

RMO Aaltonen Minna

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**E-jatkokirjelmä komission vuosien 2005-2010 rahoituspalvelustrategiaa koskevasta valkeasta kirjasta**

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**EUTORI-numero: EU/2005/0977**

Valtiovarainministeriö lähettää eduskunnalle perustuslain 97§:n mukaisesti perusmuistion komission 1.12.2005 julkaisemasta vuosien 2005-2010 rahoituspalvelupolitiikkaa koskevasta valkeasta kirjasta.

Helsingissä 16 päivänä helmikuuta 2006

Toinen valtiovarainministeri

Ulla-Maj Wideroos

Finanssisihteeri

Minna Aaltonen

LIITTEET Perusmuistio, KOM(2005) 629 final

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Asiasanat	jaosto EU 10 rahoituspalvelut ja pääomaliikkeet, rahoitusmarkkinat, rahoituspalvelut
<b>Hoitaa</b>	<b>KTM, OM, VM</b>
Tiedoksi	ALR, EUE, STM, UM, VNEUS

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RMO Aaltonen Minna

16.02.2006

Asia

**Perusmuistio komissio vuosien 2005-2010 rahoituspalvelupolitiikkaa koskevasta valkeasta kirjasta**

Kokous

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Käsittelyn tarkoitus ja käsittelyvaihe:

Komissio julkaisi 1.12.2005 valkean kirjan, jossa se esittelee yleisen rahoituspalvelupolitiikkansa periaatteet ja päälinjaukset vuosiksi 2005-2010. Valkeaa kirjaa pohjustettiin jo komission samasta aiheesta toukokuussa julkaisemassa vihreässä kirjassa, jota koskevat neuvoston päätelmät Ecofin-neuvosto vahvisti kokouksessaan 11.10.2005.

EU:n nykyisen puheenjohtajan Itävallan alustavien suunnitelmien mukaan Ecofin-neuvosto käsittelee valkeaa kirjaa maaliskuussa, jolloin se todennäköisesti ottaa kantaa asiaan uusissa päätelmissä.

Asiakirjat:

Valkea kirja rahoituspalvelupolitiikasta vuosina 2005-2010 KOM(2005) 629 lopullinen (toistaiseksi julkaistu vain englannin-, ranskan- ja saksankielisenä) {SEC(2005) 1574}

EU:n oikeuden mukainen oikeusperusta/päätöksentekomenettely:

-

Käsittelijä:

Valtiovarainministeriö/Finanssisihteeri Minna Aaltonen puh. 160 34939

Suomen kanta/ohje:

*Suomi pitää valkeassa kirjassa esitettyjä tavoitteita tulevien vuosien rahoituspalvelupolitiikan yleislinjauksiksi yleisesti ottaen kannatettavina. Ne vastaavat pitkälti Suomen näkemystä rahoituspalvelujen kehittämisestä lähivuosina. Jotta rahoituspalvelujen toimintasuunnitelmaan sisältyneet toimenpiteet saataisiin hyödynnettyä täysimääräisesti, on olennaista taata, että jo vahvistettu EU-sääntely pannaan tehokkaasti täytäntöön ja että sitä sovelletaan yhdenmukaisesti kaikissa jäsenvaltioissa.*

*Myös sääntelyn käytännön toimivuuden ja tehokkuuden kriittinen arviointi on tarpeen. Siksi Suomi tukee komission pyrkimyksiä kohti parempaa sääntelyä sekä erityisesti jo vahvistetun EU-sääntelyn toimivuuden ja tehokkuuden kriittistä tarkastelua. Komission aikomus tehdä perusteellisia kustannus- ja hyötyanalyyssejä sekä vaikutusarvioita ennen lakialoitteiden antamista on hyvä. Uusia lainsäädäntöaloitteita ei tulisi antaa ennen kuin niiden kustannukset ja hyödyt sekä taloudelliset vaikutukset on perusteellisesti tutkittu. Riittävästi huomiota tulisi kiinnittää siihen, että EU-sääntely säilyisi joustavana ja edistäisi eurooppalaisten rahoitusmarkkinoiden kansainvälistä kilpailukykyä.*

*Suomi pitää myös tärkeänä, että kuluttajia tai heidän edustajiaan jatkossa kuullaan mahdollisimman kattavasti rahoituspalvelupolitiikan valmistelussa. Kuluttajien näkökulman vahvistaminen on olennaista erityisesti siksi, että vähittäispalvelujen painoarvon voidaan todennäköisesti odottaa kasvavan unionin tulevassa rahoitusmarkkinapolitiikassa. Esimerkiksi rajat ylittävien rahoituspalvelujen tarjonnan lisääntyessä on tärkeää, että kuluttajien oikeudellinen asema säilyy selkeänä ja turvattuna. On hyvä, että komissio korostaa kuluttajanäkökulman merkitystä.*

*Suomi pitää tärkeänä sitä, että lähivuosina markkinoiden integraation ohella kiinnitetään riittävästi huomiota vakauskysymyksiin sekä valvonnan tehokkaaseen järjestämiseen rajat ylittävien rahoitusryhmittymien osalta. Jos osoittautuu, että nykyiseen koti- ja isäntävaltion väliseen vastuunjakoon on tarpeellista tehdä muutoksia, on tärkeää taata, että valvontarakenne ja kriisienhallintajärjestelyt (ml. talletussuoja) ovat keskenään yhteensopivia ja samalla kiinteässä yhteydessä poliittiseen vastuuseen rahoitusmarkkinoiden vakaudesta.*

Pääasiallinen sisältö:

Valkea kirja sisältää Euroopan komission rahoituspalvelupolitiikan prioriteetit vuoteen 2010 asti. Komissio itse tiivistää valitsemansa lähestymistavan muotoon ”dynaaminen konsolidointi”.

Rahoituspalvelupolitiikan yksi vaihe loppui vuonna 2005, kun rahoituspalvelujen toimintaohjelma (FSAP) virallisesti päättyi. Ohjelman mukaisesti komissio on vuosina 1999 - 2005 valmistellut neuvoston ja parlamentin käsiteltäväksi yli 40 sääntelyaloitetta, joilla Euroopan unionin kansallisia rahoitusmarkkinoita pyritään integroimaan yhdeksi yhtenäiseksi, syväksi, likvidiksi ja dynaamiseksi markkina-alueeksi.

Komission tulevalle viisivuotiskaudelle kaavailema politiikka poikkeaa luonteeltaan selkeästi FSAP:in puitteissa toteutetusta. Uutta kattavaa, ”FSAP II”:ksi luonnehdittavaa lainsäädäntöohjelmaa ei suunnitella. Sen sijaan vuosina 2005 – 2010 painopistealueet

ovat nykyisen lainsäädännön konsolidoimisessa. Uusia aloitteita aiotaan esittää hyvin rajoitetusti: valkeassa kirjassa listataan joukko tiettyjä yksittäisiä lainsäädäntöaloitteita, joiden esittämistä komissio harkitsee, tai joiden valmistelun se on jo aloittanut. Keskeisintä komission lähivuosien rahoituspalvelupolitiikassa on kuitenkin varmistaa, että EU:n säännökset saatetaan tehokkaasti osaksi kansallista lainsäädäntöä ja että valvontaviranomaiset valvovat entistä tiukemmin säännösten täytäntöönpanoa. Tehokkaalla täytäntöönpanolla ja johdonmukaisella soveltamisella pyritään takaamaan, että FSAP:iin sisältyneiden toimenpiteiden edut hyödynnetään täysimääräisesti.

