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## Legislation

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<sup>(1)</sup> Text with EEA relevance

EN

Acts whose titles are printed in light type are those relating to day-to-day management of agricultural matters, and are generally valid for a limited period.

The titles of all other acts are printed in bold type and preceded by an asterisk.

## I

(Acts whose publication is obligatory)

**COMMISSION REGULATION (EC) No 661/2003  
of 11 April 2003  
establishing the standard import values for determining the entry price of certain fruit and  
vegetables**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Commission Regulation (EC) No 3223/94 of 21 December 1994 on detailed rules for the application of the import arrangements for fruit and vegetables <sup>(1)</sup>, as last amended by Regulation (EC) No 1947/2002 <sup>(2)</sup>, and in particular Article 4(1) thereof,

Whereas:

- (1) Regulation (EC) No 3223/94 lays down, pursuant to the outcome of the Uruguay Round multilateral trade negotiations, the criteria whereby the Commission fixes the standard values for imports from third countries, in respect of the products and periods stipulated in the Annex thereto.

- (2) In compliance with the above criteria, the standard import values must be fixed at the levels set out in the Annex to this Regulation,

HAS ADOPTED THIS REGULATION:

*Article 1*

The standard import values referred to in Article 4 of Regulation (EC) No 3223/94 shall be fixed as indicated in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 12 April 2003.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 April 2003.

*For the Commission*  
J. M. SILVA RODRÍGUEZ  
*Agriculture Director-General*

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<sup>(1)</sup> OJ L 337, 24.12.1994, p. 66.

<sup>(2)</sup> OJ L 299, 1.11.2002, p. 17.

## ANNEX

**to the Commission Regulation of 11 April 2003 establishing the standard import values for determining the entry price of certain fruit and vegetables**

(EUR/100 kg)		
CN code	Third country code <sup>(1)</sup>	Standard import value
0702 00 00	052	114,1
	204	79,2
	212	123,3
	999	105,5
0707 00 05	052	96,8
	064	58,4
	068	77,0
	096	48,8
	204	60,3
	628	147,3
	999	81,4
0709 10 00	220	190,1
	999	190,1
0709 90 70	052	86,2
	204	61,0
	999	73,6
0805 10 10, 0805 10 30, 0805 10 50	052	77,2
	204	40,6
	212	76,2
	220	45,9
	400	46,8
	600	53,5
	624	60,7
	999	57,3
0808 10 20, 0808 10 50, 0808 10 90	060	64,5
	388	86,2
	400	100,9
	404	112,3
	508	83,7
	512	81,7
	524	66,4
	528	71,6
	720	98,9
	728	54,1
	804	135,2
	999	86,9
0808 20 50	388	76,9
	512	85,3
	528	64,3
	720	47,2
	999	68,4

<sup>(1)</sup> Country nomenclature as fixed by Commission Regulation (EC) No 2020/2001 (OJ L 273, 16.10.2001, p. 6). Code '999' stands for 'of other origin'.

**COMMISSION REGULATION (EC) No 662/2003  
of 11 April 2003**

**fixing the minimum selling prices for butter and the maximum aid for cream, butter and concentrated butter for the 117th individual invitation to tender under the standing invitation to tender provided for in Regulation (EC) No 2571/97**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1255/1999 of 17 May 1999 on the common organisation of the market in milk and milk products <sup>(1)</sup>, as last amended by Commission Regulation (EC) No 509/2002 <sup>(2)</sup>, and in particular Article 10 thereof,

Whereas:

- (1) The intervention agencies are, pursuant to Commission Regulation (EC) No 2571/97 of 15 December 1997 on the sale of butter at reduced prices and the granting of aid for cream, butter and concentrated butter for use in the manufacture of pastry products, ice-cream and other foodstuffs <sup>(3)</sup>, as last amended by Regulation (EC) No 635/2000 <sup>(4)</sup>, to sell by invitation to tender certain quantities of butter that they hold and to grant aid for cream, butter and concentrated butter. Article 18 of that Regulation stipulates that in the light of the tenders received in response to each individual invitation to tender a minimum selling price shall be fixed for butter and maximum aid shall be fixed for cream, butter and concentrated butter. It is further stipulated that the price

or aid may vary according to the intended use of the butter, its fat content and the incorporation procedure, and that a decision may also be taken to make no award in response to the tenders submitted. The amount(s) of the processing securities must be fixed accordingly.

- (2) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Milk and Milk Products,

HAS ADOPTED THIS REGULATION:

*Article 1*

The minimum selling prices and the maximum aid and processing securities applying for the 117th individual invitation to tender, under the standing invitation to tender provided for in Regulation (EC) No 2571/97, shall be fixed as indicated in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 12 April 2003.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 April 2003.

*For the Commission*

Franz FISCHLER

*Member of the Commission*

<sup>(1)</sup> OJ L 160, 26.6.1999, p. 48.

<sup>(2)</sup> OJ L 79, 22.3.2002, p. 15.

<sup>(3)</sup> OJ L 350, 20.12.1997, p. 3.

<sup>(4)</sup> OJ L 76, 25.3.2000, p. 9.

## ANNEX

**to the Commission Regulation of 11 April 2003 fixing the minimum selling prices for butter and the maximum aid for cream, butter and concentrated butter for the 117th individual invitation to tender under the standing invitation to tender provided for in Regulation (EC) No 2571/97**

(EUR/100 kg)

Formula			A		B	
Incorporation procedure			With tracers	Without tracers	With tracers	Without tracers
Minimum selling price	Butter ≥ 82 %	Unaltered	—	—	—	—
		Concentrated	—	—	—	—
Processing security		Unaltered	—	—	—	—
		Concentrated	—	—	—	—
Maximum aid	Butter ≥ 82 %		85	81	85	81
	Butter < 82 %		83	79	—	79
	Concentrated butter		105	101	105	101
	Cream		—	—	36	34
Processing security	Butter		94	—	94	—
	Concentrated butter		116	—	116	—
	Cream		—	—	40	—

**COMMISSION REGULATION (EC) No 663/2003****of 11 April 2003****fixing the maximum purchasing price for butter for the 70th invitation to tender carried out under the standing invitation to tender governed by Regulation (EC) No 2771/1999**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1255/1999 of 17 May 1999 on the common organisation of the market in milk and milk products <sup>(1)</sup>, as last amended by Commission Regulation (EC) No 509/2002 <sup>(2)</sup>, and in particular Article 10 thereof,

Whereas:

- (1) Article 13 of Commission Regulation (EC) No 2771/1999 of 16 December 1999 laying down detailed rules for the application of Council Regulation (EC) No 1255/1999 as regards intervention on the market in butter and cream <sup>(3)</sup>, as last amended by Regulation (EC) No 359/2003 <sup>(4)</sup>, provides that, in the light of the tenders received for each invitation to tender, a maximum buying-in price is to be fixed in relation to the intervention price applicable and that it may also be decided not to proceed with the invitation to tender.

- (2) As a result of the tenders received, the maximum buying-in price should be fixed as set out below.

- (3) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Milk and Milk Products,

HAS ADOPTED THIS REGULATION:

*Article 1*

For the 70th invitation to tender issued under Regulation (EC) No 2771/1999, for which tenders had to be submitted not later than 8 April 2003, the maximum buying-in price is fixed at 295,38 EUR/100 kg.

*Article 2*

This Regulation shall enter into force on 12 April 2003.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 April 2003.

*For the Commission*

Franz FISCHLER

*Member of the Commission*

<sup>(1)</sup> OJ L 160, 26.6.1999, p. 48.

<sup>(2)</sup> OJ L 79, 22.3.2002, p. 15.

<sup>(3)</sup> OJ L 333, 24.12.1999, p. 11.

<sup>(4)</sup> OJ L 53, 28.2.2003, p. 17.

