Basic information

2002/2603(RSP) RSP - Resolutions on topical subjects	Procedure completed
Resolution on financial regulation, supervision and stability and the Lamfalussy method **Subject** 2.50.04 Banks and credit 2.50.05 Insurance, pension funds	

Key players

Council of the European Union

Council configuration	Meetings	Date
General Affairs	2474	2002-12-10
Economic and Financial Affairs ECOFIN	2471	2002-12-03

Key events

Date	Event	Reference	Summary
07/11/2002	Final act published in Official Journal		
21/11/2002	Decision by Parliament	T5-0565/2002	Summary
21/11/2002	End of procedure in Parliament		
03/12/2002	Resolution/conclusions adopted by Council		Summary
10/12/2002	Resolution/conclusions adopted by Council		

Technical information

Procedure reference	2002/2603(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Resolution on statement
Legal basis	Rules of Procedure EP 136-p2
Stage reached in procedure	Procedure completed

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Motion for a resolution		B5-0578/2002	20/11/2002	
		T5-0565/2002		

Text adopted by Parliament, topical subjects		OJ C 025 29.01.2004, p. 0223-0382 E	21/11/2002	Summary

Resolution on financial regulation, supervision and stability and the Lamfalussy method

2002/2603(RSP) - 03/12/2002

The Council endorsed the final EFC report on financial regulation, supervision and stability and adopted the following Conclusions: - the Ecofin Council discussed the results of the open consultation on the EFC report on financial regulation, supervision and stability on the basis of a written report by the Commission services on the public consultation, an oral report by the Presidency on its discussions with the European Parliament and a final report by the EFC; - The Council notes the assessment of the Commission services that there was broad support for the EFC proposals among respondents to the public consultation and so adopted the report on financial regulation, supervision and stability. The Council recognises, however, the need to provide further details regarding formal arrangements for consulting the public, including market participants, in the new framework. Therefore, it invites the Commission services to make suggestions in this respect whilst implementing the recommendations; - In light of the results of the public consultation, the Council fully endorsed the EFC report. In particular, it reaffirmed its clear preference for implementing arrangements based upon the Lamfalussy framework to all financial sectors as proposed in the report, i.e. according to existing inter-institutional agreements, incorporating all accountability measures to the European Parliament and the Council already adopted for securities - including the sunset clause with a full and open review in 2004 - and recognising sectoral specificities. The Council agrees to continue discussions with the European Parliament. - The Council notes that the Presidency will invite the representatives of the governments of Member States meeting within the General Affairs Council on 9-10 December 2002 to - state that they will draw the attention of their heads of state and government to the importance of a revision of Article 202 of the treaty and invite them to consider this question in the preparation of the Intergovernmental conference and - note that it is of great importance that the discussions in the Convention and the Intergovernmental Conference consider a legislative system allowing for a higher degree of efficiency in the legislative process, which respects the requirements of subsidiarity and the prerogatives of the institutions involved in the legislative process. -The Council notes that the issue of delegating the powers to adopt implementing measures to the Commission is left open pending further contacts with the European Parliament. The Council notes that the other aspects of the envisaged new structure can be implemented and invites the Commission to establish the level 2 committees in an advisory capacity only, and the level 3 committees as soon as possible.

Resolution on financial regulation, supervision and stability and the Lamfalussy method

2002/2603(RSP) - 21/11/2002 - Text adopted by Parliament, topical subjects

The European Parliament adopted a resolution on the extension of the Lamfalussy process. To clarify, the ECOFIN Council is proposing that the so-called Lamfalussy method should be extended from the field of securities legislation to other areas of financial services legislation, notably banking and insurance. Parliament pointed out that this would require co-decision by Parliament and the Council. It did not yet understand the urgency of such a decision and felt that an extension was premature considering that the European Convention has yet to address the inadequacies of democratic monitoring of committees responsible for implementing legislation. The current institutional framework governing the powers to adopt implementing measures is inadequate, unbalanced and lacking transparency. There must be a clear Council commitment to reform in order to guarantee a proper institutional balance before the European Parliament could agree to the proposed extension of the Lamfalussy process to other areas of financial services legislation. A commitment to a reform comprising a revision of Article 202 of the Treaty and Decision No 1999/468/EEC with a call-back procedure is a precondition for the European Parliament's support for the extension of the Lamfalussy process. Parliament recalled the difficulties of framework directives, especially that it is extremely difficult to make a proper distinction between what are matters of political importance (Level 1) and what are purely technical matters (Level 2). Issues which may at first seem technical may, once examined in detail, prove to be of considerable political significance. Parliament went on to state its opposition to the idea of giving the proposed Financial Policy Committee a policy formulation role, as no involvement of the European Parliament is envisaged. Such a role should be shared between Parliament, the Commission and the Council, for instance within the framework of a reconfigured and re-named version of the so-called 2005 Group.