

## Press release

### **EBF Welcomes ECOFIN outcome on single supervisor for European banks**

The European Banking Federation (EBF) welcomes wholeheartedly the ECOFIN Council agreement on a Single Supervisory Mechanism (SSM) for European banks. “We especially support the recognition that this is a key starting point towards the more integrated supervision and common practices called for in a Banking Union”, declared Guido Ravoet, Chief Executive of the EBF.

The EBF underscores the importance of giving to the European Central Bank (ECB) as single supervisor the ultimate supervisory responsibility over all Eurozone banks. This is of paramount importance to ensure financial stability and safeguard a level playing field between banks under the mechanism. Banks that fall within the same supervisory area should be subject to the same rules and practices to avoid distortions of competition.

“The practical arrangements for day-to-day supervision agreed on seem sensible, but the ECB must be at all times in a position to set the common rules that will apply to the banks of participating countries and, in case of doubt over the robustness of local supervision, intervene directly”, added Ravoet.

The EBF supports the agreements reached to allow for a greater inclusion of the non-Euro countries and is pleased that workable solutions have been found for the voting mechanisms within the European Banking Authority that remains tasked with putting a Single Rule Book in place.

Europe’s banks emphasise the need to maintain the commitment towards a single rule book, as the backbone of a common banking supervision. “We agree with Commissioner Barnier that this is a historical decision and believe that it shows a clear will to preserve the integrity of the internal market across all 27 EU countries”, concluded Ravoet.