AMENDMENTS
58 - 197

Draft report
Jakob von Weizsäcker
(PE629.500v01-00)

Sovereign bond-backed securities

Proposal for a regulation
Amendment 58
Jörg Meuthen

Proposal for a regulation

Proposal for rejection

The European Parliament rejects the Commission proposal.

Or. de

Amendment 59
Martin Schirdewan

Proposal for a regulation

Proposal for rejection

The European Parliament rejects the Commission proposal.

Or. en

Amendment 60
Caroline Nagtegaal, Wolf Klinz

Proposal for a regulation

Proposal for rejection

The European Parliament rejects the Commission proposal.

Or. en

Amendment 61
Markus Ferber
Proposal for a regulation

Proposal for rejection

The European Parliament rejects the Commission proposal.

Amendment 62
Enrique Calvet Chambon

Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) Sovereign Bond-Backed Securities (‘SBBSs’) can address some vulnerabilities that have been exposed by or have resulted from the 2007-2008 financial crisis. More specifically, SBBSs can help banks and other financial institutions better diversify their sovereign exposures, further weaken the bank-sovereign nexus and enhance the supply of low-risk euro denominated assets. SBBSs could in addition render bonds issued in small and less liquid national markets more attractive for international investors, which can foster private sector risk sharing and risk reduction and promote a more efficient allocation of risks among financial operators.

Amendment

(1) Sovereign Bond-Backed Securities (‘SBBSs’) can address some vulnerabilities that have been exposed by or have resulted from the 2007-2008 financial crisis. More specifically, SBBSs can help banks and other financial institutions better diversify their sovereign exposures, further weaken the bank-sovereign nexus and enhance the supply of low-risk euro denominated assets facilitating the implementation of monetary policy and working as another step for a future fiscal union. SBBSs could in addition render bonds issued in small and less liquid national markets more attractive for international investors, which can foster private sector risk sharing and risk reduction and promote a more efficient allocation of risks among financial operators.

Amendment 63
Bernd Lucke

Proposal for a regulation
Recital 1

*Text proposed by the Commission*

(1) Sovereign Bond-Backed Securities (‘SBBSs’) *can* address some vulnerabilities that have been exposed by or have resulted from the 2007-2008 financial crisis. More specifically, SBBSs *can* help banks and other financial institutions better diversify their sovereign exposures, further weaken the bank-sovereign nexus and enhance the supply of low-risk euro denominated assets. SBBSs could in addition render bonds issued in small and less liquid national markets more attractive for international investors, which can foster private sector risk sharing and risk reduction and promote a more efficient allocation of risks among financial operators.

*Amendment*

(1) Sovereign Bond-Backed Securities (‘SBBSs’) *might be able to* address some vulnerabilities that have been exposed by or have resulted from the 2007-2008 financial crisis. More specifically, SBBSs *might be able to* help banks and other financial institutions better diversify their sovereign exposures, further weaken the bank-sovereign nexus and enhance the supply of low-risk euro denominated assets. SBBSs could in addition render bonds issued in small and less liquid national markets more attractive for international investors, which can foster private sector risk sharing and risk reduction and promote a more efficient allocation of risks among financial operators.

Or. en

Amendment 64
Jörg Meuthen

Proposal for a regulation
Recital 1 a (new)

*Text proposed by the Commission*

(1a) As there are risks in everything, the fiction of regulatory zero risk weight does not conform to reality. At the same time, zero risk weight has created a regulatory privilege for sovereign bonds and is the major reason that there is a nexus between banks and sovereigns in the first place. Artificially creating SBBS as yet another privileged asset will neither weaken nor break the nexus, but enhance it.

*Amendment*

(1a) As there are risks in everything, the fiction of regulatory zero risk weight does not conform to reality. At the same time, zero risk weight has created a regulatory privilege for sovereign bonds and is the major reason that there is a nexus between banks and sovereigns in the first place. Artificially creating SBBS as yet another privileged asset will neither weaken nor break the nexus, but enhance it.

Or. en
Amendment 65
Jörg Meuthen

Proposal for a regulation
Recital 1 b (new)

Text proposed by the Commission

(1b) A competitive and sustainable financial industry that aims to serve its customers can only be created by abolishing regulatory privileges, which in fact have the same effect as subsidies. The idea of the rule of law demands equal treatment, a level playing field, and ending regulatory privilege that favours big corporates.

Or. en

Amendment 66
Enrique Calvet Chambon

Proposal for a regulation
Recital 2

Text proposed by the Commission

(2) Under the existing legal framework, SBBSs would be treated as securitisations and thus be subject to additional charges and discounts relative to the charges and discounts faced by the euro area sovereign bonds in the underlying portfolio. Those additional charges and discounts would hinder the production and use of SBBSs by the private sector, despite the fact that SBBSs do not carry the risks associated with securitisations that justify such charges and discounts. SBBS should therefore be subject to a regulatory framework that better takes into account the unique features and properties of SBBSs to enable that product to emerge on

(2) Under the existing legal framework, SBBSs would be treated as securitisations and thus be subject to additional charges and discounts relative to the charges and discounts faced by the euro area sovereign bonds in the underlying portfolio. Those additional charges and discounts would hinder the production and use of SBBSs by the private and public sector, despite the fact that SBBSs do not carry the risks associated with securitisations that justify such charges and discounts. SBBS should therefore be subject to a regulatory framework that better takes into account the unique features and properties of SBBSs to enable that product to emerge on
the market. To that end, the removal of regulatory obstacles is necessary.

Amendment 67
Bernd Lucke

Proposal for a regulation
Recital 2

Text proposed by the Commission

(2) Under the existing legal framework, SBBSs would be treated as securitisations and thus be subject to additional charges and discounts relative to the charges and discounts faced by the euro area sovereign bonds in the underlying portfolio. Those additional charges and discounts would hinder the production and use of SBBSs by the private sector, despite the fact that SBBSs do not carry the risks associated with securitisations that justify such charges and discounts. SBBS should therefore be subject to a regulatory framework that better takes into account the unique features and properties of SBBSs to enable that product to emerge on the market. To that end, the removal of regulatory obstacles is necessary.

Amendment

(2) Under the existing legal framework, SBBSs would be treated as securitisations and thus be subject to additional charges and discounts relative to the charges and discounts faced by the euro area sovereign bonds in the underlying portfolio. Those additional charges and discounts would hinder the production and use of SBBSs by the private sector, despite the fact that SBBSs carry lesser risks than those associated with other types of securitisations. However, some risks such as warehouse risks or fraudulent behaviour by SPE staff prevail. SBBS should therefore be subject to a regulatory framework that better takes into account the features and properties of SBBSs to enable that product to emerge on the market.

Amendment 68
Bernd Lucke

Proposal for a regulation
Recital 2 a (new)

Text proposed by the Commission

(2a) A sufficiently large first-loss
tranche outside the banking system will be key to reducing the bank-sovereign nexus. Accordingly, only the senior tranche of SBBSs should enjoy the full removal of regulatory restrictions for securitisation provided for in this Regulation.

Amendment 69
Fulvio Martusciello
Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) Enabling a market-led development of SBBSs is part of the Commission's efforts to reduce risks to financial stability and advance towards completion of the Banking Union. SBBSs could support further portfolio diversification in the banking sector, while creating a new source of high-quality collateral, which is particularly suited for use in cross-border financial transactions. Furthermore, enabling SBBSs could also increase the number of instruments available for cross-border investment and risk sharing, which feeds into the Commission's efforts to deepen and integrate further Europe's capital markets in the context of the Capital Markets Union.

Amendment

(3) Enabling a market-led development of SBBSs is part of the Commission's efforts to reduce risks to financial stability and advance towards completion of the Banking Union. SBBSs could support further portfolio diversification in the banking sector, while creating a new source of high-quality collateral, which is particularly suited for use in cross-border financial transactions as well as for the activities of central banks in the Eurosystem and those of central counterparties. Furthermore, enabling SBBSs could also increase the number of instruments available for cross-border investment and risk sharing, which feeds into the Commission's efforts to deepen and integrate further Europe's capital markets in the context of the Capital Markets Union.

Amendment 70
Enrique Calvet Chambon
Proposal for a regulation
Recital 3

**Text proposed by the Commission**

(3) Enabling a market-led development of SBBSs is part of the Commission's efforts to reduce risks to financial stability and advance towards completion of the Banking Union. SBBSs could support further portfolio diversification in the banking sector, while creating a new source of high-quality collateral, which is particularly suited for use in cross-border financial transactions. Furthermore, enabling SBBSs could also increase the number of instruments available for cross-border investment and risk sharing, which feeds into the Commission's efforts to deepen and integrate further Europe's capital markets in the context of the Capital Markets Union.

**Amendment**

(3) Enabling a market-led development of SBBSs is part of the Commission's efforts to reduce risks to financial stability and advance towards completion of the Banking Union. SBBSs could support further portfolio diversification in the banking sector, while creating a new source of high-quality collateral, which is particularly suited for use in cross-border financial transactions. Furthermore, enabling SBBSs could also increase the number of instruments available for cross-border investment and risk sharing, which feeds into the Commission's efforts to complete Banking Union and deepen and integrate further Europe's capital markets in the context of the Capital Markets Union.

Or. en

**Amendment 71**

**Ernest Urtasun**
on behalf of the Verts/ALE Group

**Proposal for a regulation**

Recital 4

**Text proposed by the Commission**

(4) SBBSs do not involve any mutualisation of risks and losses among Member States because Member States will not mutually guarantee their respective liabilities within the portfolio of sovereign bonds underlying the SBBSs. Enabling the emergence of SBBSs neither involves any changes to the current regulatory treatment of sovereign exposures.

**Amendment**

(4) SBBSs do not involve any mutualisation of risks and losses among Member States because Member States will not mutually guarantee their respective liabilities within the portfolio of sovereign bonds underlying the SBBSs. Enabling the emergence of SBBSs neither involves any changes to the current regulatory treatment of sovereign exposures. However, risk sharing and joint fiscal facilities are ultimately needed to deal with future sovereign debt crises in the Eurozone.
Over the medium term, a gradual mutualisation of sovereign debt instruments should be implemented through, inter alia, Eurobonds. This will allow a gradual reduction of debt-to-GDP ratios and compliance with the economic governance framework as well as social and environmental targets.

Amendment 72
Bernd Lucke
Proposal for a regulation
Recital 5

Text proposed by the Commission

(5) To achieve the objectives of geographic risk diversification within the Banking Union and the internal market, the underlying portfolio of SBBSs should be composed of sovereign bonds of Member States whose currency is the euro. To avoid currency risks only euro-denominated sovereign bonds issued by Member States whose currency is the euro should be allowed for inclusion in the SBBSs underlying portfolio. To ensure that sovereign bonds of each euro-area Member State contribute to the production of SBBSs in line with each Member State's stake in the stability of the overall euro area, the relative weight of the national sovereign bonds in the SBBSs' underlying portfolio should be very close to the relative weight of the respective Member States in the key for subscription by the national central banks of Member States of the European Central Bank's capital.

