

As previously noted we are of the opinion that the mandates are very broad and that ESMA should be given the possibility to consider appointing also groups with more limited mandates.

1.2.4.d. In your experience, does the composition of stakeholder groups ensure a sufficiently balanced representation of stakeholders in the relevant sectors? If not, which areas appear to be insufficiently/overly represented?

In general we consider the composition of the groups appropriate but as stated above we are of the opinion that the members in the stakeholders group should be able to share and discuss the issues with colleagues and experts. Even if not every document or paper can be made public the main principle should be openness. The secrecy prevents other stakeholders to be informed and might lead to disadvantages for non-participants.

1.2.4.e. Is the work undertaken by the stakeholder groups sufficiently transparent? Do you see areas where the approach towards transparency needs to be revisited?

As mentioned above, we are of the opinion that the transparency of the groups is far from sufficient. Transparency could be increased in many ways to promote the work and result of the stakeholder groups. The mandate, agenda and work of the relevant working group, as well as all documents, should of course be published on ESMA's webpage. Only for very strict reasons should secrecy be allowed. It is absolutely necessary for members of those groups to be allowed to consult and discuss with colleagues.

1.2.4.f. In your experience, are the ESAs, and in particular the ESAs stakeholder groups, sufficiently accessible for stakeholders not directly represented in these stakeholder groups?

Only through increased transparency, could the stakeholder groups become accessible for other stakeholders. The first step is of course to publish information about the group. For example the members of the group, mandate, agenda and work of the group should of course be published on ESMA webpage as well as documents.

5. Miscellanea

5.a. Do you have any other comment on the effectiveness and efficiency of the ESAs and ESRB within ESFS and on ESFS in general? Please indicate whether the Commission may contact you for further details on the information submitted, if required.

Some general remarks on the financial reforms

The EU is in the middle of a vast reform effort aiming among other things to cover legislative gaps, reduce systemic risk and strengthen the supervisory structure in the EU. We strongly support legislation deemed necessary for the financial stability and also legislation for sustainable growth. However, as far as we can tell, it is still not clear whether all this new legislation will actually have a significantly positive overall, net impact on financial markets, market participants, and investors and, most important, on the real economy in the EU. We are concerned that the cumulative effect of the large number of poorly coordinated initiatives might create significant risks and problems not only for the financial sector but also for the real economy in the Union. Besides the financial institutions' future ability to provide credits and services for the benefit of real economy the ongoing reform might have negative side effects. One such is that the amount of new laws and the complexity of them are likely to affect the competition in the EU's financial sector in a negative way given the high threshold for starting a new financial institution in today's regulatory environment. Against this background, as the EU continues to develop its supervisory structure and adopts further legislation it is of utmost importance that it seeks to adopt processes which ensure, – as far as possible, – that this massive reform creates added value. In particular we need: i) better impact assessments, ii) clearer planning and sequencing of legislation and iii) enough time for orderly implementation.

Better impact assessments

Though the Commission has developed its impact assessment instrument in recent years, there is still room for improvements. First, impact assessments must always be done before the legislation is tabled. Surprisingly, there are still dossiers (for example the Financial Transaction Tax) where the Commission complements and refines its impact assessments a long time after the proposal is tabled. Second, the assessment should cover cross-sectorial and overall impact on financial markets, including all affected stakeholders and the impact on capital market and on the real economy. The impact assessment should also

analyze the cumulative effects of new legislation to ensure that stakeholders will be able to digest the legislation without unintended or unwanted consequences. So far no assessments have been made of the overall impact of the implementation of the huge wave of legislative initiatives. Better impact assessments in combination with proper consultations will in positive ways affect the stakeholders' ability to adjust to new legislation.

In short, to ensure that the objectives and the impact of legislation are clear detailed impact assessment with cost and benefit analysis should be produced for each proposal. Furthermore, we are of the opinion that the quality of that assessment would be greatly improved if the impact assessments were consulted on in a draft form with relevant stakeholders and the outcome of that consultation was published.

