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Dagsordenspunkt 1 Kvalitet af offentlige finanser: Effektivitet i de offentlige udgifter til sociale overførsler og uddannelse

ECOFIN nåede til enighed om rådskonklusioner (*jf. vedlagte bilag*) om efficiens og effektivitet af de offentlige udgifter til sociale overførsler og uddannelse. Konklusionerne følger op på ministrenes drøftelse af emnet på det uformelle ECOFIN i den 4.-5. april. Af rådskonklusionerne fremgår bl.a., at større efficiens og effektivitet i sociale udgifter vil have en væsentlig positiv virkning på kvaliteten og holdbarheden af de europæiske sociale modeller og på de offentlige finanser generelt.

Dagsordenspunkt 2 Investeringsfacilitet for Vestbalkan

ECOFIN drøftede perspektiverne i harmonisering og effektivisering af EU's finansieringsinstrumenter på det vestlige Balkan og nåede til enighed om rådskonklusioner herom (*jf. vedlagte bilag*). I konklusionerne støtter ECOFIN Kommissionens forslag om oprettelsen af "Western Balkan Investment Framework", som skal sikre rammerne for øget koordinering mellem de eksisterende instrumenter. Kommissionen ventes løbende at orientere ECOFIN om sagen.

Dagsordenspunkt 3a Finansielt tilsyn og finansiel stabilitet

ECOFIN nåede til enighed om rådskonklusioner om EU's rammer for finansielt tilsyn og finansiel stabilitet (*jf. vedlagte bilag*), herunder om indarbejdelsen af en europæisk dimension i de nationale tilsynsmandater. ECOFIN godkendte endvidere opdaterede planer for arbejdet med Lamfalussy-proceduren, EU's rammer for den finansielle stabilitet samt opfølgningen på den senere tids turbulens på de finansielle markeder.

Dagsordenspunkt 3b Formidling af finansiel viden

ECOFIN nåede til enighed om rådskonklusioner om formidlingen af finansiel viden (*jf. vedlagte bilag*), som bl.a. lægger vægt på behovet for at øge befolkningens viden om finansielle produkter.

Dagsordenspunkt 3c Hvidbog om realkredit

ECOFIN nåede til enighed om rådskonklusioner om integration af EU's realkreditmarkeder, som bl.a. opfordrer Kommissionen til at fortsætte det igangværende arbejde på området (*jf. vedlagte bilag*). ECOFIN ventes at vende tilbage til sagen, når Kommissionen har fremsat konkrete forslag.

Dagsordenspunkt 4 Dialog med tredjelande: Økonomiske og finansielle anliggender

Kommissionen orienterede ECOFIN om den seneste udvikling i de bilaterale dialoger med tredjelande på det økonomiske, finansielle og reguleringsmæssige område

Dagsordenspunkt 5a Bekæmpelse af momssvig

Kommissionen orienterede ECOFIN om de igangværende forberedelser af tiltag til effektiv bekæmpelse af momssvig. ECOFIN drøftede på den baggrund bl.a. muligheden for at anvende "Generel omvendt betalingspligt" som et instrument i bekæmpelsen af momssvig. ECOFIN nåede imidlertid ikke enighed om sagen, der ventes drøftet igen i efteråret 2008.

Dagsordenspunkt 5b Beskatning af opsparing

Kommissionen aflagde en foreløbig rapport til ECOFIN om de første tre års erfaringer med rentebeskatningsdirektivet. Kommissionen redegjorde samtidig for forslag til justeringer i direktivet. ECOFIN drøftede disse forslag og nåede til enighed om rådskonklusioner herom (*jf. vedlagte bilag*).

Dagsordenspunkt 5c God regeringsførelse på skatteområdet

ECOFIN nåede til enighed om rådskonklusioner (*jf. vedlagte bilag*), som bl.a. understreger betydningen af godt samarbejde i skattesager, når der indgås aftaler mellem EU og tredjelande/tredjelandegrupper. I konklusionerne lægger ECOFIN op til, at parterne anerkender og forpligter sig til de principper på skatteområdet, som man har tiltrådt på fællesskabsniveau, og at parterne vil forbedre det internationale samarbejde på skatteområdet, forbedre opkrævningen af legitimt skatteprovenu og udvikle ordninger med henblik på effektiv gennemførelse af de nævnte principper.

Dagsordenspunkt 6 Udviklingsstrategi for toldunionen

ECOFIN drøftede Kommissionens meddelelse om en udviklingsstrategi for toldunionen for perioden 2013 til 2019, og man nåede til enighed om rådskonklusioner herom (*jf. vedlagte bilag*).

Dagsordenspunkt 7 Kommissionens foreløbige forslag til EU's budget for 2009

Kommissionen præsenterede ECOFIN for sit foreløbige forslag til EU's budget for 2009 inden for rammerne af de finansielle perspektiver for perioden 2007-2013. ECOFIN ventes at have førstebehandling af budgetforslaget den 17. juli 2008, og det endelige budget for 2009 ventes vedtaget i december 2008.

Diverse

I margin af mødet havde ministrene den årlige dialog med EU kandidatlandene (Kroatien, Tyrkiet og den tidligere jugoslaviske republik Makedonien). Ministrene drøftede endvidere de overordnede principper for det fremtidige regime for nedsatte momssatser i EU, og ministrene blev orienteret om mødet i eurogruppen den 13. maj 2008.

Bilag

Rådskonklusioner vedr. effektivitet og efficiens af sociale udgifter

"The Council discussed the strategies to deliver more efficient, effective and sustainable welfare systems in the European Union.