Amendment

(5) The underlying portfolio of SBBSs should be composed of sovereign bonds of Member States whose currency is the euro. To avoid currency risks only euro-denominated sovereign bonds issued by Member States whose currency is the euro should be allowed for inclusion in the SBBSs underlying portfolio.
Amendment 73
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 5

Text proposed by the Commission

(5) To achieve the objectives of geographic risk diversification within the Banking Union and the internal market, the underlying portfolio of SBBSs should be composed of sovereign bonds of Member States whose currency is the euro. To avoid currency risks only euro-denominated sovereign bonds issued by Member States whose currency is the euro should be allowed for inclusion in the SBBSs underlying portfolio. To ensure that sovereign bonds of each euro-area Member State contribute to the production of SBBSs in line with each Member State’s stake in the stability of the overall euro area, the relative weight of the national sovereign bonds in the SBBSs’ underlying portfolio should be very close to the relative weight of the respective Member States in the key for subscription by the national central banks of Member States of the European Central Bank’s capital.

Amendment

(5) To achieve the objectives of geographic risk diversification within the Banking Union and the internal market, the underlying portfolio of SBBSs should be composed of sovereign bonds of Member States whose currency is the euro. To avoid currency risks only euro-denominated sovereign bonds issued by Member States whose currency is the euro should be allowed for inclusion in the SBBSs underlying portfolio. To ensure that sovereign bonds of each euro-area Member State contribute to the production of SBBSs in line with each Member State’s stake in the stability of the overall euro area, the relative weight of the national sovereign bonds in the SBBSs’ underlying portfolio should be a function of, firstly, the relative weight of the respective Member States in the key for subscription by the national central banks of Member States of the European Central Bank’s capital and, secondly, each country’s ratio of outstanding central government debt securities to gross domestic product.

Or. en

Amendment 74
Bernd Lucke

Proposal for a regulation
Recital 5 a (new)

Text proposed by the Commission

(5a) Issuers of SBBS should be free to

Amendment
determine the relative weights of the national sovereign bonds in the SBBSs’ underlying portfolio. This is beneficial because it increases product diversity and allows issuers to tailor SBBS supply to market demand. As such it increases the likelihood that a viable market for SBBS will develop. Implementing powers should be conferred on the Commission to decide whether the size of the senior tranche of an SBBS issue whose relative weights differ significantly from Member States’ shares in the capital of the ECB should be set to a level lower than seventy percent.

Or. en

Amendment 75
Enrique Calvet Chambon

Proposal for a regulation
Recital 6

Text proposed by the Commission

(6) To provide for a high quality low-risk asset and at the same time cater for investors' different levels of risk appetite, an SBBS issue should be composed of both a senior tranche and one or more subordinated tranches. The senior tranche, corresponding to seventy percent of the nominal value of an SBBS issue, should keep the SBBS issue expected loss rate in line with that of the safest euro area sovereign bonds, taking into account the risk and correlation of the sovereign bonds in the SBBSs underlying portfolio of sovereign bonds. The subordinated tranches should provide for protection to the senior tranche. The seniority of the tranches should determine the order in which losses on the underlying portfolio of sovereign bonds should be borne by investors. To limit the risk of the junior tranche (the tranche bearing losses before

Amendment

(6) To provide for a high quality low-risk asset and at the same time cater for investors' different levels of risk appetite, an SBBS issue should be composed of a senior tranche, one mezzanine and one junior tranche. The senior tranche, corresponding to seventy percent of the nominal value of an SBBS issue, should keep the SBBS issue expected loss rate in line with that of the safest euro area sovereign bonds, taking into account the risk and correlation of the sovereign bonds in the SBBSs underlying portfolio of sovereign bonds. The mezzanine and junior tranches should provide for protection to the senior tranche. The seniority of the tranches should determine the order in which losses on the underlying portfolio of sovereign bonds should be borne by investors. To limit the risk of the junior tranche (the tranche bearing losses
any other tranche), the nominal value of the junior tranche should however be **at least 2** percent of the outstanding nominal value of the entire SBBSs issue.

before any other tranche), the nominal value of the junior tranche should however be **ten** percent of the outstanding nominal value of the entire SBBSs issue. *Considering the particular complexity of the product, the acquisition by consumers should only be considered for senior tranches, but not for junior tranches.*

Amendment 76
Bernd Lucke

Proposal for a regulation
Recital 6

*Text proposed by the Commission*

(6) To provide for a high quality low-risk asset and at the same time cater for investors' different levels of risk appetite, an SBBS issue should be composed of both a senior tranche and one or more subordinated tranches. The senior tranche, corresponding to seventy percent of the nominal value of an SBBS issue, should keep the SBBS issue expected loss rate in line with that of the safest euro area sovereign bonds, taking into account the risk and correlation of the sovereign bonds in the SBBSs underlying portfolio of sovereign bonds. The subordinated tranches should provide for protection to the senior tranche. The seniority of the tranches should determine the order in which losses on the underlying portfolio of sovereign bonds should be borne by investors. To limit the risk of the junior tranche (the tranche bearing losses before any other tranche), the nominal value of the junior tranche should however be at least 2 percent of the outstanding nominal value of the entire SBBSs issue.

*Amendment*

(6) To provide for a high quality low-risk asset and at the same time cater for investors' different levels of risk appetite, an SBBS issue should be composed of both a senior tranche and one or more subordinated tranches. The senior tranche, corresponding to **at most** seventy percent of the nominal value of an SBBS issue, should keep the SBBS issue expected loss rate in line with that of the safest euro area sovereign bonds, taking into account the risk and correlation of the sovereign bonds in the SBBSs underlying portfolio of sovereign bonds. The subordinated tranches should provide for protection to the senior tranche. The seniority of the tranches should determine the order in which losses on the underlying portfolio of sovereign bonds should be borne by investors. To limit the risk of the junior tranche (the tranche bearing losses before any other tranche), the nominal value of the junior tranche should however be at least 10 percent of the outstanding nominal value of the entire SBBSs issue.
Amendment 77
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 6

Text proposed by the Commission

(6) To provide for a high quality low-risk asset and at the same time cater for investors’ different levels of risk appetite, an SBBS issue should be composed of both a senior tranche and one or more subordinated tranches. The senior tranche, corresponding to seventy percent of the nominal value of an SBBS issue, should keep the SBBS issue expected loss rate in line with that of the safest euro area sovereign bonds, taking into account the risk and correlation of the sovereign bonds in the SBBSs underlying portfolio of sovereign bonds. The subordinated tranches should provide for protection to the senior tranche. The seniority of the tranches should determine the order in which losses on the underlying portfolio of sovereign bonds should be borne by investors. To limit the risk of the junior tranche (the tranche bearing losses before any other tranche), the nominal value of the junior tranche should however be at least 2 percent of the outstanding nominal value of the entire SBBSs issue.

Amendment

(6) To provide for a high quality low-risk asset and at the same time cater for investors’ different levels of risk appetite, an SBBS issue should be composed of both a senior tranche and one or more subordinated tranches. The senior tranche, corresponding to seventy percent of the nominal value of an SBBS issue, should keep the SBBS issue expected loss rate in line with that of the safest euro area sovereign bonds, taking into account the risk and correlation of the sovereign bonds in the SBBSs underlying portfolio of sovereign bonds. The subordinated tranches should provide for protection to the senior tranche. The seniority of the tranches should determine the order in which losses on the underlying portfolio of sovereign bonds should be borne by investors. To limit the risk of the junior tranche (the tranche bearing losses before any other tranche), the nominal value of the junior tranche should however be at least five percent of the outstanding nominal value of the entire SBBSs issue.

Amendment 78
Bernd Lucke

Proposal for a regulation
Recital 9
(9) To ensure that SBBSs are sufficiently homogeneous, the exclusion and re-integration of sovereign bonds of a particular Member State from the underlying portfolio of sovereign bonds should be allowed only following a decision of the Commission, ensuring that all SBBSs issued at the same time have the same underlying portfolio of sovereign bonds.

Amendment 79
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 9 a (new)

(9a) SBBSs are a novel instrument. The absence of relevant historical experience means that its effects on sovereign bond markets can only be estimated. Commentators and stakeholders have raised concerns about the potential for negative impacts on the liquidity of the markets for the underlying government bonds. There is no consensus about this question, but it deserves to be taken seriously. To that end, this Regulation assigns to ESMA the duty of monitoring the markets for SBBSs and the underlying government bonds for signs that the former negatively affect the latter. In such an event, ESMA shall request the Commission to adjust the composition of the government bond portfolio to ease any strains on liquidity, although the Commission shall not be bound by this request.
Amendment 80
Bernd Lucke
Proposal for a regulation
Recital 10

Text proposed by the Commission

(10) The fixed size of the senior tranche of each SBBS issue may be reduced for future SBBSs issuances where, due to adverse market developments that severely disrupt the functioning of sovereign debt markets in a Member State or in the Union, a smaller size is required to ensure continued high credit quality and low risk for the senior tranche. When such adverse market developments end, the size of the senior tranche for future SBBSs issuances should be brought back to its initial value of seventy percent. To ensure that SBBSs are standardised, the variation of the senior tranche should be allowed only following a decision of the Commission, ensuring that all senior tranches of SBBSs issues issued at the same time have the same size.

Amendment

(10) The maximum size of the senior tranche of each SBBS issue may be reduced for future SBBSs issuances where, due to adverse market developments that severely disrupt the functioning of sovereign debt markets in a Member State or in the Union, a smaller size is required to ensure continued high credit quality and low risk for the senior tranche. When such adverse market developments end, the size of the senior tranche for future SBBSs issuances should be brought back to its initial value of at most seventy percent.

Amendment 81
Bernd Lucke
Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) Investors should be protected from the risk of insolvency of the institution that acquires the sovereign bonds ('original purchaser') for the purposes of assembling the SBBSs underlying portfolio. For that

Amendment

(11) Investors should be protected as much as possible from the risk of insolvency of the institution that acquires the sovereign bonds ('original purchaser') for the purposes of assembling the SBBSs
reason, only special purpose entities (‘SPEs’) that are exclusively devoted to the issuance and management of SBBSs and that do not undertake any other activities, such as providing credit, should be allowed to issue SBBSs. For the same reason, SPEs should be subject to strict asset segregation requirements.

underlying portfolio. For that reason, only special purpose entities (‘SPEs’) that are exclusively devoted to the issuance and management of SBBSs and that do not undertake any other activities, such as providing credit, should be allowed to issue SBBSs. For the same reason, SPEs should be subject to strict asset segregation requirements.

Or. en

Amendment 82
Bernd Lucke

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) Only products that fulfil the requirements regarding the composition and maturity of the underlying portfolio as well as the size of the senior and the subordinated tranches as provided for in this Regulation should enjoy the same regulatory treatment as the regulatory treatment granted to sovereign exposures in terms of capital requirements, concentration limits, and liquidity.