Clearer planning and sequencing of legislation

In our opinion the legislation and the legislative process would benefit from a more coordinated approach - a plan or road-map - covering the different initiatives. Such a plan would be a good way to identify the level of priority between the initiatives and also coordinate the different initiatives. The legislative initiatives have to been taken in the right order. That is indeed important for the sequencing of level 1 legislation but also for the sequencing of level 1 with level 2. We have seen examples of level 1 legislation entering into force before level 2 measures are in place (EMIR) and also examples of legislation published in the OJ one day and entered into force the day after (Short selling Regulation). This is obviously not in line with the requirements for better legislation and can result in legal uncertainty and severe difficulties for stakeholders and supervisory authorities. The planning should of course be done in a transparent way to ensure that all stakeholders can follow the process. It is not acceptable that a regulation, EMIR, entered into force without clear guidance from the legislator regarding which rules the stakeholders had to follow at that point of time.

There also has to be a better prioritization between core and non-core reforms.

In our view the legislator should also to a larger degree than today strive to keep the new laws as simple as possible, principle based. The level of detail in many of the regulations and directives in the reform program might create a culture in which common sense to a certain extent gives way to just ensuring compliance ("ticking the box"). On this, it is also essential to keep in mind that it is generally easier to detect problems in an institution under a simple regulatory framework. Further, a simple framework makes it easier for the

supervisor to follow up on institutions' compliance and, needless to say, easier for banks to ensure compliance.

To further improve the quality and the coherence of EU-legislation we would propose that the Commission in the future publish draft version of the legislation for discussion with Member States and the market before the adoption of the formal proposal. Such pre-legislative scrutiny of the detailed legislative text has been mandatory for many years in Sweden and we have found it very useful.

The time to implement EU-legislation

One of the results of the new legislative framework and its related processes, with several layers of legislation and guidance, has been a lack of time for the markets to implement and adapt to legislation. These rules have created an overwhelming workload not only for authorities but also for other stakeholders such as financial firms. To avoid creating unnecessary risks and unintended consequences, legislators need to put forward realistic time schedules which take into account the available resources for all stakeholders. In this regard it is also important to keep in mind that a large majority of the financial institutions in EU are in fact small or medium sized companies. There is a risk that the reform drives the financial market industry towards a higher degree of concentration where a few number of market players play an increasing role without having the possibility and the willingness to serve all types of issuers and investors.

ESAs must be given enough time to produce and deliver proposals and advices of high quality for level 2 legislation. The time schedule should take into account the workload and the resources of the ESAs and grant sufficient time for ESAs to consult properly. Quality and legal coherence must be prioritized over speed. In our opinion the ESAs should at least be given no less than 12 months. If there are many legislative acts with delegation there is a need to identify the priority and award the relevant ESA more time to cope with the workload. One key method for ensuring quality of forthcoming legislation is to conduct consultations with stakeholders. One worrying and disappointing consequence of the time pressure experienced over the last couple of years is that the consultation period for several very important proposals has been very short, sometimes only a few weeks (EMIR, Short selling regulation).

Furthermore, the time schedule for a legislative project should take into account the time needed for the stakeholder to implement the EU-legislation. Generally, market actors like bank and securities firms need at least six to

twelve months from the legislation was published in the OJ to implement essential legislative changes in an orderly manner. Ideally the implementation time should be set in reference to when level 2 legislation (delegated acts, implementing acts and technical standards) is published in the Official Journal. To be able to finalize the implementation stakeholders need the final version of the legislation with all details. It is clearly not enough to know only the level 1 legislation and the draft or proposal for the forthcoming level 2 legislation from the ESAs. It should also be noted that the implementation time should take into account the national legislative process. Even regulations generally need national legislative initiatives.

Finally, we want to stress the importance that legislation should not be rushed and sufficient time must be allowed at all stages of the process for effective analysis and genuine discussions.

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[2] The Swedish Securities Dealers Association represents the common interest of banks and investment firms active on the Swedish securities market. The mission of SSDA is to work for a sound, strong and efficient securities market in Sweden.