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Regarding the provisions quoted in the response below, as far as possible, hyperlinks to these provisions (in the respective language or, if available, in English) are set out in Document CESR/04-075 for each country.

IMPORTANT NOTICE

In the interest of transparency and to inform interested parties, CESR has published the following (together the “Tables”):

- *the Correspondence Tables on the CESR Standards for Investor Protection (Ref. CESR/03-416b to 423b, CESR/03-134/Country);*
- *the Correspondence Tables on the CESR Standards for Alternative Trading Systems (Ref. CESR/03-415b, CESR/03-135/Country);*
- *the Synthesis Tables (Ref. CESR/03-427b and CESR/03-432b);*
- *the List of Alternative Trading Systems currently operating in Member States¹ (Ref. CESR/03-497b);*
- *the explanatory notes and caveats attached to the Tables.*

The Tables were produced by the Members of CESR¹ within the constraints of and solely for the purposes of the CESR Review Panel process of monitoring the status of implementation of the CESR Standards for Investor Protection² and the CESR Standards for Alternative Trading Systems³ in Member States.

The Tables have no legal effect; they do not present any interpretation of, or definitive position on, existing law or regulation in any jurisdiction. The Tables should not be relied upon for any purpose other than the purpose for which they were prepared. In particular, they should not be relied upon as a substitute for, or as guidance on, any aspect of the regulatory system of any Member State or as a defence in supervisory activities or enforcement proceedings; and they cannot be used to restrict competent authorities in taking regulatory or enforcement actions.

The information set out in the Tables is the response of each Member’s self-assessment. For this reason, the content of the Tables regarding a particular Member State has been prepared solely by the relevant Member on a best-efforts basis. (In a next step, the CESR Review Panel is going to conduct a common and collective peer exercise in reviewing the responses from all Members.) In case of discrepancy between the tables containing the responses from all CESR Members and the tables containing the individual responses from a particular CESR Member, the latter should be referred to.

The Tables provide a “snap shot” and will be up-dated on a regular basis to take account of regulatory developments in Member States. Therefore, they cannot be considered as fully finalised or definitive reflections of regulatory provisions in Member States. The Tables should also be read in light of current and future developments in the formulation of the proposed Directive on Markets in Financial Instruments (“ISD2”) and the future Level 2 implementing measures, and without prejudice to the position of any Member State in those developments.

For a more detailed account of the process, methodology and first, interim results, please see the “First Interim Report” by the Review Panel (Ref. CESR/03-414b).

¹ For reasons of simplicity, the term “Member” in this context refers to all participants in the Review Panel, i.e. CESR Members, CESR Observers, and the Polish securities regulators; this applies to the term “Member State” accordingly.

² “A European Regime of Investor Protection - The Harmonization of Conduct of Business Rules” (Ref. CESR/01-014d, April 2002) and “A European Regime of Investor Protection – The Professional and the Counterparty Regimes” (Ref. CESR/02-098b, July 2002).

³ Ref. CESR/02-086b, July 2002.

CORRESPONDENCE TABLE ON STANDARDS FOR ALTERNATIVE TRADING SYSTEMS
(REF. CESR/02-086B)

BELGIUM

1. Market Integrity Standards for Alternative Trading Systems

Standard	Implementing authority(ies)	Implementing measure ⁴	Comments
<p><i>1. Investments firms should be required by their home state regulatory authority to notify the establishment of a qualifying system. They should also notify the home state regulatory authority (and, where different, the home state regulatory body in that member state responsible for the oversight of markets) of its key features and significant changes to its operation.</i></p>	<p>Banking, Finance and Insurance Commission (CBFA)</p>	<p>Law of 6 April 1995 (supervision of investment firms) and Law of 22 March 1993 (credit institution) provide that applications for authorization must be accompanied by a programme of activities complying with the conditions laid down by the CBFA. Establishing and operating an ATS must be considered as an activity which should be notified to the CBFA, either at the outset of the authorisation procedure (new entities) or prior to the starting up of the ATS (for existing investment firms). The said Laws also require firms to have a structure, procedures and controls which are appropriate to the activities proposed. On top of that, the CBFA has the power to impose specific requirements to investment firms operating an ATS.</p>	<p>This regulatory framework has been completed with some explicit requirements for entities intending to operate an ATS. Those requirements are part of the Law of 2 August 2002 concerning the supervision of the financial sector and financial services (cf Articles 15 and 17 of Attachment).</p>

⁴ Any derogation to the application of the implementing measures should be mentioned.

