

**Question for written answer E-001675/2016  
to the Commission**  
Rule 130  
**Morten Messerschmidt (ECR)**

Subject: EU regulation of Danish mortgages

On 21 December 2015 Danish news agency Ritzau published a report entitled 'Researchers: Incorrect EU rules mean higher interest rates for property owners', focusing on new research by Copenhagen Business School (CBS) that shows that EU rules have been incorrectly applied to Danish mortgages. Reference is made to the EU's 'Liquidity Coverage Requirement' (LCR), under which Danish mortgage bonds have been divided into three groups according to volume. Only the largest bond series have been categorised as highly liquid and have as a result been handled with a lighter touch under the LCR rules. This differentiation has led to interest rate rises on bonds in smaller series. CBS's research has, however, shown that small series are at least as liquid as large ones. Prof. Jesper Rangvid of CBS supports the conclusions and has called for the rules to be changed.

What is the Commission's assessment of the aforementioned research?

In the Commission's view, what impact should this new information have on the LCR rules?