Supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate

2001/0095(COD) - 14/03/2002 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted the resolution drafted by Alain LIPIETZ (Greens, France) on financial conglomerates. (Please refer to the document dated 25/03/02.) The new definition of conglomerate excludes close links and horizontal agreements. In the case of groups headed by a regulated entity or mixed financial holding company with the head office inside the EU, cross-sectoral activities are to be regarded as significant if the threshold value is below 40% but the consolidated or aggregated balance sheet total of the smallest financial sector exceeds EUR 3 billion. Several other amendments were adopted regarding the participation that can be deducted from prudential capital in the insurance sector, where no such rules were in existence. With regard to supervision, Parliament wants a single coordinator. The identity of the coordinator must be notified to the regulated entities.