

MELDRUM Brona (MARKT)

From: LEDURE Valerie (MARKT)
Sent: 28 March 2011 18:25
To: MARKT LIST G3
Subject: CIAA meeting report

This morning I took part in a meeting of the "Confederation of the food and drink industries of the EU" (CIAA) with representatives from Kraft, Nestle, Cargill, UK food and drink federation, Association nationale de la meunerie française and Kellogg.

Essentially they had questions of understanding on the chapter 5 of our MiFID consultation paper relating to "measures specific to commodity derivatives markets".

Relevant points of discussion:

- They wanted to better understand the interaction between EMIR, MiFID and CRD
- They strongly support increased transparency in commodity derivatives markets
- Their main concern is a lack of consistency in the national application of EU rules. They also stressed the difficulty to detect market abuse cases in these markets. Hence they would like to see a US like CFTC in the EU; I explained the coordination role of ESMA and that the remit of the CFTC like for ESMA and the national financial regulators is financial markets and not the underlying physical markets.
- Regarding the specific point of position reporting by categories of traders, they insisted to have an harmonised definition at the EU level of the different categories of traders and would be in favour of adopting the US classification (not because it is better but simply it is already a system in place). This would ease readability and consolidation of these data within the EU and with the US. They also drew my attention on the importance of the frequency and the timing of the publication of these COT reports (all reports to be published at the same time). They would see a role for ESMA in this (like the CFTC which is responsible for publishing the COT reports).
- They do not have any concerns with the narrowing down of the MiFID exemptions unlike energy companies.

Happy to discuss further.
Valerie