Lisäksi jo vahvistettujen säännösten käytännön soveltamisesta on tarkoitus tehdä jatkuvia jälkikäteisarviointeja niiden tosiasiallisen tehokkuuden analysoimiseksi. Komission tarkoituksena on esittää muutoksia säännöksiin, joiden toimivuudesta ei ole saatu konkreettista näyttöä. Tarvittaessa sen aikomuksena on myös ehdottaa sellaisten toimenpiteiden kumoamista, joilla ei jälkikäteisarvion perusteella saavuteta alun perin odotettuja taloudellisia etuja. Komissio pyrkii siihen, että vuoteen 2009 mennessä kaikista sellaisista FSAP-toimenpiteistä, jotka on pantu jäsenvaltioissa kansallisesti täytäntöön ennen vuoden 2005 loppua, olisi käytettävissä kattava taloudellinen ja oikeudellinen analyysi. Komission aikomuksena on myös tarkastella EU-sääntelyn johdonmukaisuutta, jotta voitaisiin taata eri sektorien terminologian yhteneväisyys. Vuonna 2008 on määrä tarkistella kattavasti, onko olemassa olevissa säännöksissä epäjohdonmukaisuuksia ja ovatko säännöksiin sisällytetyt tiedonantovaatimukset tarkoituksenmukaisia.

Komissio pitää olennaisena sitä, että kuluttajien ääni saadaan jatkossa paremmin kuuluviin EU:n rahoituspalvelupolitiikkaa kehitettäessä. Se pyrkii takaamaan, että kuluttajat ovat riittävän hyvin edustettuina perustaessaan jatkossa neuvoa-antavia ryhmiä. Komissio toteaa, että päävastuu kuluttajavalituksesta kuuluu jäsenvaltioille, mutta se voi itse edistää sekä näkemystenvaihtoa yleiseurooppalaisella tasolla sekä edistää yhteisiä hankkeita. Komissio pitää tärkeänä sitä, että rahoituspalveluista pyritään tekemään helpommin ymmärrettäviä, jotta kuluttajat tuntisivat paremmin ostamiensa tuotteiden ominaisuudet ja kykenisivät vertailemaan eri tuotteita helpommin.

Rahoituspalvelujen ja pääoman vapaata liikkuvuutta rajoittavat taloudellisesti merkittävät esteet, jotka vielä ovat jäljellä, on valkean kirjaan mukaan poistettava. Tämä on tehtävä siten, että samalla taataan rahoitusmarkkinoiden vakaus, kuluttajien edut ja korkeatasoinen kuluttajansuoja. Komission mukaan erityisen kiireellistä olisi parantaa yleiseurooppalaisten markkinoiden tehokkuutta pitkäaikaissäätämiseen tarkoitettujen tuotteiden osalta, jotta eläkerahoitukseen liittyviä ongelmia voitaisiin lieventää. Lisäksi eurooppalaiset vähittäismarkkinat ovat alikehittyneet ja riskipääomamarkkinoiden toimintaa tulisi tehostaa.

Komission tarkoituksena on soveltaa rahoituspalvelupolitiikkansa täytäntöönpanossa paremman sääntelyn periaatteita. Se sitoutuu järjestämään avoimia lausuntokierroksia ja arvioimaan ennalta valmistelemissä ehdotusten vaikutuksia, jotta EU:n sääntely olisi avoimesti valmisteltua, perustuisi todelliseen sääntelytarpeeseen ja toisi aitoa lisäarvoa rahoituspalvelualan toimijoille ja kuluttajille. Tapauskohtaisesti komissio aikoo harkita myös sitä, onko vaikutusarviointien laatiminen tarpeeseen niistä täytäntöönpanotoimenpiteistä, jotka se itse vahvistaa. Komissio odottaa, että myös neuvosto ja Euroopan parlamentti kunnioittavat omia sitoumuksiaan ja laativat lainsäädäntömenettelyn kuluessa vaikutusarviointeja aina esittäessään merkittäviä muutoksia komission alkuperäiseen ehdotukseen.

Komissio katsoo, että arvopaperimarkkina-, pankki- ja vakuutussektoreilla sovellettava neliportainen ns. Lamfalussy- menettely on nopeuttanut EU:n sääntelyprosessia ja tehostanut valvojien yhteistyötä. Seuraavan viisivuotiskauden keskeinen haaste on kehittää menettelyä sen koko potentiaalin hyödyntämiseksi. Tämä edellyttää menettelyn kehittämistä siten, että vastuunalaisuutta ja avoimuutta lisätään. Komitologia- menettelyn kehittämisestä käynnissä oleva keskustelu on tällöin avainasemassa. Sektorien keskinäistä yhteistyötä on kehitettävä, sillä yhä useammat kysymykset ovat luonteeltaan sektorirajat ylittäviä. Komission mielestä on tärkeää, että kaikilla Lamfalussy- menettelyn neljällä tasolla noudatetaan paremman sääntelyn periaatteita. Tähän liittyen komissio toteaa, että olisi eduksi, jos kansallisten valvojien komiteoiden esittämiä neuvoa-antavia lausuntoja tarkastelisi asiaa tuntevista ekonomisteista koottu paneeli silloin, kuin niihin saattaa sisältyä merkittäviä kustannuksia.

Komissio painottaa aiempaa enemmän rahoitusmarkkinoiden rajat ylittävän valvonnan kehittämistä. Kansallisten valvontaviranomaisten keskinäistä yhteistyötä on jatkossa tehostettava ja valvonnan konvergenssia parannettava. Isäntä- ja kotivaltioiden velvollisuuksia tulisi selventää. Mahdollisuuksia delegoida tehtäviä valvontaviranomaiselta toiselle tulisi tutkia ja valvonnan tehokkuutta tulisi parantaa karsimalla päällekkäisiä raportointi- ja tiedonantovelvoitteita. Yleiseurooppalaisen valvontakulttuurin kehittämistä on edistettävä. Komissio kannattaa valvonnan kehittämisessä nopeiden ja jyrkkien muutosten sijaan evoluutioon perustuva lähestymistapaa, joka perustuu nykyisille valvontarakenteille, ja jossa keskitytään selkeästi todennettujen ongelmien ratkaisemiseen. Asteittainen kehitys on komission mielestä tarpeen, koska nykyrakenteiden muuttamiseen liittyy ongelmallisia kysymyksiä poliittisen ja taloudellisen vastuun jakautumisesta. Kuluttajien etujen turvaamiseksi talletussuojajärjestelmillä on tärkeä rooli; komissio aikoo julkistaa vuonna 2006 tiedonannon näistä järjestelmistä ja niiden yhteyksistä esim. rahoitusmarkkinakriisien rahoitukseen.

