



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from:	General Secretariat of the Council
to:	Delegations
Subject:	Summary record of the meeting of the European Parliament Committee on Economic and Monetary Affairs (ECON) , held in Strasbourg on 20 May 2013

The meeting was chaired by Ms Bowles (ALDE, UK). The agenda was adopted. The minutes of meeting of 24-25 April 2013 were approved (item 2).

3. Chair's announcements'

The Chair debriefed the committee on recent informal trilogues (on Market abuse) and referred to future trilogues (MIFID and MIFIR).

The Chair indicated that due to technical problems, the meeting could not be webstreamed in real time, but that the meeting would be recorded and the video available on demand. This raised a strong reaction from Mr. Giegold, Greens/EFA, DE who asked the Chair to convey the request by the committee to make sure that ECON meetings be systematically webstreamed in future to ensure appropriate and timely transparency on issues which are of the highest importance for EU citizens. The Chair promised to do so.

4. Reconsultation of the Committee: (Rule 70 of the Rules of Procedure)

- Credit agreements relating to residential property (rapporteur: Antolin Sánchez Presedo)

The Chair indicated that the reconsultation had been decided as a consequence of the need to adapt the relevant provisions to the outcome of the agreement on CRD IV by adding language on the issue of explanatory documents, in line with the agreement reached at the informal trilogue meeting. Following the explanations by the Rapporteur Mr. Sanchez Presedo, the committee approved the proposed text additions.

5. Future legislative proposals on EMU

The motion for a resolution was adopted.

6. Framework for the recovery and resolution of credit institutions and investment firms and amendment of Council Directives 77/91/EEC and 82/891/EC, Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC and 2011/35/EC and Regulation (EU) No 1093/2010

The draft report and legislative Resolution (Rapporteur: Mr. Hökmark, EPP,SV) were adopted.

7. Amendment of Regulation (EC) No 994/98 on the application of Articles 92 and 93 of the Treaty establishing the EC to certain categories of horizontal State aid and Regulation (EC) No 1370/2007 on public passenger transport services by rail and by road

The draft report and legislative Resolution (Rapporteur: Mr. Dorfmann, EPP, DE) were adopted.

8. Amendment of Regulation (EC) No 659/1999 laying down detailed rules for the application of Article 93 of the EC Treaty

The draft report and the legislative Resolution (Rapporteur: Mrs. Pietikäinen, EPP, FI) were adopted.

9. Reforming the structure of the EU banking sector

The Rapporteur Mrs. McCarthy (S&D) stated that some 486 amendments had been tabled on her draft initiative report and that some of these amendments took opposing positions, with some MEPs rejecting any kind of reform.

She referred to fruitful discussions with the shadow rapporteurs which had allowed for significant progress towards an agreement on the text of the report. She stated that the main challenge of banking reform was to ensure it happened; that Commissioner Barnier would present a number of proposals by September rather than July as initially planned (which could raise difficulties to close negotiations before the end of the legislature) and that given the fact that the proposals were not yet on the table, the rapporteur and shadows had agreed on a principles-based approach rather than on a report dealing with detailed provisions on the forthcoming proposals. She stated that the objective was to ensure that the EU banking sector would be resilient and fair, would continue to offer core services to consumers and would not require the bailout of taxpayers ever again. On the timetable, she said that the committee was planning to vote on 28 May with a view to a plenary vote in June on the report. She indicated that the Commission was working on its impact assessment and that the consultation process under way would be concluded by July. On principles, she referred to the principle of responsibility in terms of remuneration, to the need to preserve the diversity of the EU's banking sector and to ensure that there is no dismantling of the traditional banking sector in Europe.

The Chair confirmed that the Commission proposals would need to be submitted by September at the latest if they are to be adopted before the end of the current legislature.

On behalf of political groups, the shadow rapporteurs Mrs. Worthmann-Kool, EPP, NL, Mr. Klinz, ALDE, DE, Mr. Lamberts, Greens/EFA, BE, Mr. Kamall, ECR, UK broadly supported the principles-based approach suggested by the Rapporteur. Mr. Lamberts, Greens/EFA, BE, Mr. Kamall, ECR, UK and Mrs. Matias, GUE/NGL, PT considered some issues still needed to be clarified as a matter of urgency, i.e. there should be no bailouts by taxpayers and there should be a sustainable and safe solution to the issue of banks "too big to fail".

Some of them also warned that the proposals and compromise solutions should be submitted sufficiently early to the committee. Mr. Martin, S&D, AT criticized some of his colleagues who were advocating keeping the deposits and financial activities together and who, according to him, had not properly understood where the major burden of responsibilities for the crisis lay and were behaving as lobbyists at the service of the financial markets. Mr. Klinz warned against a patchwork approach and rather advocated a harmonized EU approach.

The rapporteur

- Informed her colleagues that there were some ninety amendments on the issue of separation of banking activities and suggested following a pragmatic approach of identifying first the views of majority of MEPs instead of looking systematically for a compromise agreement on every single issue;
- Stressed the objective of preventing arriving at a point where the recovery and resolution of a bank would be the only alternative left, as recovery and resolution should only be done as a last resort;
- Announced that she would add an amendment urging the Commission to keep to its timetable.

The Chair confirmed the vote at committee level on 28 May and at the plenary part-session in June or possibly July 2013.

- Deadline for tabling amendments: **16 April 2013, 12.00**

10. Regional policy as a part of wider State support schemes

The rapporteur Mrs. Bowles (ALDE, UK) presented her draft opinion. She indicated that ECON and REGI had been associated in examining the issue, referred to the guidelines issued by ECON, and indicated that given the urgency, amendments would only be submitted in English and the deadline for submitting them would be advanced to 23 May. She referred to the need to concentrate state aid to reach maximum economic efficiency.

On behalf of political groups, some of the shadow rapporteurs made a number of preliminary remarks. In the absence of the shadow rapporteur, Mrs Ferreira on behalf of S&D stressed the need for an increased role for the European Parliament, suggested changing cohesion policy and referred to the difficulties caused by new categories of regions and to the work underway by the Commission on this issue. She stressed the need to pay particular attention to the risk of distortions to competition and to the issue of multinationals, in particular to the risk of these companies using their competitive advantage and major bargaining power at regional level to blackmail regional authorities in order to get access to regional state aid to which they would not necessarily be entitled. On behalf of the Greens/EFA group, it was notably considered that big companies ought to be excluded from state aid and that regional state aid ought to be complementary to cohesion policy. Mrs. Swinburne speaking on behalf of the ECR group could agree on state aid subject to conditions and provided it were reduced and better targeted according to the principle of doing more with less. She stressed that access by SMEs to these state aids was key given their particular economic role in the development of regions. She advocated in general a pragmatic approach on this issue.

The Chair indicated that the vote on the amendments would take place on 28 May following a discussion on the 27th.

11. Any other business

12. Next meeting(s)

Monday 27 May 2013, 15:00 - 18:30 and

Tuesday 28 May 2013, 09:00 - 12:30 and 15:00 - 18:30
