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### Safeguarding the EU financial, banking and monetary sovereignty

Thank you very much for your invitation. I truly appreciate it. I once learned from Jamie Galbraith that it's best to begin a speech with a joke — but given the current context, that proves rather difficult. We are facing an unprecedented situation. For the first time in our shared history, the United States can no longer be regarded as a reliable ally. Donald Trump is calling into question the very foundations of the American system: democracy, security, and trust in its economy and currency. It is a sobering reality for all of us — but one we must face. As European leaders, we are called upon to act with courage and resolve to safeguard our democracy, our economy, and our financial independence. We will do whatever is necessary to protect European citizens in these uncertain and challenging times.

In the face of a trade war and erratic political decisions that are destabilising our economies, we are responding with strength, unity, and proportionality. We remain calm, focused, and refuse to give in to the false promises of economic and financial populism — which often paints a picture of a brighter future, but ultimately leaves behind little more than ruin.

The good news is that Europe possesses considerable strengths. Among them is the size and consistency of our internal market, which serves as a powerful tool for negotiation or retaliation. Major American tech firms cannot survive without access to the European market. More importantly, we are a union of democracies governed by the rule of law. Our regulations not only protect our

citizens, but also our businesses — and we will continue to uphold them. In today's context, there is no need to explain why such respect for rules and stability is essential to inspire confidence among individuals and investors. Trust is vital when it comes to long-term investment.

Since we are gathered here today at Eurofi, allow me to share a few thoughts on our financial sovereignty. It rests on three essential pillars: our savings, our banking system, and our currency. First, in terms of savings, this is both one of Europe's greatest strengths and, paradoxically, a vulnerability we must address — especially if we are to make major investments in rearming Europe and supporting strategic industries, in particular the green transition and the creation of digital champions.

Meeting these challenges will require public investment in key sectors, particularly those most at risk. However, private capital must also play a role. There are substantial resources available, which could be harnessed by mobilising and leveraging European savings. Every year, nearly €300 billion is invested outside the EU, mostly in the United States. It is no longer acceptable to allow such capital to drain away while the Trump administration actively seeks to undermine our industries and businesses.

Channelling European savings back into the European economy is a matter of economic and political sovereignty. The Savings and Investment Union — now supported by all political groups in the European Parliament — aims to meet this need. But we must go further

and adopt policies that make Europe the most attractive destination for private investment. This includes the creation of new European financial instruments, which must take into account not only social considerations, but also the geographical allocation of investment.

We must also reduce the cost of investing in Europe by achieving economies of scale and better integrating our financial infrastructure. While tax harmonisation and insolvency reform are worthwhile long-term goals, we need immediate, pragmatic solutions. Urgent action is required to make the European Union as appealing as the United States, particularly by simplifying and harmonising the rules governing access to our markets.

The second pillar of our sovereignty lies in the resilience and stability of our banking system. This system is our first line of defence against external shocks. But stability must never be taken for granted — especially in times of geopolitical turbulence and economic uncertainty. Over the past decade, European banks have proven remarkably resilient. Many of you here have strengthened your capital bases, adapted to stricter regulations, and helped preserve financial stability. Yet we remain vulnerable to unforeseen events. Let us remember Minsky's paradox of tranquillity — it is during times of calm that crises often emerge.

Faced with growing instability fuelled by the US administration, we must continue reinforcing our banking and financial systems without compromising on regulatory and prudential requirements. Completing

the Banking Union is essential. Fully implementing the Basel III standards will help reduce the likelihood of bank failures and ensure that, should a failure occur, it does not jeopardise the broader financial system.

What some may view as a short-term burden is in fact an investment in long-term stability and resilience. I often hear calls for deregulation or a level playing field with the US. But I must ask: what kind of level playing field are we speaking of, when the Trump administration changes its stance from hour to hour? Deregulation is not the answer — simplification is. Deregulation does not foster growth; it paves the way for crises and recessions.

Along the same lines, I must reiterate my concerns regarding crypto-assets and stablecoins. While the EU has acted to regulate what was essentially a Wild West, we must maintain our vigilance and guard against the risks and abuses that persist in this sector. The Markets in Crypto-Assets (MiCA) framework is not open to interpretation. This is not just a financial stability issue; it is a matter of monetary sovereignty. The US administration views these instruments as Trojan horses, intended to undermine the euro on European soil.