Tulevalla viisivuotiskaudella komission tavoitteena on myös syventää EU:n suhteita muiden kansainvälisten rahoitusmarkkina-alueiden kanssa ja pyrkiä siten vahvistamaan EU:n vaikutusvaltaa. EU:n dialogi Yhdysvaltojen kanssa on jo nykyisin säännöllistä ja laaja-alaista. Jatkossa komissio pyrkii kehittämään yhteistyötä myös Japanin sekä kehittyvien rahoitusmarkkinoiden, kuten Intian, Kiinan ja Venäjän kanssa. Lisäksi on taattava, että EU:lla on vahva edustus rahoitusmarkkina-alan sääntöjä kehittäville kansainvälisillä foorumeilla, kuten Baselin pankkivalvontakomiteassa.

Valkean kirjan liitteisiin sisältyy yksityiskohtaisempi listaus komission tulevalla viisivuotiskaudella suunnittelemissa toimenpiteistä, kuten tehtävistä selvityksistä ja valmisteilla olevista tiedonannoista, sekä niiden alustavasta aikataulutuksesta. Mitä tulee uuteen EU-sääntelyyn, pääsääntöisesti komissio ei tässä vaiheessa sitoudu tekemään jostakin tietyistä kysymyksistä lainsäädäntöaloitetta. Sen sijaan se aikatauluttaa valmistelutyötään ja ilmoittaa, milloin sen tarkoituksena on päättää, onko ehdotuksen tekeminen alustavien selvitysten perusteella tarpeen, vai tarvitaanko muita toimenpiteitä.

Kansallinen käsittely:

Valtiovarainministeriö  
EU-jaosto 10, kirjallinen menettely

Eduskuntakäsittely:

-

Käsittely Euroopan parlamentissa:

-

Kansallinen lainsäädäntö, ml. Ahvenanmaan asema:

-

Taloudelliset vaikutukset:

-

Muut mahdolliset asiaan vaikuttavat tekijät:

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Asiasanat

**Hoitaa**

Tiedoksi

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 1.12.2005  
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**WHITE PAPER**

**Financial Services Policy 2005-2010**

**{SEC(2005) 1574}**

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# Synopsis

This paper presents the European Commission's (Commission) financial services policy priorities up to 2010. An overview of concrete tasks and activities is included (Annex I).

The consultation on the Green Paper<sup>1</sup> has shown broad support for these political priorities. This White Paper also takes into account the results of the 'Exchange of Views' of 18 July 2005<sup>2</sup> and parallel initiatives such as the Report on financial integration by the Financial Services Committee<sup>3</sup>, the Ecofin Council Conclusions of 11 October 2005 and the Report by the Economic and Monetary Affairs Committee of the European Parliament on the current state of integration of EU financial markets<sup>4</sup>. A proportionate Impact Assessment complements this paper (see Annex II).

The **objectives** of the Commission's financial services policy over the next 5 years are to:

- *consolidate dynamically towards an integrated, open, inclusive, competitive, and economically efficient EU financial market;*
- *remove the remaining economically significant barriers so financial services can be provided and capital can circulate freely throughout the EU at the lowest possible cost – with effective levels of prudential and conduct of business regulation, resulting in high levels of financial stability, consumer benefits and consumer protection;*
- *implement, enforce and continuously evaluate the existing legislation and to apply rigorously the better regulation agenda to future initiatives;*
- *enhance supervisory cooperation and convergence in the EU, deepen relations with other global financial marketplaces and strengthen European influence globally.*

**Dynamic consolidation is the *leitmotiv* of the Commission's approach – an approach that is practical, ambitious and reflective of stakeholder sentiment.**

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<sup>1</sup> Green Paper on Financial Services Policy (2005-2010) published 3 May 2005. It remains valid background for the policy choices made. See: [http://europa.eu.int/comm/internal\\_market/finances/docs/actionplan/index/green\\_en.pdf](http://europa.eu.int/comm/internal_market/finances/docs/actionplan/index/green_en.pdf). Over 150 contributions were received during public consultation until 1 August 2005. A feed-back document has been published simultaneously with this Paper.

<sup>2</sup> See: [http://europa.eu.int/comm/internal\\_market/finances/docs/actionplan/infosession/results\\_en.pdf](http://europa.eu.int/comm/internal_market/finances/docs/actionplan/infosession/results_en.pdf)

<sup>3</sup> Report for consideration by EU Finance Ministers on 2 June 2004, only in limited circulation.

<sup>4</sup> See: [http://www.europarl.eu.int/meetdocs/2004\\_2009/documents/PR/553/553131/55311en.pdf](http://www.europarl.eu.int/meetdocs/2004_2009/documents/PR/553/553131/55311en.pdf)

# **WHITE PAPER ON FINANCIAL SERVICES 2005-2010**

## **1. DYNAMIC CONSOLIDATION OF FINANCIAL SERVICES**

Financial markets are pivotal for the functioning of modern economies. The more they are integrated, the more efficient the allocation of economic resources and long-run economic performance will be. Completing the single market in financial services is thus a crucial part of the Lisbon economic reform process<sup>5</sup>; and essential for the EU's global competitiveness.

European financial market integration has been driven forward by the Financial Services Action Plan 1999-2005 (FSAP). Its central philosophy has proved sound: financial industry's performance has improved; there is higher liquidity, increased competition, sound profitability and stronger financial stability despite much external turbulence. With progressive implementation of FSAP measures in the coming years, these benefits will only increase.

But efforts have to continue. The EU financial services industry has strong untapped economic and employment growth potential. A further boost in the efficiency of pan-European markets for long-term savings products is needed urgently. The EU's major structural economic challenge – its huge pensions deficit – needs to be financed. The retail internal market is a long way from completion. A better functioning risk capital market is needed to promote new and innovative firms and to raise economic growth<sup>6</sup>.

So, consolidating progress; completing unfinished business; enhancing supervisory cooperation and convergence; and removing the remaining economically significant barriers are the key axes of Commission policy for the next 5 years.

## **2. BETTER REGULATION**

The Commission will deploy the most open, transparent, evidence-based policy-making based on a dual commitment to open consultation and impact assessments, so to ensure sound rules are drawn up, adding value to the EU's financial services sector and consumers.

### **2.1. Open and transparent consultation**

Open consultations (including with stakeholder groups) will continue to play a central role and will be required before any legislation is deemed necessary. The Commission will continue to publish responses received to its consultations, practical summaries and feedback statements.

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<sup>5</sup> "Common Actions for Growth and Employment: The Community Lisbon Programme", COM(2005) 330 final, 20.7.2005, See: [http://europa.eu.int/growthandjobs/pdf/COM2005\\_330\\_en.pdf](http://europa.eu.int/growthandjobs/pdf/COM2005_330_en.pdf) and "Working together for growth and jobs: Next steps in implementing the revised Lisbon strategy", SEC(2005) 622/2, 29.4.2005, See: [http://europa.eu.int/growthandjobs/pdf/SEC2005\\_622\\_en.pdf](http://europa.eu.int/growthandjobs/pdf/SEC2005_622_en.pdf).

<sup>6</sup> Although outside the scope of this Paper, the identification of priorities for any further initiatives in the area of venture capital will be of immense importance and a clear priority for the Commission in the next 5 years.

