Resolution on 'Towards a Banking Union'

2012/2729(RSP) - 13/09/2012 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution, tabled by the Committee on Economic and Monetary Affairs, on the subject “Towards a Banking Union”.

Parliament considers it is crucial to mobilise all efforts to stabilise the European financial market and break the link between banks and sovereigns, in order to start moving towards a **genuine economic and monetary union**. It recalls that already back in July 2010 Parliament identified – through its resolution on Cross-Border Crisis Management in the Banking Sector and its report on the proposal for a Regulation of the European Parliament and of the Council establishing a European Banking Authority – solutions to cross-border crisis management issues, namely an integrated supervisory mechanism, the reform of the Deposit Guarantee Schemes Mechanism and the creation of a European Stability Fund.

Members note that the **European Council and the Council are finally reaching the same conclusions as Parliament as regards the need for a more integrated supervision system**, and are now calling for the establishment of a Banking Union through the setting-up of single supervisory mechanism in conjunction with deposit guarantee schemes and a resolution scheme.

Parliament urges political leaders to encourage **democratic legitimacy** in all European Union affairs in giving preference to the Community method.

It underlines, in particular, the need to enhance democratic legitimacy with regard to the proposed Banking Union and single supervisory mechanism **by fully involving Parliament as co-legislator**.

The resolution stresses that any major change in supervision, including shifts to other institutions, must be accompanied by an equivalent increase in transparency and accountability of such institutions vis-à-vis Parliament, which must have full questioning rights and full powers in relation to appointment and budgetary procedures.