



EUROPEAN SAVINGS BANKS GROUP

PRESS INFORMATION

Brussels, 6 December 2005

Europe's savings banks welcome Financial Services Policy 2005 - 2010

The EC clearly re-iterated yesterday the seriousness of its commitment to better-rule making in financial services in its White Paper on Financial Services Policy 2005-2010. Europe's savings banks, via the intermediary of the European Savings Banks Group (ESBG), commend the Commission on taking such a widely supported approach. ESBG furthermore expresses its support for the Commission's plan to develop the Lamfalussy process towards its maximum potential. Equally, the Commission's evolutionary approach to supervision is welcome, particularly its intention to assure cross-sectoral convergence of reporting requirements.

The Commission has already demonstrated that it is taking its commitment to better regulation seriously by reflecting in its White Paper the industry's concerns expressed in earlier consultations. The ESBG is pleased, for instance, to see that its call for impact assessments to accompany new Commission proposals as well as ex-post evaluation to verify that the rules are achieving their objectives has been taken on board as part of the EC's objectives for the next five years.

Moreover, the ESBG is generally supportive of the Lamfalussy procedure and as such supports the White Paper's main conclusions in this respect. In addition, we welcome the Commission's proposal to have additional impact assessment, to ensure that the principle of proportionality is fully respected and that overly detailed requirements are not imposed on the industry. Regarding the current comitology debate, the ESBG appeals to the EU institutions to swiftly reach a solution that grants equivalent powers to the European Parliament and the Council (i.e. call-back right).

In the area of supervision, the ESBG supports the proposed evolutionary approach, which builds on the existing prudential supervisory structures and arrangements. In addition, the ESBG shares the Commission's view that the area of reporting requirements is one where practical steps can be taken to improve the efficiency of supervision and particularly welcomes the Commission's approach to analyse the potential for "streamlined common reporting" across sectors when (further) developing prudential rules in banking and insurance, relevant reporting requirements in the capital market area as well as accounting rules in the context of the international debate on IFRS (International Financial Accounting Standards). Particular efforts will have to be made to ensure that the objective of streamlining reporting requirements does however not translate into a general increase of the reporting burden.

Welcoming the Commissions overall policy objectives for the next five years, Mr De Noose, Chairman of the ESBG Management Committee, recalled the active role of ESBG members in this context: *“Europe’s savings and retail banks are keen to further contribute to an integrated, open, pluralistic, competitive and economically efficient EU financial market, and will continue to be a major actor, thus assuring competition between service providers, especially those active in retail markets – be it in urban or rural areas and vis-à-vis all strata of the population”*.

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About ESBG:

ESBG (European Savings Banks Group) is an international banking association that represents one of the largest European retail banking networks, comprising about one third of the retail banking market in Europe, with total assets of €4,345 billion (1 January 2004). It represents the interests of its members vis-à-vis the EU Institutions and generates, facilitates and manages high quality cross-border banking projects.

ESBG members are typically savings and *retail* banks or associations thereof. They are often organised in decentralised networks and offer their services throughout their *region*. ESBG members banks have been reinvesting *responsibly* in their region for many decades and they are a distinct benchmark for corporate social responsibility activities throughout Europe and the world.