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| Course title | EU Capital Markets Law |
| Course Code | LAW407.2 |
| Category (core/elective) | Elective |
| Level | LLM in EU Law |
| Duration (semesters) | 1 |
| Semester when taught (autumn/spring) | Spring |
| ECTS: | 7,5 |
| Access requirements | None |
| Responsible | Professor Christos Gortsos |
| Course objectives | |
| The objective of this course is to introduce students to the legal framework pertaining to EU capital markets law | |
| Course Description | |
| <p>The course will focus, firstly, on the definition and the evolution (especially in view of the recent (2007-2009) international financial crisis and the current eurozone fiscal crisis) of EU capital markets law. Then, the course will deal with the presentation of the provisions of the legal sources of EU capital markets law in force (some of which are still in the making), and in particular the provisions of:</p> <ul style="list-style-type: none"> ➤ the Markets in Financial Instruments Regulation (MIFIR), ➤ the amended Markets in Financial Instruments Directive IV (MIFID II), ➤ the European Markets Infrastructure Regulation (EMIR), ➤ the proposal for a Regulation on packaged retail investment products (PRIIPs), ➤ the Central Securities Depositories Regulation (CSDR), ➤ the Market Abuse Regulation and the new Market Abuse Directive (MAD II), | |

- the Regulation on Money Market Funds (MMF),
- the amendment of the investor compensation schemes Directive,
- the proposal for a Regulation on indices used as benchmarks in financial instruments and financial contracts, and
- the regulatory framework on the corporate governance of listed companies

Specific reference will also be made on the role of the European Securities and Markets Authority (ESMA), an agency of outmost importance for the making of EU capital markets law.

Course Outline

PART ONE: INSTITUTIONAL ASPECTS

A. The rationales for regulatory intervention in capital markets as the basis for the definition of EU capital markets law

B. The making of EU capital markets law:

1. The dynamics of evolution

2. The impact of international capital markets law (FSB, IOSCO, IASB, IFAC, OECD)

3. In particular: the recent (2007-2009) international financial crisis and the current eurozone fiscal crisis as catalysts for the reshaping of EU capital markets law

4. The role of the European Securities and Markets Authority (ESMA) within the European System of Financial Supervision

5. The legislative procedure

5.1 Legislative acts of the European Parliament and of the Council

5.2 Delegated and implementing acts of the European Commission

5.3 Recommendations and Guidelines of the ESMA

C. Towards a European Capital Markets Union

D. The sources of EU securities law: an overview

PART TWO: SUBSTANTIVE PROVISIONS

A. EU capital markets law as in force (**December 2015**)

1. Rules on financial intermediaries and market conduct

1.1 Markets in Financial Instruments (MIFID I)

1.2 Corporate governance of investment firms

1.3 Recovery and resolution of investment firms

1.4 UCITS IV

- 1.5 Alternative investments
- 2. Rules on issuers of financial instruments
 - 2.1 Prospectus
 - 2.2 Transparency requirements
- 3. Rules on market efficiency, transparency and integrity
 - 3.1 Market abuse (MAD I)
 - 3.2 Short selling
- 4. Rules on market infrastructures
 - 4.1 Clearing and settlement
 - 4.2 EMIR
- 5. 'Gatekeeping'
 - 5.1 Accounting and auditing
 - 5.2 Credit rating agencies
- 6. Investor compensation schemes
- B. EU capital markets law applicable by 2016
 - 1. Markets in Financial Instruments (MIFIR and MIFID II)
 - 2. Market abuse (MAR and MAD II)
 - 3. PRIIPs
 - 4. UCITS V

Educational Outcomes

Students should be able to have a solid understanding of the legal framework pertaining to the EU capital markets law

Basic Textbook(s)

Belcredi, M. and G. Ferrarini (2013): *Boards and Shareholders in European listed companies*, Cambridge

