

VALDIS DOMBROVSKIS

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Ares S(2019)6454971

Dear Sir,

Thank you for your letter of 27 August 2019.

Several provisions of the Slovenian Market in Financial Instruments Act (ZTFI-1) that you refer to are also part of the Slovenian measures implementing the Directive on markets in financial instruments (MiFID II) into national law. In July 2018, the Commission referred Slovenia to the Court of Justice of the EU for failing to fully implement MiFID II as well as its supplementing Directive (Delegated Directive (EU) 2017/593). Slovenia indeed notified full transposition of the Directives only at the end of 2018. The case is still pending with the Court and our services are analysing the transposition of the Directive into national law.

In your letter, you point to the potential implications of Article 296(10) of ZTFI-1 on the application of Article 38(5) of Regulation (EU) No 909/2014 on central securities depositories (CSDR). In particular, you raise concerns about a possible restriction of a CSD participant's choice between omnibus and individual account segregation, while this choice is a mandatory requirement in Article 38(5) of CSDR.

My services have launched enquiries with the Slovenian authorities to better understand the background and objective of Article 296(10) ZTFI-1 as well as its implications on the CSDR.

We will keep you informed about the progress and conclusions of our enquiry with the Slovenian authorities.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'V. Dombrovskis', with a long horizontal stroke extending to the right.

Valdis Dombrovskis