

# Financial services, financial reporting and auditing: Community programme 2010-2013 to support specific activities

2009/0001(COD) - 16/09/2009 - Final act

**PURPOSE:** to improve the conditions for the functioning of the internal market by supporting the operation, activities or actions of certain bodies in the fields of financial services, financial reporting and auditing.

**LEGISLATIVE ACT:** Decision No 716/2009/EC of the European Parliament and of the Council establishing a Community programme to support specific activities in the field of financial services, financial reporting and auditing.

**CONTENT:** the Council adopted a decision establishing a programme on financial services, following an agreement reached with the European Parliament in first reading. The programme is established for the period from 1 January 2010 to 31 December 2013. It will enable the Community to participate in the funding of certain bodies, both European and international, so as to ensure the effectiveness of EU policies in the financial services sector and in the fields of financial reporting and statutory audit. The aim is to enable such bodies to accomplish their mission in an independent and efficient manner.

**Beneficiaries** include the following:

- as regards regulation and supervision, the ad hoc structures supporting the Committee of European Securities Regulators, the Committee of European Banking Supervisors and the Committee of European Insurance and Occupational Pensions Supervisors;
- in the field of financial reporting, the International Accounting Standards Committee Foundation (IASCF) and the European Financial Reporting Advisory Group (EFRAG);
- in the field of auditing, the Public Interest Oversight Board.

**Award of grants:** the Commission shall provide financing under the Programme in the form of grants and only upon receipt of an appropriate work programme and an estimated overall budget. Any beneficiary of funding awarded under the Programme shall indicate in a prominent place, such as a website, a publication or an annual report, that it has received funding from the budget of the European Union.

**Financial provisions:** the Decision provides for a financial envelope amounting to EUR 38 700 000 for the 2010-13 period. Within that envelope, commitment appropriations to the beneficiaries listed in Section B of the Annex shall be at least EUR 13 500 000, those to the IASCF shall be no more than EUR 12 750 000, and those to the EFRAG shall be no more than EUR 11 250 000.

**Monitoring:** the Commission shall ensure that for any action financed by the Programme under an action grant, the beneficiary submit annually a technical and financial report on the progress of work and a final report after completion of the action.

**Evaluation:** no later than 6 months before the end of the Programme, the Commission will submit to the European Parliament and the Council a report on the achievement of the Programme's objectives. The European Parliament and the Council shall, in accordance with the Treaty, decide whether to continue the Programme after 31 December 2013.

It should be noted that the Council also adopted:

- a regulation introducing a legal framework for credit rating agencies and a directive updating capital requirements for banks which constitute a significant part of the work programme it launched last autumn in response to the financial crisis;
- a regulation on cross-border payments and a directive on electronic money, in the light of assessments of the application of existing rules.

ENTRY INTO FORCE: 15/10/2009.