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The Banking Union

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It is good that the Banking Union report has been successfully established as a routine exercise of the European Parliament.

In this report, we have had the opportunity to express ourselves for the first time on many issues related to the functioning of the Banking Union. I think here of the actions undertaken by the European institutions to fight non-performing loans or the recent bank resolution cases.

This year we have a chance to move forward also on legislative files.

We have received from the Commission a proposal for a fiscal backstop for the Single Resolution Fund.

We have a Commission communication on the Banking Union that, among others, intends to re-launch the discussion on EDIS, the missing pillar of the Banking Union, and to test a new approach to the design of the system.

And of course, the banking package is still under discussion.

But this is also the moment for those Member States that do not yet share the common currency to consider joining the Banking Union as soon as possible.

It is a shock absorption mechanism and also comes with governance arrangements that help deal with home host-host issues.

The benefits of belonging to such a system would be particularly pronounced in Central Europe, where Member States are host countries for a huge number of branches and subsidiaries of institutions that actually come from the Banking Union area.

Also, in times of questions on the future of the Union and risks of increased fragmentation, a broad membership of the Banking Union would be a way of containing supervisory divergence and fragmentation and of involving all Member States in a common project that fosters resilience and financial stability.