








# Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation <a href="#">2023/0111(COD)</a></p>	Awaiting Council's 1st reading position
<p>Early intervention measures, conditions for resolution and funding of resolution action</p> <p>Amending Regulation 2014/806 <a href="#">2013/0253(COD)</a></p> <p>Subject</p> <p>2.50.03 Securities and financial markets, stock exchange, CIUTS, investments</p> <p>2.50.04 Banks and credit</p> <p>2.50.10 Financial supervision</p> <p>Legislative priorities</p> <p><a href="#">Joint Declaration 2023-24</a></p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<p><b>ECON</b> <a href="#">Economic and Monetary Affairs</a></p>	<p> <a href="#">MARQUES Pedro</a></p> <p>Shadow rapporteur</p> <p> <a href="#">NIEDERMAYER Luděk</a></p> <p> <a href="#">BOYER Gilles</a></p> <p> <a href="#">PETER-HANSEN Kira Marie</a></p> <p> <a href="#">ZANNI Marco</a></p> <p> <a href="#">ŽĪLE Roberts</a></p> <p> <a href="#">SCHIRDEWAN Martin</a></p>	
Council of the European Union European Commission	Committee for opinion	Rapporteur for opinion	Appointed
	<p><b>JURI</b> <a href="#">Legal Affairs</a></p>	<p>The committee decided not to give an opinion.</p>	
	Commission DG	Commissioner	
	<a href="#">Financial Stability, Financial Services and Capital Markets Union</a>	MCGUINNESS Mairead	

### Key events

18/04/2023	Legislative proposal published	<a href="#">COM(2023)0226</a>	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	<a href="#">A9-0155/2024</a>	
24/04/2024	Decision by Parliament, 1st reading	<a href="#">T9-0326/2024</a>	

### Technical information

Procedure reference	2023/0111(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation 2014/806 <a href="#">2013/0253(COD)</a>
Legal basis	Treaty on the Functioning of the EU TFEU 114
Mandatory consultation of other institutions	<a href="#">European Economic and Social Committee</a>
Stage reached in procedure	Awaiting Council's 1st reading position
Committee dossier	ECON/9/11834

### Documentation gateway

Legislative proposal	<a href="#">COM(2023)0226</a>	18/04/2023	EC	Summary
Document attached to the procedure	<a href="#">SEC(2023)0230</a>	19/04/2023	EC	
Document attached to the procedure	<a href="#">SWD(2023)0225</a>	19/04/2023	EC	
Document attached to the procedure	<a href="#">SWD(2023)0226</a>	19/04/2023	EC	
European Central Bank: opinion, guideline, report	<a href="#">CON/2023/0019</a> <a href="#">OJ C 307 31.08.2023, p. 0019</a>	05/07/2023	ECB	
Economic and Social Committee: opinion, report	<a href="#">CES6298/2022</a>	13/07/2023	ESC	
Committee draft report	<a href="#">PE753.695</a>	03/10/2023	EP	
Amendments tabled in committee	<a href="#">PE754.694</a>	06/11/2023	EP	
Committee report tabled for plenary, 1st reading/single reading	<a href="#">A9-0155/2024</a>	25/03/2024	EP	
Text adopted by Parliament, 1st reading/single reading	<a href="#">T9-0326/2024</a>	24/04/2024	EP	

## Early intervention measures, conditions for resolution and funding of resolution action

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

PROPOSED ACT: Regulation 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 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 regulation, the SRMR, in particular as regards the improved application of the tools that are already available in the bank resolution framework, clarifying the conditions for resolution, facilitating access to safety nets 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 Directive 2014/59/EU (Bank Recovery and Resolution Directive or BRRD) and Directive 2014/49/EU (Deposit Guarantee Schemes Directive or DSGD).

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.

Transparency					
MARQUES Pedro	Rapporteur	ECON	08/09/2023		European Central Bank
MARQUES Pedro	Rapporteur	ECON	07/09/2023		Associação Portuguesa de Bancos
MARQUES Pedro	Rapporteur	ECON	05/09/2023		European Economic and Social Committee
MARQUES Pedro	Rapporteur	ECON	03/08/2023		Banco de Portugal
MARQUES Pedro	Rapporteur	ECON	26/07/2023		Single Resolution Board
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MARQUES Pedro	Rapporteur	ECON	26/07/2023		Banco de Portugal
MARQUES Pedro	Rapporteur	ECON	19/07/2023		Crédit Agricole S.A.

MARQUES Pedro	Rapporteur	ECON	17/07/2023	Single Resolution Board
MARQUES Pedro	Rapporteur	ECON	06/07/2023	Deutsche Bank AG
FERBER Markus	Member	25/04/2024	BVR	
WEBER Manfred	Member	14/03/2024	Deutscher Sparkassen- und Giroverband e.V. (DSGV) Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR)	
FERBER Markus	Member	14/03/2024	DSGV BVR	
FERBER Markus	Member	28/02/2024	DSGV	
FERBER Markus	Member	22/02/2024	EACB - European Association of Co-operative Banks	
SCHUSTER Joachim	Member	21/09/2023	Die Deutsche Kreditwirtschaft	