Investment services: upgrading Directive 93/22 /EEC

2001/2039(COS) - 03/04/2001 - Text adopted by Parliament, single reading

In adopting the report by Giorgios KATIFORIS (PES, GR), the European Parliament adopted two resolutions calling for a revision of the 1993 Investment Services Directive with the new legislation relating to cross-border investments to be based on home country supervision. The resolution of Piia-Noora KAUPPI (EPP-ED, FIN) was approved by 406 to 62 with 35 abstentions. MEPs believe a light regulatory regime should apply to professional investors. There is also a call on the Commission to look at the possibility of extending the system to third countries where reciprocity could be available and, with Lamfalussy in mind, MEPs take the view that information to be provided to investors should be indicated in the Commission's legislative proposal. During the debate, Commissioner Fritz BOLKESTEIN agreed with the criticisms in Parliament's resolutions and also made in the debate, in the sense that the aims of the single market in investment services had not been achieved by the current legislation which had produced legal uncertainty and not reduced bureaucracy in the sense that it was still necessary to respect different national rules. He agreed on the need to move towards home country supervision and a new approach to promote transparency, integrity and protection for investors. He warned, however, that revised legislation would not in itself prevent turbulence on the markets. He promised to consider carefully Parliament's concerns over the definition of "professional" investors, recognising that the proposed definition would exclude numerous groups, although he did say that it was based on the consensus view of national regulators. He also agreed that the procedures of the Lamfalussy report could be applied to the new legislation.