**COMMISSION REGULATION (EC) No 664/2003****of 11 April 2003****fixing the maximum aid for concentrated butter for the 289th special invitation to tender opened under the standing invitation to tender provided for in Regulation (EEC) No 429/90**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1255/1999 of 17 May 1999 on the common organisation of the market in milk and milk products <sup>(1)</sup>, as last amended by Commission Regulation (EC) No 509/2002 <sup>(2)</sup>, and in particular Article 10 thereof,

Whereas:

- (1) In accordance with Commission Regulation (EEC) No 429/90 of 20 February 1990 on the granting by invitation to tender of an aid for concentrated butter intended for direct consumption in the Community <sup>(3)</sup>, as last amended by Regulation (EC) No 124/1999 <sup>(4)</sup>, the intervention agencies are opening a standing invitation to tender for the granting of aid for concentrated butter; Article 6 of that Regulation provides that in the light of the tenders received in response to each special invitation to tender, a maximum amount of aid is to be fixed for concentrated butter with a minimum fat content of 96 % or a decision is to be taken to make no award; the end-use security must be fixed accordingly.

- (2) In the light of the tenders received, the maximum aid should be fixed at the level specified below and the end-use security determined accordingly.

- (3) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Milk and Milk Products,

HAS ADOPTED THIS REGULATION:

*Article 1*

For the 289th special invitation to tender under the standing invitation to tender opened by Regulation (EEC) No 429/90, the maximum aid and the amount of the end-use security shall be as follows:

- |                     |                 |
|---------------------|-----------------|
| — maximum aid:      | EUR 105/100 kg, |
| — end-use security: | EUR 116/100 kg. |

*Article 2*

This Regulation shall enter into force on 12 April 2003.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 April 2003.

*For the Commission*

Franz FISCHLER

*Member of the Commission*

<sup>(1)</sup> OJ L 160, 26.6.1999, p. 48.

<sup>(2)</sup> OJ L 79, 22.3.2002, p. 15.

<sup>(3)</sup> OJ L 45, 21.2.1990, p. 8.

<sup>(4)</sup> OJ L 16, 21.1.1999, p. 19.

**COMMISSION REGULATION (EC) No 665/2003****of 11 April 2003****amending Annex III to Council Regulation (EEC) No 2377/90 laying down a Community procedure for the establishment of maximum residue limits of veterinary medicinal products in foodstuffs of animal origin****(Text with EEA relevance)**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2377/90 of 26 June 1990 laying down a Community procedure for the establishment of maximum residue limits of veterinary medicinal products in foodstuffs of animal origin <sup>(1)</sup>, as last amended by Commission Regulation (EC) No 61/2003 <sup>(2)</sup> and in particular Articles 7 and 8 thereof;

Having regard to the decision of the 2404th Council of the European Union (agriculture) not to adopt draft measures proposed by the Commission concerning the establishment of maximum residue limits for norgestomet (COM(2001) 627 final);

Whereas:

- (1) In accordance with Council Regulation (EEC) No 2377/90, maximum residue limits should be established for all pharmacologically active substances that are used within the Community in veterinary medicinal products intended for administration to food-producing animals.
- (2) Maximum residue limits should be established after examination, within the Committee for Veterinary Medicinal Products (CVMP), of all the relevant information provided by applicants in accordance with the provisions of Regulation (EEC) 2377/90 and taking into account all publicly available relevant scientific information concerning the safety of residues of the substance concerned for the consumer of foodstuffs of animal origin, including for example opinions of the Scientific Committee on Veterinary Measures related to Public Health, Joint FAO/WHO Expert Committee on Food Additives reports, or reports from internationally renowned research organisations.
- (3) In establishing maximum residue limits for residues of veterinary medicinal products in foodstuffs of animal origin, it is necessary to specify the animal species in which the residues may be present, the levels at which they may be present in each of the relevant tissues obtained from the treated animal (target tissue) as well as the nature of the residue that is relevant for the monitoring of residues (marker residue). In the case of veterinary medicinal products intended for use in lactating animals maximum residue limits must be established for milk.

(4) Council Regulation (EEC) No 2377/90 provides that the establishment of maximum residue limits shall in no way prejudice the application of other relevant Community legislation.

(5) For the purpose of monitoring residues, as provided for in appropriate Community legislation, maximum residue limits should usually be established for the target tissues of liver or kidney. However, as the liver and kidney are frequently removed from carcasses moving in international trade, maximum residue limits should consequently be established always for muscle or fat tissues.

(6) The substances norgestomet and flugestone acetate are progestagen hormones, and therefore are subject to restrictions and control of use as provided for in Council Directive 96/22/EC of 29 April 1996 <sup>(3)</sup>. Under certain conditions, these hormones may be administered to farm animals for therapeutic or zootechnical purposes only. In particular, these conditions require, *inter alia*, the administration of these substances by a veterinarian or under his direct responsibility. In addition, the type of treatment, the type of products authorised, the date of treatment and the identity of the animals treated must be officially recorded by the veterinarian.

(7) Furthermore, the conditions laid down in Directive 96/22/EC prohibit the administration of hormones for therapeutic or zootechnical purposes to breeding animals during the fattening period at the end of their reproductive life. Moreover, they provide that meat or products from animals to which hormones have been administered for therapeutic or zootechnical treatment should not be placed on the market for human consumption unless they have been treated in accordance with the provisions of Council Directive 96/22/EC and in so far as the withdrawal period laid down was observed before the animals were slaughtered.

(8) After its initial evaluation, the CVMP considered that it was not necessary, for the protection of public health, to establish maximum residues limits norgestomet when used in veterinary medicinal products authorised in accordance with Community legislation. The substance was therefore proposed to be included in the list in Annex II of Council Regulation (EEC) No 2377/90. Furthermore, the CVMP considered for the same reasons that it was not necessary to establish maximum residue limits for flugestone acetate for other target tissues than milk.

<sup>(1)</sup> OJ L 224, 18.8.1990, p. 1.

<sup>(2)</sup> OJ L 11, 16.1.2003, p. 12.

<sup>(3)</sup> OJ L 125, 23.5.1996, p. 3.



- (9) However, the overall evaluation of the available risk assessments of these substances and of the entire body of available scientific information and data indicate that, as concerns the excess intake of hormone residues and their metabolites, and in view of the intrinsic properties of progestagen hormones and epidemiological findings, a potential risk to the consumer has been identified.
- (10) Furthermore, given the intrinsic properties of progestagen hormones and as it is not possible to exclude that good veterinary practice is not systematically applied, and that therefore the authorities should be provided with means of control of illegal use of these hormones, Council Directive 96/23/EC of 29 April 1996 <sup>(1)</sup>, requires the authorities to carry out investigations in the case of suspected animals or positive laboratory results.
- (11) Regulation (EEC) No 2377/90 concerning maximum residue limits provides that Member States may not prohibit or impede the putting into circulation within their territories of foodstuffs of animal origin from other Member States on the grounds that they contain residues of veterinary medicinal products if the substances concerned are listed in Annex II thereof.
- (12) As only national tolerances are currently used for triggering the control and investigation procedure laid down in Directive 96/23/EC, it is considered appropriate to set, in the Community, harmonised levels for norgestomet for all tissues and flugestone acetate for all tissues except milk. Maximum residue limits have been established for flugestone acetate for milk in Council Regulation 2584/2001 of 19 December 2001 <sup>(2)</sup>.
- (13) Taking into account the identified potential adverse effects to human health from the administration of these hormones to farm animals for any purpose and after consideration of the current need to continue to make available on the Community market these substances that are currently used for therapeutic or zootechnical treatment of farm animals and, taking into account the strict conditions under which Directive 96/22/EC authorises the use of these substances for therapeutic or zootechnical purposes, it is appropriate to proceed with the consideration of the substances and tissues under Regulation (EEC) No 2377/90 for the purpose of setting up maximum residue limits.
- (14) Provided that there are no grounds for supposing that residues of the substance concerned at the level proposed present a hazard for the health of the consumer, maximum residue limits may be established in Annex I of Regulation (EEC) No 2377/90. However, given the overall evaluation on the risk assessments of progestagen hormones, as concerns possible excess intake of hormone residues and their metabolites, a possible risk to the consumer needs to be regularly reviewed on the basis of any new scientific evidence.
- (15) The Standing Committee on Veterinary Medicinal Products referred to in Article 8 of Regulation (EEC) No 2377/90 did not deliver a favourable opinion on the measures proposed by the Commission to place norgestomet in Annex I of Regulation (EEC) No 2377/90 and the 2404th meeting of the Agricultural Council confirmed this opinion with a simple majority against the adoption of these measures (COM(2001) 627 final) on 21 January 2002. The Council was in favour of providing for harmonised control limits for the progestagen hormones used in veterinary medicinal products with suitably validated analytical methods that could be applied for routine monitoring. However, the limits proposed by the Commission for norgestomet were not considered acceptable.
- (16) The CVMP was thereafter asked by the Commission to provide a scientific evaluation of the existing data including the state of validation of analytical methods for residue control, and to propose, if possible, residue limits for norgestomet for all target tissues including milk and for flugestone acetate for all target tissues except milk.
- (17) Taking into account the response of CVMP and the need for further validation of the analytical methods, and the remaining scientific uncertainty, it is considered nevertheless appropriate to place norgestomet for all tissues and flugestone acetate for all tissues except milk in Annex III of Regulation (EEC) No 2377/90, in accordance with the conditions and the maximum residue limits specified for each of these substances in the Annexes to the present proposal for a Commission Regulation.
- (18) The measures provided for in this Regulation are in accordance with the opinion of the Standing Committee on Veterinary Medicinal Products,

