**ORDINARY LEGISLATIVE procedure – First reading**

**Follow up to the European Parliament legislative resolution on the proposal for a regulation of the European Parliament and of the Council on sovereign bond-backed securities**

**1. Rapporteur:** Jonás FERNÁNDEZ (S&D / ES)

**2. Reference numbers:** 2018/0171 (COD) / A8-0180/2019 / P8\_TA-PROV(2019)0373

**3. Date of adoption of the resolution:** 16 April 2019

**4. Legal basis:** Article 114 of the Treaty on the Functioning of the European Union

**5. Competent Parliamentary Committee:** Committee on Economic and Monetary Affairs (ECON)

**6. Commission's position:** The Commission reserves its position on all amendments of the European Parliament, in view of future negotiations between the Parliament and the Council. The Commission notes that the following amendments, in particular, significantly change the substance of the proposal:

* *Regulatory treatment of Sovereign bond-backed securities (SBBS) tranches* (Article 23).

The European Parliament proposes to extend the regulatory treatment of euro area sovereign bonds only to senior SBBS tranches as far as bank regulation is concerned.

* *SBBS underlying portfolio* (Article 4).

The European Parliament expands the set of circumstances warranting a change in the composition of the SBBS underlying portfolio, and envisages a more active role for the Commission.

* *Monitoring compliance with the SBBS regulation* (Articles 9 to 18).

The European Parliament envisages a greater role for the European Securities and Markets Authority (ESMA), including through ex-ante certification of individual SBBS issuances.