



EUROPEAN COMMISSION
Internal Market DG

Brussels, 20th December 2002
MARKT/F2

FORMAL MANDATE

FORMAL REQUEST FOR TECHNICAL ADVICE ON POSSIBLE IMPLEMENTING MEASURES ON THE DIRECTIVE ON INSIDER DEALING AND MARKET MANIPULATION (MARKET ABUSE)

By letter of 18 March 2002, DG Internal Market requested the Committee of European Securities Regulators (CESR) on provisional basis to provide its technical advice on possible implementing measures on the future Directive on insider dealing and market manipulation (market abuse). This request was sent to CESR on 27 March 2002 and published on the same day.

In this letter, it was made clear that DG Internal market's request does not prejudice in any way the discussions in the Council and the European Parliament on the final split between Level 1 "principles" and Level 2 "implementing measures" and that formal mandates will be sent to CESR once the directive has been adopted by the European Parliament and the Council.

The Directive on insider dealing and market manipulation (market abuse) was finally adopted on 3 December 2002. It is likely to be published in the Official Journal of the European Communities in February 2002. The Directive will enter into force at the date of its publication.

In its letter of 18 March, DG Internal Market also invited CESR to take full account of developments in the Council and the European Parliament. After examining the adopted Directive, DG Internal Market considers that the content of the provisional request sent to CESR on 27 March 2002 is in line with the text of the Directive. Therefore, all subjects of the provisional request for technical advice can remain without change. This is without prejudice of future possible mandates on other issues, in particular those introduced into the Directive by European Parliament and Council.

On 19 December 2002, DG Internal Market has consulted the European Securities Committee (ESC) on declaring the provisional mandates of March 2002 formal mandates. At the meeting, this was agreed.

As a result, the European Commission herewith declares the mandates given to CESR on 18 March 2002 becoming formal and invites CESR to confirm by the end of January 2003 if intends to change its provisional advice.