



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL MARKETS UNION

Policy planning and implementation, inter-institutional relations
Head of Unit

Am 1329255

Brussels, 22.12.20
FISMA A2 DZ/db Ares(2020) 1329255

Mr Kenneth HAAR
Overgaden oven Vandet 12
1415 Copenhagen K
Denmark

***By registered letter with
acknowledgement of receipt***

Advanced copy per e-mail

Subject: Your request for access to documents (our ref. GESTDEM: 2019/7381)

Dear Mr Haar,

Thank you very much for your e-mail dated 20 December 2019, in which you make a request for access to documents, registered under the above mentioned reference number.

Your request is as follows:

"Under the right of access to documents in the EU treaties, as developed in Regulation 1049/2001, I am requesting documents which contain the following:

- *A list of meetings between representatives for the Association for Financial Markets in Europe (AFME) AND Commissioner Valdis Dombrovskis and his cabinet as well as DG FISMA.*
- *Minutes of meetings between representatives for AFME AND Commissioner Valdis Dombrovskis and his cabinet as well as DG FISMA.*
- *Any written communication, including emails, between representatives for AFME AND Commissioner Valdis Dombrovskis and his cabinet as well as DG FISMA.*

In all cases, the request covers the period 1 January 2019 till 20 December 2019".

As regards a list of meetings, it is important to emphasise that all meetings held by Executive Vice-President Dombrovskis and members of his Cabinet and Director General from DG FISMA with representatives are duly notified on the website of the Executive Vice-President (see under transparency) under the following link :

https://ec.europa.eu/commission/commissioners/2019-2024/dombrovskis_en.

For Director General of DG FISMA see the link below which will be soon updated:

https://ec.europa.eu/info/persons/deputy-director-general-john-berrigan_en

As regards a list of meetings for DG FISMA staff, after a search, we could identify 20 meetings for which we have only minutes of meetings for 17 meetings (no minutes for meetings on 14 October, 21 November and 22 October 2019). 17 documents relating to the corresponding meetings with AFME have been identified for DG FISMA as falling within the scope of your request (see enclosure).

Having examined the documents requested under the provisions of Regulation (EC) No 1049/2001 regarding public access to documents, I have come to the conclusion that they may be only partially disclosed as they contain personal data, in particular names and contact details. Therefore, some parts of the documents have been blanked out and their disclosure is prevented by exception to the right of access laid down in Article 4 of this Regulation, for data protection reasons.

Personal data can only be transmitted under specific exceptional conditions, including if *'the recipient establishes that it is necessary to have the data transmitted for a specific purpose in the public interest'*. According to Article 9(1)(b) of Regulation 2018/1725, the European Commission also only has to examine the further conditions for a lawful processing of personal data if the recipient has established that it is necessary to have the data transmitted for a specific purpose in the public interest. In your request, you do not put forward any arguments to establish the necessity to have the data transmitted for a specific purpose in the public interest.

Notwithstanding the above, please note that there are reasons to assume that the legitimate interests of the data subjects concerned would be prejudiced by disclosure of the personal data reflected in the documents.

Consequently, I conclude that, pursuant to Article 4(1)(b) of Regulation 1049/2001, access cannot be granted to the personal data, as the need to obtain access thereto for a purpose in the public interest has not been substantiated and there is no reason to think that the legitimate interests of the individuals concerned would not be prejudiced by disclosure of the personal data concerned.

Should you disagree with the assessment that the redacted data are personal data which can only be disclosed if such disclosure is legitimate under the applicable rules on the protection of personal data, you are entitled, in accordance with Article 7(2) of Regulation 1049/2001, to submit a confirmatory application requesting the Commission to review this position.

Such a confirmatory application should be addressed within 15 working days upon receipt of this letter to the Secretariat-General of the Commission at the following address:

European Commission
Secretariat-General
Unit C.1. 'Transparency, Document Management and Access to Documents'
BERL 7/076
B-1049 Bruxelles, or by email to: sg-acc-doc@ec.europa.eu

You will receive a complementary answer concerning the other documents requested.

