

Contact: Johannes Kleis: +32 (0)2 789 24 01
Date: 15/04/2014
Reference: BEUC-PR-2014-014

EU vote settles financial services reforms

The EU's longstanding overhaul of the financial sector concludes today with key votes in the European Parliament. Measures most affecting consumers will include:

- Deposit Guarantee Schemes: The system safeguarding savers' deposits when banks go insolvent.
- Markets in Financial Instruments Directive: A major law dealing with how investment products are sold and traded.
- Payment accounts Directive: Includes measures to give every European citizen access to a basic bank account, facilitate switching between banks and make bank account fees more transparent.
- Regulation on a Key Information Document: A tool to oblige providers to explain the key features of investment products to savers.

Monique Goyens, Director General of The European Consumer Organisation, commented:

"Setting appropriate rules for the European financial sector has been one of the EU's most daunting tasks. With these new measures, bank customers and small savers across the 28 countries should see bank account fees become more transparent, their deposit safer when banks collapse and have a tool to better understand and compare investment products.

"Important as they are, regulations can only help create a stable legal framework. The changes must be matched with real willingness by the financial sector to learn from the crisis. We need to see banks focus on the real economy and people. Any attempt to clean up the financial sector's malpractices will fail when the roulette with people's money is allowed to continue.

"Europe's efforts to cope with the financial crisis have been painfully slow at times. Fixing the financial sector is far from over. The focus must now be on strengthening supervision, to keep banks in check and clean the market of poisonous products. Consumers deserve fair advisors, not biased salespersons. Financial products to save for our retirement or loans when buying a house need to really meet consumers' expectations."

ENDS