Financial services: building a framework for action. Vienna Council, December 1998

1998/2208(COS) - 04/05/1999 - Text adopted by Parliament, single reading

The European Parliament adopted the resolution by Ben Fayot (PSE,LU) on the communication from the Commission on Financial Services: Building a Framework for Action. The report welcomes the Commission's communication, while stressing that a fully integrated EU financial market should be based on a coherent and effective body of legislation. It calls for the introduction of a uniform European payments system for small payments in order to eliminate the obstacles to international payment transactions. The Parliament calls on the Commission to present rapidly a proposal for appropriate supervision of financial services institutions of a European scale. With regard to wholesale markets, the Parliament advocates an approach which seeks to coordinate national stock markets and wishes a pan-European equity-listing to be set up and the 1989 Listing and Prospectus Directive to be repealed. It requests the Commission to study the possibility of replacing the host-country or home-country control rule by the EU rule which should ensure maximum protection for unsophisticated investors (i.e. ordinary citizens), and calls for the EU passport and sigle licence to be based upon the EU rule. The report calls on the Commission to examine the prospects for greater synergy among the new share markets for SMEs at European level, and to study the case of SMEs listing and trading in Europe as that of an infant industry requiring a special status. It stresses the importance of a genuine single market for pension funds in the context of the emergence of new needs on the part of an aging population, and the definition of rules to enable these funds to be invested in diversified and internationalised portfolios, with due respect for the principles of freedom of choice. With regard to retail markets, the Parliament considers that the concept of "general interest" is also applicable to financial services and calls for an EU directive on the concept of "general interest", specifying the content of the universal services principle. The Commission is called upon to propose legislation on financial intermediaries in the field of consumer credit and mortgage loans and insurance agents in order to protect consumers in cross-border markets. The European Palriament believes that to achieve the single market in financial services, the most urgent need is for the Council and the European Palriament rapidly to complete the current legislative procedures, for Member States to implement and enforce exisitng directives and for the Commission to submit further new proposals for legislation, aimed especially at simplification. The Commission is called upon to submit an Action Plan in this respect. Finally, the Parliament proposes the establishment of an EU Ombudsman for financial services covering retail markets, who would be independent of any Community or national institution.