EU Member States spend between 13% and 33% of their GDP on social expenditures. The Council emphasizes that increasing the efficiency and effectiveness of social expenditures will have a crucial impact on improving and securing the quality, evolution and long term fiscal sustainability of the European social models and public finances in general. Modern social, education and labour market policies should match flexibility with security and ensure that citizens are equipped with the skills, support and incentives they need to succeed in a changing world. Over the last decade, Member States have undertaken significant efforts to reform and ensure the sustainability of their social welfare systems, in particular to cope with the challenges of ageing populations, socio-economic changes and globalisation.

The Council notes that the experiences of Member States help to identify possible directions for efficiency enhancing reforms. Whilst emphasising that there is no "one-size-fits-all" solution, the Council notes a number of general features which may support the efficiency and effectiveness of reforms of social protection systems:

- within countries it can help if different reforms (e.g. labour and pension reforms) are pursued together in a comprehensive approach taking into account all the various elements of the welfare system. Similarly it is important to consider the different levels of the public administration responsible for their implementation.
- social benefit schemes and tax-benefit systems should support the active inclusion and the life-long learning of those receiving transfer incomes with incentives to make work pay;
- social inclusion and the capacity to respond to change should be supported by policies that improve human capital formation throughout the life cycle;
- the complementarity between social and human capital spending is critical to ensure high labour participation, social inclusion, enhance the competitiveness of the EU, and control social spending;
- education in all stages has a crucial role to play within the strategy to enhance investment in human capital and tertiary education (both private and public) is a key determinant of the ability to innovate.

The strategies for enhancing efficiency and effectiveness of social spending would benefit from evaluating systematically and across countries existing policies and their impact on growth through appropriate, consistent and reliable measurement tools and

indicators. A comprehensive overview of social spending would also benefit from appropriate information on private social spending as well as tax expenditures and the progressivity of tax systems. Specific tools such as performance budgeting and spending reviews or institutional arrangements including external review bodies can also help to improve cost effectiveness, budgetary discipline as well as the sustainability of social spending. Substantial gains may also be achieved through more efficient administration of social spending.

The Council:

- reconfirms the call for the EPC and the Commission to step up their efforts to improve the measurement and analysis of the quality of public finances and its impact on growth. Member States and the Commission could include analyses on effectiveness and efficiency in the Lisbon National Reform Programmes and the Community Lisbon Programme.
- invites the EPC and the Commission to continue their sectoral analysis, with a view to
 - assessing in more detail the efficiency and effectiveness of public spending on R&D and education. Given the strong relationship between higher education and productivity as well as growth, it would be desirable to develop appropriate performance measurement tools in order to assess its efficiency and effectiveness;
 - analysing the economic and budgetary impact of continuing health care and pension reforms. The exchange of experiences and best practices of social spending reforms should be fostered. Understanding how different social spending categories interact with the tax system together with the development of appropriate performance measurement tools and other forms of evaluation will facilitate enhancing the efficiency and effectiveness of social spending;
 - analysing the quality, sustainability as well as the efficiency and effectiveness of revenue structures and its interaction with welfare systems as well as its macroeconomic implications. In particular, the Council also reaffirms the need for Member States to exchange information on current and planned tax reforms and their impact on growth, employment and social spending within existing procedures; and
 - updating the work on fiscal frameworks including work on institutional arrangements conducive to better quality of public finances, including performance budgeting and spending reviews.

The Council takes note of the progress achieved with the delivery of cross-country second-level COFOG data for public expenditure. To allow further analysis of past trends in the composition of public expenditures, the remaining gaps need to be filled

quickly and best efforts should be pursued to make the data publicly available by the end of 2008 at the latest.

The Council will come back to these issues in the first half of 2009 with an analysis of the trends in the composition of public expenditures. This should include an overview of progress made with the development of measurement tools and indicators on the quality of public finances and further work on the efficiency and effectiveness of R&D and education spending in all stages."

Rådskonklusioner vedr. investeringsfacilitet for det vestlige Balkan

"The Council notes the progress that has been made in the Western Balkans countries in achieving transition, catching up and integration of their economies. The further anchoring of macro-economic growth and stability in the Western Balkans, underpinned by private and public investment, is a shared interest of the EU. In June 2006, the European Council welcomed *"the intention of the Commission to extend and to intensify its cooperation with the European Investment Bank and other international financial institutions in the Western Balkans with a view to taking appropriate measures aiming at a finance facility for the Western Balkans."*

The Council underlines that closer coordination is vital to ensure complementarity, coherence, effectiveness, and efficiency of assistance in the Western Balkans. The Council in this regard welcomes the initiative by the Commission in its Communication of 5 March 2008, together with the European Investment Bank, the European Bank for Reconstruction and Development and the Council of Europe Development Bank to establish a comprehensive Western Balkans Investment Framework to enhance harmonisation and co-operation in investments for socio-economic development in the region. The Council stresses the need to streamline the existing facilities in the context of the Investment Framework which should be rapidly implemented. The funding of the facilities included in the framework is based on existing commitments under Community pre-accession assistance and additional funds that may be granted by participating institutions and bilateral donors (Member States) are subject to appropriate decisions of their governing bodies or Member States concerned.

The Council welcomes the setting up of a steering group between the Commission, the EIB, the EBRD and the CEB and representatives of the Member States actively involved in the region. This Group should immediately start working to review existing instruments and define possible synergies for co-operation and harmonisation as regards investment projects in priority infrastructure and other socio-economic development areas.

