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2009

Committee on Economic and Monetary Affairs

2008/0199(COD)

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AMENDMENTS

1 - 48

Draft report
Christian Ehler
(PE415.139v01-00)

on the proposal for a directive of the European Parliament and of the Council amending Directive 94/19/EC on Deposit Guarantee Schemes as regards the coverage level and the payout delay

Proposal for a directive – amending act
(COM(2008)0661 – C6-0361/2008 – 2008/0199(COD))

Amendment 1
Heide Rühle

Proposal for a directive – amending act
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) While the Directive 94/19/EC currently allows considerable scope for Member States to develop systems which are best suited to their market conditions, differences between the guarantee levels afforded to depositors across the Member States create difficulties under crisis conditions, inter alia because they cause competitive distortions and destabilising effects as regards the need to ensure a high level of financial stability within the European Union.

Or. en

Amendment 2
Heide Rühle

Proposal for a directive – amending act
Recital 2 b (new)

Text proposed by the Commission

Amendment

(2b) In the event of a cross-border EU banking crisis, full harmonisation at EU level as regards coverage level is required in order to avoid depositors facing different levels of protection. Such harmonisation would also avoid competitive distortions between banks, while maintaining depositor confidence.

Or. en

Amendment 3
Ieke van den Burg

Proposal for a directive – amending act
Recital 3

Text proposed by the Commission

(3) The current minimum coverage level provided for in Directive 94/19/EC is set at EUR 20 000 with the option for Member States to determine a higher coverage. However, this has proved to be not adequate for a large number of deposits in the Community. In order to maintain depositors' confidence, the minimum coverage level should be *raised*.

Amendment

(3) The current minimum coverage level provided for in Directive 94/19/EC is set at EUR 20 000 with the option for Member States to determine a higher coverage. However, this has proved to be not adequate for a large number of deposits in the Community. In order to maintain depositors' confidence **and greater stability on the financial markets**, the minimum coverage level should be **increased to a fully harmonised coverage level**.

Or. en

Justification

It is important to get a full harmonisation of the coverage level in order to prevent arbitrage and more market distortions.

Amendment 4
Ieke van den Burg

Proposal for a directive – amending act
Recital 4

Text proposed by the Commission

(4) Under Directive 94/19/EC, Member States may limit the coverage by a certain percentage. That option has proven counter-productive for the confidence of depositors **and should be discontinued**.

Amendment

(4) Under Directive 94/19/EC, Member States may limit the coverage by a certain percentage. That option has proven counter-productive for the confidence of depositors **during the current international financial crisis. Before possibly reintroducing co-insurance in Directive 94/19/EC, therefore, an adequate level of financial education, including basic principles such as 'high return, high risk', within the Member**

States should be ensured.

Or. en

Justification

Co-insurance can be a useful instrument to avoid moral hazard. To make use of this instrument it is absolutely necessary that consumers are well aware of the basic risks, such as 'high interest rate, high risk', that exist. The level of adequacy can be compared with the awareness of risking lung cancer when smoking.

Amendment 5
Christian Ehler

Proposal for a directive – amending act
Recital 5

Text proposed by the Commission

(5) The payout period of three months currently provided for, which can be extended to 9 months, runs counter to the need to maintain depositors' confidence and does not meet their needs. Therefore, the payout delay should be reduced to a period of **three days** from the date on which the deposit-guarantee scheme concerned has received the relevant information. Furthermore, in the cases where payout is triggered by a determination of the competent authorities, the decision period of 21 days currently provided for should be reduced to 3 days in order not to impede rapid payout.

Amendment

(5) The payout period of three months currently provided for, which can be extended to 9 months, runs counter to the need to maintain depositors' confidence and does not meet their needs. Therefore, the payout delay should be reduced to a period of **ten working days** from the date on which the deposit-guarantee scheme concerned has received the relevant information. Furthermore, in the cases where payout is triggered by a determination of the competent authorities, the decision period of 21 days currently provided for should be reduced to 3 days in order not to impede rapid payout. ***For the allocation of necessary liquid assets, an emergency fund should be established, which ensures payments of up to EUR 5 000 within three days of application.***

Or. en

Justification

Necessary adjustment to the amended legal text.

