

Newsletter

June 2017

Public hearing with Danièle Nouy, Chair of the Supervisory Board of the ECB



ECON will hold a public hearing on **Monday 19 June 2017 at 15:00** with the Chair of the Supervisory Board of the ECB, Ms Danièle Nouy. This is the second public hearing this year with Ms Nouy in the framework of the Single Supervisory Mechanism (SSM). Possible topics for the exchange of views with ECON Members include the ongoing work on the Commission proposals on the banking reform package, the implications of Brexit for the EU banking sector and the follow-up to the ECB guidance to banks on non-performing loans as well as a recent decision on a failing bank in Spain. A briefing will be available [here](#).



Economic dialogue with Edward Scicluna, ECOFIN President and Minister for Finance of Malta



On **Monday 19 June at 16:30**, Minister Edward Scicluna, Chair of the ECOFIN, will attend a hearing in front of the ECON Committee during which he will discuss the progress made over the Maltese Presidency, and the remaining challenges. Finance Ministers of the countries holding the rotating presidency are heard twice, first at the beginning of their presidency, and then at the end. It is an opportunity to take stock of files that have been concluded and to discuss the way forward.

Structured Dialogue with Valdis Dombrovskis, Vice-President for the Euro and Social Dialogue, also in charge of Financial Stability, Financial Services and Capital Markets Union



On **Tuesday 20 June at 15.00**, Vice-President Dombrovskis will appear before ECON in respect of his responsibility for Financial Stability, Financial Services and Capital Markets Union (CMU). The appearance comes shortly after the Commission's announcement of its [mid-term review](#) of the CMU and after the meeting of Economic and Finance Ministers in the Council, expected to review progress in the Banking Union.

CRR II – IFRS 9 and Large Exposure Transitional Arrangements

The Commission Proposal ([COM\(2016\)0850](#)) amending the Capital Requirements Regulation (CRR) includes provisions regarding transitional arrangements for mitigating the impact on the introduction of IFRS 9 on own funds and large exposure treatment of certain public sector exposures. With the aim of allowing for a timely entering into force, these provisions are split from the main text and dealt with in a separate procedure ([2016/0360B \(COD\)](#)). The main parts of the CRR II Proposal will be covered by a separate draft report (2016/0360A(COD)).

DETAILS OF MEETINGS

ECON

Monday 19 June 2017,
15.00 – 18.30

Tuesday 20 June 2017,
09.00 - 12.30 & 15.00 - 18.30

Brussels, Room: Józef Antall (JAN) 4Q2

Legitimate measures to protect whistle blowers acting in the public interest when disclosing the confidential information of companies and public

On **Tuesday 20 June at 9.00**, the Committee will consider the [draft opinion](#) drafted by Mrs Molly Scott Cato (Greens, UK). In her opinion, the rapporteur notably calls on the European Commission to present an EU comprehensive legislation to protect whistleblowers which would cover all sectors (compared to the existing rules applicable in the financial sector). She also considers that whistleblowers should be protected not only in case of reporting of illegal activities but also of wrongdoing and any information that is in the public interest. The lead Committee for the INI report on the protection of whistleblowers is the JURI Committee while ECON has exclusive competences on the protection of whistle-blowers as far as the financial sector legislation is concerned.

Economic policies in the euro area

On **Tuesday 20 June at 9.30**, Gunnar Hökmark (EPP, SE) will present the [draft report](#) on the economic policies of the Euro Area. The draft report welcomes the good performance of the European economy, although supported only by a moderate GDP growth. Furthermore, the draft Report highlights the fundamental role for the stability of the euro area, and the Union as a whole, played by prudent fiscal policies. With regard to Country-specific recommendations, the draft Report recognises that Member States made progress in the area of fiscal policy and active labour market policies, while calling for a greater commitment by Member States to take the necessary policy actions based on the CSRs (see [EP briefing on CSRs](#)). Finally, the draft Report underlines the importance for all Member States to take the necessary policy action to address imbalances, and to commit to structural reforms with a view to ensure the overall competitiveness and resilience of the European economy.

Value added tax obligations for supplies of services and distance sales of goods

On **Tuesday 20 June at 11.15**, the Committee will consider the [draft report](#) by the Rapporteur, Mr Cătălin Sorin Ivan (S&D, RO). In his report, the Rapporteur broadly welcomes the Commission's proposal which aims to simplify VAT rules regarding cross-border e-commerce, reduce compliance costs and boost both intra- and extra- EU trade by eradicating the existing competitiveness distortion created by non EU-businesses making VAT-free supplies into the EU. The rapporteur welcomes the Commission suggestion to make online platforms liable for the collection of VAT in supplies of services. However, he also suggests to hold platforms liable for the collection of VAT when they act as intermediaries in supplies of goods imported from third countries. He also welcomes the proposal to extend the mini One Stop Shop for electronic services (MOSS) to include online supplies of goods and to extend all cross-border services to end consumers. Finally, the rapporteur welcomes the removal of the VAT exemption on imports of small consignments.

Combating inequalities as a lever to boost job creation and growth

On **Tuesday 20 June at 16.30**, Marisa Matias (GUE/NGL, PT) will present the her [draft opinion](#) on combating inequalities as a lever to boost job creation and growth. The Rapporteur - while underlining how in some economic theories inequality concerns are set against efficiency - argues that equality policies can help foster growth and job creation, and that equality can be, to some extent, both a cause and a consequence of good economic performance. Furthermore, the draft opinion points out that investment creates jobs and unemployment is obviously one of the main causes of inequality. Finally, the draft opinion states that attaining higher levels of education for the general population contributes not just to reducing income inequality, but also to fighting social and cultural exclusion.

Scrutiny of delegated acts and other implementing measures

The EBA published its [draft regulatory technical standards \(RTS\) on the separation of the payment card schemes and processing entities](#) (EBA/RTS/2016/05) under Article 7 (6) IFR on 27 July 2016. The EU Commission proposed six amendments to the text - all with a view to strengthening the

LOOKING AHEAD : What's on the next meeting?

11 July, 9.00 – 12.30 & 15.00 – 18.30
(room PHS 1A002)

- Economic dialogue and exchange of views with Sven Sester, Minister of Finance of Estonia
- Public hearing with Elke König, Chair of the Single Resolution Board

separation and independence requirements; see [letter](#) of 5 January 2017 (COMP/D1/DF/Ib D(2017) 000832). On 16 February 2017, the EBA has issued an [opinion](#) (EBA/Op/2017/01) on the amendments. The EBA disagrees with three changes that appear to assume that card schemes and processing entities are, or should be, treated as if they were legally and structurally separate which the IFR does not require. The scrutiny session on **Tuesday 20 June 2017 at 17.30** will discuss the three points where the Commission and the EBA deviate. For the latest scrutiny paper, click [here](#).

Other items on the agenda

- Consideration of the [draft report](#) on administrative cooperation and combating fraud in the field of value added tax (Luděk Niedermayer, EPP, CS)
- Consideration of the [draft report](#) on the Action Plan on Retail Financial Services (Olle Ludvigsson, S&D, SE)
- Vote on the [draft report](#) on Towards a pan-European covered bonds framework (Bernd Lucke, ECR, DE)
- Vote on the [draft opinion](#) Minimum income policies as a tool to tackle poverty (Miguel Viegas, GUE, PT)

ECON is responsible for:

- 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 financial services,
- free movement of capital and payments,
- taxation and competition policies,
- international monetary and financial system.

For further information, please contact ECON Secretariat : econ-secretariat@europarl.europa.eu

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