Gortsos, Ch. V. (2012): *Fundamentals of Public International Financial Law: International Banking Law within the System of Public International Financial Law*, Schriften des Europa-Instituts der Universität des Saarlandes - Rechtswissenschaft, Band 89, Nomos Verlag, Baden-Baden

Gortsos, Ch. V. (2015, forthcoming): *Fundamentals of EU capital markets law* (notes)

Hopt, K., Wymeersch, E. Kanda, H, and H. Baum (2009): *Corporate governance in context (Corporations, states and markets in Europe, Japan, and the US)*, Oxford University Press, Oxford

Veil, R. (2013): *European Capital Markets Law* (translated from German by Rebecca Ahmling) Hart Publishing, Oxford and Portland, Oregon

Wymeersch, Ed., Hopt, K.J. and G. Ferrarini (2012, editors): *Financial Regulation and Supervision - A Post-*

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| | <i>Crisis Analysis</i> , Oxford University Press, Oxford |
| Basic Bibliography | <p>Avgerinos, Y. V. (2003): <i>Regulating and Supervising Investment Services in the European Union</i>, Palgrave Macmillan</p> <p>Avgouleas, E. (2008, general editor): <i>The Regulation of Investment Services in Europe under MiFID: Implementation and Practice</i>, Tottel Publishing, West Sussex</p> <p>de Groot, G. (2009): <i>Corporate Governance as a limited legal concept</i>, Kluwer</p> <p>Gortsos, Ch. V. (2008): MiFID's Investor Protection Regime: Best Execution of Client Orders and Related Conduct of Business Rules, in Special Report (ed. Em. Avgouleas), <i>The Regulation of Investment Services in Europe under MiFID: Implementation and Practice</i>, Tottel Publishing (2008), pp. 101-137</p> <p>Herring, R. and R.E. Litan (1995): <i>Financial Regulation in the Global Economy</i>, Washington, D.C., The Brookings</p> <p>Löber, K.M. (2006): <i>The developing EU legal framework for clearing and settlement of financial instruments</i>, Legal Working Paper Series, No. 1, February, European Central Bank</p> <p>Mallin, Ch. (2007): <i>Corporate governance</i>, Oxford University Press, Oxford</p> <p>Moloney, N. (2008): <i>EC Securities Regulation</i>, Oxford University Press, Oxford-New York</p> <p>Moloney, N. (2010): EU financial market regulation after the global financial crisis: "more Europe" or more risks?, <i>Common Market Law Review</i> 47, Kluwer Law International, p. 1317-1383</p> <p>Naciri, A. (2008): <i>Corporate governance around the world</i>, Routledge, London and New York</p> <p>Papantoni, M. (2005): La directive 'abus de marché', <i>Cahiers de Droit Européen</i>, p. 179ff.</p> <p>Vossestein, G.-V. (2010): <i>Modernization of European company law and corporate governance (some considerations on its legal limits)</i>, Kluwer</p> |