Yours sincerely,



Dorota Kalina ZALIWSKA

Enclosures:

1. Minutes of meeting on 14 January 2019 (ARES (2019) 264680)
2. Minutes of meeting on 25 January 2019 (ARES (2019) 723243)
3. Minutes of meeting on 6 March 2019 (ARES (2019) 6014673)
4. Minutes of meeting on 20 March 2019 (ARES (2019) 1956012)
5. Minutes of meeting on 29 March 2019 (ARES (2019) 4444919)
6. Minutes of meeting on 30 April 2019 (ARES (2019) 4111853)
7. Minutes of meeting on 4 June 2019 (ARES (2019) 4261115)
8. Minutes of meeting on 24 June 2019 (ARES (2019) 4630190)
9. Minutes of meeting on 3 September 2019 (ARES (2019)6280418)
10. Minutes of meeting on 9 September 2019 (ARES (2020)149954)
11. Minutes of meeting on 9 September 2019 (ARES (2019)5700427)
12. Minutes of meeting on 13 September 2019 (ARES (2020)133879)
13. Minutes of meeting on 26 September 2019 (ARES (2019) 5997155)
14. Minutes of meeting on 3 October 2019 (ARES (2020) 149996)
15. Minutes of meeting on 8 October 2019 (ARES (2020) 93259)
16. Minutes of meeting on 5 November 2019 (ARES (2020) 48011)
17. Minutes of meeting on 14 November 2019 (ARES (2020) 4830)



Call with AFME on the draft Delegated Regulation on Prospectus

Meeting date and place

Meeting held on 14/01/2019 10:00

Participating organisation(s) & representative(s)

██████████	-- Allen & Overy	Participant,
██████████	-- Association for Financial Markets in Europe (TRN: 65110063986-76)	Requester,
██████████	-- Bank of America Merrill Lynch (TRN: 53891615036-88)	Participant,
██████████	-- Citigroup Inc. (TRN: 00353757573-57)	Participant,

Main issues discussed

Call with AFME on draft Delegated Regulation on Prospectus

On 14 January 2019 I had a call with the Association for Financial Markets in Europe (AFME). The purpose of the call was to discuss the feedback submitted by AFME through the Better Regulation portal during the 4 weeks feedback period about the draft Delegated Regulation on format, content, scrutiny and approval of the prospectus.

1. About the draft Delegated Regulation

During the feedback period about the draft Delegated Regulation, AFME flagged some points that it considers problematic. However, during this call AFME only focused on one specific point: the deletion of the requirement for an auditor's report concerning a profit forecast or estimate included in the prospectus.

· Despite appreciating the Commission's intention to alleviate costs for issuers, AFME considers critical to maintain the obligation to include an auditor's report for a profit forecast in a prospectus, particularly for prospectuses relating to equity securities where the disclosure of profit forecasts (which have been published and are still outstanding and valid) is mandatory.

· According to AFME, an auditor's opinion about a profit forecast and the assumptions used as its basis provides confidence to investors that a certain degree of rigour is followed in the process of producing the forecast. AFME argued that the deletion of such requirement could result in the deterioration of the quality and reliability of forecasts included in prospectuses, which might undermine investors' protection and investors' confidence.

· AFME asked the Commission services to consider AFME's advice submitted through the feedback portal, in particular concerning the following two possible options:

- Option 1: allow issuers to disclose qualitative information in the prospectus instead of repeating a previously published profit forecast or estimate which is no longer material or relevant (e.g. when the actual or expected results are in line with the forecast or estimate); maintain the requirement for an auditor's report where a profit forecast included in a prospectus relates to the marketing of a particular security, to an IPO, or to a significant recapitalisation.

- Option 2: maintain the requirement for an auditor's report where a profit forecast or estimate relates to the current or next financial year. AFME's assumption is that due to the short-term period being forecasted, such forecast would be made with a reasonable degree of confidence, hence investors would normally place more weight on it (unlike forecasts for a medium or long term timescale which are inherently more uncertain).

2. About the annexes to the Delegated Regulation

As regards the revised drafting of the annexes to the draft Delegated Regulation, AFME proposed to send the Commission a list of points which AFME deems to be problematic following the change in drafting compared to ESMA's technical advice.

Directorate or unit

FISMA C/3

Internal participants

██████████ FISMA C/3 ██████████ Notetaker.

