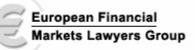


Reflections on the EFMLG

Antonio Sáinz de Vicuña Chairman 1999 - 2013

4 October 2013

History: First year of the EFMLG



a) Ist meeting: 10.6.1999

- Justification of EFMLG: € introduced 1.1.1999; Euribor/Eonia; wholesale markets re-denomination; single money market; Financial Services Action Plan(<u>+</u> 50 normative proposals)
- Listing of items for EFMLG's attention: cross-border use of collateral; diversity of master agreements; harmonising basic definitions (e.g. force majeure, business day, etc.), trading practices and market conventions; legal framework for netting agreements; diversity of securities' pledges, of dematerialisation regimes.

b) 2nd meeting: 11.10.1999

- Group networking: ISDA Collateral Law Reform Group; Giovannini Group; FMLG; Commission's Forum on Collateral.
- Substantive: Cross-border use of collateral: possessory & nonpossessory pledges; types of debt instruments; dematerialisation techniques; force majeure definitions.

History: Star topics 2000 - 2013

Successes

- Cross-border collateralisation techniques in the EU; the 6/6/2002 Directive on Financial Collateral
- Short-Term European Paper (STEP initiative): EFMLG Report 2002, Information Memorandum 2004; STEP Market Convention 2004

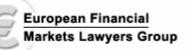
Not yet there...

 Harmonisation of laws on securities held in book-entry form : EFMLG Report 2003; Giovannini 2 Report; Legal Certainty Group; Unidroit's Convention

SUCCESS

- Harmonisation of definitions in standard market documentation: EFMLG Report 2003 on Force Majeure
- Harmonisation of Netting Provisions in the EU: EFMLG Reports 2004 and 2005 Joint EFMLG-ISDA Letter to Commission pleading for EU legislation
- Harmonisation of Securitisation Framework in the EU: EFMLG Report 2007, pleading for EU legislation
- Harmonisation of standard market documentation: EFMLG Report 2009; Industry Symposium in London.

Personalia 1999 - 2013



EFMLG SECRETARIAT

Martin Thomas 1999 Klaus Löber 2000-2007 Stéphane Kerjean 2007- 2010 Otto Heinz – Iñigo Arruga 2011-2013

EFMLG Vice-chairs Hubert de Vauplane 2009-2011 Holger Hartenfels 2011- 2013

EFMLG Chair Antonio Sáinz de Vicuña 1999-2013 2014 ? DE LA













Current challenges



- I. Global regulatory reform: extraterritoriality of US legislation (DFA, FATCA); Volcker-Vickers-Liikanen; benchmarks reliance; CRD4-CRR; BRRD; Banking Union, SSM and SRM; FTT; short-selling; ratings.
 - EFMLG possible role: Contributing to public consultations of drafts and early detection of inconsistencies with other acts and with US legislation;
- 2. Fostering EU financial integration, now deteriorated, and achieve what the EFMLG started:
 - Legal certainty project: pending EU legislation
 - ABS and securitisation framework: EU legislation
 - Implementing Unidroit's global principles on netting

Proposals for the future EFMLG

 Neutralitas et auctoritas: Interim chairmanship to current Vice-Chair; once new ECB General Counsel is appointed, keep chair in ECB

A dedicated Secretariat? Sponsors "à la FMLC"?

- Divide et vince:
 - Split financial laws into segments, and attribute fixed responsibilities among members.
 - Attribute industry groups for networking to reach synergies.

a. EU Regulation

- a. Banking
- b. Securities markets
- b. US Regulation
- c. New SSM supervision
- d. Market documentation
- i. EBF
- ii. ISDA
- iii. ICMA Repo Council
- iv. FMLC-FMLG
- v. Other

The end

European Financial Markets Lawyers Group

Thanks !

