

Basic information	
<p>2023/0112(COD)</p> <p>COD - Ordinary legislative procedure (ex-codecision procedure) Directive</p>	Procedure completed
<p>Early intervention measures, conditions for resolution and funding of resolution action (BRRD3)</p> <p>Amending Directive 2014/59 2012/0150(COD)</p> <p>Subject</p> <p>2.50.03 Securities and financial markets, stock exchange, CIUTS, investments 2.50.04 Banks and credit 2.50.08 Financial services, financial reporting and auditing 2.50.10 Financial supervision</p> <p>Legislative priorities</p> <p>Joint Declaration 2023-24</p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs	NIEDERMAYER Luděk (EPP)	12/09/2024
		Shadow rapporteur TINAGLI Irene (S&D) ZIJLSTRA Auke (P/E) ZÍLE Roberts (ECR) BOYER Gilles (Renew) PETER-HANSEN Kira Marie (Greens/EFA) SCHIRDEWAN Martin (The Left)	
	Former committee responsible	Former rapporteur	Appointed
	ECON Economic and Monetary Affairs	NIEDERMAYER Luděk (EPP)	30/05/2023
	Former committee for opinion	Former rapporteur for opinion	Appointed
BUDG Budgets	The committee decided not to give an opinion.		

	JURI Legal Affairs	The committee decided not to give an opinion.	
Council of the European Union			
European Commission	Commission DG	Commissioner	
	Communications Networks, Content and Technology	BRETON Thierry	
European Economic and Social Committee			

Key events			
Date	Event	Reference	Summary
18/04/2023	Legislative proposal published	COM(2023)0227 	Summary
10/07/2023	Committee referral announced in Parliament, 1st reading		
20/03/2024	Vote in committee, 1st reading		
25/03/2024	Committee report tabled for plenary, 1st reading	A9-0153/2024	
24/04/2024	Decision by Parliament, 1st reading	T9-0327/2024	Summary
24/04/2024	Results of vote in Parliament		
21/10/2024	Committee decision to open interinstitutional negotiations after 1st reading in Parliament		
13/11/2024	Committee referral announced in Parliament, 1st reading		
13/11/2024	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		
05/11/2025	Approval in committee of the text agreed at early 2nd reading interinstitutional negotiations	PE779.335	
06/03/2026	Council position published	15445/1/2025	
12/03/2026	Committee referral announced in Parliament, 2nd reading		
18/03/2026	Vote in committee, 2nd reading		
19/03/2026	Committee recommendation tabled for plenary, 2nd reading	A10-0066/2026	
25/03/2026	Debate in Parliament		
26/03/2026	Decision by Parliament, 2nd reading	T10-0091/2026	Summary
26/03/2026	Results of vote in Parliament		
30/03/2026	Final act signed		
20/04/2026	Final act published in Official Journal		

Technical information

Procedure reference	2023/0112(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amending Directive 2014/59 2012/0150(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 114
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	ECON/9/11821

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE753.712	03/10/2023	
Amendments tabled in committee		PE754.692	06/11/2023	
Amendments tabled in committee		PE755.990	06/11/2023	
Committee report tabled for plenary, 1st reading/single reading		A9-0153/2024	25/03/2024	
Text adopted by Parliament, 1st reading/single reading		T9-0327/2024	24/04/2024	Summary
Text agreed during interinstitutional negotiations		PE779.335	05/11/2025	
Committee draft report		PE785.218	10/03/2026	
Committee recommendation tabled for plenary, 2nd reading		A10-0066/2026	19/03/2026	
Text adopted by Parliament, 2nd reading		T10-0091/2026	26/03/2026	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position	15445/1/2025	06/03/2026	
Draft final act	00017/2026/LEX	19/03/2026	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2023)0227 	18/04/2023	Summary
Document attached to the procedure	SWD(2023)0225 	19/04/2023	
Document attached to the procedure	SWD(2023)0226 	19/04/2023	
Commission response to text adopted in plenary	SP(2024)394	08/08/2024	

Commission communication on Council's position	COM(2026)0123 	06/03/2026		
Other institutions and bodies				
Institution/body	Document type	Reference	Date	Summary
ECB	European Central Bank: opinion, guideline, report	CON/2023/0019 OJ C 307 31.08.2023, p. 0019	05/07/2023	
EESC	Economic and Social Committee: opinion, report	CES6298/2022	13/07/2023	

