Financial services: investor-compensation schemes

1993/0471(COD) - 12/03/1996

In recalling the main aims of the proposal the rapporteur, Mr Janssen van Raay (EPP, NL), touched on the subject of protection for small investors in the event that small investment companies were no longer able to honour their commitments. The rapporteur welcomed the fact that an agreement had already been reached with the Commission on all the main points. He also raised some of the less significant aspects of the proposal that had still to be resolved (non-compliance with obligations should not solely be linked to financial problems, the question of considering the monetary value, etc.). Commissioner Monti considered that the text being proposed would constitute one of main pillars of the internal market in respect of the protection of securities. He went on to state that the Commission could not accept the amendments tabled by Parliament and thought that Amendments Nos 1 to 3 and 5 to 7 would create serious distortions in relation to the directive on bank guarantee funds. Amendment No 4, which referred to the ‘market value’, would prove extremely difficult to implement and the Commissioner preferred to leave it to the Member States to define the criteria for determining market value. The Commissioner also took the view that Amendment No 8 provided no additional protection for investors. Finally, Commissioner Monti welcomed the fact that Parliament had adopted the text in its original form. Had this not been the case he could have foreseen a long and difficult process of conciliation with the Council.