The Council invites the Commission and the partner IFIs to take swift action for the implementation of the objectives mentioned above, and in this context considers the following concrete steps as a matter of priority:

- a pooling of grant resources, possibly through a joint trust fund, to help to better link and mobilise existing grant resources for priority infrastructure projects from the Commission, the partner IFIs, the Member States and other EU multilateral donors.
- the rapid establishment of a common website in 2008 providing a channel for external communication and giving potential beneficiaries an overview of the existing facilities of the participating institutions on the basis of a comprehensive inventory;
- the Council calls on the steering group to explore by the end of 2008 the possible modalities of creating a single contact point for beneficiaries, (a

one stop-shop), where they could transmit their request for financial support and receive co-ordinated advice on the availability of financing instruments;

- the steering group should also investigate the scope for stepping up efforts in the co-ordination and harmonisation process of the various grant and loan instruments including with regard to the extension of the pooling of resources to other areas than infrastructure and in particular SMEs and for merging instruments of similar rationale;
- the steering group should ensure that best practice standards on monitoring and evaluation of the impact of funding are maintained;

The Council calls on the Commission, the EIB, the EBRD the CEB and Member States to co-operate closely in pursuing the above objectives and swiftly deliver on the above steps. It invites the Commission to report at least annually up to 2010 to the Council from the steering group on progress made, with the first report by the end of 2008 including more concrete milestones and a roadmap identifying persisting obstacles to the further realisation of the Western Balkans Investment Framework by 2010."

Rådskonklusioner vedr. finansiell stabilitet

"In line with the Council conclusions of 9 October 2007 and 4 December 2007, the conclusions of the European Council of 14 March 2008; and taking into account the discussion at the informal ECOFIN meeting of 4-5 April 2008 in Ljubljana, the ECOFIN Council AGREED further steps to develop the supervisory and financial stability arrangements in the EU, based on the work by the Economic and Financial Committee, Financial Services Committee and the Commission. The ECOFIN reached the following conclusions.

The EU Supervisory Framework

The Council STRESSES the need for full and timely implementation of the roadmap agreed in December 2007 on the Lamfalussy review, including financial supervision, to achieve further concrete results by the end of 2008. The Council ENDORSES the following steps to this end:

Introduction of a European Dimension into the Mandates of National Supervisory Authorities

The Council AGREES that the EU dimension should be taken into account in an appropriate way by national supervisors as follows:

- In the exercise of their responsibilities, the financial supervisors in the EU Member States should intensify work towards enhanced European supervisory convergence and their task should include cooperation at the EU level and among Member States within and across financial sectors.
- The enhanced EU dimension would in particular allow financial supervisory authorities to consider financial stability concerns in other Member States in exercising their duties and to apply guidelines and recommendations adopted by the EU Committees of Supervisors (level 3 committees) in line with the 'comply or explain' procedure. While guidelines and recommendations adopted by these committees are non-legally binding, those supervisors who do not comply should explain their decisions publicly.

The Council INVITES Member States to ensure, at the latest by mid-2009, that the mandates of national supervisors allow them to take the EU dimension into account in exercising their duties; NOTES the intention of the Commission to introduce these objectives, where practical and appropriate, into EU legislation; and INVITES the EU Committees of Supervisors to report regularly to the FSC on progress made, and the FSC to present a report assessing the application of the EU dimension in the national mandates by the end of 2009.

Improving the Functioning of the EU Committees of Supervisors

The Council NOTES the examination by the Commission of options available for improving and strengthening the functioning of the EU Committees of Supervisors; as well as the guidance provided by the FSC and EFC. The Council STRESSES the need

to make progress in this area, without unbalancing the current institutional structure or reducing the accountability of supervisors, and without changing the legal status of the Committees. The Council AGREES on the following:

- First, the Commission is INVITED to revise, by the end of 2008, the Commission Decisions on the establishment of the EU Committees of Supervisors - the Committee of European Securities Regulators (CESR), the Committee of European Banking Supervisors (CEBS) and the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS) – so as to ensure coherence and consistency in their mandates and tasks as well as to strengthen their contribution to supervisory cooperation and convergence;
- Second, specific tasks should be explicitly given to the EU Committees of Supervisors to foster supervisory cooperation and convergence, and their role in assessing risks to financial stability. This could include tasks such as: (i) mediation between supervisory authorities to help in solving possible disagreements, in particular within colleges; (ii) facilitating adequate information exchange between supervisors; (iii) providing non-legally binding guidelines and recommendations as well as guidance for national supervisory authorities in order to ensure convergence of practices, supervisory approaches and financial reporting among the EU supervisors; (iv) the development of a common European supervisory culture through training and staff exchange; (v) ensuring efficient cooperation across financial sectors between the EU Committees of Supervisors; and (vi) monitoring of financial stability and reporting on risks to the EFC.
- Third, the Council INVITES the Commission and the FSC to further examine, by September 2008, which tasks should be given to the EU Committees of Supervisors and which legal instrument should be used to ensure that the Committees are adequately equipped to perform their tasks, without changing the current institutional framework. The FSC is INVITED to provide guidance on this issue, as appropriate.

The Council (i) RECALLS its request for the introduction, by mid-2008, of the possibility of qualified majority voting, coupled with ‘comply or explain’ procedures, into the charters of the EU Committees of Supervisors; and (ii) LOOKS FORWARD to receiving, by mid-June 2008, the outcome of the examination by the Committees of Supervisors of the possibilities to strengthen the national application of their guidelines, recommendations and standards without changing their legally non-binding nature.

The Council RECALLS its invitation to the EU Committees of Supervisors to introduce EU-wide common reporting formats with a view to reducing the cost of reporting for the industry where possible, and LOOKS FORWARD to the Commission and the EU Committees of Supervisors suggesting a timetable by mid-2008, for achieving a single set of data requirements and reporting dates. The Council INVITES the Financial Services Committee and the Commission in autumn 2008 to consider the next

steps for convergence of regulatory and financial reporting within the EU, including the possibility for the EU Committees of Supervisors to gather aggregated data.

