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Green Paper dwar il-Politika tas-Servizzi Finanzjarji (2005-2010)

(preżentata mill-Kummissjoni)

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GREEN PAPER

DWAR IL-POLITIKA TAS-SERVIZZI FINANZJARJI (2005-2010)

(Test b'relevanza għall-EEA)

L-għanijiet ġenerali tal-politika tas-servizzi finanzjarji tal-Kummissjoni¹ matul il-ħames snin li ġejjin huma:

- Li tikkonsolida l-progress lejn suq finanzjarju Ewropew li huwa integrat, miftuħ, kompetittiv u ekonomikament effiċjenti u li tneħħi l-ostakoli ta' sinifikat ekonomiku li għad fadal.
- Li ttejjeg suq li fiha is-servizzi finanzjarji u l-kapital jistgħu jiċċirkolaw b'mod ħieles madwar l-UE bl-anqas spiża possibbli – b'livelli xierqa u effettivi ta' sorveljanza prudenzjali, stabbiltà finanzjarja u protezzjoni tal-konsumatur ta' livell għoli.
- Li timplimenta, tinforza u tevalwa b'mod kontinwu l-qafas legiżlattiv eżistenti, li tapplika l-aġenda ta' regolamentazzjoni itjeb b'mod rigoruż għall-inizjattivi godda, li ttejjeb l-konverġenza tas-sorveljanza u ssaħħa l-infuwenza Ewropea fis-swieq finanzjarji globali.

Dan id-dokument jippreżenta l-ħsibijiet preliminari tal-Kummissjoni dwar il-prijoritajiet tal-politika tas-servizzi finanzjarji għall-ħames snin li ġejjin. Huwa jqis bosta opinjonijiet konverġenti mogħtija matul il-proċess ta' konsultazzjoni ta' sentejn li beda bil-ħidma ta' erba' gruppi esperti, segwit minn konsultazzjoni pubblika wiesgħa². Inizjattivi oħra paralleli jinkludu r-rapport dwar l-integrazzjoni finanzjarja tal-Kumitat dwar is-Servizzi Finanzjarji ta' l-UE³ u l-Abbozz tar-Rapport tal-Kumitat dwar l-Affarijiet Ekonomiċi u Monetari tal-Parlament Ewropew dwar kif tinsab bħalissa l-integrazzjoni tas-swieq finanzjarji ta' l-UE⁴.

Il-Kummissjoni issa tixtieq tircievi l-opinjonijiet dwar l-ideat inizjali tagħha dwar il-futur tal-politika tas-servizzi finanzjarji Ewropej. Ir-risposti għandhom jintbagħtu sa' l-1 ta' Awwissu 2005, f'dan l-indirizz tal-posta elettronika: markt-consult-financialservices@cec.eu.int. Ir-risposti jiġu ppubblikati fuq il-website tal-Kummissjoni – sakemm ma jkunx

¹ Bħala parti mill-għanijiet strateġiċi ġenerali tal-Kummissjoni 2005-2009, ara COM(2005) 12, 26.1.2005: cf Sezzjoni 1.1, it-2 paragrafu u COM(2005) 24, 2.2.2005, punt 3.2.1.

² Ara: http://europa.eu.int/comm/internal_market/en/finances/actionplan/stocktaking_en.htm

³ Rapport mogħti biex jiġi kkunsidrat mill-Ministri tal-Finanzi ta' l-UE fit-2 ta' Gunju 2004, li kellu ċirkolazzjoni limitata.

⁴ Ara: http://www.europarl.eu.int/meetdocs/2004_2009/documents/PR/553/553131/553131en.pdf

hemm talba espliċita kuntrarja.

Kummenti u aktar xogħol preparatorju fi ħdan il-Kummissjoni se jittieħed f'kunsiderazzjoni meta jtfassal il-**Programm ta' Politika Finali** ppreżentat taħt is-sura ta' *White Paper* f'**Novembru 2005**.

1. L-ORJENTAZZJONI POLITIKA PRINCIPALI

Fl-aħħar sitt snin kien hemm progress qawwi lejn il-kisba ta' suq integrat Ewropew tas-servizzi finanzjarji u tal-kapital. Intlaħaq ftehim puntwali dwar bosta regoli meħtieġa li ġew mfissra fil-Pjan ta' Azzjoni tas-Servizzi Finanzjarji (FSAP) u issa dawn qegħdin jitwettqu. L-istrutturi Ewropej tat-teħid tad-deċiżjonijiet u regolatorji saru aktar razzjonali u effiċjenti bħala riżultat tal-“proċess Lamfalussy”⁵. Kooperazzjoni sistematika kontinwa ġiet żviluppata bejn l-istituzzjonijiet Ewropej u dawk li jieħdu sehem fis-suq. Kif ukoll, bil-mewġa ta' l-Euro, żdiedet il-kunfidenza politika fil-proċess ta' integrazzjoni.

Ix-xogħol meħtieġ, madankollu, għadu mhux lest. Tibda issa fażi ġdida għall-perjodu 2005-2010, li tiffoka fuq kwistjonijiet ferm differenti:

- Il-konsolidazzjoni tal-leġislazzjoni eżistenti, bi ftit inizjattivi godda;
- Li tkun assicurata t-traspożizzjoni effettiva tar-regoli Ewropej fir-regolamentazzjoni nazzjonali u l-infurzar aktar rigoruż minn-naħa ta' l-awtoritajiet ta' sorveljanza;
- L-evalwazzjoni ex-post kontinwa li permezz tagħha l-Kummissjoni ser tissorvelja b'għaqqal l-applikazzjoni ta' dawn ir-regoli fil-prattika – u l-impatt tagħhom fuq is-settur finanzjarju Ewropew.

L-Istati Membri, ir-regolaturi u min jieħu sehem fis-suq kollha jridu jagħtu sehemhom. Jekk meħtieġ, il-Kummissjoni mhix ser toqgħod lura milli tipproponi emendi jew anki tħassar miżuri li mhux jagħtu l-benefiċċji mixtieqa. Dan il-metodu huwa essenzjali biex ikun assicurat li l-qafas regolatorju Ewropew, li nkiseb b'xogħol iebes, jiġihaddem bl-aqwa mod – għall-benefiċċju ta' dawk li jieħdu sehem fis-suq, ta' aktar minn 20 miljun negozju Ewropew u ta' 450 miljun ċittadin, u b'hekk ta' l-ekonomija sħiħa Ewropea.

L-aġenda ta' l-aħħar sitt snin kienet immexxija mill-viżjoni li swieq finanzjarji fondi, likwidi u dinamiċi jassiguraw l-allokazzjoni u l-forniment effiċjenti tal-kapital u tas-servizzi madwar l-ekonomija Ewropea kollha – minn dawk mhux ipprovduti direttament lill-konsumatur għal dawk li huma

⁵ Ir-rapport Lamfalussy, ippubblikat fil-15 ta' Frar 2001, jinsab fuq il-website tal-Kummissjoni: http://europa.eu.int/comm/internal_market/securities/lamfalussy/index_en.htm; ara wkoll in-nota tal-qiegħ 44 ifl-Anness II

hekk ipprovduti – biex jitqiegħed il-pedament għal tkabbir ogħla fuq żmien twil u l-kreazzjoni ta' l-impiegi mal-firxa ta' l-ekonomija. Il-kliem ċentrali tal-proposti leġislattivi ta' l-FSAP kien il-kompetizzjoni bejn fruntiera u oħra, it-trasparenza mtejba, l-integrità tas-suq, l-istabbiltà u l-effiċjenza finanzjarja. B'mod ġenerali, il-leġislazzjoni ta' l-FSAP baqgħet fidila għal dawn il-prinċipji tat-tmexxija, u huma għadhom jgħoddu illum.

M'hemmx dubju dwar il-benefiċċji ekonomiċi ta' l-integrazzjoni finanzjarja Ewropea (l-Anness I). Dan ġie rikonxxut fl-istrategija ta' Lisbona⁶ – u kkonfermat mill-Kummissjoni meta rrevediet Lisbona fuq terminu medju bl-enfasi msaħħa fuq it-tkabbir u l-impiegi.⁷

Il-konverġenza tas-sistemi regolatorji nazzjonali ġo sistema komuni regolatorja Ewropea hija sfida: tisser spejjeż konsiderevoli ta' aġġustament “ex-ante” għall-aġenziji nazzjonali ta' l-infurzar u għal dawk li joperaw fis-suq. Dawn il-problemi tranżizzjonali huma sfida fihom infushom – b'mod partikolari għaliex huma kkonċentrati fuq żmien qasir (2005-2007). Madankollu, it-tħassib dwar dawn l-ispejjeż tranżizzjonali m'għandux joskura l-benefiċċji ekonomiċi aktar wiesa'. L-alternattiva tbeżża': swieq finanzjarji frammentati li ma jrendux daqs kemm imisshom, u/jew taħlita ta' ġabriet nazzjonali ta' likwidità sottomessi għal prattiċi ta' kontroll tar-riskju diverġenti u mhux ikkoordinati u kapital li jiswa' aktar. L-FSAP ikkrejat qafas legali promotur li għandu jippermetti lil min ibiegħ l-ishma lill-pubbliku, lill-investituri u lil min jipprovd s-servizzi finanzjarji, li jinneogzjaw flimkien fuq livell madwar l-Ewropa kollha mingħajr xkiel legali mhux f'loku. Il-kwistjoni ċentrali, issa, hija t-tħaddim tajjeb tiegħu.

Illum, l-evidenza ekonomika u tas-suq tissuggerixxi li l-integrazzjoni finanzjarja Ewropea qegħda fil-proċess li ssejtn f'għadd ta' setturi: fis-swieq ta' servizzi mhux ipprovduti direttament lill-konsumatur; fil-boroż tan-negozju ta' l-ishma; fl-infrastruttura tas-swieq finanzjarji bħalma huma l-ikklerjar u l-issettiljar. Dan tejjeb il-kundizzjonijiet għal min juża s-servizzi finanzjarji. Bdew is-sinjali ta' “rifless” tas-suq Ewropew, iżda fadal ħafna xi jsir kemm fl-oqsma fuq imsemmija u f'oħrajn fis-servizzi mhux ipprovduti direttament lill-konsumatur u f'dawk li huma hekk ipprovduti. Per eżempju, il-qasam tad-distribuzzjoni diretta lill-konsumatur għadu frammentat u ċerti swieq baqgħu impenetrabbli. Dawn l-ostakoli jridu jitqiesu bil-galbu, l-aktar biex ikun magħruf jekk jikkostitwux xkiel ekonomiku sinifikanti għaċ-ċirkolazzjoni ħielsa tal-kapital u tas-servizzi finanzjarji.

Suq tal-kapital tar-riskju li jaħdem tajjeb huwa element strateġikament importanti biex jingħataw spinta d-ditti godda u innovattivi, l-intraprenditorija, it-tkabbir tal-produttività u r-rata sostenibbli tat-tkabbir ekonomiku fl-Ewropa. Fil-preżent is-suq Ewropew tal-kapital tar-riskju

⁶ Il-Kunsill Ewropew ta' Lisbona tat-23 u l-24 ta' Marzu 2000 qabel fuq għan strateġiku ta' l-UE ġdid għad-deċennju li jmiss: li l-UE ssir l-ekonomija bbażata fuq il-konossenza l-aktar kompetittiva u dinamika tad-dinja kapaċi ta' tkabbir ekonomiku sostenibbli b'aktar u itjeb impiegi u koeżjoni soċjali akbar.