Amendment 6
Sharon Bowles

Proposal for a directive – amending act
Recital 5

Text proposed by the Commission

(5) The payout period of three months currently provided for, which can be extended to 9 months, runs counter to the need to maintain depositors' confidence and does not meet their needs. Therefore, the payout delay should be reduced to a period of **three days** from the date on which the deposit-guarantee scheme concerned has received the relevant information. Furthermore, in the cases where payout is triggered by a determination of the competent authorities, the decision period of 21 days currently provided for should be reduced to 3 days in order not to impede rapid payout.

Amendment

(5) The payout period of three months currently provided for, which can be extended to 9 months, runs counter to the need to maintain depositors' confidence and does not meet their needs. Therefore, the payout delay should be reduced to a period of **ten working days** from the date on which the deposit-guarantee scheme concerned has received the relevant information. ***If deposit-guarantee funds are being used to support the continuity of banking services, they should also be available within ten working days.*** Furthermore, in the cases where payout is triggered by a determination of the competent authorities, the decision period of 21 days currently provided for should be reduced to 3 days in order not to impede rapid payout.

Or. en

Justification

Three days is an unrealistic timeframe for deposit guarantee schemes to operate and could lead to a collapse in consumer confidence. Ten days is a reasonable alternative.

Amendment 7
Pervenche Berès

Proposal for a directive – amending act
Recital 5

Text proposed by the Commission

(5) The payout period of three months currently provided for, which can be extended to 9 months, runs counter to the

Amendment

(5) The payout period of three months currently provided for, which can be extended to 9 months, runs counter to the

need to maintain depositors' confidence and does not meet their needs. Therefore, the payout delay should be reduced to a period of **three days from the date on which the deposit-guarantee scheme concerned has received the relevant information**. Furthermore, in the cases where payout is triggered by a determination of the competent authorities, the decision period of 21 days currently provided for should be reduced to 3 days in order not to impede rapid payout.

need to maintain depositors' confidence and does not meet their needs. Therefore, the payout delay should be reduced to a period of **ten working days, covering the collection and analysis of data and the implementation of the payout decision**. Furthermore, in the cases where payout is triggered by a determination of the competent authorities, the decision period of 21 days currently provided for should be reduced to 3 days in order not to impede rapid payout.

Or. en

Justification

Ten working days seems to be a more realistic solution than the Commission's proposal but is still in line with the original proposal of efficiency and restoring market confidence.

Amendment 8 Sharon Bowles

Proposal for a directive – amending act Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) Member States should be encouraged to pursue options for maintaining the continuity of banking service and access to monies for depositors, and, where appropriate, to allow access to deposit-guarantee funds for that purpose.

Or. en

Justification

Continuity of services ensures a smooth transition without affecting depositors' rights and savings' protection; it can be better for the depositor and confidence, particularly when the insolvent institutions could have a systemic impact on the financial system.

Amendment 9
Sharon Bowles

Proposal for a directive – amending act
Recital 5 b (new)

Text proposed by the Commission

Amendment

(5b) In the event that a deposit-guarantee scheme is triggered, depositors should have a local point of contact in their own country.

Or. en

Justification

It is essential for consumer confidence that depositors have a local point of contact if a deposit guarantee scheme is activated.

Amendment 10
Christian Ehler

Proposal for a directive – amending act
Recital 6

Text proposed by the Commission

Amendment

(6) The possibility of discretionary exclusions of certain categories of depositors set out in Annex I to Directive 94/19/EC has led to a variety of categories of beneficiaries that have to be identified during the payout procedure. This has proven to be difficult for the enforcement of arrangements between home and host country schemes (topping up) and to delay payout and should therefore be discontinued. In addition most of the exclusions currently provided for concern public entities and financial institutions. An increased protection should, however, benefit depositors who as a matter of principle do not dispose of a lot of financial expertise. ***Therefore protection should be limited to retail depositors,***

(6) The possibility of discretionary exclusions of certain categories of depositors set out in Annex I to Directive 94/19/EC has led to a variety of categories of beneficiaries that have to be identified during the payout procedure. This has proven to be difficult for the enforcement of arrangements between home and host country schemes (topping up) and to delay payout and should therefore be discontinued. In addition most of the exclusions currently provided for concern public entities and financial institutions. An increased protection should, however, benefit depositors who as a matter of principle do not dispose of a lot of financial expertise. The option for Member States to extend ***the*** protection to other

whilst maintaining the option for Member States to extend *that* protection to other categories of depositors.

categories of depositors *should be maintained*.

