

Regulatory Trends in the European Union

**ASIA SECURITIES FORUM
2010, Beijing**

28 September 2010

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Agenda of International Regulatory Bodies

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European Financial Supervisory System

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Committee of European Securities Regulators

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Basel Committee

Basel Committee

	2010		2011	
	1H	2H	1H	2H
Capital and Liquidity Reform		T.D.		
Basel II Market Risk				T.D.
Supervisory Colleges		June '10		
Cross-Border Bank Resolution	March '10			
Corporate Governance in Banking	C.P.			
Microfinance & Banking Supervision	C.P.			
Compensation Practices	F.P.			

Source: BIS

T.D.: Target Date C.P.: Consultation Paper F.P.: Final Paper

IOSCO

International Organization of Securities Commissions

	2010		2011	
	1H	2H	1H	2H
Periodic Disclosure by Listed Issuer	Feb '10			
Disclosure for Asset Backed Securities	April '10			
Short Selling	June '09			
Credit Rating Agencies	May '10 C.P.			
Structured Finance Product Market Transparency		T.D.		
Point of Sale Disclosure of Retail Investors		T.D.		
Unregulated Financial Markets and Products		T.D.		

Source: IOSCO

T.D.: Target Date C.P.: Consultation Paper

IASB

International Accounting Standards Board

	2010		2011	
	1H	2H	1H	2H
Classification and Measurement of Financial Assets	November '09			
Amortised Cost and Impairment of Financial Assets	November '09			
Fair Value Option for Financial Liabilities	May '10			
International Financial Reporting Standards			T.D.	

Source: IASB

T.D.: Target Date

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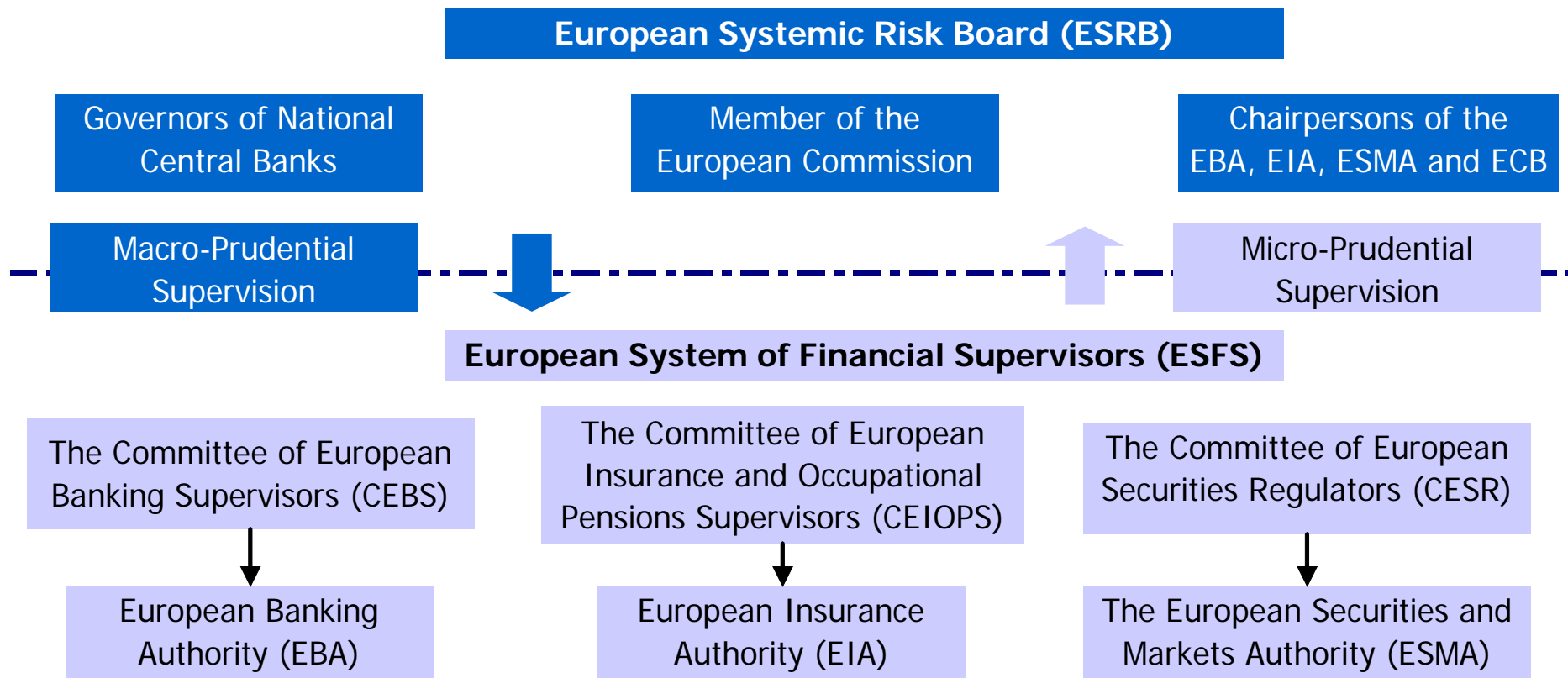
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European Supervisory System