Author(s) of minutes

██████████



Meeting on IFR

Meeting date and place

Meeting held on 25/01/2019 10:00

Participating organisation(s) & representative(s)

- - Association for Financial Markets in Europe (TRN: 65110063986-76) Participant,
- - Association for Financial Markets in Europe (TRN: 65110063986-76) Participant, Requester,

Main issues discussed

Discussion on IFR ongoing negotiations, focused in particular on:

- tick size regime
- third country regime
- class 1 and opt-in provisions introduced by Council general approach

Directorate or unit

FISMA D/2

Internal participants

FISMA D/2	Participant,
FISMA D/2	Participant,
FISMA D/2	Participant,

Author(s) of minutes

Validator and validation date



AFME - CMU follow up

Meeting date and place

Meeting held on 06/03/2019 14:00 in FISMA ROOM SPA 2 03/A007

Participating organisation(s) & representative(s)

[REDACTED] - Association for Financial Markets in Europe Participant,
 [REDACTED] - Association for Financial Markets in Europe Contact,
 [REDACTED] Association for Financial Markets in Europe Participant,

Main issues discussed

DG FISMA met with members of AFME on 6 March. The following topics were discussed:

- FISMA was asked to present the next phase of the CMU and possible milestones that the Commission is thinking about. AFME presented their KPI report that they highlighted may be of interest to the CMU Unit. AFME emphasised huge support for the project through their members and directly as an association.
- AFME is starting the work for the next KPI report which they plan on publishing in September where they will assess the progress of CMU priorities.
- FISMA informed them about the upcoming Communication and the 3 big boxes of future actions in the areas of supervision, insolvency and tax as well as the 3 more targeted actions in the area of retail investment, local ecosystems and financial infrastructure.
- AFME sees Brexit as a danger to the current liquidity pool that needs to be addressed with a view of more connected EU27 financial centres making them more efficient. They wanted to know whether the social responsibility will be featured in the new wave of CMU actions.
- AFME turned back to the KPI report saying that it will add for 2019 also fintech as an indicator. The previous version was presented to Member States, ESMA, ECB and relevant strands of the industry.
- There was support from the AFME members for the PEPP project but also requests for more to be done in the area of tax for the retirement savings.
- BNY Mellon representative set out his views on the post-trade infrastructure agenda saying that there are 3 levels for action: 1. Global markets and global infrastructure, 2. Regional markets and regional infrastructure and 3. National markets and national infrastructure. In line with FISMA's thinking, he said that the biggest issues remain with tackling national specificities and differences in tax processes. The market needs to allow national market infrastructure to evolve (e.g. having to open a segregated account in a large number of MS' banks). He also spoke favourably about the EPTF report and barriers set out there.
- He further elaborated saying that the solution does not lie in harmonisation of national securities laws but in changing them in a way to reflect best practices between the Member States.
- Morgan Stanley representative asked about the mechanisms to be used to promote the next wave of CMU actions.
- The representative of the Societe General called for more work and potential creation of the pan-European pension product which FISMA explained already exists.
- FISMA asked AFME and their membership to send over as an action point a concrete ideas and suggestions for the next wave of CMU actions and explained the purpose of the upcoming CMU workshop in June. The meeting concluded in agreement that once AFME sends over their concrete ideas, they will have a follow up meeting with FISMA and further discuss.

Directorate or unit

FISMA B/1

Internal participants

[REDACTED] FISMA B/1 [REDACTED] Participant,
 [REDACTED] FISMA B/1 [REDACTED] Participant,
 [REDACTED] FISMA B/1 [REDACTED] Participant, Notetaker, Requested for,
 [REDACTED] FISMA B/1 [REDACTED] Participant, Requested for,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]



Conference call with AFME

Meeting date and place

Meeting held on 20/03/2019 12:00 [redacted] Unit E1 Office

Participating organisation(s) & representative(s)

[redacted] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[redacted] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant, Requester, Contact,
[redacted] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant, Requester, Contact,
[redacted] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,

Main issues discussed

AFME explained that the initial text of the Directive as proposed by the Commission was much more favourable to the securitisation market. As it stands now, it prompts concerns about overlap and duplication of certain rules that are already in force. Additional requirements imposed by the Directive would be highly burdensome and would hinder the development of the market, as they would constitute an overlapping type of regulation without taking into full account the already existing rules. Under current proposal, it would be more difficult for banks to unload NPLs. Moreover, it was argued that securitisation, as a highly regulated practice, has so far been decisive for unloading NPLs from banks' balance sheets.

