Decision on setting up a Committee of Inquiry into the crisis of the Equitable Life Assurance Society

2005/2668(RSO) - 18/01/2006 - Text adopted by Parliament, topical subjects

The European Parliament adopted a resolution deciding to set up a Committee of Inquiry composed of 22 Members of the European Parliament, to investigate alleged contraventions or maladministration in the application of Community law in relation to the collapse of Equitable Life, without prejudice to the jurisdiction of national or Community courts.

The Committee of Inquiry shall:

- investigate alleged contraventions or maladministration in the application of Directive 92/96/EEC, now codified by Directive 2002/83/EC, by the United Kingdom's competent authorities in relation to Equitable Life, notably as regards the regulatory regime and the monitoring of the financial health of insurance undertakings, including their state of solvency, the establishment of adequate technical provisions and the covering of those provisions by matching assets;

- investigate alleged contraventions or maladministration in the application of Directive 92/96/EEC, by the United Kingdom's competent authorities in relation to Equitable Life, notably as regards the matters listed above;

- assess whether the Commission has properly fulfilled its duty to monitor the correct and timely transposition of Community law and identify whether systematic weaknesses contributed to the situation that has arisen;

- assess allegations that the UK regulators consistently failed, over a number of years, and at least since 1989, to protect policy holders by exercising rigorous supervision of accounting and provisioning practices and the financial situation of Equitable Life;

- assess the status of claims by non-UK European citizens and the adequacy of remedies available under UK and/or EU legislation for policy-holders from other Member States;

- make any proposals that it deems necessary in this matter.

The Committee of Inquiry will present an interim report to Parliament within 4 months of starting its work, with a view to presenting its final report to Parliament within 12 months.