

# EUROPEAN PARLIAMENT

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**A6-0450/2008**

17.11.2008

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## **REPORT**

on the proposal for a Council regulation amending Regulation (EC) No 332/2002 establishing a facility providing medium-term financial assistance for Member States' balances of payments  
(COM(2008)0717 – C6-0389/2008 – 2008/0208(CNS))

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***. In the case of amending acts, passages in an existing provision that the Commission has left unchanged, but that Parliament wishes to amend, are highlighted in **bold**. Any deletions that Parliament wishes to make in passages of this kind are indicated thus: [...]. 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). Suggested corrections of this kind are subject to the agreement of the departments concerned.

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## DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a Council regulation amending Regulation (EC) No 332/2002 establishing a facility providing medium-term financial assistance for Member States' balances of payments  
(COM(2008)0717 – C6-0389/2008 – 2008/0208(CNS))**

**(Consultation procedure)**

*The European Parliament,*

- having regard to the Commission proposal to the Council (COM(2008)0717),
  - having regard to Article 308 of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0389/2008),
  - having regard to Council Regulation (EC) No 332/2002 of 18 February 2002 establishing a facility providing medium-term financial assistance for Member States' balances of payments<sup>1</sup> and its resolutions of 6 September 2001 on medium-term financial assistance for Member States' balances of payments<sup>2</sup> and xx November 2008 on establishing a facility providing medium-term financial assistance for Member States' balances of payments<sup>3</sup>,
  - having regard to Rule 51 of its Rules of Procedure,
  - having regard to the report of the Committee on Economic and Monetary Affairs (A6-0450/2008),
1. Approves the Commission proposal as amended;
  2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
  3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
  4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
  5. Instructs its President to forward its position to the Council, the Commission, and the governments of the Member States.

### **Amendment 1**

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<sup>1</sup> OJ L 53, 23.2.2002, p. 1.

<sup>2</sup> OJ C 72 E, 21.3.2002, p 312.

<sup>3</sup> Texts adopted, xxxx

**Proposal for a regulation – amending act**  
**Recital 2**

*Text proposed by the Commission*

*Amendment*

***(2) An ad hoc procedure should be foreseen for future revisions of that ceiling, with a view to improving the capacity of the Community to react quickly to major changes in the financial environment affecting the total amount of support potentially needed by the Member States.***

***(2) In the event of exceptional situations that could require a quick Community response to major changes in the financial environment, the European Parliament, the Council, the Commission and the Member States should act speedily in order to ensure that market confidence is not undermined.***

*Justification*

*Article 119 of the Treaty stipulates the possibility of involvement of Member States concerned in the medium-term macroeconomic financial assistance.*

**Amendment 2**

**Proposal for a regulation – amending act**  
**Article 1– paragraph 2**  
Regulation (EC) No 332/2002  
Article 1 – paragraph 3

*Text proposed by the Commission*

*Amendment*

***The following paragraph 3 is added:***

***deleted***

***"Where a serious deterioration of the financial environment calls for urgent Community medium term financial assistance to several Member States, the Commission may decide a revision of the ceiling after having received the opinion from the Economic and Financial Committee as regards both the urgent need to revise the ceiling and the revised ceiling itself. The new ceiling shall enter into force on the day following that of its publication in the Official Journal of the European Union."***

**Amendment 3**

**Proposal for a regulation – amending act**

**Article 1 a (new)**

Regulation (EC) No 332/2002

Article 10

*Text proposed by the Commission*

*Amendment*

***Article 10 of Regulation (EC) No 332/2002 is replaced by the following:***

***"Every two years and more frequently if appropriate, the Council shall examine, on the basis of a report from the Commission, and after consulting the European Parliament and after delivery of the Economic and Financial Committee's opinion, whether the facility established still meets, in its principle, arrangements and ceiling, the need which led to its creation."***

## EXPLANATORY STATEMENT

Council regulation (EC) 332/2002 establishes on the basis of articles 119 and 308 of the treaty a facility providing medium-term financial assistance for Member States balances of payments, replacing the former instrument created by the Council Regulation n°1969/88. This facility implements the mechanism foreseen by the Article 119 of the Treaty, whereby the Community can grant a mutual assistance to a Member State "in difficulties or seriously threatened with difficulties as regards its balance of payments either as a result of an overall disequilibrium in its balance of payments or as a result of the type of currency at its disposal", provided this Member State does not belong to the euro area.

With the adoption in February 2002 of this regulation the threshold was lowered the threshold existing in the former regulation from EUR 16 billion to EUR 12 billion because of the entering into force of the euro, whereby Members inside the eurozone were no more eligible to provisions of article 119 related to the balance of payments. Since then the EU has been enlarged and the number of Member States not participating in the EMU has increased substantially. Against that background and given the evolution of the international financial context the Commission considers that the ceiling should be raised to 25 billion Euro.

Moreover, the Commission also considers it necessary to establish a specific procedure for revising the ceiling when there is an urgent need. The Commission finds that it should be have the possibility to decide a revision of the ceiling, after having received the opinion of the Economic and Financial Committee (EFC) on both the urgent need to do it and the new ceiling to introduce.

Your rapporteur considers that it is reasonable to raise the ceiling to 25 billion. However, there does not seem to be any need to establish a specific procedure for allowing the Commission to revise the ceiling outside the normal decision making procedures. Nevertheless, it might be appropriate to confirm that the institutions are willing to act fast when necessary.



## PROCEDURE

<b>Title</b>	A facility providing financial assistance for Member States' balances of payments
<b>References</b>	COM(2008)0717 – C6-0389/2008 – 2008/0208(CNS)
<b>Date of consulting Parliament</b>	7.11.2008
<b>Committee responsible</b> Date announced in plenary	ECON
<b>Committee(s) asked for opinion(s)</b> Date announced in plenary	BUDG
<b>Not delivering opinions</b> Date of decision	BUDG 5.11.2008
<b>Rapporteur(s)</b> Date appointed	Pervenche Berès 7.11.2008
<b>Discussed in committee</b>	17.11.2008
<b>Date adopted</b>	17.11.2008
<b>Result of final vote</b>	+: 27 -: 1 0: 1
<b>Members present for the final vote</b>	Mariela Velichkova Baeva, Zsolt László Becsey, Pervenche Berès, Sharon Bowles, Udo Bullmann, Christian Ehler, Elisa Ferreira, Jean-Paul Gauzès, Robert Goebbels, Donata Gottardi, Gunnar Hökmark, Karsten Friedrich Hoppenstedt, Sophia in 't Veld, Othmar Karas, Wolf Klinz, Kurt Joachim Lauk, Hans-Peter Martin, Gay Mitchell, Sirpa Pietikäinen, Alexander Radwan, Eoin Ryan, Antolín Sánchez Presedo, Peter Skinner, Margarita Starkevičiūtė, Ivo Strejček
<b>Substitute(s) present for the final vote</b>	Harald Ettl, Piia-Noora Kauppi, Alain Lipietz, Gianni Pittella