Additional Bibliography

- Avgouleas, E. (2001):** The Harmonization of Rules of Conduct in EU Financial Markets: Economic Analysis, Subsidiarity and Investor Protection, *1 European Law Journal*, p. 72ff.
- Bernitz, U. and W.-G. Ringe (2010):** *Company law and economic protectionism (new challenges to European integration)*, Oxford University Press, Oxforde
- Burn, L. (2003):** The EU Prospectus and Transparency Directives, *Practicing Law Institute, Corporate Law and Practice Course Handbook Series 1400 PLI/Corp*, p. 15ff.
- Centre for European Policy Studies (2001):** *EU Securities Market Regulation: Adapting to the Needs of a Single Capital Market*, CEPS, Brussels
- Clarke, Th. (2005):** *Theories of corporate governance*, Routlegde, London and New York
- Clarke, Th. (2007):** *International corporate governance - A comparative approach*, Routlegde
- Clarke, Th., and J.Fr. Chanlat (2009):** *European Corporate Governance*, Routlegde
- Dorresteijn, A., Monteiro, T, Teichmannch, and E. Werlauff, (2009):** *European corporate law*, Kluwer
- European Commission (2000):** *Institutional Arrangements for the Regulation and Supervision of the Financial Sector*, Internal Market Directorate General, January
- Ferrarini, G. (2002):** Pan-European Securities Markets: Policy Issues and Regulatory Responses, *3 European Business Organization Law Review*, p. 249ff.
- Ferrarini, G. and Ed. Wymeersch (2006, editors):** *Investor Protection in Europe, Corporate Law Making, the MiFID and beyond*, Oxford University Press, Oxford – New York
- Frederikslust, V., Ang, J.S., and P.S. Sudarsanam (2007):** *Corporate governance and corporate finance: A European perspective*, Routlegde, London and New York
- Freixas, X., P. Hartmann and C. Mayer (2004):** The assessment: European financial integration, *Oxford Review of Economic Policy*, vol. 20, no.4
- Gilligan, G. (1999):** *Regulating the Financial Services Sector*, Kluwer Law International, London
- Hulle, V.K. and H. Gesell (2006):** *European corporate law*,

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| | <p>Nomos Verlag, Baden-Baden</p> <p>Lannoo, K. (1999): <i>Challenges to the Structure of Financial Supervision in the EU</i>, Centre of European Policy Studies, Brussels</p> <p>Mauerhofer (1998): <i>Die Wertpapierdienstleistungsrichtlinie</i>, Schriften zum gesamten Europarecht, Manzsche Verlags- und Universitätsbuchhandlung, Wien</p> <p>McConvill, J. (2006): <i>Shareholder empowerment as an end in itself: a new perspective on allocation of power in the modern corporation</i>, available at: http://ssrn.com/abstract=943907</p> <p>Moloney, N. (2005): Building a Retail Investment Culture Through Law: the 2004 Markets in Financial Instruments Directive, 6 <i>European Business Organization Law Review</i>, p. 341ff.</p> <p>Pinto, A, and G. Visentini (1998): <i>The legal basis of corporate governance in publicly held corporations</i>, Kluwer</p> <p>Tison, M. (2006): Financial Market Integration in the Post-FSAP Era, <i>Financial Law Institute Working Paper no. 9</i>, p. 10ff.</p> <p>Tison, M, de Wulf, Ch. van der Elstand and R. Steennot (2009): <i>Perspectives in company law and financial regulation</i>, Cambridge</p> | | | | | | |
| <p>Teaching Methodology</p> | <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 5px;">Lectures</td> <td style="padding: 5px; text-align: center;">12 x 2 = 24 h</td> </tr> <tr> <td style="padding: 5px;">Tutorials</td> <td style="padding: 5px; text-align: center;">6 x 2 = 12 h</td> </tr> <tr> <td></td> <td style="padding: 5px; text-align: center;">Total = 36 h</td> </tr> </table> | Lectures | 12 x 2 = 24 h | Tutorials | 6 x 2 = 12 h | | Total = 36 h |
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| Evaluation | <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td data-bbox="564 230 1043 297">Final Exam</td> <td data-bbox="1043 230 1283 297">50%</td> </tr> <tr> <td data-bbox="564 297 1043 365">Course Participation</td> <td data-bbox="1043 297 1283 365">30%</td> </tr> <tr> <td data-bbox="564 365 1043 432">Paper(s)</td> <td data-bbox="1043 365 1283 432">20%</td> </tr> <tr> <td data-bbox="564 432 1043 499"></td> <td data-bbox="1043 432 1283 499">100%</td> </tr> </table> | Final Exam | 50% | Course Participation | 30% | Paper(s) | 20% | | 100% |
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| Language | English | | | | | | | | |
| Traineeship | Yes | | | | | | | | |
| Location | Athens | | | | | | | | |