

ORAL QUESTION WITH DEBATE O-0126/06

pursuant to Rule 108 of the Rules of Procedure

by Pervenche Berès, on behalf of the Committee on Economic and Monetary Affairs
to the Commission

Subject: Further convergence in supervisory practices at EU level

During the ECOFIN Council held in Helsinki in September, the Economic and Financial Committee (EFC) reported back on the results of the simulated crisis management exercise which took place in April, on the basis of a memorandum of understanding adopted in May 2005. The outcome of this exercise has clearly indicated that better coordination is needed between the relevant supervisory institutions involved in order to guarantee proper management and hence financial stability. Another exercise of the same kind is already scheduled for 2009 but in the meantime, the EFC is required to draft a report by autumn 2007 about the question of sharing responsibilities between the authorities and the countries concerned. The European Parliament welcomes these initiatives and approves the overall approach.

In the context of the current dynamic changes in the market and in particular the increase of alternative investment vehicles, the stakeholders are loudly calling for stronger measures. The European Parliament is also very concerned about this urgent question and has always been calling for an increased convergence of national supervisory practices, for example in the Muscat report adopted in July 2006 where it proposed to set up a committee of wise persons, to start a reflection on the implications of the consolidation of markets and financial institutions, prudential supervision, financial stability and crisis management.

What is the Commission intending to undertake in this area in order to respond to the needs identified in the crisis-management exercise and to shape the future of European financial supervision? Is the Commission ready to respond to the appeals of the stakeholders and invite the EP and Council to discuss together further steps?

Tabled: 15.11.2006

Forwarded: 17.11.2006

Deadline for reply: 24.11.2006