Or. en

Justification

Necessary adjustment to the amended legal text.

Amendment 11 **Heide Rühle**

Proposal for a directive – amending act **Recital 6**

Text proposed by the Commission

(6) The possibility of discretionary exclusions of certain categories of depositors set out in Annex I to Directive 94/19/EC has led to a variety of categories of beneficiaries that have to be identified during the payout procedure. This has proven to be difficult for the enforcement of arrangements between home and host country schemes (topping up) and to delay payout and should therefore be discontinued. In addition most of the exclusions currently provided for concern public entities and financial institutions. An increased protection should, however, benefit depositors who as a matter of principle do not dispose of a lot of financial expertise. Therefore protection should be limited to retail depositors, whilst maintaining the option for Member States to extend that protection to other categories of depositors.

Amendment

(6) The possibility of discretionary exclusions of certain categories of depositors set out in Annex I to Directive 94/19/EC has led to a variety of categories of beneficiaries that have to be identified during the payout procedure. This has proven to be difficult for the enforcement of arrangements between home and host country schemes (topping up) and to delay payout and should therefore be discontinued. In addition most of the exclusions currently provided for concern public entities and financial institutions. An increased protection should, however, benefit depositors who as a matter of principle do not dispose of a lot of financial expertise. Therefore protection should be limited to retail depositors, whilst maintaining the option for Member States to extend that protection to other categories of depositors. ***Protection should not, however, benefit depositors in the event that their deposits were made in a bank branch located in a tax haven.***

Or. en

Amendment 12
Ieke van den Burg

Proposal for a directive – amending act
Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) Deposit-guarantee schemes should not be used deliberately for marketing purposes to attract new deposits or gain a competitive advantage in the market, including the market of the European Economic Area. The use of topping up as marketing strategy should be minimised to the greatest extent possible until there is a fully harmonised coverage level.

Or. en

Justification

It needs to be avoided that deposit-guarantee schemes are being abused for competition and marketing strategies.

Amendment 13
John Purvis

Proposal for a directive – amending act
Recital 7

Text proposed by the Commission

Amendment

(7) Member States should ensure that deposit-guarantee schemes have adequate funds available to meet their needs.

(7) Member States should ensure that deposit-guarantee schemes have adequate funds available to meet their needs. ***The deposit-guarantee scheme should be empowered to raise finance for the purposes of underpinning the continuity of banking services and access to monies and should stand as a creditor in the normal sequence of insolvency.***

Or. en

Amendment 14
Christian Ehler

Proposal for a directive – amending act
Recital 9

Text proposed by the Commission

Amendment

(9) In particular, power should be conferred on the Commission to adjust the coverage level. Since this measure is of general scope and is designed to amend a non-essential element of Directive 94/19/EC, it must be adopted in accordance with the regulatory procedure with scrutiny provided for in Article 5a of Decision 1999/468/EC.

deleted

Or. en

Justification

Necessary adjustment to the amended legal text.

Amendment 15
Christian Ehler

Proposal for a directive – amending act
Recital 10

Text proposed by the Commission

Amendment

(10) When, on the imperative grounds of urgency that occur if the confidence of depositors in the safety of the financial markets is at issue, the normal time-limits for the regulatory procedure with scrutiny cannot be complied with, the Commission should be able to apply the urgency procedure provided for in Article 5a(6) of Decision 1999/468/EC for the adoption of a temporary increase of the coverage level.

deleted

Justification

Necessary adjustment to the amended legal text.