HAS ADOPTED THE FOLLOWING REGULATION:

*Article 1*

Annex III to Regulation (EEC) No 2377/90 is hereby amended as set out in the Annex hereto.

*Article 2*

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Union*.

It shall apply from the sixtieth day following its publication.

<sup>(1)</sup> OJ L 125, 23.5.1996, p. 10.

<sup>(2)</sup> OJ L 345, 29.12.2001, p. 7.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 April 2003.

*For the Commission*

Erkki LIIKANEN

*Member of the Commission*

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# ANNEX

The following substances are added to Annex III to Council Regulation (EEC) No 2377/90:

## 6. Agents acting on the reproductive system

### 6.1. Progestagens

Pharmacologically active substance(s)	Marker residue	Animal species	MRLs	Target tissues
Flugestone acetate <sup>(1)</sup>	Flugestone acetate	Ovine, caprine	0,5 µg/kg 0,5 µg/kg 0,5 µg/kg 0,5 µg/kg	Muscle Fat Liver Kidney
Norgestomet <sup>(1)</sup>	Norgestomet	Bovine	0,5 µg/kg 0,5 µg/kg 0,5 µg/kg 0,5 µg/kg 0,15 µg/kg	Muscle Fat Liver Kidney Milk

<sup>(1)</sup> Provisional MRLs expire on 1.1.2008; for therapeutic or zootechnical use only.'

**COMMISSION REGULATION (EC) No 666/2003**  
**of 11 April 2003**  
**provisionally authorising the use of certain micro-organisms in feedingstuffs**  
**(Text with EEA relevance)**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Directive 70/524/EEC of 23 November 1970 concerning additives in feedingstuffs <sup>(1)</sup>, as last amended by Regulation (EC) No 1756/2002 <sup>(2)</sup>, and in particular Articles 3 and 9e(1) thereof,

Whereas:

- (1) Directive 70/524/EEC requires that no additive may be put into circulation unless a Community authorisation has been granted.
- (2) In the case of additives referred to in Part II of Annex C to Directive 70/524/EEC, which include micro-organisms, provisional authorisation of a new additive for use in feedingstuffs may be given if the conditions laid down that Directive are satisfied, and if it is reasonable to assume, in view of the available results, that when used in animal nutrition it has one of the effects referred to in Article 2(a) of that Directive. Such provisional authorisation may be given for a period not exceeding four years.
- (3) The assessment of the application for authorisation submitted, in respect of the micro-organism preparation, specified in the Annex to this Regulation, shows that the conditions referred to in Article 9e(1) of Directive 70/524/EEC are satisfied.
- (4) The micro-organism preparation should therefore be authorised on a provisional basis for a period of four years.

- (5) The Scientific Committee for Animal Nutrition has delivered a favourable opinion on the safety of the preparation, which belongs to the group 'Micro-organisms', under the conditions set out in the Annex to this Regulation for piglets and pigs for fattening.
- (6) The assessment of the application shows that certain procedures are required to protect workers from exposure to the additives set out in the Annex. However, such protection is assured by the application of Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work <sup>(3)</sup>.
- (7) The measures provided for in this Regulation are in accordance with the opinion of the Standing Committee on the Food Chain and Animal Health,

HAS ADOPTED THIS REGULATION

*Article 1*

The additive belonging to the group 'Microorganisms' referred to in the Annex is authorised for use as an additive in feedingstuffs under the conditions laid down in the Annex.

*Article 2*

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

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 April 2003.

*For the Commission*

David BYRNE

*Member of the Commission*

<sup>(1)</sup> OJ L 270, 14.12.1970, p. 1.

<sup>(2)</sup> OJ L 265, 3.10.2002, p. 1.

<sup>(3)</sup> OJ L 183, 29.6.1989, p. 1.

## ANNEX

No (or EC No)	Additive	Chemical formula, description	Species or category of animal	Maximum age	Minimum content	Maximum content	Other provisions	End of period of authorisation
					CFU/kg of complete feedingstuff			
Microorganisms								
22	Enterococcus faecium DSM 7134	Preparation of Enterococcus faecium containing a minimum of: Powder: 1 × 10 <sup>10</sup> CFU/g of additive Granules (micro-encapsulated): 1 × 10 <sup>10</sup> CFU/g of additive	Piglets		0,5 × 10 <sup>9</sup>	4 × 10 <sup>9</sup>	The directions for use must indicate storage temperature, shelf life and pelleting stability of the additive and the premixture	15.4.2007
			Pigs for fattening		0,2 × 10 <sup>9</sup>	1 × 10 <sup>9</sup>		

**COMMISSION REGULATION (EC) No 667/2003**  
**of 11 April 2003**  
**amending Regulation (EC) No 716/96 adopting exceptional support measures for the beef market**  
**in the United Kingdom**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal <sup>(1)</sup>, as last amended by Commission Regulation (EC) No 2345/2001 <sup>(2)</sup>, and in particular Article 39 thereof,

Whereas:

- (1) Article 2(1) and (3) of Commission Regulation (EC) No 716/96 <sup>(3)</sup>, as last amended by Regulation (EC) No 1176/2000 <sup>(4)</sup>, lays down, respectively, the price to be paid per kilogram of animals going into the scheme provided by that Regulation, and the rate per animal at which the Community shall co-finance the purchases of the animals.
- (2) In order to establish the current estimated value of the relevant animals, account should be taken of the evolution in market prices in the United Kingdom since 1997, date of the last amendment of prices and rates. However, in that period no price quotations were registered for cows in that Member State and it is therefore appropriate instead to take account of the price evolution for such animals in neighbouring markets.
- (3) Consequently, the purchase price for cows should be reduced by 20 %, and the purchase price for other animals over 30 months, by 8 %. The rate of Community co-financing should be reduced accordingly.
- (4) Regulation (EC) No 716/96 should be amended accordingly.

- (5) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Beef and Veal,

HAS ADOPTED THIS REGULATION:

*Article 1*

Article 2 of Regulation (EC) No 716/96 is amended as follows:

1. Paragraph 1 is replaced by the following:

‘1. The price to be paid to producers or their agents by the United Kingdom competent authority pursuant to Article 1(1) shall be:

- EUR 0,64 per kilogram live weight for cows,
- EUR 0,83 per kilogram live weight for other animals.’

