



26.4.2018

DRAFT OPINION

of the Committee on Legal Affairs

for the Committee on Economic and Monetary Affairs

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1092/2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board
(COM(2017)0538 – C8-0317/2017 – 2017/0232(COD))

Rapporteur for opinion: Kostas Chrysogonos

AMENDMENTS

The Committee on Legal Affairs calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The broad membership of the General Board of the ESRB is a major asset. Recent developments in the financial supervisory architecture of the Union, ***and in particular the set-up of a Banking Union, are however not reflected in the composition of that General Board. For that reason, the Chair of the Supervisory Board of the ECB and the Chair of the Single Resolution Board should become members with voting rights of the General Board of the ESRB. Corresponding adjustments should also be made to the Steering Committee and to the Advisory Technical Committee, respectively.***

Amendment

(3) The broad membership of the General Board of the ESRB is a major asset. Recent developments in the financial supervisory architecture of the Union ***should be taken into account also regarding*** the composition of that General Board.

Or. en

Amendment 2

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) The ECB President has chaired the ESRB for the first 5 years of its existence, after which the ECB President has continued to chair the ESRB on an interim basis. ***During that period, the ECB President has conferred authority and credibility to the ESRB and ensured that the ESRB can effectively build and rely on the expertise of the ECB in the area of financial stability. It is therefore appropriate that the ECB President chairs***

Amendment

(4) The ECB President has chaired the ESRB for the first 5 years of its existence, after which the ECB President has continued to chair the ESRB on an interim basis. ***Close cooperation between the ECB and the ESRB and the development of information flows are necessary in order to improve the ESRB's ability to effectively identify, analyse and monitor Union-wide systemic risks.***

the ESRB on a permanent basis.

Or. en

Amendment 3

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) To strengthen the visibility of the ESRB as a body that is separate from its individual members, the Chair of the ESRB should be able to delegate tasks related to the external representation of the ESRB to the head of the ESRB Secretariat.

Amendment

(5) ***The accountability, transparency and independency of the ESRB should be fully ensured and guaranteed. It is also necessary to enhance the ESRB's autonomy and visibility. That could be achieved by setting up the ESRB as an independent, reliable, macro-prudential authority.*** To strengthen the visibility of the ESRB as a body that is separate from its individual members, the Chair of the ESRB should be able to delegate tasks related to the external representation of the ESRB to the head of the ESRB Secretariat.

Or. en

Amendment 4

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) Article 3(2) of Council Regulation (EU) No 1096/2010⁶ provides that the head of the Secretariat of the ESRB is to be appointed by the ECB, in consultation with the General Board of the ESRB. To raise the profile of the head of Secretariat of the ESRB, the General Board of the ESRB should assess, in an open and transparent procedure, whether the shortlisted candidates for the position of head of Secretariat of the ESRB possess the

Amendment

(6) Article 3(2) of Council Regulation (EU) No 1096/2010⁶ provides that the head of the Secretariat of the ESRB is to be appointed by the ECB, in consultation with the General Board of the ESRB. To raise the profile of the head of Secretariat of the ESRB, the General Board of the ESRB should assess, in an open and transparent procedure, whether the shortlisted candidates for the position of head of Secretariat of the ESRB possess the

qualities and experience necessary to manage the ESRB Secretariat. The General Board should inform the European Parliament and the Council about the assessment procedure. Furthermore, the tasks of the head of the ESRB Secretariat should be clarified.

⁶ Council Regulation (EU) **NO** 1096/2010 of 17 November 2010 conferring specific tasks upon the European Central Bank concerning the functioning of the European Systemic Risk Board (OJ L 331, 15.12.2010, p. 162).

qualities and experience necessary to manage the ESRB Secretariat. The General Board should inform the European Parliament and the Council about the assessment procedure. Furthermore, the tasks of the head of the ESRB Secretariat should be *sufficiently explained and* clarified. ***The European Parliament and the Council should be able to ask the General Board for additional information.***

⁶ Council Regulation (EU) **No** 1096/2010 of 17 November 2010 conferring specific tasks upon the European Central Bank concerning the functioning of the European Systemic Risk Board (OJ L 331, 15.12.2010, p. 162).

Or. en

Amendment 5

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) Article 16(3) of Regulation (EU) No 1092/2010 requires that the ESRB warnings and recommendations are transmitted to the Council and the Commission and, where addressed to one or more national supervisory authorities, to the ESAs. To strengthen democratic control and transparency, those warnings and recommendations should also be transmitted to the European Parliament and to the ESAs.

Amendment

(10) Article 16(3) of Regulation (EU) No 1092/2010 requires that the ESRB warnings and recommendations are transmitted to the Council and the Commission and, where addressed to one or more national supervisory authorities, to the ESAs. To strengthen democratic control and transparency, those warnings and recommendations should also be transmitted ***without delay*** to the European Parliament and to the ESAs.

Or. en

Amendment 6

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) To ensure the quality and relevance of the ESRB opinions, recommendations and decisions, the Advisory Technical Committee and Advisory Scientific Committee are expected to consult stakeholders, where appropriate, at an early stage and in an open and transparent manner.

Amendment

(11) To ensure the quality and relevance of the ESRB opinions, recommendations and decisions, the Advisory Technical Committee and Advisory Scientific Committee are expected to consult stakeholders, where appropriate, at an early stage and in an open, ***pluralistic*** and transparent manner. ***It is necessary that the results of those consultations be properly taken into account.***

Or. en

Amendment 7

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point a

Regulation (EU) No 1092/2010

Article 4 – paragraph 2a

Text proposed by the Commission

2a. When consulted on the appointment of the head of Secretariat of the ESRB in accordance with Article 3(2) of Council Regulation (EU) No 1096/2010*, the General Board, following an open and transparent procedure, shall assess whether the shortlisted candidates for the position of head of Secretariat of the ESRB possess the qualities and experience necessary to manage the ESRB Secretariat. The General Board shall inform the European Parliament and the Council about the consultation procedure.