⁷ “Tkabbir u impiegi: Bidu Ġdid għall-Istrategija ta' Lisbona”, Frar 2005: http://europa.eu.int/growthandjobs/pdf/COM2005_024_en.pdf

huwa effettiv ħafna anqas minn, per eżempju, dak ta' l-Istati Uniti. Għalhekk, huwa importanti li jiġu identifikati l-prijoritajiet għall-inizjattivi kollha minn issa 'l quddiem f'dan il-qasam.

Metodu rigoruż ta' "regolazzjoni itjeb" ser jiġi applikat fl-oqsma kollha: mill-konċepiment tal-politika, sal-konsultazzjoni miftuħa u trasparenti fil-livelli kollha, sa l-implimentazzjoni ta' studji ta' impatt minizzjużi u konvinċenti qabel titnieda proposta ġdida, sa l-evalwazzjoni ex-post. Dan huwa kruċjali biex jitnaqqsu l-ispejjeż amministrattivi għall-istituzzjonijiet finanzjarji u dawk li joħorġu l-ishma tagħhom għall-bejgħ u biex tiżdied il-kompetittività ta' l-industrija finanzjarja Ewropea.

Dawn il-prinċipji messhom jiġu applikati wkoll mill-Parlament Ewropew u mill-Kunsill biex ikun evitat li l-proposti tal-Kummissjoni bbażati fuq l-evidenza jintnefħu f'livell ta' kumplessità mhux meħtieġ u li jdgħajjef. B'mod partikolari, l-Istati Membri messhom jevitaw li jżidu saff wara l-ieħor ta' regolamenti miżjuda li jmorru 'l hinn mid-Direttivi infushom – dak li jissejjaħ "indurar" – li jifga l-benefiċċji ta' sett wieħed ta' regoli ta' l-UE u jżid piżijiet u spejjeż mhux meħtieġa fuq l-industrija Ewropea⁸.

Bħal qabel, irid ikun hemm stennija bbażata fuq l-evidenza li kwalunkwe proposta Ewropea ġdida għas-servizzi finanzjarji u regoli implimentattivi sejra tnissel benefiċċji ekonomiċi sinifikattivi f'termini ta' effiċjenza u stabbiltà. Il-kejl irid ikun kemm il-miżuri jiffaċilitaw in-negozju minn-naħa għall-oħra tal-fruntiera u jtejbu l-kompetittività tas-swieq finanzjarji Ewropej, filwaqt li, fl-istess ħin, jipproteġu l-istabbiltà interna.

Il-metodu tal-Kummissjoni ser ikompli jibni l-konsensus kollu possibbli fi kwalunkwe fażi preparatorja, b'ħidma mill-viċin u trasparenti ma' l-Istati Membri u l-Parlament Ewropew, man-netwerks Ewropej ta' sorveljanza (CEBS⁹, CEIOPS¹⁰, u CESR¹¹), mal-Bank Ċentrali Ewropew, ma' dawk li jieħdu sehem fis-suq u b'mod aktar intensiv fil-futur mal-gruppi tal-konsumaturi¹². Il-filosofiji regolatorji huma differenti minn Stat Membru għal ieħor – għalhekk l-arti tal-leġislazzjoni Ewropea f'dawn l-oqsma kumplessi huwa li jinstab il-bilanċ li jaqdi lill-interessi ta' l-Ewropa bl-aħjar mod. Kwalunkwe leġislazzjoni trid tirrispetta l-prinċipji ta' sussidjarjetà u proporzjonalità tat-Trattat¹³ u ssaħħaħ il-kompetizzjoni.

Id-dibattitu importanti dwar il-konverġenza tas-sorveljanza Ewropea irid issa jitmexxa 'l quddiem. Is-sistema ta' sorveljanza għanda bżonn l-

⁸ Ara r-Rakkomandazzjoni tal-Kummissjoni dwar l-aqwa prattika fit-traspożizzjoni tal-leġislazzjoni Ewropea mill-Istati Membri, SEC(2004) 918.

⁹ Kumitat ta' l-Awtoritajiet tas-Sorveljanza Bankarja, stabbilit mill-1 ta' Jannar 2004.

¹⁰ Kumitat ta' l-Awtoritajiet Ewropej ta' Sorveljanza ta' l-Assigurazzjoni u l-Pensjonijiet Okkupazzjonali, stabbilit mill-24 ta' Novembru 2003.

¹¹ Kumitat tar-Regolaturi Ewropej tas-Sigurtajiet, stabbilit fis-7 ta' Ġunju 2001.

¹² Il-forum FIN-USE ta' esperti fis-servizzi finanzjarji diġà jforni lill-Kummissjoni b'kontribuzzjoni valida mill-perspettiva ta' l-utent.

¹³ Fejn jidhru ġustifikati s-soluzzjonijiet legiſlattivi, dawn jiġu promulgati għall-UE kollha biss jekk il-miżuri nazzjonali wrew biċ-ċar li fallaw jew li ma kienux prattikabbli; l-effetti ta' dawk is-soluzzjonijiet m'għandhomx imorru 'l hinn dak mixtieq għat-thaddim xieraq tas-suq intern.

istrumenti meħtieġa biex ir-regolazzjoni Ewropea tas-servizzi finanzjarji tiġihaddem b'mod effettiv u b'hekk tiffaċilita n-negozju madwar l-Ewropa kollha. Ir-riżultat irid jassigura li jingħata sodisfazzjon ta' l-għemil b'mod demokratiku lill-Istati Membri u lill-Parlament Ewropew. F'dan il-kuntest, id-dħul fis-seħh tal-Kostituzzjoni Ewropea¹⁴ huwa importanti biex il-proċess Lamfalussy jitkompla b'mod sostenibbli fuq żmien medju¹⁵.

Billi l-biċċa l-kbira tal-qafas regolatorju u ta' l-istrutturi ta' sorveljanza jinsab f'postu, il-Kummissjoni tipprevedi li s-sinerġiji ma' oqsma ta' politika differenti – b'mod partikolari mal-kompetizzjoni u mal-politika tal-konsumatur – ser jikbru matul il-5 snin li ġejjin. Digà tħabbru xi talbiet għal informazzjoni fis-settur tas-servizzi finanzjarji. Il-Kummissjoni tixtieq li min jieħu sehem fis-suq ikollu rwol aktar effettiv u proattiv fin-notifikazzjoni konsistenti ta' ksur ċar jew għemil anti-kompetittiv minn liema sors li jkun – l-ewwel f'livell nazzjonali u wara lill-Kummissjoni.

Oqsma ta' politika oħra orizzontali u komplimentari (it-tmexxija soċjetarja, ir-riforma tal-liġi tal-kumpaniji, l-kontabilità, il-verifika statutorja minn awditeur) huma wkoll ta' importanza tassew kbira biex tinbena l-kunfidenza u t-trasparenza fis-swieq finanzjarji Ewropej. Għalkemm dan id-dokument mhux dwarhom, ix-xogħol f'dawk l-oqsma ser jitkompla skond il-programmi miftiehma¹⁶ u skond il-metodu ssemplifikat u bbażat fuq il-prinċipji ta' "regolazzjoni itjeb". Il-kumpaniji, min jieħu f'sieb tal-kontabilità, l-awdituri u oħrajn li jieħdu sehem fis-suq, iridu jżommu l-oġġetti tal-livelli etici f'xogħolhom. L-awtoritajiet ta' sorveljanza nazzjonali iridu jassiguraw li dawk il-prinċipji jiġu applikati b'mod effettiv, anki fir-rigward taċ-ċentri tas-servizzi finanzjarji *off-shore*. Jekk dan ma jseħhxi tizdied il-pressjoni tas-suq u dik politika għal aktar interventi regolatorji f'dawn l-oqsma u oħrajn. Bħalissa, din il-kwistjoni hija trattata ukoll fir-reviżjoni tar-raba' u s-seba' Direttiva dwar il-Liġijiet tal-Kumpaniji fejn jidhru standards ta' kontabbiltà. L-għan hu li tissaħħaħ il-komunikazzjoni ta' informazzjoni meta jintużaw entitajiet li joperaw minn ċentri *off-shore*.

Qed tikber l-importanza politika tad-dibattitu dwar kif ser jitmexxew, jiġu ffinanzjati u jirrispondu politikament għal għemilhom il-korpi globali li jiffissaw l-istandards, bħalma hu l-Bord Internazzjonali ta' l-Istandards tal-Kontabilità. Il-Kummissjoni tqis li s-sorveljanza pubblika ta' dawn l-istrutturi trid tissaħħaħ biex tassigura li dawk interessati jistgħu jirriflettu dwarhom, li jkun hemm trasparenza sodisfaċenti, proċess xieraq u ffinanzjar sostenibbli.

¹⁴ B'mod partikolari l-artikolu (ġdid) I-36 li jipprovdi dritt ta' revoka lill-Parlament Ewropew u lill-Kunsill sabiex jikkontrolla l-leġislazzjoni sussidjarja adottata mill-Kummissjoni.

¹⁵ Il-"klawsoli ta' nżul ix-xemx" ('sunset clauses') fil-qasam tas-sigurtajiet jidhru fis-seħh mill-2007 'l quddiem. Taht dawk il-klawsoli ser jiskadu l-poteri ddelegati lill-Kummissjoni biex tadotta miżuri ta' implimentazzjoni permezz tal-komitologija (livell 2 tal-proċess Lamfalussy) sakemm il-Kunsill u l-Parlament Ewropew ma jiddeċidux espressament li jestenduhom (liema estensjoni ser tiġi proposta mill-Kummissjoni bil-proċedura tad-deċiżjoni konġunta).

¹⁶ Il-Pjan ta' Azzjoni tat-Tmexxija Soċjetarja u l-Liġi tal-Kumpaniji; li tinkludi azzjonijiet dwar: l-implimentazzjoni ta' l-IAS f'ġurisdizzjonijiet ta' pajjiżi terzi bħalma huma l-Istati Uniti; it-trasparenza ta' l-istrutturi ta' tmexxija soċjetarja; it-titjib fl-istrutturi ta' l-azzjonisti, eċċ.

Meta tħares 'l hinn minnha nnifisha, l-Ewropa għandha opportunità strategika kbira biex tinfluwenza il-parametri regolatorji tas-suq finanzjarju globali li qed jiżviluppa. Din hija r-raġuni li għaliha huma daqstant importanti l-approfondiment tad-djalogu fis-servizzi finanzjarji bejn l-Unjoni Ewropea u l-Istati Uniti u t-tiżiħ tar-relazzjonijiet finanzjarji mal-Ġappun, iċ-Ċina u per eżempju l-Indja (ara 3.4). Il-Kummissjoni hija favur it-twessigh ta' dawn id-djalogi, biex isiru jħarsu 'l quddiem aktar u billi tislet iżjed mill-kontribut ta' dawk li jieħdu sehem fis-suq. Aktar sforzi biex jinfetħu s-swieg finanzjarji ta' pajjiżi terzi jissoktaw fil-laqqgħa tal-kummerċ ta' Doha li tmiss, kif ukoll fil-ftehim tal-kummerċ bilaterali u reġjonali.

Il-Kummissjoni tixtieq li tkun taf mingħand dawk interessati:

- Jekk jaqblux ma' l-għanijiet ġenerali tal-politika tal-Kummissjoni għall-ħames snin li ġejjin;
- Jekk jaqblux ma' l-orjentazzjoni politika prinċipali fuq imfissra.

