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THE ROLE OF STATE AID CONTROL IN IMPROVING BANK RESOLUTION IN EUROPE

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Highlights

State aid control is a key element of the EU's financial stability framework. It ensures that state aid is granted in accordance with the rules of the Treaty on the Functioning of the European Union (TFEU) and that it does not distort competition in the internal market. In the context of bank resolution, state aid control plays a crucial role in ensuring that the resolution process is fair and efficient, and that the costs of resolution are borne by the relevant stakeholders.

The authors discuss the challenges faced by state aid control in the context of bank resolution, and propose a number of measures to improve the effectiveness of state aid control in this area. These measures include strengthening the powers of the Commission, improving the coordination between the Commission and the resolution authorities, and enhancing the transparency of the resolution process.

The authors also discuss the implications of the proposed measures for the EU's financial stability framework, and conclude that state aid control is a key element of this framework, and that the proposed measures will help to improve its effectiveness in the context of bank resolution.

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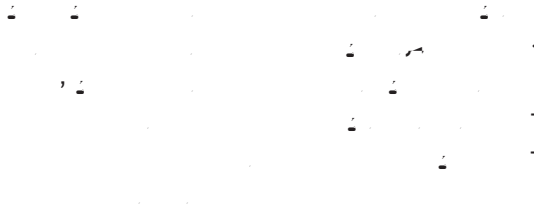
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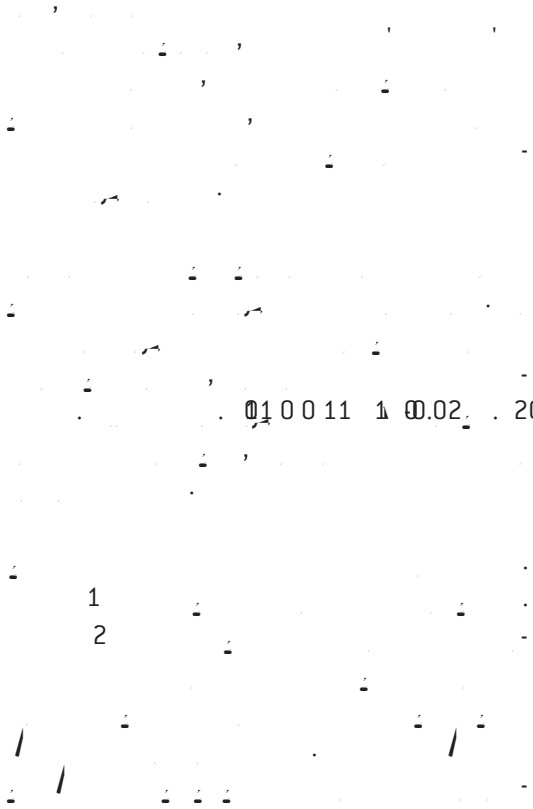


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THE EUROPEAN UNION'S STATE AID DISCIPLINE





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3 BUILDING ON EUROPE'S STRENGTHS

The role of the European Commission in the recent banking crisis

