

B8-0619/2016

12.4.2016

MOTION FOR A RESOLUTION

pursuant to Rule 133 of the Rules of Procedure

on raising the minimum own-fund requirement for banks

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Motion for a European Parliament resolution on raising the minimum own-funds requirement for banks

The European Parliament,

- having regard to Rule 133 of its Rules of Procedure,
- A. whereas banks have been calling for the minimum own-fund ratio to be lowered so that they can give credit more easily;
- B. whereas a study by the Bank for International Settlements has shown that there is a positive correlation between the volume of loans and the ratio of banks' own funds, because own funds make it possible to borrow under better conditions and to take the kinds of risk that make the economy dynamic;
- C. whereas the value of the own funds of the nine biggest European banks is only 4 % of their assets as against at least 6 % in the US;
- D. whereas regulators, rather than requiring banks to conserve their own funds, have let the 40 biggest banks in the EU give EUR 400 billion to shareholders in the form of dividends and share repurchases since 2007 (according to Bloomberg);
- 1. Stresses that Member States must be given the right to raise the minimum own-fund requirement for banks.