2. IR-REGOLAMENTAZZJONI ITJEB, IT-TRASPOŻIZZJONI, L-INFURZAR U L-EVALWAZZJONI KONTINWA

It-Titjib ta' l-effiċjenza ekonomika u t-tkattir tal-ġid ser jiddependu l-aktar fuq il-kapaċità ta' l-istituzzjonijiet Ewropej, l-awtoritajiet ta' sorveljanza u ta' min jieħu sehem fis-suq li jassiguraw l-applikazzjoni u l-infurzar konsistenti tar-regoli eżistenti – biex l-aqwa prattika ssir in-norma (Taqsimha II ta' l-Anness). B'dan il-mod kulħadd ikun fuq livell ta' kompetizzjoni wieħed – b'interpretazzjonijiet konsistenti u preċiżi tal-liġi Komunitarja – biex ikunu evitati l-inċertezz u l-ambigwitatijiet legali. Dan ifisser li l-mekkaniżmi ta' infurzar iridu jissafħu u jkunu konnessi flimkien madwar l-Istati Membri, fost l-oħrajn permezz tan-netwerks Ewropej ta' sorveljanza. Din ir-responsabbiltà kongunta hija sfida mill-ikbar f'Unjoni Ewropea ta' 25 Stat Membru – bi tkabbir ieħor mistenni f'qasir żmien.

Il-prijoritajiet huma:

- Li t-tfassil tal-politika jkompli jkun miftuħ u trasparenti bl-użu estensiv ta' mekkaniżmi ta' konsultazzjoni fil-livelli kollha;
- Li r-regoli kollha relevanti tas-servizzi finanzjarji (Ewropej u nazzjonali) jiġu ssemplifikati u kkonsolidati¹⁷;
- Li l-istandards u l-prattika fil-livell tas-sorveljanza jikkonverġu, filwaqt li jiġu rrispettati kemm is-sistema li biha dawk li jissorveljaw jirrispondu politikament għal għemilhom kif ukoll il-linji ta' demarkazzjoni preżenti bejn l-istituzzjonijiet;

¹⁷

A few pilots for simplification might be chosen in the coming years. Launching a feasibility study might be helpful to find out if over time all rules can be fused in one body of consistent law (some sort of 'Financial services rulebook').

- Il-ħidma ma' l-Istati Membri biex titjieb it-traspożizzjoni u tkun assigurata l-implimentazzjoni konsistenti;
- L-evalwazzjoni dwar jekk id-direttivi u r-regolamenti eżistenti jirrendux il-benefiċċji ekonomiċi mistennija minnhom u t-tħassir ta' dawk il-miżuri li ma jissodisfawx dak il-kriterju; u
- Li jkunu assigurati l-implimentazzjoni u l-infurzar xierqa, fejn hemm bżonn permezz ta' proċeduri għall-ksur tal-liġi mibnija fuq il-leġislazzjoni eżistenti u l-ġurisprudenza.

Il-Kummissjoni tixtieq li tkun taf mingħand dawk interessati:

- jekk jaqblux mal-miżuri ta' prijorità li ġew identifikati; u
- x'miżuri oħra messhom jittieħdu biex ikatru l-applikazzjoni u l-infurzar konsistenti tal-leġislazzjoni Ewropea.

3. IL-KONSOLIDAZZJONI TAL-LEĠISLAZZJONI TAS-SERVIZZI FINANZJARJI MATUL IL-PERJODU 2005-2010

3.1. IT-TLESTIJA TAL-MIŻURI LI FADAL

IL-LEĠISLAZZJONI LI GĦADHA GĦADDEJJA U L-MIŻURI LI QEGĦDIN JIŦHEJJEW

L-ewwel prijorità tat-tnax-il xahar li ġejjin hija li jitlesti x-xogħol pendenti fl-elementi li għadhom qegħdin jiġu nnegożjati fil-Parlament Ewropew u fil-Kunsill u fil-miżuri prinċipali li qed tfejji l-Kummissjoni.

Dawn ta' l-aħħar huma direttiva (possibbli) dwar is-servizzi finanzjarji wara li jsejtn in-negożju (l-ikklerjar u l-issettiljar), il-qafas għdid tas-Solvenza fl-Assikurazzjoni u proposta leġislattiva (possibbli) dwar il-pagamenti (ara l-Anness II). Din il-preparazzjoni tinvolvi kemm stimi ta' l-impatt dettaljat kif ukoll konsultazzjoni wiesgħa fost dawk interessati.

L-OQSMA LI FIHOM IL-KUMMISSJONI TISTA' TIDDEĊIEDI LI MA TABBOZZAX PROPOSTA

Il-Kummissjoni hija impenjata li tiegħu azzjoni biss fejn inizjattivi Ewropej iġibu benefiċċji ekonomiċi ċari lill-industrija, lis-swieq u lill-konsumaturi. B'mod konkret, il-Kummissjoni bħalissa qegħda tfares lejn l-oqsma ta' l-**aġenziji tal-gradazzjoni** u l-**analisti finanzjarji**, fejn – wara li tirċievi l-pariri tas-CESR u tas-CEBS – tittieħed deċiżjoni dwar jekk hemmx hteġa ta' leġislazzjoni f'dan l-istadju jew jekk humiex biżżejjed id-dispożizzjonijiet li hemm bħalissa fid-Direttiva dwar l-Abbuż fis-Suq kif ukoll is-sistemi li bihom wiegħed jirregola lill-nnifsu (*self-regulation*)¹⁸ u l-mekkaniżmi ta'

¹⁸ Per eżempju il-Kodiċi ta' l-Organizzazzjoni Internazzjonali tal-Kummissjonijiet dwar is-Sigurtajiet (IOSCO).

sorveljanza. Diġà huwa ċar li l-Kummissjoni mhix ser tipproponi xi miżuri ta' implimentazzjoni taħt id-**Direttiva dwar l-Offerti ta' Akkwist Shiġ (Direttiva dwar it-Take Over Bids)**.

Madankollu, jekk il-Kummissjoni tasal li tiddeċiedi li ma tipproponix legiżlazzjoni f'dawn l-oqsma u oħrajn, hija mhix ser toqgħod lura milli teżamina l-pożizzjoni tagħha mill-ġdid jekk l-iżviluppi tas-suq fil-futur jissuġġerixxu li hemm bżonn ta' intervent b'saħħtu.

L-OQSMA LI FIHOM IL-KUMMISSJONI TISTA' TIKKUNSIDRA L-PROPOSTA TAGĦHA MILL-ĠDID

Wara l-qbil ta' l-Istati Membri dwar il-**Konvenzjoni ta' The Hague** (trattat multilaterali dwar il-kunflitti tal-liġi fi kwistjonijiet dwar is-sigurtajiet miżmuma minn intermedjarju¹⁹), il-Kummissjoni għamlet proposta għall-iffirmar iżda f'tit taż-żmien ilu xi Stati Membri u l-Bank Ċentrali Ewropew lissnu t-tħassib tagħhom dwar il-Konvenzjoni. Il-Kummissjoni ser tfejji, sa tmiem l-2005, analiżi legali li tistma t-tħassib li tqajjem u wara tiddeċiedi jekk hemmx bżonn bdil għall-proposta preżenti ta' iffirmar.

3.2. IS-SORVELJANZA EFFETTIVA U EFFIĊJENTI

Hekk kif l-integrazzjoni finanzjarja Ewropea tkompli timxi 'l quddiem, qed jinbtu sfidi ġodda għall-awtoritajiet ta' sorveljanza. Is-sorveljanza fuq ir-riskju minn-naħa għall-oħra tal-fruntiera qed issir aktar kritika u għalkemm l-integrazzjoni ser issaħħaħ l-istabbiltà b'mod ġenerali, jiżdied il-potenzjal ta' "effetti li jixxerrdu" bħalma huwa falliment tas-sistema li jaffetwa numru ta' swieq finanzjarji u/jew gruppi li joperaw madwar l-UE kollha. Il-Kummissjoni temmen li għandha tiegħu miżuri għal dawn l-isfidi permezz ta' metodu evoluzzjonarju minn isfel għall-fuq. (Taqsimi III ta' l-Anness).

3.3. IFFAĊILITAR TA' L-INVESTIMENT U L-KOMPETIZZJONI MIN-NAĦA GĦALL-OĦRA TAL-FRUNTIERA

Il-konsolidazzjoni fis-settur tas-servizzi finanzjarji trid titmexxa mis-suq. Fl-istess ħin, hemm ħtieġa li tkun assicurata f'ċerti oqsma s-saħħa finanzjarja u l-istabbiltà tas-sistema finanzjarja. L-ispejjeż u l-ostakoli għat-tranzazzjonijiet minn-naħa għall-oħra tal-fruntiera jikkostitwixxu ostakolu formidabbli għall-investiment minn-naħa għall-oħra tal-fruntiera u għar-razzjonalizzazzjoni ekonomika ġewwa l-Ewropa. Il-Kummissjoni identifikat f'rapport preliminari l-ostakoli potenzjali u stiednet lil dawk li għandhom interess biex iressqu dawk li fil-ħsieb tagħhom huma l-aktar ostakoli serji²⁰. L-eliminazzjoni jew għall-anqas ir-riduzzjoni ta' dawn l-ostakoli mhux ġustifikati ssaħħaħ il-kompetittività tas-settur u ta' l-ekonomija b'mod wiesa' – u tkattar it-tkabbir u l-kreazzjoni ta' l-impjiegi (Taqsimi IV ta' l-

¹⁹ Formula uniformi legali biex ikunu stabbiliti d-drittijiet ta' proprjetà jitqies utli b'mod partikolari f'kazijiet fejn is-sigurtajiet jinżammu permezz ta' serje konnessa ta' intermedjarji finanzjarji li jinsabu f'pajjiżi differenti.

²⁰ http://europa.eu.int/comm/internal_market/finances/cross-sector/index_en.htm#obstacles

Anness).

3.4. ID-DIMENSJONI ESTERNA

Il-Kummissjoni ser tivverifika b'attenzjoni li l-pajjiżi kandidati għall-isħubija jaqdu dmirijiethom fil-qasam tas-servizzi finanzjarji. Aktar minn hekk, tibqa' prijorità li titjeb l-influenza Ewropea fuq il-pjan globali u tkun assicurata l-kompetittività globali. Is-servizzi finanzjarji huma negozju globali – żviluppi f'ġurisdizzjoni waħda jkollhom impatt fuq oħrajn. Taqsima V ta' l-Anness I tagħti ħarsa ġenerali lejn l-għanijiet (regolatorji) identifikati u l-progress tajjeb miksub fil-bini ta' djalogi regolatorji ex-ante ma' l-Istati Uniti u ċ-Ċina. Il-Kummissjoni tixtieq ukoll tapprofondixxi r-relazzjonijiet finanzjarji ma' pajjiżi oħra, bħal ma hu l-Ġappun, u, jekk possibbli, anki ma' l-Indja matul il-ħames snin li ġejjin.

