**Matt Carthy,** *on behalf of the GUE/NGL Group***.** – Madam President, as the Commissioners will know, progressive voices across Europe opposed the capital markets union (CMU) project, and they do so because it aims to sideline the problems in the EU’s banking sector by massively expanding the shadow banking sector and deregulating cross-border finance. This introduces in itself unacceptable new risks and dangers to financial stability.

But it has to be said that as far as this review is concerned, our Group thinks that the expansion of the powers of the EU supervisory authorities to accompany the deepening of the CMU is absolutely necessary. In some cases we acknowledge that the opposition of certain Member States to expanding the powers of the European supervisory authorities (ESAs) throughout this process has been based on legitimate concerns. But in other cases though, it was based on a reluctance to actually subject a shadow banking and funds sector that thrives on secrecy and on an almost total lack of oversight to any kind of supervision at all.

It’s this secrecy and lack of supervision that actually allows the mis‑selling of financial products and money laundering to thrive. The boost in powers for the ESAs, therefore, is something I welcome, but the outcome of the negotiations is far from ideal and should have been, and could have been, more ambitious. We don’t just need to increase supervision. We need to reduce the massive volume of trade in complex financial products that takes place in the shadows and that threatens the financial stability of our entire economy.