

## **Mandate for the Group of Experts in Banking Issues (GEBI)**

In order to ensure direct communication between the banking industry, consumers and the European Commission, a Group of Experts in Banking Issues (GEBI) will be set up with the following mandate:

### **1. To give advice and opinions on the policies and possible legislative measures of the EC in the field of banking (including capital requirements, supervision, conglomerates, bank accounting, crisis management and deposit guarantee schemes).**

A stable financial sector is a prerequisite for building a sustainable and competitive social economy. As a response to the financial crisis, the Commission has already presented legislative proposals to improve protection for bank depositors, make credit ratings more reliable, get the incentives right in securitisation markets, reinforce the solidity and supervision of banks, reduce risks of large exposures, better manage liquidity risk and influence remuneration policies.

In 2010, the Commission plans to propose amendments to the banking legislation concerning the definition of capital, liquidity standards, countercyclical capital buffers, through the cycle provisioning for loans, the removal of national options and discretions. Work is also underway on the arrangements for deposit guarantee schemes, financial conglomerates and crisis management.

The group, chaired by the Commission, will advise on policies and possible legislative proposals concerning banking regulation and will publish its working papers, opinions and reports, and minutes of its meetings on a dedicated page on the Commission website. When carrying out its work, the group will take into account both the European and global economic environment, market trends, consumers' needs and the competitiveness of the EU banking markets. The group will help to build awareness of the relevance of the project for the success of the EU financial market and for the attainment of the objectives incorporated in the Lisbon agenda.

### **2. To provide information forecasts and analysis concerning the possible impact of banking policies and possible legislative proposals on various stakeholders.**

Impact assessments are designed to help in structuring and developing policies. By testing the need for intervention at the EU level and by examining the potential impact of a range of policy options, this process should help to improve and simplify the regulatory environment. In order to identify the main options for achieving the relevant objectives and to analyse their likely impact on market participants, consumers and other stakeholders, the Commission needs to carry out extensive examination based on accurate and representative information.

The group will provide the Commission with data, figures, estimates and forecasts that will help with assessing the impact of EC policies and proposals. The range of different interests represented in the group will ensure a better understanding of the likely impact of the policies under consideration on the banking industry and particular segments differentiated by size, business model and geographical location. The consumer participation in the group will help to better identify the likely impact of possible policies on retail customers and small and medium sized businesses.

In fulfilling its mandate, the group is also expected to carry out the following tasks:

- The group will act as an *interface* between the private and public-sector bodies involved in developing banking regulation in the EU;
- The group may also *adopt* papers and reports.
- The group will *set-up* and *liaise* with specialised expert sub-groups if needed;
- Finally, the group will also need to *liaise* with international bodies to ensure the consistency of initiatives in the EU with those developed at international level.