## 2.2. Impact assessments

Impact assessments will accompany any new Commission proposal. They will scope each issue and determine the most appropriate option. They will focus on costs and benefits across the broad economic, social and environmental dimensions, and, where appropriate, the impact on financial stability, proper functioning of markets and consumer protection.

Wherever possible, impact assessment methodologies will be shared, prior to publication, with relevant stakeholders. The Commission will also assess - on a case by case basis - whether technical implementing (level 2) measures also require impact assessments.

The Commission also expects the European Parliament and the Council to honour their commitments to improve the quality of Community legislation by producing impact assessments when tabling substantive amendment to Commission proposals<sup>7</sup>. So far this has not been put into practice and is a weak link in the better regulation chain<sup>8</sup>.

## 2.3. Implementation and enforcement

Regrettably, the rate of transposition of Community law by Member States within agreed deadlines is poor<sup>9</sup>. Member States need to demonstrate real commitment and deliver proper implementation on time. Enforcement mechanisms need to be strengthened and joined-up across the Member States. This shared responsibility is a major challenge for EU-25 - with further enlargements in the pipeline.

The Commission will work intensively with Member States to monitor progress, ensure accurate implementation and avoid regulatory additions, so-called 'goldplating'. The Commission will regularly update its online FSAP transposition matrix and install hyperlinks to the Member States' own implementing texts. The overall state of transposition will also be covered in the annual Progress Report on financial services<sup>10</sup>.

Transposition workshops with Member States and European regulators will continue to provide a forum for establishing consensus on the implementation of particular provisions of EC legislation and to iron out, *ex-ante*, any problems. The Commission will publish summary notes of the transposition workshops and additional interpretative guidance when needed.

These practical processes will facilitate effective monitoring. In the event of faulty implementation, the Commission will launch infringement proceedings swiftly. Stakeholders have stressed their need for adequate transposition time. The Commission agrees. But, as level-2 measures evolve, transposition work at both legislative and technical implementing level (levels 1 and 2) should proceed in parallel where possible.

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<sup>7</sup> See the Inter-Institutional Agreement on Better Lawmaking (OJ C 321/1 31.12.2003) and the Conclusions of the Competitiveness Council on Better Regulation (9501/05).

<sup>8</sup> Up to now, the Commission has provided for nearly 80 impact assessments, while Parliament and Council have carried out only 1. No impact assessment has been carried out on Member States' own legislative initiatives in the field of internal or judicial affairs.

<sup>9</sup> See: [http://europa.eu.int/comm/internal\\_market/en/finances/actionplan](http://europa.eu.int/comm/internal_market/en/finances/actionplan).

<sup>10</sup> The next Progress Report is foreseen for January 2006.

## 2.4. *Ex-post* evaluation

A fundamental question is whether the rules actually achieve their objective. The Commission will monitor annually the overall state of financial integration in its Financial Integration Monitor (FIM) report<sup>11</sup>. The Inter-institutional Monitoring Group<sup>12</sup> will contribute by evaluating the Lamfalussy process in all financial services sectors<sup>13</sup>.

*Ex-post* evaluation of the FSAP and of all new legislative measures is a top priority for the Commission in the coming 5 years. By 2009, the Commission will endeavor to have completed a full economic and legal assessment of all FSAP measures<sup>14</sup>. A study will be launched in the course of 2007-2008<sup>15</sup>. Evaluations of the key measures will take place around 4 years after the implementation deadline of each measure.

If – over time – careful assessment and analysis reveal that specific legal texts have not worked, they will be modified or repealed in the framework of the legislative procedure<sup>16</sup>.

## 2.5. Simplification, codification and clarification

Community and national implementing rules on financial services must function as one coherent corpus of law. Although the Commission has tried to keep FSAP legislation as simple and coherent as possible, there is room for improvement. Therefore, the Commission will carry out sectoral and cross-sectoral consistency checks, reading across the relevant law to ensure coherence of terminology and effect. Investigating legal coherence will necessarily involve studying the approaches taken by Member States, to understand better how Community law is applied in practice, and to ensure that the level of legal coherence that markets need is in fact being delivered. The natural starting-point of the exercise is to be Community law, but with an immediate eye to its transposition and application at the national level.

The Commission's work, which will be a multi-year initiative, will start with these practical steps:

- Easy access to Community law will be delivered by bringing together the relevant Community instruments on Internet<sup>17</sup> in a form convenient both to specialists and citizens at large;
- The first sectoral consistency check will be in the securities field. A group of practitioners and market experts will be set up to assist the Commission in analysing the main problems. A related exercise is already underway with the Commission's Legal Certainty Group, which deals with cross-border securities rights and transfers;

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<sup>11</sup> See [http://europa.eu.int/comm/internal\\_market/finances/cross-sector/index\\_en.htm#monitor](http://europa.eu.int/comm/internal_market/finances/cross-sector/index_en.htm#monitor).

<sup>12</sup> See [http://europa.eu.int/comm/internal\\_market/finances/cross-sector/index\\_en.htm#interinstitutional](http://europa.eu.int/comm/internal_market/finances/cross-sector/index_en.htm#interinstitutional).

<sup>13</sup> The Lamfalussy process is applied in the Banking, Insurance and Occupational Pensions, Securities and UCITS sectors; horizontal issues like corporate governance, auditing and accounting are in principle not covered by the Lamfalussy process, unless initiatives in these areas specifically address financial services areas.

<sup>14</sup> Apart from those where the implementation deadline is later than 2005.

<sup>15</sup> The Commission envisages to organise a workshop with economic experts in autumn 2006 to prepare this work.

<sup>16</sup> The consultation on the Green Paper did not identify real candidates for immediate withdrawal.

<sup>17</sup> With hyperlinks to national implementing legislation. See Section 2.3.



- Current variety and accumulation of information to be provided to a user may confuse both users and services providers. A broad study will be carried out in 2008 to review possible inconsistencies and appropriateness of information requirements in the existing EC rules;
- This uncertainty is particularly acute in the area of collective investments. Here, both sectoral and transversal rules apply along with residual local advertisement rules. Industry feedback suggests that this situation is hindering the effective cross-border marketing of investment funds. It also leads to uncertainty over whether the fund promoter or distributor is responsible when marketing or providing services to investors. In order to clarify some of these matters, the Commission will issue a Communication/Recommendation in the course of 2006. This work may serve as a starting-point for comparable work in other areas;
- In the context of the insurance Solvency II project, a major codification exercise is now underway. Without renegotiating the existing acquis, sixteen insurance directives will feed into the new single EC Insurance Directive. This could serve as an example for similar codification initiatives in other financial services areas;
- In addition, where any incorrect implementation of Community law is found, the Commission will take appropriate action, including the use of infringement proceedings, to ensure a consistent and effective regulatory regime across the EU.

## **2.6. Users of financial services: input, education and redress**

The FIN-USE forum of financial services users plays a very important role by conveying the user perspective about EC policy development<sup>18</sup>. In addition, the Commission will ensure proportionate representation of users in all future advisory groups.