<p><i>2. Investment firms operating a qualifying system should establish trading arrangements that result in fair and orderly trading.</i></p>	<p>CBFA</p>	<p>Article 15, §2, 2° of the Law of 2 August 2002</p> <p>The CBFA monitors the adequate organization of firms operating ATS through its supervisory policy and programs for investment firms and banks. Impending new specific ATS-regulations, the criteria used for the assessment of the proper functioning of the firm and the ATS, draw on the general principles laid down in the Law of 2 August 2002 and on the relevant CESR-standards (see comments under Standard 1).</p>	<p>Detailed secondary legislation (Royal Decree) has to be drafted in the future.</p> <p>In the meantime, this standard is being addressed through the application of two provisions of the Law of 6 April 1995 (supervision of investment firms) :</p> <p>1) Article 51 gives the CBFA the power to impose certain conditions on the provision of certain services.</p> <p>2) Article 62 provides that an investment firm shall have a management structure, administrative and accounting procedures, and control and safeguard arrangements for electronic data processing which are appropriate to the activities proposed and internal control mechanisms (...). An investment firm shall be structured and organized in such a way as to minimize the risk of client's interests being prejudiced by conflict of interest between the firm and its clients (...).</p> <p>Both provisions are used in a dedicated way when entities seek to obtain an investment firm qualification while actually operating an ATS and as backbone for continuous monitoring purposes.</p>
<p><i>3. An investment firm operating a qualifying system providing trading in an instrument traded on a regulated market must make publicly available, on a reasonable commercial basis, information about quotes and/or orders that the qualifying system displays or advertises to the system users. Similarly, operators must make publicly available, on a reasonable commercial basis, information relating to completed transactions that the system provides to users.</i></p>	<p>CBFA</p>	<p>Article 15, §2, 4° of the Law of 2 August 2002</p>	<p>Idem as Standard 2.</p>

<p><i>4. Investment firms operating a qualifying system should monitor user compliance with the contractual rules of the system.</i></p>	<p>CBFA</p>	<p>Article 15 of the Law of 2 August 2002 With respect of the supervision of the organization of the firms operating ATS, idem as Standard 2.</p>	<p>Idem as Standard 2.</p>
<p><i>5. Investment firms operating a qualifying system should, where their home state regulatory authority requires it for the purposes of investor protection and market integrity, establish arrangements with that authority to facilitate satisfactory monitoring of the markets in the instruments traded and the detection of market abuse.</i></p>	<p>CBFA</p>	<p>Article 15, §2, 3° of the Law of 2 August 2002 Articles 25, 33, 34 and 35 of the Law of 2 August 2002.</p>	
<p><i>6. Investment firms operating a qualifying system should be able to demonstrate to the relevant home state regulatory authorities that the system is capable of delivering the proposed service, that there are satisfactory arrangements for the management of the technical operation of the system and that there are satisfactory contingency arrangements in the event of system disruption.</i></p>	<p>CBFA</p>	<p>Article 17, § 1, 6° of the Law of 2 August 2002 With respect of the supervision of the organization of the firms operating ATS, idem as Standard 2.</p>	<p>Idem as Standard 2.</p>
<p><i>7. Investment firms operating qualifying systems should ensure that there is clarity of obligations and responsibilities for the clearing (where applicable) and settlement of transactions.</i></p>	<p>CBFA</p>	<p>Article 15 of the Law of 2 August 2002 With respect of the supervision of the organization of the firms operating ATS, idem as Standard 2.</p>	<p>Idem as Standard 2.</p>

