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ECON

Online

Adoption by Estonia of the single currency on 1 January 2011

On 1st of June ECON will consider the 13 amendments which have been tabled on the draft report presented by rapporteur and ECON Vice-chair E.Scicluna. ECON members will vote on 2 June, and plenary vote is scheduled for June, as the Council is to decide on the adoption of the euro by Estonia also in June, in line with the normal procedure that makes it possible for a new eurozone member to have 6 months to get ready for changeover after the decision.

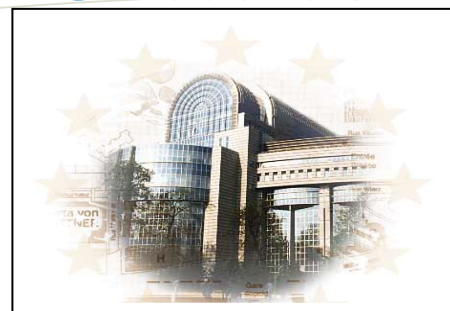
Last week, the rapporteur presented his draft report supporting the Commission's proposal in favour of the adoption of the euro by Estonia on 1 January 2011. A majority of Members expressed their strong support to Mr Scicluna's report and praised Estonia for its efforts and political will. Some questions were raised on the importance of the quality of statistics, the unemployment rate in Estonia and on the components of inflation.

Remuneration of directors of listed companies and remuneration policies in the financial services sector

This own initiative report reacts to two Commission recommendations of April 2009: the "Recommendation on remuneration policies in the financial services sector", and the "Recommendation complementing Recommendations 2004/913/EC and 2005/162/EC as regards the regime for the remuneration of directors of listed companies".

The rapporteur addresses the following issues in his draft report:

- effective governance of compensation (remuneration committee, independence);
- effective alignment of compensation with prudent risk-taking (long-term perspective, performance criteria, no guaranteed bonuses, malus and clawback arrangements);
- balanced structure of the remuneration package (fixed/variable pay, deferral, severance package);
- effective supervisory oversight and engagement by stakeholders (disclosure, binding principles needed, call for an impact assessment on EU bonus tax). The ECON discussion on 1 June will focus on the 84 Amendments that were tabled.



DETAILS OF THE MEETING

**Tuesday
1 June**

15:00 - 18:30

**Wednesday
2 June**

09:30 - 12:30

15:00 - 18:30

Room: PHS 1A002

Brussels

Basel II and revision of the Capital Requirements Directive (CRD 4)

The Rapporteur (Othmar Karas (EPP)) will present his draft report on the forthcoming changes to the prudential regulation and supervision of banks, including the capital adequacy rules. These are being discussed by the Basel Committee on Banking Supervision (hence the popular term "Basel 3") and by the Commission as further changes to the CRD (hence CRD 4). Key issues include leverage ratios, counter-cyclical capital requirements and dynamic provisioning. The Rapporteur calls for greater ECON involvement in the international policy making, especially in the Basel Committee work on capital requirements. He also calls for the special features of the EU banking industry, such as varying ownership structures and business models, to be taken into account and for the impact of any new measures on the real economy, especially SME's, to be assessed in advance.

Cross-Border Crisis Management in the Banking Sector

247 amendments have been put forward to the draft report on Cross-border crisis management in the banking sector prepared by MEP Elisa Ferreira.

The consideration of amendments will be an opportunity to discuss various issues raised by ECON Members, such as an efficient and effective cross-border crisis management framework, challenges posed by large cross-border groups, living wills, insolvency proceedings, intra-group transfers, intervention tools and powers of supervisors, burden sharing issue, resolution fund.

Other issues on this week's agenda:

- **Derivatives Markets: Future policy actions** - Werner Langen (PPE, DE) - consideration of amendments;
- **The interconnection of business registers** - Hans-Peter Martin (NI, AT) - consideration of amendments;
- **The Demographic Challenge and Solidarity between Generations** - Ashley Fox (ECR, UK) - consideration of draft opinion;
- **Funding and functioning of the European Globalisation Adjustment Fund** - Thomas Händel (GUE/NGL, DE) - consideration of draft opinion;
- **Consumer rights** - Sirpa Pietikäinen (PPE, FI) - consideration of draft opinion;
- **Quality of statistical data in the context of the excessive deficit procedure** - Othmar Karas (PPE, AT) - consideration of draft report;
- **Developing the job potential of a new sustainable economy** - Edward Scicluna (S&D, MT) - consideration of amendments;
- **Authentication of euro coins and handling of euro coins unfit for circulation** (Slavi Binev, NI, BG) - consideration of amendments;
- **Guidelines for the employment policies of the Member States** - Hans-Peter Martin (NI, AT) - consideration of draft opinion.

ECON is responsible for:

- economic and monetary policy, EMU;
- free movement of capital and payments;
- international monetary and financial system;
- competition and State or public aid;
- tax provisions;
- the regulation and supervision of financial services, institutions and markets including financial reporting, auditing, accounting rules, corporate governance and other company law matters specifically concerning FS.

ECON NEWSLETTER

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www.europarl.eu.int/committees/econ_home_en.htm

LOOKING AHEAD:

What's on the next meeting



Monday
14 June

Strasbourg

Highlights:

 CRD 3 report - vote