Amendment 16
Antolín Sánchez Presedo

Proposal for a directive – amending act

Article 1 – point 1 a

Directive 94/19/EC

Article 1 – point 3 – point ii

Text proposed by the Commission

Amendment

(1a) Point (3)(ii) of Article 1 is replaced by the following:

“(ii) a judicial authority has made a ruling for reasons which are directly related to the credit institution's financial circumstances which has the effect of suspending depositors' ability to make claims for restoring due and payable deposits against it, should that occur before the [...] determination has been made in accordance with point (i);”.

Or. en

Amendment 17
Antolín Sánchez Presedo

Proposal for a directive – amending act

Article 1 – point 2 – subpoint a

Directive 94/19/EC

Article 4 – paragraph 5

Text proposed by the Commission

Amendment

5. In the cases referred to in paragraphs 1 to 4, ***Member States*** shall ***ensure that*** Deposit-guarantee *Schemes* cooperate with

5. In the cases referred to in paragraphs 1 to 4, Deposit-guarantee *schemes* shall cooperate with each other ***and the Member***

each other.

States shall adopt the necessary measures for such purpose. In addition, the Commission shall, by 30 June 2009, suggest measures relating to the procedures, the exchange of all relevant information and the interaction of all participants in the event of a possible cross-border crisis.

Or. en

Amendment 18
Sharon Bowles

Proposal for a directive – amending act

Article 1 – point 2 – subpoint a

Directive 94/19/EC

Article 4 – paragraph 5

Text proposed by the Commission

5. In the cases referred to in paragraphs 1 to 4, Member States shall ensure that Deposit-guarantee Schemes *cooperate with each other*.

Amendment

5. In the cases referred to in paragraphs 1 to 4, Member States shall ensure that Deposit-guarantee schemes *enter into agreements concerning their respective obligations*.

Or. en

Justification

It would be helpful for legal clarification if deposit schemes entered into agreements with one another.

Amendment 19
Sharon Bowles

Proposal for a directive – amending act

Article 1 – point 2 – subpoint b

Directive 94/19/EC

Article 4 – paragraph 6

Text proposed by the Commission

6. The Commission shall review the functioning of this Article and, if appropriate, propose amendments thereto.

Amendment

6. The Commission shall review the functioning of this Article ***every three years or whenever urgency demands*** and, if appropriate, propose amendments thereto.

Or. en

Justification

Three years is a suitable period of time to review the system with the possibility of urgency reports when necessary.

Amendment 20
Antolín Sánchez Presedo

Proposal for a directive – amending act

Article 1 – point 2 – subpoint b

Directive 94/19/EC

Article 4 – paragraph 6

Text proposed by the Commission

6. The Commission shall review the functioning of this Article and, if appropriate, propose amendments thereto.

Amendment

6. The Commission shall review the functioning of this Article ***regularly*** and ***shall***, if appropriate, propose amendments thereto.

Or. en

Amendment 21
Margarita Starkevičiūtė

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Deposit-guarantee schemes shall

Amendment

1. Deposit-guarantee schemes shall

stipulate that the aggregate deposits of each depositor must be covered up to at least EUR 50 000 in the event of *deposits*' being unavailable.

stipulate that the aggregate deposits of each depositor must be covered up to at least EUR 50 000 in the event of *deposits* being unavailable. ***Contributions to deposit-guarantee schemes shall be fully paid by the credit institutions.***

Or. en

Justification

This provision will allow clarify responsibilities of the credit institutions while achieving the objectives pursued.

Amendment 22
Pervenche Berès

Proposal for a directive – amending act
Article 1 – point 3 – subpoint a
Directive 94/19/EC
Article 7 – paragraph 1 – subparagraph 2

Text proposed by the Commission

By 31 December 2009 *at the latest* coverage shall be increased to ***at least*** EUR 100 000.

Amendment

By 31 December 2009, coverage shall be increased to ***a maximum of*** EUR 100 000.

Or. en

Justification

The increase of the coverage to 100 000 euros become a ceiling, as a maximum harmonisation is desirable to ensure stability.

