



COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

**DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**Amending**

**Directive 2003/6/EC on insider dealing and market manipulation (market abuse), as regards the implementing powers conferred on the Commission**

(presented by the Commission)

Proposal for a

**DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**Amending**

**Directive 2003/6/EC on insider dealing and market manipulation (market abuse), as regards the implementing powers conferred on the Commission**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 95 thereof,

Having regard to the proposal of the Commission<sup>1</sup>,

Having regard to the opinion of the European Economic and Social Committee<sup>2</sup>,

Having regard to the opinion of the European Central Bank,

Acting in accordance with the procedure laid down in Article 251 of the Treaty<sup>3</sup>,

Whereas:

- (1) Directive 2003/6/EC of the European Parliament and of the Council<sup>4</sup> provides that certain measures are to be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission<sup>5</sup>.
- (2) Decision 1999/468/EC has been amended by Decision 2006/512/EC which introduced a regulatory procedure with scrutiny to be used for the adoption of measures of general scope which seek to amend non-essential elements of a basic instrument adopted in accordance with the procedure referred to in Article 251 of the Treaty, inter alia by deleting some of those elements or by supplementing the instrument by the addition of new non-essential elements.
- (3) In accordance with the joint statement of the European Parliament, the Council and the Commission<sup>6</sup> on Decision 2006/512/EC, instruments which are already in force must be adjusted in accordance with the applicable procedures. That statement indicates a list of instruments which should be adjusted as a matter of urgency, including Directive

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4 OJ L 96, 12.4.2003, p.16.

5 OJ L184, 17.7.1999, p.23 . Decision as amended by Decision 2006/512/EC (OJ L 200 , 22.7.2006, p.11).

6 OJ C255, 21.10.2006, p. 1

2003/6/EC.

- (4) In particular power should be conferred on the Commission to adopt measures necessary for the implementation of Directive 2003/6/EC, in order to take account of technical developments on financial markets and to ensure uniform application of that Directive and to supplement it with the procedure and detailed provisions for the exercise by the competent authorities of competences for exchange of information and cross-border inspections.. Since those measures are of general scope, and are designed to supplement that Directive by the addition of new non-essential elements and designed to adapt definitions, to elaborate upon or supplement the provisions of that Directive by technical modalities for disclosure of inside information, insider lists, reporting of managerial and suspicious transactions to competent authorities and for the fair presentation of research, they should be adopted in accordance with the regulatory procedure with scrutiny provided for in Article 5a of Decision 1999/468/EC.
- (5) Directive 2003/6/EC provided for a time restriction concerning the implementing powers conferred to the Commission. In their joint statement on Decision 2006/512/EC, the European Parliament, the Council and the Commission have stated that Decision 2006/512/EC provides a horizontal and satisfactory solution to the European Parliament's wish to scrutinise the implementation of instruments adopted under the co-decision procedure and that, accordingly, implementing powers should be conferred on the Commission without time-limit. The European Parliament and Council also declared that they would make sure that the proposals aimed at repealing the provisions in the instruments that provide for a time-limit on the delegation of implementing powers to the Commission are adopted as rapidly as possible. Following the introduction of the regulatory procedure with scrutiny, the provision establishing that time restriction in Directive 2003/6/EC should be deleted
- (6) Directive 2003/6/EC should be amended accordingly.
- (7) Since the amendments to be made to Directive 2003/6/EC are adjustments of a technical nature which only concern the committee procedure they do not need to be transposed by the Member States. It is therefore not necessary to lay down provisions to that effect,

HAVE ADOPTED THIS DIRECTIVE:

*Article 1*

Directive 2003/6/EC is hereby amended as follows:

- (1) The second subparagraph of Article 1 is amended as follows:
  - (a) the terms ", acting in accordance with the procedure laid down in Article 17(2)," are deleted;

(b) the following sentence is added:

"Those measures, designed to amend non-essential elements of this directive by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 17(2a)."

(2) Article 6(10) is amended as follows:

(a) the terms ",in accordance with the procedure referred to in Article 17(2)" are deleted;

(b) the following subparagraph is added:

"Those measures, designed to amend non-essential elements of this directive by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 17(2a)."

(3) Article 8 is amended as follows:

(a) the terms "adopted in accordance with the procedure laid down in Article 17(2)" are deleted;

(b) the following sentence is added:

"Those measures, designed to amend non-essential elements of this directive by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 17(2a)."

(4) Article 16(5) is amended as follows:

(a) the terms "In accordance with the procedure laid down in Article 17(2)," are deleted;

(b) the following sentence is added:

"Those measures, designed to amend non-essential elements of this directive by supplementing it shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 17(2a)."

(5) Article 17 is amended as follows:

(a) the following paragraph 2a is inserted:

"2a. Where reference is made to this paragraph, Article 5a(1) to (4), and Article 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof."

(b) paragraphs 3 and 4 are deleted

## *Article 2*

This Directive shall enter into force on the [...] day following that of its publication in the *Official Journal of the European Union*.

*Article 3*

This Directive is addressed to the Member States.

Done at Brussels, [...]

*For the European Parliament*  
*The President*

*For the Council*  
*The President*