The Commission’s work on bank resolution

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CEPS - Banking crisis resolution procedures
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I. Why the need?

Following the Collapse of Lehman Bros last September, Mervyn King, the governor of the Bank of the England, observed that international banks are “global in life but national in death”.
European financial markets are highly integrated and inter-dependent

Market share of foreign-owned banks - % of total assets
Key Areas of Focus of Commission’s Communication

• Early intervention
• Bank resolution
• Broader legal framework
• Financing
Process

• Communication by end of October
  – Not policy focused, but focussed on analysis of problem.
  – Consultative in nature

• New policy will be for the next Commission