These developments pose a direct challenge to our sovereignty. We must therefore offer a credible, stable, and democratic alternative. At the heart of that alternative lies our currency — the euro. Yet in too many areas, we remain dependent on American firms, infrastructure, technology, and networks. Some question the need for a digital euro. I understand the concerns voiced by parts of the business community and some citizens — they are legitimate.

But frankly, some arguments are hard to grasp and should not be entertained. The European Central Bank has weathered many storms in the past and has consistently fulfilled its mandate of maintaining price stability. Now is not the time to doubt the independence and credibility of such an essential institution. The reality is that digital payments — through cards and mobile devices — have, for the first time, overtaken cash as the primary method of payment.

As digital transactions increase

and the use of cash declines, we risk disrupting the delicate balance between commercial and central bank money — a balance that underpins our monetary system. Let me be clear: no one is proposing the elimination of cash. We are simply acknowledging reality. When we speak of the balance between private and public money, we are not calling for the exclusion of the private sector. The digital euro is not intended as a threat to private banks. Quite the contrary — their participation is crucial to its success.

We need your engagement in this decisive moment. We welcome recent initiatives by private actors, which must be acknowledged — but there is still a long way to go. Integrating the digital euro into a broader European effort is essential for building a sovereign, innovative, and resilient financial system. It is time to mobilise and ensure the success of this project. It is time to break free from the misinformation surrounding it. The digital euro is simply digital cash. It is not a vehicle for eliminating cash. It is not a surveillance tool for the ECB. We are not a Big Brother society. We are a union of robust markets, sound money, and forward-looking innovation.

Because ultimately, innovation, regulation, and financial stability are not ends in themselves — they are instruments for a higher purpose: preserving our sovereignty and upholding our shared values. These include our collective ability to respond to the challenges that threaten our peace and our future.

Finally, we must also address the financing of our borders and defence. Initiatives such as Readiness 2030 and the Security Action for Europe (SAFE) are crucial. But with €650 billion of the expected €800 billion coming from national budgets, our approach remains incomplete. For highly indebted countries, relying on the escape clause of the Stability and Growth Pact is not a viable solution — it does nothing to alter the fundamentals of their public finances. Moreover, allowing each Member State to invest according to its means risks exacerbating existing divisions in defence capabilities across Europe.

We must therefore act and identify European-level mechanisms

to finance our defence. The most effective and rapid option would be to activate the European Stability Mechanism. This would allow for swift access to funding — delivering billions of euros without worsening the fiscal positions of already heavily indebted Member States. And I say this as a Frenchwoman, fully aware of what that means.

Let me end on a more political note. Across the Atlantic, many — both those facing hardship and the affluent — placed their hopes in Donald Trump. Some believed he would be good for business, that he would lower their taxes, or that he wouldn't actually carry out his programme. Some even thought of him as a modern-day Margaret Thatcher. Now, many of them are losing money — and many are fearful.

As European leaders, we are acting swiftly and decisively to ensure a strong and united EU response. But you — the economic and financial actors of Europe — also have a role to play. Now more than ever, we need a form of economic patriotism. Now is the time to invest in the European economy, and to stand on the right side of history. To invest in an economy and a political union that can be trusted.

There may be no “liberation day” in Europe — but what we can offer are decades of stability, productivity, and mutual respect. That may sound dull to some. But those who have experimented with populism are now losing money — and not enjoying themselves. They forgot a simple truth: political stability, the rule of law, and trust are key to sound investment. If you are looking for a safe harbour, remember this — stability is beautiful, democracy is beautiful, and Europe is beautiful.

Europe is even more beautiful under a Polish Presidency — and that is how I would like to close. It has been a true pleasure to have the Polish Presidency guiding us through these difficult times. We have seen dedicated leadership, and I would especially like to thank Minister Andrzej Domański and Jurand Drop for their personal commitment to advancing the EU agenda and placing financial issues in a broader context. Thank you — and I invite everyone to applaud their efforts.