Amendment 23
Antolín Sánchez Presedo

Proposal for a directive – amending act
Article 1 – point 3 – subpoint a
Directive 94/19/EC
Article 7 – paragraph 1 – subparagraph 2

Text proposed by the Commission

By 31 December 2009 *at the latest* coverage shall be increased to **at least** EUR 100 000.

Amendment

By 31 December 2009, coverage shall be increased to EUR 100 000.

Or. en

Amendment 24

John Purvis

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 1 – subparagraph 2

Text proposed by the Commission

By 31 December 2009 *at the latest* coverage shall be increased to at least EUR 100 000.

Amendment

By 31 December 2009, coverage shall be increased to at least EUR 100 000, ***or equivalent, in the event that a Commission impact assessment, submitted to the European Parliament and the Council by 31 March 2009, concludes that such an increase is required and is financially viable for all Member States in order to ensure consumer protection and financial market stability.***

Or. en

Amendment 25

Cornelis Visser

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 1 – subparagraph 2

Text proposed by the Commission

By 31 December 2009 *at the latest* coverage shall be increased to **at least** EUR

Amendment

By 31 December 2009, coverage shall be ***fully harmonised. The amount shall be***

100 000.

increased to EUR 100 000 *in the event that a Commission impact assessment, submitted to the European Parliament and the Council by 31 March 2009, concludes that such a harmonised increase is required in order to ensure consumer protection and financial market stability.*

Or. en

Justification

It is important to get a full harmonisation of the coverage level in order to prevent topping-up and more market distortions. The coverage of 100 000 needs to be adequately assessed to ensure consumer protection and financial market stability in the long term.

Amendment 26
Ieke van den Burg

Proposal for a directive – amending act
Article 1 – point 3 – subpoint a
Directive 94/19/EC
Article 7 – paragraph 1 – subparagraph 2

Text proposed by the Commission

By 31 December 2009 *at the latest* coverage shall be increased to **at least** EUR 100 000.

Amendment

By 31 December 2009, coverage shall be increased to EUR 100 000 **and fully harmonised, in the event that a Commission impact assessment, submitted to the European Parliament and the Council by 31 March 2009, concludes that such a harmonised increase is required and is financially viable for all Member States in order to ensure consumer protection and financial market stability.**

Or. en

Justification

It is important to get a full harmonisation of the coverage level in order to prevent arbitrage and more market distortions. The coverage of 100 000 needs to be adequately assessed to ensure consumer protection and financial market stability in the long term.

Amendment 27
Heide Rühle

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 1 – subparagraph 2

Text proposed by the Commission

By 31 December 2009 *at the latest* coverage shall be increased to at least EUR 100 000.

Amendment

By 31 December 2009, coverage shall be increased to at least EUR 100 000. ***In the event of a cross-border EU banking crisis, the coverage level must in any case be fully harmonised at EU level in order to avoid any distortion of competition.***

Or. en

Amendment 28
Sharon Bowles

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

Member States that are not members of the euro area may apply the exchange rate prevailing at ...*. Updating that exchange rate may be effected at the discretion of the Member State concerned and shall be effected in the event that the converted amount falls to more than 5 % below the minimum amount in euro.

**** OJ: please insert the date of adoption of the amending act.***

Or. en

Justification

To ensure consumer confidence, deposit guarantee schemes in non-eurogroup economies should have their conversion rate fixed at a set rate against the Euro.

Amendment 29

Heide Rühle

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 2

Text proposed by the Commission

2. Member States may provide that certain deposits, listed in Annex I, be excluded from the guarantee or be granted a lower level of guarantee provided that the payment to all depositors is carried out within the deadline set out to in Article 10(1).

Amendment

2. Member States may provide that certain deposits, listed in Annex I, be excluded from the guarantee or be granted a lower level of guarantee provided that the payment to all depositors is carried out within the deadline set out to in Article 10(1). ***In any event, protection should not benefit depositors if their deposits are situated in a bank branch located in a tax haven.***

Or. en

Amendment 30

Pervenche Berès

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 2

Text proposed by the Commission

2. Member States may provide that certain deposits, listed in Annex I, be excluded from the guarantee or be granted a lower level of guarantee provided that the payment to all depositors is carried out within the deadline set out to in Article

Amendment

2. Member States may provide that certain deposits, listed in Annex I, be excluded from the guarantee or be granted a lower level of guarantee provided that the payment to all depositors is carried out within the deadline set out to in Article 10(1). ***When a deposit is not guaranteed***

10(1).

by a deposit-guarantee scheme in accordance with this Article, the credit institution shall inform its depositors accordingly.

