



EUROPEAN COMMISSION

*Brussels, 31.05.2016  
C(2016) 3098 final*

*Dear President,*

*The Commission would like to thank the Assemblée Nationale for its Opinion concerning the proposal for a Regulation on structural measures improving the resilience of EU credit institutions {COM(2014) 43 final}.*

*The Commission takes note of the Assemblée Nationale's concerns on the developments in the negotiations of the proposal, in particular regarding the subsidiarity and proportionality principles, internal market fragmentation, competitive distortions and the concerns regarding the competitiveness of the EU industry.*

*The proposed Regulation on structural measures is an important proposal. The Commission believes the evolving text takes due account of the European banking sector's importance in providing finance to the economy. It also takes due account of the benefits of maintaining the diversity of banking models in Europe. Universal banks would be able to continue to serve clients with a broad set of services and financial products.*

*The proposed Regulation would also complement the financial regulatory reforms undertaken in recent years. The Commission considers that large banks' trading activities may give rise to systemic risks that are not fully addressed by existing regulatory instruments. The Commission's objective is to give supervisors the necessary tools to deal with these risks, including by making it possible for supervisors to require the separation of excessively risky trading activities from the core business of credit institutions.*

*On 19 June 2015, the Council agreed on a general approach. The Commission hopes the European Parliament will soon adopt its position.*

*Mr Claude BARTOLONE  
President of the  
Assemblée Nationale  
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*The Commission will continue to play a constructive role in this context. It will pay particular attention to the scope of the Regulation and will also be attentive to the need to ensure that the provisions allowing national rules to be maintained are compatible with the nature of the Regulation and produce similar results.*

*The Commission hopes that these clarifications address the concerns raised by the Assemblée Nationale and looks forward to continuing our political dialogue.*

*Yours faithfully,*

*Frans Timmermans  
First Vice-President*

*Lord Hill  
Member of the Commission*