The Council STRESSES that the following important aspects must be taken into account in developing the roles of the EU Committees of Supervisors, and in the assessment of risks to financial stability at the EU level:

- In line with its conclusions of 7 December 2004, 4 December 2007 and the ECOFIN Council report to the European Council of 4 March 2008 (doc. 7290/08), the Council UNDERLINES the importance of receiving regular and concise assessments of key developments, risks and vulnerabilities, which could affect the stability of the EU financial system, based on the reporting by the *EFC's Financial Stability Table*. The Council STRESSES that the EU Committees of Supervisors should be able to gather aggregate information in order to assess these features within and across financial sectors and to alert the EFC on potential or imminent problems in the financial system; INVITES the Committees to continue to report to the EFC Financial Stability Table on semi-annual basis, and whenever necessary in light of the financial market situation; and INVITES the EFC, in its reporting to the ECOFIN Council, to provide advice on the need to take common policy actions by the authorities;
- The Banking Supervision Committee of the European System of Central Banks (BSC) that brings together the Central Banks and Banking Supervisory Authorities, is INVITED to enhance its contribution to the regular assessment of financial stability by the EFC Financial Stability Table by providing an overview on risks in the EU banking sector, taking into account their broad impacts on the financial system; the CEBS and the BSC are INVITED to ensure an efficient and appropriate division of labour among these two bodies;

The Council STRESSES the importance of the EFC Financial Stability Table to maintain EU influence in the policy issues related to financial stability at a global level.

The Council STRESSES that sufficient funding and staffing must be ensured to provide the basis for effective supervision. To this end,

- Each Member State is INVITED to ensure that adequate resources are in place at the national level for Financial Supervisory Authorities to perform their tasks, taking account of the EU dimension and their contribution to the work of the EU Committees of Supervisors;
- the EU Committees of Supervisors are INVITED to endow themselves with adequately staffed Secretariats and, as part of their annual work plans, provide an assessment of their resources to carry out their tasks; and
- The Council LOOKS FORWARD to the Commission assessment and proposal concerning financial support under the EU Budget for specific EU-wide projects that are requested from the EU Committees of Supervisors and for developing supervisory tools and for building a common supervisory culture;

The Supervision of EU-wide Financial Groups

The Council STRESSES that work should be stepped-up towards enhancing consistency and effectiveness of the supervision of financial groups operating in more than one Member State, regardless of legal form, sector or location. The Council WELCOMES the work carried out by the Commission and the EU Committees of Supervisors on further developing colleges of supervisors; and NOTES that colleges provide for a more effective supervision of cross-border financial groups by facilitating the sharing of information, including, when appropriate, with the authorities from countries that are not participating in colleges but in which financial stability may also be affected; by facilitating delegation of tasks between the home and host supervisory authorities; by providing a platform for a decision-making process where appropriate; and by striving to reach common views on the key supervisory decisions. The Council in particular:

- AGREES that the role of the colleges of supervisors should be strengthened; and that colleges should be extended to all cross-border financial groups in the EU so as to organise co-operation and the sharing of information between home and host supervisory authorities of Member States in which financial groups have significant activities, and to enhance the efficiency of supervision by developing common approaches to key supervisory decisions;
- STRESSES that in order to ensure consistency among colleges and so avoid fragmentation, the colleges should operate along the same principles and objectives across financial groups (banking, insurance, conglomerates and investment services) and countries, taking into account, in particular: (i) the different legal structures (including purely branch or subsidiary - based), (ii) the need for involvement and participation of host authorities having financial stability interests and responsibilities; and (iii) the risk profiles of the sectors as well as differences in the legislative framework across financial sectors; and STRESSES that the EU Committees of Supervisors should play a role in giving operational guidelines to provide consistency in the working procedures of the different colleges and effectiveness of the decision making process and provide reassurance to supervisors involved in the colleges, as well as monitoring the coherence of the practices of the different colleges of supervisors and sharing best practices, and LOOKS FORWARD to proposals in this regard from the EU Committees of Supervisors by mid-2008;
- UNDERLINES the need for efficient functioning of colleges, while ensuring an appropriate balance between home/host supervisors, appropriately reflecting their competences and responsibilities and inherent accountability. To this end, appropriate coordination tasks should be given to the home country supervisory authorities, while at the same time ensuring that all information that is relevant for the assessment of a financial group and its components, is made available to the host country authorities;

- STRESSES the importance of strengthening the legal underpinning of colleges of supervisors in the relevant directives in the context of the on-going work by the Commission, Council and European Parliament.

Enhancements to the EU arrangements for financial stability and Crisis Management

Memorandum of Understanding (MoU) on Cross-border Financial Stability

In line with the EFC Recommendations of October 2007 on developing EU arrangements for financial stability, the ECOFIN Council CONFIRMS that the Memorandum of Understanding (MoU) between Central Banks, Financial Supervisory Authorities, and Finance Ministries has been agreed and is in the process of being signed and will enter into force as soon as signed by all parties.

The Council REITERATES that, in the context of implementation of the MoU on Cross-Border Financial Stability, close co-operation should be pursued between Member States and all relevant authorities, including through possible Cross-Border Stability Groups. In a financial crisis situation, in line with the Common Principles, primacy will always be given to private sector solutions. If public resources must be involved, direct budgetary net costs will be shared among affected Member States on the basis of equitable and balanced criteria, which take into account the economic impact of the crisis in the countries affected and the framework of home and host countries' supervisory powers. This issue, namely principles and procedures of burden sharing, needs to be further addressed, inter alia in the implementation of the MoU on Cross-Border Financial Stability.

Crisis Simulation Exercise

The Council INVITES the EFC to initiate preparations for an EU-wide crisis simulation exercise with the objective to organising it in spring 2009. The EFC is INVITED to present a report to the ECOFIN in September 2009 on the main results and make further policy recommendations in order to address the key challenges that have been identified.

