Financial Supervision in EU Countries

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Abstract

Today there are about thirty authorities supervising national financial markets and institutions in the EU-15 countries. The member States have chosen different models for supervising their financial systems. We describe the three main theoretical supervisory models proposed in the literature: vertical, horizontal, centralised. In practice, however, it is difficult to find a pure application of these models, while the actual supervisory systems are the result of the different legal frameworks of the member States and of the way in which their financial systems developed. Moreover, although the Lamfalussy Report can be considered an important step towards a more integrated financial supervisory system at the European level, the supervisory arrangements are still very different among member States. This work provides an analysis of the different systems of financial supervision in Europe: showing how the differences that still exist among their systems make it more difficult to achieve a real European integration in financial supervision.

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This paper is an updated version of a previous work entitled "Financial Regulation and Supervision in EU Countries", presented at the 2003 EFMA Annual Meeting, Helsinky, 25-29 June 2003. While the present analysis focuses in the supervisory arrangements in EU countries, the 2003 version includes more details on the regulatory differences among member States. We are very grateful to Giuseppe Artizzu at Lehman Brothers that helped us getting in touch with Elena Pagnoni at Freshfield Bruckhaus Deringer that provided us the 2005 version of the book "How Countries Supervise their Banks, Insurers and Securities Markets", in which we found some information that constituted the basis for this paper. The usual disclaimers apply.

Introduction

The need to find a remedy for market imperfections and distributive problems of available resources can be considered as the theoretical foundations for public intervention in the economy aimed at guaranteeing the pursuit of stability, fairness on the distribution of resources and efficiency in their employment.
All the theories that support the need of a stronger regulation on banks and other financial institutions find their common denominator on the presence of particular forms of market failures in the credit and financial sectors.
The Great Crisis of the 1930s stressed the incapacity of the market to ensure the optimal combination between stability and efficiency and required the urgent need to re-think the supervisory systems of financial markets and institutions in order to safeguard the integrity and the stability of the financial sector.
In the US, the Securities Act of 1933, was the first example of regulation in the securities, followed by the Securities and Exchange Act of 1934 that set up the *Securities and Exchange Commission* which was the first supervisory authority with responsibilities to guarantee disclosure and to protect investors.
The Securities Act of 1933 was the first example of regulation in the securities field: it imposed that investors had all the necessary information about the securities that they wanted to buy and it ensured their correct circulation, avoiding frauds and manipulations in the public offers. Today, the Act is still one of the most important measures for the US securities market regulation.
The Securities Exchange Act of 1934 created the Securities and Exchange Commission that is still the Authority which has to supervise the correct circulation of securities and to safeguard investors' interests.
In Europe, the first authority in charge of regulating and supervising the securities markets was the *Commission des Opérations de Bourse*, established in France in 1967, with the aim of protecting investors. The New York stock market crash of 1929 caused an exceptional crisis that had repercussions in all the European and Asian continents in a very short time. This disastrous event drew the national governments attention on the need of re-thinking their structure on the regulation and supervision of financial markets: during the period following

the second world war many States tried to remodel their national systems to avert their financial instability.

Afterward, in 1974, Italy set up the *Commissione Nazionale per le Società e la Borsa* to regulate securities markets, protect investors and ensure efficiency and transparency. The Italian financial market has always been strongly oriented towards bank brokers: until the 1893 there wasn't a specific discipline for the securities market; its regulations is completely new and it dates back to 1974. At the beginning of twentieth century the Italian Stock Exhange was characterized by a full and indiscriminate growth: the crisis of 1907 stressed the importance of remodelling the Stock organization. The first and most important change was introduced with the law 7 june 1974 n.216 that instituted the CONSOB (Commissione Nazionale per le Società e la Borsa) and it created a specific discipline for listed companies.

