

Brussels, 16 April 2008

Banking: Commission consults on amendments to the Banking Directives

The European Commission has launched a public consultation on possible changes to the Capital Requirements Directive (2006/48/EC and 2006/49/EC). The purpose of this consultation is to collect comments of the industry and other stakeholders on these modifications. The Commission is also conducting an impact assessment related to the modification of certain provisions. Stakeholders are invited to give the Commission their views on the issues by 16 June 2008.

The purpose of Directives 2006/48/EC and 2006/49/EC is to ensure the financial soundness of credit institutions ("banks") and investment firms and thus provides the very backbone of day to day prudential supervision of these institutions; it follows that this legal framework needs to be regularly updated and refined to respond to the needs of stakeholders.

The consultation takes place in the context of on-going work related to the Capital Requirements Directive (CRD) at various supervisory and industry fora. The review of the CRD is, in part, also a response to the recent recommendations of the G-7 Financial Stability Forum.

Opinions are sought on: (i) large exposures, (ii) hybrid capital instruments, (iii) supervisory arrangements, (iv) the waivers for banks organised in networks and (v) adjustments to certain technical provisions.

The suggested measures concerning large exposures and hybrid capital instruments and the adjustments to the technical provisions are largely based on advice from the Committee of European Banking Supervisors (CEBS). The working document does not constitute a formal Commission proposal. Nevertheless, informal discussions have already started in the European Banking Committee. The consultation is open until 16 June 2008 on:

http://ec.europa.eu/internal_market/bank/regcapital/index_en.htm

Comments should be sent to the following e-mail address:

markt-crd2008-survey@ec.europa.eu

Comments will be posted on the above-mentioned website, unless authors specifically request the contrary. The Commission will draw up its formal proposal at a later stage.