The representatives argued that the use of European Banking Authority (EBA) templates would be particularly problematic as it would not only constitute a duplicative regulation, but also require a highly detailed information. Therefore, it would be counter-intuitive to add new and highly detailed templates to a field that is already highly regulated. They agreed that it is important to have detailed data disclosure requirements, while stressing that they need to fulfil the criteria of necessity and proportionality. Moreover, they maintained that the proposed 'granular level' implies numerous complications. They stressed that when the EBA published their templates, the industry was not consulted properly. Namely, stakeholders had approximately 10 days to deliver their feedback. Also in this regard, the issue of double obligations arising from EBA and ESMA securitisation templates was mentioned and while there was a general attempt to consolidate both, it did not happen properly.

They also argued that they do not see the necessity to regulate credit servicers as there are already national frameworks in place that protect consumers in this regard. Thus, additional requirements would duplicate these frameworks and hinder the entry into market. The requirement of being established in the EU was mentioned as another compliance burden. As regards priority, they clarified that from AFME's perspective the information requirements proposed in the compromise text are much more worrying than the regulation of credit servicers.

Meeting per telephone conference. Apart from AFME, there were participants who identified themselves as advising AFME [redacted] both Clifford Chance and [redacted] from Uni Credit).

Directorate or unit

FISMA E/1

Internal participants

[redacted] FISMA E/1 [redacted]	Participant,
[redacted] FISMA E/1 [redacted]	Participant, Notetaker,

Author(s) of minutes

[redacted]

Validator and validation date

[redacted]

5



Prudential Board meeting

Meeting date and place

Meeting held on 29/03/2019 11:15 in AFME - Rue de la Loi 82, 1040 Brussels

Participating organisation(s) & representative(s)

- Association for Financial Markets in Europe Requester,

Main issues discussed

I was invited to attend the meeting of AFME's prudential board to provide an overview of the political agreement on the banking package and the Commission's intentions as regards the implementation of the final elements of the Basel III framework in EU law. As regards the latter, the participants raised several complaints about the impact that implementing the framework would have on EU banks (the topics their raised were broadly the same ones that were raised during the exploratory public consultation that the unit ran in March of last year, e.g. the output floor, the treatment of mortgages, the treatment of specialised lending etc.).

Directorate or unit

FISMA D/1

Internal participants

FISMA D/1 Participant, Notetaker,

Author(s) of minutes

Validator and validation date



IPOs in Europe

Meeting date and place

Meeting held on 30/04/2019 10:00 in AFME premises

Participating organisation(s) & representative(s)

[redacted] - Association for Financial Markets in Europe Participant,
 [redacted] Association for Financial Markets in Europe Participant,
 [redacted] - Association for Financial Markets in Europe Participant, Requester,

Main issues discussed

AFME organised a video conference with its members, among others Morgan Stanley, Goldman Sachs and CITI to discuss financing of IPOs in the EU. The Commission asked about the explanation of what would constitute a failed or postponed IPO and concluded that postponement in the industry is treated as a failure of an IPO to list. We also asked for them to interpret the Dealogic data on who fills in the reason for failure or postponement and the industry members explained that the data comes from companies own announcements and it is usually because of current market conditions because it is not realistic to expect that companies will say that they postponed the listing due to failure to attract investor interest. The industry participants also highlighted that being listed seems more a means to an end rather than an objective per se for many companies. The Commission asked for any statistics that can provide on a number of failed/postponed IPOs. As to the regulatory changes that may be beneficiary, the industry representatives noted that they do not recall many IPOs where regulatory process hampered the listing. However, they did say that the 25% of the free floating requirement poses a significant issue especially in comparison with the US where it is 10%. They claimed that institutional investors like it as it contributes to the volume of the offering however it also present a deterrent as it encourages selling more equity than investor may be comfortable with but it does not guarantee liquidity nor corporate governance. As the free float criteria is not the EU acquis but rather set out by the NCAs the question is whether there would be merit in harmonising them. The industry representatives also pointed to the benefits of fiscal incentives, greater assurance regarding the visibility on outcomes, the current accounting practices (135 day rule) and assessment of market making activities for retail investors. The meeting was cut shorter than expected but the Commission also asked for the AFME members to get back to us with more information on variable voting rights as they seemed much more negative than other industry participants we discussed this with.

