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NEWSLETTER

March 2005

NEWS FROM ECODA...

- On the 17th February, the Board's members have the opportunity to introduce briefly ECODA and its main objectives to the Commissioner Mc Creevy.
- On the 9th March, Daniel Lebègue had the opportunity to express ECODA's objectives again in front of high level personalities taking part at the EUROFI's conference on Europe's single capital market.
- Luxembourg is going to join ECODA provided that its accession is agreed by the forthcoming Management Committee, to be held in Brussels, on the 5th of April. If approved, this new admission will be announced by Daniel Lebègue at ECODA's launch event. Spain won't join ECODA before January, 2006.
- In the IFA's Newsletter, Daniel Lebègue says some words about ECODA. See the leading article to be published at the following page:
http://we054.lerelaisinternet.com/pdf/LETTRE_IFA5light.pdf

NEWS FROM EU...

Financial services

- The Centre for European Policy Studies (CEPS) published a report on 16 February which stresses the need for proper implementation and enforcement of the regulatory structure that has now been put on the table as part of the Financial Services Action Plan (FSAP). The Commission is now carrying out the impact study on clearing and settlement (the process of buying and selling shares) and of setting up expert

group on legal certainty issues in this area. The group will analyse issues of legal uncertainty relating to the integration of EU securities clearing and settlement systems, and advise the Commission accordingly. It is chaired by the Commission.

http://europa.eu.int/comm/internal_market/financial-markets/clearing/certainty_en.htm

- The Commissioner Mc Creevy expressed during EUROFI conference that *"An extremely important new phase now begins for the period 2005-2010. This new phase will show that the sometimes simplistic vision held by the public of all Brussels' Eurocrats running wild, dreaming up new laws by the minute is exaggerated. The next phase of financial integration will build on the success of the FSAP, but from a different angle. It will be a phase of consolidation of existing legislation, with few new initiatives. A phase of ensuring the effective transposition of European rules into national regulation and more rigorous enforcement by supervisory authorities. A phase of continuous ex-post evaluation whereby the Commission will monitor carefully the application of these rules in practice – and their impact on the European financial sector"*.

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=SPEECH/05/159&format=PDF&aged=0&language=EN&guiLanguage=en>

EU – China

- In his speech to the University of International Business and Economics in Beijing European Commissioner for Trade, Peter Mandelson, argues that *"others areas we need to work on together include liberalising the banking sector, strengthening accountancy standards and*

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property rights more generally, and corporate governance. In some areas industrial policies continue to give undue privileges to domestic companies”.

http://europa.eu.int/comm/commission_barroso/mandelson/speeches_articles/temp_ice_ntre.cfm?temp=sppm016_en

New codes in the EU

In Belgium, a high-level experts commission, under the presidency of Mr. Buysse, has just drawn up a project code on corporate governance for non listed companies and SME's.

http://www.ucm.be/ucm/ewcm.nsf/_AA7F855D85812C17C1256FCB004B8760?opendocument

From the European Commission

Following its proposal of directive on Board responsibilities and improvement of financial information, the European Commission is expected position papers.

http://europa.eu.int/comm/internal_market/company/board/index_en.htm

INTERNATIONAL NEWS ...

Sarbanes – Oxley Act

➤ The US Securities and Exchange Commission has further extended the compliance dates for non-accelerated filers and foreign private issuers regarding amendments to its rules under the Securities Exchange Act of 1934 that were adopted on June 5, 2003, pursuant to Section 404 of the Sarbanes-Oxley Act. The amendments require a company to include

in its annual reports a report by management on the company's internal control over financial reporting and an accompanying auditor's report. The Commission extended the original Section 404 compliance dates for all issuers in February 2004.

<http://www.sec.gov/news/press/2005-25.htm>

US shareholders rights

➤ Pressure in the US by a group of global investors has led to the creation of a legal taskforce that could strengthen shareholder rights. A working group, convened by the American Bar Association (ABA), will examine how to update its flagship corporate code which is followed by a majority of US states. The working group could give investors more say over who gets elected on to company boards.

<http://news.ft.com/cms/s/bc5045d0-7e2e-11d9-ac22-00000e2511c8.html>

CALENDAR

- ▶ ECODA's launch event will take place in the European Parliament's building, on the 25th of April.
- ▶ The Luxembourg Presidency is organising a conference on corporate governance that will be held on the 28th of June 2005.