Deposit Guarantee Schemes

The Council RECALLS the conclusions of 9 October 2007 and CONSIDERS that Deposit Guarantee Schemes are a key part of the framework for ensuring financial stability; and that the developments in financial markets since August 2007 have proven the important role of DGSs in maintaining confidence in the banking system.

The Council RECALLS, in line with the ECOFIN Report to the European Council of 4 March 2008, the need to perform further work on improving the functioning of the deposit guarantee schemes in the EU; and INVITES the EFC to prepare an orientation discussion for the June 2008 ECOFIN meeting; and, by early September 2008, the Commission to present the outcome of its examination, the FSC and the EFC to provide policy guidance to the Council on the way forward - in view of preparing a strategic discussion by the ECOFIN in autumn 2008. These considerations should include an assessment of policy options available, including on whether there is a case

for regulatory action; and take into account level playing field aspects and inter-linkages of the DGS with crisis prevention and management, including the possible link to early intervention and reorganisation of a financial group, as well as issues related to the sharing of a financial burden.

The Council WELCOMES the Commission's intention to carry out further work in the area of insurance guarantee schemes while recognising that the nature of these schemes is different in terms of preserving financial stability.

Next Steps

After having reviewed the progress made with the implementation of the roadmaps of 9 October 2007 (on developing the EU arrangements for financial stability) and 4 December 2007 (on financial supervision), the Council STRESSES that, as a matter of priority, reinforced efforts are needed to finalise all actions by end-2008 and mid-2009, to ensure that benefits of the current institutional arrangements, strengthened as appropriate, are fully reaped. Updated versions of the 3 roadmaps are specified in a separate document attached to these conclusions, with an indication of progress made in their implementation and further steps to be undertaken by autumn 2008.

The ECOFIN Council shall review progress made in implementing the roadmaps on supervision and crisis management regularly, next time before the end of 2008. Overall progress and the need for further policy priorities shall be assessed by the end of 2009, based on an examination by the Commission, the FSC and the EFC on the achievements made on financial supervision and on the testing of the MoU on Cross-Border Financial Stability in the crisis simulation exercise.

Updated ECOFIN Roadmaps on
'Review of the Lamfalussy process';
'Strengthening EU arrangements for financial stability';
and 'Actions taken in response to the financial turmoil'

The Council reviewed the three roadmaps agreed by ECOFIN, on 9 October 2007 and 4 December 2007, as follows:

1. Enhancing the Lamfalussy process, incl. financial supervision:

Ongoing (final: end 2008, interim: September 2008)	Commission to revise the Decision on the EU Committees of Supervisors to include specific tasks to foster convergence and cooperation; and by September 2008 consideration by the Commission and the FSC on which specific tasks should be given to the EU Committees of Supervisors and which legal instrument should be used;
On-going (April 2008):	Member States, with the contribution of the EU Committees of Supervisors as appropriate, to adopt common formats, where appropriate, to disclose national transposition and implementation of EU legislation;
May/June 2008:	Draft work programmes of the EU Committees of Supervisors. Programmes for 2009 have been transmitted to the Commission, the European Parliament and the Council to allow them to express their view on the key priorities and give policy advice on supervisory convergence and cooperation. The EU Committees of Supervisors will then report annually on the achievement of their objectives. ;
On-going (June 2008):	The EU Committees of Supervisors by the <i>mid of 2008</i> to explore the possibilities to strengthen the national application of their guidelines, recommendations and standards, without changing their legally non-binding nature;
June 2008:	The EU Committees of Supervisors by the <i>mid of 2008</i> to introduce in their charters the possibility to apply qualified majority voting where necessary. While these committees' decisions are not legally binding, those who do not comply should explain their decisions publically;
Mid 2008:	The EU Committees of Supervisors to study the possibilities to introduce a common set of operational guidelines for the operation of colleges of supervisors and monitor the coherence of the practices of the different colleges;
June 2008:	The EU Committees of Supervisors to propose timetables for the introduction of EU-wide reporting formats for single data requirements and reporting dates; and Commission and the FSC in autumn 2008 to consider next steps for the convergence of regulatory and financial reporting;
December 2008:	The Commission has progressed, in cooperation with the EU Committees of Supervisors, with its studies on sanctioning powers, provisions for supervisory cooperation, information exchange and delegation of tasks as specified in the roadmap;
December 2008:	Commission to finalise its considerations on financial support under the EU budget for specific EU wide projects that are requested from the EU Committees of Supervisors;
On-going (mid-2009):	Commission to carry out by the <i>mid of 2009</i> cross sectoral consistency checks, where still necessary to foster coherence of terminology and effect across all EU financial

	services law;
Mid-2009:	Member States to ensure that their supervisory authorities are able to take into account the EU dimension in the performance of their duties, including having regard to the financial stability concerns in other member State sin exercising their duties;
End-2008 and end-2009	The ECOFIN Council shall review overall progress before the end of 2008; and by the end of 2009, to consider the need for further policy priorities based on an examination by the Commission, the FSC and the EFC on the achievements made, and on the testing of the MoU in the crisis simulation exercise.