2. The first subparagraph of paragraph 3 is replaced by the following:

‘3. The Community shall cofinance the expenditure incurred by the United Kingdom for the purchases referred to under Article 1(1) at a rate of EUR 233 per head in the case of cows, and EUR 302 per head in the case of animals other than cows, for each purchased animal destroyed in accordance with the provisions of Article 1.’

*Article 2*

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

It shall apply to animals purchased from 28 April 2003.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 April 2003.

*For the Commission*

Franz FISCHLER

*Member of the Commission*

<sup>(1)</sup> OJ L 160, 26.6.1999, p. 21.

<sup>(2)</sup> OJ L 315, 1.12.2001, p. 29.

<sup>(3)</sup> OJ L 99, 20.4.1996, p. 14.

<sup>(4)</sup> OJ L 131, 1.6.2000, p. 37.

**COMMISSION REGULATION (EC) No 668/2003**  
**of 11 April 2003**  
**concerning the permanent authorisation of an additive in feedingstuffs**  
**(Text with EEA relevance)**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Directive 70/524/EEC of 23 November 1970 concerning additives in feedingstuffs <sup>(1)</sup>, as last amended by Regulation (EC) No 1756/2002 <sup>(2)</sup>, and in particular Articles 3 and 9d thereof,

Whereas:

- (1) Directive 70/524/EEC requires that no additive may be put into circulation unless a Community authorisation has been granted.
- (2) Permanent authorisation of an already authorised additive for use in feedingstuffs may be given if the conditions laid down in Article 3a of the Directive are satisfied.
- (3) The enzyme preparation set out in this Regulation was provisionally authorised for the first time by Commission Regulation (EC) No 1436/98 <sup>(3)</sup> in accordance with Council Directive 93/113/EC <sup>(4)</sup>, further to a favourable opinion of the Scientific Committee for Animal Nutrition (SCAN), in particular with regard to the safety of the product. The provisional authorisation of this additive was extended until 30 June 2004 <sup>(5)</sup> in accordance with Directive 70/524/EEC.
- (4) New data were submitted by the producing company in support of an application for authorisation without a time limit of the enzyme preparation set out in this Regulation.
- (5) On 4 December 2002, the SCAN delivered a favourable opinion on the efficacy of the enzyme preparation under the conditions laid down in the Annex.

- (6) Taking into account the opinion of the SCAN, the assessment of the application for authorisation submitted in respect of the enzyme preparation, shows that the conditions provided for in Article 3a of Directive 70/524/EEC are satisfied. That preparation should therefore be authorised for an unlimited period of time.
- (7) The assessment of the application shows that certain procedures should be required to protect workers from exposure to the additive set out in the Annex. However, such protection should be assured by the application of Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work <sup>(6)</sup>.
- (8) The measures provided for in this Regulation are in accordance with the opinion of the Standing Committee on the Food Chain and Animal Health,

HAS ADOPTED THIS REGULATION:

*Article 1*

The preparation belonging to the group 'Enzymes' as set out in the Annex is authorised for use as an additive in feedingstuffs under the conditions laid down in the Annex.

*Article 2*

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

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 April 2003.

*For the Commission*

David BYRNE

*Member of the Commission*

<sup>(1)</sup> OJ L 270, 14.12.1970, p. 1.

<sup>(2)</sup> OJ L 265, 3.10.2002, p. 1.

<sup>(3)</sup> OJ L 191, 7.7.1998, p. 15.

<sup>(4)</sup> OJ L 334, 31.12.1993, p. 17.

<sup>(5)</sup> Last extension in Commission Regulation (EC) No 2200/2001 (OJ L 299, 15.11.2001, p. 1).

<sup>(6)</sup> OJ L 183, 29.6.1989, p. 1.

## ANNEX

No (or EC No)	Additive	Chemical formula, description	Species or category of animal	Maximum age	Minimum content	Maximum content	Other provisions	End of period of authorisation
					Units of activity/kg of complete feedingstuff			
Enzymes								
1601	Endo-1,3(4)-beta-glucanase EC 3.2.1.6 Endo-1,4-beta-xylanase EC 3.2.1.8	Preparation of endo-1,3(4)- beta-glucanase and endo-1,4- beta-xylanase produced by <i>Aspergillus niger</i> (NRRL 25541) having a minimum activity of:  endo-1,3 (4)-beta-glucanase 1 100 U <sup>(1)</sup> /g  endo-1,4-beta-xylanase 1 600 U <sup>(2)</sup> /g	Chickens for fattening	—	endo-1,3(4)- beta-glucanase: 138 U  endo-1,4-beta- xylanase: 200 U	—	1. In the directions for use of the additive and premixture, indicate the storage temperature, storage life, and stability to pelleting.  2. Recommended dose per kilogram of complete feedingstuff: endo-1,3(4)-beta-glucanase: 138 U endo-1,4-beta-xylanase: 200 U.  3. For use in compound feed rich in non- starch polysaccharides (mainly arabi- noxylans and beta-glucans), for example mixed diet containing cereals (e.g. barley, wheat, rye, triticale)	Without time limit

<sup>(1)</sup> 1 U is the amount of enzyme which liberates 1 micromole of reducing sugars (glucose equivalents) from oat beta-glucan per minute at pH 4,0 and 30 °C.

<sup>(2)</sup> 1 U is the amount of enzyme which liberates 1 micromole of reducing sugars (xylose equivalents) from oat xylan per minute at pH 4,0 and 30 °C.



**DIRECTIVE 2003/6/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**  
**of 28 January 2003**  
**on insider dealing and market manipulation (market abuse)**

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 from 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 <sup>(3)</sup>,

Acting in accordance with the procedure laid down in Article 251 <sup>(4)</sup>,

Whereas:

- (1) A genuine Single Market for financial services is crucial for economic growth and job creation in the Community.
- (2) An integrated and efficient financial market requires market integrity. The smooth functioning of securities markets and public confidence in markets are prerequisites for economic growth and wealth. Market abuse harms the integrity of financial markets and public confidence in securities and derivatives.
- (3) The Commission Communication of 11 May 1999 entitled 'Implementing the framework for financial markets: action plan' identifies a series of actions that are needed in order to complete the single market for financial services. The Lisbon European Council of April 2000 called for the implementation of that action plan by 2005. The action plan stresses the need to draw up a Directive against market manipulation.
- (4) At its meeting on 17 July 2000, the Council set up the Committee of Wise Men on the Regulation of European Securities Markets. In its final report, the Committee of Wise Men proposed the introduction of new legislative techniques based on a four-level approach, namely framework principles, implementing measures, cooperation and enforcement. Level 1, the Directive, should confine itself to broad general 'framework' principles while Level 2 should contain technical implementing measures to be adopted by the Commission with the assistance of a committee.

- (5) The Resolution adopted by the Stockholm European Council of March 2001 endorsed the final report of the Committee of Wise Men and the proposed four-level approach to make the regulatory process for Community securities legislation more efficient and transparent.

- (6) The Resolution of the European Parliament of 5 February 2002 on the implementation of financial services legislation also endorsed the Committee of Wise Men's report, on the basis of the solemn declaration made before Parliament the same day by the Commission and the letter of 2 October 2001 addressed by the Internal Market Commissioner to the chairman of Parliament's Committee on Economic and Monetary Affairs with regard to the safeguards for the European Parliament's role in this process.

- (7) The measures necessary for the implementation of this Directive should 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>.

- (8) According to the Stockholm European Council, Level 2 implementing measures should be used more frequently, to ensure that technical provisions can be kept up to date with market and supervisory developments, and deadlines should be set for all stages of Level 2 work.

