

Newsletter

APRIL 2019

EUROPEAN PARLIAMENT APPROVES PACKAGE OF BANKING REFORMS

On 16 April 2019, the European Parliament has approved an overhaul of banking rules addressing some of the loopholes exposed by the global financial crisis (the "**Banking Package**").

The Banking Package, proposed by the European Commission in November 2016, represents an important step towards the completion of the European post-crisis regulatory reforms with the aim to allow further progress in completing the Banking Union.

The new rules set, *inter alia*, the level of funds banks must set aside to absorb losses and introduces new requirements for capital and liquidity, in line with global standards agreed after the 2007-09 financial crisis. This should help to boost the EU economy by increasing lending capacity and creating more liquid capital markets, and a clear roadmap to reduce risks in the banking sector by further reinforcing banks' ability to withstand potential shocks and deal with losses without having to resort to taxpayer funded bailouts.

The following legislative acts will be amended accordingly:

- Regulation (EU) No 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms ("CRR");
- Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("CRD IV");
- Directive 2014/59/EU of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms ("BRRD"); and
- the Regulation (EU) No 806/2014 of 15 July 2014 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 and a Single Resolution Fund ("SRMR").

Next steps will be the formal approval without discussion of the EU Council and the publication in the EU Official Gazette.

The Regulatory Department of Legance is available to provide any clarifications, also in respect of any specific situation which may be of interest to you.

For further information:

**Marco
Penna**

Partner

T. +39 06.93.18.271 /
+39 02.89.63.071

mpenna@legance.it

or your direct contact at Legance.

Newsletter

APRIL 2019

THE FIRM

Legance is an independent Italian law firm with expert, active and result-oriented lawyers, with a strong team spirit that has permitted a flexible and incisive organisational model that, through departments active in all practice areas of business law, offers the right balance between the specialist and the lawyer as a global consultant. Legance comprises more than 230 lawyers, working in its Milan, Rome, London and New York offices, and has a diverse and extensive practice covering the following areas: M&A and Corporate; Banking; Project Financing; Debt Capital Markets; Equity Capital Markets; Financial Intermediaries Regulation; Investment Funds; Litigation and Arbitration; Restructuring and Insolvency; EU, Antitrust and Regulation; Labour and Employment; Tax; Administrative Law; Real Estate; Energy, Gas and Natural Resources; Compliance; Shipping, Aviation and Transportation Law; Intellectual Property; TMT (Technology, Media, Telecommunications); Environmental Law; Insurance; Law & Technology; Food Law; Data Protection. For more information, please visit our website: www.legance.com.

DISCLAIMER

The only purpose of this Newsletter is to provide general information. It is not a legal opinion nor should it be relied upon as a substitute for legal advice.

This Newsletter is sent to persons who have provided their personal data in the course of professional relations, meetings, seminars, workshops or similar events. It's may also receive this newsletter because Legance was authorized. You may finally receive it, because you have engaged Legance. If you wish not to receive the newsletter anymore, please write an email to newsletter@legance.it and you will be removed from the list of recipients. Until you cancel yourself from the list of recipients your personal data will be processed on paper or electronically for purposes which are related to the existing professional relations, or for information and divulgation reasons, but are not communicated to third parties, unless such communication is imposed by law or strictly necessary to carry out the relation. Data controller is **Legance – Avvocati Associati**. The list of the data processors is available if you write an email to clienti.privacy@legance.it. In any event, you are entitled to your rights as set forth in the current data protection legislation. All the above requests must be forwarded by fax to **Legance – Avvocati Associati**, on nr. +39 06 93 18 27 403.

Legance - Avvocati Associati and its partners are not regulated by the Solicitors Regulation Authority ("SRA") and the SRA's compulsory insurance scheme does not apply to them (they are instead covered by equivalent Italian insurance). A list of the partners of Legance - Avvocati Associati is open to inspection at the office of its London branch at Aldermay House 10-15 Queen Street - EC4N1TX, and also on the following website www.legance.com. Legance LLP only advises on Italian law related matters.