

Press release

18 June 2024

Completing banking union and capital markets union is crucial, ECB report shows

- Disappointing progress in euro area financial integration since start of monetary union
- Policies urgently needed to mobilise savings, develop euro area bond and equity markets

A better integrated euro area internal market for financial services is necessary to secure European economic and financial resilience, the European Central Bank (ECB)'s latest [report on Financial Integration and Structure in the Euro Area](#) shows. This is all the more crucial in the face of the growing need for investments to meet common challenges such as the green and digital transitions, security and aging populations.

The euro area has demonstrated resilience during crises, but progress in financial integration has been disappointing. Indicators of financial integration have declined significantly over the past two years, with no sizeable increases since the start of monetary union.

Policy action is now urgently needed to mobilise available savings, develop euro area bond and equity markets, and make these markets more attractive to foreign investors. Achieving a fully integrated financial services market also requires facilitating cross-border banking and harmonising regulatory frameworks and disclosure requirements.

ECB staff will present the report on Financial Integration and Structure in the Euro Area on 18 June 2024 at the [high-level conference on European financial integration](#).

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Notes

- The biennial ECB Financial Integration and Structure in the Euro Area report focuses on financial integration and selected policy issues, notably the European banking union and capital markets union. The report contributes to the debate on how to deepen European Economic and Monetary Union.

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- Indicators of financial integration in the euro area are available in the [statistical annex to the report](#).

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