Criminal sanctions for market abuse (market abuse directive)

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The Council reached a **partial general approach** on a directive on criminal sanctions for insider dealing and market manipulation ("market abuse directive").

The partial general approach serves as a base for future discussion on the draft directive. It concerns in particular provisions on "**inciting, aiding and abetting, and attempt**" (Art. 5), "**criminal sanctions**" (Art. 6), "**liability of legal persons**" (Art. 7), "**sanctions for legal persons**" (Art. 8) and the **report on the application of the directive** (Art. 9).

During the discussions, some delegations expressed the necessity that the directive should also approximate the types and levels of penalties, while some other delegations opposed to this view. The proposed compromise establishes that by four years after the entry into force of the directive, the European Commission shall report on the application of the directive and, if necessary, on the need to review it, including with regard to the appropriateness of introducing common minimum rules on types and levels of criminal sanctions.

Since many elements in the draft directive depend directly or indirectly from the content of other instruments (in particular the regulation on insider dealing and market manipulation - "MAR"), the Council will await the result of the discussions in the preparatory bodies to properly address the remaining parts (Articles 1 to 4). It has to be noted that the partial general approach does not prejudice further discussions on such remaining parts and may in the future need further elaboration if necessary, before enter into negotiations with the European Parliament, co-legislator in this matter.