Additional information		
Source	Document	Date
EP Research Service	Briefing	31/05/2024
European Commission	EUR-Lex	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
BOYER Gilles	Shadow rapporteur	ECON	27/05/2025	BNP PARIBAS
BOYER Gilles	Shadow rapporteur	ECON	26/05/2025	Société Générale
NIEDERMAYER Luděk	Rapporteur	ECON	20/05/2025	Bundesbank
NIEDERMAYER Luděk	Rapporteur	ECON	12/05/2025	German Ministry of Finance
BOYER Gilles	Shadow rapporteur	ECON	11/04/2025	Société Générale
NIEDERMAYER Luděk	Rapporteur	ECON	10/04/2025	ING Group
BOYER Gilles	Shadow rapporteur	ECON	10/04/2025	BNP PARIBAS
BOYER Gilles	Shadow rapporteur	ECON	09/04/2025	BNP PARIBAS Crédit Agricole S.A.
BOYER Gilles	Shadow rapporteur	ECON	02/04/2025	Fédération bancaire française
NIEDERMAYER Luděk	Rapporteur	ECON	20/03/2025	Représentation permanente de la France auprès de l'Union européenne
NIEDERMAYER Luděk	Rapporteur	ECON	19/02/2025	Bundesverband der Deutschen Volksbanken und Raiffeisenbanken
BOYER Gilles	Shadow rapporteur	ECON	19/02/2025	Crédit Agricole S.A.

BOYER Gilles	Shadow rapporteur	ECON	16/01/2025	CAISSE DES DEPOTS
NIEDERMAYER Luděk	Rapporteur	ECON	26/11/2024	Crédit Agricole S.A.
BOYER Gilles	Shadow rapporteur	ECON	26/11/2024	CAISSE DES DEPOTS
NIEDERMAYER Luděk	Rapporteur	ECON	22/11/2024	BNP PARIBAS Deutsche Bank AG ING Group Intesa Sanpaolo
BOYER Gilles	Shadow rapporteur	ECON	21/11/2024	European Association of Cooperative Banks
BOYER Gilles	Shadow rapporteur	ECON	21/11/2024	BNP PARIBAS Deutsche Bank AG Intesa Sanpaolo
NIEDERMAYER Luděk	Rapporteur	ECON	14/11/2024	Deutscher Sparkassen-und Giroverband
BOYER Gilles	Shadow rapporteur	ECON	07/11/2024	BNP PARIBAS
NIEDERMAYER Luděk	Rapporteur	ECON	22/10/2024	Deutsche Bank AG
BOYER Gilles	Shadow rapporteur	ECON	02/10/2024	Société Générale
BOYER Gilles	Shadow rapporteur	ECON	12/09/2024	Association for Financial Markets in Europe
BOYER Gilles	Shadow rapporteur for opinion	ECON	11/09/2024	Société Générale
BOYER Gilles	Shadow rapporteur	ECON	09/09/2024	La Banque Postale
SCHIRDEWAN Martin	Shadow rapporteur	ECON	06/03/2024	Finance Watch
ZANNI Marco	Shadow rapporteur	ECON	21/02/2024	European Community Shipowners' Associations
BOYER Gilles	Shadow rapporteur	ECON	20/12/2023	Société Générale
BOYER Gilles	Shadow rapporteur	ECON	19/12/2023	Crédit Agricole S.A.
BOYER Gilles	Shadow rapporteur	ECON	01/12/2023	Fédération bancaire française
NIEDERMAYER Luděk	Rapporteur	ECON	24/10/2023	French Treasury and French Permanent representation to the EU
SCHIRDEWAN Martin	Shadow rapporteur	ECON	23/10/2023	Finance Watch
BOYER Gilles	Shadow rapporteur	ECON	20/10/2023	Société Générale
BOYER Gilles	Shadow rapporteur	ECON	13/10/2023	Luxembourg Bankers' Association
BOYER Gilles	Shadow rapporteur	ECON	27/09/2023	Association for Financial Markets in Europe
BOYER Gilles	Shadow rapporteur	ECON	21/09/2023	Crédit Agricole S.A.
BOYER Gilles	Shadow rapporteur	ECON	21/09/2023	National Association of German Cooperative Banks
BOYER Gilles	Shadow rapporteur	ECON	21/09/2023	European Federation of Building Societies
ZANNI Marco	Shadow rapporteur	ECON	20/09/2023	Associazione Bancaria Italiana
NIEDERMAYER				