Or. en

Justification

It is important to develop the depositors' information on the "no-guarantee" deposits proposed by a credit institution. The responsibility of this information is the concern of the credit institution.

Amendment 31
Pervenche Berès

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 3

Text proposed by the Commission

3. This Directive shall cover ***depositors who are natural persons acting for purposes other than their trade, business or profession.***

Amendment

3. This Directive shall ***not*** cover ***deposits for which the depositor has obtained, from the same credit institution, rates and financial concessions which have helped to aggravate its financial situation.***

Or. en

Justification

The scope of the original directive should be maintained. Moreover, the compensation of high-return deposits should be excluded so as to prevent the collectivity from having to step in for risk-taking behaviours.

Amendment 32
Sharon Bowles

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 3

Text proposed by the Commission

Amendment

3. This Directive shall cover depositors ***who are natural persons acting for purposes other than their trade, business or profession.***

3. This Directive shall cover ***all*** depositors.

Or. en

Justification

There are relatively few large entities in comparison with the total number of SMEs and other depositors, making the arrangements cover everybody eliminates uncertainty should a business be marginally outside the SME category for example.

Amendment 33
Ieke van den Burg

Proposal for a directive – amending act

Article 1 – point 3 – subpoint a

Directive 94/19/EC

Article 7 – paragraph 3

Text proposed by the Commission

Amendment

3. This Directive shall cover depositors who are natural persons ***acting for purposes other than their trade, business or profession.***

3. This Directive shall cover depositors who are natural persons, ***micro entities and non-profit organisations.***

Or. en

Justification

It is important to ensure the deposits of micro entities and non-profit organisation because their deposits have an impact on the stability of the market. Besides this, a loss of coverage could have extreme economic, social, cultural and labour-market implications in case of a

crisis.

Amendment 34
Antolín Sánchez Presedo

Proposal for a directive – amending act
Article 1 – point 3 – subpoint d
Directive 94/19/EC
Article 7 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. Member States shall ensure that deposit-guarantee schemes are pre-funded.

Or. en

Amendment 35
Christian Ehler

Proposal for a directive – amending act
Article 1 – point 4
Directive 94/19/EC
Article 7 a – paragraph 1

Text proposed by the Commission

Amendment

1. The Commission shall be assisted by the European Banking Committee established by Commission Decision 2004/10/EC*.

deleted

* OJ L 3, 7.1.2004, p. 36.

Or. en

Justification

Necessary adjustment to the amended legal text.

Amendment 36
Astrid Lulling

Proposal for a directive – amending act

Article 1 – point 5 – subpoint a

Directive 94/19/EC

Article 10 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Member States shall ensure that accurate data on depositors and deposits, which are necessary for the verification of claims, are made available to the deposit-guarantee scheme **when** the competent authorities **make** the determination referred to in point 3(i) of Article 1 or the judicial authority **makes** the ruling referred to in point 3(ii) of that Article.

Amendment

1. Member States shall ensure that accurate data on depositors and deposits, which are necessary for the verification of claims, are made available **without undue delay** to the deposit-guarantee scheme **once** the competent authorities **have made** the determination referred to in point 3(i) of Article 1 or the judicial authority **has made** the ruling referred to in point 3(ii) of that Article.

Or. en

Justification

It would be impossible to gather all the necessary data, process them and make the payouts within a substantially shortened timeframe.

While the current 3 month-period can be perceived as too long, the proposed 3-day timeframe simply is unrealistic. A timeframe for payout of twenty working days is reasonable.

