

# Opening remarks of Vice-President Valdis Dombrovskis at the ECOFIN press conference

Thank you Mister Minister.

First of all, I would like to express my sincere condolences to the families and friends of the victims of horrendous attacks in Halle on Yom Kippur day. Such violence and antisemitism have no place in Europe and I firmly condemn it.

Moving to today's meeting, first of all, I welcome yesterday's agreement on the Budget Instrument for Convergence and Competitiveness.

This is an important step forward.

The instrument will support much needed structural reform and investment packages.

It also has some limited but useful counter-cyclical features.

Like the possibility to modulate the national co-financing rate based on a trigger related to severe economic circumstances, as defined in the Stability and Growth Pact.

There will be a dedicated instrument for non-euro area Member States, or – alternatively – special financial arrangements to be implemented in the context of the MFF negotiations.

Today I presented the Commission's proposal for the governance of the BICC, respecting the Euro Summit's decision to agree on autonomy of decision-making for the euro-area Member States.

Going forward, we will have to increase the level of ambition on deepening our Economic and Monetary Union.

And clearly, we need to raise our level of ambition to give a new boost to the Capital Markets Union.

I welcome the strong political support that many Member States are giving to this project.

And I also believe that it is a necessity to have a wider public discussion to collect new ideas for developing our capital markets.

This is why I have pleasure to announce that today the Commission is launching a call for applications for a High-Level Forum to reflect on future CMU actions.

We want to bring together high-caliber experts from public authorities, industry and civil society to reflect on long-term trends that will have an impact on the development and integration of EU capital markets. These trends include digitalisation, sustainability but also the impacts of Brexit. And capital markets are also clearly important to strengthen the international role of the euro and European economic sovereignty.

The Forum should identify specific areas where further action is needed. These could include the creation of an ecosystem for access to finance for companies and the development of integrated and efficient capital market infrastructure. We should also think about ways to promote greater retail investor participation in capital markets.

Last but not least, we had a substantial discussion on fight against money laundering and terrorist financing.

Together with Commissioner Jourova and I presented four reports containing a wealth of findings on money laundering and terrorist financing risks, on the work of Financial Intelligence Units, interconnection of our data systems as well as post mortem analysis on recent money laundering cases in European financial institutions.

On the latter, we had identified a number of shortcomings, such as banks not having adequate AML protection in place, lack of cooperation between supervisors in the cases of cross-border groups or asymmetry of information sharing.

So we clearly need to step up our action at EU level.

If we have the strongest AML rules in Europe, yet they are not applied evenly in all countries.

I welcome the intention of Ministers to issue a further guidance for the policy action in December.

Regarding today's debate, I would like to stress three takeaways in particular:

First, we need to make sure that AML 4 and AML 5 directives are properly implemented and effects of the rules should be properly assessed.

Second, several countries spoke out in favour of more harmonisation and powers at EU level, including direct supervisory powers, without creating more red tape. I will launch an in-depth evaluation and propose the solution that works best: either creating a new AML agency or consolidating fresh powers within an existing Union body.

Third, many agreed that much higher degree of coordination between Financial Intelligence Units is needed, also because money laundering goes beyond financial system and touches on other sectors such as real estate, or gaming for example.

We have made the fight against money laundering and terrorist financing a

priority, it is going to be a priority also in my next mandate. We will work closely together with Member States and the European Parliament to tackle this complex problem.

Thank you.