

Prudential assessment of acquisitions and increase of holdings in the financial sector

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The committee adopted the report by Wolf KLINZ (ALDE, DE) amending - under the 1st reading of the codecision procedure - the proposed directive amending procedural rules and evaluation criteria for the prudential assessment of acquisitions or increased shareholdings in the financial sector. The modifications laid down in the directive will apply to five different directives governing insurance, assurance, investment firms, reinsurance and banking. In its report, the committee proposed amendments to a number of key areas:

- whereas the Commission proposed that supervisory authorities should take their decision within 30 working days of being notified of a proposed acquisition, the committee called for a time limit of 47 working days (or 77 as opposed to 50 for non-EU acquirers). MEPs argued that the authorities needed to have enough time to evaluate all documents in order to take a decision, particularly as the same time-frame would apply to cross-border and cross-sectoral cases;
- supervisory authorities should have 10 working days in which to request further information from the company concerned, rather than the 5 days proposed by the Commission. The committee said that, by setting a longer period for requesting additional information, the authorities would have more time to analyse the information needed for a proper assessment before stopping the clock;
- it should be clearly stated that national authorities may not impose requirements for notification to and approval by the competent authorities of direct or indirect acquisitions of voting rights or capital that are more stringent than those set out in the directives;
- assessment of the reputation of the acquirer should be facilitated by it being a business regulated within the EU;
- the committee specified that the authorities should publish their reasons for opposing or authorising an acquisition;
- whereas the Commission was proposing that it should be able to request the supervisory authorities to provide it with copies of the documents on which their decision is based, the committee amended this clause to ensure that the Commission would adopt the more usual route of requesting information from the Member State concerned in order to assess, if necessary, whether the directive is being correctly applied;
- lastly, the committee adopted a number of amendments aimed at clarifying the extent to which the obligation to refer a proposed acquisition applies to investment management companies, i.e. in cases where acquired shares are kept for a very short time or voting rights are not exercised.