European Banking Authority (EBA): adjustment of procedural modalities

2012/0244(COD) - 22/05/2013 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted **amendments** on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1093/2010 establishing a European Supervisory Authority (European Banking Authority) as regards its interaction with Council Regulation (EU) No .../.... conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions.

The matter has been referred back to the committee responsible. The vote has been postponed.

The main amendments adopted in plenary are the following:

Scope: it is stipulated that the European Banking Authority (EBA) shall foster supervisory convergence, provide opinions to the European Parliament, the Council, and the Commission, and undertake economic analyses of the markets to promote the achievement of the Authority's objective. It shall act independently and objectively and in a non discriminatory way in the interests of the Union as a whole. It should be equipped with **adequate instruments**, which should enable it to efficiently perform its entrusted tasks concerning the integrity of the single. It should also be provided with the **appropriate financial and human resources**, in order to adequately fulfil any additional tasks assigned to it under this Regulation. Appointments of the members of EBA internal bodies and committees should ensure a **geographical balance** among Member States

Responsibility of authorities: the Authorities shall be accountable to the European Parliament and the Council. The ECB shall be accountable to the European Parliament and the Council for the exercise of its specific supervisory tasks.

Role of the EBA: Members stress that the EBA should maintain its role and **retain all its existing powers and tasks**: it should continue developing and contributing to the consistent application of the **single rulebook** applicable to all Member States and enhancing convergence of supervisory practices across the whole Union. In order to ensure the safety and soundness of credit institutions, EBA should have full regard to the diversity of credit institutions and their size and business models, as well as the systemic benefits of diversity in the European banking industry. It is fundamental that the single rulebook is accompanied by a **European supervisory handbook on the supervision of financial institutions**, drawn up by EBA in consultation with competent authorities. The Supervisory Handbook should identify the best practices across the Union as regards supervisory methodologies and processes so that core international and Union principles are adhered to.

Request for information: requests for information by EBA should be duly **justified and reasoned**. Objections as to whether a specific request for information by EBA complies with the requirements set out in this Regulation should be raised in accordance with the relevant procedures. The raising of such an objection should not absolve the addressee of the request from providing the information. The Court of Justice of the European Union should be competent to decide, in accordance with the procedures set out in the Treaty, whether a specific request for information by EBA complies with the requirements set out in this Regulation

The possibility for EBA to request information from financial institutions should relate to **any information to which the financial institution has legal access**, including information held by persons

remunerated by the relevant financial institution for carrying out relevant activities, audits provided to the relevant financial institution by external auditors, copies of relevant documents, books and records.

Emergency situations: in order to be able to perform its facilitating and coordinating role in emergency situations, EBA should be fully informed of any relevant developments, and should be invited to **participate as an observer** in any relevant gathering by the relevant competent supervisory authorities. This includes the right to speak or to make any other contributions.

Decisions concerning actions in emergency situations should be adopted by a **simple majority** of the Board of Supervisors, which should include a simple majority of its members from Member States participating in the SSM and a simple majority of its members from Member States that do not participate in the Single Supervisory Mechanism (SSM).

Decisions concerning the acts specified in Articles 10 to 16 of Regulation (EU) No 1093/2010 (Regulatory technical standards and implementation) and measures and decisions adopted under the third subparagraph of Article 9(5) and Chapter VI of that Regulation should be adopted by a **qualified majority** of the Board of Supervisors which should include a simple majority of its members from Member States participating in the SSM and a simple majority of its members from Member States that do not participate in the SSM.