Il-Kummissjoni tixtieq li tkun taf mingħand dawk interessati:

- Jekk jaqblux mal-miżuri li ġew identifikati li fihom il-Kummissjoni tista' tiddeċiedi li ma tieħux azzjoni, jew jekk jeżistux oqsma konkreti oħra li fihom il-Kummissjoni m'għandiex iġġib 'il quddiem proposti li bħalissa qegħdin jithejjew jew, tabilħaqq, oqsma li minnhom il-Kummissjoni messha tikkunsidra li tirtira;
- L-apprezzament tagħhom dwar jekk il-qafas regolatorju u ta' sorveljanza eżistenti hux suffiċjenti biex jilqa' għall-isfidi ta' sorveljanza fis-snin li ġejjin, x'inhuma l-oqsma li fihom hemm nuqqas u kif dan jista' jimtela bl-aktar mod effettiv;
- X'inhuma l-għanijiet, is-setturi li jridu jiġu koperti, u l-oqsma ta' prijorità fl-attivitajiet regolatorji u kooperattivi fuq skala globali.

4. L-INIZJATTIVI ĠODDA POSSIBBLI IPPJANATI

Konformament ma' l-opinjonijiet mogħtija waqt il-proċess ta' konsultazzjoni ta' sentejn li beda bil-ħidma ta' erba' gruppi esperti, il-Kummissjoni identifikat żewġ oqsma ċari ta' politika li fihom ċerti inizjattivi jistgħu jirrendu benefiċċji lill-ekonomija Ewropea: **it-tmexxija ta' l-assi** (Taqsima VI ta' l-Anness I) u s-**servizzji finanzjarji mogħtija direttament lill-konsumatur**. Il-ħidma f'dawn l-oqsma ser tkun mill-qiegħ 'il fuq, konsultattiva u fid-direzzjoni prevalenti tas-suq.

L-proċess ta' analiżi magħmul wara l-FSAP identifika s-suq tas-servizzi finanzjarji pprovduti direttament lill-konsumatur bħala qasam li jeħtieġ aktar attenzjoni (Taqsima VII ta' l-Anness). Filwaqt li nkiseb progress sinifikanti fl-integrazzjoni tas-swieq finanzjarji, is-swieq tas-servizzi finanzjarji pprovduti direttament lill-konsumatur baqgħu profondament frammentati.

Ir-rwol tal-Kummissjoni huwa li tiffaċilita s-servizzi finanzjarji pprovduti direttament lill-konsumatur fl-Ewropa. Meta dawn jiġu pprovduti minn-naħa għall-oħra tal-fruntiera, il-kanali ta' distribuzzjoni li jistgħu jiġu

identifikati huma erbgħa: (i) il-konsumatur jakkwista s-servizz minn provditur ta' Stat Membru ieħor billi jivvjaġġa għal dak l-Istat; (ii) ditta tippromwovi/tbiegħ lill-konsumaturi fi Stat Membru ieħor mingħajr ma tistabbilixxi ruħha hemmhekk; (iii) ditta tistabbilixxi ruħha fi Stat Membru wieħed jew aktar u tadatta l-offerti tagħha għas-swieq lokali; u (iv) servizzi ddisinjati fuq bażi mifruxa ma' l-Ewropa kollha, anki jekk mwassla lokalment.

Għalkemm il-metodu li jkunu kreati passaporti għan-negozji u għall-konsumaturi li jagħtu aċċess għall-Ewropa kollha jidher li huwa l-metodu li jagħti l-aktar benefiċċji, għaddej dibattitu dwar sistemi alternattivi possibbli, bħalma hija dik li tissejjaħ "is-sistema tas-sitta u għoxrin post" għal dawk l-operaturi u konsumaturi li jridu jkunu attivi minn-naħa għall-oħra tal-fruntieri, mingħajr ma jmissu mal-25 sett ta' regoli nazzjonali. Il-benefiċċji ta' "sistemi tas-sitta u għoxrin post" għad iridu jidhru u ser ikun diffiċli li jintlaħaq ftehim dwar standards mhux obbligatorji Ewropej li jgħoddu biss għal ċerti prodotti. Madankollu l-Kummissjoni tieħu nota tad-dibattitu li għaddej u ser tirrispondi għas-sejha li tesplora f'aktar dettall dawn is-sistemi tas-sitta u għoxrin post, billi tniedi studju ta' fattibbiltà, per eżempju fl-oqsma ta' l-assikurazzjoni (fuq terminu-ħajja) sempliċi u l-prodotti tat-tifdil.

Il-Kummissjoni għaldaqstant tipproponi li twaqqaf gruppi Forum dwar prodotti speċifiċi għall-konsumatur, liema gruppi jkunu magħmula minn esperti fil-qasam u li jirrappreżentaw l-interessi ta' l-industrija u tal-konsumatur, biex isiru magħrufa l-ostakoli u studjati s-soluzzjonijiet għalihom. Din il-ħidma jkolla s-sostenn ta' riċerka estensiva.

L-OQSMA TA' AZZJONI FUTURA POSSIBBLI

Is-self fuq id-djar huwa qasam li jista' jgawdi minn aktar integrazzjoni filwaqt li ma jkunx limitat in-numru ta' prodotti fis-suq; Green Paper separata, maħsuba għas-sajf ta' l-2005, ser tindirizza t-48 rakkomandazzjoni tar-rapport tal-Grupp Forum dwar is-Self fuq id-Djar. Inizjattivi konkreti jistgħu jitħabbru, wara konsultazzjoni fid-dettall, l-aktar kmieni fl-2006.

Fuq il-bażi tal-konklużżjonijiet li waslu għalihom il-gruppi ta' l-esperti, u l-ħsibijiet espressi waqt il-konsultazzjoni pubblika, dawn l-oqsma li ġejjin jista' wkoll ikunu ikkunsidrati:

- **Il-kodifikazzjoni u possibilment is-simplifikazzjoni tar-regoli eżistenti dwar ir-rekwiżiti ta' informazzjoni**, b'mod partikolari bil-ħsieb li tkun assigurata l-konsistenza u l-koerenza bejn it-testi legali differenti²¹;

²¹ Il-Kummissjoni qed tiżviluppa Qafas Komuni ta' Referenza bħala għodda biex tintuża fit-titjib tal-koerenza tal-ligi tal-kuntratti Ewropea.

²² Taht id-Direttiva dwar il-Medjazzjoni fl-Assikurazzjoni u fid-Direttiva dwar is-Swieq fl-Istrumenti Finanzjarji.

- **Il-medjazzjoni finanzjarja**, b'mod partikolari billi l-intermedjarji b'konozzenza xierqa u li huma ta' min jorbot fuqhom jithallew jipprovdu s-servizzi minn-naħa għall-oħra tal-fruntiera, filwaqt li tkun applikata trasparenza sħiħa fuq il-ħlas li jieħdu u r-relazzjonijiet tagħhom ma' daww li jipprovdu s-servizz. Diġà sar xogħol f'dan il-qasam²². Madankollu, meta jitqiesu l-iżviluppi fil-prodotti u l-istruttura tal-provdituri finanzjarji, għandha tiġi eżaminata il-ħtieġa li r-regoli fuq it-tmexxija tan-negozju, il-pariri mogħtija fil-bejgħ u l-iżvelar ta' l-informazzjoni korretta jsiru aktar uniformi.
- **Kontijiet bankarji**: b'mod partikolari farsa lejn l-ostakoli biex il-kontijiet jinfetħu minn-naħa għall-oħra tal-fruntiera, kif ukoll kwistjonijiet dwar kif jitmexxew, il-portabilità, it-trasferibilità u kif jingħalqu. Jidher li hemm problemi partikolari marbuta, per eżempju, ma' min mhux residenti u l-identifikazzjoni.

Il-Kummissjoni tixtieq li tkun taf mingħand daww interessati:

- Jekk jaqblux ma' l-oqsma ta' prijorità godda li ġew identifikati;
- X'inhuma l-(iż)vantaġġi tad-diversi mudelli biex is-servizzi jiġu pprovduti minn-naħa għall-oħra tal-fruntiera, jekk hemmx każ kummerċjalment validu għall-iżvilupp ta' reġim tas-sitta u għoxrin post, u liema jkunu l-linji tan-negozju li jistgħu jieħdu benefiċċju;
- Kif il-konsumaturi jistgħu jingħataw il-mezzi biex jipparteċipaw fil-prodotti finanzjarji b'mod aktar effettiv u jekk dan ifissirx li hemm bżonn ta' iżjed pariri professjonali u indipendenti, titjib fl-educazzjoni jew li jkunu aktar imħarrġa fil-qasam finanzjarju;
- Jekk jaqblux mal-kwistjonijiet identifikati fil-lista fuq imsemmija ta' prodotti għall-konsumatur, jew jekk jistgħux jissuġġerixxu oqsma oħra li fihom jista' jkun ta' benefiċċju li tittieħed aktar azzjoni fil-livell ta' l-UE.

Annex I, Section I-Economic benefits from financial integration

The financial sector plays a key role in the economy by allocating economic resources efficiently in time and space and thereby enabling real-sector activity to expand and develop optimally. In playing this role, a well-functioning financial sector should provide the means to:

- execute financial securities transactions on a cost-effective and safe basis through the appropriate mechanisms for trading, clearing, settlement and custody
- pool investor resources, subdivide shares in available investment opportunities, and spread the risk, thereby overcoming issues of scale in the resource allocation process
- rapidly be able to finance and respond to new business opportunities
- price and manage effectively the risks related to financial transactions
- reflect available information efficiently in prices so as to overcome problems of co-ordination in decentralised decision making;
- meet consumers' needs at reasonable cost; and
- address possible incentive problems created by the existence of information asymmetries and by the principal-agent relationship in the financial intermediation process.

So that:

- small and medium sized entities (vital for EU job-creation) can access a wider availability of risk capital and more innovative and lower cost finance to fuel their growth
- larger companies profit from an overall reduction in the cost of capital and a wider range of financial products
- the public sector can meet its financing needs at lower cost
- consumers benefit from improved returns on investment funds or life products, or reduced borrowing costs; to access a wider choice of investment opportunities and cheaper and more reliable ways of paying for goods and services;
- financial stability can improve and the European market becomes more attractiveness for foreign capital inflows; and
- the society as a whole to help finance the major structural economic challenge Europe faces – namely its long run pension deficit – by introducing more efficient pan-European markets for long-term savings products.

To the extent that the financial sector is constrained in the performance of these various functions, there is a consequent cost in terms of sub-optimal economic performance and welfare loss.

Within the European Union, the financial sectors of the Member States have evolved to reflect specific national conditions and preferences. While these systems are generally efficient from a national perspective, they are much less so when viewed from the perspective of a progressively integrating European economy. Over time, a divergence has emerged at European level between the real sector which increasingly operates on a cross-border basis and a still highly fragmented financial sector. The degree of fragmentation has been such that the European financial sector cannot function efficiently and therefore acts as a drag on the overall performance of the European economy. The costs and risks associated with cross-border financial transactions are unnecessarily high, thereby discouraging the conduct of financial activity on a pan-European basis. The result has been an inefficient allocation of economic resources due to unexploited scale/scope economies, sub-optimal risk management, inefficient pricing and reduced opportunities for an optimal distribution of investment/consumption over time.

In light of these inefficiencies, financial integration has been a European policy priority since 1998 and now forms an integral part of the Lisbon strategy. The underlying economic rationale is that financial integration will enhance the level of financial development throughout Europe and thus contribute positively to the performance of the European economy. A more efficiently functioning economy will mean more jobs as new business opportunities open up. The largest benefits could accrue to those Member States with the least developed financial markets – facilitating over time economic convergence within the Union.