2. Financial Stability Arrangements – enhanced preparedness on Financial Crisis Management: Procedures, Principles and Tools:

May-December 2008:	Implementation of the Memorandum of Understanding agreed in May 2008 by EU Supervisory Authorities, Finance Ministries and Central Banks Cross-Border Financial Stability (key aspects are: the implementation of common principles; setting-up cooperation mechanisms, including Cross-Border Stability Groups where relevant; updating the existing (non-legally binding) cooperation arrangements; implementing the common framework for assessing systemic impacts of a crisis; and developing tools for crisis management; enhancing preparedness in line with the Common Practical Guidelines; and conduct of EU wide crisis simulation exercise);
On-going (2007-2009):	the Commission to propose ways to clarify cooperation obligations including possible amendments to EU-banking legislation, especially to: clarify the existing obligations for Supervisory Authorities, Central Banks and Finance Ministers to exchange information and to cooperate in a crisis situation; increase the information rights and involvement of host countries; clarify the role of the consolidating supervisors and facilitate the timely involvement of relevant parties in a crisis situation; and examine whether, to this end, legislative changes are necessary, including to reinforce the legal requirements for supervisory collaboration and information sharing. Commission proposal September 2008; and adoption by EP/Council by April 2009.
May 2008-Spring 2009:	the Economic and Financial Committee to conduct an EU wide crisis simulation exercise to test the proposed arrangements and to report to ECOFIN Ministers on its conclusions in autumn 2009. The technical work will start in May 2008. The objectives of the exercise are to test the key objectives and procedures set out in the Memorandum around genuine cross-border financial groups on which authorities in different countries share stability concerns, as well as the challenges and tools related to cross-border crisis management, including on financial burden sharing, as outlined in the EFC Report of 5 September 2007.
On-going (by 2008):	the Commission has undertaken work towards clarifying when a banking crisis could be considered by the Commission as “ <i>a serious disturbance for the economy</i> ” (under the Treaty and State aid rules) and considered the streamlining of procedures focusing on how State aid enquiries under critical circumstances can be treated rapidly. Dialogue has taken place between the Member States and the Commission on these issues; and the Economic and

	Financial Committee is expected to consider them by summer 2008.
On-going (until 2009):	the Commission to assess the possible extension of the scope of the present EU-Directive on winding up of credit institutions to include insolvent subsidiaries with the objective to increase the efficiency, the optimal reorganisation and winding up of cross border banking groups taking due consideration of the interests of all stakeholders concerned. The Commission to launch a public consultation October 2007; legal study of obstacles mid 2008; and release a Commission Green Paper by end 2008.
June and Autumn 2008:	Orientation discussion by the ECOFIN Ministers on Deposit Guarantee Schemes in 3 June 2008 ECOFIN; and a strategic discussion in autumn 2008 by the ECOFIN Council on the basis of report from the Commission on the Deposit Guarantee Schemes in the EU (focusing e.g. on improving the speed of payouts, depositors information, and cross-border interoperability) and consideration of connected measures for authorities to apply early intervention and reorganisation measures to cross-border groups; and guidance by the FSC and EFC
November 2008:	Feasibility study by the Commission on the obstacles to asset transferability that could hinder crisis-management of cross-border groups. The overall objective is to reinforce the primacy of private solutions, avoid counter-productive ring-fencing of assets, and facilitate a smooth management of a crisis.
December 2008:	The FSC and the Commission to review the availability of tools for crisis management and resolution in the EU Member States, also so as to be ready in time for the next crisis simulation exercise; a detailed plan on the organisation of the exercise shall be approved by the EFC in December.

3. Actions taken in response to the financial turmoil:

The Council in October 2007 endorsed a specific roadmap for action taken in response to the financial turmoil, identifying four main areas of priority in response to the turmoil, i.e. (i) improving transparency, (ii) valuation of financial products, (iii) strengthening prudential requirements and (iv) making markets function better. On most issues identified in the roadmap, action is ongoing and scheduled to be completed by mid-2008 (on transparency, valuation and Credit Rating Agencies) or the third quarter of 2008 (on prudential rules and risk management). This update also takes into account work already undertaken and progress made at the EU and international level.

I. Enhance transparency for investors, markets and regulators	
By the time of publication of mid-year results	Full and prompt disclosure by financial institutions of on- and off-balance sheet risk exposures, depreciations and losses (write-downs, and fair value estimates for complex and illiquid assets), consistent with leading disclosure practices (at EU-level: the industry);
June 2008	The review of Public disclosure of types and amounts of securitization exposures, significant individual transactions and SPV exposures by banks has revealed heterogeneities in these practices. Banking Supervisors are invited to work intensively on these issues and in particular to consider complementary guidelines (at EU-level: CEBS in coordination with the industry and the Commission in monitor-

