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CRD IV: Single Rulebook

Dear Commissioners,

We understand that there is a lively debate amongst Member States about the choice of a legal vehicle for the forthcoming transposition of the Basel III framework in the Capital Requirements Directive.

The European Banking Federation strongly welcomes the European Commission's intention to opt for a Regulation with the view of achieving a Single Rulebook. We have informed your services at several occasions in the past that it is essential for a Single Market in financial services to promote the emergence of a Single Rulebook to ensure the creation of a level playing field amongst institutions and reduce the administrative burden incumbent on institutions that provide financial services on a cross-border basis. Experience gained in the past has amply demonstrated that the lack of a sufficiently converging regulatory framework for banks results in national markets remaining segmented and, therefore, creating a basic obstacle to achieving a Single Market in financial services.

Maintaining the possibility of individual Member States to "goldplate" Basel III requirements would, moreover, weaken the standing of the EU at international fora as it will prevent or restrict EU Member States speaking with a single voice at negotiations to be held at a global level in the

future. Furthermore, the competitiveness of the EU banking industry and of the EU economy at a global level would also suffer if such an approach were to be adopted. Finally, neither financial stability nor investor confidence within the EU will be served by the complexity resulting from the possible co-existence of 27 differing regulatory frameworks applicable to banks.

Against this backdrop, we urge the EU Commission to resist any attempt from Member States to be allowed to set varying prudential standards at a national level, including timelines, other than those on which the EU institutions will agree.



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