

Capital market: prospectus to be published for securities

2001/0117(COD) - 09/08/2002 - Modified legislative proposal

To speed up the legislative process and meet the expectations expressed at the Barcelona Council on the early adoption of a directive on prospectuses, the Commission wishes to put forward an amended proposal for a Directive that takes account of many of Parliament's and the Council's wishes and concerns. The presentation of the proposal has been changed as regards form to make the text more understandable and readable. The amended proposal also includes new, flexible arrangements for firms that were not in the proposal adopted by the Commission on 30 May 2001 while remaining consistent with the principles of protection and sound information for investors. The main changes compared with the Commission's original proposal are: - introduction of enhanced disclosure standards in line with international standards for the public offer of securities and admission to trading; - introduction of special Community rules for securities designed to be traded by professionals; - introduction of new prospectus formats for frequent issuers, and the duty on firms whose securities are listed on a regulated market to update the information on issuers at least once a year; - possibility to offer or admit securities to trading on the basis of a simple notification of the prospectus approved by the home competent authority; - concentration of the responsibilities in the home administrative competent authority; - extensive use of the committee system, following the Stockholm European Council's broad endorsement of the Lamfalussy Report in the resolution adopted by Heads of State or Government on more effective securities markets regulation in the European Union.