

**Question for oral answer O-000037/2016
to the Commission**

Rule 128

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on behalf of the PPE Group

Roberto Gualtieri

Subject: Foreign currency loans

As guardian of the European Treaties, the Commission is responsible for ensuring that EU law is correctly applied. The initiation and adoption in some Member States of measures that oblige financial institutions to retrospectively convert foreign currency loans into local currency loans require an assessment as to whether these measures are compatible with the general principles of EU law. Directive 98/34/EC, newly codified in Directive (EU) 2015/1535, obliges Member States to communicate to the Commission immediately any draft regulation which does not relate to the transposition of adopted EU law or international law. The possibility for the Commission to comment on, and propose amendments to, any notified draft regulation is intended to foster the smooth functioning of the internal market and lessen adverse effects on the free movement of services and capital.

1. Has the Commission been informed of any national draft regulations that result in a requirement for the retrospective conversion of foreign currency loans? If so, which were the regulations concerned? Did the Commission make use of the possibility for it to comment on the draft regulations and to propose amendments?
2. How, in the Commission's view, can a retrospective national requirement for loan conversions at a non-market exchange rate be in line with general principles of EU law such as the freedom of capital movement and the freedom of establishment? How does the Commission evaluate the implementation of Directive 2014/17/EU, which does allow additional national regulations on foreign currency loans but clearly states that those national regulations cannot be applied with retrospective effect?
3. Does the Commission agree that national requirements for the retrospective conversion of loans at a non-market exchange rate carry a substantial risk that investors' confidence in the internal market will be harmed, in particular given that the legal certainty of investments is negatively affected? What guidance measures does the Commission plan to take to prevent such risks resulting from pending legal measures by Member States?
4. What conclusions does the Commission draw from the European Court of Justice ruling on Case C-312/14, which states that certain foreign currency transactions relating to loan agreements are not yet covered by EU legislation?

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Deadline for reply: 10.3.2016