



Recommendation of the Council
concerning Standard Rules for the
Operations of Institutions for
Collective Investment in
Securities

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Background Information

The Recommendation concerning Standard Rules for the Operations of Institutions for Collective Investment in Securities was adopted by the OECD Council on 11 April 1972 on proposal of the Committee on Financial Markets. The Recommendation aimed to improve the protection of investors, facilitate the balanced evolution of the activities of the relevant sector and contribute to the improvement of capital markets both nationally and internationally. To achieve this aim, the Recommendation held that Adherents should take the Standard Rules for the Operations of Institutions for Collective Investment in Securities into account when reviewing existing and preparing new legislation or regulations on this subject. The Recommendation was abrogated on 12 July 2017 as it had been replaced by more extensive standards developed by the International Organization of Securities Commissions.

THE COUNCIL,

HAVING REGARD to Article 5 b) of the Convention on the Organisation for Economic Co-operation and Development of 14 December 1960;

HAVING REGARD to the Report by the Committee on Financial Markets of 11 February 1972 on the Standard Rules for the Operations of Institutions for Collective Investment in Securities [C(71)234 and Corrigenda 1 (French text only), 2 and 3 and Addendum 1];

CONSIDERING that the general observance of the principles reflected and of the minimum requirements provided in the Standard Rules for the Operations of Institutions for Collective Investment in Securities set forth in the Report referred to above (hereinafter called the "Standard Rules") would improve the protection of investors, facilitate the balanced evolution of the activities of this sector and thus contribute to the improvement of capital markets both nationally and internationally.

On the proposal of the Committee on Financial Markets;

I. RECOMMENDS that Member countries:

1. Review, as appropriate, their existing legislation or regulations concerning the operations of institutions for collective investment in securities, taking into consideration the Standard Rules and to take the Standard Rules into account when preparing new legislation or regulations on this subject;
2. When considering applications for the admission to public sale in their own territory of the securities of foreign institutions for collective investment in securities which comply with the Standard Rules, give substantial weight, within the framework of their legislation, to the fact of such compliance.

II. INSTRUCTS the Committee on Financial Markets to review the implementation of this Recommendation and report thereon to the Council by the end of 1973.

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