Amendment

(13) Only the senior tranches from products that fulfil the requirements regarding the composition and maturity of the underlying portfolio as well as the size of the senior and the subordinated tranches as provided for in this Regulation should enjoy the same regulatory treatment as the regulatory treatment granted to sovereign exposures in terms of capital requirements, concentration limits, and liquidity.

Or. en

Amendment 83
Enrique Calvet Chambon

Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) A system of self-attestation by SPEs should ensure that an SBBS issue complies with the requirements of this Regulation.

Amendment

(14) A system of certification by ESMA should ensure that an SBBS issue complies with the requirements of this Regulation.
Regulation. ESMA should therefore keep a list of SBBSs issued, enabling investors to verify whether a product that is offered for sale as an SBBS is indeed an SBBS. For the same reason, ESMA should indicate in that list whether any sanction in relation to a SBBS has been imposed and remove from that list those products that are found to be in violation of this Regulation.

ESMA should therefore keep a list of SBBSs certified, enabling investors to verify whether a product that is offered for sale as an SBBS is indeed an SBBS. For the same reason, ESMA should indicate in that list whether any sanction in relation to a SBBS has been imposed and remove from that list those products that are found to be in violation of this Regulation.

Or. en

Amendment 84
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) A system of self-attestation by SPEs should ensure that an SBBS issue complies with the requirements of this Regulation. ESMA should therefore keep a list of SBBSs issued, enabling investors to verify whether a product that is offered for sale as an SBBS is indeed an SBBS. For the same reason, ESMA should indicate in that list whether any sanction in relation to a SBBS has been imposed and remove from that list those products that are found to be in violation of this Regulation.

Amendment

(14) A system of certification by ESMA should ensure that an SBBS issue complies with the requirements of this Regulation. ESMA should therefore keep a list of certified SBBSs, enabling investors to verify whether a product that is offered for sale as an SBBS is indeed an SBBS. For the same reason, ESMA should indicate in that list whether any sanction in relation to a SBBS has been imposed and remove from that list those products that are found to be in violation of this Regulation.

Or. en

Amendment 85
Bernd Lucke

Proposal for a regulation
Recital 14

Text proposed by the Commission

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A system of self-attestation by SPEs should ensure that an SBBS issue complies with the requirements of this Regulation. ESMA should therefore keep a list of SBBSs issued, enabling investors to verify whether a product that is offered for sale as an SBBS is indeed an SBBS. For the same reason, ESMA should indicate in that list whether any sanction in relation to a SBBS has been imposed and remove from that list those products that are found to be in violation of this Regulation.

A system of certification by ESMA should ensure that an SBBS issue complies with the requirements of this Regulation. ESMA should therefore keep a list of SBBSs issued, enabling investors to verify whether a product that is offered for sale as an SBBS is indeed an SBBS. For the same reason, ESMA should indicate in that list whether any sanction in relation to a SBBS has been imposed and remove from that list those products that are found to be in violation of this Regulation.

Or. en

Amendment 86
Enrique Calvet Chambon
Proposal for a regulation
Recital 15

Text proposed by the Commission

Investors should be able to rely on the notification of SBBSs by SPEs to ESMA and on the information provided by SPEs. Information on SBBSs and the sovereign bonds in the SBBSs underlying portfolio should empower investors to understand, assess and compare SBBSs transactions and not to rely solely on third parties, including credit rating agencies. That possibility should enable investors to act prudently and to carry out their due diligence efficiently. Information on SBBSs should therefore be freely available to investors, via standardised templates, on a website that ensures continuous accessibility.

Amendment

Investors should be able to rely on the certification of SBBSs by ESMA and on the information provided by ESMA and SPEs. Information on SBBSs and the sovereign bonds in the SBBSs underlying portfolio should empower investors to understand, assess and compare SBBSs transactions and not to rely solely on third parties, including credit rating agencies. That possibility should enable investors to act prudently and to carry out their due diligence efficiently. Information on SBBSs should therefore be freely available to investors, via standardised templates, on a website that ensures continuous accessibility.

Or. en

Amendment 87
Bernd Lucke

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EN
Proposal for a regulation
Recital 15

Text proposed by the Commission

(15) Investors should be able to rely on the notification of SBBSs by SPEs to ESMA and on the information provided by SPEs. Information on SBBSs and the sovereign bonds in the SBBSs underlying portfolio should empower investors to understand, assess and compare SBBSs transactions and not to rely solely on third parties, including credit rating agencies. That possibility should enable investors to act prudently and to carry out their due diligence efficiently. Information on SBBSs should therefore be freely available to investors, via standardised templates, on a website that ensures continuous accessibility.

Amendment

(15) Investors should be able to rely on the certification of SBBSs by ESMA and on the information provided by SPEs. Information on SBBSs and the sovereign bonds in the SBBSs underlying portfolio should empower investors to understand, assess and compare SBBSs transactions and not to rely solely on third parties, including credit rating agencies. That possibility should enable investors to act prudently and to carry out their due diligence efficiently. Information on SBBSs should therefore be freely available to investors, via standardised templates, on a website that ensures continuous accessibility.

Or. en

Amendment 88
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 15

Text proposed by the Commission

(15) Investors should be able to rely on the notification of SBBSs by SPEs to ESMA and on the information provided by SPEs. Information on SBBSs and the sovereign bonds in the SBBSs underlying portfolio should empower investors to understand, assess and compare SBBSs transactions and not to rely solely on third parties, including credit rating agencies. That possibility should enable investors to act prudently and to carry out their due diligence efficiently. Information on SBBSs should therefore be freely available to investors, via standardised templates, on a website that ensures continuous accessibility.

Amendment

(15) Investors should be able to rely on the certification of SBBSs by ESMA and on the information provided by SPEs. Information on SBBSs and the sovereign bonds in the SBBSs underlying portfolio should empower investors to understand, assess and compare SBBSs transactions and not to rely solely on third parties, including credit rating agencies. That possibility should enable investors to act prudently and to carry out their due diligence efficiently. Information on
SBBSs should therefore be freely available to investors, via standardised templates, on a website that ensures continuous accessibility.

Or. en

**Amendment 89**
Enrique Calvet Chambon

Proposal for a regulation
Recital 16

*Text proposed by the Commission*

(16) To prevent abusive behaviour and to ensure that trust in SBBSs is maintained, appropriate administrative sanctions and remedial measures should be provided for by Member States for cases of negligent or intentional infringements of notification or product requirements for SBBSs.

*Amendment*

(16) To prevent abusive behaviour and to ensure that trust in SBBSs is maintained, appropriate administrative sanctions and remedial measures should be provided for by ESMA in cooperation with Member States competent authorities for cases of negligent or intentional infringements of notification or product requirements for SBBSs.

Or. en

**Amendment 90**
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 16

*Text proposed by the Commission*

(16) To prevent abusive behaviour and to ensure that trust in SBBSs is maintained, appropriate administrative sanctions and remedial measures should be provided for by Member States for cases of negligent or intentional infringements of notification or product requirements for SBBSs.

*Amendment*

(16) To prevent abusive behaviour and to ensure that trust in SBBSs is maintained, appropriate administrative sanctions and remedial measures should be provided for by ESMA for cases of negligent or intentional infringements of notification or product requirements for SBBSs.
Amendment 91
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 17

Text proposed by the Commission


Amendment

(17) Investors in different financial sectors should be able to invest in SBBSs under the same conditions as they invest in the underlying euro area sovereign bonds. Directive 2009/65/EC of the European Parliament and of the Council\(^{15}\), Regulation (EU) No 575/2013 of the European Parliament and of the Council\(^{16}\), Directive 2009/138/EC of the European Parliament and of the Council\(^{17}\) and Directive (EU) 2016/2341 of the European Parliament and of the Council\(^{18}\) should therefore be amended to ensure that SBBS are granted the same regulatory treatment as their underlying assets across the various regulated financial sectors. However, for prudential reasons different rules should apply to banks that hold SBBSs. Only senior SBBS tranches on banks’ balance sheets should be treated like sovereign bonds, unless the bank holds all the tranches of a specific SBBS issue exactly in the proportion in which they were issued, as this would be equivalent to holding the entire diversified portfolio of government bonds.

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Amendment 92
Fulvio Martusciello
Proposal for a regulation
Recital 17

Text proposed by the Commission

(17) Investors in different financial sectors should be able to invest in SBBSs under the same conditions as they invest in the underlying euro area sovereign bonds. Directive 2009/65/EC of the European Parliament and of the Council\textsuperscript{15}, Regulation (EU) No 575/2013 of the European Parliament and of the Council\textsuperscript{16}, Directive 2009/138/EC of the European Parliament and of the Council\textsuperscript{17} and Directive (EU) 2016/2341 of the European Parliament and of the Council\textsuperscript{18} should therefore be amended to ensure that SBBS are granted the same regulatory treatment as their underlying assets across the

Amendment

various regulated financial sectors. granted the same regulatory treatment as their underlying assets across the various regulated financial sectors.


Amendment 93
Bernd Lucke
Proposal for a regulation
Recital 17

Text proposed by the Commission

(17) Investors in different financial sectors should be able to invest in SBBSs under the same conditions as they invest in the underlying euro area sovereign bonds. Directive 2009/65/EC of the European

Amendment

(17) Investors in different financial sectors should be able to invest in the senior tranches of SBBSs under the same conditions as they invest in the underlying euro area sovereign bonds. Directive

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Amendment 94
Enrique Calvet Chambon

AM\1169655EN.docx 25/79 PE630.618v01-00
Proposal for a regulation
Recital 18

Text proposed by the Commission

(18) To safeguard financial stability, ensure investors’ confidence and promote liquidity, a proper and effective supervision of SBBSs markets is important. To that end, competent authorities should be informed about the issuance of SBBSs and should receive from SPEs all the relevant information needed to perform their supervisory tasks. Supervision of compliance with this Regulation should primarily be performed to ensure investors’ protection and, where applicable, on aspects that may be linked to the issuance and holding of SBBSs by regulated financial entities.

Amendment

(18) To safeguard financial stability, ensure investors' confidence and promote liquidity, a proper and effective supervision of SBBSs markets is important. To that end, **ESMA and** competent authorities should be informed about the issuance of SBBSs and should receive from SPEs all the relevant information needed to perform their supervisory tasks. Supervision of compliance with this Regulation should primarily be performed to ensure investors’ protection and, where applicable, on aspects that may be linked to the issuance and holding of SBBSs by regulated financial entities.

