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Media release

The Swiss Finance Council (SFC) presents its Discussion Paper
'The EU and its Partners: Defending Open Markets in Challenging Times'

Brussels, 24 February 2015 - On the occasion of its first public event in Brussels, the Swiss Finance Council (SFC) today presented its first discussion paper 'The EU and its Partners: Defending Open Markets in Challenging Times' It is the first of a series of initiatives the SFC will be undertaking to encourage debate and discussion, support policy-makers and legislators, and provide a platform for all who share an interest in the key economic and financial relations between the EU and its partners, with a special focus on Switzerland.

The discussion paper highlights the positive impact of close economic and financial ties between the EU and its partner countries on growth and jobs; and it makes recommendations on how to build on these benefits.

Open markets and multilateral cooperation have long been a central plank in Europe's post-war economic development. Today, however, with many of Europe's economies not yet recovering as hoped, and growing support for populist politics, a retrenchment from open markets threatens to undermine this framework that has served Europe so well. Europe is thus at a critical juncture, not least in respect of the challenges facing the evolution of its banking sector and capital markets. Against this backdrop, the SFC's discussion paper offers a number of policy suggestions to help reap the economic benefits for the EU from cooperation with key partners.

Commenting on the paper, **Axel A. Weber**, member of the SFC Board and Chairman of the Board of UBS AG said:

'The Commission's announced Capital Market Union is likely to play an important role underpinning Europe's economic growth. Europe needs a competitive and robust capital market to unlock savings and to deliver growth. When compared to the US, Europe's capital market has huge growth potential. Had Europe's capital market issuance between 2009 and 2014 been similar as a proportion of GDP as in the United States, it would have been more than double its actual size, i.e. €9 trillion instead of €4 trillion.'

On the role of Europe's key partners and Switzerland in particular, **Urs Rohner**, member of the SFC Board and Chairman of the Board of Credit Suisse Group AG, explained:

'As significant economic partners, third countries play a vital part in restoring EU's economic growth. For example, roughly 40% of the EU's goods exports and 45% of services exports go outside the 28-country bloc. Notwithstanding its small size, Switzerland is the EU's second biggest external trading partner, even ahead of China. Moreover, our sizeable banking and capital market activities help strengthen Europe's financial sector, which will play a substantial role in the economic recovery going forward.'

Commenting on the recommendations, **Alexis Lautenberg**, Chairman of the SFC Board stated:

'Our key contribution is to promote open and transparent markets. With the development of the Banking Union and an impressive new regulatory architecture the EU is in a position to create a new dynamic and efficient financial market place. Key partners in general and Switzerland in particular are eager to contribute in what could become a major leap forward.'

The Swiss Finance Council was established in November 2013 to engage in dialogue around policy developments in finance at a European and international level. It will represent the interests of internationally active Swiss financial institutions and provide a platform to share their experience, expertise and knowledge through a permanent representative office in Brussels.

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