Directorate or unit

FISMA B/1

Internal participants

[redacted] FISMA B/1 [redacted] Participant, Notetaker,
 [redacted] FISMA B/1 [redacted] Participant,
 [redacted] FISMA B/1 [redacted] Participant,

Author(s) of minutes

[redacted]

Validator and validation date

[redacted]



Preparation EU-US Financial Regulatory Forum

Meeting date and place

Meeting held on 04/06/2019 10:00 in ISDA premises

Participating organisation(s) & representative(s)

[REDACTED]	-- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - BANCO BILBAO VIZCAYA ARGENTARIA (TRN: 090350412968-04)	Participant,
[REDACTED]	-- BNP PARIBAS (TRN: 78787381113-69)	Participant,
[REDACTED]	-- Barclays PLC (TRN: 72390466359-39)	Participant,
[REDACTED]	-- Deutsche Bank AG (TRN: 271912611231-56)	Participant,
[REDACTED]	[REDACTED] - European Banking Federation (TRN: 4722660838-23)	Participant, Requester, Contact,
[REDACTED]	-- European Banking Federation (TRN: 4722660838-23)	Participant,
[REDACTED]	-- European Fund and Asset Management Association (TRN: 3373670692-24)	Participant,
[REDACTED]	[REDACTED] - Fédération bancaire française (TRN: 09245221105-30)	Participant,
[REDACTED]	-- HSBC Holdings PLC (TRN: 001866415031-87)	Participant,
[REDACTED]	-- Insurance Europe (TRN: 33213703459-54)	Participant,
[REDACTED]	[REDACTED] - International Swaps and Derivatives Association (TRN: 46643241096-93)	Participant,
[REDACTED]	-- International Swaps and Derivatives Association (TRN: 46643241096-93)	Participant,
[REDACTED]	-- Intesa Sanpaolo (TRN: 24037141789-48)	Participant,
[REDACTED]	-- Invest Europe (TRN: 60975211600-74)	Participant,
[REDACTED]	-- Société Générale (TRN: 34369111614-57)	,
[REDACTED]	[REDACTED] - Spanish Banking Association	Participant,
[REDACTED]	[REDACTED] - Tradeweb Europe Limited (TRN: 139480220187-14)	Participant,
[REDACTED]	-- UniCredit (TRN: 03094871618-32)	Participant,

Main issues discussed

We met EU industry associations to discuss the main issues of interest in view of the next EU-US Financial Regulatory Forum, in particular: FBOs, implementation of Basel III, revision of the volcker rule, US proposal on cross-border derivatives, BEAT, FATCA.

Directorate or unit

FISMA A/4

Internal participants

[REDACTED]	FISMA A/4	[REDACTED]	Participant, Notetaker, Requested for,
[REDACTED]	FISMA A/4	[REDACTED]	Participant,
[REDACTED]	FISMA C/4	[REDACTED]	Participant,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]



Meeting on the "GFMA and ICMA Repo Market Study: Post-Crisis Reforms and the Evolution of the Repo and Broader SFT Markets

Meeting date and place

Meeting held on 24/06/2019 15:00 in FISMA premises

Participating organisation(s) & representative(s)

[REDACTED]	-- Association for Financial Markets in Europe	Participant,
[REDACTED]	-- Association for Financial Markets in Europe	Participant,
[REDACTED]	-- Association for Financial Markets in Europe	Participant,
[REDACTED]	-- Deutsche Bank AG (TRN: 271912611231-56)	Participant,
[REDACTED]	-- International Capital Market Association (TRN: 0223480577-59)	Participant,
[REDACTED]	[REDACTED] - The Goldman Sachs Group, Inc. (TRN: 701266814986-18)	Participant,
[REDACTED]	-- UBS Group AG (TRN: 365453815252-29)	Participant,

Main issues discussed

GFMA and ICMA representatives presented the key findings of their recent repo market study.

They explained their view that post-crisis regulation had a large impact on the repo market and called for a cautious approach wrt minimum haircuts. They also called for an appropriate recognition of collateral and an aggregate impact analysis of the requirements for banks, insurers and asset managers which could in combination detrimentally impact the securities lending market.

