

Commitments

made at the hearing of

JONATHAN HILL

**Commissioner for Financial Stability,
Financial Services and Capital Markets Union**



In his answers to the questionnaires and during the hearing on 1 October 2014 before the Committee on Economic and Monetary Affairs, Commissioner-designate Jonathan Hill made commitments in his area of responsibility assigned to him by the President-elect of the Commission.

Commitments relevant to the Committee on Economic and Monetary Affairs are highlighted in this document¹.

Capital Markets Union

Developing Capital Markets Union by bringing forward proposals

"Fourth, I will bring forward proposals for developing a Capital Markets Union... My priorities for early action will be to tackle those barriers where the problem is clear and well-defined, and the solution is readily apparent, for example:

- developing standards for high quality securitisation;*
- ensuring common and reliable standards for cross-border credit information on SMEs; and*
- facilitating the development of a European market for private placement."*

"...I intend, as early as the new year, to come forward with a proposal for the resolution of non-banks including CCPs [central counterparty clearing houses]".

Advancing current proposals

"At the moment there is a proposal on the table to encourage European long-term investment funds...I will want to take that forward as an urgent priority."

"To make sure that we tackle other major sources of risk by taking forward proposals that are currently under negotiation such as on Money Market Funds, benchmarks and structural reform."

Impact assessment in terms of high-quality securitization

"I think there is a case for regulatory framework for high-quality securitisation... and one of my first priorities would be to launch some preparatory work to assess the impact of what such an initiative might be"

Banking Union

Considering alternatives to current Deposit Guarantee Scheme

"I will monitor how the DGS Directive is working on the ground with the EBA and in the light of that I would be ready to consider alternatives before July 2019 but I would do so in the light of circumstances at the time."

Financial Stability

Pushing for an early agreement on the banking structural reform proposal

"I agree that Too Big To Fail remains a problem. It goes hand in hand with the concept of implicit subsidies, i.e. ultimately use of taxpayers' money because letting such banks fail may have disastrous consequences. In that sense no bank should be considered in the future as too big to fail. The proposal made by the current Commission on the structure of banks deals with this issue. It would limit the systemic risk associated with too-big-to-fail banks' trading activities. We need to find a workable solution but I will make it a priority to push for an early agreement on this proposal, working closely with this Committee and Member States – in order to prioritise greater certainty and stability for the industry."

Possibly strengthening shadow banking oversight

"I will come forward with proposals to strengthen the oversight and regulation of shadow banking if the data shows that there are risks to financial stability."

Equal treatment of legislators

In line with procedure

"I will apply all the provisions of the Framework Agreement. Equal treatment of the European Parliament and the Council is not only legally required but politically essential."

Follow up to legislative initiative reports

In line with framework agreement and treaty requirement

"Concerning the follow-up to European Parliament's positions and requests, I will make sure that in my areas of responsibility that the Commission responds to parliamentary resolutions or requests made on the basis of Article 225 TFEU, within 3 months of their adoption."

"In this context, I support the commitment made by President-elect Juncker that the future Commission

will be particularly attentive to legislative initiative reports."

Transparency

In favour of a Mandatory Transparency Register

"Having a mandatory lobbying register, which again I think is a good idea and that I would support"

Full personal transparency

"Transparency will be essential. I will be open with this committee at all times. And I will be open about who I am meeting. I will disclose all my external meetings and so will my officials"

Relations with the EP

Participating in important trialogue meetings

"I also commit to participating personally in important trilogue negotiations. I will ensure that my cabinet and officials in the new Directorate General for Financial Stability, Financial Services and Capital Markets Union abide by the same principles so that democratic oversight can be exercised in an effective manner."

Close cooperation with committees

"I will cooperate closely and at all times with the European Parliament, particularly with the ECON Committee and its Chair, Mr Gualtieri, but of course in addition with all other Committees with interests in my field of competence."

Providing information to the EP

"I stand ready to provide the EP regularly with detailed information, which would allow to have an informed exchange of views on the subjects taken up by the international standards setters"

Dialogue on the engagement of EU in G20 and FSB

"I will prioritize engagement by the Commission and the EU in G20 and in the FSB. I will share and explain progress to this committee and I will seek its views."

Delegated and Implementing Acts

Focusing on implementation and ensuring a fair and open process with the EP

"Implementation: this will be an immediate task and will take place through delegated acts and implementing acts, with a very significant input from the European Supervisory Agencies."

"I have set myself five main priorities: First, to implement what has already been agreed. This alone will be a major task. The outstanding delegated and implementing acts amount to over 400 separate measures from inter alia MFID2 to Banking Union to Solvency 2 to CRD. We will ensure a fair and open process with the EP and the Council."

"Parliament clearly needs to be involved and my commitment to you would be to work in the spirit of cooperation which I am told and I believe Mr Barnier developed, and I would want to do my best to match that"

Taking forward the preparatory work

"The preparatory work for a delegated and implementing act is underway and I know this Committee is fully involved. I will take the work forward as a matter of priority." (Mr Hill did not specify which delegated and implementing act he referred to, given the exceptionally large amount of acts)

Explaining changes to the EP

"In implementing Level 2 legislation by delegated and implementing acts, I will stand ready to explain to the Parliament and Council if we intend to depart from the proposals of the ESAs and I will be ready to discuss this with you."

Deciding details of SME growth in delegated acts

"..MiFID2 does introduce the concept of the SME growth market...the detail of it is going to have to be decided in the delegated act"

¹ Quotes are either taken from the commissioner-designate's answers to the questionnaire or from the hearing held on 1 October 2014. In case of multiple quotes on the same issue, only one is reported here to enhance legibility. Some quotes may be free translations of the original language spoken.



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EUROOPA PARLAMENT ΕΥΡΩΠΑΪΚΟ ΚΟΙΝΟΒΟΥΛΙΟ
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