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Consultation on the future « EU 2020 » Strategy

Comments and suggestions on the Commission working document - COM(2009)647 final.

In order to make possible a sustainable social market economy, as it is stated in the beginning of the document, EFIN consider the following elements as essential:

- As far as concern the « next generation of public policies », we regard the way the political process is organised as a major issue.
So far, considering the internal market, and the financial one in particular, we maintain that there should be full stakeholder involvement in the process of policy design and regulation

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The benefit of a more integrated process will bring a much higher level of understanding of the issues, will be more efficient in designing long-term solutions and reducing the risk of unintended consequences.

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Picturing relationships among stakeholders as exclusively motivated by antagonism will never lead to a sustainable regulation. Co-operation, transparency, maturity and responsibility should increase while an integrated approach (concertation, consultation, debate and round table with all stakeholders) will help to better match the supply (providers) and demand (consumers) side of the financial market.

EFIN is a new network which is committed to become a place for all stakeholders to debate and design solutions, and strongly support the validity, reliability and efficiency of this approach.

- The mutual learning research project on financial exclusion created the opportunity of teaming up with a variety of practitioners and researchers in this field at the EU level. In relation to the understanding and role of competition, the above study shows clearly that there is a significant lack of appropriate indicators to measure market competitiveness and transparency. The integration of banking customers' views into policy making exhibits also relevant weaknesses. Without improvements on these mechanisms, competition will not function for the benefit of the customer, but for the sole benefit of the banks, creating a new and increased risk of social and financial exclusion. New indicators (diversity, market structure, transparency, availability, product design...) should be developed to allow an efficient monitoring of the « inclusive » dimension of the market...
- Such issue was also raised by a previous research project teamed by RFA (Réseau Financement Alternatif), titled “Financial Services Provision and Prevention of Financial Exclusion”. Additionally the two mentioned studies provided strong evidence of the need of reliable longitudinal data in order to perform research on financial exclusion in EU

countries. Therefore, EFIN supports the need to continue with EU-SILC particular module on financial exclusion and over-indebtedness and possibly to open public debate on the way such database and its indicators may be further improved.

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- The importance of the investigation of causes and consequences of financial exclusion as well as of most appropriate strategies to ensure financial inclusion of poor and disadvantaged is proved by several studies carried out at EU level. While motivations vary from country to country, it is clear that all efforts and those of EFIN share the aim to higher financial inclusion as a state that can truly lift the financial condition and standards of life in EU countries.