

European Parliament

Special Committee on the Financial, Economic and Social Crisis

CRIS Newsletter No. 5 September - November 2010

<i>Recent Events</i>	<i>Upcoming Events</i>
<p><u>29 September 2010</u> - Vote in Committee</p> <p><u>20 October 2010</u> - Strasbourg plenary debate and vote</p> <p><u>27 October 2010</u> - CRIS committee meeting with Dutch National Parliament Meeting with Mr Jan de Wit, <i>Chairman of the Dutch Parliamentary Enquiry Committee into the Financial Crisis</i></p> <p><u>11 November 2010</u> - Exchange of views on the second phase of the CRIS mandate</p>	<p><u>12 - 13 January 2011</u> - Delegation visit to Lisbon Meeting with the Portuguese National Parliament</p> <p><u>27 January 2011</u> - Delegation visit to London Meeting with the UK National Parliament</p> <p><u>22 - 23 February 2011</u> - Delegation visit to Athens Meeting with the Greek National Parliament</p> <p><u>14 March 2011</u> - Inter-parliamentary meeting with representatives of the EU National Parliaments</p>

Wednesday 20 October 2010 - Plenary Debate and Vote on the CRIS Resolution



"We have to join forces, because of our collective responsibility." stated Ms Pervenche Berès, Rapporteur of the mid-term report from the CRIS Committee, during the Plenary debate in Strasbourg, which took place in the presence of the President of the Commission, José Manuel Barroso.

Vote on the CRIS mid-term report in the CRIS Committee on 29 September 2010

The CRIS Committee adopted on Wednesday 29 September 2010 by a very large majority the mid-term report (2009/2182(INI)) - Rapporteur: Mme Berès. The vote was based on a block vote on a comprehensive compromise package, shared by almost all groups. The final vote on the draft report showed 33 votes in favour, 2 against and 3 abstentions.

20 October 2010 Strasbourg: Plenary debate and vote - Financial, economic and social crisis: mid-term recommendations concerning the measures and initiatives to be taken



The CRIS mid-term report on the financial crisis was discussed and voted in the Strasbourg plenary.

The CRIS resolution was discussed during a vivid plenary debate in which many members participated. The joint debate tackled the crisis, together with the resolution on the "Preparations for the G20 Summit", the resolution on the "Preparations for the European Council meeting", and the De Feio resolution on "Improving the economic governance and stability framework of the Union."

As a starting point, the CRIS resolution requires the EU2020 strategy to be used as a means for the EU to become a competitive, social and sustainable Union. According to CRIS Chairman Wolf Klinz, Europe is at a crossroads; it needs a *"deepening of integration in the economic, budgetary, and social fields, more investments in infrastructure, a functioning labour market as well as a completion of the internal market ... a standstill of reforms in Europe would mean regression"*, he noted in plenary.



CRIS Committee
Chairman Wolf
Klinz (ALDE)

The European Parliament also believes that, while there may be agreement on matters of governance and on EU activity in terms of shared competence and supplementary action, the Union requires resources, especially financial resources, to pursue such a strategy. (*Executive Summary of the CRIS Report*)

The internal market is one of the main drivers of economic growth; this is why the resolution highlights the importance of strategic long-term investment and employment. *"We can't roll back deficits with a stream roller,"* Mr Othmar Karas added, *"It all has to be backed up with investment as well as with consolidation of public finances. The report makes clear that we want Europe to be part of the solution."* A coordinated approach is thus needed at both a national and EU level, to capitalize on best practices.

