Question for written answer Z-038/2018
to the Chair of the Single Supervisory Mechanism Board
Rule 131a
Mario Borghezio (ENF)

Subject: Impact of new loan rules on SMEs

Under the new loan rules issued by the ECB, banks are required to clear any bad unsecured loans within 2 years and bad mortgage loans and other collateralised loans within 7 years.

According to Bankitalia, this change may cause banks to tend towards liquidation options for debtor enterprises that are temporarily in difficulty but remain solvent, so as to fall back on guarantees at the earliest opportunity, while the ABI Italian Banking Association takes the view that the more rigid the EU rules are, the more those who must apply them will set requirements that will impact on enterprises in general and especially on SMEs.

Has the ECB weighed up the consequences of this tightening of the rules on bank loans, especially in Member States with a high proportion of SMEs, which are set to see a 20% increase in the cost of financing bank loans?