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*Plenary sitting*

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**B8-1217/2016**

4.10.2016

# **MOTION FOR A RESOLUTION**

pursuant to Rule 133 of the Rules of Procedure

on banning any dividend payments by under-capitalised banks

**Sophie Montel, Florian Philippot**

**Motion for a European Parliament resolution on banning any dividend payments by under-capitalised banks**

*The European Parliament,*

- having regard to Rule 133 of its Rules of Procedure,
- A. whereas the big European banks are having to meet legal costs that entail major losses and mean they are performing badly on the stock exchange (their share value has fallen by an average of 50% since 2014);
- B. whereas the huge distribution of bank profits (especially dividend payments to shareholders) is one of the main reasons for the capital shortages European banks are experiencing;
- C. whereas there was an EUR 123 billion shortfall in the capital requirements of the 51 biggest European banks in 2015 when, at the same time, 28 of the 34 banks quoted on the stock exchange paid out EUR 40 billion – or 60% of their net profits – in dividends;
- D. whereas, if European regulators had banned under-capitalised banks from making dividend payments from 2010 onwards, 50% of their capital shortages would have been made good;
- 1. Calls on the Commission and Member States to consider banning any dividend payments by under-capitalised banks (as is the case in the United States).