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Amendment 95
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 18

Text proposed by the Commission

(18) To safeguard financial stability, ensure investors' confidence and promote liquidity, a proper and effective supervision of SBBSs markets is important. To that end, **competent authorities** should be informed about the issuance of SBBSs and should receive from SPEs all the relevant information needed to perform **their** supervisory tasks. Supervision of compliance with this Regulation should primarily be performed to ensure investors’ protection and, where

Amendment

(18) To safeguard financial stability, ensure investors' confidence and promote liquidity, a proper and effective supervision of SBBSs markets is important. To that end, **ESMA** should be informed about the issuance of SBBSs and should receive from SPEs all the relevant information needed to perform **its** supervisory tasks. Supervision of compliance with this Regulation should primarily be performed to ensure investors’ protection and, where applicable, on
applicable, on aspects that may be linked to the issuance and holding of SBBSs by regulated financial entities. aspects that may be linked to the issuance and holding of SBBSs by regulated financial entities.

Amendment 96
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) Competent authorities should closely coordinate their supervision and ensure that their decisions are consistent. Where an infringement of this Regulation concerns the fulfilment of the obligations required for a product to be qualified as an SBBS, the competent authority identifying that infringement should inform ESMA, as well as the competent authorities of the other Member States concerned. In the event of disagreement between the competent authorities, ESMA should exercise its binding mediation powers in accordance with Article 19 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council.19

Amendment

(19) Authorities responsible for the supervision of entities that are involved in assembling SBBSs or engaged in the SBBS market should closely coordinate their supervision and ensure that their decisions are consistent.

Amendment 97
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 20

Text proposed by the Commission

(20) Given that SBBSs are new products, it is appropriate that the European Systemic Risk Board (ESRB) and the national competent and designated authorities for macroprudential instruments oversee the SBBSs market.

Amendment

Given that SBBSs are new products, whose effects on the markets for the underlying sovereign debt securities is unknown, it is appropriate that the European Systemic Risk Board (ESRB) and the national competent and designated authorities for macro-prudential instruments oversee the SBBSs market. To that end, the ESRB should avail itself of the powers granted to it under Regulation (EU) No 1092/2010 of the European Parliament and of the Council and, if appropriate, issue warnings and make suggestions for remedial actions to the competent authorities. Such remedial action may include calling for a halt to the certification of SBBSs.

Or. en

Amendment 98
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) As a body with highly specialised expertise regarding securities markets, it is appropriate to entrust ESMA with the development of draft regulatory technical standards concerning the types of investment that the SPE may conduct with

Amendment

As a body with highly specialised expertise regarding securities markets, it is appropriate to entrust ESMA with the development of draft regulatory technical standards concerning the types of investment that the SPE may conduct with
the proceeds from the payments of principal or interest of the SBBSs’ underlying portfolio, the information to be provided by the SPE for the notification to ESMA of an issuance of SBBSs issues, the information to be provided before transferring an SBBS and the cooperation and information exchange obligations among competent authorities. The Commission should be empowered to adopt those standards in accordance with Article 290 of the Treaty on the Functioning of the European Union (‘TFEU’) and with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Amendment 99
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 3 – paragraph 1 – point 10 a (new)

Text proposed by the Commission

Amendment

(10a) ‘market liquidity’ means the relation between supply and demand on the market for sovereign bonds as measured by the bid-ask spread for central government bonds.

Or. en

Amendment 100
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Amendment
2. The weight of sovereign bonds of every Member State within an SBBS's underlying portfolio (‘baseline weight’) shall be equal to the relative weight of the contribution to the European Central Bank (ECB) by that Member State in accordance with the key for subscription, by the national central banks of Members States, of the ECB's paid-in capital as laid down in Article 29 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union.

2. The relative weight of sovereign bonds of every Member State within an SBBS's underlying portfolio shall be determined by the SPE in response to market demand.

Amendment 101
Bernd Lucke

Proposal for a regulation
Article 4 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. The weight of sovereign bonds of every Member State within an SBBS’s underlying portfolio (‘baseline weight’) shall be equal to the relative weight of the contribution to the European Central Bank (ECB) by that Member State in accordance with the key for subscription, by the national central banks of Members States, of the ECB's paid-in capital as laid down in Article 29 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union. The ratio of a Member State’s central government debt securities to that Member State’s gross domestic product shall be understood as an annual mean. ESMA shall compute and publish this mean, which will be binding for all SBBS issuance during the full calendar year following its publication.

Amendment

2. The relative weight of sovereign bonds of every Member State within an SBBS's underlying portfolio shall be determined by the SPE in response to market demand.

Amendment 102
Bernd Lucke

Proposal for a regulation
Article 4 – paragraph 2 – subparagraph 2

Text proposed by the Commission

SPEs may however deviate from the nominal value of sovereign bonds of each Member State, as given by the application of the baseline weight, by maximum five percent.

Amendment

 deletion

Or. en

Amendment 103
Bernd Lucke

Proposal for a regulation
Article 4 – paragraph 3

Text proposed by the Commission

3. Sovereign bonds of a Member State shall be excluded from the SBBSs’ underlying portfolio where the Commission has adopted an implementing act establishing that any of the following situations exist:

(a) over the previous twelve months (‘period of reference’), the Member State has issued less than half of the amount of sovereign bonds resulting from its relative weight determined in accordance with paragraph 1, multiplied by the aggregate

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amount of SBBSs issued in the twelve months prior to the period of reference;

(b) over the previous twelve months, the Member State has financed at least half of its annual funding requirements through official financial assistance in support of the implementation of a macroeconomic adjustment programme as specified in Article 7 of Regulation (EU) No 472/2013 of the European Parliament and of the Council21.

Where the first subparagraph applies, SPEs shall determine the baseline weights of sovereign bonds of the remaining Member States by excluding the sovereign bonds of the Member referred to in the first subparagraph and applying the calculation method of paragraph 1.

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Amendment 104
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph 3 – subparagraph 1 – introductory part

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Sovereign bonds of a Member State shall be excluded from the SBBSs’ underlying portfolio where the Commission has adopted an implementing act establishing that any of</td>
<td>3. After the first ever SBBS is certified, ESMA shall, without undue delay, begin to monitor and assess continuously whether any of the following situations exist:</td>
</tr>
</tbody>
</table>
the following situations exist:

Or. en

Amendment 105
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph 3 – subparagraph 1 – point a a (new)

Text proposed by the Commission

Amendment

(aa) SBBS issuance has had a significant negative impact on the market liquidity of any of the sovereign bonds included in the underlying portfolio;

Or. en

Amendment 106
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph 3 – subparagraph 2

Text proposed by the Commission

Amendment

Where the first subparagraph applies, deleted
SPEs shall determine the baseline weights of sovereign bonds of the remaining Member States by excluding the sovereign bonds of the Member referred to in the first subparagraph and applying the calculation method of paragraph 1.

Or. en

Amendment 107
Enrique Calvet Chambon
Proposal for a regulation
Article 4 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Sovereign bonds of a Member State, which is subject to an ongoing procedure pursuant to Article 7(1) or (2) of the Treaty on the European Union, shall be excluded from the SBBS’s underlying portfolio.

Or. en

Amendment 108
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph 4

Text proposed by the Commission

Amendment

4. ESMA shall monitor and assess whether the situation referred to in points (a) or (b) of paragraph 3 exist or has ceased to exist and inform the Commission thereof.

Or. en

Amendment 109
Bernd Lucke

Proposal for a regulation
Article 4 – paragraph 4

Text proposed by the Commission

Amendment

4. ESMA shall monitor and assess whether the situation referred to in points (a) or (b) of paragraph 3 exist or has ceased to exist and inform the Commission thereof.

Or. en
5. The Commission may adopt an implementing act establishing that the situation referred to in points (a) or (b) of paragraph 3 exist or has ceased to exist. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 26(2).

Or. en
Proposal for a regulation
Article 4 – paragraph 5 a (new)

Text proposed by the Commission

5a. When ESMA finds that one of the situations described in points (a) or (aa) of paragraph 3 exists it shall request an opinion from the ECB. On the basis of its own assessment and the ECB opinion, it may request the Commission to adjust the baseline weight of the Member State. Within 48 hours of receiving such a request, the Commission shall consider it and do one of the following:

(a) adopt an implementing act that adjusts the baseline weights of the Member State concerned; or

(b) reject the requested measure.

Amendment

Justification

Financial stability concerns are touched upon here, therefore consultative ECB involvement is appropriate.

Amendment 113
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph 5 b (new)

Text proposed by the Commission

5b. When ESMA finds that the situation described in point (b) of paragraph 3 exists it shall request an opinion from the ECB. On the basis of its own assessment and the ECB opinion, it may request the Commission to take appropriate remedies, either by excluding the concerned Member State from the underlying portfolio or by adjusting the baseline weight of the Member State.
concerned. Within 48 hours of receiving such a request, the Commission shall consider it and do one of the following:

(a) adopt an implementing act that either excludes sovereign bonds of the Member State from the underlying portfolio of the SBBS or adjusts the baseline weights of relevant Member States; or

(b) reject the requested measures.

Or. en

Justification

Financial stability concerns are touched upon here, therefore consultative ECB involvement is appropriate.

Amendment 114
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 4 – paragraph 5 c (new)

Text proposed by the Commission

5c. Any implementing act adopted pursuant to paragraphs 5a or 5b shall be adopted in accordance with the examination procedure referred to in Article 26(2).

When a Member State is excluded from the underlying portfolio of an SBBS following an implementing act under paragraph 5a or 5b, the baseline weights of the sovereign bonds of the remaining Member States shall be determined by excluding the sovereign bonds of the Member State referred to in the first subparagraph and applying the calculation method set out in paragraph 2.

The exclusion or adjustment shall be valid for an initial period of one month. The Commission may, after consulting ESMA,
extend the exclusion or adjustment of the baseline weights referred to in this Article for additional periods of one month by way of an implementing act. Where the exclusion or adjustment is not renewed by the end of the initial period or by the end of any subsequent renewal period, it shall automatically expire.

Amendment 115
Bernd Lucke

Proposal for a regulation
Article 6 – paragraph 1

Text proposed by the Commission

1. An SBBSs issue shall be composed of one senior tranche and one or more subordinated tranches. The outstanding nominal value of the senior tranche shall be seventy percent of the outstanding nominal value of the entire SBBSs issue. The number and the outstanding nominal values of the subordinated tranches shall be determined by the SPE, subject to the limitation that the nominal value of the junior tranche shall be at least two percent of the outstanding nominal value of the entire SBBSs issue.

Amendment

1. An SBBSs issue shall be composed of one senior tranche and one or more subordinated tranches. The outstanding nominal value of the senior tranche shall be at most seventy percent of the outstanding nominal value of the entire SBBSs issue and shall be determined by the SPE in response to market demand. The number and the outstanding nominal values of the subordinated tranches shall be determined by the SPE, subject to the limitation that the nominal value of the junior tranche shall be at least two percent of the outstanding nominal value of the entire SBBSs issue.

Amendment 116
Enrique Calvet Chambon

Proposal for a regulation
Article 6 – paragraph 1
1. An SBBSs issue shall be composed of one senior tranche and one or more subordinated tranches. The outstanding nominal value of the senior tranche shall be seventy percent of the outstanding nominal value of the entire SBBSs issue. The number and the outstanding nominal values of the subordinated tranches shall be determined by the SPE, subject to the limitation that the nominal value of the junior tranche shall be at least two percent of the outstanding nominal value of the entire SBBSs issue.