Nowadays, one of the main open questions is about the appropriate model for financial supervision: a problem for which economic theory does not have a unique solution to put forward.[1]

In fact, it is possible to identify, at least, three fundamental models that are currently in force in EU member States:[2]

- vertical model (or institutional supervision): follows the traditional segmentation of the financial system in three main sectors (banking, securities and insurance) and is based on a strict division of competences, i.e. the institutions in one segment are supervised separately from the ones in different sectors irrespectively of the matter under control;

- horizontal model (or supervision by objectives): in this approach each supervisory function (microeconomic and macroeconomic stability, disclosure, competition) is under the jurisdiction of a given authority, independently of the supervised subject; therefore there is no strict separation between sectors, instead each authority has cross-sector regulatory and supervisory powers in pursuing is function;

- centralised model (or single supervisor): this model provides only one supervisory authority which responsibilities over all financial markets and sectors.

However, it should be highlighted that in the centralised model, the supervision

[1] See Goodhart (2000, 1998).

[2] Di Giorgio and Di Noia (2005, 2001) argue that there is a fourth model, called "Functional Supervision", in which there is a supervisor for each function performed by financial intermediaries, irrespectively of the legal form ot the intermediary itself or of the objective of supervision to be achieved. This model is based on the definition of six basic functions in which it is possible to divide the financial system. This model, however, is not well suited in practice, since it does not focus on real institutions but on abstract activities, furthermore, it does not consider the objective of regulation.

can be approached with focus on institutions, or to the objectives of regulation.[3]
The financial supervisory systems of the single member States in Europe are still heterogeneous, reflecting the variety of domestic financial markets and different legislations. An important role in the construction of the European system of financial regulation can be attributed to the Directives. European legislation on financial markets is based on the concept of "competition among rules", i.e. on the idea that given the existing differences among EU countries, each member should recognise the validity of laws, regulation and standards of the other ones. In this respect, the principle of mutual recognition was included in the Second Banking Coordination Directive of 1989 providing a list of activities that were included in the "Single Passport", i.e. that could be performed in every member State by a credit institution that is allowed to perform such activities in its country of origin. The principle of mutual recognition is based on two important concepts: "home country control" and "harmonisation of minimum standards". Equivalent rules for investment firms were introduced in 1993 by the Investment Services Directive that extended the home country control principle to investment firms and provides them with the European passport.
The objective of the paper is to compare the different institutional settings in EU member States, highlighting the differences in the supervisory architectures.
In the following paragraphs we present, respectively, the centralised, vertical and horizontal models, while in the last one we present our conclusive remarks.

The Centralised Model

During last years, the great changes that have characterized financial systems, like the fast growth of conglomerates, have pushed several national governments to review the architecture of financial sector supervision. Currently, many EU States (Scandinavian countries, United Kingdom, Germany, Austria, Ireland, Belgium) have adopted the centralised model. This single supervisor model dominated the early stage of financial systems when the central bank was, in several countries, the only supervisory institution, given the importance of banks in developed countries. Nowadays, the single supervisor usually differs from the

[3] See, on this point, Masciandaro (2005).

central bank, and is responsible for supervising and regulating all the segments of the financial sector (banking, securities markets, insurance) having regard to all the regulatory objectives: micro and macro stability, transparency and competition. In Europe, the model of the integrated supervisor model was first developed in Scandinavian countries (Norway, Denmark and Sweden) in the mid-1980s.

On 1 January 1988, Denmark established its single supervisor, the *Finanstilsynet* (*Danish Financial Supervisory Authority*), as part of the reorganization of the Ministry of the Industry. The authority resulted from the integration between the banking and insurance regulatory authorities. Currently, the Danish FSA has tasks and responsibilities about the supervision of financial undertakings and of the securities market, the draft of financial laws, the issue of executive orders and the circulation of information.

As a consequence of the banking crisis of early 1990s, instead, Sweden set up its Integrated Supervisory Authority, the *Finansinspektionen*, in 1991. The Authority is now responsible for supervising activities in the securities market, as well as in the credit and insurance sectors; it promotes the stability and the efficiency of the financial system and ensures the protection of consumers. Apart from supervisory functions, the Swedish FSA performs also a regulatory activity, by issuing norms that market participants have to respect.