Directorate or unit

FISMA D/1

Internal participants

[REDACTED]	FISMA D/1	[REDACTED]	Participant,
[REDACTED]	FISMA D/1	[REDACTED]) Participant,
[REDACTED]	FISMA D/1	[REDACTED]	Participant, Notetaker,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]



Meeting of AFME's European Public Policy Committee (EPPC)

Meeting date and place

Meeting held on 03/09/2019 11:00 in Brussels

Participating organisation(s) & representative(s)

[REDACTED]	-- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	-- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,

Main issues discussed

AFME presented their position papers on the main topics related to the implementation of the final elements of the Basel III reform in the EU.

Overall, AFME advocated a risk-sensitive implementation of the international standards that result in a robust and effective banking sector. In their view this should be done without significantly increasing capital requirements.

They called for a review of the consistency of implementation and cumulative impact of the measures and, where appropriate, proposing that the Basel Committee looks at potential changes to the measures to improve their efficiency.

Directorate or unit

FISMA D/1

Internal participants

[REDACTED]	FISMA D/1	[REDACTED]	Requested for,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,
[REDACTED]	FISMA D/1	[REDACTED]	Notetaker,
[REDACTED]	FISMA B/5	[REDACTED]	Participant,
Mr MERLIN Martin	FISMA D	[REDACTED]	Participant,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]



GFMA/ISDA/IF

Meeting date and place

Meeting held on 09/09/2019 15:00 in Room Mercator 4th floor

Participating organisation(s) & representative(s)

[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76) Requester,
 [REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76) Participant,

Main issues discussed

DG FISMA (Unit D1) met with a number of represents from the GFMA and ISDA to discuss developments related to the revised CVA risk framework which is included in the final Basel III reforms and which the EC intends to include in the forthcoming legislative proposals to implement those reforms into Union law.

GFMA/ISDA identified three main issues with this framework : (i) the recognition of hedges is still too limited; (ii) the calibration is too conservative; and (iii) the framework lacks alignment with market practises. In there view these drawbacks lead to a significant increase in CVA RWAs (an average +84% based on the Basel scope) which was not the original intention of the Basel review.

Directorate or unit

FISMA D/1

Internal participants

[REDACTED]	FISMA D/1	[REDACTED]	Requested for,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,
[REDACTED]	FISMA D/1	[REDACTED]	Participant, Notetaker,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]



Catch-up on SSM review

Meeting date and place

Meeting held on 09/09/2019 15:00 in ROOM MERCATOR 4th floor

Participating organisation(s) & representative(s)

[REDACTED]	- Association for Financial Markets in Europe	Participant,
[REDACTED]	- Association for Financial Markets in Europe	Participant,
[REDACTED]	- Association for Financial Markets in Europe	Participant, Requester,
[REDACTED]	Director - Association for Financial Markets in Europe	Participant,

Main issues discussed

AFME approached DG FISMA in view of informing the upcoming second SSM review. The following issues are of particular relevance for AFME members supervised by the ECB:

- AFME members complain about insufficient predictability of ad hoc information requests from the SSM: apparently there is no centralised point within the ECB to keep track of all ongoing information requests. They consider that this often leads to duplicative, unprepared and untimely exercises;
- AFME members often fail to understand the objectives of the additional requests for information, and would much welcome involvement in the preparation of requests, so as to help identify the best suited data to be collected;
- AFME members would welcome more systematic communication of the outcome of various requests. They consider this would incentivise them to contribute to the data exercise and give assurances as to the consistency of applying supervisory expectations. The TRIM letters are a good example;
- more broadly, AFME members consider that visibility over supervisory processes and methodologies is deemed to be essential for their capital planning;
- AFME members complain that the ECB is only randomly transparent about its implementation of EBA guidelines. They would therefore welcome consistent transparency in areas where supervisors have to ensure implementation of the EBA guidelines, such as the guidelines on outsourcing;
- AFME members are concerned about possible over-complicating the stress testing process in light of EBA and ECB expressed intentions of adding a top-down layer, a macro-prudential dimension, and additional scenarios;
- AFME members consider that the link between stress test outcomes and Pillar 2 is still unclear, despite some more specification in CRD5;
- the interplay between Pillar 2 and the implementation of the final elements of the Basel III framework is also a major source of concern for AFME members, in the context where the ECB attributes some capital add-ons currently to the so-called TRIM risks (risks associated to internal models);
- the process and methodology applicable to significant risk transactions needs more clarity for the securitisation business to revive.

