

MEMO# 20088

June 6, 2006

ICI Encourages Treasury to Renew Efforts for Financial Services Liberalization

©2006 Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice. [20088] June 6, 2006 TO: INTERNATIONAL COMMITTEE No. 15-06 RE: ICI ENCOURAGES TREASURY TO RENEW EFFORTS FOR FINANCIAL SERVICES LIBERALIZATION On Friday, June 2, the Institute joined eleven other associations in a letter to the US Department of the Treasury underscoring the importance of the current round of trade negotiations to the financial services sector and urging the G8 finance ministers to express a renewed commitment to financial services liberalization at their upcoming meeting. A copy of the letter is attached. The letter provided an opportunity for the Institute to reiterate certain core principles that it advocates in the trade negotiations: full establishment rights, both in terms of juridical form and ownership levels; non-discriminatory treatment; and the need for transparency in financial supervision and regulation. The letter also provided an opportunity to stress the importance of obtaining meaningful commitments from China during the current round of trade negotiations. As you know, China currently limits foreign firms to 49% ownership of local asset management companies. Seeking liberalization of this limit on foreign ownership is one of the Institute's highest trade priorities. The Institute will participate in a series of meetings with WTO negotiators from July 11-13. We intend to continue to stress our core principles for liberalization during those meetings, as well as the need to remove specific barriers in the asset management sector, such as China's 49% ownership limit. If there are specific trade barriers that you would like us to raise with the WTO negotiators during our meetings in July, please contact me (202-371-5430 or rcg@ici.org) or Glen Guymon (202-326-5837 or gguymon@ici.org) before July 7. Robert C. Grohowski Senior Counsel - International Affairs Attachment (in .pdf format)