The integration of financial markets, the fast growth of financial conglomerates and the scandal of Barings Bank, have led the United Kingdom to choose the single-regulator model to rationalise its supervisory architecture and improve efficiency and efficacy.[4] In October 1997, the former Securities and Investment Board (SIB) changed its name in the Financial Services Authority (FSA). With the *Bank of England Act* of 1998, all the regulatory powers on prudential supervision, that were previously attributed to the Bank of England, were transferred to the FSA; while the Bank retained its responsibility for systemic stability. Then, the *Financial Services and Markets Act* (FSMA) of 2000, transformed the FSA in the single regulator *de jure* when it came into force, the 1st December 2001. The FSA was invested with tasks and responsibilities which formerly fell within the brief of other organisations. The FMSA set standards for

[4] See Hall (2001).

banks, insurance and investment firms, giving to the FSA rule-making, investigatory and enforcement powers to pursue four fundamental statutory objectives: to enhance investors' confidence, to support public understanding of financial mechanisms and products, to guarantee investors' protection and to reduce crimes in the financial sector. The FSA is a private company and can be considered as an institution independent from the government, even thought its board is appointed by the Treasury. It is also an autonomous body since the greates part of its budget comes from regulated entitities. The FSA is subject to the so-called "Principles of Good Regulation", highlighting the need to act in an economic way and to minimize the negative effects of regulatory measures on UK competitive system.

In recent years, Germany, Austria, Ireland and Belgium have established their supervisory architecture on the single-regulator model.

Germany had not a uniform regulatory framework until the passing of the Banking Act of 10th July 1961. The failure of Bankhaus I.D. Herstatt in 1974 required the amendment of the Banking Act in 1976 to close the gaps in banking supervision. On the 25th January 2001, the finance minister announced a radical reform of the financial supervisory system and the 1st May 2002 the Federal Financial Services Supervisory Authority (*Bundesanstalt fũr Finanzdienstleistungsaufsicht* – BaFin) was established as the single supervisor, while the Central Bank (*Bundesbank*) conserved a significant role in banking prudential supervision.

The "*Act Establishing the Federal Financial Supervisory Authority*" of 22th April 2002 is now the basic legal source for the constitution of BaFin. Its supervisory activity on financial markets is based on three pillars of supervision which include tasks and duties previously attributed to three separate authorities: the BAKred, responsible for banking supervision; the BAWe that regulated securities and derivatives markets, and the BAV, which guaranteed the vigilance on insurance companies. In addition, there are three "cross-sectoral units" to ensure consumer protection, supervise money laundering and pension product issues. The federal States, instead, retain the supervision of the local exchanges. BaFin's overall objective is to ensure the stability and the integrity of the financial sector; to guarantee the protection of consumers and investors' interests and to safeguard the solvency of banks, financial services institutions and insurance undertakings. BaFin is an institution provided with a functional and organizational autonomy, even if it is under a legal and supervisory control of the Ministry of Finance.

Almost simultaneously to Germany, on 1st April 2002 was created the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehorde*) to supervise banks, securities markets, insurers and pension funds. The previous supervisory system was based on the attribution of several powers to the Federal Minister of Finance (*Bundesministerium fur Finanzen*) for the supervision of banking and insurance sectors and to the Federal Securities Authority (*Bundes-Wertpapieraufsicht*) for securities markets. Then, the tasks and the responsibilities of both authorities have been transferred to the single supervisory authority, according to the Financial Market Superivison Act. The FMA's independence is guaranteed by constitutional provision, but some powers remain to the Minister of Finance.

Also in Ireland, about one year after Germany and Austria, on the 1st May 2003, the responsibility for financial supervision in Ireland was transferred to the *Irish Financial Services Regulatory Authority*, an autonomous body set up within the Central Bank and Financial Services Authority of Ireland as the single supervisor. It has responsibilities previously held by the Central Bank and other supervisory institutions, but also has a strong new role in consumer and investors protection.

Belgium was the last EU member State to switch to the centralised model. Since the 1st January 2004, the *Banking, Finance and Insurance Commission* is the only Belgian authority that supervise the financial sector. Before the establishment of this authority, the financial supervisory system was made up of two authorities: the *Commission Bancaire et Financière* (Banking and Finance Commission), created by Royal Decree n. 185 of 9th July 1935, was the regulator and supervisor of the banking and securities sector; the insurance sector was supervised by the *Office de Controle des Assurances* (Insurance Control Office), instituted by the Law of 9th July 1975 and responsible for the supervision of insurance companies, mortgage companies, pension funds and insurance brokers.