DG FISMA representatives took note of the issues and informed AFME that the exact scope of the review still needed to be determined.

Directorate or unit

FISMA D/1

Internal participants

[REDACTED]	FISMA D/1	[REDACTED]	Participant, Notetaker,
[REDACTED]	FISMA D/1	[REDACTED]	Participant,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]



AFME req for meeting on AML - Sep 13

Meeting date and place

Meeting held on 13/09/2019 15:00

Participating organisation(s) & representative(s)

██████████	██████████ - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant, Requester, Contact,
██████████	-- Association for Financial Markets in Europe (TRN: 65110063986-76)	Contact,

Main issues discussed

The main topic discussed during the meeting was the future of the European Union's fight against money laundering. Other topics were supervisory convergence and KYC.

Following the planned reorganisation of the Commission and publication of the post mortem report, AFME enquired about the way forward regarding AML now that FISMA will be responsible for AML.

AFME also underlined how public private partnerships are working well in some countries and they could play a role in a new EU AML framework. They stressed the need for more supervisory convergence and the importance to foster the interplay between prudential and AML supervisors. Finally, they highlighted the issues linked to KYC (Know Your Customer) identification and the need for more harmonisation of the requirements.

COM representative underlined how AML will remain a priority for the next Commission. It was stressed that the post mortem report highlighted shortcomings in the current AML framework, raised a series of questions and pointed out to a series of possible actions to be envisaged. However, regarding concrete next steps COM representative highlighted that it will be up to the incoming Commission to decide and take them forward. Regarding supervisory convergence the Commission pointed out to the new requirements introduced with the ESA review, including the strengthening of the EBA. On KYC, Commission stressed that the issue has been already raised by other stakeholders and possible solutions are being considered.

Directorate or unit

FISMA D

Internal participants

Mr MERLIN Martin	FISMA D	██████████	Participant, Requested for,
██████████	FISMA A/1	██████████	Participant, Notetaker,
██████████	FISMA D/1	██████████	Participant, Notetaker,

Author(s) of minutes

██████████

Validator and validation date

██



Meeting with AFME representatives

Meeting date and place

Meeting held on 26/09/2019 10:00 in DG FISMA

Participating organisation(s) & representative(s)

[REDACTED]	- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	-- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant, Requester, Contact,
[REDACTED]	-- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	-- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	-- BNY Mellon	Participant,
[REDACTED]	-- Intesa Sanpaolo (TRN: 24037141789-48)	Participant,
[REDACTED]	-- UniCredit (TRN: 03094871618-32)	Participant,

Main issues discussed

AFME representatives presented to representatives of FISMA units B1 and E1 their latest report on CMU Key Performance Indicators.

Directorate or unit

FISMA B/1

Internal participants

[REDACTED]	FISMA B/1	[REDACTED]	Participant,
[REDACTED]	FISMA B/1	[REDACTED]	Participant, Notetaker,
[REDACTED]	FISMA B/1	[REDACTED]	Participant, Requested for,
[REDACTED]	FISMA B/1	[REDACTED]	Participant,
[REDACTED]	FISMA E/1	[REDACTED]	Participant,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]

19



European
Commission

AFME - 3rd Annual European Compliance & Legal Conference

Meeting date and place

Meeting held on 03/10/2019 14:45 in Paris

Participating organisation(s) & representative(s)

- Association for Financial Markets in Europe (TRN: 65110063986-76) Requester,

Main issues discussed

I attended the AFME conference, intervening in the Brexit panel. I noted that firms are largely prepared and that Commission and ESAs have provided all the necessary guidance, as well as taken the necessary measures. Participants largely agreed and the panel was rather consensual.

Directorate or unit

FISMA A/4

Internal participants

FISMA A/4 Participant, Notetaker,

Author(s) of minutes

Validator and validation date



Update on securitisation

Meeting date and place

Meeting held on 08/10/2019 11:00 in SPA2

Participating organisation(s) & representative(s)

[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76) Participant, Requester,

Main issues discussed

Discussed the state of play of the securitisation market and AFME laid out its views regarding the avenues for future work concerning securitisation.