- (9) The European Parliament should be given a period of three months from the first transmission of draft implementing measures to allow it to examine them and to give its opinion. However, in urgent and duly justified cases, this period may be shortened. If, within that period, a resolution is passed by the European Parliament, the Commission should re-examine the draft measures.

- (10) New financial and technical developments enhance the incentives, means and opportunities for market abuse: through new products, new technologies, increasing cross-border activities and the Internet.

- (11) The existing Community legal framework to protect market integrity is incomplete. Legal requirements vary from one Member State to another, leaving economic actors often uncertain over concepts, definitions and enforcement. In some Member States there is no legislation addressing the issues of price manipulation and the dissemination of misleading information.

<sup>(1)</sup> OJ C 240 E, 28.8.2001, p. 265.

<sup>(2)</sup> OJ C 80, 3.4.2002, p. 61.

<sup>(3)</sup> OJ C 24, 26.1.2002, p. 8.

<sup>(4)</sup> Opinion of the European Parliament of 14 March 2002 (not yet published in the Official Journal), Council Common Position of 19 July 2002 (OJ C 228 E, 25.9.2002, p. 19) and Decision of the European Parliament of 24 October 2002 (not yet published in the Official Journal).

<sup>(5)</sup> OJ L 184, 17.7.1999, p. 23.

- (12) Market abuse consists of insider dealing and market manipulation. The objective of legislation against insider dealing is the same as that of legislation against market manipulation: to ensure the integrity of Community financial markets and to enhance investor confidence in those markets. It is therefore advisable to adopt combined rules to combat both insider dealing and market manipulation. A single Directive will ensure throughout the Community the same framework for allocation of responsibilities, enforcement and cooperation.
- (13) Given the changes in financial markets and in Community legislation since the adoption of Council Directive 89/592/EEC of 13 November 1989 coordinating regulations on insider dealing <sup>(1)</sup>, that Directive should now be replaced, to ensure consistency with legislation against market manipulation. A new Directive is also needed to avoid loopholes in Community legislation which could be used for wrongful conduct and which would undermine public confidence and therefore prejudice the smooth functioning of the markets.
- (14) This Directive meets the concerns expressed by the Member States following the terrorist attacks on 11 September 2001 as regards the fight against financing terrorist activities.
- (15) Insider dealing and market manipulation prevent full and proper market transparency, which is a prerequisite for trading for all economic actors in integrated financial markets.
- (16) Inside information is any information of a precise nature which has not been made public, relating, directly or indirectly, to one or more issuers of financial instruments or to one or more financial instruments. Information which could have a significant effect on the evolution and forming of the prices of a regulated market as such could be considered as information which indirectly relates to one or more issuers of financial instruments or to one or more related derivative financial instruments.
- (17) As regards insider dealing, account should be taken of cases where inside information originates not from a profession or function but from criminal activities, the preparation or execution of which could have a significant effect on the prices of one or more financial instruments or on price formation in the regulated market as such.
- (18) Use of inside information can consist in the acquisition or disposal of financial instruments by a person who knows, or ought to have known, that the information possessed is inside information. In this respect, the competent authorities should consider what a normal and reasonable person would know or should have known in the circumstances. Moreover, the mere fact that market-makers, bodies authorised to act as counter-parties, or persons authorised to execute orders on behalf of third parties with inside information confine themselves, in the first two cases, to pursuing their legitimate business of buying or selling financial instruments or, in the last case, to carrying out an order dutifully, should not in itself be deemed to constitute use of such inside information.
- (19) Member States should tackle the practice known as 'front running', including 'front running' in commodity derivatives, where it constitutes market abuse under the definitions contained in this Directive.
- (20) A person who enters into transactions or issues orders to trade which are constitutive of market manipulation may be able to establish that his reasons for entering into such transactions or issuing orders to trade were legitimate and that the transactions and orders to trade were in conformity with accepted practice on the regulated market concerned. A sanction could still be imposed if the competent authority established that there was another, illegitimate, reason behind these transactions or orders to trade.
- (21) The competent authority may issue guidance on matters covered by this Directive, e.g. definition of inside information in relation to derivatives on commodities or implementation of the definition of accepted market practices relating to the definition of market manipulation. This guidance should be in conformity with the provisions of the Directive and the implementing measures adopted in accordance with the comitology procedure.
- (22) Member States should be able to choose the most appropriate way to regulate persons producing or disseminating research concerning financial instruments or issuers of financial instruments or persons producing or disseminating other information recommending or suggesting investment strategy, including appropriate mechanisms for self-regulation, which should be notified to the Commission.
- (23) Posting of inside information by issuers on their internet sites should be in accordance with the rules on transfer of personal data to third countries as laid down in Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the movement of such data <sup>(2)</sup>.

<sup>(1)</sup> OJ L 334, 18.11.1989, p. 30.

<sup>(2)</sup> OJ L 281, 23.11.1995, p. 31.

- (24) Prompt and fair disclosure of information to the public enhances market integrity, whereas selective disclosure by issuers can lead to a loss of investor confidence in the integrity of financial markets. Professional economic actors should contribute to market integrity by various means. Such measures could include, for instance, the creation of 'grey lists', the application of 'window trading' to sensitive categories of personnel, the application of internal codes of conduct and the establishment of 'Chinese walls'. Such preventive measures may contribute to combating market abuse only if they are enforced with determination and are dutifully controlled. Adequate enforcement control would imply for instance the designation of compliance officers within the bodies concerned and periodic checks conducted by independent auditors.
- (25) Modern communication methods make it possible for financial market professionals and private investors to have more equal access to financial information, but also increase the risk of the spread of false or misleading information.
- (26) Greater transparency of transactions conducted by persons discharging managerial responsibilities within issuers and, where applicable, persons closely associated with them, constitutes a preventive measure against market abuse. The publication of those transactions on at least an individual basis can also be a highly valuable source of information to investors.
- (27) Market operators should contribute to the prevention of market abuse and adopt structural provisions aimed at preventing and detecting market manipulation practices. Such provisions may include requirements concerning transparency of transactions concluded, total disclosure of price-regularisation agreements, a fair system of order pairing, introduction of an effective atypical-order detection scheme, sufficiently robust financial instrument reference price-fixing schemes and clarity of rules on the suspension of transactions.
- (28) This Directive should be interpreted, and implemented by Member States, in a manner consistent with the requirements for effective regulation in order to protect the interests of holders of transferable securities carrying voting rights in a company (or which may carry such rights as a consequence of the exercise of rights or conversion) when the company is subject to a public take-over bid or other proposed change of control. In particular, this Directive does not in any way prevent a Member State from putting or having in place such measures as it sees fit for these purposes.
- (29) Having access to inside information relating to another company and using it in the context of a public take-over bid for the purpose of gaining control of that company or proposing a merger with that company should not in itself be deemed to constitute insider dealing.
- (30) Since the acquisition or disposal of financial instruments necessarily involves a prior decision to acquire or dispose taken by the person who undertakes one or other of these operations, the carrying out of this acquisition or disposal should not be deemed in itself to constitute the use of inside information.
- (31) Research and estimates developed from publicly available data should not be regarded as inside information and, therefore, any transaction carried out on the basis of such research or estimates should not be deemed in itself to constitute insider dealing within the meaning of this Directive.
- (32) Member States and the European System of Central Banks, national central banks or any other officially designated body, or any person acting on their behalf, should not be restricted in carrying out monetary, exchange-rate or public debt management policy.
- (33) Stabilisation of financial instruments or trading in own shares in buy-back programmes can be legitimate, in certain circumstances, for economic reasons and should not, therefore, in themselves be regarded as market abuse. Common standards should be developed to provide practical guidance.
- (34) The widening scope of financial markets, the rapid change and the range of new products and developments require a wide application of this Directive to financial instruments and techniques involved, in order to guarantee the integrity of Community financial markets.
- (35) Establishing a level playing field in Community financial markets requires wide geographical application of the provisions covered by this Directive. As regards derivative instruments not admitted to trading but falling within the scope of this Directive, each Member State should be competent to sanction actions carried out on its territory or abroad which concern underlying financial instruments admitted to trading on a regulated market situated or operating within its territory or for which a request for admission to trading on such a regulated market has been made. Each Member State should also be competent to sanction actions carried out on its territory which concern underlying financial instruments admitted to trading on a regulated market in a Member State or for which a request for admission to trading on such a market has been made.