Finland and Luxemburg also have a centralised model of supervision, in which a single authority supervise both the banking sector and the stock exchanges, with the exception of the insurance sector that has been left to a separate authority.

At the centre of Finnish supervisory system, in fact, the Financial Supervision

Authority promotes financial stability and efficiency, but also the confidence of market participants; it is responsible of transparency and proper functioning of securities markets. The Insurance Supervisory Authority is instead responsible for supervising insurance undertakings, protecting the interests of the insured, promoting security and efficiency in the insurance markets and strengthening confidence in the Finnish insurance system.

All financial intermediaries and markets in Luxembourg are under the supervision of the *Commission de Surveillance du Secteur Financier* (CSSF), that started its activities on 1st January 1999, except for the insurance sector which is under the jurisdiction of the *Commissariat aux Assurances*. The CSSF took over the former stock exchange regulator – the *Commissariat aux Bourses* - and the prudential supervision tasks of the *Banque Centrale du Luxemboug* and now is responsible for the surveillance of credit institutions, financial firms and stock exchanges.

The Vertical Model

The institutional supervision or vertical model, developed as response to the great crises of 1930s, follows the traditional segmentation of the financial markets in three basic sectors: banking, insurance, securities markets. As a whole, there are generally three authorities, each of those exercises all supervisory and regulatory powers in the area that is under its jurisdiction.

This vertical approach facilitates the practical implementation of supervisory powers, it avoids useless duplications of controls and can reduce regulatory costs; conversely, it is not able to ensure a stabilizing system of controls in a context characterized by a fast growth of financial conglomerates, progressive integration of financial markets, blurred borders of the financial sectors.

In Europe, Greece is the only example of pure application of the vertical model, with three authorities that have responsibilities over, respectively, the banking sector, the securities market and the insurance segment: the Central Bank, the Hellenic Capital Market Commission and the Directorate of Insurance Enterprises and Actuaries of the Ministry of Development, General Secretariat of Commerce.

The Supervision Division of the Bank of Greece supervise credit institutions, verifying the conformity with the rules of capital adequacy, liquidity, quality of assets and provisions. The Hellenic Capital Market Commission is a self-governing institution which acts under the jurisdiction of the Ministry of National Economy: it supports the stability of the capital market, it safeguards investors' interests and it enforces their confidence on a smooth functioning of the market. The Directorate of Insurance Enterprises and Actuaries has tasks and competences about the regulation of the insurance sector, focusing its attention on the solvency of the insurance companies.

Even if they present elements of supervision by objectives, the supervisory architecture of Spain and Portugal are based on the vertical model.

The Spanish supervisory system includes, as a whole, four institutions: the *Banco de España* (Bank of Spain), the *Comision Nacional del Mercado de Valores* (National Securities Market Commission), the *Dirección General de Seguros y Fondos de Pensiones* (General Insurance and Pension Funds Directorate) and the *Dirección General del Tesoro* (Directorate General Treasury). While the Bank of Spain supervises credit institutions; the *Comision Nacional del Mercado de Valores* is the authority in charge of the supervision of the capital markets and ensures their stability and transparency as well as investors' protection; whereas the *Dirección General de Seguros y Fondos de Pensiones* (General Insurance and Pension Funds Directorate) is a public institution within the Ministry of Economy responsible for supervising the insurance sector.

Currently, three authorities regulate also the financial system in Portugal: the *Banco de Portugal* (Central Bank of Portugal), the *Comissao do Mercado de Valores Mobiliarios* (Securities Market Commission) and the *Instituto de Seguros* de Portugal (Portuguese Insurance Institute). The recent establishment of the *National Council of Financial Supervisors* on September 2000 is going, however, in the direction of reacting to the development of the financial system and the need of cooperation among supervisory authorities.

