

Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (recast) (Text with EEA relevance)

*Article 19*

**Transitional provisions**

1 Where certain deposits or categories of deposits or other instruments cease to be covered wholly or partially by DGSs after the transposition of this Directive or Directive 2009/14/EC into national law, Member States may allow deposits and other instruments which have an initial maturity date to be covered until their initial maturity date if they were paid in or issued before 2 July 2014.

2 Member States shall ensure that depositors are informed about the deposits or categories of deposits or other instruments which will no longer be covered by a DGS from 3 July 2015.

3 Until the target level has been reached for the first time, Member States may apply the thresholds in Article 11(5) in relation to the available financial means.

4 By way of derogation from Article 6(1), Member States which, on 1 January 2008, provided for a coverage level of between EUR 100 000 and EUR 300 000, may reapply that higher coverage level until 31 December 2018. In that case, the target level and the contributions of the credit institutions shall be adjusted accordingly.

5 By 3 July 2019, the Commission shall submit a report, and, if appropriate, a legislative proposal to the European Parliament and the Council setting out how DGSs operating in the Union may cooperate through a European scheme to prevent risks arising from cross-border activities and protect deposits from such risks.

6 By 3 July 2019, the Commission, supported by EBA, shall submit to the European Parliament and to the Council a report on the progress towards the implementation of this Directive. That report should, in particular, address:

- a the target level on the basis of covered deposits, with an assessment of the appropriateness of the percentage set, taking into account the failure of credit institutions in the Union in the past;
- b the impact of alternative measures used in accordance with Article 11(3) on the protection of the depositors and consistency with the orderly winding up proceedings in the banking sector;
- c the impact on the diversity of banking models;
- d the adequacy of the current coverage level for depositors; and
- e whether the matters referred to in this subparagraph have been dealt with in a manner that maintains the protection of depositors.

By 3 July 2019, EBA shall report to the Commission on calculation models and their relevance to the commercial risk of the members. When reporting, EBA shall take due account of the risk profiles of the various business models.