Amendment

1. An SBBSs issue shall be composed of one senior tranche, one mezzanine and one junior tranches. The outstanding nominal value of the senior tranche shall be seventy percent of the outstanding nominal value of the entire SBBSs issue. The outstanding nominal values of the mezzanine tranche shall be of twenty percent and the nominal value of the junior tranche shall be ten percent of the outstanding nominal value of the entire SBBSs issue.

Or. en
Justification

SBBS are supposed to be simple and transparent, therefore the number of subordinate tranches should be limited to not more than two. This was confirmed by the participants of an industry workshop held as part of the Commission’s stakeholder consultation process. ‘A simple structure – with fixed portfolio weights on the asset side, and a maximum of three tranches on the liability side – would encourage investors to view SBBS as a bond rather than as a structured product.’ (p. 64, Impact Assessment)

Amendment 118
Bernd Lucke

Proposal for a regulation
Article 6 – paragraph 2 – subparagraph 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Where adverse developments severely disrupt the functioning of sovereign debt markets in a Member State or in the Union, and where that disruption has been confirmed by the Commission in accordance with paragraph 4, SPEs shall lower the outstanding nominal value of the senior tranche to sixty percent for any SBBSs issue issued after that confirmation.</td>
<td>2. Where adverse developments severely disrupt the functioning of sovereign debt markets in a Member State or in the Union, and where that disruption has been confirmed by the Commission in accordance with paragraph 4, SPEs shall lower the outstanding nominal value of the senior tranche by at least ten percentage points for any SBBSs issue issued after that confirmation.</td>
</tr>
</tbody>
</table>

Or. en

Amendment 119
Ernest Urtasun on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. An SPE shall invest payments of principal or interest from the sovereign bonds referred to in Article 4(1)(a) that are due prior to payments of principal or interest under the SBBS only in cash, or in highly liquid financial instruments</td>
<td>1. An SPE shall invest payments of principal or interest from the sovereign bonds referred to in Article 4(1)(a) that are due prior to payments of principal or interest under the SBBS only in cash or euro-denominated cash equivalents that</td>
</tr>
</tbody>
</table>
denominated in euro with low market and credit risk. Those investments shall be eligible for liquidation within one day with minimal adverse price effect.

Or. en

Justification

This amendments is meant to emphasise that the instruments that SPEs invest in must be cash or as good as cash to exclude virtually that the activities that SPEs conduct on own account become a source of risk.

Amendment 120
Enrique Calvet Chambon

Proposal for a regulation
Article 9 – paragraph 1 – point b

Text proposed by the Commission
(b) ESMA has been notified of that financial product in accordance with Article 10(1) and the financial product has been included in the list referred to in Article 10(2).

Amendment
(b) ESMA has certified that financial product in accordance with Article 10(1) and the financial product has been included in the list referred to in Article 10(2).

Or. en

Amendment 121
Bernd Lucke

Proposal for a regulation
Article 9 – paragraph 1 – point b

Text proposed by the Commission
(b) ESMA has been notified of that financial product in accordance with Article 10(1) and the financial product has been included in the list referred to in Article 10(2).

Amendment
(b) ESMA has certified that financial product in accordance with Article 10(1) and the financial product has been included in the list referred to in Article 10(2).

Or. en
Amendment 122
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 9 – paragraph 1 – point b

Text proposed by the Commission
(b) ESMA has been notified of that financial product in accordance with Article 10(1) and the financial product has been included in the list referred to in Article 10(2).

Amendment
(b) ESMA has certified that financial product in accordance with Article 10(1) and the financial product has been included in the list referred to in Article 10(2).

Or. en

Amendment 123
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – title

Text proposed by the Commission
SBBS notification requirements

Amendment
SBBS notification and certification requirements

Or. en

Amendment 124
Bernd Lucke

Proposal for a regulation
Article 10 – paragraph 1

Text proposed by the Commission
1. An SPE shall notify ESMA at least one week before issuance of an SBBSs issue by means of the template referred to in paragraph 5 of this Article that an

Amendment
1. An SPE shall submit an application for certification of an SBBS issue by notifying ESMA at least one week before issuance of an SBBSs issue by
SBBSs issue meets the requirements of Articles 4, 5 and 6. ESMA shall inform the SPE's competent authority thereof without undue delay.

Amendment 125
Enrique Calvet Chambon

Proposal for a regulation
Article 10 – paragraph 1

Text proposed by the Commission

1. An SPE shall notify ESMA at least one week before issuance of an SBBSs issue by means of the template referred to in paragraph 5 of this Article that an SBBSs issue meets the requirements of Articles 4, 5 and 6. ESMA shall inform the SPE's competent authority thereof without undue delay.

Amendment

1. An SPE shall ask for certification by ESMA at least one week before issuance of an SBBSs issue by means of the template referred to in paragraph 5 of this Article that an SBBSs issue meets the requirements of Articles 4, 5 and 6. ESMA shall inform the SPE's competent authority thereof without undue delay.

Or. en

Amendment 126
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 1

Text proposed by the Commission

1. An SPE shall notify ESMA at least one week before issuance of an SBBSs issue by means of the template referred to in paragraph 5 of this Article that an SBBSs issue meets the requirements of Articles 4, 5 and 6. ESMA shall inform the SPE's competent authority thereof without undue delay.

Amendment

1. An SPE shall submit an application for certification of an SBBSs issue to ESMA at least two weeks in advance by means of the template referred to in paragraph 5 of this Article that an SBBSs issue meets the requirements of Articles 4, 5 and 6.

Or. en
without undue delay.

Amendment 127  
Ernest Urtasun  
on behalf of the Verts/ALE Group  

Proposal for a regulation  
Article 10 – paragraph 1 a (new)  

Text proposed by the Commission  

Amendment  

1a. The application shall include an explanation by the SPE of how it has complied with each of the requirements set out in Articles 4, 5, 6, 7 and 8.

Amendment 128  
Ernest Urtasun  
on behalf of the Verts/ALE Group  

Proposal for a regulation  
Article 10 – paragraph 1 b (new)  

Text proposed by the Commission  

Amendment  

1b. ESMA shall inform the applicant SPE without undue delay whether certification has been granted or refused.

Amendment 129  
Bernd Lucke  

Proposal for a regulation  
Article 10 – paragraph 2
Text proposed by the Commission

2. ESMA shall maintain on its official website a list of all SBBSs issues that have been notified by SPEs. ESMA shall update that list instantly and remove any SBBSs issue that is no longer considered to be an SBBSs issue following a decision of competent authorities in accordance with Article 15.

Amendment

2. ESMA shall maintain on its official website a list of all SBBSs issues that have been certified by ESMA. ESMA shall update that list instantly and remove any SBBSs issue that is no longer considered to be an SBBSs issue following a decision of ESMA in accordance with Article 15.

Or. en

Amendment 130
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 2

Text proposed by the Commission

2. ESMA shall maintain on its official website a list of all SBBSs issues that have been notified by SPEs. ESMA shall update that list instantly and remove any SBBSs issue that is no longer considered to be an SBBSs issue following a decision of competent authorities in accordance with Article 15.

Amendment

2. ESMA shall maintain on its official website a list of all SBBSs issues that have been certified by ESMA. ESMA shall update that list instantly and remove any SBBSs issue that is no longer considered to be an SBBSs issue following a decision of ESMA in accordance with Article 15.

Or. en

Amendment 131
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 3

Text proposed by the Commission

3. A competent authority that has imposed remedial measures or

Amendment

3. ESMA shall immediately indicate on the list referred to in paragraph 2 of this
administrative sanctions as referred to in Article 15 shall immediately notify ESMA thereof. ESMA shall immediately indicate on the list referred to in paragraph 2 of this Article that a competent authority has imposed administrative sanctions for which there is no longer a right of appeal, in relation to the SBBS concerned.

Amendment 132
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 3 a (new)

Text proposed by the Commission

3a. ESMA shall withdraw the certification for an SBBS issue if any of the following conditions is met:

(a) the SPE has expressly renounced the certification or has not made use of it within six months after the certification has been granted;

(b) the SPE has obtained the certification by making false statements or by any other irregular means;

(c) the SBBS issue no longer meets the conditions under which it was certified. The withdrawal of the certification shall have immediate effect throughout the Union.

Amendment

Or. en

Amendment 133
Enrique Calvet Chambon

Proposal for a regulation
Article 11 – paragraph 1 – subparagraph 1 – introductory part
1. An SPE shall, without undue delay, provide investors and competent authorities with the following information:

Amendment 134
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 11 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission

1. An SPE shall, without undue delay, provide investors and competent authorities with the following information:

Or. en

Amendment 135
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 11 – paragraph 1 – subparagraph 1 – point d

Text proposed by the Commission

(d) the notification referred to in Article 10(1).

Or. en

Amendment 136
Enrique Calvet Chambon
Proposition pour une réglementation
Article 11 – paragraphe 1 – sous-paragraphe 1 – point d

Texte proposé par la Commission

(d) la notification mentionnée à l’article 10(1).  

Amendement

(d) la certification mentionnée à l’article 10(1).

Or. en

Amendement 137
Ernest Urtasun
au nom du Groupe des Verts/ALE

Proposition pour une réglementation
Article 13 – paragraphe 1 – sous-paragraphe 1

Texte proposé par la Commission

1. Les États membres désignent un ou plusieurs autorités compétentes pour superviser la conformité des SPEs à cette Réglementation. Les États membres avertissent la Commission et ESMA des ces autorités compétentes, ainsi que, si nécessaire, sur comment leurs fonctions et obligations sont réparties.

Amendement

1. ESMA supervise la conformité des SPEs à cette Réglementation.

Or. en

Amendement 138
Bernd Lucke

Proposition pour une réglementation
Article 13 – paragraphe 1 – sous-paragraphe 1

Texte proposé par la Commission

1. Les États membres désignent un ou plusieurs autorités compétentes pour superviser la conformité des SPEs à cette Réglementation. Les États membres avertissent la Commission et ESMA des ces autorités compétentes, ainsi que, si nécessaire, sur comment leurs fonctions et obligations sont réparties.

Amendement

1. ESMA sera la seule autorité compétente pour superviser la conformité des SPEs à cette Réglementation.

Or. en
duties are divided.

Amendment 139
Enrique Calvet Chambon

Proposal for a regulation
Article 13 – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall designate one or more competent authorities to supervise the compliance of SPEs with this Regulation. Member States shall inform the Commission and ESMA about those competent authorities and, where relevant, about how their functions and duties are divided.

*Amendment*

1. **In addition to ESMA**, Member States shall designate one or more competent authorities to supervise the compliance of SPEs with this Regulation. Member States shall inform the Commission and ESMA about those competent authorities and, where relevant, about how their functions and duties are divided.