The Functional Model

Italy is a peculiar case with regard to financial supervisory architecture since it is based on the institutional model, but mainly includes elements of the supervision by objectives, as well as other peculiarities. The vertical model at the basis of the Italian system provides that the *Banca d'Italia* (Bank of Italy) is responsible for the banking sector, *Isvap* (Insurance Commission) for the insurance segment and Consob (Securities Commission) for the securities markets. In addition, there is indeed a fouth authority, *Covip* (Pension Funds Commission) that supervise pension funds, and the *Autorità Garante della Concorrenza e del Mercato* (Antitrust Authority), even thought the antitrust supervision of credit institutions remains responsibility of the Central Bank of Italy. The institutional model has been implemented in the insurance and banking sectors while the functional approach characterises the supervision on securities markets (Consob ensures transparency and correctness of behaviours, while the Bank of Italy checks patrimonial stability and the controls risk) and the regulation of the capital markets (Consob provides for market transparency; the Central Bank has responsibilities on market stability). The Italian financial system is regulated by two basic legal provisions: the *Testo Unico Bancario* (Banking Law) and the *Testo Unico delle disposizioni in materia di intermediazione finanziaria* (Securities Law). There are two authorities that supervise and regulate the Italian banking sector: The Credit Committee and the Ministry of the Treasury. The first one is an inter-ministerial committee, presided by the Ministry of the Treasury, which enacts general and political directives; the Minister of Treasury, instead, issues ordinances.

The Bank includes a General assembly of participants, a superior council, which has administrative and advisory tasks and a Governor, appointed for life, who represents the Bank and has responsibilities for financial and credit supervision.

Independence and impartiality have always been considered as the basic values of the Bank of Italy, however recent scandals have mined the reputation of the Governor in charge, as well as the image of the Bank itself. In these days, furthermore, we assist at open conflicts between the Italian government and the Bank, raising old problems, not only about autonomy and independence of the central bank, but also of its accountability. This is also due to the fact that the

Bank of Italy, from a legal point of view, is a private company which shareholders are the same banks that the central bank has to supervise. In other words, the supervisor is owned by the supervised banks. This anomaly can cause conflicts of interests, worsening the trade-off that sometimes can exist between the objective of competition and the one of stability.
With regard to the supervision of securities markets, it should be highlighted the contemporaneous presence of multiple authorities in charge of pursuing different objectives. The Consob has not responsibilities about the access in the securities market but it has an exclusive vigilance on the investors' protection and on the transparency and efficiency of the financial market, with particular attention to the correctness of behaviour of market participants and the spread of information. The Commission is provided with partial financial independence[5] and functional autonomy. It performs normative, supervisory and administrative functions: issue regulations (about insider trading, controls on investment firms and regulated markets); enacts resolutions, communications and recommendations; supervise the compliance of market participants with laws and other legal acts in order to ensure an adequate spread of information and the observance of behaviour codes. Not only Italy, but also France is an example of an hybrid supervisory system, in which elements of the institutional and functional models overlap.
The legislative framework on which the French supervisory system is based is composed by few fundamental acts: the Securities and Exchange Ordinance of 1967, that established the *Commission des Opérations de Bourse* (COB), the first Stock Exchange Commission in Europe; the French Banking Act 84-46 ("Act on the activity and supervision of credit institutions") of 1984 and the Statute of the Bank of France of 1993, as well as the Insurance Code that regulates the activity of the *Commission De Controle des Assurances des Mutuelles et des Institutions de Prevoyance* (Insurance Commission).
The Banking Act established three supervisors: the *Comité de la réglementation bancaire* (Banking Regulatory Committee); the *Comité des établissements de crédit* (Credit Institutions Committee); and the *Commission bancaire* (Banking Commission). In 1996, however, the Financial Activity Modernization Act 96-

[5] The main financial sources for the activity of the Authority are the State budget and the fees that market participants pay out for the services offered.

597, transposed the European Investment Services Directive into the French legislative system, amending the Banking Act. The Modernization Act extended the jurisdiction of the above-mentioned supervisory authorities and of the *Conseil National du Crédit* (National Credit Council) to cover all investment service providers, i.e. not only credit institutions but also investment firms. The names of the first two bodies were modified accordingly to the new and broader range of activity in: *Comité de la réglementation bancaire et financière* - CRBF (Banking and Financial Regulatory Committee) and *Comité des établissements de crédit et des entreprises d'investissement* – CECEI (Credit Institutions and Investment Firms Committee).

