

Undertakings for collective investment in transferable securities UCITS: marketing (amend. Directive 85/611/EEC)

1998/0243(COD) - 17/07/1998 - Legislative proposal

OBJECTIVE: To extend the field of application of the UCITS-Directive (85/611/EEC) to other types of collective investment undertakings. **SUBSTANCE:** In order to remove existing barriers to a free cross-border marketing of units issued by undertakings for collective investment in transferable securities (UCITS), the Commission has prepared a package of measures distributed in two separate proposals: one (proposal 1) focussing essentially on the 'product' (the types of investments funds), the other (proposal 2) focussing essentially on the 'service provider' (the management company) and on prospectuses for UCITS. The aim of proposal 1 is to remove barriers to cross-border marketing of units of collective investment undertakings through; a) extending the freedom to be marketed throughout the EU to collective investment undertakings investing in financial assets other than transferable securities such as: units of other collective investment undertakings, money market instruments, bank deposits and standardised options and future contracts; new transparency requirements will ensure adequate information of investors; b) revising some other provisions of the UCITS-Directive in order to update the directive in the light of new portfolio management techniques which have been developed since 1985; c) removing interpretive uncertainties relating to a number of provisions of the UCITS-Directive which hinder its uniform application.