



# Procedure file

Basic information		
INI - Own-initiative procedure	<a href="#">2006/2037(INI)</a>	Procedure completed
Report on asset management		
Subject 2.50.02 Savings 2.50.04 Banks and credit		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>ECON</b> Economic and Monetary Affairs	ALDE <a href="#">KLINZ Wolf</a>	04/07/2005

Key events			
16/02/2006	Committee referral announced in Parliament		
21/03/2006	Vote in committee		Summary
27/03/2006	Committee report tabled for plenary	<a href="#">A6-0106/2006</a>	
26/04/2006	Debate in Parliament		
27/04/2006	Results of vote in Parliament		
27/04/2006	Decision by Parliament	<a href="#">T6-0181/2006</a>	Summary
27/04/2006	End of procedure in Parliament		

Technical information	
Procedure reference	2006/2037(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	ECON/6/29594

Documentation gateway				
Committee draft report		<a href="#">PE367.703</a>	10/01/2006	EP

Amendments tabled in committee		<a href="#">PE370.123</a>	24/02/2006	EP	
Committee report tabled for plenary, single reading		<a href="#">A6-0106/2006</a>	27/03/2006	EP	
Text adopted by Parliament, single reading		<a href="#">T6-0181/2006</a>	27/04/2006	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2006)2095</a>	11/05/2006	EC	
Commission response to text adopted in plenary		<a href="#">SP(2006)2906</a>	31/07/2006	EC	

## Report on asset management

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The committee adopted the own-initiative report on asset management drawn up by Wolf KLINZ (ALDE, DE) in response to the Commission's Green Paper on the enhancement of the EU framework for investment funds.

The report said that the interaction between the UCITS (undertakings for collective investment in transferable securities) directive, the MiFID (markets in financial instruments) directive and its level 2 measures and the E-commerce directive left "undesirable scope for interpretation" and that the legislative framework required clarification and consolidation. MEPs called on the Commission and the other EU bodies involved (CESR and CEIOPS) to ensure "a high level of transparency and management of conflicts of interests, notification requirements and thus equal treatment between UCITS and competing products".

The report went on to make recommendations on a range of issues: investor information and protection, risk management, European product passports, management company and depository passports, fund processing standardisation, cross-border consolidation, distribution structures, investment policy, non-UCITS investments, supervision issues and the Lamfalussy process.

## Report on asset management

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The European Parliament adopted a resolution based on the own-initiative report drafted by on asset management drawn up by Wolf KLINZ (ALDE, DE) in response to the Commission's Green Paper on the enhancement of the EU framework for investment funds. Parliament stated that the primary objectives of asset management regulations were to protect investors, to diversify the financing of the economy, and to create a level playing field within the internal market. The European asset management industry was still fragmented in size in comparison with that of the US and, therefore, action at European level was needed to boost economic efficiency,

Parliament felt that the interaction between the Directive 85/611/EEC on UCITS, MiFID and its Level 2 measures, and the Directive 2000/31/EC on electronic commerce, leave undesirable scope for interpretation and required clarification and consolidation. It drew attention to differences between the regulation of UCITS and other investment products and called on the Commission, CESR and the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS) to ensure a high standard of transparency, management of conflicts of interests, notification requirements, and thus of equal treatment between UCITS and competing products.

The changes introduced by Directives 2001/107/EC and 2001/108/EC (UCITS III) had not yet been exhausted. The transposition and interpretation of these Directives should be closely monitored. Parliament felt that there was a need to modify in some areas the Directive 85/611/EEC as amended by UCITS III. These modifications concern the following: a simplified prospectus, a modification of the notification procedure, the abolition of tax barriers for cross-border mergers and pooling and, if appropriate, the adaptation of eligible assets to market developments.

Parliament proposed that the simplified prospectus - in the spirit of the European Federation of Investment Funds and Companies (FEFSI) proposal of October 2003 - should take the form of a fact sheet to give investors transparency and provide them with a harmonised pan-European document setting out brief, standardised, understandable, and comparable information, on two to three pages. This document should be offered to the investor before conclusion of the contract. Parliament asked the Commission to propose amendments to Directive 85/611/EEC on the content of the simplified prospectus for the purpose of establishing binding EC legislation on a fully harmonised simplified prospectus.

The report went on to make recommendations on a range of issues: investor information and protection, risk management, European product passports, management company and depository passports, fund processing standardisation, cross-border consolidation, distribution structures, investment policy, non-UCITS investments, supervision issues and the Lamfalussy process.