

Brussels, 18. 12. 2018
Ares (2016) 5304410

Honourable Member of the European Parliament, dear Mr Giegold,

Dear Sven,

Thank you for your letter dated 19 November 2018 drawing my attention to the recent financial transaction involving Banca Carige and the voluntary arm of the Italian Interbank Deposit Guarantee Fund ("Fondo Interbancario di Tutela dei Depositi" or FITD) to which financial institutions can make voluntary payment in addition to their mandatory contributions under EU law.

Private interventions financed by voluntary arms of deposit guarantee schemes fall outside the scope of EU State aid rules, provided that the private shareholders take such decisions autonomously, without steering from the State, and in compliance with relevant legal requirements. This is because, under EU case law, when the State has no control over the funds that financial institutions contributed on a voluntary basis and the decision to engage in a financial transaction cannot be attributed to the government, these interventions are not considered to be State aid.

In the present case of Banca Carige, it appears that these two conditions are fulfilled. For a similar reasoning, past interventions by the private voluntary fund ("Einlagensicherungsfonds") of the German private banks in favour of Düsseldorfer Hypothekenbank in 2015¹ and the intervention of an association of Danish banks ("Det Private Beredskab") in favour of Roskilde Bank in 2008² can also be considered to be free of aid.

It is a different matter if the mandatory arm of a deposit guarantee scheme intervenes beyond its pay-out function to depositors, which would involve funds under control by the State and can therefore involve State aid. This was the case for the interventions by the mandatory arm of the FITD for Banca Tercas and Banca Romagna Cooperativa in 2014/2015.

In monitoring such transactions, the Commission will continue to remain vigilant in ensuring Member States comply with EU State aid rules when dealing with their financial institutions in difficulty.

Yours sincerely,

Mr Giegold
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Best wishes for the New Year!

¹, ² Parliamentary Questions for written answer to the Commission, Rule 130 - E-004311-16;
http://www.europarl.europa.eu/doceo/document/E-8-2016-004311_EN.html