

EUROPEAN PARLIAMENT

Working Documents

1979 - 1980

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MOTION FOR A RESOLUTION

tabled by Mr F. PETRONIO

pursuant to Article 25 of the Rules of Procedure

on the creation of a European stock exchange

The European Parliament,

- whereas there are systems for taxing shares in the European Community and the EEC recommendation on establishing a code of conduct has not yet been fully implemented by the Member States, so that measures still have to be taken to prevent fraudulent dealings, such as the use of confidential information when trading, or price manipulation,
 - whereas the Council has had to authorize some Member States to introduce 'temporary' protective measures on the free movement of capital and in Italy, for example, where investors in foreign securities are required to give a no-interest deposit of 50%, these measures are becoming glaring examples of unacceptable protectionism,
 - whereas the harmonization of stock exchanges is still in its early stages, even though a Community in which there is free movement of shares, as well as ideas, persons and goods, is to be desired,
 - regretting the fact that the establishment of a common European stock exchange is at least twenty years overdue and is still faced with the obstacles, snags and impediments which hampered the free movement of goods in Europe in the early '60s,
1. Hopes that there will be a gradual strengthening of the links between the stock exchanges of the Member States in order to harmonize the various financial markets and thus remove the obstacles to share investment at European level;
 2. Suggests as a line of strategy to be followed that the various shares bought and sold on the European stock exchanges should be such as to attract investors, in particular ensuring that the shares quoted gain public confidence precisely by harmonizing the markets for risk capital;
 3. Considers that the problem of European capital markets should be resolved as a matter of urgency by a common system of company taxation kept within a narrow range of rates;
 4. Points out that any EEC resident could thus buy any share quoted on the European stock exchanges, and that any company admitted to stock exchange listing could be admitted to any other market in Europe;
 5. Considers therefore that an integrated EEC share market should be established as a matter of urgency, after the gradual removal of the protective and protectionist measures relating to the free movement of capital;
 6. Requests the Commission and the Council to consider the proposal for a 'European Stock Exchange' which, using the methods provided by modern electronics, would offer undeniable advantages to investors and depositors, giving even the smallest shareholder access to the same information as large investors;
 7. Requests finally that the Commission and the Council consider the tactics and strategy needed to accompany these courses of action and to remove the technical obstacles to the free movement of shares and the desired establishment of a stock exchange of European stature;
 8. Instructs its President to forward this resolution to the Council and Commission of the European Communities.