

protection, such as more guidelines for the provision of information to financial consumers and investors, tougher competency checks on advisors and clear rules for independent advice. However, a compulsory consolidated tape does not form part of the headline agreement. It is unclear if there is a clear majority in the European Parliament for further delineation of the headline agreement.

### 5.1.2 Market abuse

On December 7, 2012, the European ministers of justice reached agreement on revising the 2003 directive on the abuse of the markets. European Commissioner Michel Barnier welcomed that agreement at the beginning of 2013 but has since let it be known the directive can only be revised once the new MiFID has been finalised, because of overlap in scope and cross connections between both directives.

This declaration did not stop the European regulator European Security Market Authority (ESMA) from consulting the market on which issues should come on board when the directive is revised. The VEB has taken part in the wide-ranging consultation process. In addition, VEB representatives have raised various stumbling blocks and discussion points through ESMA panels and working parties. For example, the VEB has asked for consideration to be given to the (unfair) use of benchmarks, rules for short selling and derivative transactions and expansion of the watchdog functions to new, alternative trading platforms. We now have to wait for the first concrete proposal from the European Commission and European Parliament.

### 5.1.3 Company Law and Corporate Governance

The European Commission's action plan Company Law and Corporate Governance includes the position of shareholders. European Commissioner Michel Barnier seeks a solution for governance issues in terms of better checks and balances between management, supervisory board and shareholders – and deviates from the Dutch legal position in this. Shareholders would keep their rights

and be given a more important role in some areas. The most important proposal in European terms is 'Say on Pay'. On the other hand, the European Commission is introducing new rules for shareholder identification and engagement. As one of the investor associations involved, in 2013 the VEB presented its views on this action plan and is working together with EuroFinUse on this.

### 5.2 Frijns draft bill

The draft bill on Corporate Governance, also known as the Frijns proposal, was backed by the Senate in 2013 and came into force on July 1. Despite protests from the VEB and Eumedion, it includes raising the shareholding requirement to place an item on an AGM agenda from one percent to three percent. The clause on shareholder identification was watered down thanks to an amendment proposed by the VEB. In the end, a threshold of 0.5 percent was established, below which it is up to a shareholder to decide whether or not he wishes to be identified. This change meets the VEB's privacy concerns about the original bill. A joint effort from the VEB, Eumedion and VEVO resulted in the clause requiring the compulsory publication of strategy to be scrapped.

### 5.3 Intervention Law

The Intervention Law came into effect in 2012 and was first used with the nationalisation of SNS Reaal. Given the legal proceedings and questions raised by the nationalisation, the VEB considers that the working and enactment of the intervention law needs to be evaluated. The report from the privatisation evaluation commission supports this position.

### 5.4 Accountants

The VEB has focused on the role of accountants since 2011 and is actively involved in the discussions surrounding the 'new, clean' accountant. After reacting to Barnier's Green Paper (which changes the legal framework for audit and accountants checks in Europe), the VEB in 2011 and 2012 took part in various round table discussions and