

## Meeting with ICI

18.11.2013

Participants: Investment Company Institute (ICI): [ ART. 4.1b ], [ ART. 4.1b ], [ ART. 4.1b ]

Commission: R. Schlegelmilch, M. Galar, P. Wagner

Meeting organized at the request of ICI. In their latest paper submitted to USTR and the Treasury, ICI requested that regulatory issues related to investment funds should not be discussed in TTIP, but rather in international fora such as G20 or other existing dialogues. TTIP should focus on market access issues.

ICI position was in general that the current situation is satisfactory and is relatively symmetrical in terms of MA on both sides. They also stressed that many of the differences in the regulation are justified for historical and legal reasons. ICI would be strongly against reciprocity in the financial regulation, but they are not so negative to harmonization of rules. ICI made particularly a point on different disclosure requirements by SEC and ESMA. ICI observed also the discussion btw the EU and the US on the OTC derivatives, but trade in derivatives is not substantial part of the business of their stakeholders. They advised also that we consult the EU funds industry on the approach.

[MG: in the subsequent discussion with Citibank, we were explained that US funds are largely part of the shadow banking, and consequently their concern could be that the regulatory cooperation could lead to higher level of regulation of funds in the US]

COM remained rather in listening mode and explained our general position on regulatory cooperation in FS under TTIP, which is to agree within the TTIP on an accountable and transparent process of cooperation among EU US regulators. There will be more granular agreements on substance. We did not advocate for mutual recognition for funds, but we did not agree to ICI's vision that the current state of play is perfect and should not be touched either.