



MEDIA ALERT

Launch of latest Bruegel Policy Contribution

Rating agencies: an information privilege whose time has passed

By Nicolas Véron

BRUSSELS, 11 FEBRUARY- Bruegel launched a new Policy Contribution on "**Rating agencies: an information privilege whose time has passed**" by **Nicolas Véron**.

In this new policy contribution, **Véron** looks at the role of the credit ratings and rating agencies during the financial crisis. His conclusions:

- With hindsight, the collective **trust placed on rating agencies' judgment before the crisis was excessive**. This has consequences not only for structured products but for ratings agencies more generally.
- There is no quick fix, but the solution will lie in **making the market in financial risk assessment services less distorted** and more open to new entrants. For this, authorities should **remove the rating agencies' current privileged access to nonpublic information; eliminate explicit reference to ratings in financial regulation;** and require **more public disclosure** from issuers.
- The **EU regulatory framework** currently under discussion should avoid entrenching current rating agencies' market positions, ensure their continued independence from political influence, and preserve the global financial system's openness.

This policy contribution was initially prepared as a briefing paper for the European Parliament's ECON committee, and is published with the European Parliament's authorisation.

To download the Policy Contribution, free of charge, please click **here**.

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