



EUROPEAN COMMISSION

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Mr Valeriu Ștefan ZGONEA
President
Chamber of Deputies
Palace of the Parliament
Str. Izvor nr. 2-4, sector 5
RO – BUCHAREST

Dear President,

The Commission would like to thank the Camera Deputaților for its Opinion on the proposal for a Regulation on insider dealing and market manipulation (market abuse) {COM(2011) 651 final} and for a Directive on criminal sanctions for insider dealing and market manipulation {COM(2011) 654 final}, and apologises for the delay in replying.

The Commission is convinced that both proposals would contribute significantly to the effective supervision of financial markets, to the deterrence of market abuse and to reducing the risk of circumvention of rules against market abuse. The Commission fully agrees with the Camera Deputaților that the proposals would increase the protection of investors and contribute to economic growth and job creation by enhancing the attractiveness of securities markets.

The Commission has duly noted the concern expressed by the Camera Deputaților with regard to the definition of inside information. The Commission's intention is to broaden the scope of this provision compared to the existing Directive on insider dealing and market manipulation (market abuse)¹ in order to ensure that relevant information which is not generally available cannot be abused.

Concerning the possibility for issuers to delay the disclosure of inside information, the Commission considers that the responsibility for a delay should lie with the issuer, not with the competent authority. Nevertheless, the competent authority should be informed ex post of such a delay to have the possibility to impose a sanction where the delay was in breach of the Regulation.

With regard to the lists of insiders to be drawn up by issuers, the aim of the proposal is that such lists should be updated whenever necessary by issuers and be provided to the competent authority upon request. Concerning SME issuers, the intention of the Commission is to balance the need for competent authorities to be informed about persons who have access to inside information in SMEs with the need to reduce the administrative burden of SMEs.

¹ Directive 2003/6/EC, published in O.J. L 16, 12.4.2003, p. 16.

With regard to the obligation on trading venue operators to have systems and procedures in place to detect and prevent market abuse, it is true that the proposal for a Market Abuse Regulation does not explicitly impose an obligation on these operators to report detected abuses to competent authorities, as this is required under the Markets in Financial Instruments Directive² which is also under review.

The Commission agrees that the proposals do not exclude the possibility for a criminal and an administrative sanction to be imposed in connection with the same offence. However, these sanctions should in any case be imposed by competent authorities in full respect of the Charter of Fundamental Rights and in particular of the ne bis in idem principle.

I hope that these clarifications address the observations and suggestions made by the Camera Deputaților and I look forward to continuing our political dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*

² Directive 2004/39/EC, published in O.J. L 145/1, 30.4.2004.