Financial markets: insider dealing and market abuse (repeal. Directive 89/592/EEC)

2001/0118(COD) - 30/05/2001 - Legislative proposal

PURPOSE: to present a Commission proposal for a directive of the European Parliament and of the Council on insider dealing and market manipulation (market abuse). CONTENT: the aim of this Directive so to ensure the integrity of European financial markets, to establish and implement common standards against market abuse throughout Europe, and to enhance investor confidence in these markets. The main provisions of the proposed directive relate to the following: - general definition of what constitutes market abuse; - recognition that, in particular circumstances and for perfectly understandable economic reasons, exemption (so called 'safe harbours') will need to be allowed, where certain prohibitions would not apply; - that Member States designate a single regulatory and supervisory authority with a common minimum set of responsibilities; - general obligations for Member States to impose and determine sanctions to be imposed for infringement of measures pursuant to the Directive in a way that is sufficient to promote compliance with its requirements; - setting up a Securities Committee to function as a regulatory committee.