As the public sector gradually withdraws from financing some aspects of social systems, there is a need for increased awareness and direct involvement of citizens in financial issues. To strengthen the demand side and promote good investment choices, *e.g.* for pensions, it is essential to increase transparency and comparability and to help consumers understand financial products. Although the prime responsibility for consumer education rests with the Member States, the Commission can promote not just a pan-EU exchange of views on financial education, consumer literacy and best practice, but also facilitate common projects. It plans to organize a conference on this subject in early 2007.

Furthermore, to spread awareness of developments in financial services among consumers, the Commission intends to publish a periodic newsletter emphasising the most relevant user/consumer aspects of its ongoing work. Establishing a permanent group of consumer representatives from across Europe is also planned, within which financial services issues of particular relevance to consumers will be discussed. Regular contacts with UNI-EUROPA representing employees in the financial services sectors will continue.

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<sup>18</sup> See: [http://europa.eu.int/comm/internal\\_market/finservices-retail/finuse\\_en.htm](http://europa.eu.int/comm/internal_market/finservices-retail/finuse_en.htm).

FIN-NET<sup>19</sup> plays an important role by providing users and consumers with easy access to out-of-court complaint procedures in cross-border cases<sup>20</sup>. The Commission has launched a review of FIN-NET's role with a view to further maximising its efficiency. The Commission will also conduct an investigation of the national redress systems in the area of financial services to identify any gaps.

## **2.7. Further reinforcing the interaction with other policy areas**

Maximum use of policy synergies between financial services and other policy areas is key. In the next 5 years strong cooperation with other policy areas, particularly competition (sectoral enquiries<sup>21</sup>), consumer policy (consumer protection, contract law<sup>22</sup>) and taxation will be further strengthened.

A recent Commission survey on barriers to cross-border consolidation<sup>23</sup> in Europe has identified discrimination and uncertainty in tax rules as major obstacles for financial services integration, particularly VAT charges linked to restructuring<sup>24</sup>. The Commission intends, after a broad consultation process with all stakeholders, to present a legislative proposal to adapt the rules on VAT in financial services to the evolution of the single financial market<sup>25</sup>. The survey also highlighted the need for action in other policy areas which the Commission may wish to pursue<sup>26</sup>.

## **3. ENSURING THE RIGHT EC REGULATORY AND SUPERVISORY STRUCTURES**

### **3.1. Making the Lamfalussy process work**

EU financial market integration is accelerating. Although some retail business will remain local, firms are increasingly seeking pan-EU economies of scale, although often retaining physical presence locally: through centralisation of risk-management and back-office functions, cross-border mergers and the use of Internet. Regulatory and supervisory structures in the EU, therefore must adapt – and regulatory costs reduced where possible. The core of the EC's regulatory and supervisory approach in financial services is now founded on the 4-level Lamfalussy process<sup>27</sup>. This process is widely supported and seen to be successful. Decision making and supervisory arrangements are now much more efficient and flexible.

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<sup>19</sup> See: [http://europa.eu.int/comm/internal\\_market/finservices-retail/finnet/index\\_en.htm](http://europa.eu.int/comm/internal_market/finservices-retail/finnet/index_en.htm)

<sup>20</sup> With an increasing volume of cases (in 2001: 335; in 2002: 601; and in 2003: 796).

<sup>21</sup> On 13 June 2005, the Commission decided to open enquiries in the financial services sector in the areas of retail banking and business insurance. The enquiries will examine whether competition (in particular, cross-border competition) functions fully in these sectors.

<sup>22</sup> The Commission is developing a Common Frame of Reference as a tool to improve the coherence of European contract law.

<sup>23</sup> See: [http://europa.eu.int/comm/internal\\_market/finances/docs/cross-sector/mergers/cross-border-consolidation\\_en.pdf](http://europa.eu.int/comm/internal_market/finances/docs/cross-sector/mergers/cross-border-consolidation_en.pdf).

<sup>24</sup> See: [http://europa.eu.int/comm/internal\\_market/finances/docs/cross-sector/mergers/survey-results\\_en.pdf](http://europa.eu.int/comm/internal_market/finances/docs/cross-sector/mergers/survey-results_en.pdf); under B.1.2 Tax Barriers.

<sup>25</sup> Communication 'The Contribution of Taxation and Customs Policies to the Lisbon Strategy'.

<sup>26</sup> In the area of investment funds, the treatment of fund mergers as a 'taxable event' is the biggest stumbling-block to this route of rationalisation of Europe's over-crowded fund landscape.

<sup>27</sup> See: <http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/02/195&format=HTML&aged=1&language=EN&guiLanguage=en>

The central policy of the Commission is to keep faith with this process and develop it over the next 5 years to fulfil its maximum potential. Key regulatory policy issues are:

- (1) The debate on comitology reform is particularly important;
- (2) Improving the accountability and transparency of the whole process, also vis-à-vis the European Parliament and Council, taking account of the defined institutional boundaries and the fact that the committees of national supervisors are advisory bodies to the Commission;
- (3) Developing cross-sectoral regulatory cooperation in an increasing number of cross-sectoral financial issues;
- (4) Ensuring that all 4 levels of the Lamfalussy process respect the better regulation agenda, thereby ensuring good rule-making, consistent implementation and enforcement. Notwithstanding the good work carried out by the level-3 committees and recognising their resource constraints, the Commission considers that their advice which may add significant regulatory costs could benefit if screened additionally in terms of impact and proportionality by a panel of expert economists;
- (5) Working with major partners towards global convergence of standards where practical.

### **3.2. Supervisory challenges**

Obligations to cooperate and exchange information between supervisors have to be reinforced. Co-operation in crisis situations has to be secure.

Some of the challenges for the next five years are:

- (1) The need to clarify and optimise home-host responsibilities as integration accelerates and to deal with potential spill-over effects (3.2.1);
- (2) The need to explore delegation of tasks and responsibilities, while ensuring that supervisors have the necessary information and mutual trust (3.2.2.);
- (3) The need to improve the efficiency of supervision by avoiding duplicative reporting and information requirements (3.2.3);
- (4) The need for more consistent and timely cooperation and to develop a real pan-EU supervisory culture (3.2.4).

#### **3.2.1 Greater clarity in roles and responsibilities of home/host supervisors**

The home-host principle, underpinned by mutual recognition, and consolidated supervision are the core of the EC supervisory system. Potential spill-over effects must be effectively dealt with – e.g. in the event of failure of a group that operates on a pan-EU basis or of a

systemically important institution that operates in one Member State while the responsibility for group supervision resides in another<sup>28</sup>.

Any evolution of prudential supervisory structures in the EU away from the current arrangements raises difficult issues of political and financial accountability, especially when support from the public purse might be called upon. The Commission advocates an evolutionary approach, responding to demonstrated problems, striking the right balance between more efficient and consolidated supervisory arrangements and ensuring financial stability all over the EU.

Deposit guarantee schemes are also important in order to protect consumers. Further work is needed to ensure the existing arrangements work effectively on a cross-border basis and are compatible with other arrangements such as lender of last resort provisions and responsibility for financing financial crises. The Commission will examine the key interrelated issues and will come forward with a Communication on this issue in 2006.