Luděk	Rapporteur	ECON	19/09/2023	Permanent representation of Germany to the EU
NIEDERMAYER Luděk	Rapporteur	ECON	19/09/2023	Finnish Ministry of Finance
NIEDERMAYER Luděk	Rapporteur	ECON	18/09/2023	Single Resolution Board
BOYER Gilles	Shadow rapporteur	ECON	11/09/2023	Fédération bancaire française
BOYER Gilles	Shadow rapporteur	ECON	06/09/2023	World Savings and Retail Banking Institute European Savings and Retail Banking Group
BOYER Gilles	Shadow rapporteur	ECON	31/08/2023	Association of German Banks
BOYER Gilles	Shadow rapporteur	ECON	03/07/2023	Deutsche Bank AG

Other Members

Transparency		
Name	Date	Interest representatives
SAILLIET Laurence	04/01/2024	Fédération bancaire française
SCHUSTER Joachim	25/10/2023	Bundesverband Öffentlicher Banken Deutschlands eV
GUSMÃO José	23/10/2023	Finance Watch
SCHUSTER Joachim	18/10/2023	Finance Watch
SCHUSTER Joachim	10/10/2023	Deutscher Sparkassen-und Giroverband
DE LANGE Esther	05/06/2023	Deutscher Sparkassen-und Giroverband
DE LANGE Esther	31/05/2023	Österreichischer Sparkassenverband
DE LANGE Esther	04/05/2023	Deutsche Bank AG
DE LANGE Esther	23/03/2023	Deutscher Sparkassen-und Giroverband
DE LANGE Esther	22/03/2023	European Savings and Retail Banking Group
DE LANGE Esther	22/02/2023	Crédit Agricole S.A.

Final act	
Directive 2026/0806 OJ OJ L 20.04.2026	Summary

Early intervention measures, conditions for resolution and funding of resolution action (BRRD3)

2023/0112(COD) - 26/03/2026 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a legislative resolution **approving** the Council's position at first reading with a view to the adoption of the Directive of the European Parliament and of the Council amending Directive 2014/59/EU as regards early intervention measures, conditions for resolution and funding of resolution action and Directive 2014/24/EU as regards valuation services in resolution.

The proposal is part of a package of amending acts aimed at **reforming the framework put in place for the crisis management** and deposit insurance (CMDI) framework.

The proposals relating to the CMDI framework have the general objectives of better protecting financial stability and taxpayers' money, protecting the real economy from the impact of bank failures and further strengthening the protection of depositors.

The CMDI package provides for a targeted development of the existing framework with the aim of making the orderly resolution for small and medium-sized banks practicable by authorising resolution authorities to draw, in exceptional cases and under strict conditions, on funds from the deposit guarantee scheme (DGS) to finance the implementation of a bank's transfer resolution strategy if the internal loss-absorbing capacity of such bank is not sufficient to access the resolution funding arrangement.

The reform aims to:

- **minimise recourse to taxpayers' money while preserving depositor access and financial stability** and upholding the resolution framework's key principle of primary loss absorption by shareholders and creditors to protect the integrity of resolution funding arrangements;
- **harmonise the treatment of alternative and preventive measures** and strengthens cross-border coordination between supervisors and resolution authorities.

The main changes agreed within the framework of the Council's position on the proposals to amend Directive 2014/59/EU (BRRD Directive) are as follows:

Public interest assessment (PIA)

The Council's position changes the way in which resolution proceedings are assessed to determine whether they are in the public interest. Resolution authorities are thus required to resolve a bank if any of the resolution objectives is at risk and winding up the bank under normal insolvency proceedings would not achieve the resolution objectives more effectively.

Least cost test

The Least Cost Test (LCT) for use of deposit guarantee schemes (DGS) in resolution is simplified by capping DGS interventions at the gross amount of covered deposits, while the existing super-preference of covered deposits is preserved within a simpler three-tier creditor hierarchy.

Resolution financing

The Council's position clarifies when and how industry-funded tools may be mobilised for resolution financing, subject to explicit sequencing and stricter safeguards and burden-sharing requirements, ensuring that banks' internal loss-absorbing capacity is maintained as a first line of defence and that taxpayers' money is protected.

Consequently, resolution authorities retain the power to resolve banks only where the tightened PIA and simplified LCT are satisfied and resolution demonstrably outperforms liquidation, ensuring liquidation remains a viable, legally grounded option for smaller banks where appropriate. Access to funding for resolution from DGS and other industry-funded tools is therefore tightly framed and conditional so that private resources are prioritised and taxpayer exposure is limited.

