

**Question for written answer E-011210/2013  
to the Council  
Rule 117  
Rodi Kratsa-Tsagaropoulou (PPE)**

**Subject:** Imbalances in the integrated European financial market

According to recent statements <sup>1</sup>from Yves Mersch, a member of the European Central Bank's Governing Council, the average number of bank mergers and acquisitions per year in the US between 2005 and 2012 was 343, whilst the yearly average in the EU was 58. At the same time, the price-to-book ratio for banks outside the eurozone is 1, whilst for banks in the eurozone it is 0.7. This data show how far Europe still is from a totally integrated financial market, and how much faster the rate of bank restructuring is outside the eurozone. Mr Mersch also expressed the view that, despite progress over the directive <sup>2</sup>on the recovery and resolution of credit institutions and investment firms, the discretion provided to national authorities to exempt certain classes of liabilities within the framework of a bail-in does not contribute to the creation of a single system. Therefore, will the Council answer the following:

1. How does it view these weaknesses that have been identified in relation to the establishment of a single system?
2. Does it have any estimates as to the potential imbalances that may arise at the level of national credit systems, and if so, for which countries?
3. Does it believe that incentives and safety valves are required in order to protect the most vulnerable national credit systems?

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<sup>1</sup> <http://www.ecb.europa.eu/press/key/date/2013/html/sp130926.en.html#>

<sup>2</sup> [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ecofin/137627.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/137627.pdf)