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Answer given by Ms Albuquerque
on behalf of the European Commission
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As announced in the Communication on the Savings and Investments Union¹, the Commission will publish in summer 2026 a report on the competitiveness of the banking sector in the Single Market. A competitive European banking sector is essential to finance Europe's households, companies and strategic priorities.

The EU banking sector is resilient and profitable. The main challenge is the fragmentation of the Single Market, including: a lack of scale, limited cross-border consolidation, national barriers and discretions, non-prudential barriers, complexities in the capital stack and an incomplete Banking Union. Banks can be competitive and contribute to the competitiveness of the EU economy only if they do business in a financially stable, well integrated, broad and deep banking market.

The report is an opportunity for the Commission to develop a holistic and evidence-based assessment of what is preventing a true Single Market in banking, and, subsequently, to propose an ambitious and forward-looking banking reform agenda that simplifies the framework and caters for the needs of European markets and players. The report will look widely and openly at a broad range of issues, covering the causes of the fragmentation in the single market, the sources of regulatory and supervisory complexity, the notion of proportionality and the identification of undue reporting burdens.

To inform the report, the Commission launched a consultation that ran until 19 April 2026² and organised several outreach events for a diverse group of stakeholders, including industry, analysts, academics, or industry and consumers associations.

¹ COM/2025/124 final.

² https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-competitiveness-eu-banking-sector-2026_en.