

## **Econ chair says EU Parliament bureaucracy impedes work on financial reform**

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Chair of the European Parliament's Economic and Monetary Affairs Committee Sharon Bowles MEP has expressed concerns over the limited quota of the Committee's meetings and lack of staff, saying it is hampering the passage of financial legislation.

Speaking to Global Financial Strategy, Bowles says the Econ Committee is not entitled to any extra meetings or extra quota of reports to respond to the slew of communications from the Commission.

She says: "In our case, this is not just on financial regulation legislation but also all the monetary policy euro troubles and on top of that competition and tax."

Committees are only allowed to have six own initiative reports running at any one time and a large number of Econ ones have to be used for statutory reports on competition policy and the European Central Bank, for example.

Bowles says: "So we get no better deal than, say, the Women's Committee." Her concerns also extend to staffing issues. Bowles says they do not have a full complement of secretariat staff.

She says: "At one time they did not even have any secretaries and only got one when Commissioner Barnier pointed out our problems, after I had told him how stretched we were.

"This total lack of attention to resourcing the work consequent on the financial crisis makes all the rhetoric a nonsense."

These concerns are not constricted to the Parliament however. The same concerns have been expressed by sources within the European Commission.

The bulk of financial legislation is drafted by DG Internal Market and Services division which employs around 150 staff devoted to this work, which has increased from 70 over four years, but sources say it is still not enough to compensate for the wave of new legislation.

Federation of European Securities Exchanges secretary general Judith Hardt says that the transfer of sufficiently qualified staff to DG Markt would avert the risk of "regulatory capture, that is, dependence by officials on information from self-interest groups".

Leading think-tanks have also criticised the Commission, saying it is politically weaker than it has ever been before. Meanwhile, DG Markt is about to lose its two most senior officials. Director general Jörgen Holmquist and deputy director general David Wright are both leaving this summer. Holmquist's replacement, Jonathan Faull, was previously DG of Justice, Freedom and Security division, who has not previously been heavily involved with financial legislation.