



European Banking Industry Committee

European Banking Federation (EBF) • European Savings Banks Group (ESBG) • European Association of Cooperative Banks (EACB)
European Mortgage Federation (EMF) • European Federation of Building Societies (EFBS)
European Federation of Finance House Associations (Eurofinas)/European Federation of Leasing Company Associations (Leaseurope)
European Association of Public Banks (EAPB)

Mr. Frits BOLKESTEIN
European Commissioner Internal
Market, Taxation and Customs
Union European Commission,
B 1049 Brussels

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EBIC initial response to FSAP consultation reports on the extent of integration in Europe's financial services industry

As the voice of the European banking industry, a central objective of EBIC is to facilitate industry consultation by the relevant EU institutions throughout the process of drafting, adopting, implementing and enforcing EU financial services legislation. Making wide and representative industry consultation a standard part of the legislative decision-making process will promote better and more effective legislation, and improve the transparency of policy-making.

The publication on the 6th of May of the 4 working groups' reports on the integration of European financial services represented the product of a series of open debates and discussions between various experts of the industry. EBIC is wholeheartedly supportive of such initiatives and we look forward to taking an active part in the consultative process of the FSAP by conveying the representative industry's comments by the end of the summer of 2004 and beyond.

EBIC agrees with the experts that achieving greater integration in EU financial services requires underpinning by a sound regulatory and supervisory environment. An integrated market is characterised by open competition; it cannot be created by regulation alone. Equally important is coherent implementation and interpretation of EU legislation by member countries to ensure the effectiveness of legislation and to create a true level playing field. The level 3 committees have an important role to play in this respect and EBIC is keen to assist them in this task.

Throughout the expert group reports there is widespread recognition of the importance of promoting competition as a driving force for integration. A competitive financial services industry, especially in an enlarged Europe, will naturally lead to the benefits of integration, by providing consumers with a wide variety of innovative products at competitive prices from a range of providers, and will ultimately contribute to increased economic growth in Europe.

An indispensable prerequisite to increased economic growth is to promote the confidence of consumers and investors alike to actively engage in those markets. This is an important responsibility not only of the regulators and policy-makers but also of the industry.

It should be kept in mind that the creation of a European Single Market for financial services is not an end but rather a means to increasing the international competitiveness of the EU market place. Given the global dimension of many issues of relevance to the financial services industry, EBIC stresses the need for a strong European voice in the international arena.

EBIC will develop a common view over the summer which will serve the dual purpose of responding to specific points in the Commission's FSAP consultation papers and the Financial Services Committee's paper which was prepared for the ECOFIN Council, as well as putting forward and clarifying the issues of primary importance to the industry on the subject of the integration of the EU's financial services sector.

Yours sincerely,



Ian Mullen
EBIC Chairman



Dominique Monneron
Chairman EBIC Working Group Integration