Question for written answer E-005495/2011
to the Commission
Rule 117
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Subject: Recognition of the unique status of ethical banks in the EU

In focusing their investment strategy on financing projects with specifically social, cultural or environmental goals, European ethical banks have for many years favoured a sustainable and transparent approach to banking. Their business model, based on accepting only deposits and granting only loans which support the real economy, has proved to be both profitable and resistant to systemic shocks: since the financial crisis erupted in 2007, no ethical bank has had to embark on a recapitalisation plan as a result of the crisis, nor has any sought government guarantees from EU Member States. Many of them have even recorded a sharp increase in the number of requests to open an account, which is evidence of the ever greater trust that savers are coming to place in ethical finance and its objectives.

The current success of ethical banks therefore provides further proof of the need not just to incorporate binding social and environmental standards into prudential legislation, but also to promote public policies aimed at supporting the spread of the management model on which ethical banks are based.

In view of the Commission's commitment to fighting poverty and promoting social inclusion, and given Parliament's support for ethical finance and that expressed by the President of the European Council, Herman Van Rompuy, at the FEBEA (European Federation of Ethical and Alternative Banks) conference (message of 29 November 2010, FEBEA, 'Active Europe' conference, organised by the EESC in Brussels):

1. Does the Commission intend to draw up specific legislation for ethical banks in order to give due recognition to the crucial role they play in society?

2. What proposals is the Commission planning to put forward to encourage the development of ethical banks? Should consideration be given to fiscal incentives and government guarantees?

3. Does the Commission intend to incorporate sustainability criteria in the calculations of credit risk and risk to the banking sector? More specifically, does the Commission intend to tighten risk assessment criteria for loans granted to non-sustainable projects and for investments which are incompatible with the principles of sustainable development?