2. Application of Conduct of Business Rules to Alternative Trading Systems

Standard /Rule	Implementing authority(ies)	Implementing measure	Comments
<i>8. Investment firms operating a qualifying system should make clear the nature of the relationship between operator and user.</i>	CBFA	Article 15 of the Law of 2 August 2002 With respect of the supervision of the organization of the firms operating ATS, idem as Standard 2.	Idem as Standard 2. Besides, entities operating a qualifying system are also bound to general code of conduct provisions (currently Article 36 of the Law of 6 April 1995).
<i>9. Investment firms operating a qualifying system should supply sufficient information about the system to enable a user to use the system efficiently and to understand any risks arising in using the system.</i>	CBFA	Article 15 of the Law of 2 August 2002 With respect of the supervision of the organization of the firms operating ATS, idem as Standard 2.	Idem as Standard 2.
<i>10. Investment firms operating a qualifying system should provide, or be satisfied that there is access to, sufficient publicly available information to enable users to form an investment judgement, taking into account both the nature of the users and the type of instruments traded.</i>	CBFA	Article 15 of the Law of 2 August 2002	Idem as Standard 2. Besides, entities operating a qualifying system are also bound to general code of conduct provisions (currently Article 36 of the Law of 6 April 1995).

ATTACHEMENT

Extract of the Law of 2 August 2002 concerning the supervision of the financial sector and financial services

Article 15. Upon the recommendation of the CBFA, the King may determine rules regarding the organization, operation and supervision of secondary markets for financial instruments that are not regulated markets, as well as of alternative trading systems (ATS) for financial instruments that apply trade-matching and order-execution systems comparable to those applied by such secondary markets, insofar as such markets or systems are organized in Belgium.

The rules referred to in paragraph 1 may concern, more particularly:

- 1° access to the market or system concerned, according to transparent criteria;
- 2° the existence of transparent and non-discretionary rules for trading, permitting participants to obtain, in the market or system concerned, the best price available at a given time and for the type and size of the order in question;
- 3° the application of adequate mechanisms and procedures to prevent and to detect market manipulation;
- 4° publication of information concerning supply and demand, and in respect of transactions executed; the rules referred to shall take account of the various risk profiles that the markets and systems concerned present in consequence of their structure, the expertise of their participants and the types of financial instrument traded on and within them.

Those same rules may also state that the markets or systems referred to in paragraph 1 may be organized only by market operators authorized pursuant to Article 16 or by credit institutions or investment firms referred to in Article 2, 10°, *a)*, *b)*, *d)* or *e)*, whose authorization specifically covers the organization of such markets or systems. In respect of credit institutions and investment firms governed by Belgian law, those same rules may lay down conditions similar to those referred to in Article 17, § 1, 5° and 6°, and, insofar as those credit institutions and investment firms provide other investment services or trade financial instruments for own account, specific provisions for the avoidance of conflicts of interests arising from those other activities.

Article 17. § 1. In order to be recognized as a market operator, an operator shall satisfy the following conditions:

- 1° the operator shall be established as a commercial company;
- 2° the purpose of the company shall be limited to the organization of one or more secondary markets for financial instruments and, as the case may be, to activities that are not of a nature to be prejudicial to the interests of investors or the proper operation, integrity and transparency of the markets organized by the operator;
- 3° natural or legal persons that, either directly or indirectly, hold at least 10 per cent of the operator's capital or voting rights shall possess the necessary qualities to ensure sound and prudent management of the company;
- 4° the individuals charged with the effective management of the operator and, as the case may be, of the group it forms part of shall possess the necessary professional trustworthiness and adequate experience to exercise such functions;
- 5° the operator shall have adequate financial resources at its disposal for the establishment of such markets, and the financial position of the group it may form part of shall be sufficiently solid to ensure that no risks arise that could be prejudicial to the interests of investors or the proper operation of those markets;

- 6° the operator shall have an adequate management structure, administrative and accounting organization and internal audit in order to guarantee the proper operation, integrity and transparency of the markets that it organizes;
 - 7° the operator shall have mechanisms and procedures in place to prevent and detect market manipulation;
 - 8° the operator's accounts shall be audited by one or more company auditors registered on the list of auditors recognized by the CBFA;
 - 9° the structure of the group to which, as the case may be, the operator belongs shall not hamper the supervision exercised by the CBFA.
- (...)