While the CRBF is the in charge of issuing the general regulation regarding credit institutions and investment firms with a wide variety of powers, the CECEI has the responsibility for decisions such as authorisations for new institutions or for major changes in the conditions needed for the authorisation. The Banking Commission, instead, supervise investment firms and credit institutions, checking for any violations of the basic regulations in place.

In November 2003, there has been a structural change in the French securities markets supervisory system. Until that date, there were two securities market regulators and supervisors: the *Conseil des Marchés Financiers* (CMF) and the *Commission des Opérations de Bourse* (COB). Now, in France, there is a single authority supervising the securities markets, the *Autorité des Marches Financiers* (AMF) in which the previous two authorities have merged together with the *Conseil de Discipline de la Gestion Financière*. The reorganisation of the regulatory authorities has taken place to make the French supervisory system more efficient and transparent, with the aims to safeguard investments in financial instruments; to ensure information disclosure and maintain the correct functioning of securities markets. The AMF is organised as an independent public authority with legal personality. It comprises two separate bodies: a managing board and a sanctions committee. In sum, while the insurance sector is supervised following the vertical approach, different authorities share the responsibility for the securities and banking segments: prudential supervision is assigned to the Banking Commission, the task of licensing is given to the CECEI, while the Ministry of Economy and the CRBF set general regulations and the AMF supervise securities markets.

A more simple supervisory system is the one of the Netherlands that is also an example of shift from the institutional to the functional model of supervision. Formerly, the supervision system on insurance and banking sectors was industry based: the *Nederlandsche Bank* mainly supervised credit institutions while the *Pensioen & Verzekeringskamer* (Insurance Supervisory Authority) supervised pension funds and insurance companies. On 30th October 2004, the Central Bank and the Pension and Insurance Supervisory Authority of the Netherlands merged into a single supervisory authority. The supervision on securities market, instead, has been attributed to the *Netherlands Authority for the Financial Markets* since 1 March 2002. Therefore, if in the past supervision had been focused on different segments of the financial sector, nowadays it is along functional lines: the Central Bank and the Insurance Supervisory Authority are responsible for ensuring prudential supervision, while the Authority for Financial Markets performs conduct of business supervision.

Conclusion

As we have shown, the EU member States have chosen quite different models for supervising their financial systems.[6]

In this paper, we have described the three principal theoretical supervisory models proposed in the literature: vertical, horizontal, centralised. In practice, however, it is difficult to find a pure application of these models, while the actual supervisory systems are the result of the different legal frameworks of the member States and of the way in which their financial systems developed. Moreover, although the Lamfalussy Report can be considered an important step towards a more integrated financial supervisory system at the European level, the supervisory arrangements are still very different among member States. This

[6] In every European State the adoption of a particular model for the regulation and supervision of financial markets has always been influenced by the evolution of the national financial systems and also by the characteristics of the legislative apparatus. While at national level, the States have issued many measures to guarantee an appropriate supervision on their financial markets, at community level there isn't yet a unique law that defines the adoption of a single supervision model. Consequently, the current structure of the national control systems is strongly heterogeneous, diversified and characterized by the presence of different regulation models. In particular, it is true in the field of financial supervision where every State has an Authority for every surveillance line; on the contrary, there is a good level of integration in the field of regulation, thanks to the role that the European Directives have played.

work provides an analysis of the different systems of financial supervision in Europe: showing how the differences that still exist among their systems make it more difficult to achieve a real European integration in financial supervision.
Our main result is that the supervisory systems are still too different. Therefore, if one would think to construct a supervisory framework at the EU level it will be forced to cope with this fragmentation.