Overall, the Council's approach makes resolution more operationally practicable for **small and medium-sized banks** than under the current CMDI framework while reinforcing the principle that DGS funding for resolution is exceptional, contingent on sufficient loss absorption by shareholders and creditors, and that Minimum Requirement for Own Funds and Eligible Liabilities (MREL) remains the cornerstone of resolvability.

Early intervention measures, conditions for resolution and funding of resolution action (BRRD3)

2023/0112(COD) - 20/04/2026 - Final act

PURPOSE: to establish a reformed framework for crisis management and deposit insurance (CMDI framework) for banks in the EU.

LEGISLATIVE ACT: Directive (EU) 2026/806 of the European Parliament and of the Council amending Directive 2014/59/EU as regards early intervention measures, conditions for resolution and funding of resolution action and Directive 2014/24/EU as regards valuation services in resolution.

CONTENT: this directive is part of a package of amending acts aimed at **reforming the framework for managing banking crises and deposit insurance** (the "CMDI framework"). The revision of the CMDI also amends [Directive 2014/49/EU](#) (the Deposit Guarantee Schemes Directive or "DGSD Directive") and [Regulation \(EU\) No 806/2014](#) (the Single Resolution Mechanism Regulation or "SRM Regulation").

The amendments to the CMDI framework have the overall objectives of **better protecting financial stability and taxpayers' money, shielding the real economy from the impact of bank failures, and further strengthening depositor protection**. To this end, they aim to improve the crisis management tools used to address the failure of relatively small and medium-sized banks. The main instrument for achieving this is to allow resolution authorities to use funds from deposit guarantee schemes to finance the implementation of a transfer strategy in cases where the failing bank does not have sufficient internal loss-absorbing capacity to qualify for resolution funding.

The reform improves the resolution process **for small and medium-sized banks**, giving them access to industry-funded safety nets as an additional resolution financing instrument.

The main elements of the directive are as follows:

Bridging the gap

The directive will facilitate access for failing banks to industry-funded safety nets - namely national resolution funds and, in the Banking Union, the Single Resolution Fund (SRF) - to finance their resolution and eventual exit from the market. This involves using deposit guarantee funds to 'bridge the gap', i.e. to use such funds to supplement a failing bank's own loss-absorption buffers of own funds and convertible liabilities (MREL), which ensure that losses are borne first by the bank's shareholders and creditors.

Banks with insufficient MREL at the time of resolution can, as a last resort, rely on DGS or resolution funds (or SRF in the banking union) to finance their resolution without bailing in their depositors.

Access to industry-funded safety nets will be subject to strict safeguards to **ensure that MREL remains the primary line of defence**, and that moral hazard is minimised.

Public interest assessment (PIA)

A resolution procedure can only be initiated if considered to be in the public interest. The new CMDI framework clarifies how the existing public interest assessment should be conducted by resolution authorities. It broadens the criteria prioritising resolution over liquidation when it better serves financial stability and depositor protection.

When assessing disruption to the real economy, the resolution authority should focus on **both the national and regional levels**, reflecting the potential footprint of some small and medium-sized banks.

Resolution of smaller banks

The resolution framework will also cover small and medium-sized banks, where this is deemed to be in the public interest.

To access external funds, a failing bank's own investors and creditors must first absorb losses equivalent to **at least 8%** of the bank's total liabilities and own funds (TLOF). The so-called "bridge the gap" mechanism allows DGS funds to help meet this 8% minimum loss-sharing requirement when a deposit-funded bank does not have sufficient loss-absorbing capacity.

ENTRY INTO FORCE: 10.5.2026.

TRANSPOSITION: no later than 11.5.2028.

Early intervention measures, conditions for resolution and funding of resolution action (BRRD3)

2023/0112(COD) - 18/04/2023 - Legislative proposal

PURPOSE: to improve the effectiveness and efficiency of the recovery and resolution framework for institutions and entities.

PROPOSED ACT: Directive of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the Union resolution framework consists of Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms (BRRD) and Regulation (EU) No 806/2014 of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (SRMR) and a Single Resolution Fund. It was established in the aftermath of the 2008-2009 global financial crisis and aims to deal in an orderly manner with the failure of institutions and entities by preserving institutions and entities' critical functions and avoiding threats to financial stability, and at the same time protecting depositors and public funds. In addition, the Union resolution framework intends to foster the development of the internal market in banking by creating a harmonised regime to address cross-border crises in a coordinated way and by avoiding level playing field issues.