Amendment 37
Peter Skinner

Proposal for a directive – amending act

Article 1 – point 5 – subpoint a

Directive 94/19/EC

Article 10 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Member States shall ensure that accurate data on depositors and deposits, which are necessary for the verification of claims, are made available to the deposit-guarantee scheme **when** the competent authorities

Amendment

1. Member States shall ensure that accurate data on depositors and deposits, which are necessary for the verification of claims, are made available **without undue delay** to the deposit-guarantee scheme **once** the

make the determination referred to in point 3(i) of Article 1 or the judicial authority **makes** the ruling referred to in point 3(ii) of that Article.

competent authorities **have made** the determination referred to in point 3(i) of Article 1 or the judicial authority **has made** the ruling referred to in point 3(ii) of that Article.

Or. en

Justification

The amendments facilitate a more proportionate and practical approach to the provision of depositor data once a credit institution has been declared in default. An obligation to submit data simultaneous to a determination of default would require real time data transfer which would prove significantly burdensome. These proposals should ensure greater accuracy of the data supplied and a higher level of legal certainty.

Amendment 38 **Sharon Bowles**

Proposal for a directive – amending act
Article 1 – point 5 – subpoint a
Directive 94/19/EC
Article 10 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Deposit-guarantee schemes shall be in a position to pay duly verified claims by depositors in respect of unavailable deposits within **three days** of the date on which the data referred to in the first subparagraph have been made available to them.

Amendment

Deposit-guarantee schemes shall be in a position to pay duly verified claims by depositors in respect of unavailable deposits within **ten working days** of the date on which the data referred to in the first subparagraph have been made available to them. ***In the event that deposit-guarantee funds are to be used to support the continuity of banking services, any necessary funding shall be made available within ten days.***

Or. en

Justification

Deposit guarantee money may be used to support continuity of banking, but if an injection of cash is required to enable such an arrangement it should also be made promptly. Three days is an unrealistic timeframe for deposit guarantee schemes to operate and could lead to a

collapse in consumer confidence. Ten days is a reasonable alternative.

Amendment 39
Peter Skinner

Proposal for a directive – amending act
Article 1 – point 5 – subpoint a
Directive 94/19/EC
Article 10 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Deposit-guarantee schemes shall be in a position to pay duly verified claims by depositors in respect of unavailable deposits within **three days** of the date on which the data referred to in the first subparagraph have been made available to them.

Amendment

In the event that the continuity of banking services and access to monies is not deliverable, deposit-guarantee schemes shall be in a position to pay duly verified claims by depositors in respect of unavailable deposits within **ten working days** of the date on which the data referred to in the first subparagraph have been made available to them.

Or. en

Justification

The amendment emphasises that priority should be given to continuity of banking services whilst confirming the obligation to deliver fast payout in the event continuity of services is not a viable option. This facilitates the option of providing the best resolution solution for depositors together with clarity around the maximum timeframe consumers can expect for payout in all circumstances.

Amendment 40
Astrid Lulling

Proposal for a directive – amending act
Article 1 – point 5 – subpoint a
Directive 94/19/EC
Article 10 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Deposit-guarantee schemes shall be in a position to pay duly verified claims by

Amendment

Deposit-guarantee schemes shall be in a position to pay duly verified claims by

depositors in respect of unavailable deposits within **three days** of the date on which the data referred to in the first subparagraph have been made available to them.

depositors in respect of unavailable deposits within **twenty working days** of the date on which the data referred to in the first subparagraph have been made available to them.

Or. en

Justification

It would be impossible to gather all the necessary data, process them and make the payouts within a substantially shortened timeframe.

While the current 3 month-period can be perceived as too long, the proposed 3-day timeframe simply is unrealistic. A timeframe for payout of twenty working days is reasonable.

Amendment 41
Peter Skinner

Proposal for a directive – amending act

Article 1 – point 5 – subpoint a

Directive 94/19/EC

Article 10 – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

In the event that the continuity of banking services and access to monies is not deliverable, Member States shall make appropriate and timely arrangements to facilitate emergency payouts.

Or. en

Justification

The sudden removal of banking facilities and access to monies through bank failure can lead quickly to cases of financial hardship. Member States should make contingency for emergency payouts in such circumstances.