Key priorities should be financing of needed long term investment, the promotion of new innovative businesses, more funding and less red tape for SMEs, the creation of sustainable jobs and high quality employment to improve competitiveness and combat poverty and - last but not least - environmental protection. The cohesion instruments are a crucial tool for assistance to the regions which need it most, to help overcome the consequences of the crisis and to reduce disparities within the EU. *(Open Letter by the CRIS Coordinators, 20 October 2010)*

"The crisis has cost us \$60 trillion on a world scale, and 1% growth per year. At the end of this year unemployment will be 11% in Europe" asserted Ms. Pervenche Berès, CRIS Committee Rapporteur. Regional, economic and social cohesion must thus be ensured, as a way to speed up recovery from the crisis and to craft a long-term investment strategy that can put competitiveness at the heart of economic governance. *"Governance is not a vision, it is a means to serve this strategy"* continued Ms Berès. Much focus in the resolution was, in fact, placed on acting in a unified manner, on finding a European solution to the crisis.

According to Mr Olle Schmidt, ALDE Group Coordinator *"Nationalisms should not get a foothold again. We have a market based economy...and free trade which generates prosperity. We need a more united, more open Europe, a stronger Europe, we need more Europe."*

In line with the resolution, the enforcement of the Stability and Growth pact needs strengthening, especially its preventive arm, as pressure is the strongest instrument available to ensure Member State compliance to Council's recommendations. This cannot occur if multilateral surveillance is not deepened and strengthened.

Lastly, the plenary debate on the resolution amply focused on financial regulation and supervision, with Members ultimately agreeing on the introduction of a financial transaction tax, as emphasized by the S&D Group Coordinator Mr Sergio Cofferati. The Berès report on the financial crisis was approved with 501 votes in favour, 67 against and 50 abstentions.



EPP Coordinator
Othmar Karas



Rapporteur
Pervenche Berès
S&D



ALDE Coordinator
Olle Schmidt



S&D Coordinator
Sergio Cofferati

We are also calling for a regulatory and supervisory system which leaves no financial market, no financial instrument and no financial institution off the record book, in order to prevent another financial crisis. *(Open Letter by the CRIS Coordinators, 20 October 2010)*

CRIS Committee Meeting on 27 October with Mr Jan de Wit, Chairman of the Temporary Inquiry Committee into the financial crisis of the Dutch Parliament



Johannes Marijnus Antonius Maria (Jan) de Wit, Dutch lawyer and politician. From 1995 to 1998, de Wit was a member of the SP-group in the Senate of the Netherlands, and since 1998 is a member of the Chamber of Representatives.

On the 27th of October, Jan de Wit, Chairman of the Dutch Parliament's "Temporary Inquiry Committee into the financial system" addressed the CRIS committee.

The Dutch committee, created in July 2009, aims to answer the following question: 'What are the causes of the recent turbulent developments in the financial system and which recommendations for a more properly functioning system can be made according to the findings?

In the first part of its mandate, the inquiry committee focused on identifying the causes of the crisis, and the lessons to be drawn from it. Ultimately it devised a set of recommendations to be implemented to counter the crisis, by relying on concrete case studies. The final report for this first part was produced in May 2010, and adopted by consensus by the Dutch Parliament in September 2010. The report calls for better macro-economic surveillance by the Dutch National Bank and the Netherlands Bureau for Economic Policy Analysis together with a new banking code, no longer based on bank self-regulation. Weak spots in terms of regulations were identified, and provisions were taken to ensure stricter capital requirements and better supervision. From November 2010, the inquiry committee will focus on a second topic: Government interventions in the financial sector.



27th October 2010 - The CRIS Committee meets Jan de Wit, Chairman of the Dutch Parliament's "Temporary Inquiry Committee into the financial system".

Upcoming Events

CRIS consults National Parliaments in 2011

The extension of the CRIS mandate until July 2011 will enable the CRIS Committee to engage in a series of meetings with National Parliaments, both visits of delegates in Brussels as well as meetings the respective Member States. The first meeting will be in *Lisbon, Portugal* on 11 - 13 January, followed by a visit to the British Parliament in *London* on 27 January 2011 and a last delegation visit to *Athens, Greece* on 22 - 23 February. The series of dialogues with National Parliaments will conclude with a joint Inter-parliamentary committee meeting that will take place on 14 March 2011 in Brussels.