### **3.2.2 Explore delegation of tasks and responsibilities between supervisors**

Banking legislation already gives supervisors the possibility to delegate full responsibility for the supervision of a subsidiary to the supervisor of the parent company. This possibility has, however, not yet been put in practice. Similarly, securities legislation, such as that on market abuse and prospectuses, allows for certain functions to be transferred between regulators. But more can be done to share information and carry out their tasks more effectively<sup>29</sup>.

Mediation mechanisms could be used for rapid and effective resolution of simple day-to-day cross-border disputes between supervisors. This would strengthen convergence of supervisory practices<sup>30</sup>.

### **3.2.3 Some practical steps to improve the efficiency of supervision**

Multiple reporting requirements expose cross-border groups to unnecessary costs. This needs to be replaced by streamlined common reporting, without national 'add-ons'. The International Financial Reporting Standards (IFRS), the Markets in Financial Instruments Directive (MiFID) and the development of new prudential rules in banking and insurance provide a unique opportunity to rationalise reporting formats.

The Commission considers that the time has come to work towards truly common data and reporting requirements – and where necessary – common supervisory databases. The level-3 committees should now begin work in earnest to devise simplified common data and reporting templates, underpinned by real information sharing between national supervisors. The Commission expects delivery of these important efficiency gains by 2008. From 2009 all EU banks, insurance and major investment companies should be able to fulfil their reporting requirements by sending only one complete reporting package to the competent supervisor at consolidated level.

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<sup>28</sup> The Commission will launch a study on liquidity management in banks and Member States' prudential requirements.

<sup>29</sup> A conference on supervisory convergence in the banking sector will be organised in 2007.

<sup>30</sup> These must be voluntarily, based on a shared principle of a duty to cooperate. Confidentiality requirements and the limits of the European institutional framework must be respected.

### 3.2.4 Developing a pan-European supervisory culture

To deliver common decision-making and enforcement practices - in particular for multi-country or cross-sectoral groups - joint inspections, peer reviews<sup>31</sup> and practical measures such as staff exchanges, joint training between supervisors, exchange of information and expertise should be developed ambitiously over the next 5 years.

## 4. ONGOING AND FUTURE LEGISLATIVE ACTIVITIES (2005-2010)

### 4.1. Ongoing projects

#### 4.1.1. Retail Banking

Three major retail initiatives are already underway:

- In the area of mortgage credit, a White Paper will be released in 2006, announcing any initiatives necessary and economically justified to integrate the EU mortgage credit market;
- On consumer credit, a modified proposal for a Directive has been published on 10 October 2005 aimed at creating a genuine internal market for consumer credit and improving consumers' protection<sup>32</sup>;
- The proposal for a Payments Services Directive will enhance competition and clarify rules for users' and providers' rights and obligations. This initiative will facilitate and underpin industry's effort to create a Single European Payment Area (SEPA) by 2010. By 2007, the Commission will examine what further measures may be necessary to ensure that the SEPA is successfully delivered on time.

#### 4.1.2. Solvency II

The Solvency II project intends to overhaul EC regulation and supervision in the insurance area. Risk-oriented calculations of the solvency requirements for insurance undertakings will be introduced. Calculation of insurance liabilities (technical provisions) will be more harmonised, while fostering the convergence of supervisory practices.

This project, which is widely supported, is closely linked with international developments in accounting, supervision and actuarial science and will take account of the important developments in the banking area under Basel II.

The Commission plans to table its single text proposal in mid-2007; the structure will then be completed by level-2 measures adopted in comitology procedure.

#### 4.1.3. Review qualifying shareholdings

Supervisors can block potential investments, mergers and takeovers in the financial sectors. There is a clear call for more clarity, transparency and disclosure on this supervisory task to

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<sup>31</sup> Which could be made public.

<sup>32</sup> See: [http://europa.eu.int/comm/consumers/cons\\_int/fina\\_serv/cons\\_directive/2ndproposal\\_en.pdf](http://europa.eu.int/comm/consumers/cons_int/fina_serv/cons_directive/2ndproposal_en.pdf).

review qualifying shareholdings. The Commission and the supervisory committees (CEBS and CEIOPS) have already started their work to revise article 16 of the Banking and article 15 of the Insurance Directives and to define common prudential criteria. In banking a proposal is expected mid-2006; in insurance this work is expected to take place in the context of Solvency II.

#### 4.1.4. *Clearing & Settlement*

Cross-border clearing and settlement infrastructures are far more costly than at the domestic level and their level of safety and efficiency is lower. The reasons for the high cost of cross-border transactions are technical, legal and fiscal obstacles<sup>33</sup>. There is also no regulatory framework at EU-level.

The Commission suggested in its Communication of 2004 that a framework Directive may be needed for an efficient, safe and cheap cross-border clearing and settlement industry. To test this possibility, the Commission is carrying out a very thorough consultation and impact assessment. Once this process is finished, while taking into account any new market developments, the Commission will decide during 2006 on the course to take and whether to come forward with a formal proposal.

## 4.2. **Reflections underway**

#### 4.2.1. *Eliminating of unjustified barriers to cross-border consolidation*

The Commission has identified and examined the potential barriers for cross-border investment and economic rationalisation within Europe<sup>34</sup>. Also, the Commission has looked into the respect of Treaty rights on the free movement of capital<sup>35</sup>. Eliminating or at least reducing unjustified barriers will strengthen the competitiveness of the financial sectors and of the economy at large – and foster growth and job creation. Follow-up action is expected to start in 2006 (see also 4.1.3).

#### 4.2.2. *E-money Directive*

An evaluation of the E-money Directive is underway amidst signs that it has not provided sufficient legal certainty and may have constrained market developments. A report will be published in spring 2006 together with appropriate policy recommendations.

#### 4.2.3. *Insurance Guarantee Schemes*

The Commission will decide in 2006 whether to propose legislation in this area.

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<sup>33</sup> The so-called Giovannini barriers. The Commission will continue its work to tackle these barriers impeding cross-border Clearing and Settlement with the assistance of different groups (CESAME, FISCO).

<sup>34</sup> See: [http://europa.eu.int/comm/internal\\_market/finances/cross-sector/index\\_en.htm#obstacles](http://europa.eu.int/comm/internal_market/finances/cross-sector/index_en.htm#obstacles) and see paragraph 2.7.

<sup>35</sup> See: [http://europa.eu.int/comm/internal\\_market/capital/docs/communication\\_en.pdf](http://europa.eu.int/comm/internal_market/capital/docs/communication_en.pdf).

#### 4.2.4. *Hague Securities Convention*

The legal assessment requested by the Council on some aspects of the Hague Securities Convention<sup>36</sup> will help the Council decide whether to accept the Commission's current proposal for signature.

#### 4.2.5. *Optional instruments*

Consultation has shown widespread scepticism about the feasibility and usefulness of optional instruments ('26<sup>th</sup> regimes') in the area of financial services. Its promoters need to explain their ideas and the legal and practical feasibility and advantages of such optional instruments in more detail. The Commission remains open<sup>37</sup>, but is yet to be convinced that optional instruments can bring significant benefits to market participants.