Amendment 140
Bernd Lucke

Proposal for a regulation
Article 13 – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

The competent authority of the Member State of where the SPE is established shall supervise compliance with the requirements laid down in this Regulation.

*Amendment*

ESMA shall supervise compliance with the requirements laid down in this Regulation.

Amendment 141
Enrique Calvet Chambon

Proposal for a regulation
Article 13 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Amendment

The competent authority of the Member State of where the SPE is established shall supervise compliance with the requirements laid down in this Regulation.

ESMA in close cooperation with the competent authority of the Member State of where the SPE is established shall supervise compliance with the requirements laid down in this Regulation.

Or. en

Amendment 142

Bernd Lucke

Proposal for a regulation

Article 13 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Amendment

2. Member States shall ensure that competent authorities have the supervisory, investigatory and sanctioning powers to fulfil their duties under this Regulation.

deleted

Or. en

Amendment 143

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 13 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Amendment

2. Member States shall ensure that competent authorities have the supervisory, investigatory and sanctioning powers to fulfil their duties under this Regulation.

deleted

Or. en
### Amendment 144
#### Enrique Calvet Chambon

Proposal for a regulation  
**Article 13 – paragraph 2 – subparagraph 2 – introductory part**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>They shall have the power to, at least:</td>
<td><strong>ESMA and Member States' competent authority</strong> shall have the power to, at least:</td>
</tr>
</tbody>
</table>

Or. en

### Amendment 145
#### Bernd Lucke

Proposal for a regulation  
**Article 13 – paragraph 2 – subparagraph 2 – introductory part**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>They shall have the power to, at least:</td>
<td><strong>ESMA</strong> shall have the power to, at least:</td>
</tr>
</tbody>
</table>

Or. en

### Amendment 146
#### Ernest Urtasun  
on behalf of the Verts/ALE Group

Proposal for a regulation  
**Article 13 – paragraph 2 – subparagraph 2 – introductory part**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>They shall have the power to, at least:</td>
<td><strong>ESMA</strong> shall have the power to, at least:</td>
</tr>
</tbody>
</table>

Or. en

### Amendment 147
#### Ernest Urtasun  
on behalf of the Verts/ALE Group

AM\1169655EN.docx 51/79 PE630.618v01-00
Proposal for a regulation
Article 14 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. **Competent** authorities **and ESMA** shall cooperate closely and exchange information to carry out their duties. In particular, they shall closely coordinate their supervision to identify and remedy infringements of this Regulation, develop and promote best practices, facilitate collaboration, foster consistency of interpretation and provide cross-jurisdictional assessments in the event of any disagreements.

Amendment

1. **The authorities that are responsible for the supervision of entities assembling SBBSs or otherwise engaged in the SBBS market** shall cooperate closely and exchange information with **ESMA** to carry out their duties. In particular, they shall closely coordinate their supervision to identify and remedy infringements of this Regulation, develop and promote best practices, facilitate collaboration, foster consistency of interpretation and provide cross-jurisdictional assessments in the event of any disagreements.

Or. en

Amendment 148
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 14 – paragraph 2

Text proposed by the Commission

2. A competent authority that has clear and demonstrable grounds that an SPE is in breach of this Regulation shall promptly inform in a detailed manner the **competent authority of the Member State where the SPE is established. The competent authority of the Member State where the SPE is established** shall take appropriate measures, including the decision referred to in Article 15.

Amendment

2. A competent authority that has clear and demonstrable grounds that an SPE is in breach of this Regulation shall promptly inform **ESMA** in a detailed manner. **ESMA** shall take appropriate measures, including the decision referred to in Article 15.

Or. en
2. A competent authority that has clear and demonstrable grounds that an SPE is in breach of this Regulation shall promptly inform in a detailed manner the competent authority of the Member State where the SPE is established. The competent authority of the Member State where the SPE is established shall take appropriate measures, including the decision referred to in Article 15.

Amendment

2. A competent authority that has clear and demonstrable grounds that an SPE is in breach of this Regulation shall promptly inform ESMA in a detailed manner. ESMA shall take appropriate measures, including the decision referred to in Article 15.

Or. en
3. Where the SPE persists in acting in a manner that is clearly in breach of this Regulation despite measures taken by the competent authority of the Member State where it is established, or because that competent authority has failed to take measures within a reasonable time, the competent authority that has detected a breach of this Regulation may, after informing the competent authority of the Member State where the SPE is established and ESMA, take all appropriate measures to protect investors, including prohibiting the SPE from carrying out any further marketing of SBBSs within its territory and taking the decision referred to in Article 15.

Amendment

3. Where the SPE persists in acting in a manner that is clearly in breach of this Regulation despite measures taken by ESMA, ESMA may take all appropriate measures to protect investors, including prohibiting the SPE from carrying out any further marketing of SBBSs within its territory and taking the decision referred to in Article 15.

Or. en

Amendment 152
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 14 – paragraph 3

Text proposed by the Commission

3. Where the SPE persists in acting in a manner that is clearly in breach of this Regulation despite measures taken by the competent authority of the Member State where it is established, or because that competent authority has failed to take measures within a reasonable time, the competent authority that has detected a breach of this Regulation may, after informing the competent authority of the

Amendment

3. Where the SPE persists in acting in a manner that is clearly in breach of this Regulation despite measures taken by ESMA, ESMA may take all appropriate measures to protect investors, including prohibiting the SPE from carrying out any further marketing of SBBSs within its territory and taking the decision referred to in Article 15.
**Member State where the SPE is established and ESMA,** take all appropriate measures to protect investors, including prohibiting the SPE from carrying out any further marketing of SBBSs within its territory and taking the decision referred to in Article 15.

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**Amendment 153**

Enrique Calvet Chambon

**Proposal for a regulation**  
**Article 14 – paragraph 3**

*Text proposed by the Commission*

3. Where the SPE persists in acting in a manner that is clearly in breach of this Regulation despite measures taken by the competent authority of the Member State where it is established, or because that competent authority has failed to take measures within a reasonable time, the competent authority that has detected a breach of this Regulation may, after informing the competent authority of the Member State where the SPE is established *and ESMA,* take all appropriate measures to protect investors, including prohibiting the SPE from carrying out any further marketing of SBBSs within its territory and taking the decision referred to in Article 15.

*Amendment*

3. Where the SPE persists in acting in a manner that is clearly in breach of this Regulation despite measures taken by ESMA *and* the competent authority of the Member State where it is established, or because that competent authority has failed to take measures within a reasonable time, ESMA *and* the competent authority that has detected a breach of this Regulation may, after informing the competent authority of the Member State where the SPE is established, take all appropriate measures to protect investors, including prohibiting the SPE from carrying out any further marketing of SBBSs within its territory and taking the decision referred to in Article 15.

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**Amendment 154**

Enrique Calvet Chambon

**Proposal for a regulation**  
**Article 15 – paragraph 1**
1. Where there are reasons to believe that an SPE in infringement of Article 9 has used the designation ‘SBBS’ to market a product that fails to comply with the requirements set out in that Article, the competent authority of the Member State where the SPE is established shall follow the procedure provided for in paragraph 2.

Amendment

1. Where there are reasons to believe that an SPE in infringement of Article 9 has used the designation ‘SBBS’ to market a product that fails to comply with the requirements set out in that Article, ESMA, in cooperation with the competent authority of the Member State where the SPE is established, shall follow the procedure provided for in paragraph 2.

Or. en

Amendment 155
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 15 – paragraph 1

1. Where there are reasons to believe that an SPE in infringement of Article 9 has used the designation ‘SBBS’ to market a product that fails to comply with the requirements set out in that Article, the competent authority of the Member State where the SPE is established shall follow the procedure provided for in paragraph 2.

Amendment

1. Where there are reasons to believe that an SPE in infringement of Article 9 has used the designation ‘SBBS’ to market a product that fails to comply with the requirements set out in that Article, ESMA shall follow the procedure provided for in paragraph 2.

Or. en

Amendment 156
Bernd Lucke

Proposal for a regulation
Article 15 – paragraph 1

1. Where there are reasons to believe that an SPE in infringement of Article 9
has used the designation ‘SBBS’ to market a product that fails to comply with the requirements set out in that Article, the competent authority of the Member State where the SPE is established shall follow the procedure provided for in paragraph 2.

has used the designation ‘SBBS’ to market a product that fails to comply with the requirements set out in that Article, ESMA shall follow the procedure provided for in paragraph 2.

Amendment 157
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 15 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. Within 15 days after becoming aware of the possible infringement referred to in paragraph 1 the competent authority of the Member State where the SPE suspected of the infringement is established shall decide whether Article 9 has been infringed and shall notify ESMA and the other relevant competent authorities thereof, including the competent authorities of the investors, when known. A competent authority that disagrees with the decision taken shall notify all other relevant competent authorities about its disagreement without undue delay. Where that disagreement is not resolved within three months of the date on which all relevant competent authorities have been notified, the matter shall be referred to ESMA in accordance with Article 19 and, where applicable, Article 20 of Regulation (EU) No 1095/2010. The conciliation period referred to in Article 19(2) of Regulation (EU) No 1095/2010 shall be one month.

Amendment

2. Within 15 days after becoming aware of the possible infringement referred to in paragraph 1 ESMA shall decide whether Article 9 has been infringed and shall notify other relevant competent authorities thereof, including the competent authorities of the investors, when known.

Or. en
Amendment 158
Bernd Lucke

Proposal for a regulation
Article 15 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. Within 15 days after becoming aware of the possible infringement referred to in paragraph 1 the competent authority of the Member State where the SPE suspected of the infringement is established shall decide whether Article 9 has been infringed and shall notify ESMA and the other relevant competent authorities thereof, including the competent authorities of the investors, when known.

Amendment

2. Within 15 days after becoming aware of the possible infringement referred to in paragraph 1 ESMA shall decide whether Article 9 has been infringed and shall notify other relevant competent authorities thereof, including the competent authorities of the investors, when known.

Or. en

Amendment 159
Enrique Calvet Chambon

Proposal for a regulation
Article 15 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. Within 15 days after becoming aware of the possible infringement referred to in paragraph 1 the competent authority of the

Amendment

2. Within 15 days after becoming aware of the possible infringement referred to in paragraph 1 ESMA, in close cooperation
Member State where the SPE suspected of the infringement is established shall decide whether Article 9 has been infringed and shall notify ESMA and the other relevant competent authorities thereof, including the competent authorities of the investors, when known. A competent authority that disagrees with the decision taken shall notify all other relevant competent authorities about its disagreement without undue delay. Where that disagreement is not resolved within three months of the date on which all relevant competent authorities have been notified, the matter shall be referred to ESMA in accordance with Article 19 and, where applicable, Article 20 of Regulation (EU) No 1095/2010. The conciliation period referred to in Article 19(2) of Regulation (EU) No 1095/2010 shall be one month.