- (36) A variety of competent authorities in Member States, having different responsibilities, may create confusion among economic actors. A single competent authority should be designated in each Member State to assume at least final responsibility for supervising compliance with the provisions adopted pursuant to this Directive, as well as international collaboration. Such an authority should be of an administrative nature guaranteeing its independence of economic actors and avoiding conflicts of interest. In accordance with national law, Member States should ensure appropriate financing of the competent authority. That authority should have adequate arrangements for consultation concerning possible changes in national legislation such as a consultative committee composed of representatives of issuers, financial services providers and consumers, so as to be fully informed of their views and concerns.
- (37) A common minimum set of effective tools and powers for the competent authority of each Member State will guarantee supervisory effectiveness. Market undertakings and all economic actors should also contribute at their level to market integrity. In this sense, the designation of a single competent authority for market abuse does not exclude collaboration links or delegation under the responsibility of the competent authority, between that authority and market undertakings with a view to guaranteeing efficient supervision of compliance with the provisions adopted pursuant to this Directive.
- (38) In order to ensure that a Community framework against market abuse is sufficient, any infringement of the prohibitions or requirements laid down pursuant to this Directive will have to be promptly detected and sanctioned. To this end, sanctions should be sufficiently dissuasive and proportionate to the gravity of the infringement and to the gains realised and should be consistently applied.
- (39) Member States should remain alert, in determining the administrative measures and sanctions, to the need to ensure a degree of uniformity of regulation from one Member State to another.
- (40) Increasing cross-border activities require improved cooperation and a comprehensive set of provisions for the exchange of information between national competent authorities. The organisation of supervision and of investigatory powers in each Member State should not hinder cooperation between the competent national authorities.
- (41) Since the objective of the proposed action, namely to prevent market abuse in the form of insider dealing and market manipulation, cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale and effects of the measures, be better achieved at Community level, the Community may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve that objective.
- (42) Technical guidance and implementing measures for the rules laid down in this Directive may from time to time be necessary to take account of new developments on financial markets. The Commission should accordingly be empowered to adopt implementing measures, provided that these do not modify the essential elements of this Directive and the Commission acts according to the principles set out in this Directive, after consulting the European Securities Committee established by Commission Decision 2001/528/EC <sup>(1)</sup>.
- (43) In exercising its implementing powers in accordance with this Directive, the Commission should respect the following principles:
- the need to ensure confidence in financial markets among investors by promoting high standards of transparency in financial markets,
  - the need to provide investors with a wide range of competing investments and a level of disclosure and protection tailored to their circumstances,
  - the need to ensure that independent regulatory authorities enforce the rules consistently, especially as regards the fight against economic crime,
  - the need for high levels of transparency and consultation with all market participants and with the European Parliament and the Council,
  - the need to encourage innovation in financial markets if they are to be dynamic and efficient,
  - the need to ensure market integrity by close and reactive monitoring of financial innovation,
  - the importance of reducing the cost of, and increasing access to, capital,
  - the balance of costs and benefits to market participants on a long-term basis (including small and medium-sized businesses and small investors) in any implementing measures,
  - the need to foster the international competitiveness of EU financial markets without prejudice to a much-needed extension of international cooperation,

<sup>(1)</sup> OJ L 191, 13.7.2001, p. 45.



- the need to achieve a level playing field for all market participants by establishing EU-wide regulations every time it is appropriate,
- the need to respect differences in national markets where these do not unduly impinge on the coherence of the single market,
- the need to ensure coherence with other Community legislation in this area, as imbalances in information and a lack of transparency may jeopardise the operation of the markets and above all harm consumers and small investors.

(44) This Directive respects the fundamental rights and observes the principles recognised in particular by the Charter of Fundamental Rights of the European Union and in particular by Article 11 thereof and Article 10 of the European Convention on Human Rights. In this regard, this Directive does not in any way prevent Member States from applying their constitutional rules relating to freedom of the press and freedom of expression in the media,

HAVE ADOPTED THIS DIRECTIVE:

#### Article 1

For the purposes of this Directive:

1. 'Inside information' shall mean information of a precise nature which has not been made public, relating, directly or indirectly, to one or more issuers of financial instruments or to one or more financial instruments and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.

In relation to derivatives on commodities, 'inside information' shall mean information of a precise nature which has not been made public, relating, directly or indirectly, to one or more such derivatives and which users of markets on which such derivatives are traded would expect to receive in accordance with accepted market practices on those markets.

For persons charged with the execution of orders concerning financial instruments, 'inside information' shall also mean information conveyed by a client and related to the client's pending orders, which is of a precise nature, which relates directly or indirectly to one or more issuers of financial instruments or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.

2. 'Market manipulation' shall mean:

(a) transactions or orders to trade:

- which give, or are likely to give, false or misleading signals as to the supply of, demand for or price of financial instruments, or
- which secure, by a person, or persons acting in collaboration, the price of one or several financial instruments at an abnormal or artificial level,

unless the person who entered into the transactions or issued the orders to trade establishes that his reasons for so doing are legitimate and that these transactions or orders to trade conform to accepted market practices on the regulated market concerned;

(b) transactions or orders to trade which employ fictitious devices or any other form of deception or contrivance;

(c) dissemination of information through the media, including the Internet, or by any other means, which gives, or is likely to give, false or misleading signals as to financial instruments, including the dissemination of rumours and false or misleading news, where the person who made the dissemination knew, or ought to have known, that the information was false or misleading. In respect of journalists when they act in their professional capacity such dissemination of information is to be assessed, without prejudice to Article 11, taking into account the rules governing their profession, unless those persons derive, directly or indirectly, an advantage or profits from the dissemination of the information in question.

In particular, the following instances are derived from the core definition given in points (a), (b) and (c) above:

- conduct by a person, or persons acting in collaboration, to secure a dominant position over the supply of or demand for a financial instrument which has the effect of fixing, directly or indirectly, purchase or sale prices or creating other unfair trading conditions,
- the buying or selling of financial instruments at the close of the market with the effect of misleading investors acting on the basis of closing prices,
- taking advantage of occasional or regular access to the traditional or electronic media by voicing an opinion about a financial instrument (or indirectly about its issuer) while having previously taken positions on that financial instrument and profiting subsequently from the impact of the opinions voiced on the price of that instrument, without having simultaneously disclosed that conflict of interest to the public in a proper and effective way.

The definitions of market manipulation shall be adapted so as to ensure that new patterns of activity that in practice constitute market manipulation can be included.

3. 'Financial instrument' shall mean:

- transferable securities as defined in Council Directive 93/22/EEC of 10 May 1993 on investment services in the securities field <sup>(1)</sup>,
- units in collective investment undertakings,
- money-market instruments,
- financial-futures contracts, including equivalent cash-settled instruments,
- forward interest-rate agreements,
- interest-rate, currency and equity swaps,
- options to acquire or dispose of any instrument falling into these categories, including equivalent cash-settled instruments. This category includes in particular options on currency and on interest rates,
- derivatives on commodities,
- any other instrument admitted to trading on a regulated market in a Member State or for which a request for admission to trading on such a market has been made.

4. 'Regulated market' shall mean a market as defined by Article 1(13) of Directive 93/22/EEC.

5. 'Accepted market practices' shall mean practices that are reasonably expected in one or more financial markets and are accepted by the competent authority in accordance with guidelines adopted by the Commission in accordance with the procedure laid down in Article 17(2).

