



NORGES BANK
INVESTMENT MANAGEMENT

James Eldridge
Financial Conduct Authority
12 Endeavour Square
London E20 1JN
United Kingdom

Date: 22.06.2021

Re: Consultation on Changes to UK MIFID's conduct and organisational requirements

Norges Bank Investment Management ("NBIM") appreciates the opportunity to respond to the Financial Conduct Authority ("FCA") consultation paper on conduct and organisational requirements under UK MIFID. Our response is based on our experience as an active participant in asset markets in UK and globally.

NBIM is the investment management division of the Norwegian Central Bank ("Norges Bank") and is responsible for investing the Norwegian Government Pension Fund Global. NBIM is a globally diversified investment manager with assets valued at GBP 930 billion as of 31 December 2020, of which GBP 62.6 billion was invested in UK equities and bonds of UK issuers.

As a long-term investor NBIM has a vested interest in well-functioning financial markets that facilitate the efficient allocation of capital and promote long-term economic growth and thus in a regulatory environment for trading in financial instruments that facilitates such outcomes.

Best execution reports

The FCA proposes to remove the obligation for execution venues to produce execution quality reports prescribed under RTS 27 and the obligation for firms who execute orders to produce reports about their routing and execution outcomes under RTS 28.

The FCA notes that the reports have not contributed to increased transparency and improved information on market quality and execution. We can confirm that the reports have not been important in our internal evaluation of trading cost, market quality and execution.

Nonetheless, we concur with the FCA that the broad issue of access to market data is a key concern for market participants and in particular institutions such as NBIM that rely on high

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market quality. The FCA should not draw the conclusion that the failure of the specific reports to meet the objectives of the regulation is a reason to abandon these objectives.

Regulation should require that timely and transparent market data is available to market participants, on a cost basis, and to allow for comparison of execution venues and assessment of order routing and execution outcomes. We recommend that the FCA continue to develop regulation to this effect.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Emil R. Framnes'.

Emil R. Framnes

Global Head of Equity Trading and Transition
NBIM

A handwritten signature in blue ink, appearing to read 'Vegard Vik'.

Vegard Vik

Special Advisor
NBIM