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Plenary sitting

<NoDocSe>B8‑0000/2016</NoDocSe>

<Date>{26/09/2016}26.9.2016</Date>

<TitreType>MOTION FOR A RESOLUTION</TitreType>

<TitreSuite>further to Question for Oral Answer B8‑0000/2016</TitreSuite>

<TitreRecueil>pursuant to Rule 128(5) of the Rules of Procedure</TitreRecueil>

<Titre>on the Finalisation of Basel III</Titre>

<DocRef>(2016/yyyy(RSP))</DocRef>

<RepeatBlock-By><Depute>Roberto Gualtieri</Depute>

<Commission>{ECON}on behalf of the Committee on Economic and Monetary Affairs</Commission>

</RepeatBlock-By>

B8‑0000/2016

European Parliament resolution on the finalisation of Basel III

(2016/yyyy(RSP))

*The European Parliament*,

– having regard to post-crisis conclusions of the G20 Summits,

– having regard to the Basel Committee on Banking Supervision (BCBS) reports to G20 leaders updating on the implementation of the agreed reform agenda, in particular to the BCBS report of November 2015 to G20 leaders on ‘Finalising post-crisis reforms: an update’[[1]](#footnote-1),

– having regard to the BCBS consultative documents on ‘revisions to the Basel III leverage ratio framework’ of 6 April 2016, on ‘reducing variation in credit risk-weighted assets - constraints on the use of internal model approaches’ of 24 March 2016, and on ‘revisions to the Standardised Approach for credit risk’ of 10 December 2015,

– having regard to the BCBS discussion paper and consultative document on ‘Regulatory treatment of accounting provisions’ of October 2016,

– having regard to the BCBS standard for ‘TLAC holdings - Amendments to the Basel III standard on the definition of capital’ of October 2016[[2]](#footnote-2),

– having regard to the Council Conclusions of 12 July 2016 on ‘Finalizing the post crisis Basel reforms’[[3]](#footnote-3),

– having regard to its resolution of 10 March 2016 on the Banking Union – Annual Report 2015[[4]](#footnote-4),

– having regard to its resolution of 19 January 2016 on ‘Stocktaking and challenges of the EU Financial Services Regulation: impact and the way forward towards a more efficient and effective EU framework for financial regulation and a capital markets union’[[5]](#footnote-5),

– having regard to its resolution of 12 April 2016 on the EU role in the framework of international financial, monetary and regulatory institutions and bodies[[6]](#footnote-6),

– having regard to the research paper for its Committee on Economic and Monetary Affairs on ‘The European Union’s role in International Economic Fora, Paper 5: The BCBS’;

– having regard to the question to the Commission on the finalisation of Basel III (O-000000/2016 – B8‑0000/2016),

– having regard to the motion for a resolution of the Committee on Economic and Monetary Affairs,

– having regard to Rules 128(5) and 123(2) of its Rules of Procedure,

A. whereas a resilient and well capitalised banking system is a prerequisite for preserving financial stability, restoring lending to the real economy and ensuring economic growth;

B. whereas the G20 leaders agreed in the aftermath of the financial crisis to a comprehensive reform agenda strengthening the regulatory standards of international banks including the strengthening of prudential requirements;

C. whereas the BCBS is developing internationally agreed minimum standards for prudential requirements for banks; whereas the BCBS monitors and review the implementation of these global standards and reports to the G20;

D. whereas the European Union implemented the internationally agreed standards in the framework of the Capital Requirements Regulation (CRR) and Capital Requirements Directive (CRD IV); whereas these standards are applicable to all banks in the EU and not only to the largest, international active banks; whereas the Commission is expected to come forward with a legislative proposal for the review of the CRR/ CRD IV implementing further agreed revisions to the Basel framework;

E. whereas the prudential requirements for banks are interlinked and complementary to other regulatory requirements;

F. whereas additional changes to the prudential framework for banks are currently being discussed by the BCBS addressing credit risk and operational risk; whereas these reforms are focusing on the enhancement of the risk sensitivity and robustness of the standardised approach for credit risk, additional constraints to the internally modelled approach and a finalisation of the design of the leverage ratio and a potential capital floor based on the standardise approach;

G. whereas in the EU banks are likely to remain a main source of finance;

1. Underlines the importance of sound global standards and principles for the prudential regulation of banks and welcomes the the post-crisis work of the BCBS in this field;

2. Notes the ongoing work of the BCBS to finalise the Basel III framework intended to increase simplicity, comparability and convergence, of the risk-weighted capital framework in order to address excessive variability in risk weighted assets;

3. Stresses that the current revision should respect the principle stated by the Group of Governors and Head of Supervision, of not leading to an overall significant increase in the capital requirements for banks;

4. Underlines that a second and equally important principle that the revision should respect is to not negatively impact on the level playing field at the global level by exacerbating - rather than mitigating - the differences between jurisdictions and banking models;

5. Is concerned that the reform package at its current stage might not be in compliance with those two abovementioned principles, and calls on the ECB to ensure their respect in the new standard;

6. Underlines that this would be instrumental for ensuring a consistend implementation of the new standard by the European Parliament as colegislator;

7. Calls on the BCBS to assess carefully and comprehensively the qualitative and quantitative impact of the new reforms considering its impact on different jurisdictions and different banking models;

8. Recalls its request for a risk-based approach to regulation, with the same rules being applied to the same risk; calls upon the BCBS to preserve the risk sensitivity of the prudential regulation;

9. Underlines the role of the European and national banking supervisors in ensuring supervisory convergence in the EU, taking into account the principle of proportionality; calls on the SSM and the EBA to ensure consistent implementation of the internal models used by banks;

10. Recalls the interaction of the prudential requirements for banks with other major banking standards, such as the introduction of the TLAC standard within the EU and its harmonisation with the MREL requirement under the BRRD, as well as the application of the IFRS 9 accounting standard in the near future;

11. Instructs its President to forward this resolution to the Commission.

1. <http://www.bis.org/bcbs/publ/d344.pdf>. [↑](#footnote-ref-1)
2. <https://www.bis.org/bcbs/publ/d387.htm>. [↑](#footnote-ref-2)
3. <http://www.consilium.europa.eu/en/press/press-releases/2016/07/12-conclusions-banking-reform/>. [↑](#footnote-ref-3)
4. Texts adopted, [P8\_TA(2016)0093](http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2016-0093+0+DOC+XML+V0//EN&language=EN). [↑](#footnote-ref-4)
5. Texts adopted, [P8\_TA(2016)0006](http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P8-TA-2016-0006&language=EN). [↑](#footnote-ref-5)
6. Texts adopted, [P8\_TA(2016)0108](http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2016-0108+0+DOC+XML+V0//EN). [↑](#footnote-ref-6)