However, experience over the past years has shown that when medium-sized and smaller banks fail in the EU, authorities have found solutions outside the EU's harmonised resolution framework. This has often involved the use of taxpayers' money instead of the bank's required internal resources or private, industry-funded safety nets.

While the existing rules already enable authorities to deal with failing banks in an effective manner, further progress is needed to make the rules even more effective in ensuring that European banks keep supporting Europe's economy and do not burden public finances when they fail.

CONTENT: the proposal amends an existing directive, the BRRD, in particular as regards the improved application of the tools that are already available in the bank recovery and resolution framework, clarifying the conditions for resolution, facilitating access to safety nets in the event of bank failure, and improving the clarity and consistency of funding rules.

The proposed amendments are part of the **Crisis Management and Deposit Insurance (CMDI) legislative package**, which also includes amendments to Regulation (EU) No 806/2014 (Single Resolution Mechanism Regulation SRM) and Directive 2014/49/EU (Deposit Guarantee Schemes Directive or DGSD).

By establishing harmonised requirements for applying the CMDI framework to banks in the internal market, the proposal considerably reduces the risk of divergent national rules in Member States, which could distort competition in the internal market.

The proposal will allow authorities to organise the orderly exit of a failing bank, regardless of its size and business model, using a wide range of tools. It will further safeguard financial stability, protect taxpayers and depositors and support the real economy and its competitiveness. The proposed rules will allow authorities to fully exploit the many benefits of resolution as a key element of the crisis management toolbox.

The amendments included in the CMDI package cover a range of policy aspects:

- **expanding the scope** of resolution by reviewing the public interest assessment, when this achieves the objectives of the framework, e.g. protecting financial stability, taxpayer money and depositor confidence better than national insolvency proceedings;
- **strengthening the funding** in resolution by complementing the internal loss-absorbing capacity of institutions, which remains the first line of defence, with the use of DGS funds in resolution to help access resolution funds without imposing losses on depositors where appropriate, subject to conditions and safeguards;
- clarifying the **early intervention** framework by removing overlaps between early intervention and supervisory measures, providing legal certainty on the applicable conditions and facilitating cooperation between competent and resolution authorities;
- ensuring a **timely triggering** of resolution.

Early intervention measures, conditions for resolution and funding of resolution action (BRRD3)

2023/0112(COD) - 24/04/2024 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 335 votes to 224, with 70 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council amending Directive 2014/59/EU as regards early intervention measures, conditions for resolution and financing of resolution action.

The European Parliament adopted its position at first reading under the ordinary legislative procedure.

The proposed Directive seeks to improve the **effectiveness and efficiency of the recovery and resolution framework for institutions and entities**.

The proposal amends Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms an existing directive, the BRRD, in particular as regards the improved application of the tools that are already available in the bank recovery and resolution framework, clarifying the conditions for resolution, facilitating access to safety nets in the event of bank failure, and improving the clarity and consistency of funding rules.

The proposed amendments are part of the Crisis Management and Deposit Insurance (CMDI) legislative package, which also includes amendments to Regulation (EU) No 806/2014 (Single Resolution Mechanism Regulation SRM) and Directive 2014/49/EU (Deposit Guarantee Schemes Directive or DGSD).

The proposal will allow authorities to organise the orderly exit of a failing bank, regardless of its size and business model, using a wide range of tools. It will further safeguard financial stability, protect taxpayers and depositors and support the real economy and its competitiveness. The proposed rules will allow authorities to fully exploit the many benefits of resolution as a key element of the crisis management toolbox.

The amended text stipulates that the objective of reviewing Directive 2014/59/EU is to **better safeguard taxpayers' money** and establish new systemic mechanisms for institutions and entities not covered by the existing resolution framework. That framework is designed to curtail the economic burden on society by reducing the overall costs associated with bank failures. The use of taxpayers' money should, with the introduction of a revised framework, be significantly reduced in order to ensure that the resolution financing arrangement is more often and more effectively used.

One of the key objectives of this amending Directive is to introduce an updated approach to empower authorities to **handle effectively the potential failure of some banks or a group of banks**. That approach should promote transparency and predictability, while minimising adverse economic consequences. Such an approach is aligned with the overarching bail-in principle of Directive 2014/59/EU, while also maintaining the practical feasibility of dealing with the failure of medium-sized banks.