

## Press release

### **Banks reiterate support to Banking Union**

In view of the Ecofin meeting held today and tomorrow in Vilnius, the European Banking Federation (EBF) reiterates its support to the Banking Union and stresses that the project should aim first and foremost at an efficient structure of financial services, in a stable environment.

“It looks like the importance of maintaining the banks’ capacity to finance the economy is more and more taken into consideration in the discussions, and we welcome that; it is indeed crucial” explained Guido Ravoet, Chief Executive of the EBF.

Despite the crisis, banks have continued to finance the economy, regardless of more and more stringent constraints on capital and functioning. They have substantially increased their financing of governments, and have also constantly built up their support to households. “We must not forget that in Europe, banks finance 75% of households and businesses, as opposed to 25% in the United States. Banks must therefore be in a position to keep doing so” explained Ravoet.

The EBF stresses that it needs to rely on the traditional European structure of universal banking in order to keep supporting the economy. “We cannot support the Liikanen proposals to ring-fence the activities of the banking sector” stressed Ravoet. “Universal banks are best placed to keep supporting their customer-oriented activities and meet the needs of families and enterprises.”