Given their growth potential and their share of GDP, financial service sectors have a direct and decisive impact on the aggregate competitiveness of modern economies. For example, the key differences in economic performance between Europe and the United States, with US productivity growth showing a strong acceleration during the second half of the 1990s, can be found in a limited number of intensive ICT-using services which account for much of the overall US-EU gap in productivity growth since 1995. More specifically, the US showed rapid productivity expansion in securities trading²³. According to a study by McKinsey Global Institute, the introduction of pro-competitive regulations played a significant role in this remarkable performance. Very recently both the Sapir report²⁴ and the Kok report²⁵ have stressed the importance of completing the single market for financial services because of the role that financial services play both on the supply and on the demand side of the different national economies.

²³ Bart van Ark, Robert Inklaar, Robert H. McGuckin “Changing Gear” Productivity, ICT and Service Industries: Europe and the United States”, Paper for ZEW Conference 2002 on Economics of Information and Communication Technologies, June 24-25, Mannheim.

²⁴ Sapir et al. “An Agenda for a growing Europe”, Oxford University Press, March 2004.

²⁵ Kok et al. “Facing the challenge: the Lisbon strategy for growth and employment”, Report to the Commission, November 2004

Despite the fact that it will take a considerable time before the overall financial and economic impact of the FSAP measures can be assessed directly, the case for creating integrated, open and efficient EU capital and financial services markets remains as strong as ever. This view is supported by the economic literature.

Consecutive studies calculated the economic benefits of financial integration:

- the Cecchini report of 1988 estimated that the integration of the financial markets of 8 Member States would increase the value-added of their financial services by 0.7% of GDP²⁶
- the London Economics study²⁷ (end of 2002) focused on the benefits from integration by calculating the static efficiency gains from deeper and more liquid equity and bond markets in EU15. The study concluded that fully integrated markets would lower the cost of capital for companies by 0.5% and increase the GDP-level over time by 1.1%
- the CEPR study²⁸ (end 2002) looked at the relationship between financial integration and growth from a micro-economic point of view. The study concludes that, in a scenario in which manufacturing companies would have the same access to finance as the US companies, value-added growth in European manufacturing is estimated to increase by 0.75-0.94% on a durable basis.

Quantifying the costs and benefits of financial integration is very difficult and is subject to significant data, statistical and model uncertainty. Accordingly, the results of these studies can be considered only as indicative of the potential benefits of European financial integration. Nevertheless, the results of these and other studies underscore the validity of European policy on financial integration. All future proposed regulation will be accompanied by an impact assessment aimed at showing the economic benefits of the proposed measures.

²⁶ This estimate was based on first round effects only and did not take dynamic effects into account, which were expected to have generated a higher figure.

²⁷ London Economics (2002), "Quantification of the Macroeconomic Impact of Integration of EU Financial Markets" Available in the Commission web-site at: http://europa.eu.int/comm/internal_market/en/finances/mobil/overview/summary-londonecon_en.pdf.

²⁸ Giannetti M., L.Guiso, T. Jappelli, M. Padula and M. Pagano (2002), "Financial market Integration, Corporate Financing and Growth", DG ECFIN Economic Paper N° 179. available at: http://europa.eu.int/comm/economy_finance/publications/economic_papers/economicpaper_s179_en.htm.

Annex I, Section II-Better regulation, transposition, enforcement and continuous evaluation

The benefits from financial integration can only be delivered if the European institutions, supervisory authorities and market participants can ensure that the existing rules are consistently applied and enforced. The Commission's priority measures to make this happen are outlined below.

Preparation of initiatives.

Open and transparent policy making

The Commission will continue to apply the most open, transparent and evidence-based policy-making in line with the Lamfalussy process. Thorough and wide consultation and economic impact assessments will continue to ensure that, where legislation is necessary, sound rules will be drawn up with clear and demonstrable added-value for Europe's markets and consumers. The Commission favours publishing all responses to open consultations. Summaries of consultation procedures will be drawn up by the Commission and published. Responses to the recent public consultation on the Commission's working paper²⁹ evaluating the Lamfalussy process³⁰, strongly endorsed the Commission's general approach.

Simplification

Although the Commission has tried to keep the FSAP legislative framework as simple as possible, there is room for improvement. Simplification and consolidation of the existing rules (codification) is a continuous objective and will be factored in when preparing any new piece of legislation.

Legal coherence

A robust and clear legal framework is necessary for the efficient operation of both financial market participants and the public authorities responsible for regulation and supervision. The Community framework of law for the European financial markets and services is now highly developed, increasing cross-border activity and integration. New market practices can sometimes raise uncertainties or discussions as to how the existing law will apply or as to how it should develop. The Commission has already put in place arrangements to identify and analyse these areas. For example, in January 2005 the Commission launched the Legal Certainty Group dealing with cross-border securities rights and transfers. In conformity with its aim of

²⁹ See "The application of the Lamfalussy process to EU securities markets legislation: a preliminary assessment by the Commission services"-SEC(2004) 1459.

³⁰ European regulatory and supervisory process via a four-level approach: (1) framework legislation adopted in co-decision (between Council and European Parliament) at "level-1", concentrating on the core political principles; (2) "level-2" implementing measures to fill in the details of "level-1" legislation subject to precise constraints fixed in that legislation; (3) day-to-day cooperation by national supervisors and regulators to ensure consistent implementation and enforcement; and (4) more effective enforcement of Community law.

promoting better regulation, the Commission will consider whether it should encourage more actions in this domain.

Full co-operation among the supervisory committees (CEBS, CEIOPS and CESR) is needed to ensure consistent application of European rules across the board. Also, further work on convergence of reporting, organisational and other requirements for businesses will help create homogenous business environments throughout the Union. Cooperation at level 3 must take place in a carefully modulated, open and transparent environment that fully respects institutional boundaries and the need for political accountability.

The Commission intends to carry out an exercise to read across the connected (existing and proposed) directives to ensure consistency and internal coherence of terminology and effect³¹. Launching a feasibility study in the securities area might be helpful to find out if over time all rules (at European, and also national level) can be fused in one body of consistent law, a *“Financial services rulebook”*. Some texts could be simplified, or even repealed; a number of reviews will be carried out (see below). If needed, changes to the legislation could be proposed – with the flexibility of the Lamfalussy process, this could be achieved in reasonable time.

Transposition

Regrettably, the rate of transposition by Member States within the agreed deadlines is worsening³² (for example in the transposition of the Market Abuse Directive). What can be done to improve the situation? The following actions could help.

Renewed political commitment

Member States should demonstrate their commitment by providing clear and detailed transposition tables-preferably in one of the working languages of the Commission³³. The Commission will enhance monitoring and control. To give visibility to the state of transposition, the Commission will be bringing forward an on-line FSAP transposition matrix – showing which texts have been implemented by the Member States, when and how, with hyper links to the Member States’ own texts. Where available, transposition tables will also be provided. A special chapter in the Internal Market Scoreboard³⁴, planned for July 2005, will be devoted to this.

Realistic deadlines for transposition

Allocating sufficient time to Member States and market participants to apply Community rules is important. In the future, more care is needed to work out the

³¹ See ‘European Contract Law and the revision of the acquis: the way forward’-COM(2004) 651- for an explanation of the development and role of the Common Frame of Reference in reviewing the contract law acquis.

³² An overview of transposition deficits will be put on the Commission’s website, see: http://europa.eu.int/comm/internal_market/en/finances/actionplan.

³³ See “Recommendation from the Commission on the transposition into national law of Directives affecting the Internal Market-SEC(2004) 918, 12.7.2004-suggesting that correlation tables should be attached to the notification letter.

³⁴ http://europa.eu.int/comm/internal_market

necessary time for implementation of Directives and the implementing measures. The Markets in Financial Instruments Directive is an example where the deadline for transposition needed to be extended after adoption³⁵-something that should be avoided in the future.

Transposition workshops

A continuation of transposition workshops with Member States and European regulators to iron out, *ex-ante*, the main problems by providing explanatory guidance to the Member States, regulators and markets if needed, while fully respecting the role of the European Court of Justice. The Member States have a duty under the Treaties³⁶ to implement and apply Community law. However, the Commission – as guardian of the Treaties – will remain vigilant in addressing any shortcomings and will launch infringement proceedings swiftly if this obligation is not carried out properly. At the same time, market participants and regulators should help the Commission identify any flagrant failures and address any shortcomings to national courts.

The Lamfalussy arrangements should also play an important role in the continuous monitoring of consistent transposition and effective enforcement. Peer group reviews, benchmarking and efficient mediation mechanisms within the level of the supervisory networks could help find agreement on implementation/enforcement problems and help raise standards and best practises. Good work has already been done by CESR in a number of areas (e.g. transitional provisions for UCITS III).

Mediation and alternative dispute resolving

However, at the same time, Europe needs to strengthen its enforcement mechanisms further – to ensure legal consistency and predictability. Mediation and alternative dispute resolution schemes, such as the already existing SOLVIT and FIN-NET networks³⁷, offer considerable potential. Other, additional complaints and mediation procedures – in particular within the supervisory committees (Lamfalussy level 3) need to be developed and could be very effective.

CESR's recent paper³⁸ illustrates a number of urgent day-to-day problems that CESR thinks could arise under Directives currently being agreed and implemented in the securities sector (e.g. how to supervise the conduct of business rules of an intermediary organised on a trans-national basis, with branches in several Member States; or how to apply a particular International Accounting and Financial Reporting Standard to a market operation). Similar problems could arise in other sectors, such as banking. For example, a branch could have a significant impact on financial stability in the host Member State – where the branch represents a major player – while being much less significant in size in the home Member State where it is supervised. Non-binding mediation is one idea – but further reflection is needed within

³⁵ The Commission came forward with a proposal for a one year extension – to be agreed upon by Council and European Parliament.

³⁶ EC Article 10.

³⁷ http://europa.eu.int/comm/internal_market

³⁸ http://www.cesr-eu.org/consultation_details.php?id=48

current institutional boundaries. Similar pan-European enforcement issues arise in the area of audit oversight.

Whatever alternative dispute solving mechanisms are developed, they cannot be a substitute for ultimate proceedings before the European Court of Justice.

Ex-post evaluation

While consistent transposition and enforcement of European legislation is key in creating the benefits of a level playing-field, the more fundamental question as to whether the rules actually achieve what they were meant to achieve must be addressed. The Commission will continue to report on an annual basis on the state of financial integration³⁹, also addressing competitive structures in Europe, the efficiency gains of integration and related financial stability issues.

With the FSAP having reached its closing chapter, the logical next step is to evaluate its impact on financial markets and institutions as well as on the consumers and users. *Ex-post* evaluation of the FSAP and of all new legislative measures will in the future be a top priority for the Commission. The Commission plans to carry out a full evaluation of the FSAP in the course of 2006-2008, when all measures are implemented and the empirical and possibly the first economic effects start to be measurable⁴⁰. The Commission will also carry out a number of reviews mandated by legislation adopted under the FSAP-e.g. on large exposures, own funds, commodities dealers, regulated markets and regarding the Financial Conglomerates, Insurance Groups and E-money Directives-, with a view to achieving greater coherence and more effective supervisory tools.

Not all measures need to deliver direct economic benefits. Measures can be needed to improve consumer protection, strengthen financial stability *etc.* However, if – over time – careful assessment and analysis reveal that specific legal texts have not worked – and will not produce their desired effect in the years to come – they will be modified or even repealed entirely. The Commission would be interested to learn from stakeholders which measures could be repealed and why.

