Maria Asenius, Jon Nyman, partook in a meeting with Ralph Lerch, Sebastien de Brouer and Blažej Blasikiewicz from the European Banking Federation (EBF).

Overall, a useful meeting where EBF expressed their views on conditions related to the provision of export credits in the EU and shared their concerns related to the lack of clarity on how to implement financial sanctions against Russia. COM reassured that the EU position in TTIP has not changed.

Details:

Export credits

- EBF welcomed the result of the Commission’s Communication on Long Term Financing. In particular, they supported the objective that ECA in various member states should not compete against each other. The EU system should be made more coherent. At the same time, EBF stressed that in the EU export credits are financed mainly by private banks. In their view this point was not sufficiently reflected in the Communication.

- EBF stressed that the EU has a large market share in export credits, but the competition from third countries is fierce. This is reinforced by the fact that other countries provide public funding (BRZ, CHN) and may not be constrained by OECD rules. Therefore, export credit needs to continue being supported in the EU.

- According to EBF, export credits have a low risk profile, but under the latest Basel rules and the EU’s Capital Requirements Regulation, export credits are treated like all other transactions. This leads to higher costs and some implementation difficulties (e.g. Art 194.1 of CRR requires a legal opinion from all countries where export credits are provided).

- COM explained the context in which the new bank rules were adopted and suggested further exchanges on this subject also with DG FISMA.
• In response to concerns raised by EBF, COM provided reassurances that the EU position on regulatory cooperation has not changed. Discussions on the subject are ongoing, however FS was not raised in the last round.

• EBF is planning a set of meeting in March with the USTR, Treasury and US Congress. The EU suggested that the industry provides reassurances that it is not their intention to undermine the US legislation or to constrain the prerogatives of regulators.

Sanctions

• EBF suggested that the Commission should be regularly engaging with the FS industry to explain how the sanction regime should be implemented.

• EBF suggested also that TRADE participates in their meeting on financial sanctions with FPI, FISMA taking place this Friday [colleagues from unit E2 agreed kindly to be present]