

**Proposal for a European Parliament and Council Directive amending Directive 77/780/EEC on the coordination of laws, regulations and administrative provisions relating to the taking up and pursuit of the business of credit institutions**

(98/C 317/07)

*COM(1998) 461 final — 98/0253(COD)*

*(Submitted by the Commission on 21 September 1998)*

THE EUROPEAN PARLIAMENT AND THE COUNCIL  
OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular the first and third sentences of Article 57(2) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the Economic and Social Committee,

Acting in accordance with the procedure referred to in Article 189b of the Treaty,

Whereas, in accordance with the objectives of the Treaty, it is desirable to promote harmonious development of the activities of credit institutions throughout the Community, in particular as regards the issuance of electronic money;

Whereas certain institutions limit their activity primarily to the issuance of electronic money; whereas to avoid any distortion of competition between electronic money issuers, even as regards application of monetary policy measures, it is advisable that these institutions, subject to suitable specific provisions taking into account their special characteristics, are brought within the scope of Council Directive 77/780/EEC<sup>(1)</sup>, as last amended by Directive 96/13/CE<sup>(2)</sup> and Council Directive 89/646/EEC<sup>(3)</sup>;

Whereas it is advisable, consequently, to extend to these institutions the definition of credit institutions provided for in Article 1 of Directive 77/780/EEC;

Whereas Directive 98/.../EC of the European Parliament and of the Council, which coordinates and

harmonises suitable specific provisions of access to the activity and its exercise as well as the prudential supervision of these institutions, defines those as electronic money institutions,

HAVE ADOPTED THIS DIRECTIVE:

*Article 1*

Article 1, first indent, of Directive 77/780/EEC is replaced by the following text:

“credit institution” means:

(a) an undertaking whose business is to receive deposits or other repayable funds from the public and to grant credits for its own account;

or

(b) an electronic money institution within the meaning of Directive 98/.../EC of the European Parliament and of the Council.’

*Article 2*

The Member States shall adopt the measures necessary to comply with this Directive as soon as possible after its publication in the Official Journal. They shall forthwith inform the Commission thereof.

When Member States adopt these provisions they shall contain a reference to this Directive or be accompanied by such a reference at the time of their official publication. The procedure for such reference shall be adopted by Member States.

*Article 3*

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

*Article 4*

This Directive is addressed to the Member States.

<sup>(1)</sup> OJ L 322, 17.12.1977, p. 30.

<sup>(2)</sup> OJ L 66, 16.3.1996, p. 15.

<sup>(3)</sup> OJ L 386, 30.12.1989, p. 1.