

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

2006/0166(COD) - 13/03/2007 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Wolf **KLINZ** (ALDE, DE) amending the proposed directive amending procedural rules and evaluation criteria for the prudential assessment of acquisitions or increased shareholdings in the financial sector.

The main amendments are as follows:

- where the Commission proposed that supervisory authorities should take their decision within 30 working days of being notified of a proposed acquisition, the new text sets the limit at 60 working days;
- the relevant supervisory authority may interrupt this period to ask for necessary additional information from the proposed acquirer, as long as it does so NO more than 50 days into the period; the interruption can be for up to 20 working days (or 30 in the case of non-EU acquirers or those not already subject to financial supervision under EU directives);
- Member States 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 Directive;
- the competent authorities may extend the assessment period if the proposed acquirer is situated or regulated outside the Community; or if the proposed acquirer is a natural or legal person and is not subject to supervision under this or other Directives;
- if the competent authorities decide to oppose the proposed acquisition and an appropriate statement of the reasons for the decision may be made accessible to the public at the request of the proposed acquirer. This will not prevent a Member State from allowing the competent authority to make this disclosure without the request of the proposed acquirer;
- two years after implementing the Directive, the Commission will review and report on its application and submit the report to the European Parliament and the Council, together with any appropriate proposals;
- if several Member States are involved, there should be maximum transparency among them if views diverge;
- 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, Parliament amended this clause. Member States must cooperate with the Commission by providing it, once the assessment procedure has been completed, with information pertaining to prudential assessments carried out by their competent authorities where such information is requested for the sole purpose of determining whether Member States have infringed their obligations under the Directive.