Amendment 160
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 15 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Where the competent authorities concerned fail to reach an agreement within the conciliation phase referred to in the first subparagraph, ESMA shall take the decision referred to in Article 19(3) of Regulation (EU) No 1095/2010 within one month. During the procedure set out in this paragraph, an SBBS appearing on the list maintained by ESMA pursuant to Article 10(2) shall continue to be considered a SBBS and shall be kept on that list.
Amendment 161
Bernd Lucke

Proposal for a regulation
Article 15 – paragraph 2 – subparagraph 2

_Text proposed by the Commission_  

**Amendment**

Where the competent authorities concerned fail to reach an agreement within the conciliation phase referred to in the first subparagraph, ESMA shall take the decision referred to in Article 19(3) of Regulation (EU) No 1095/2010 within one month. During the procedure set out in this paragraph, an SBBS appearing on the list maintained by ESMA pursuant to Article 10(2) shall continue to be considered a SBBS and shall be kept on that list.

Or. en

Amendment 162
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 15 – paragraph 2 – subparagraph 3

_Text proposed by the Commission_  

**Amendment**

Where the relevant competent authorities agree that the infringement by the SPE is related to non-compliance with Article 9 in good faith, they may decide to grant the SPE a period of maximum three months to remedy the identified infringement, starting from the day the SPE was informed of the infringement by the competent authority. During that period, an SBBS appearing on the list maintained by ESMA pursuant to Article 10(2) shall continue to be

Where **ESMA finds** that the infringement by the SPE is related to non-compliance with Article 9 in good faith, it may decide to grant the SPE a period of up to one month to remedy the identified infringement, starting from the day the SPE was informed of the infringement by ESMA. During that period, an SBBS appearing on the list maintained by ESMA pursuant to Article 10(2) shall continue to be considered an SBBS and shall be kept
considered an SBBS and shall be kept on that list.

Or. en

Amendment 163
Bernd Lucke

Proposal for a regulation
Article 15 – paragraph 2 – subparagraph 3

Text proposed by the Commission

Where the relevant competent authorities agree that the infringement by the SPE is related to non-compliance with Article 9 in good faith, they may decide to grant the SPE a period of maximum three months to remedy the identified infringement, starting from the day the SPE was informed of the infringement by the competent authority. During that period, an SBBS appearing on the list maintained by ESMA pursuant to Article 10(2) shall continue to be considered an SBBS and shall be kept on that list.

Amendment

Where ESMA finds that the infringement by the SPE is related to non-compliance with Article 9 in good faith, it may decide to grant the SPE a period of maximum one month to remedy the identified infringement, starting from the day the SPE was informed of the infringement by ESMA. During that period, an SBBS appearing on the list maintained by ESMA pursuant to Article 10(2) shall continue to be considered an SBBS and shall be kept on that list.

Or. en

Amendment 164
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 16 – paragraph 1 – introductory part

Text proposed by the Commission

1. Without prejudice to the right for Member States to lay down criminal sanctions pursuant to Article 17, competent authorities shall impose on the SPE or the natural person managing the SPE the appropriate remedial measures, including

Amendment

1. Without prejudice to the right for Member States to lay down criminal sanctions pursuant to Article 17, ESMA shall impose on the SPE or the natural person managing the SPE the appropriate remedial measures, including the decision
the decision referred to in Article 15, and
the appropriate administrative sanctions set
out in paragraph 3 where SPEs:

referred to in Article 15, and the
appropriate administrative sanctions set out
in paragraph 3 where SPEs:

Or. en

Amendment 165
Bernd Lucke

Proposal for a regulation
Article 16 – paragraph 1 – introductory part

Text proposed by the Commission

1. Without prejudice to the right for
Member States to lay down criminal
sanctions pursuant to Article 17, **competent authorities** shall impose on the SPE or the
natural person managing the SPE the
appropriate remedial measures, including
the decision referred to in Article 15, and
the appropriate administrative sanctions set
out in paragraph 3 where SPEs:

Amendment

1. Without prejudice to the right for
Member States to lay down criminal
sanctions pursuant to Article 17, **ESMA**
shall impose on the SPE or the natural
person managing the SPE the appropriate
remedial measures, including the decision
referred to in Article 15, and the
appropriate administrative sanctions set out
in paragraph 3 where SPEs:

Or. en

Amendment 166
Enrique Calvet Chambon

Proposal for a regulation
Article 16 – paragraph 3 – introductory part

Text proposed by the Commission

3. Competent authorities, when
determining the type and level of
administrative sanctions, shall take into
account the extent to which the
infringement was intentional or results
from negligence and all other relevant
circumstances, including, where
appropriate:

Amendment

3. **ESMA, in close cooperation with** the competent authorities, when
determining the type and level of
administrative sanctions, shall take into
account the extent to which the
infringement was intentional or results
from negligence and all other relevant
circumstances, including, where
appropriate:
Amendment 167
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 16 – paragraph 3 – introductory part

Text proposed by the Commission

3. **Competent authorities**, when determining the type and level of administrative sanctions, shall take into account the extent to which the infringement was intentional or results from negligence and all other relevant circumstances, including, where appropriate:

Amendment

3. When determining the type and level of administrative sanctions, **ESMA** shall take into account the extent to which the infringement was intentional or results from negligence and all other relevant circumstances, including, where appropriate:

Amendment 168
Bernd Lucke

Proposal for a regulation
Article 16 – paragraph 3 – introductory part

Text proposed by the Commission

3. **Competent authorities**, when determining the type and level of administrative sanctions, shall take into account the extent to which the infringement was intentional or results from negligence and all other relevant circumstances, including, where appropriate:

Amendment

3. **ESMA**, when determining the type and level of administrative sanctions, shall take into account the extent to which the infringement was intentional or results from negligence and all other relevant circumstances, including, where appropriate:

Amendment 169
Enrique Calvet Chambon
Proposal for a regulation
Article 16 – paragraph 4

Text proposed by the Commission

4. Member States shall ensure that any decision imposing the remedial measures or administrative sanctions is properly reasoned and is subject to a right of appeal.

Amendment

4. **ESMA in close cooperation with** Member States’ **competent authorities** shall ensure that any decision imposing the remedial measures or administrative sanctions is properly reasoned and is subject to a right of appeal.

Or. en

Amendment 170
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 16 – paragraph 4

Text proposed by the Commission

4. **Member States** shall ensure that any decision imposing the remedial measures or administrative sanctions is properly reasoned and is subject to a right of appeal.

Amendment

4. **ESMA** shall ensure that any decision imposing the remedial measures or administrative sanctions is properly reasoned and is subject to a right of appeal.

Or. en

Amendment 171
Bernd Lucke

Proposal for a regulation
Article 16 – paragraph 4

Text proposed by the Commission

4. **Member States** shall ensure that any decision imposing the remedial measures or administrative sanctions is properly reasoned and is subject to a right of appeal.

Amendment

4. **ESMA** shall ensure that any decision imposing the remedial measures or administrative sanctions is properly reasoned and is subject to a right of appeal.

Or. en
Amendment 172
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 17 – paragraph 1

Text proposed by the Commission

Member States that have laid down criminal sanctions for the infringement referred to in Article 16(1) shall give their competent authorities all the necessary powers to liaise with judicial, prosecuting, or criminal justice authorities within their jurisdiction to receive from, and to provide to, other competent authorities and ESMA specific information about criminal investigations or proceedings commenced for the infringements referred to in Article 16(1).

Amendment

Member States that have laid down criminal sanctions for the infringement referred to in Article 16(1) shall allow ESMA to liaise with judicial, prosecuting, or criminal justice authorities within their jurisdiction to receive from, and to provide to, relevant authorities specific information about criminal investigations or proceedings commenced for the infringements referred to in Article 16(1).

Or. en

Amendment 173
Bernd Lucke

Proposal for a regulation
Article 17 – paragraph 1

Text proposed by the Commission

Member States that have laid down criminal sanctions for the infringement referred to in Article 16(1) shall give their competent authorities all the necessary powers to liaise with judicial, prosecuting, or criminal justice authorities within their jurisdiction to receive from, and to provide to, other competent authorities and ESMA specific information about criminal investigations or proceedings commenced for the infringements referred to in Article 16(1).

Amendment

Member States that have laid down criminal sanctions for the infringement referred to in Article 16(1) shall allow ESMA to liaise with judicial, prosecuting, or criminal justice authorities within their jurisdiction and to receive from, and to provide to, relevant authorities specific information about criminal investigations or proceedings commenced for the infringements referred to in Article 16(1).
specific information about criminal investigations or proceedings commenced for the infringements referred to in Article 16(1).

Amendment 174
Bernd Lucke

Proposal for a regulation
Article 18 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Competent authorities shall publish on their website any decision imposing an administrative sanction in respect of which there is no longer a right of appeal and which is imposed for an infringement as referred to in Article 16(1) without undue delay and after the person concerned has been informed.

Amendment

1. ESMA shall publish on its website any decision imposing an administrative sanction in respect of which there is no longer a right of appeal and which is imposed for an infringement as referred to in Article 16(1) without undue delay and after the person concerned has been informed.

Or. en

Amendment 175
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 18 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Competent authorities shall publish on their website any decision imposing an administrative sanction in respect of which there is no longer a right of appeal and which is imposed for an infringement as referred to in Article 16(1) without undue delay and after the person concerned has been informed.

Amendment

1. ESMA shall publish on its website any decision imposing an administrative sanction in respect of which there is no longer a right of appeal and which is imposed for an infringement as referred to in Article 16(1) without undue delay and after the person concerned has been informed.

Or. en
Amendment 176
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 18 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission

2. Competent authorities shall publish the administrative sanction on an anonymous basis, in accordance with national law, in any of the following circumstances:

Amendment

2. ESMA shall publish the administrative sanction on an anonymous basis, in accordance with national law, in any of the following circumstances:

Amendment 177
Bernd Lucke

Proposal for a regulation
Article 18 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission

2. Competent authorities shall publish the administrative sanction on an anonymous basis, in accordance with national law, in any of the following circumstances:

Amendment

2. ESMA shall publish the administrative sanction on an anonymous basis, in accordance with national law, in any of the following circumstances:

Amendment 178
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 18 – paragraph 3

Text proposed by the Commission

3. Competent authorities shall ensure

Amendment

3. ESMA shall ensure that
Amendment 179
Bernd Lucke

Proposal for a regulation
Article 18 – paragraph 3

Text proposed by the Commission

3. **Competent authorities** shall ensure that information published under paragraph 1 or 2 remains on their official website for five years. Personal data shall be retained on the official website of the competent authority only for the period necessary.

Amendment

3. **ESMA** shall ensure that information published under paragraph 1 or 2 remains on its official website for five years. Personal data shall be retained on ESMA’s official website only for the period necessary.