6. 'Person' shall mean any natural or legal person.

7. 'Competent authority' shall mean the competent authority designated in accordance with Article 11.

In order to take account of developments on financial markets and to ensure uniform application of this Directive in the Community, the Commission, acting in accordance with the procedure laid down in Article 17(2), shall adopt implementing measures concerning points 1, 2 and 3 of this Article.

#### Article 2

1. Member States shall prohibit any person referred to in the second subparagraph who possesses inside information from using that information by acquiring or disposing of, or by trying to acquire or dispose of, for his own account or for the account of a third party, either directly or indirectly, financial instruments to which that information relates.

The first subparagraph shall apply to any person who possesses that information:

- (a) by virtue of his membership of the administrative, management or supervisory bodies of the issuer; or
- (b) by virtue of his holding in the capital of the issuer; or
- (c) by virtue of his having access to the information through the exercise of his employment, profession or duties; or
- (d) by virtue of his criminal activities.

<sup>(1)</sup> OJ L 141, 11.6.1993, p. 27. Directive as last amended by European Parliament and Council Directive 2000/64/EC (OJ L 290, 17.11.2000, p. 27).

2. Where the person referred to in paragraph 1 is a legal person, the prohibition laid down in that paragraph shall also apply to the natural persons who take part in the decision to carry out the transaction for the account of the legal person concerned.

3. This Article shall not apply to transactions conducted in the discharge of an obligation that has become due to acquire or dispose of financial instruments where that obligation results from an agreement concluded before the person concerned possessed inside information.

#### Article 3

Member States shall prohibit any person subject to the prohibition laid down in Article 2 from:

- (a) disclosing inside information to any other person unless such disclosure is made in the normal course of the exercise of his employment, profession or duties;
- (b) recommending or inducing another person, on the basis of inside information, to acquire or dispose of financial instruments to which that information relates.

#### Article 4

Member States shall ensure that Articles 2 and 3 also apply to any person, other than the persons referred to in those Articles, who possesses inside information while that person knows, or ought to have known, that it is inside information.

#### Article 5

Member States shall prohibit any person from engaging in market manipulation.

#### Article 6

1. Member States shall ensure that issuers of financial instruments inform the public as soon as possible of inside information which directly concerns the said issuers.

Without prejudice to any measures taken to comply with the provisions of the first subparagraph, Member States shall ensure that issuers, for an appropriate period, post on their Internet sites all inside information that they are required to disclose publicly.

2. An issuer may under his own responsibility delay the public disclosure of inside information, as referred to in paragraph 1, such as not to prejudice his legitimate interests provided that such omission would not be likely to mislead the public and provided that the issuer is able to ensure the confidentiality of that information. Member States may require that an issuer shall without delay inform the competent authority of the decision to delay the public disclosure of inside information.

3. Member States shall require that, whenever an issuer, or a person acting on his behalf or for his account, discloses any inside information to any third party in the normal exercise of his employment, profession or duties, as referred to in Article 3(a), he must make complete and effective public disclosure of that information, simultaneously in the case of an intentional disclosure and promptly in the case of a non-intentional disclosure.

The provisions of the first subparagraph shall not apply if the person receiving the information owes a duty of confidentiality, regardless of whether such duty is based on a law, on regulations, on articles of association or on a contract.

Member States shall require that issuers, or persons acting on their behalf or for their account, draw up a list of those persons working for them, under a contract of employment or otherwise, who have access to inside information. Issuers and persons acting on their behalf or for their account shall regularly update this list and transmit it to the competent authority whenever the latter requests it.

4. Persons discharging managerial responsibilities within an issuer of financial instruments and, where applicable, persons closely associated with them, shall, at least, notify to the competent authority the existence of transactions conducted on their own account relating to shares of the said issuer, or to derivatives or other financial instruments linked to them. Member States shall ensure that public access to information concerning such transactions, on at least an individual basis, is readily available as soon as possible.

5. Member States shall ensure that there is appropriate regulation in place to ensure that persons who produce or disseminate research concerning financial instruments or issuers of financial instruments and persons who produce or disseminate other information recommending or suggesting investment strategy, intended for distribution channels or for the public, take reasonable care to ensure that such information is fairly presented and disclose their interests or indicate conflicts of interest concerning the financial instruments to which that information relates. Details of such regulation shall be notified to the Commission.

6. Member States shall ensure that market operators adopt structural provisions aimed at preventing and detecting market manipulation practices.

7. With a view to ensuring compliance with paragraphs 1 to 5, the competent authority may take all necessary measures to ensure that the public is correctly informed.

8. Public institutions disseminating statistics liable to have a significant effect on financial markets shall disseminate them in a fair and transparent way.

9. Member States shall require that any person professionally arranging transactions in financial instruments who reasonably suspects that a transaction might constitute insider dealing or market manipulation shall notify the competent authority without delay.

10. In order to take account of technical developments on financial markets and to ensure uniform application of this Directive, the Commission shall adopt, in accordance with the procedure referred to in Article 17(2), implementing measures concerning:

- the technical modalities for appropriate public disclosure of inside information as referred to in paragraphs 1 and 3,
- the technical modalities for delaying the public disclosure of inside information as referred to in paragraph 2,
- the technical modalities designed to favour a common approach in the implementation of the second sentence of paragraph 2,
- the conditions under which issuers, or entities acting on their behalf, are to draw up a list of those persons working for them and having access to inside information, as referred to in paragraph 3, together with the conditions under which such lists are to be updated,
- the categories of persons who are subject to a duty of disclosure as referred to in paragraph 4 and the characteristics of a transaction, including its size, which trigger that duty, and the technical arrangements for disclosure to the competent authority,
- technical arrangements, for the various categories of person referred to in paragraph 5, for fair presentation of research and other information recommending investment strategy and for disclosure of particular interests or conflicts of interest as referred to in paragraph 5. Such arrangements shall take into account the rules, including self-regulation, governing the profession of journalist,
- technical arrangements governing notification to the competent authority by the persons referred to in paragraph 9.

#### Article 7

This Directive shall not apply to transactions carried out in pursuit of monetary, exchange-rate or public debt-management policy by a Member State, by the European System of Central Banks, by a national central bank or by any other officially designated body, or by any person acting on their behalf. Member States may extend this exemption to their federated States or similar local authorities in respect of the management of their public debt.

*Article 8*

The prohibitions provided for in this Directive shall not apply to trading in own shares in 'buy-back' programmes or to the stabilisation of a financial instrument provided such trading is carried out in accordance with implementing measures adopted in accordance with the procedure laid down in Article 17(2).

*Article 9*

This Directive shall apply to any financial instrument admitted to trading on a regulated market in at least one Member State, or for which a request for admission to trading on such a market has been made, irrespective of whether or not the transaction itself actually takes place on that market.

Articles 2, 3 and 4 shall also apply to any financial instrument not admitted to trading on a regulated market in a Member State, but whose value depends on a financial instrument as referred to in paragraph 1.

Article 6(1) to (3) shall not apply to issuers who have not requested or approved admission of their financial instruments to trading on a regulated market in a Member State.

*Article 10*

Each Member State shall apply the prohibitions and requirements provided for in this Directive to:

- (a) actions carried out on its territory or abroad concerning financial instruments that are admitted to trading on a regulated market situated or operating within its territory or for which a request for admission to trading on such market has been made;
- (b) actions carried out on its territory concerning financial instruments that are admitted to trading on a regulated market in a Member State or for which a request for admission to trading on such market has been made.

*Article 11*

Without prejudice to the competences of the judicial authorities, each Member State shall designate a single administrative authority competent to ensure that the provisions adopted pursuant to this Directive are applied.

Member States shall establish effective consultative arrangements and procedures with market participants concerning possible changes in national legislation. These arrangements may include consultative committees within each competent authority, the membership of which should reflect as far as possible the diversity of market participants, be they issuers, providers of financial services or consumers.

