

COMP D on Application and Review

as of 15 April 2024, covering relevant parts of AM 1 and AMs 309-322

39a. *the following Article 94a is inserted:*

"Article 94a EDIS I review

1. *From the date of entry into force of this amending Regulation the Commission shall, in close collaboration with the SRB, the EBA and the ECB, continuously review the functioning of EDIS I.*

By 4 years after the date of entry into force of this amending Regulation, the Commission shall submit a report to the European Parliament and the Council.

On the basis of the report the Commission shall, where appropriate, submit a legislative proposal to the European Parliament and the Council.";

39b. *the following Article 94b is inserted:*

"Article 94b Completion of EDIS review

1. *From the date of entry into force of this amending Regulation the Commission shall, in close collaboration with the SRB, the EBA and the ECB, continuously review the appropriateness of an extension of EDIS I from providing liquidity support to a full insurance scheme with loss coverage, considering the following: (Fernández et al., AM 309; Kelleher et al., AM 310; Peter-Hansen, AM 311; Ormel, AM 312; Eroglu et al., AM 313; Boyer et al., AM 314; Ferber, AM 315)*

a) the establishment of a dedicated European Deposit Insurance Scheme for institutions that are members of institutional protection schemes as referred to in Article 113(7) of Regulation No 575/2013 CRR, the introduction of a dedicated target level of the DIF referred to in Article 74b, and changes in the legal sequencing of the use of additional preventative measure funds, in order to reflect their risk mitigation characteristics, while preserving the level playing field within the Single Market;

(b) the target level referred to in Article 10 of Directive 2014/49/EU, to reflect the changes in likelihood and sizes of liquidity shortfalls due to the positive impact on depositor confidence and financial stability of pooling resources, considering the changes to the tasks and responsibilities of participating DGS as part of the review of Directive 2014/49 EU (2023/0115(COD)), as well as the convergence to equal target level contributions to the DIF, as the percentage of DGS resources transferred to the DIF reaches 100%; (Boyer et al., AM 290, Ferber 322)

(c) the appropriateness of introducing a publicly funded backstop mechanism to support the DIF. (Papadimoulis, AM 61; Papadimoulis, AM 306)

The Commission shall submit a report to the European Parliament and the Council by 4 years after the date of entry into force of this amending Regulation.

On the basis of the report the Commission shall, where appropriate, submit a legislative proposal to the European Parliament and the Council, provided that

(a) sufficient progress has been made on the framework for NPLs in order to lower associated risks for credit institutions;

(b) a targeted asset quality review of a representative sample of less significant institutions referred to in Article 6(4) of Council Regulation (EU) No 1024/2013 has been performed."; (Boyer et al., AM 316; Ferber, AM 317; Ormel, AM 318; Van Overtfeldt, AM 319)

39c. *the following Article 94c is inserted:*

"Article 94c

Completion of the Banking Union review

1. With the aim of a timely completion of the Banking Union, from the date of entry into force of this amending Regulation, the Commission shall assess the following interconnected legislative building blocks of the Single Market for banking:

a) the appropriateness of amending the capital and liquidity waivers referred to in Articles 7(1) and 8(1) of Regulation (EU) No 575/2013, allowing for the application of those waivers to a subsidiary that is subject to authorisation and supervision by a Member State other than the Member State that authorises and supervises the institution which is the parent undertaking, taking into account the developments on the other areas of burden sharing; (Boyer et al., AM 316)

(b) the appropriateness of amending the level of application of the output floor referred to in Article 92 of Regulation (EU) No 575/2013, allowing banking groups to apply the output floor at the highest level of consolidation, taking into account the developments on the other areas of burden sharing;

(c) the progress on legislation and reviews on risk reduction including enhancing the ability of credit institutions to recover value from collateral provided to secure loans in a swifter manner and a targeted asset quality review of a representative sample of less significant institutions referred to in Article 6(4) of Council Regulation (EU) No 1024/2013;

(d) the treatment of debt, considering greater diversification of banks' sovereign bond holdings and the progress at international level on the regulatory treatment of sovereign exposures;

(e) the appropriateness of an extension of EDIS I from providing liquidity support to a full insurance scheme with loss coverage.

The Commission shall, by 4 years after the date of entry into force of this amending Regulation, submit a report to the European Parliament and the Council.

On the basis of the report the Commission shall, where appropriate, submit a legislative proposal to the European Parliament and the Council.";

40. in Article 99, the following paragraph 5a is inserted:

"5a. By way of derogation from paragraph 2, Article 1(2), Part IIa and Part III, Title V Chapter 2 Section 1a shall apply from [OP insert date of entry into force of this Regulation]"; (Peter-Hansen, AM 320; Fernández et al., AM 321)

41. throughout Regulation (EU) No 806/2014, the word "the Fund" is replaced with "the SRF".

Article 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Strasbourg,

For the European Parliament
The President

For the Council
The President

Agence Europe