

# EUROPEAN PARLIAMENT

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**A6-0422/2007**

7.11.2007

## **\*\*\*I REPORT**

on the proposal for a directive of the European Parliament and of the Council amending Directive 2002/87/EC relating to the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate as regards the implementing powers conferred on the Commission  
(COM(2006)0916 – C6-0014/2007 – 2006/0300(COD))

Committee on Economic and Monetary Affairs

Rapporteur: Pervenche Berès

### ***Symbols for procedures***

- \* Consultation procedure  
*majority of the votes cast*
- \*\*I Cooperation procedure (first reading)  
*majority of the votes cast*
- \*\*II Cooperation procedure (second reading)  
*majority of the votes cast, to approve the common position  
majority of Parliament's component Members, to reject or amend  
the common position*
- \*\*\* Assent procedure  
*majority of Parliament's component Members except in cases  
covered by Articles 105, 107, 161 and 300 of the EC Treaty and  
Article 7 of the EU Treaty*
- \*\*\*I Codecision procedure (first reading)  
*majority of the votes cast*
- \*\*\*II Codecision procedure (second reading)  
*majority of the votes cast, to approve the common position  
majority of Parliament's component Members, to reject or amend  
the common position*
- \*\*\*III Codecision procedure (third reading)  
*majority of the votes cast, to approve the joint text*

(The type of procedure depends on the legal basis proposed by the Commission.)

### ***Amendments to a legislative text***

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

## CONTENTS

	<b>Page</b>
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION .....	5
EXPLANATORY STATEMENT .....	8
PROCEDURE.....	9



## DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a directive of the European Parliament and of the Council amending Directive 2002/87/EC relating to the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate as regards the implementing powers conferred on the Commission (COM(2006)0916 – C6-0014/2007 – 2006/0300(COD))**

**(Codecision procedure: first reading)**

*The European Parliament,*

- having regard to the Commission proposal to the European Parliament and the Council (COM(2006)0916)
  - having regard to Article 251(2) and Article 47(2) of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C6-0014/2007),
  - having regard to Rule 51 of its Rules of Procedure,
  - having regard to the report of the Committee on Economic and Monetary Affairs (A6-0422/2007),
1. Approves the Commission proposal as amended;
  2. Calls on the Commission to refer the matter to Parliament again if it intends to amend the proposal substantially or replace it with another text;
  3. Instructs its President to forward its position to the Council and the Commission.

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Text proposed by the Commission

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Amendments by Parliament

Amendment 1  
RECITAL 5 A (new)

***(5a) The Commission should, at regular intervals, evaluate the functioning of the provisions concerning the implementing powers conferred on it in order to allow the European Parliament and the Council to determine whether the extent of those powers and the procedural requirements imposed on the Commission are appropriate and ensure both efficiency and democratic accountability.***

*Justification*

*This recital refers to the introduction of a new review clause.*

Amendment 2

ARTICLE 1, POINT 2, POINT (B)

Article 21, paragraphs 3 and 4 (Directive 2002/87/EC)

(b) Paragraphs 3 and 4 are *deleted*.

(b) Paragraphs 3 and 4 are *replaced by the following:*

***"3. By 31 December 2009 and, thereafter, at least every 3 years, the Commission shall review the provisions concerning its implementing powers and present a report to the European Parliament and to the Council on the functioning of those provisions and on the need for any modifications thereto. The Commission shall examine, in particular, the need for any modifications in order to ensure an appropriate delimitation of the implementing powers conferred on it and full respect for all conditions applicable to the exercise of those powers. The report shall be accompanied by a legislative proposal to modify those provisions. Should the report conclude that there is no need for any modification to existing provisions, it shall set out a detailed statement of reasons explaining why none is deemed to be necessary."***

*Justification*

*Introduction of a review clause in order to regularly assess the well functioning of the Lamfalussy procedure.*

## EXPLANATORY STATEMENT

Following the revision of the Council decision 1999/468/EC in July 2006 a new comitology procedure, the regulatory procedure with scrutiny, has been introduced.

The regulatory procedure with scrutiny significantly increases the European Parliament's rights of oversight of implementing measures and gives the European Parliament the right not only to exercise scrutiny of a draft implementing measure, but it also extends the grounds on the basis of which the European Parliament may oppose a draft measure or may propose amendments to a draft implementing measure.

In order to reflect amendments to the Council decision 1999/468/EC, the European Parliament has drafted a list of priority acts to be aligned with the new regulatory procedure with scrutiny

Directive 2002/87/EC establishes a regulatory framework for supplementary supervision of regulated entities, which are in a financial conglomerate. Comitology provisions have been foreseen for certain definitions including definitions of calculation methods, for alignment of terminology and for adopted provisions on risk concentration and intra-group transactions.

In general the Rapporteur supports the introduction of the new regulatory procedure with scrutiny for this Directive (2004/39/EC), feels however that the recitals and articles referring to the so called "sunset clause" should be kept, since there are still some remaining questions to be solved between the EU institutions as to the new procedure.

## PROCEDURE

<b>Title</b>	Supervision of credit institutions, insurance undertakings and investment firms (implementing powers conferred on the Commission)		
<b>References</b>	COM(2006)0916 - C6-0014/2007 - 2006/0300(COD)		
<b>Date submitted to Parliament</b>	22.12.2006		
<b>Committee responsible</b> Date announced in plenary	ECON 17.1.2007		
<b>Rapporteur(s)</b> Date appointed	Pervenche Berès 13.2.2007		
<b>Discussed in committee</b>	10.9.2007	24.9.2007	5.11.2007
<b>Date adopted</b>	5.11.2007		
<b>Result of final vote</b>	+: -: 0:	33 0 0	
<b>Members present for the final vote</b>	Mariela Velichkova Baeva, Zsolt László Becsey, Pervenche Berès, Slavi Binev, Sharon Bowles, Udo Bullmann, Christian Ehler, Jonathan Evans, Donata Gottardi, Benoît Hamon, Karsten Friedrich Hoppenstedt, Othmar Karas, Piia-Noora Kauppi, Wolf Klinz, Christoph Konrad, Andrea Losco, Gay Mitchell, Cristobal Montoro Romero, John Purvis, Alexander Radwan, Antolín Sánchez Presedo, Olle Schmidt, Peter Skinner, Margarita Starkevičiūtė, Ieke van den Burg, Sahra Wagenknecht		
<b>Substitute(s) present for the final vote</b>	Harald Ettl, Ján Hudacký, Werner Langen, Gianni Pittella, Margaritis Schinas		
<b>Substitute(s) under Rule 178(2) present for the final vote</b>	Cornelis Visser, Jamila Madeira		