*Article 12*

1. The competent authority shall be given all supervisory and investigatory powers that are necessary for the exercise of its functions. It shall exercise such powers:

- (a) directly; or
- (b) in collaboration with other authorities or with the market undertakings; or
- (c) under its responsibility by delegation to such authorities or to the market undertakings; or
- (d) by application to the competent judicial authorities.

2. Without prejudice to Article 6(7), the powers referred to in paragraph 1 of this Article shall be exercised in conformity with national law and shall include at least the right to:

- (a) have access to any document in any form whatsoever, and to receive a copy of it;
- (b) demand information from any person, including those who are successively involved in the transmission of orders or conduct of the operations concerned, as well as their principals, and if necessary, to summon and hear any such person;
- (c) carry out on-site inspections;
- (d) require existing telephone and existing data traffic records;
- (e) require the cessation of any practice that is contrary to the provisions adopted in the implementation of this Directive;
- (f) suspend trading of the financial instruments concerned;
- (g) request the freezing and/or sequestration of assets;
- (h) request temporary prohibition of professional activity.

3. This Article shall be without prejudice to national legal provisions on professional secrecy.

*Article 13*

The obligation of professional secrecy shall apply to all persons who work or who have worked for the competent authority or for any authority or market undertaking to whom the competent authority has delegated its powers, including auditors and experts instructed by the competent authority. Information covered by professional secrecy may not be disclosed to any other person or authority except by virtue of provisions laid down by law.

*Article 14*

1. Without prejudice to the right of Member States to impose criminal sanctions, Member States shall ensure, in conformity with their national law, that the appropriate administrative measures can be taken or administrative sanctions be imposed against the persons responsible where the provisions adopted in the implementation of this Directive have not been complied with. Member States shall ensure that these measures are effective, proportionate and dissuasive.



2. In accordance with the procedure laid down in Article 17(2), the Commission shall, for information, draw up a list of the administrative measures and sanctions referred to in paragraph 1.

3. Member States shall determine the sanctions to be applied for failure to cooperate in an investigation covered by Article 12.

4. Member States shall provide that the competent authority may disclose to the public every measure or sanction that will be imposed for infringement of the provisions adopted in the implementation of this Directive, unless such disclosure would seriously jeopardise the financial markets or cause disproportionate damage to the parties involved.

#### Article 15

Member States shall ensure that an appeal may be brought before a court against the decisions taken by the competent authority.

#### Article 16

1. Competent authorities shall cooperate with each other whenever necessary for the purpose of carrying out their duties, making use of their powers whether set out in this Directive or in national law. Competent authorities shall render assistance to competent authorities of other Member States. In particular, they shall exchange information and cooperate in investigation activities.

2. Competent authorities shall, on request, immediately supply any information required for the purpose referred to in paragraph 1. Where necessary, the competent authorities receiving any such request shall immediately take the necessary measures in order to gather the required information. If the requested competent authority is not able to supply the required information immediately, it shall notify the requesting competent authority of the reasons. Information thus supplied shall be covered by the obligation of professional secrecy to which the persons employed or formerly employed by the competent authorities receiving the information are subject.

The competent authorities may refuse to act on a request for information where:

- communication might adversely affect the sovereignty, security or public policy of the Member State addressed,
- judicial proceedings have already been initiated in respect of the same actions and against the same persons before the authorities of the Member State addressed, or
- where a final judgment has already been delivered in relation to such persons for the same actions in the Member State addressed.

In any such case, they shall notify the requesting competent authority accordingly, providing as detailed information as possible on those proceedings or the judgment.

Without prejudice to Article 226 of the Treaty, a competent authority whose request for information is not acted upon within a reasonable time or whose request for information is

rejected may bring that non-compliance to the attention of the Committee of European Securities Regulators, where discussion will take place in order to reach a rapid and effective solution.

Without prejudice to the obligations to which they are subject in judicial proceedings under criminal law, the competent authorities which receive information pursuant to paragraph 1 may use it only for the exercise of their functions within the scope of this Directive and in the context of administrative or judicial proceedings specifically related to the exercise of those functions. However, where the competent authority communicating information consents thereto, the authority receiving the information may use it for other purposes or forward it to other States' competent authorities.

3. Where a competent authority is convinced that acts contrary to the provisions of this Directive are being, or have been, carried out on the territory of another Member State or that acts are affecting financial instruments traded on a regulated market situated in another Member State, it shall give notice of that fact in as specific a manner as possible to the competent authority of the other Member State. The competent authority of the other Member State shall take appropriate action. It shall inform the notifying competent authority of the outcome and, so far as possible, of significant interim developments. This paragraph shall not prejudice the competences of the competent authority that has forwarded the information. The competent authorities of the various Member States that are competent for the purposes of Article 10 shall consult each other on the proposed follow-up to their action.

4. A competent authority of one Member State may request that an investigation be carried out by the competent authority of another Member State, on the latter's territory.

It may further request that members of its own personnel be allowed to accompany the personnel of the competent authority of that other Member State during the course of the investigation.

The investigation shall, however, be subject throughout to the overall control of the Member State on whose territory it is conducted.

The competent authorities may refuse to act on a request for an investigation to be conducted as provided for in the first subparagraph, or on a request for its personnel to be accompanied by personnel of the competent authority of another Member State as provided for in the second subparagraph, where such an investigation might adversely affect the sovereignty, security or public policy of the State addressed, or where judicial proceedings have already been initiated in respect of the same actions and against the same persons before the authorities of the State addressed or where a final judgment has already been delivered in relation to such persons for the same actions in the State addressed. In such case, they shall notify the requesting competent authority accordingly, providing information, as detailed as possible, on those proceedings or judgment.

Without prejudice to the provisions of Article 226 of the Treaty, a competent authority whose application to open an inquiry or whose request for authorisation for its officials to accompany those of the other Member State's competent authority is not acted upon within a reasonable time or is rejected may bring that non-compliance to the attention of the Committee of European Securities Regulators, where discussion will take place in order to reach a rapid and effective solution.

5. In accordance with the procedure laid down in Article 17(2), the Commission shall adopt implementing measures on the procedures for exchange of information and cross-border inspections as referred to in this Article.

#### Article 17

1. The Commission shall be assisted by the European Securities Committee instituted by Decision 2001/528/EC (hereinafter referred to as the 'Committee').

2. Where reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof, provided that the implementing measures adopted according to this procedure do not modify the essential provisions of this Directive.

The period laid down in Article 5(6) of Decision 1999/468/EC shall be set at three months.

3. The Committee shall adopt its rules of procedure.

4. Without prejudice to the implementing measures already adopted, on the expiry of a four-year period following the entry into force of this Directive, the application of its provisions requiring the adoption of technical rules and decisions in accordance with paragraph 2 shall be suspended. On a proposal from the Commission, the European Parliament and the Council may renew the provisions concerned in accordance with the procedure laid down in Article 251 of the Treaty and, to that end, they shall review them prior to the expiry of the period referred to above.

#### Article 18

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive not later than 12 October 2004. They shall forthwith inform the Commission thereof.

When Member States adopt those measures, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

#### Article 19

Article 11 shall not prejudice the possibility for a Member State to make separate legal and administrative arrangements for overseas European territories for whose external relations that Member State is responsible.

#### Article 20

Directive 89/592/EEC and Article 68(1) and Article 81(1) of Directive 2001/34/EC of the European Parliament and of the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities <sup>(1)</sup> shall be repealed with effect from the date of entry into force of this Directive.

#### Article 21

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

#### Article 22

This Directive is addressed to the Member States.

Done at Brussels, 28 January 2003.

*For the Parliament*

*The President*

P. COX

*For the Council*

*The President*

G. PAPANDREOU

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<sup>(1)</sup> OJ L 184, 6.7.2001, p. 1.