Moreover, the Inter-institutional Monitoring Group⁴¹ has so far proved a useful, independent mechanism for evaluating progress on achieving the objectives of the Lamfalussy report. A new Group has recently been furnished with a mandate to provide annual reports until the end of 2007. The mandate has been expanded, in line with the extension of the Lamfalussy process, to cover banking, insurance and occupational pensions as well as securities law.

³⁹ http://www.europa.eu.int/comm/internal_market/finances/docs/cross-sector/fin-integration/sec-2004-559_en.pdf. Each year's report will focus on specific issues; in 2005 these issues will be reflected in special features on financial consolidation, retail financial services and new Member States.

⁴⁰ This exercise will require careful preparation and fine-tuned calibration. To that end, the Commission envisages the organisation of a workshop with economic experts in mid-2006.

⁴¹ Composed of 6 people, made up of 2 representatives nominated by the European Parliament, Council and the Commission respectively.

Challenges

Cross-border penetration of financial services and capital markets in Europe is increasing. Delivering efficient and effective supervision remains a key issue for the further development of the Single Market for financial services in Europe. The Economic and Monetary Union (EMU) and the FSAP, almost complete, have acted as catalysts for change. This poses **challenges** for supervisory systems, which remain nationally-rooted.

Financial systems have increased their interoperability and become more integrated, providing services across borders. Large firms have shifted from country-based structures to structures focused more on business lines with centralised management functions. There is demand for supervisory arrangements that better reflect the way in which risk is managed and business is done. In the integrating European market, effective supervisory cooperation is essential, both in terms of day-to-day supervision and in the event of a crisis. More consistency between regulators and supervisors is important to avoid market uncertainty. Firms are demanding more streamlined and less costly cross-border and cross-sectoral supervisory arrangements. Concerns exist about the lack of equivalent powers and tools in exercising European supervisory functions.

A three-step, evolutionary approach

Rushing into a debate on a future supervisory model for Europe without first laying down the necessary groundwork would be counter-productive and not deliver the desired results. Looking ahead at supervisory developments over the 2005-2010 horizon, an evolutionary approach is needed that strikes the right balance between ensuring effective supervision and financial stability, and minimising the regulatory burden for firms, systems and markets. The Commission proposes the following three steps:

Step 1: Agreement on overall policy objectives

The Commission's **policy objectives** for the coming five-year period are two-fold:

- to advance the **Lisbon agenda** by enhancing the **competitiveness** of EU financial markets and institutions. To the extent possible, activities should be subject to the same supervisory requirements both on a cross-border and cross-sectoral basis. All Member States must ensure in their implementation processes that their supervisors have the necessary powers to supervise and cooperate as required in the Directives. Avoiding unnecessary duplication in regulation and supervision will reduce industry burdens and foster expansion of cross-border financial services
- to maintain the **highest, most up-to-date standards of regulation, oversight and supervision** for EU financial institutions, systems and markets to ensure financial stability, market integrity and consumer protection. Supervisory requirements should accurately reflect the risks run in

the market while converged supervisory practices and powers are crucial to ensure a level playing field and to avoid regulatory arbitrage.

Step 2: Maximise current framework, identify gaps and develop existing tools

Convergence of supervisory practices in all financial sectors is one of the key functions of the recently established Lamfalussy process. The second Lamfalussy review expected in 2007 is a milestone in this regard. Existing supervisory tools and the potential of CEBS, CEIOPS, and CESR should be exploited to the maximum extent. All possibilities to cooperate under the existing framework should be pursued, within the contours of existing institutional boundaries and in full respect of ensuring democratic accountability. Factual evidence needs to be gathered to see whether and where there are difficulties in day-to-day supervision in the various sectors, the efficiency of current supervisory networks should be assessed and gaps effectively filled. Particular attention should be paid to cross-sectoral issues, by providing greater clarity to the roles and responsibilities of supervisors and through convergence of supervisory practices. In addition, a number of practical features could be developed to help improve supervision in European financial markets and to enhance cross-border regulatory and supervisory cooperation, e.g. common reporting templates, effective dispute settlement procedures etc. Future legislative proposals (e.g. post-trade and insurance solvency) will need to anticipate specific solutions for supervisory cooperation. More consolidated supervision is a legitimate demand from industry. However, this should be a long-term objective. We should give the new supervisory committees a few years before they deliver their full potential, instead of rushing into a more integrated supervisory system at a time when markets are not yet really integrated. Targeted EU-level action may be needed to underpin supervisory cooperation in the following **three strands**:

(i) Removing inconsistencies within and between Directives, paying particular attention to cross-sectoral issues. The Commission will review overlapping, conflicting or outdated supervisory requirements in the directives, e.g. whether exceptions to the home country prudential control principle are still justified. Regulation should set the ground rules for an environment that allows well-run firms to succeed without encountering unnecessary supervisory barriers. Present and programmed Directives could create overlapping or conflicting supervisory requirements (e.g. Financial Conglomerates, Insurance Groups and future Solvency Directives). Working with stakeholders, an ongoing cross-sector review of supervisory approaches will be carried out and any necessary adjustments made to ensure coherence, clarity and supervisory efficiency. However, changes should only be considered after sufficient practical experience and after having maximised the current supervisory potential.

(ii) Greater clarity in the roles and responsibilities of supervisors. Home country control remains the core concept for supervision in Europe. The role of supervisors is now slowly starting to follow the way in which firms organise and manage themselves. In banking, for example, the Capital Requirements Directive proposes in some areas decision-making powers for supervisors that apply also to subsidiaries in other Member States, thus avoiding multiple decisions and reducing burdens. Before extending these powers to other areas, the respective roles and responsibilities of supervisors need to be reinforced and a number of key underlying and interrelated

issues should be addressed (liquidity, crisis management, lender of last resort, deposit guarantees, and winding-up and bankruptcy proceedings). In insurance and securities markets, similar issues may require attention. As a matter of priority, work will commence with all interested parties to determine how to optimally address the nature, location and supervision of risks in cross-border operations.

(iii) Convergence of supervisory practices. The three supervisory committees (CESR, CEBS and CEIOPS) are focusing on promoting cooperation and seeking similar responses to similar issues (e.g. developing common reporting rules and formats to reduce regulatory costs, peer pressure/mediation, and sharing information and data). In doing so, any new differences between supervisory powers and approaches which could impede proper market functioning should be identified and addressed. Possible solutions are: a review of divergences stemming from national legislation; enhanced cooperation through Memoranda of Understanding; coordinated or joint investigations; or coordinated group supervision. This should be done in a transparent way that respects institutional boundaries and democratic accountability. All tools underpinning supervisory cooperation, including non-binding standards agreed between supervisors, must of course be fully compatible with binding European legislation and must not prejudice the political process.

Step 3: Development of new structures.

New structures should only be developed if all possibilities for cooperation under the current framework have been exhausted and if there is compelling evidence that, once fully implemented and developed, this framework cannot fulfil its financial stability and integration objectives or meet the requirements of European legislation.

Background

The Informal ECOFIN Council in September 2004 in Scheveningen (NL) discussed findings that suggest that cross-border acquisitions in Europe are less common in the financial sector (particularly banking) than in other sectors of the economy.

Eliminating or at least reducing unjustified barriers to cross-border investment and economic rationalisation within Europe will strengthen the competitiveness of the economy at large – and foster growth and job creation. However, consolidation is not an end in itself, and takeovers and mergers will not automatically produce improved economic performance. Rather, market-driven consolidation will enable European financial service providers to reach their effective potential and compete internationally – via economies of scale and scope.

Possible explanations

There are a number of possible explanations why in the financial sector cross-border acquisitions in Europe are less common, e.g. factors related to structural, cultural, language and taxation issues, which weaken the business case for consolidation. It was also suggested that inappropriate intervention by national supervisory authorities and political interference are reasons for banks' failure to consolidate significantly on a cross-border basis. This debate is not about the overall level of 'foreign' participation in individual Member States' financial sectors, which depends on a range of factors (such as profitability, cost effectiveness, etc.). It is rather about whether or not national supervisors use solely prudential criteria to assess the merits or demerits of a particular merger or acquisition. Supervision should not be misused for protectionist purposes.

The Commission's approach

In January 2005, the Commission issued a call for advice to CEBS notably on the criteria used by national supervisory authorities when reviewing acquisitions of qualifying shareholdings (cf. Article 16 of Directive 2000/12/EC). Many of these issues are also pertinent for other financial sectors, where similar provisions exist. In the insurance sector, the Commission issued a call for advice to CEIOPS on the "fit and proper" concept in December 2004. In the UCITS area, the industry is calling for cross-border mergers to be facilitated in order to increase size and reap economics of scale. Transparency in the bond market and how government debt markets function have also been raised as areas where integration would be beneficial. Cross-sectoral consistency will need to be checked regarding these outcomes.

In addition, the Commission will analyse the reasons for the low level of cross-border consolidation to date and investigate whether there are unjustified obstacles hampering the proper functioning of an internal market. In parallel, the Commission

will review the application of the Treaty-based freedom of capital movements (Articles 56-60) in the area of cross-border bank mergers and acquisitions⁴².

In particular regarding its ongoing review of Article 16 of the Banking Directive, the Commission considers that, at the very least, more clarity, transparency and disclosure are needed, based on a set of well-defined common prudential criteria. Supervisors ought to make explicit the criteria they apply when reviewing qualifying shareholdings and their decisions should be made within a reasonable timeframe.

Supplementary action through competition policy is an important complement to financial integration measures. In line with its proactive approach to enforcing antitrust rules, the Commission will undertake sectoral enquiries in the areas of retail financial services and business insurance, with increasing focus on market monitoring. The objective will be to implement selective competition screening, and in particular to enhance competition in certain European retail financial services markets. Special attention will be given to the identification of obstacles to the provision of cross-border services and entry barriers, both in the form of regulation as well as “typical” antitrust issues.

⁴² The Commission will present a factual report on obstacles to the ECOFIN Council by September 2005 along with recommendations stemming from its review of Article 16 of the Banking Directive. It also intends to prepare a Communication on the application of the Treaties based freedom of capital movements this summer.

Future enlargement and neighbourhood policy

The Commission will monitor carefully that candidate countries fulfil their responsibilities in the financial services area and assess whether they are ready to play their role as full members of the Union. As with previous accessions to the EU, the Commission intends to take a pro-active approach by asking candidate countries to apply existing rules already before their accession.

Regarding the countries with which Partnership and Cooperation Agreements are in force and which fall within the framework of the European Neighbourhood policy, the Commission will seek to ensure adherence to the main principles of the European rules.

Global dimension

Enhancing European influence on the global stage and ensuring the global competitiveness of the European financial sector should remain a priority. Financial services are a global business-developments in one jurisdiction have an impact on others.

Three regulatory objectives can be identified:

- (1) the need to remove barriers to open and competitive financial services markets worldwide and to ensure market access, based, where appropriate, on equivalent regulatory approaches
- (2) the need to manage major structural changes on the global stage – seeking cooperative solutions where possible
- (3) the need to protect the international financial system from instability, fraud and financial crime.

Good progress has been made in building open, *ex-ante* regulatory dialogues-exchanging information, identifying potential regulatory problems upstream and seeking mutually acceptable solutions. With the United States, a number of important regulatory understandings (e.g. on the cooperative model for the implementation of the Sarbanes Oxley Act and on financial conglomerates) have helped reduce transatlantic friction. Working as far upstream of the political process as possible to converge regulatory and supervisory principles minimises compliance and adjustment costs in the different jurisdictions.

