Credit institutions, investment firms: solvency ratio (amend. Directives 77/780/EEC, 89/647 /EEC, 93/6/EEC)

1996/0121(COD) - 29/04/1996 - Legislative proposal

OBJECTIVE: The proposal for a European Parliament and Council Directive seeks to amend Article 12 of Directive 77/780/EEC on the coordination of laws, regulations and administrative provisions relating to the business of credit institutions, Articles 2, 6, 7, 8 and Annexes II and III of Directive 89/647/EEC on a solvency ratio for credit institutions and Article 2 and Annex II of Directive 93/6/EEC on the capital adequacy of investment firms and credit institutions. SUBSTANCE: Following the most recent meetings of the Banking Advisory Committee, a proposal was made to introduce a number of amendments to the above directives, either to take account of recent developments (such as the creation of the European Investment Fund) or to remedy the shortcomings of those directives (for example, the impossibility of exchanging information with non-banking authorities of third countries, the weighting of no-risk assets in regularization accounts, etc.). Further amendments reflect refinements of the supervisory treatment of over-the-counter derivative instruments as regulated by another international forum of banking supervisors.