



Foreword

The changes in the supervisory architecture have again been the core of the securities market regulatory activity over the last four months. In Europe, the UE Regulation nº 1095/2010, of the European Parliament and of the Council, of 24 November 2010, (published 15 December 2010) established a European Supervisory Authority, the ESMA (European Supervisory Markets Authority) that began its functions on 1 January 2011. ESMA, as a new body with more powers and functions, has launched, within this period, three public consultations, which you will find in the consultation documents section of this Bulletin, two of them related to the endorsement procedure that the Credit Rating Agencies should follow to endorse ratings issued in third countries outside the UE.

In addition, the European Commission has published a highly significant consultation paper on the global review of the markets in financial instruments Directive (MiFID). The consultation finished last February.

In the United States, the Dodd-Frank Wall Street reform and consumer protection Act is still in process of being developed. In this edition, we have included a consultation paper about the implementation of swaps execution facilities for security-based swaps and other derivatives that are normally traded in OTC with the purpose of achieving greater transparency in these products and reducing systemic risk.

You will also find three important IOSCO documents: first, a consultative report launched jointly by the Committee on Payment and Settlement Systems (CPSS) and the Technical Committee of IOSCO about the Principles for financial market infrastructures, such as systemically important payment systems, central securities depositories, securities settlement systems, central counterparties and trade repositories; second, a discussion paper on the mitigation of systemic risk and the role of the securities regulators; and third, an IOSCO Technical Committee Final Report on trading of OTC derivatives.

In this bulletin, therefore, you will find summaries of the following documents:

- European Commission: public consultation on review of the markets in financial instruments Directive (MiFID), comments sent till February. December 2010.
- CPSS and Technical Committee of IOSCO: Consultative report on Principles for Financial Market Infrastructures, comments sent till July. March 2011.
- IOSCO discussion paper: mitigating systemic risk, a role for securities regulators. February 2011.
- IOSCO Technical Committee Final Report on trading of OTC derivatives. February 2011.
- The Dodd-Frank Wall developments: SEC proposes rules for security-based Swap Execution Facilities, comments sent till April 2011.