Recently, the Commission has had a first successful macro-economic and financial sector regulatory dialogue with China – which will be repeated in the near future. A number of important areas for cooperation and regulatory dialogue in the financial services area have been identified, such as accounting and the experience with the Lamfalussy regulatory model. The Commission also would like to deepen financial relations with Japan, and, if possible, also with India over the next five years.

The Commission is committed to an ambitious opening of global financial services markets, as modern and efficient financial markets are a prerequisite for further economic development in these countries. This commitment will therefore be reflected in the WTO negotiations on financial services.

The Commission would like to deepen further these regulatory dialogues, more particularly the EU-US dialogue which is already well on track – working closely with the Member States, the European Parliament and the private sector. In the Commission's view, the informality and practicality of the dialogue are proven strengths. The current participants should thus not be changed – although experts could be included on an *ad-hoc* basis.

Important themes for the EU-US regulatory dialogue in the coming years are:

- work towards equivalence/convergence between IAS and US-GAAP – agreeing a roadmap and timetable are now urgent. The Commission intends to take a decision on equivalence of the major third-country accounting systems (required under the Transparency and Prospectus Directives) end 2006 or early 2007
- facilitate deregistration from US securities exchanges
- increase co-operation with the US insurance supervisors and remove collateral requirements for EU reinsurers
- ensuring that the Basel Capital Accord (in Europe the Capital Requirements Directive) is implemented on time and in a way that effectively delivers a level playing field between Europe and the US
- cooperation on a policy response for Credit Rating Agencies⁴³
- work toward a cooperative model in supervising auditors (in cooperation with the US Public Company Accounting Oversight Board)
- closely follow the Securities and Exchange Commission's market regulation review and facilitating placement of trading screens of EU exchanges in the US
- look into the governance, financing and participants of international standard setting bodies.

⁴³

See also Section 3.1.

Annex I, Section VI – Asset management

Alongside pension funds and insurance companies, investment funds play an increasingly important role in European financial markets-mobilising household savings and channelling them towards productive investments. The European fund industry currently manages some € 4.7 trillion of assets on behalf of a growing segment of the European population-in some Member States, over 20% of the adult population hold UCITS⁴⁴. A cost-effective fund industry will diversify risk more efficiently, allow retail investors to earn higher returns and make capital available for investment projects.

Investment funds will assume greater importance as public sector pensions remain under funding pressure and occupational pension funds shift to a defined-contribution basis. Small differences in net return on investments in funds can make a huge difference to the accumulated value of capital at pay-out date. A cost-efficient fund industry, where gains are passed on to end-investors, can be part of the solution to Europe's pension deficit.

The 1985 UCITS Directive seeks to facilitate the cross-border offer of investment funds to retail investors. It has provided a focal point for the development of the fund industry in Europe. However, cross-border sales remain constrained: the 'product passport' continues to encounter difficulties and fund managers have not been able to export their expertise. UCITS legislation may entail significant missed opportunities for the industry if it does not provide for effective exercise of other single market freedoms by fund managers, or respond to the reality of a fast developing business. This may translate into higher costs and a more limited range of investment opportunities for investors.

The Commission services will publish a comprehensive review of UCITS legislation this summer. This will identify concrete steps to improve consistent transposition of existing UCITS legislation and to ensure that it delivers its intended effects. The focus will be on consolidating and enhancing the UCITS framework. However, the growing importance of this business warrants a longer-term reflection on whether the UCITS framework is capable of harnessing the full potential of this industry-taking into account the need for appropriate protection of retail investors-or of responding to profound structural changes affecting the asset management business

On the basis of this review, the Commission services will prepare a Green Paper on asset management for publication in July 2005.

⁴⁴ UCITS are harmonised collective investment undertakings that can operate throughout the EU.

Retail Financial Services integration is needed

The post-FSAP stocktaking process identified the market for retail financial services as an area requiring further attention. A number of important factors have increased the need to consider encouraging future integration in the retail financial services markets:

- the introduction of the **euro** has resulted in price transparency and exchange rate stability
- **technological innovations**, such as Internet, are providing new opportunities to sell financial services at a distance and hence cross-border
- increased **consumer mobility** of European citizens is driving demand for efficient cross-border financial services⁴⁵
- there is a growing need for more efficient long term financial services products to complement **state welfare provision**.

The way forward

However, integration of retail markets is complex and demanding. Product characteristics, distribution systems, consumer protection, contract law, differences in consumption culture or other economic or structural realities play a more prominent role in this area – and create considerable complexity for cross-border supply.

Integration of retail financial services should not only enable consumers to purchase products cross-border, but also facilitate the sale of products, developed in one domestic market, throughout Europe without the need for substantial modification. This would deliver more choice and better prices to consumers.

The Green Paper should help to identify the most significant cross-border barriers and risks for consumers so that the Commission can carefully prioritise a limited number of actions where there is a business case for further retail integration and tangible results can be achieved.

Supplementary action through active application of competition policy is therefore important. Accordingly, the Commission will undertake sectoral enquiries, with a focus on market monitoring (see Section 3.3 of the Green Paper and Annex I, Section IV).

⁴⁵ For an analysis of factors which affect consumers' propensity to buy from firms in another country see Optem survey on cross-border shopping for financial services carried out for the Commission, available at http://europa.eu.int/comm/consumers/cons_int/fina_serv/cons_experiences/index_en.htm

Future measures should be based on an appropriate policy mix between harmonised rules and mutual recognition. Such measures must neither erode well-founded consumer protection measures, nor stifle or distort competition.

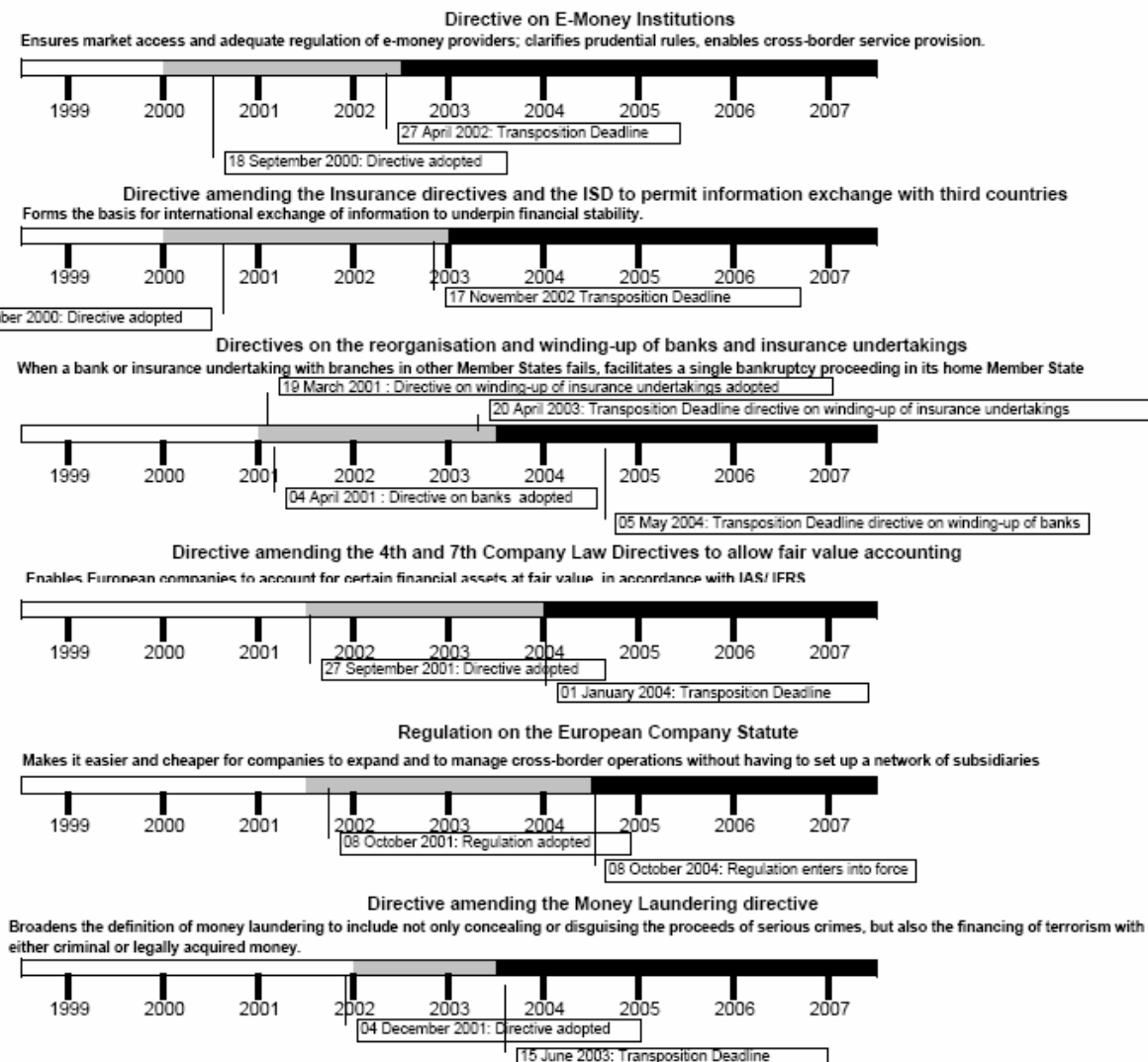
The consumer perspective

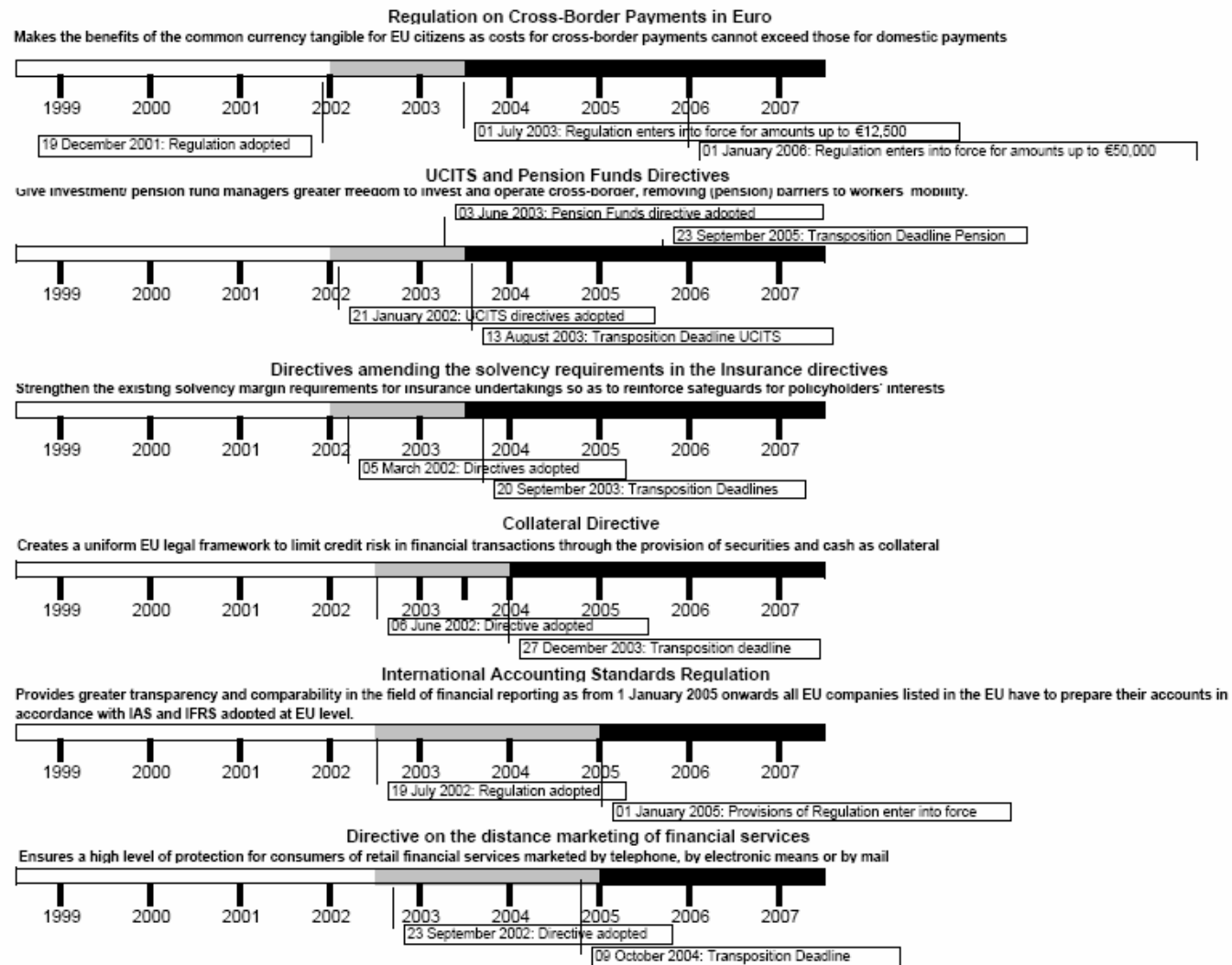
The Commission is committed to listen to all interested parties before coming up with new initiatives. The Commission is committed to ensure the consumer and user perspective is heard⁴⁶, and that the consumer interest is prominent in the major debates. The consumer and user perspective can be further developed with the help of representative organizations which need to continue efforts to improve their organisation and their knowledge and experience in the area of financial services. Additional action to promote and support consumer awareness might be needed – starting at Member State level.