### 4.3. **Areas in which no new legislation is planned at this stage**

The main areas where no new legislation is planned are: rating agencies; financial analysts; level-2 measures for the Takeover Bids Directive on requirements in the offer document; and capital requirements for regulated markets. The Commission considers that for the time being existing regulatory requirements (or those already in the pipeline such as MiFID level-2 measures) are sufficient and that Member States are better placed and self-regulation by market participants better fit to find the most appropriate additional responses to market developments.

### 4.4. **Future initiatives**

The Commission has identified two areas where carefully targeted, evidence-based initiatives might bring benefits to the EU economy: investment funds and retail financial services. Work in these areas will be bottom-up, based on extensive consultations, working with the grain of the market, taking into account the interaction between existing legislation and new initiatives.

#### 4.4.1. *Investment funds*

The EU regulatory environment should enable the fund industry, currently managing over 5 trillion euro of assets, to develop soundly structured, well-administered collective investments which deliver the highest possible returns consistent with the individual investors' financial capacity and risk appetite, while giving investors all the necessary information to evaluate risks and costs.

Work to ensure consistent implementation of UCITS law is already well underway; *inter alia* on the delivery of a smoother functioning UCITS passport; a clearer understanding of investment limits; and more consistent transposition of existing UCITS legislation.

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<sup>36</sup> A multilateral Treaty on conflicts of law for securities held with an intermediary.

<sup>37</sup> In the October 2004 Communication on 'European Contract Law and the revision of the acquis', the Commission announced that it will undertake an impact assessment on optional instruments.

The Commission's Green Paper of July 2005 on enhancing the framework for investment funds assesses the existing UCITS<sup>38</sup> framework in the light of current developments in the funds industry.

The responses to the Green Paper<sup>39</sup> and ongoing work will provide the Commission with the elements needed to take a firm, evidence-based, view on the content and form of any further steps. The Commission's views will be outlined in a White Paper, to be published by the second half of 2006.

#### 4.4.2. *Retail financial services: bank accounts and credit intermediaries*

Further action is needed to open up the fragmented retail financial services markets. The Commission will take a targeted and consultative approach, involving all market participants at every stage of its policy making. The Commission has decided that the following retail areas merit further consideration:

Accessing a bank account is the entry point for most consumers to financial services and markets and increasingly important for citizens to participate in the market and society; even more so within the context of using electronic payments within a Single Payments Area. Undue barriers associated with all types of bank accounts (current, savings, securities accounts) must be removed<sup>40</sup>, consumer choice widened and competition between service providers improved.

The Commission will create an expert group, consisting of industry and user representatives, to identify existing problems associated with user mobility (e.g. cross-border opening of accounts (including online), closing fees and transfers between banks) and consider the usefulness of an optional standard bank account. The results of the expert group should be available in early 2007. The Commission will study the business case for taking initiatives, building on the ongoing sector enquiries in the competition field<sup>41</sup>. Without prejudging the outcome of the legislative process on the Consumer Credit Directive, the Commission believes that further investigation is needed in the area of credit intermediaries. The Commission will launch a study to be available in 2008 in order to gather information about the applicable national rules and identify any problems caused either by divergent or overlapping rules. Available experience from the existing legislation on insurance and securities intermediation will be taken into account.

## 5. THE EXTERNAL DIMENSION

Increasingly, standards and best practices are set and defined at global level, for example on accounting, auditing and banking capital requirements. Considering the size of the EU market, and Europe's experience in pragmatically uniting the legitimate call for harmonised rules and the diverging needs of different markets/cultures/players, the EU must have a leading role in standard setting at global level.

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<sup>38</sup> See: [http://europa.eu.int/comm/internal\\_market/securities/ucits/index\\_en.htm](http://europa.eu.int/comm/internal_market/securities/ucits/index_en.htm)

<sup>39</sup> Responses will be published in autumn 2006.

<sup>40</sup> Beyond the aspects already dealt with in the initiative on payments.

<sup>41</sup> See Section 2.7.



The EU has the most open financial market in the world, which is an emerging strength. The introduction of the euro, supported by free movement of capital, sets the standards world-wide in terms of openness and transparency. Other countries should follow. The EU is fully committed to an ambitious opening of global financial services markets. This commitment is driven forward in the GATS negotiations in the WTO Doha round and other trade negotiations.

There is much support for the Commission's approach to regulatory dialogues – exchanging information, identifying potential regulatory problems upstream and seeking mutually acceptable solutions. The Commission will therefore further deepen the successful problem-solving EU-US financial markets dialogue – keeping Member States, the European Parliament, the private sector and other relevant stakeholders closely informed.

Furthermore, the Commission intends to widen dialogues and cooperation on financial issues with other countries, such as Japan, China, Russia and India, reflecting as far as possible industry priorities.

Likewise, the EC needs to be represented strongly in international bodies, where it needs to speak with one voice in the fight against corporate and commercial fraud, money laundering, terrorist financing, tax evasion, corruption and other malpractices. Cooperation and information exchange must be effective, also vis-à-vis offshore financial centres. European coordination in international fora such as the Basel Committee, IAIS, IOSCO, UNIDROIT needs to be stepped up prior to meetings in order to define precise European negotiating positions. Furthermore, the Commission must also participate in the Financial Stability Forum where it is presently excluded for no good reason.

## **6. MONITORING PROCESS**

A detailed Report covering progress and developments in the areas outlined in this Paper will be published by the Commission on an annual basis.

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## Annex I: Concrete tasks or activities contained in White Paper Financial Services

	What	Who	When
<b>BETTER REGULATION – CONSULTATION AND IMPACT ASSESSMENTS (2.1 / 2.2)</b>			
1)	Transparent consultation procedures	European Commission	ongoing
2)	Ex ante evaluations (impact assessments) in preparation of all new proposals	European Commission	ongoing
3)	Ex ante evaluations (impact assessments) in preparation of significant level-2 measures	European Commission	ongoing
4)	Ex ante evaluations (impact assessments) in preparation of substantive amendments to European Commission proposals	European Parliament and Council	ongoing
<b>IMPLEMENTATION AND ENFORCEMENT (2.3)</b>			
5)	Improve timely and accurate transposition and enforcement of EC Directives	Member States	ongoing
6)	Update transposition matrix of FSAP measures (web-site)	European Commission	ongoing
7)	Complete transposition matrix with hyper-links to national transposing legislation	European Commission	10/2005 until 02/2006
8)	Convene and run transposition workshops	European Commission	ongoing
9)	Publication summary notes of transposition workshops and interpretative guidance for transposition	European Commission	ongoing
10)	Launch infringement procedures in case of faulty transposition and incorrect enforcement	European Commission	ongoing
11)	Set adequate (aligned) transposition time for level-1 and level-2 measures	European Commission, European Parliament and Council	ongoing
<b>EX-POST EVALUATION (2.4)</b>			
12)	Publication of Financial Integration Monitor Report	European Commission	annually
13)	Assistance to the Inter-Institutional Monitoring Group	European Commission	2005-2007
14)	External study on impact of FSAP (measuring empirical and economic effects)	European Commission	2007-2008

