

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Circular addressed to the Maltese investment fund industry regarding CESR's Protocol on MiFID Passport Notifications

19th November 2009

On the 15th October 2009, the Committee of European Securities Regulators ('CESR') issued the Protocol on MiFID Passport Notifications (ESR/07-317c).

The main objective behind this Protocol is to provide a framework for the co-operation of competent authorities with regard to the implementation of the passport notification provisions of the Markets in Financial Instruments Directive 2004/39/EC of the European Parliament and of the Council of 21st April 2004 ('The Directive'). The Directive sets out the principles of single authorisation. This provides that an investment firm may provide the services or perform the activities for which it has been authorized, throughout the Community, either through the establishment of a branch or the free provision of services.

CESR Members recognise the need to cooperate and exchange information to ensure an efficient passport notification process for investment firms and market operators operating an MTF in the European Economic Area ('EEA') and agreed to this Protocol. Furthermore, this Protocol supplements the provisions of CESR's Multilateral Memorandum of Understanding (CESR MOU).

Schedules D and E to the *'Investment Services Rules for Investment Services Providers'* which relate to notifications for investment services licence holders wishing to provide either: [i] cross border services under the freedom to provide services and/or [ii] services via the establishment of a branch, respectively, have been duly updated in line with the changes announced in the Protocol. Both Schedules are available on the MFSA's web-page dedicated to 'Securities' in the section entitled 'Investment Services'. For the avoidance of doubt, those investment firms currently providing investment services on the basis of the passport granted by the Directive, will not need to submit any new or revised notifications.

Contacts

Should you have any queries regarding the above please do not hesitate to contact:

Joan Ann Farrugia Galea
Manager
254851116
jfgalea@mfsa.com.mt