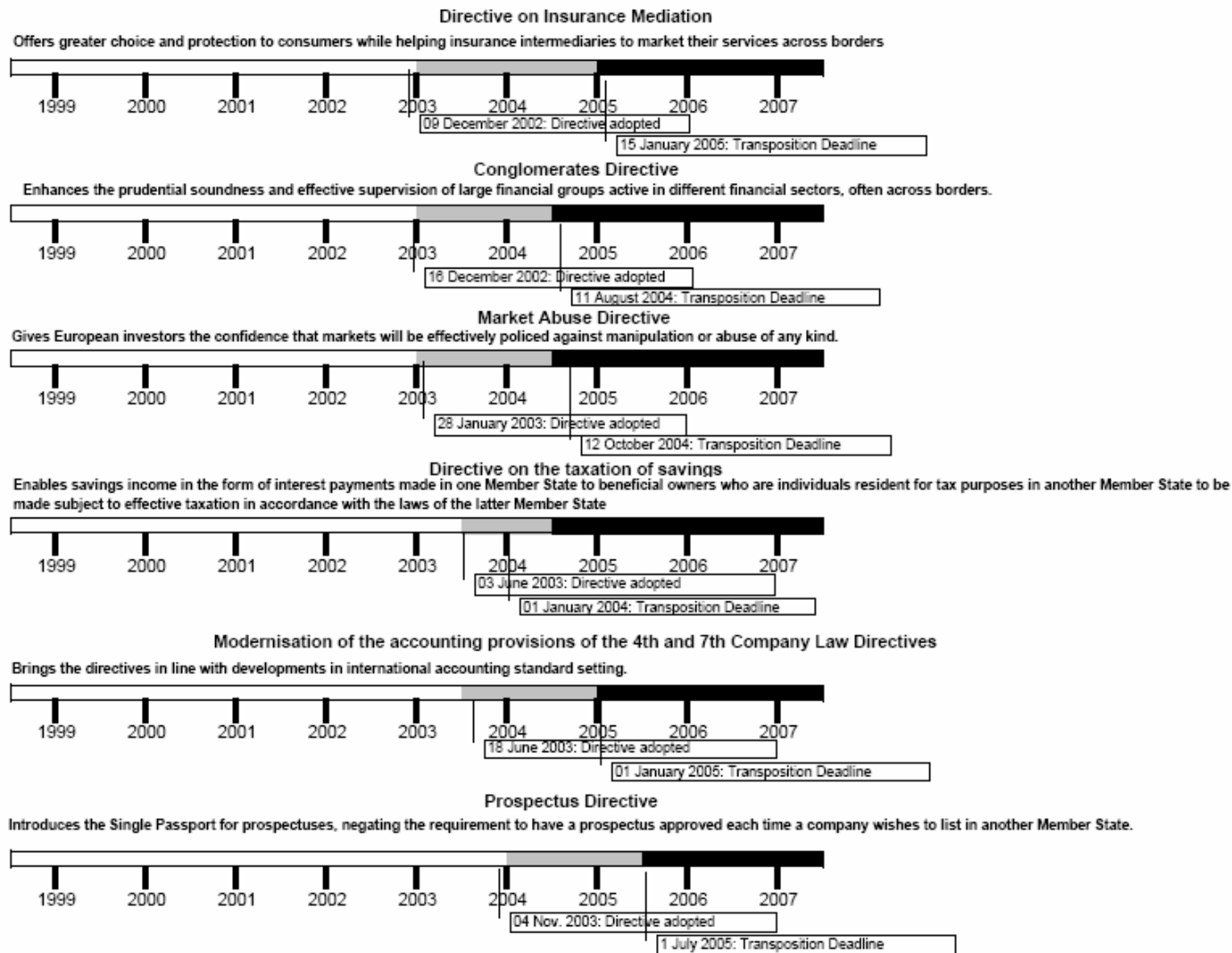
European legislation emphasises the importance of information provision. However, unless consumers themselves develop the skills and knowledge needed to understand increasingly complex financial products, consumers cannot make well-informed (investment) decisions on the basis of this information.

Redress systems could help to increase consumer confidence in the market so that the full benefits of integration can be realized. The out-of-court complaints network for financial services, FIN-NET, already provides some assistance for cross-border disputes.

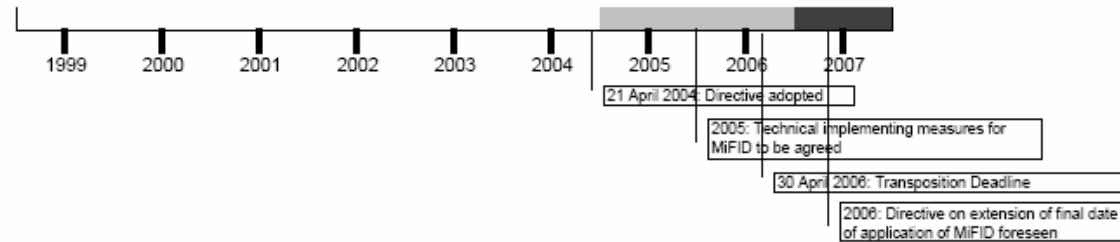
⁴⁶ One of the initiatives already taken is the establishment of the FIN-USE forum of financial services experts, providing the Commission with valuable input from a user perspective, see http://europa.eu.int/comm/internal_market/finservices-retail/finuse_en.htm.







Markets in Financial Instruments Directive
Creates fair competition between exchanges and banks wishing to internalise securities orders; improves pre-trade transparency, order execution and the price of securities trading.



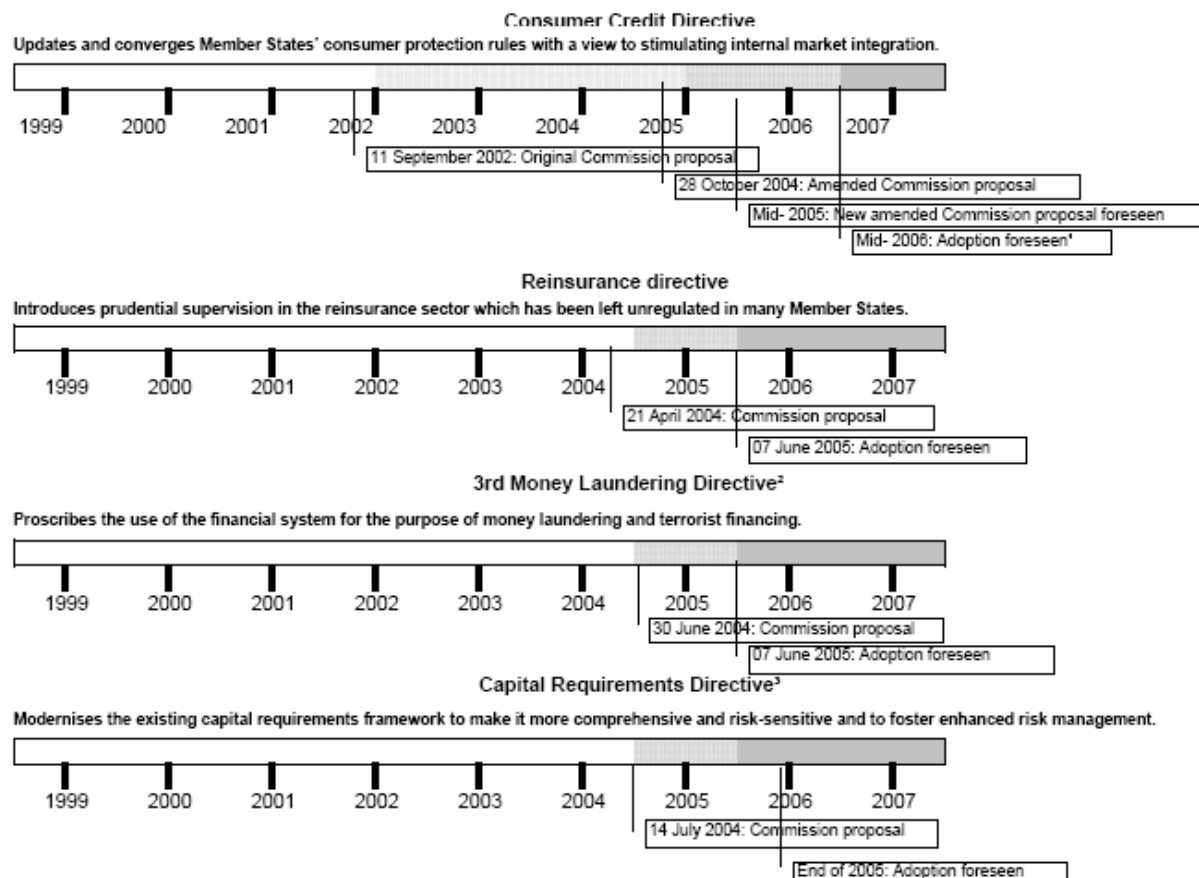
Take-Over Bids Directive
Offers transparent pan-European rules for the conduct of takeover bids to the benefit of shareholders, employees and all interested parties.



Transparency Directive
Raises the quality of information available to investors on companies' performance and financial position as well as on changes in major shareholdings.



(ii) Timeline for Completion of Ongoing Legislative Proposals



(1) These proposals are currently discussed in the Council and European Parliament, and are anticipated to be passed at a single reading.

(2) A general approach was adopted by the ECOFIN council on 07 December 2004

(3) A general approach was adopted by the ECOFIN council on 07 December 2004