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Appendix

Table 1. Supervision in Banking, Securities and Insurance in the EU: the Authorities

COUNTRY	BANKS	SECURITIES	INSURANCE
AUSTRIA	FMA (Austrian Financial Market Authority)	FMA (Austrian Financial Market Authority)	FMA (Austrian Financial Market Authority)
BELGIUM	CBFA (*Banking, Finance and Insurance Commission)*	CBFA (*Banking, Finance and Insurance Commission)*	CBFA (*Banking, Finance and Insurance Commission)*
DENMARK	*Finanstilsynet* (Danish Financial Supervisory Authority)	*Finanstilsynet* (Danish Financial Supervisory Authority)	*Finanstilsynet* (Danish Financial Supervisory Authority)
FINLAND	Financial Supervision Authority	Financial Supervision Authority	Insurance Supervision Authority
FRANCE	CRBF *Comité de la réglementation bancaire et financière.* CECEI *Comité des établissements de crédit et des entreprises d'investissement* (Credit Institutions and Investment firms Committee). CB *Commission Bancaire.*	AMF *Autorité des Marchés Financiers* (has substituted the COB *Commission des Opérations de Bourse*; the CMF *Conseil des Marchés Financiers*, and the CDGF *Conseil de Discipline de la Gestion Financière.*	*Commission de Contrôle des Assurances. Ministère de l'Economie* (Insurance Regulation Commission).
GERMANY	*Bundesanstalt für Finanzdienstleistungsaufsicht* or BAFin (Federal Financial Services Supervisory Authority)	*Bundesanstalt für Finanzdienstleistungsaufsicht* or BAFin (Federal Financial Services Supervisory Authority)	*Bundesanstalt für Finanzdienstleistungsaufsicht* or BAFin (Federal Financial Services Supervisory Authority)
GREECE	Banking Supervision Division - Bank of Greece	Hellenic Capital Market Commission	Ministry of Development, General Secretariat of Commerce
IRELAND	IFSRA (Irish Financial Services Regulatory Authority)	IFSRA (Irish Financial Services Regulatory Authority)	IFSRA (Irish Financial Services Regulatory Authority)
ITALY	*Banca d'Italia* (Bank of Italy)	Consob *Commissione Nazionale per le Società e la Borsa*	Isvap *Istituto per la Vigilanza sulle Assicurazioni Private e di interesse collettivo*
LUXEMBOURG	*Commission de Surveillance du Secteur Financier* (CSSF)	*Commission de Surveillance du Secteur Financier* (CSSF)	*Commissariat aux Assurances*
NETHERLANDS	*De Nederlandsche Bank NV*	*Autoriteit Financiele Markten*	*De Nederlandsche Bank NV*
PORTUGAL	*Banco de Portugal*	CMVM *Comissao do Mercado de Valores Mobiliarios* (Securities Market Commission)	*Instituto de Seguros de Portugal* (Portuguese Insurance Institute)
SWEDEN	Swedish Financial Supervisory Authority (*Finansinspektionen*)	Swedish Financial Supervisory Authority (*Finansinspektionen*)	Swedish Financial Supervisory Authority (*Finansinspektionen*)
SPAIN	*Banco de España*	CNMV *Comisiòn Nacional del Mercado de Valores*	General Directorate of Insurance and Pension Funds
UNITED KINGDOM	FSA Financial Services Authority	FSA Financial Services Authority	FSA Financial Services Authority

Source: our elaboration of information from documents and websites of various supervisors

Table 2. Supervision in Banking, Securities and Insurance in the EU: the Models

Country	Banking	Securities	Insurance
Austria	SS	SS	SS
Belgium	SS	SS	SS
Denmark	SS	SS	SS
Finland	BS	BS	I
France	B, CB	S	I
Germany	SS	SS	SS
Greece	CB	S	G
Ireland	SS	SS	SS
Italy	CB	S	I
Luxemburg	BS	BS	I
Netherlands	CB	S	CB
Portugal	CB	S	I
Spain	CB	S	I
Sweden	SS	SS	SS
United Kingdom	SS	SS	SS

Legenda: CB: Central Bank; BS: banking and securities supervisor; B: banking supervisor; S: securities supervisor; I: insurance supervisor; G: government department; SS: Single Supervisor.
Source: our elaboration of information from documents and websites of the main supervisory authorities. See also Lannoo (2000) and Di Giorgio and Di Noia (2005).