

DIRECTIVES

COMMISSION DIRECTIVE 2007/18/EC

of 27 March 2007

amending Directive 2006/48/EC of the European Parliament and of the Council as regards the exclusion or inclusion of certain institutions from its scope of application and the treatment of exposures to multilateral development banks

(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions (recast) ⁽¹⁾, in particular points (d) and (l) of Article 150(1) thereof,

Whereas:

- (1) Article 2 of Directive 2006/48/EC lists those institutions explicitly excluded from the scope of application of that Directive.
- (2) The Danish Ministry of Economic and Business Affairs has requested that Dansk Landbrugs Realkreditfond be deleted from the list in Article 2 of Directive 2006/48/EC. A review of the legal status and the particular structure of Dansk Landbrugs Realkreditfond justifies its deletion from Article 2 of Directive 2006/48/EC. The Danish Ministry of Economic and Business Affairs has also requested that the name of Danmarks Skibskreditfond be changed to Danmarks Skibskredit A/S, due to a change of name of this institution.
- (3) Annex VI, Part 1, point 20 of Directive 2006/48/EC lists the multilateral development banks' exposures to which a 0 % risk weight should be assigned.
- (4) The World Bank, acting on behalf of the International Finance Facility for Immunisation, has requested the inclusion of the latter in the list in Annex VI, Part 1, point 20 of Directive 2006/48/EC.
- (5) International Finance Facility for Immunisation is a new type of international development financing institution. It has a financial base comprised of legally binding payment obligations (grants) from central government donors. The funds borrowed by International Finance Facility for Immunisation in the international capital markets will finance immunisation programmes in 70 of the poorest countries in the world. International Finance Facility for Immunisation will act as a bank to the Global Alliance for Vaccines and Immunisation to provide funds that will be disbursed as grants to eligible developing countries' immunisation programmes. International Finance Facility for Immunisation will outsource its two primary activities to existing multinational entities: financing, financial management and risk management will be outsourced to the World Bank and programme management and secretariat functions will be outsourced to Global Alliance for Vaccines and Immunisation.
- (6) International Finance Facility for Immunisation has a risk profile equivalent to the multilateral development banks enumerated in Annex VI, Part 1, point 20 of Directive 2006/48/EC and is therefore eligible for inclusion into Annex VI, Part 1, point 20 and in consequence to benefit from a 0 % risk weight as laid down in that provision.
- (7) The Islamic Development Bank has requested that it be included in the list in Annex VI, Part 1, point 20 of Directive 2006/48/EC.
- (8) The Islamic Development Bank has been set up by the governments of 29 countries with predominantly Muslim populations for the purpose of fostering economic development and social progress of member countries and Muslim communities individually as well as jointly and in accordance with "Shariah" rules. The Islamic Development Bank may undertake any activities which may advance this purpose. The agreement explicitly mentions e.g. equity investments, loans, trade finance and technical assistance.

⁽¹⁾ OJ L 177, 30.6.2006, p. 1.

- (9) Islamic Development Bank has a risk profile equivalent to the multilateral development banks enumerated in Annex VI, Part 1, point 20 of Directive 2006/48/EC and is therefore eligible for inclusion into Annex VI, Part 1, point 20 and in consequence to benefit from a 0 % risk weight as laid down in this provision.
- (10) Directive 2006/48/EC should therefore be amended accordingly.
- (11) The measures provided for in this Directive are in accordance with the opinion of the European Banking Committee,

HAS ADOPTED THIS DIRECTIVE:

Article 1

Directive 2006/48/EC is amended as follows:

1. In Article 2, the fourth indent is replaced by the following:
- ‘— in Denmark, the “Dansk Eksportfinansieringsfond”, the “Danmarks Skibskredit A/S” and the “KommuneKredit;”’
2. In Annex VI, Part 1, point 20 is replaced by the following:
- ‘20. Exposures to the following multilateral development banks shall be assigned a 0 % risk weight:
- (a) the International Bank for Reconstruction and Development;
 - (b) the International Finance Corporation;
 - (c) the Inter-American Development Bank;
 - (d) the Asian Development Bank;
 - (e) the African Development Bank;
 - (f) the Council of Europe Development Bank;
 - (g) the Nordic Investment Bank;
 - (h) the Caribbean Development Bank;
 - (i) the European Bank for Reconstruction and Development;

- (j) the European Investment Bank;
- (k) the European Investment Fund;
- (l) the Multilateral Investment Guarantee Agency;
- (m) the International Finance Facility for Immunisation; and
- (n) the Islamic Development Bank.’

Article 2

1. Member States shall adopt and publish, by 30 September 2007 at the latest, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall forthwith communicate to the Commission the text of those provisions and a correlation table between those provisions and this Directive.

They shall apply those provisions from 1 October 2007.

When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

2. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.

Article 3

This Directive shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

Article 4

This Directive is addressed to the Member States.

Done at Brussels, 27 March 2007.

For the Commission
 Charlie McCREEVY
 Member of the Commission