	ing capacity);
June 2008	Organize comprehensive, frequent statistical data on credit markets for supervisors and, where appropriate, the public (at EU-level: the industry and the Commission in monitoring capacity);
II. Improve valuation standards, including of illiquid assets	
Mid-2008	Agree on a common approach to the accounting valuation of illiquid assets and implications for risk management practices by banks;
And, update on international efforts at July 2008 ECOFIN	Ensure the proper functioning of the financial reporting framework by means of clear guidelines by on valuation that can be applied consistently across institutions; Consider improvements in market valuations more generally. (At EU-level: CEBS, -auditing profession, industry and the Commission.; at global level: FSF, IASB, IOSCO, BCBS);
Advanced from Q3 2008 to Mid-2008	Assess the deployment of sound asset valuation standards in non-bank investors (e.g. asset managers, pension funds etc), particularly in relation to (potentially) illiquid assets (at EU-level: auditing profession, industry, CEIOPS, CESR and the Commission; at global level: IASB, IOSCO, BCBS).
III. Reinforce prudential rules and risk management in the financial sector	
Orientation debate at the June 2008 ECOFIN and guidance to the ECOFIN in Q4 2008	Review possible enhancements of Deposit Guarantee Schemes in the EU, including issues related to communication between authorities and depositors (at EU-level: Commission, FSC);
Q3 2008	Assess the level of risk management standards in non-bank investors (e.g. asset managers, pension funds etc), particularly in relation to (potentially) illiquid assets (at EU-level: CESR, CEIOPS, the industry and the Commission; at global level: IOSCO);
Advanced from end 2008 to September 2008	Enhance liquidity risk assessment and management by banks by agreeing on robust minimum standards for banks to withstand stressed market conditions (at EU-level: ECB/BSC and Commission, in coordination with CEBS; at global level: BCBS);
Advanced from end 2008 to Q3 2008	Examine the need for a wider concept of concentration risk, including wholesale and interbank markets, and intra-group exposures, as part of the EU Large Exposure Review (at EU-level: CEBS and Commission);
Advanced from end 2008 to Q3 2008	Examine the Basel2/CRD regulatory framework for banks' liquidity exposures to ABCP conduits and SPV's to reflect lessons concerning banks': (1) incentives to move risk off-balance sheet; (2) regulation and management of liquidity and reputational risks transferred to SPVs and Conduits; (3) valuation and treatment of SPV's and forced asset buy-backs. (at EU-level: Commission; at global level: BCBS);
Postponed from Q3 2008 to end 2008	Identify and remove any regulatory arbitrage opportunities and examine the Basel2/CRD framework for banks' own trading book exposures, including the treatment of 'warehousing' and 'pipeline' risks (at EU-level: Commission, in coordination with CEBS; at global level: BCBS).
IV. Improve market functioning including the role of credit agencies	
Mid-2008	Examine the incentive structures in credit markets and the implications of the 'originate to distribute' models of banks for credit markets (ECB/BSC, in coordination with Commission and CEBS);
Postponed from mid-2008 to end-2008	Examine rules covering the origination and (mis-) selling of mortgage credit (Member States and the Commission);
Advanced from December	Consider how to improve (global) cooperation between supervisors including outside the EU, taking

2008 to Q3 2008 End 2008	into account the proposals to enhance cooperation, renew and improve crisis management tools as set out by the ECOFIN on 9 October 2007 based on EFC recommendations (at EU-level: the EFC and, the Commission for planned changes to the CRD; at global level: FSF);
June 2008 for the July 2008 ECOFIN End-May 2008	Examine the role of credit rating agencies and the uses of credit ratings, in particular as regards structured finance instruments, conflicts of interest, transparency of rating methods, time-lags in rating reassessments and regulatory approval processes; By end-May 2008, IOSCO should revise its Code of Conduct fundamentals for credit rating agencies (a revised code has been published on 26 March for consultation). (At EU-level: Commission, based on reports CESR and ESME; at global level: IOSCO);
Mid-2008	Examine the organisation of non-regulated debt markets (CESR, FSC).

Rådskonklusioner vedr. formidling af finansiell viden

"The Council:

- RECOGNISES the importance of enhancing the financial education of consumers, in particular because of the complexity of financial products, the importance of financial decisions for households and the speed at which the financial services industry is evolving is creating ever more options for customers;
- RECALLS its conclusions of May 2007, in which it invited the Member States to "significantly step up their efforts to raise households' awareness on the latter's need to obtain proper information and education, in combination with the financial industry's own responsibilities and initiatives as appropriate, so as to increase households' preparation whilst maintaining adequate investor protection";
- WELCOMES the Commission Communication of 18 December 2007 on financial education and the growing number of initiatives developed in the EU aimed both at raising awareness of the need to address financial education and at promoting its efficient and high-quality provision;
- RECOGNISES the importance of establishing at EU level a set of tools, including an exchange of best practices, for a more effective provision of financial education, involving both the public and the private sector;
- INVITES Member States to step up their efforts to provide financial education to citizens, to increase citizens' awareness of its importance in view of future challenges for private finances (pension, health financing, housing finance) and to give consideration to the usefulness of including financial literacy in school curricula, bearing in mind the principles identified in the Commission Communication, including training at all stages of life and programmes targeting the specific needs of each group of recipients, so that financial education consistently fulfils the criteria of transparency and objectivity;
- ENCOURAGES the Commission to pursue its efforts to facilitate the provision of financial education by the Member States and stakeholders, in particular by the creation of a network of financial education practitioners, providing support for events promoting financial education, the publication of a European-wide database of financial education schemes and research, as well as the enhancement of EU online tools for spreading practical knowledge of how to teach financial issues;

LOOKS FORWARD to the results of the comprehensive review announced by the Commission for 2010."

Rådskonklusioner vedr. realkredit

"The Council:

- RECALLS its conclusions of May 2006 on the Commission White paper on the Financial Services Policy 2005-2010, where it welcomed "the initiatives proposed by the Commission, stressing that progress in the greater integration of retail markets is a challenge for 2005-2010 in order to strengthen competition and ensure an appropriate level of consumer protection;"
- STRESSES the importance of mortgage credit for both EU citizens and the economy at large and of tackling barriers in order to achieve greater integration of mortgage credit markets, so that EU consumers and mortgage lenders can take full advantage of the benefits of the Single Market;
- WELCOMES in that regard the Commission White paper on the integration of EU mortgage credit markets;
- SUPPORTS the Commission's overarching goal of achieving competition and efficiency of EU mortgage credit markets and the four general objectives it has put forward to this end in the White paper, namely: to facilitate the cross-border supply and funding of mortgage credit; to increase product diversity, combined with strong consumer protection and adequate financial stability; to improve consumer confidence and to facilitate customer mobility;
- RECOGNISES that the potential for integration is determined by a range of factors including culture, language and customer preferences, and that further integration is therefore likely to be supply driven rather than demand driven in the foreseeable future;
- ENCOURAGES the Commission to continue assessing the costs and benefits of the various policy options for achieving further integration, including as regards possible legislation for relevant areas in accordance with the 'Better regulation' principles;
- WELCOMES the approach used by the Commission, which relies on a rigorous impact assessment of the various policy options for meeting the four general policy objectives, and in particular the ones that are crucial to improve consumer confidence and empowerment, and to improve the cross-border supply and funding of mortgage credit;
- SUPPORTS in this context the Commission 's intention to assess the benefits and costs of different policy options on issues such as access to credit registers and (other) tools to assess potential borrowers' creditworthiness on a cross-border basis; options on early repayment; options to improve the quality and the comparability of information (incl. enhancing pre-

contractual information and further harmonising the Annual Percentage Rate of Charge), and options to promote both responsible lending and borrowing;