Directorate or unit

FISMA A/1

Internal participants

[REDACTED] FISMA A/1 [REDACTED] Participant, Notetaker,

[REDACTED] FISMA A/1 [REDACTED] Participant, Notetaker,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]

16



Meeting with Insurance Europe, EFAMA, EBF, EACB, AMICE, AFME, AIMA, PensionsEurope on Regulation on sustainability-related disclosures in the financial services sector

Meeting date and place

Meeting held on 05/11/2019 16:00 in SPA 2

Participating organisation(s) & representative(s)

[REDACTED]	[REDACTED] - AMICE - Association of Mutual Insurers and Insurance Cooperatives in Europe (TRN: 62503501759-81)	Participant, Requester,
[REDACTED]	- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant, Requester,
[REDACTED]	[REDACTED] - European Association of Co-operative Banks (TRN: 4172526951-19)	Participant, Requester,
[REDACTED]	[REDACTED] - European Banking Federation (TRN: 4722660838-23)	Participant, Requester,
[REDACTED]	[REDACTED] - European Fund and Asset Management Association (TRN: 33/3670692-24)	Participant, Requester,
[REDACTED]	[REDACTED] - Insurance Europe (TRN: 33213703459-54)	Requester, Contact,
[REDACTED]	[REDACTED] - PensionsEurope (TRN: 5199259747-21)	Participant, Requester,
[REDACTED]	[REDACTED] - The Alternative Investment Management Association Limited (TRN: 232566516087-90)	Participant, Requester,

Main issues discussed

- The Brussels-based umbrella associations in contrast to their joint letter dated 19 September 2019 do not wish to delay the application of the Disclosure Regulation but rather express concerns as to its implementation
- Following the adoption of the Disclosure Regulation in March 2019, the associations have not been engaged at all in exchanging the best practices in the area sustainability-related disclosures
- An association sees compliance issues as to product-related disclosures under Articles 8 and 9 (justifications why products are made available as light and dark green products), indirectly admitting mis-selling and greenwashing; another association sees compliance issues as to compliance with adverse impacts disclosures due to business confidentiality, indirectly admitting non-compliance with sectorial rules.
- Due to the recess of the preceding European Parliament, the Disclosure Regulation is planned to be formally adopted and published in the Official Journal in November/December 2019. The three European Supervisory Authorities (ESAs) have been benefiting from this additional grace period and have already triggered the preparatory works that do not require a formal entry into force of the Regulation. This up-front planning should also help the industry in their own preparatory works. The associations will also consider a submission of a joint position to the ESAs public consultation.

Directorate or unit

FISMA DG

Internal participants

Mr BASSI Ugo	FISMA C	[REDACTED]	Requested for,
[REDACTED]	FISMA C/4	[REDACTED]	Participant, Notetaker,
[REDACTED]	FISMA C/4	[REDACTED]	Requested for,
Mr GUERSENT Olivier	FISMA DG	[REDACTED]	Requested for,

Author(s) of minutes

[REDACTED]



Meeting with AFMEon Resolution Policy

Meeting date and place

Meeting held on 14/11/2019 15:00 in SPA2

Participating organisation(s) & representative(s)

[REDACTED]	- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,
[REDACTED]	- Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant, Requester,
[REDACTED]	[REDACTED] - Association for Financial Markets in Europe (TRN: 65110063986-76)	Participant,

Main issues discussed

Cordial discussion about the latest developments on BRRD/DGSD review and the Banking Union in general. DG FISMA provided an overview of the current state of play. AFME counterparts shared their views regarding the direction at political level and expressed willingness to engage in the technical discussion regarding the upcoming work on the BRRD/DGSD files.

Directorate or unit

FISMA D/3

Internal participants

[REDACTED]	FISMA D/3	[REDACTED]	Participant,
[REDACTED]	FISMA D/3	[REDACTED]	Participant, Notetaker,
[REDACTED]	FISMA D/3	[REDACTED]	Participant, Notetaker,
[REDACTED]	FISMA D/3	[REDACTED]	Participant,

Author(s) of minutes

[REDACTED]

Validator and validation date

[REDACTED]