



HM TREASURY

FSA<sup>®</sup>

Commissioner McCreevy  
European Commission  
Berlaymont  
Rue de la Loi 200  
Brussels  
Belgium

9<sup>th</sup> July 2008

*Dear Charlie*

**PUBLIC CONSULTATION PAPER ON AMENDMENTS TO  
COMMISSION DECISIONS ESTABLISHING CESR, CEBS & CEIOPS**

We attach the UK Authorities<sup>1</sup> response to your consultation on the Decisions establishing the three Level Three Committees.

You will remember that, over the course of the review of the Lamfalussy arrangements, the UK has been very supportive of moves to improve the efficiency and effectiveness of the arrangements, including of the Level Three Committees. We therefore welcome the recent May Ecofin conclusions, and moves to upgrade the Level Three Decisions in light of these. In particular, we very much agree with the conclusion that Ecofin ministers reached, that there should be no change to the legal status of the Committees.

In considering our response to this consultation, we note that in May, Ecofin ministers specifically called for the inclusion of a number of tasks. We believe that any changes to the Decisions should be considered in light of these tasks. Given the lengthy process of discussion on the Level 3 Committees, and the subsequent agreement of new tasks to be explored, any changes to the Decisions that Ministers have not requested should not be considered as part of this process.

We therefore welcome those of your proposals that reflect this, including tasks such as information exchange, cross-sectoral cooperation and the development of a common supervisory culture.

However the UK authorities cannot support the additional ideas floated in the paper, as these have been discussed but not agreed by Ecofin Ministers. We

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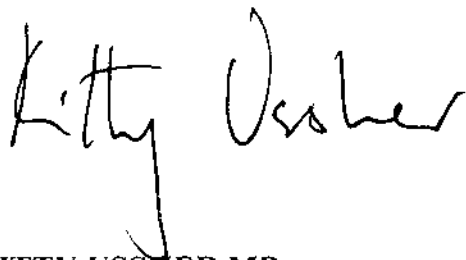
<sup>1</sup> HM Treasury and the Financial Services Authority. This response has also been agreed with the Bank of England and the Pensions Regulator.

believe that the Decisions should not include any decision-making abilities for the Committees, or oversight or enforcement roles over national regulators.

Similarly, your paper also proposes including a number of operational arrangements for the Committees in the Decisions (for example the submission of their work programmes, and of voting arrangements). Again, we do not think that it is appropriate to include such operational matters in the Decisions, as these are for the Committees to take forwards themselves. We note that Ecofin ministers did not believe such matters should be included in the Decisions either.

We look forward to seeing the results of the consultation, and your subsequent proposals for amendments to the Decisions establishing these Committees.

Yours,



**KITTY USSHER MP**  
Economic Secretary to the Treasury



**CALLUM MCCARTHY**  
Chairman, FSA