



Summary of Questionnaire Results

Working Group 2

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**Requirements to the activities of investment intermediaries,
Chapter 8
Section III (Risk Management), Section IV (Internal Audit)**

Section	Question	Consulted stakeholders		
1 - What is the problem		Bulgaria Association of Asset Management Companies	Central Depository	Investment intermediary "Beta corp"
	1	It's necessary to reduce the asymmetry. On the other hand, there will be a duplication in the functions of the internal audit and the internal control. It's important that the self – regulation is given as a possibility.	The regulation is flexible. The risk management is more focused on the companies' side. It must be focused on the both of them.	Each of them is a different institution. There is no point to separate the internal audit and the internal control. The asymmetry is in an acceptable band.
	2	Yes.	Yes.	We don't need a regulatory intervention. At least a part of the market has already addressed the risk management issue (setting up risk profile solutions).
2 – Policy solutions				
3 - CBA - Users	1 – a	Yes.	Yes.	Yes.
	1 – b	Minor.	Minor.	Minor for big and major for small firms.
	1- c			
	2 – a	Yes.	Yes.	Yes.
	2 – b	Minor. (net benefit).	Minor (small net benefit).	Minor (negligible net benefit)
3- CBA – Regulated firms	3			
	4 – a	Yes.	Yes.	Yes.
	4 - b	Major costs.	Major costs.	2500 – 5000 Euro for the internal risk regulation as legal advise and between 7000 – 13000 Euro good training. For the software solution between 3.5-

				7.5 000. In total the burden will be insignificant – about 3-7% continuous operational costs 100% increasing investment.
	5 – a		Yes.	Insignificant for the first year and more significant for the next years.
	5 – b		Minor.	
	6 – a		Positive effect for the internal audit and risk management.	Positive in regard to the risk management.
	6 – b		Minor in the short and major in the long.	Initially minor and afterwards major.
	7 – a		The competition between the big companies will increase and will throw out of the business the small companies.	Yes. Negative impact and HHI increase.
	7 – b			
	8 – a			
	8 – b			