- REITERATES in line with the (aforementioned) Council conclusions of May 2006 on the Commission White paper on the Financial Services Policy 2005-2010 the importance of strengthening consumer input in this process, for example concerning broad consumer testing of possible information requirements;
- ENCOURAGES the Commission to proceed with the proposed initiatives in accordance with the timetable put forward in the White paper;
- In terms of policy options going forward, WELCOMES the Commission's intention to design and to regularly update 'scoreboards' presenting objective information on the cost and duration of land registration and foreclosure procedures in all Member States; and

LOOKS forward to the Commission's announced Recommendation on valuation, land registers and foreclosure procedures, expected this year."

Rådskonklusioner vedr. beskatning af opsparing

"The Council calls on the Commission to submit the report pursuant to Article 18 of the Directive on the taxation of savings income in the form of interest payments by 30 September 2008 at the latest, to be followed by specific proposals based on the report. Member States are asked to provide the Commission with the necessary statistical and other data."

Rådskonklusioner vedr. god regeringsførelse på skatteområdet

"The Council:

1. CONSIDERS that recent events involving tax fraud and evasion have proven the need to tackle this throughout the world and to reinforce efforts to combat cross-border tax fraud and evasion in the area of taxation.
2. UNDERLINES the importance of implementing, on as broad a geographical basis as possible, the principles of good governance in the tax area, i.e. the principles of transparency, exchange of information and fair tax competition, as subscribed to by Member States at Community level. Good governance in the tax area is not only an essential means for combating cross-border tax fraud and evasion, but can strengthen the fight against money laundering, corruption, and the financing of terrorism.
3. RECOGNISES the need to include in relevant agreements to be concluded with third countries by the Community and its Member States, without prejudice to their respective competences, a specific provision on good governance in the tax area, and considers the following text to be appropriate in this respect:
4. *"With a view to strengthening and developing economic activities while taking into account the need to develop an appropriate regulatory framework, the Parties recognize and commit themselves to implement the principles of good governance in the tax area as subscribed to by Member States at Community level. To that effect, without prejudice to Community and Member States' competences, the Parties will improve international cooperation in the tax area, facilitate the collection of legitimate tax revenues, and develop measures for the effective implementation of the above mentioned principles."*
5. STRESSES its attachment to the furtherance of good governance in the tax area with respect to ongoing and future negotiations.
6. Within the framework of the applicable Treaty provisions, the Commission will inform and consult, whichever is appropriate, the relevant Council bodies, with due diligence and timely, on any question relating to the specific provision on good governance in the tax area which may arise in the process of the negotiations of the international agreements referred to above."

Rådskonklusioner vedr. udviklingsstrategi for toldunionen

"THE COUNCIL,

RECALLING the crucial role played by the Customs Union since 1968 as a foundation of the European Union;

RECALLING the objectives set by the Lisbon Strategy, as relaunched by the European Council of 22 and 23 March 2005, for the Union "to renew the basis of its competitiveness, increase its growth potential and its productivity and strengthen social cohesion, placing the main emphasis on knowledge, innovation and the optimisation of human capital";

RECALLING the recent adoption of the Regulation of the European Parliament and of the Council on a modernized customs code and of the Decision of the European Parliament and of the Council on a paperless environment for customs and trade, which are major steps taken by the Union in view of meeting the above objectives;

RECALLING the Decision of the European Parliament and of the Council establishing an action programme for customs in the Community (Customs 2013);

RECALLING that the Council, at its meeting on 4 December 2006, recognised the central role of customs in making progress towards establishing Single Window/One Stop Shop services, bringing together administrations involved in import and export of goods;

RECALLING the Council Resolution of 30 May 2001 concerning a strategy for the Customs Union and the Council Resolution of 2 October 2003 on a strategy for customs cooperation;

1. **UNDERLINES** that customs authorities of the European Community, being the principal authority with an overview of the import and export of goods and the international supply chain, in a context of rapid increase of trade, should maintain a permanent balance between safety and security concerns and the protection of society and of the financial interests of the European Community and of the Member States, on the one hand, and the facilitation of legitimate trade and the enhancement of the competitiveness of the European economy, on the other;
2. **WELCOMES** the Commission Communication entitled "Strategy for the evolution of the Customs Union", and **ENDORSES** in particular:
 - the role of customs, with regard to the trade, financial, fiscal, safety and security interests of the Union; and
 - the common strategic objectives;

3. CONSIDERS that to achieve such objectives, customs authorities should have a sufficient level of investment in skills, competences, resources and technologies;
4. STRESSES that customs should focus on:
 - increasing competitiveness, by facilitating legitimate trade, in particular by further developing Single Window services and new control methods (system-based approach);
 - the enhancement of safety and security, notably regarding the fight against counterfeiting and piracy, and the capacity to rapidly react to crises, as well as the protection of the financial interests of the European Community and Member States and the fight against fraud;
 - the enhancement of cooperation with economic operators, other governmental authorities, international organisations, and third countries;
5. INVITES the Commission to develop a single comprehensive implementation plan by the end of 2009, in close cooperation with the Member States, in order to achieve these objectives, and to report on the progress to the Council by 2011."

