



**PRESS RELEASE**

15 February 2001

**ESF delighted with conclusions of Final Report of the Committee of Wise Men**

- Pen Kent, executive Chairman of the European Securities Forum (ESF) today welcomed enthusiastically the conclusions drawn by the Committee of Wise Men on the subject of European clearing and settlement in their final report published today.
- The report states that the Committee is “convinced” that further restructuring of clearing and settlement is necessary in the European Union and calls for the EU to focus on removing the kinds of obstacles and impediments that make consolidation difficult.
- The report goes on to say that although the process of consolidation should initially be left to the private sector, **“if in due course it emerged that the private sector was unable to deliver an efficient pan-European clearing and settlement system...a clear public policy orientation would be needed to move forward”**.
- ESF welcomes this strong direction towards an efficient infrastructure for the European capital market and will strive to continue to urge the private sector to act quickly in its own interest to that end.
- ESF looks forward to working with the Commission and the European regulators to assist with the development of a regime that will facilitate consolidation in the clearing and settlement sector.

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**Notes for Editors:**

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## european securities forum

ESF believes that future developments of securities trading systems make vertical ownership structures (Stock Exchanges, CCPs, Settlement, CSDs) inappropriate for a pan-European capital market. The EU target for the realisation of this capital market is not later than 2005 (The Financial Services Action Plan) or sooner (the Lamfalussy Report).

Furthermore the present fragmentation of post-trade processing makes the capital markets of Europe unnecessarily costly and therefore less competitive.

ESF was created in 1998 and represents the collective view of 28 of the largest world-wide investment organisations. ESF comprises the major users of the clearing and settlement infrastructure in Europe. The forum has been established in response to rationalisation initiatives within the industry, to act as a neutral and objective facilitator of a rapid progression towards a powerful, efficient European capital market infrastructure. The current members of ESF are as follows:

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| ABN AMRO Bank NV                                | Citigroup Inc                           | Merrill Lynch                            |
| Banca d'Intermediazione<br>Mobiliare IMI S.p.A. | Credit Suisse Group                     | Morgan Stanley Dean Witter               |
| The Bank of New York                            | Deutsche Bank AG                        | Nomura International plc                 |
| Barclays Bank plc                               | Dresdner Bank AG                        | Robertson Stephens<br>International Ltd. |
| Bayerische Hypo und<br>Vereinsbank              | Fortis Bank                             | Royal Trust Corporation of<br>Canada     |
| BNP Paribas                                     | Goldman Sachs                           | State Street Bank & Trust                |
| BSCH  | HSBC Holdings plc                       | UBS AG                                   |
| CDC IXIS  | ING Barings/BBL                         | Van der Moolen                           |
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|   | Lehman Brothers                         |  |

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