15)	Workshop with economic experts (as input for full evaluation of FSAP measures)	European Commission	autumn 2006
16)	Ex-post evaluations of all new legislative measures	European Commission	4 years after transposition
<b>SIMPLIFICATION, CODIFICATION AND CLARIFICATION (2.5)</b>			
17)	Setting up and running an Advisory Committee to assist the European Commission in the Economic and legal evaluation of securities legislation	European Commission	2005 and beyond
18)	Running of Legal Certainty Group in the area of Clearing and Settlement, consisting of practitioners and market experts: support work of the network and ensure secretariat	European Commission	2005 and beyond
19)	Consistency check on information requirements and marketing and distribution requirements in financial services legislation: launch of external study	European Commission	2008
20)	Communication/Recommendation on marketing of investment funds	European Commission	2006
21)	Solvency II – codification of Insurance Directives + technical work on modernising solvency requirements	European Commission	ongoing; proposal 2007

<b>USERS OF FINANCIAL SERVICES: INPUT, EDUCATIONS AND REDRESS (2.6)</b>			
22)	FIN-USE: support work of the group and ensure secretariat	European Commission	Ongoing 6/7 meetings per year
23)	Conference to discuss financial education and consumer literacy	European Commission	Early 2007
24)	Periodic newsletter pointing to ongoing work/initiatives of relevance for consumers/users/SME's	European Commission	2006 and beyond; twice a year
25)	Establishment and running of Financial Services Consumer Group (representatives from all MS)	European Commission	2006; 2/3 meetings per year
26)	Continuation of regular contacts with UNI-EUROPA (Trade Unions – financial services employees)	European Commission	Ongoing; twice a year

27)	FIN-NET: support work of the network and ensure secretariat	European Commission	Ongoing; 2 meetings per year
28)	FIN-NET: Task Force with a view to maximise FIN-NET's efficiency	European Commission	Ongoing; 2-3 meetings
29)	Dolceta project: web-based tool for educational institutions, governments to use for financial training	European Commission	Ongoing
30)	Investigation of redress systems in the area of financial service in place in Member States	European Commission	2006
<b>FURTHER REINFORCING THE INTERACTION WITH OTHER POLICY AREAS (2.7)</b>			
31)	Reinforcing interaction with other policy areas, e.g. competition, consumer policy and taxation.	European Commission	ongoing
32)	Fiscal Compliance Experts' group in area of Clearing and Settlement: support work of the group and ensure secretariat	European Commission	ongoing
<b>ENSURING THE RIGHT EC REGULATORY AND SUPERVISORY STRUCTURES – MAKING THE LAMFALUSSY PROCESS WORK (3.1)</b>			
33)	Aim at permanent inter-institutional stability to maintain the Lamfalussy arrangements	Council, European Parliament and European Commission	Ongoing
34)	Improve the accountability and transparency applied in the Lamfalussy process	Supervisory Committees: CEBS, CEIOPS, CESR, while informing the European Commission	Ongoing
35)	Develop cross-sectoral regulatory cooperation	Regulatory Committees: EBC, EIOPS, ESC	Ongoing
36)	Consultation + ex ante evaluations (impact assessments) in preparation of draft advice to the European Commission	Supervisory Committees: CEBS, CEIOPS, CESR	2006 and beyond
<b>SUPERVISORY CHALLENGES (3.2)</b>			
37)	Assessment of roles and responsibilities of home/host supervisors	European Commission in co-op with respective Supervisory Committees: CEBS,	Ongoing

		CEIOPS, CESR	
38)	Study on liquidity management in banks and Member States' prudential requirements	European Commission	2006
39)	Communication on Deposit Guarantee Schemes (including impact assessment)	European Commission	mid-2006
40)	Explore delegation of tasks and responsibilities between supervisors	Supervisory Committees: CEBS, CEIOPS, CESR	Ongoing
41)	Conference on Supervisory Convergence in the banking sector	European Commission in co-op with CEBS and banking industry	2007
42)	Mediation mechanisms at supervisory level	Supervisory Committees: CEBS, CEIOPS, CESR; in co-op with the European Commission	Ongoing
43)	Improving efficiency of supervision by common data and reporting templates	Supervisory Committees: CEBS, CEIOPS, CESR	By 2008
44)	Deliver common decision-making and enforcement practices (joint inspections, peer reviews, staff exchanges, joint training, exchange of information/expertise)	Supervisory Committees: CEBS, CEIOPS, CESR	By 2010
<b>FUTURE INITIATIVES – ONGOING PROJECTS (4.1)</b>			
45)	White Paper on mortgage credit	European Commission	End 2006
46)	Concrete actions in mortgage credit (follow-up White Paper)	European Commission	2007 and beyond
47)	Modified proposal for a Consumer Credit Directive	European Commission	2005
48)	Proposal for a Payments Directive	European Commission	End 2005
49)	Examination if further measures are necessary to ensure a Single European Payments Area	European Commission	By 2007
50)	Proposal for a Solvency II Directive	European Commission	Mid-2007
51)	Revision of Art. 16 Banking Directive	European Commission	proposal by mid-2006
52)	Revision of Art. 15 Insurance Directive	European Commission	In parallel to revision Art. 16 BD; in

			context of Solvency II work
53)	(possible) initiatives on Clearing and Settlement	European Commission	2006
<b>REFLECTIONS UNDERWAY (4.2)</b>			
54)	(possible) follow up actions after ECOFIN discussions on x-border consolidation	European Commission	2006 and beyond
55)	Report on the functioning of the E-money Directive	European Commission	spring 2006
56)	(possibly) Insurance Guarantee schemes	European Commission	A decision will be taken 1 <sup>st</sup> half 2006
57)	Legal assessment on the Hague Securities Convention	European Commission	Ongoing
58)	Optional instruments ("26 <sup>th</sup> regime"): ongoing work on CFR and impact assessment on optional instruments	European Commission	2005 and beyond
59)	Optional instruments ("26 <sup>th</sup> regime"): possible forum group, once more groundwork has been done, based on a specific product	European Commission	Possibly in 2006
<b>FUTURE INITIATIVES (4.4)</b>			
60)	White Paper on investment funds	European Commission	autumn 2006
61)	Regulation to clarify the definitions of eligible assets for UCITS	European Commission	2006 and beyond
62)	Communication on marketing of UCITS	European Commission	2006 and beyond
63)	Other concrete actions in investment funds (follow-up White Paper)	European Commission	2007 and beyond
64)	Expert group on Bank Accounts	European Commission	early 2007
65)	External study, assessing whether EU-level action on bank accounts is advisable	European Commission	end 2007
66)	Studying access to banking services throughout the EU	European Commission	2006 and beyond
67)	Work on Credit Intermediaries, building on evaluations of insurance and securities intermediation: study	European Commission	2008

<b>THE EXTERNAL DIMENSION (V)</b>			
68)	Strive for an ambitious opening of global financial services markets in the WTO	European Commission	ongoing
69)	Further deepening the Financial Markets Regulatory Dialogue with the US	European Commission	ongoing
70)	Widen dialogues and cooperation with other countries, including Japan, China, Russia and India	European Commission	ongoing
71)	Improve representation and manage co-ordination of EU-positions in international bodies	European Commission	ongoing
<b>MONITORING PROGRESS (VI)</b>			
72)	Publication of annual Progress Report to monitor progress and main developments in financial services	European Commission	December 2005 + every year

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