

Securities: issuers trading on a regulated market, transparency requirements

2003/0045(COD) - 10/12/2008 - Follow-up document

This report aims to present stricter national measures pursuant to Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market (hereinafter the "Transparency Directive"), as well as their main impact. This Directive requires issuers of securities in regulated markets within the EU to ensure appropriate transparency for investors through the disclosure of periodic and on-going regulated information and the dissemination of such information to the public throughout the Community.

Under Article 31(2) of the Transparency Directive, Member States have to inform the Commission of any national measures they adopt which go beyond the requirements of the Directive. Stakeholders regularly report to the Commission services, for example, that, as regards listed companies, Member States often impose (or maintain existing) more stringent national rules on top of the European legislation, and thus do not pass on to companies the potential for simplification which the harmonisation brought by EU law offers. In this context, a resolution of the European Parliament asked the Commission to examine whether the transposition of this Directive has led to 'gold plating' by Member States. Against this background, the Commission services undertook a limited survey on this issue in 2008.

The Commission report highlights the different regulatory approaches of the Member States to the Transparency Directive as regards adopting and/or maintaining more stringent national rules. It also shows that the limits imposed by the Home Member State Rule of the Directive already result in positive effects for issuers. However, evidence collected so far shows that the flexibility offered by the Directive results in more transparency in the market, but also in practical difficulties for investors' compliance with their obligations and may have adverse effects on the market for corporate control. The report also shows that, while national regulatory convergence in this regard could be an option to address possible negative effects caused by the lack of harmonisation, such a process would need to be voluntary at this stage. At the same time, facilitation of cross-border compliance with different existing national obligations has already been undertaken, in particular by the Committee of European Securities Regulators (CESR), with positive results.

The question of whether legislative changes should be made to the Transparency Directive is not addressed in this report. Whether there is scope for legislative changes from a longer time perspective will be reviewed in the context of the report that the Commission has to draw up on the operation of the Directive, pursuant to Article 33.