Amendment 42
Sharon Bowles

Proposal for a directive – amending act

Article 1 – point 6

Directive 94/19/EC

Article 12 – paragraph 1

Text proposed by the Commission

1. By 31 December 2009 *at the latest*, the Commission shall submit to the European Parliament and to the Council a report on *a* harmonisation of the funding mechanisms of deposit-guarantee schemes and the possible introduction of a Community deposit-guarantee scheme, ***together with any appropriate proposals.***

Amendment

1. By 31 December 2009, the Commission shall submit to the European Parliament and to the Council a report on ***the effect of potential*** harmonisation of the funding mechanisms of deposit-guarantee schemes and the possible introduction of a Community deposit-guarantee scheme ***and whether such harmonisation and Community deposit-guarantee scheme have any benefits in the absence of harmonised cross-border winding-up.***

Or. en

Justification

There is an important interrelationship between cross border winding-up and cross border guarantee schemes, otherwise there could be the scenario where the wrong Member State pays the bill.

Amendment 43
Pervenche Berès

Proposal for a directive – amending act

Article 1 – point 6

Directive 94/19/EC

Article 12 – paragraph 1

Text proposed by the Commission

1. By 31 December 2009 *at the latest*, the Commission shall submit to the European Parliament and to the Council a report on a harmonisation of the funding mechanisms of deposit-guarantee schemes and the possible introduction of a Community

Amendment

1. By 31 December 2009, the Commission shall submit to the European Parliament and to the Council a report on a harmonisation of the funding mechanisms of deposit-guarantee schemes and the possible introduction of a Community

deposit-guarantee scheme, together with any appropriate proposals.

deposit-guarantee scheme, together with any appropriate proposals. ***The future structure of such a Community deposit-guarantee scheme should provide for an independence vis-à-vis the European Central Bank and the banking supervisor, while creating the necessary links between those three institutions. The report shall also cover the impact of diverging legislations as regards set-off, where a depositor's credit is balanced against its debts, on the efficiency of the system and possible distortions.***

Or. en

Justification

The existence of large differences in the calculation of deposits runs counter the harmonisation of thresholds.

Amendment 44 Pervenche Berès

Proposal for a directive – amending act
Article 1 – point 7 – subpoint a
Directive 94/19/EC
Annex I – points 1 to 9

Text proposed by the Commission

Amendment

(a) points 1 to 9 are deleted;

deleted

Or. en

Justification

The deletion of the modification of the annex is in line with maintaining the Directive's original scope.

Amendment 45
Pervenche Berès

Proposal for a directive – amending act

Article 1 – point 7 – subpoint b

Directive 94/19/EC

Annex I – point 11

Text proposed by the Commission

Amendment

(b) point 11 is deleted;

deleted

Or. en

Justification

The deletion of the modification of the annex is in line with maintaining the Directive's original scope.

Amendment 46
Pervenche Berès

Proposal for a directive – amending act

Article 1 – point 7 – subpoint b

Directive 94/19/EC

Annex I – point 11

Text proposed by the Commission

Amendment

(b) point 11 is *deleted*;

(b) point 11 is *replaced by the following*:

"11. Deposits for which the depositor has [...] obtained from the same credit institution rates and financial concessions which have helped to aggravate its financial situation."

Or. en

Justification

This amendment opens the possibility for any State to forbid the compensation of high-return deposits. The limit should be the return rate of the money market for the same maturity.

Amendment 47
Pervenche Berès

Proposal for a directive – amending act

Article 1 – point 7 – subpoint c

Directive 94/19/EC

Annex I – point 14

Text proposed by the Commission

Amendment

(c) point 14 is deleted.

deleted

Or. en

Justification

The deletion of the modification of the annex is in line with maintaining the Directive's original scope.

Amendment 48
Pervenche Berès

Proposal for a directive – amending act

Article 1 – point 7 – subpoint c a

Directive 94/19/EC

Annex I – point 13 – indent 2

Text proposed by the Commission

Amendment

(ca) In point 13, the second indent is replaced by the following:

"- euro."

Or. en

Justification

The name of the European currency is "euro".