



EUROPEAN COMMISSION

Brussels, 21.V.2012
C(2012) 3159 final

Dear President,

The Commission would like to thank the Folketing for its Opinion on the proposals for a regulation and a directive on prudential requirements for credit institutions and investment firms {COM(2011) 452 final and COM(2011) 453 final respectively}.

As regards the proposed approach to future liquidity standards, the Commission takes note of the Folketing's view that rules on liquidity should be decided by the Council and the European Parliament and not by the Commission via a delegated act. However, the Commission believes that the greater responsiveness afforded by the use of a delegated act is necessary to ensure that Europe abides by the applicable international standards – which as you know will be evolving - in a timely manner. Furthermore, the powers granted to the Commission in this respect are carefully framed.

As regards capital requirements and more particularly the recognition of capital of savings and cooperatives banks as appropriate, the Commission's approach to defining eligible capital – based on the respect of a certain number of well defined criteria – intends to combine both the need for a certain degree of flexibility and the need to ensure that eligible capital is capable of absorbing losses.

I hope these explanations serve to address the concerns raised in your opinion and look forward to continuing the political dialogue with the Folketing in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*

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