



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 12 June 2009 (15.06)  
(OR. fr)**

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**Interinstitutional file:  
2008/0153 (COD)**

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EF 90  
ECOFIN 432**

**ADDENDUM TO "I/A" ITEM NOTE**

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from: General Secretariat of the Council  
to: COREPER/COUNCIL

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No. Cion prop.: 12149/08 EF 47 ECOFIN 308 CODEC 1012

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Subject: Proposal for a Directive of the European Parliament and of the Council on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) [**first reading**]  
- Adoption of the legislative act (LA + S)  
Statement

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**Unilateral statement by Luxembourg**

The new rules laid down in the Directive on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) will bring substantial benefits for investors (in the form of clear, relevant and easily comprehensible information) and for the investment fund industry (in the form of light regimes for mergers and cross-border marketing). Luxembourg can therefore endorse the terms of the agreement which has been reached.

From Luxembourg's point of view, however, it is not certain that the industry will be able to achieve the economies of scale and productivity gains which it could legitimately expect. By setting aside the requirement that key administrative functions be performed in the jurisdiction where the investment fund is established, the new Directive introduces the potential for legal and fiscal uncertainties for investors which are likely to considerably impair the brand image of the European UCITS product worldwide. It needs to be ensured that the Management Company Passport as defined in the Directive does not undermine the quality of the UCITS product, particularly the high level of protection which this product offers retail investors.

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