European System of Financial Supervision



Source: European Union

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CESR

Committee of European Securities Regulators (CESR)

Reviewing MiFID	March '10
European Money Market Funds	May '10
Credit Rating Agencies: EU Regulation	June '10
Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS	July '10
Central Repository for Credit Rating Agencies (CEREP)	August '10

Source: CESR

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Regulatory Measures in the UK

- ✓ July 2008: Simplifying Disclosure Information about Services & Costs
 - ✓ January 2009: Temporary Short Selling Measures
 - ✓ March 2009: Disclosure of Contracts for Differences
 - ✓ June 2009: Extension of the Short Selling Disclosure Obligation
 - ✓ July 2009: Banking and Compensation Reform
 - ✓ October 2009: Strengthening Liquidity Standards
 - ✓ February 2010: Listing Regime Reviewed
 - ✓ July 2010: Government proposals to reform the UK's financial regulatory framework
- 
- A map of Europe is shown in the background, with the United Kingdom highlighted in a light blue color. A red dot is placed on the map, indicating the location of London.

Regulatory Structure in the UK

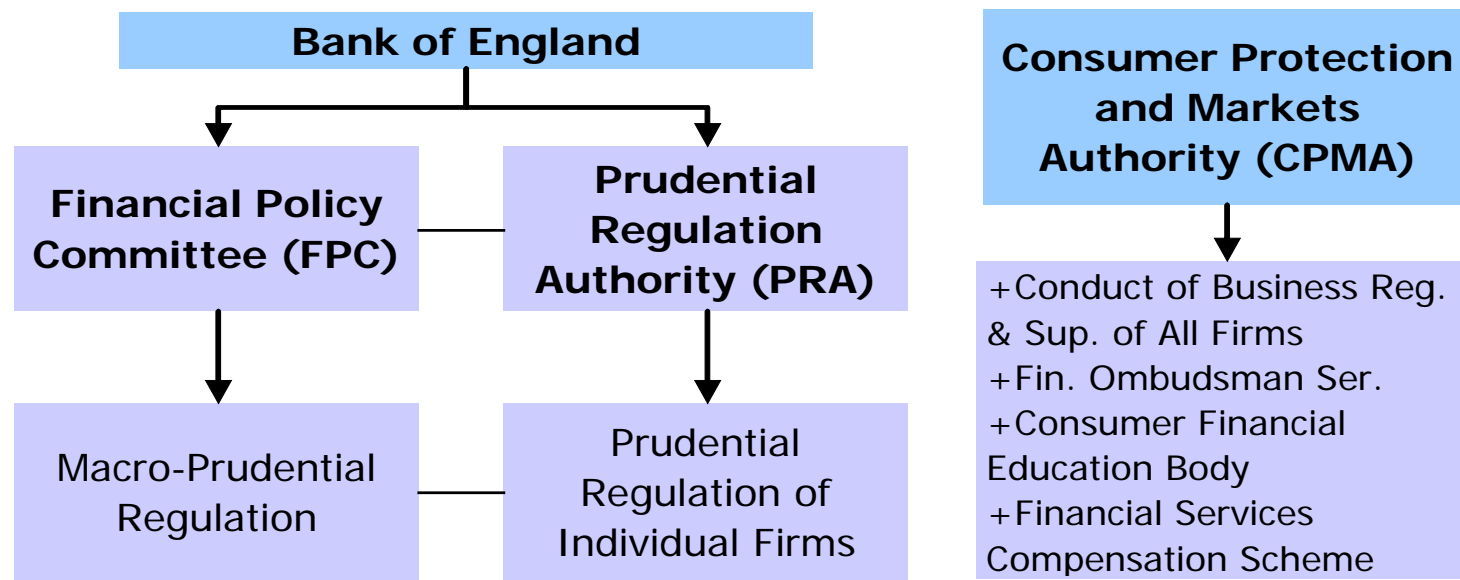
Current Structure of Financial Regulation in the UK

Bank of England

Financial Services
Authority

Treasury

New Financial Regulation Framework



Source: HM Treasury

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Regulatory Measures in France

- ✓ **January 2010: Extension of exceptional measures introduced on 19 September 2008 on short selling of financial stocks.**
- ✓ **March 2010: Guidelines for new anti-money laundering regulations**
- ✓ **May 2010: Adoption of the European definition of money market funds**
- ✓ **July 2010: Implementation of UCITS IV Directives: Situation and Outlook for Asset Management Regulation**



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Regulatory Measures in Germany

- ✓ **September 2008: Short selling banned in shares of 10 companies in the financial sector.**
- ✓ **March 2010: Transparency Obligation for Net Short-Selling Positions**



Final Remarks

1

EU and UK are changing the institutional structure of financial regulation and supervision

2

Calls for closer international cooperation but diverse measures are implemented

3

Asia will be affected through;

- Business channels with Europe
- Introduction of new standards



TSPAKB
THE ASSOCIATION OF CAPITAL MARKET
INTERMEDIARY INSTITUTIONS OF TURKEY

✓ **Thank You !**