

Investment firms and credit institutions: capital adequacy. Recast

2004/0159(COD) - 13/07/2005

The committee adopted the report by Alexander RADWAN (EPP-ED , DE) tabling a large number of amendments to the Commission proposal. Many of these made substantial changes, but there were also a large number aimed at tidying up and clarifying the text. The committee was able to agree on its position after compromises were reached on issues such as the conditions for applying capital requirements on a consolidated, cross-border basis to groups with subsidiaries in various EU countries (**Articles 68 and 69**), how to deal with internal group lending, as well as banks taking part in an institutional protection scheme (**Article 80**) , and on minimum data retention requirements (**Article 154**).

On the issue of "comitology" - the system which grants the Commission authority to decide on the detailed implementation of an EU law - MEPs decided that implementing powers for the Commission in this case should not come into force until Parliament's future role in this area had been clarified. The committee hoped that an interinstitutional agreement could be reached to confirm Parliament's powers of "call-back."

The compromise texts adopted by the committee were also developed in the light of the rapporteur's discussions with the Council, with a view to the legislative procedure being completed at first reading.