Amendment

2a. When consulted on the appointment of the head of Secretariat of the ESRB in accordance with Article 3(2) of Council Regulation (EU) No 1096/2010*, the General Board, following an open and transparent procedure, shall assess whether the shortlisted candidates for the position of head of Secretariat of the ESRB possess the qualities and experience necessary to manage the ESRB Secretariat. The General Board shall inform the European Parliament and the Council about the consultation procedure. ***The General Board shall in sufficient detail inform the European Parliament and the Council about the assessment and consultation procedure. The European Parliament and the Council may ask the General Board***

for additional information.

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout)

Or. en

Amendment 8

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point b

Regulation (EU) No 1092/2010

Article 4 – paragraph 3a

Text proposed by the Commission

3a. When giving directions to the head of Secretariat of the ESRB in accordance with Article 4(1) of Council Regulation (EU) No 1096/2010, the ESRB Chair and the Steering Committee may in particular address the following:

Amendment

3a. When giving directions to the head of Secretariat of the ESRB in accordance with Article 4(1) of Council Regulation (EU) No 1096/2010, the ESRB Chair and the Steering Committee may in particular address ***in a transparent manner*** the following:

Or. en

Amendment 9

Proposal for a regulation

Article 1 – paragraph 1 – point 2 – point a

Regulation (EU) No 1092/2010

Article 5 – paragraph 2

Text proposed by the Commission

2. The first Vice-Chair shall be ***elected by and from the members of the General Council*** of the ***ECB*** for a term of 5 years, with regard to the need for a balanced representation of Member States overall, ***and between those which are participating Member States as defined in Article 2(1) of Council Regulation (EU) No 1024/2013**, and those which are not.*** The first Vice-Chair may be re-elected

Amendment

2. The first Vice-Chair shall be ***appointed in a transparent manner by agreement between the heads of government of the eurozone countries and in consultation with the European Parliament*** for a term of 5 years, with regard to the need for a balanced ***and effective*** representation of Member States overall. The first Vice-Chair may be re-

once.

elected once.

Or. en

Amendment 10

Proposal for a regulation

Article 1 – paragraph 1 – point 3 – point a – point i

Regulation (EU) No 1092/2010

Article 6 – paragraph 1 – point fa

Text proposed by the Commission

Amendment

(fa) the Chair of the Supervisory Board of the ECB; *deleted*

Or. en

Amendment 11

Proposal for a regulation

Article 1 – paragraph 1 – point 6 – point a

Regulation (EU) No 1092/2010

Article 12 – paragraph 5

Text proposed by the Commission

Amendment

5. Where appropriate, the Advisory Scientific Committee shall organise consultations with stakeholders at an early stage and in an open and transparent manner, while taking into account the requirement of confidentiality.;

“5. Where appropriate, the Advisory Scientific Committee shall organise consultations with stakeholders at an early stage and in an open, *pluralistic* and transparent manner, while taking into account the requirement of confidentiality.”

Or. en

Amendment 12

Proposal for a regulation

Article 1 – paragraph 1 – point 7 – point a – point ii

Regulation (EU) No 1092/2010

Article 13 – paragraph 1 – point fa

Text proposed by the Commission

Amendment

(fa) a representative of the Supervisory Board of the ECB;

deleted

Or. en

Amendment 13

Proposal for a regulation

Article 1 – paragraph 1 – point 8 – point a

Regulation (EU) No 1092/2010

Article 16 – paragraph 2 – first sentence

Text proposed by the Commission

Amendment

Warnings or recommendations issued by the ESRB in accordance with points (c) and (d) of Article 3(2) may be of either a general or a specific nature and shall be addressed in particular to the Union, to one or more Member States, to one or more of the ESAs or to one or more of the national competent authorities, or to the ECB for the tasks conferred to the ECB in accordance with Articles 4(1), 4(2) and 5(2) of Regulation (EU) No 1024/2013.;

“Warnings or recommendations issued by the ESRB in accordance with points (c) and (d) of Article 3(2) may be of either a general or a specific nature and shall be addressed in particular to the Union, to one or more Member States, to one or more of the ESAs or to one or more of the national competent authorities, or to the ECB for the tasks conferred to the ECB in accordance with Articles 4(1), 4(2) and 5(2) of Regulation (EU) No 1024/2013. ***Those warnings and recommendations shall be sufficiently detailed and reasoned.***”

Or. en

Amendment 14

Proposal for a regulation

Article 1 – paragraph 1 – point 9

Regulation (EU) No 1092/2010

Article 17 – paragraph 1

Text proposed by the Commission

Amendment

1. If a recommendation referred to in Article 3(2)(d) is addressed to the

“1. If a recommendation referred to in Article 3(2)(d) is addressed to the

Commission, to one or more Member States, to one or more ESAs, or to one or more national competent authorities, the addressees shall communicate to the European Parliament, the Council and to the ESRB the actions undertaken in response to the recommendation and shall substantiate any inaction. Where relevant, the ESRB shall, subject to strict rules of confidentiality, inform the ESAs of the answers received without delay.”;

Commission, to one or more Member States, to one or more ESAs, or to one or more national competent authorities, the addressees shall communicate ***in sufficient detail and without delay*** to the European Parliament, the Council and to the ESRB the actions undertaken in response to the recommendation and shall substantiate any inaction. Where relevant, the ESRB shall, subject to strict rules of confidentiality, inform the ESAs of the answers received without delay ***and in sufficient detail. The rule of law, fundamental rights, as well as the principle of state sovereignty, shall be respected in full.***”

Or. en