

Markets in financial instruments

2002/0269(COD) - 12/06/2003 - Document attached to the procedure

The ECB broadly welcomes and supports the proposed directive, which aims at improving the level of regulatory harmonisation and to extend it to new investment services and financial instruments. The proposed directive deals with new issues arising from the increased competition among stock exchanges and new order-execution platforms, laying down rules to ensure that different execution venues are subject to the same set of rules and are therefore able to compete with one another while guaranteeing investor protection, market transparency and efficiency. In order to attain the abovementioned goals, the proposed directive lays down a comprehensive set of rules concerning all the trading venues, namely regulated markets, multilateral trading facilities (MTFs) and intermediaries that execute client orders internally. However, the ECB finds that the proposed directive could further clarify a number of issues, as explained below: - the application of the legislative methodology recommended by the Committee of Wise Men on the Regulation of European Securities Markets; - the exemptions from the scope of the proposed directive; - the rules concerning intermediaries; - the new regulatory framework on trade execution; - the rules concerning clearing and settlement systems; - exchange of information and reporting requirements.