



**BETTER FINANCE  
FOR ALL**

The European Federation of Financial Services Users  
Fédération Européenne des Usagers des Services Financiers

**BETTER FINANCE PRESS RELEASE**

## WIDESPREAD SUPPORT FOR THE PROTECTION OF FINANCIAL END-USERS ACROSS THE EUROPEAN POLITICAL SPECTRUM

**Brussels, 19 May 2014** –Whether as individual investors, shareholders, savers, life insurance policy holders, pension fund participants or borrowers, European citizens are all in one way or another users and consumers of financial products and services. The financial crisis has affected every single household in the European Union.

Decision makers in Brussels have been trying to deal with the fallout of the crisis by passing new financial legislation and introducing reforms to rectify the situation. However, despite declaring that households are the main source of funds to finance long term investment in the European economy, the majority of MEPs who responded to the [Questionnaire](#) on the [Better Finance Manifesto](#) admit that policy makers, in their reformatory zeal, sacrificed the wellbeing of European citizens in their dogmatic quest for a sacrosanct «financial stability».<sup>1</sup>

**MARKUS FERBER (EPP):** *«Financial stability and consumer protection often are two sides of the same thing. Without stabilising and reforming the banking system, investors' deposits would be in danger. Furthermore, many financial market regulation files such as MiFID II contained whole chapters dedicated to enhance investor protection in Europe. »*

When questioned by Better Finance on crucial financial issues and their impact on European citizens as savers and investors, the majority of current and candidate MEPs from different political backgrounds largely agree on the importance of passing legislation that would ensure a brighter future for end-users of financial services.

The answers to the Better Finance questionnaire clearly indicate a widespread consensus on the fact that information provided on financial products is not adequate

---

<sup>1</sup> More than 80% of respondents agreed that since the financial crisis, EU financial reforms have focused more on financial stability than on user protection. However, 40% of S&D respondents did not believe this to be the case.

and not sufficiently comparable<sup>2</sup>, thus misleading consumers into investing in saving products whose real returns have far too often been negative. In order to address this situation, the respondents by and large agreed that **product information rules** should be the same for all savings and investment products, including long term and pension ones.

Also individual shareholders can now breathe a sigh of relief since politicians finally seem to acknowledge that it is high time to eliminate the barriers to the actual **exercise of voting rights**, especially cross-border.<sup>3</sup> The results of the questionnaire clearly announce brighter times ahead for individual shareholders and an enlightened reform of the Shareholder Rights Directive. In addition the questionnaire found strong support for a Europe-wide **collective redress scheme**<sup>4</sup>, which if adopted will finally allow shareholders and other savers to demand and receive compensation for losses and damages.

**SVEN GIEGOLD (Greens / EFA):** *«Although the shareholding democracy was in fact a Thatcherite idea, it has the appeal of undermining the institutional investment oligopoly. Of course, without citizens exercising their rights as shareholders and trying to influence the behaviour of the companies they invest in, such a shift would actually make things worse. »*

**KAY SWINBURNE (ECR):** *«One EU wide system on collective redress may not be the best approach, as some member states already have significant legislation in this area – imposing it from the EU may end up with citizens in a worse situation than they are in now. »*

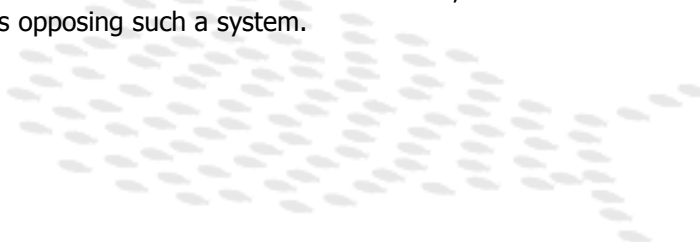
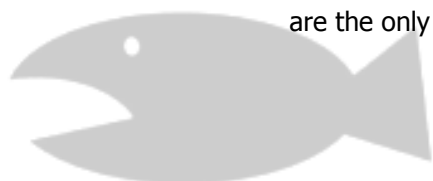
Further good news for private investors and savers comes in the form of the unanimous agreement regarding the fact that **bail-in measures** should not target small investors but rather the parties responsible for the economic and social damage, including bank management. European citizens as taxpayers have bailed out banks at a tremendous cost over the last years. It would be unjust to now expect the same

---

<sup>2</sup> With exception of the European Liberals (ALDE) and the ECR Group, the majority of respondents (more than 85%) agree that product information rules should be the same for all savings and investment products, including - and especially - for long term and pension ones.

<sup>3</sup> Setting aside a few reservations by the S&D and ALDE groups, the survey found an overwhelming support for the elimination of barriers to the voting rights of beneficiary shareholders.

<sup>4</sup> With 84% Support for an EU-wide collective redress mechanism, ALDE and ECR are the only political groups opposing such a system.



European citizens, in their capacity as savers and investors, to bail out future failing banks.

**SYLVIE GOULARD (ALDE):** *«I am very supportive of the bail-in tool and all the other disposals enshrined in the new resolution and recovery framework: it is based on responsibility and fairness. The part of non-bank funding should clearly be increased but to achieve that several actions will be necessary and may take some time.»*

In view of the upcoming elections, to the cynically minded, the largely positive reaction across the European political spectrum to the requests listed in the Better Finance Manifesto may not come as a surprise. However, the fact that requests rejected by policy makers and a majority of the MEPs during the last legislature are now being embraced, constitute the clearest sign yet indicating a potential **paradigm shift from "financial stability" to consumer protection**. We still hope political promises do not commit only those who listen to them.

\*\*\*\*\*

Contact information:

Communications Officer  
Phone  
Email

Arnaud Houdmont  
0032 (0)2 514 37 77  
[houdmont@eurofinuse.org](mailto:houdmont@eurofinuse.org)

