Towards further consolidation in the European financial services industry

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The Council adopted the following conclusions on the cross-border consolidation in the financial sector:

The Council:

- underlines that unnecessary and unwarranted obstacles to cross-border consolidation in the financial sector should therefore be tackled in order to reap the economic benefits of integration and strengthen the global competitiveness of the EU financial industry;

- stresses the importance of sound, fair and non-discriminatory national supervisory practices to achieve a level playing field within the EU paying due attention to the appropriate balance of home/host country responsibilities; and the need for an adequate and independent financial supervision to ensure financial stability;

- invites the Committee of European Securities Regulators (CESR), Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS) and Committee on European Banking Supervisors (CEBS) to take into account the obstacles identified, and the FSC report on supervisory convergence, in their efforts directed at convergence of rules and practices and in particular to work on common formats for financial institutions reporting to supervisors in order to avoid duplication of costs;

- supports the Commission in its intention to make use of the powers granted to it under the Treaty to ensure the application of basic Treaty freedoms, including application of the existing provisions on competition and state aid;

- reiterates its commitment to an open and integrated EU financial market based on fair and healthy competition among financial institutions and calls for vigilance on discriminatory practices.