Amendment 180
Paul Tang, Jakob von Weizsäcker

Proposal for a regulation
Article 18 a (new)

Text proposed by the Commission

Article 18a
Supervisory fees

1. ESMA shall charge the SPE fees in accordance with this Regulation and in accordance with the delegated acts adopted pursuant to paragraph 2 of this Article. Those fees shall be proportionate to the turnover of the SPE concerned and shall fully cover ESMA’s necessary expenditure relating to the licensing of
SBBSs and supervision of SPEs.

2. The Commission is empowered to adopt a delegated act in accordance with Article 24a to supplement this Regulation by further specifying the type of fees, the matters for which fees are due, the amount of the fees and the manner in which they are to be paid.

Or. en

Amendment 181
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 19 – paragraph 1

Text proposed by the Commission

Within the limits of its mandate laid down in Regulation (EU) No 1092/2010 of the European Parliament and of the Council, the ESRB shall be responsible for the macroprudential oversight of the Union’s SBBSs market and act in accordance with the powers set out in that Regulation.

Amendment

Within the limits of its mandate laid down in Regulation (EU) No 1092/2010 of the European Parliament and of the Council, the ESRB shall be responsible for the macroprudential oversight of the Union’s SBBSs market and act in accordance with the powers set out in that Regulation. If it finds that SBBS markets are posing a severe risk to the orderly functioning of the markets for the sovereign debt securities of those Member States whose currency is the Euro, the ESRB shall avail itself of the powers under Articles 16, 17 and 18 of Regulation (EU) No 1092/2010 of the European Parliament and of the Council, as appropriate. In particular it shall consider issuing warnings and suggesting remedial measures, including a halt to SBBS certification, to ESMA.


Amendment 182
Bernd Lucke

Proposal for a regulation
Article 20

Text proposed by the Commission

Amendment

Article 20

deleted

Member States notifications

Member States shall notify the laws, regulations and administrative provisions referred to in Articles 13 and 16 to the Commission and ESMA by [one year from the date of entry into force of this Regulation]. Member States shall notify the Commission and ESMA of any subsequent amendments thereto without undue delay.

Or. en

Amendment 183
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 20

Text proposed by the Commission

Amendment

Article 20

deleted

Member States notifications

Member States shall notify the laws, regulations and administrative provisions referred to in Articles 13 and 16 to the Commission and ESMA by [one year from the date of entry into force of this Regulation]. Member States shall notify the Commission and ESMA of any subsequent amendments thereto without undue delay.
from the date of entry into force of this Regulation. Member States shall notify the Commission and ESMA of any subsequent amendments thereto without undue delay.

Or. en

Amendment 184
Bernd Lucke

Proposal for a regulation
Article 21 – paragraph 1
Directive 2009/65/EC
Article 54a – paragraph 1 – point a

Text proposed by the Commission

(a) apply the same derogation or grant the same waiver for UCITS to invest up to 100% of their assets in SBBSs as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] in accordance with the principle of risk-spreading where those competent authorities consider that unit-holders in the UCITS have a protection that is equivalent to that of unit-holders in UCITS complying with the limits laid down in Article 52;

Amendment

(a) apply the same derogation or grant the same waiver for UCITS to invest up to 100% of their assets in the senior tranches of SBBSs as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] in accordance with the principle of risk-spreading where those competent authorities consider that unit-holders in the UCITS have a protection that is equivalent to that of unit-holders in UCITS complying with the limits laid down in Article 52;

Or. en

Amendment 185
Jörg Meuthen

Proposal for a regulation
Article 22
Directive 2009/138/EC
Article 104 – paragraph 8

Text proposed by the Commission

Article 22

Amendment

deleted
Amendment to Directive 2009/138/EC

In Article 104 of Directive 2009/138/EC, the following paragraph 8 is added:

(8) For the purposes of the calculation of the Basic Solvency Capital Requirement, exposures to sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] shall be treated as exposures to Member States' central governments or central banks denominated and funded in their domestic currency.

By [6 months from date of entry into force of SBBS Regulation], Member States shall adopt, publish and communicate to the Commission and ESMA measures necessary to comply with the first subparagraph.

Amendment 186
Bernd Lucke

Proposal for a regulation
Article 22 – paragraph 1
Directive 2009/138/EC
Article 104 – paragraph 8 – subparagraph 1

Text proposed by the Commission

For the purposes of the calculation of the Basic Solvency Capital Requirement, exposures to sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] shall be treated as exposures to Member States' central governments or central banks denominated and funded in their domestic currency.

Amendment

For the purposes of the calculation of the Basic Solvency Capital Requirement, exposures to the senior tranches of sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] shall be treated as exposures to Member States' central governments or central banks denominated and funded in their domestic currency.

Or. de

Or. en
Amendment 187
Jörg Meuthen

Proposal for a regulation
Article 23
Regulation (EU) No 575/2013
Articles 268, 325 and 390

Text proposed by the Commission

Amendment

Article 23 deleted

Amendments to Regulation EU No 575/2013

Regulation (EU) No 575/2013 is amended as follows:

1. in Article 268, the following paragraph 5 is added:

‘(5) By way of derogation from the first paragraph, sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] may always be treated in accordance with the first paragraph of this Article.’;

‘(4) For the purpose of this Title, institutions shall treat exposures in the form of sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] as exposures to the central government of a Member State.’;

‘The first subparagraph shall apply to exposures to sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted].’

Or. de

Amendment 188
Ernest Urtasun
on behalf of the Verts/ALE Group
Proposal for a regulation
Article 23 – paragraph 1 – point -1 (new)
Regulation (EU) No 575/2013
Article 254 – paragraph 6 a (new)

Text proposed by the Commission

-Amendment-

(-1) in Article 254, the following paragraph is inserted:

“6a. By way of derogation from paragraph 1, for positions held in a subordinated tranche of sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted], institutions shall use the SEC-ERBA in accordance with Articles 263 and 164 of this Regulation.

The exemption in the first subparagraph for the senior tranche shall also apply to positions where institutions hold all tranches of a specific sovereign bond-backed security exactly in the proportion in which these tranches were issued in accordance with Article 6(1) of Regulation [reference of the SBBS Regulation to be inserted].”

Or. en

Amendment 189
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 23 – paragraph 1 – point 1
Regulation (EU) No 575/2013
Article 268 – paragraph 5

Text proposed by the Commission

-Amendment-

(1) in Article 268, the following paragraph 5 is added:

‘5. By way of derogation from the first
paragraph, sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] may always be treated in accordance with the first paragraph of this Article.;’

Or. en

Amendment 190
Bernd Lucke

Proposal for a regulation
Article 23 – paragraph 1 – point 1
Regulation (EU) No 575/2013
Article 268 – paragraph 5

Text proposed by the Commission

5. By way of derogation from the first paragraph, sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] may always be treated in accordance with the first paragraph of this Article.;

Amendment

5. By way of derogation from the first paragraph, the senior tranches of sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] may always be treated in accordance with the first paragraph of this Article.;

Or. en

Amendment 191
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 23 – paragraph 1 – point 2
Regulation (EU) No 575/2013
Article 325 – paragraph 4

Text proposed by the Commission

4. For the purpose of this Title, institutions shall treat exposures in the form of sovereign bond-backed securities

Amendment

4. For the purpose of this Title, institutions shall treat exposures in the form of the senior tranche of sovereign
as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] as exposures to the central government of a Member State.;

bond-backed securities as defined in Article 3(8) of Regulation [reference of the SBBS Regulation to be inserted] as exposures to the central government of a Member State.;

Or. en

Amendment 192
Bernd Lucke

Proposal for a regulation
Article 23 – paragraph 1 – point 2
Regulation (EU) No 575/2013
Article 325 – paragraph 4

Text proposed by the Commission

4. For the purpose of this Title, institutions shall treat exposures in the form of sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] as exposures to the central government of a Member State.;

Amendment

4. For the purpose of this Title, institutions shall treat exposures in the form senior tranches of sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted] as exposures to the central government of a Member State.;

Or. en

Amendment 193
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 23 – paragraph 1 – point 2 a (new)
Regulation (EU) No 575/2013
Article 325 – paragraph 4 a (new)

Text proposed by the Commission

(2a) in Article 325, the following paragraph 4a is added:

‘4a. The treatment of the senior tranche in the first subparagraph shall also apply to positions where institutions hold all
tranches of a specific sovereign bond-backed security exactly in the proportion in which these tranches were issued in accordance with Article 6(1) of Regulation [reference of the SBBS Regulation to be inserted].’

Amendment 194
Bernd Lucke

Proposal for a regulation
Article 23 – paragraph 1 – point 3
Regulation (EU) No 575/2013
Article 390 – paragraph 7 – subparagraph 2

Text proposed by the Commission
The first subparagraph shall apply to exposures to sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted].

Amendment
The first subparagraph shall apply to exposures the senior tranches of sovereign bond-backed securities as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted].

Amendment 195
Jörg Meuthen

Proposal for a regulation
Article 24
Directive (EU) 2016/2341
Article 18a

Text proposed by the Commission

Amendment
Article 24 deleted

Amendment to Directive (EU) 2016/2341
In Directive (EU) 2016/2341, the following Article 18a is inserted:
‘Article 18a
Sovereign-Bond Backed Securities

(1) In their national rules regarding the valuation of assets of IORPs, the calculation of own funds of IORPs, and the calculation of a solvency margin for IORPs, Member States shall treat sovereign-bond backed securities, as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted], in the same way as euro area sovereign debt instruments.

(2) By [6 months from date of entry into force of the SBBS Regulation], Member States shall adopt, publish and communicate to the Commission and ESMA measures necessary to comply with paragraph 1.

Amendment 196
Bernd Lucke

Proposal for a regulation
Article 24 – paragraph 1
Directive (EU) 2016/2341
Article 18a – paragraph 1

Text proposed by the Commission

1. In their national rules regarding the valuation of assets of IORPs, the calculation of own funds of IORPs, and the calculation of a solvency margin for IORPs, Member States shall treat sovereign-bond backed securities, as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted], in the same way as euro area sovereign debt instruments.

Amendment

1. In their national rules regarding the valuation of assets of IORPs, the calculation of own funds of IORPs, and the calculation of a solvency margin for IORPs, Member States shall treat the senior tranches of sovereign-bond backed securities, as defined in Article 3(3) of Regulation [reference of the SBBS Regulation to be inserted], in the same way as euro area sovereign debt instruments.

Amendment 197
Enrique Calvet Chambon
Proposal for a regulation
Article 25 – paragraph 1

Text proposed by the Commission

No sooner than five years after the date of entry into force of this Regulation and once sufficient data have become available, the Commission shall carry out an evaluation of this Regulation assessing whether it has achieved its objectives to eliminate undue regulatory hindrances to the emergence of SBBSs.

Amendment

No sooner than five years after the date of entry into force of this Regulation and once sufficient data have become available, the Commission shall carry out an evaluation of this Regulation assessing whether it has achieved its objectives to eliminate undue regulatory hindrances to the emergence of SBBSs. It shall in particular evaluate whether ESMA should assume the role of the sole competent authority with regard to the provisions of this Regulation.