

**Question for written answer E-004642/2017
to the Commission**

Rule 130

**Ramon Tremosa i Balcells (ALDE), Cora van Nieuwenhuizen (ALDE), Thierry Cornillet (ALDE),
Nils Torvalds (ALDE) and Michael Theurer (ALDE)**

Subject: Credibility of EU bank bail-in rules

The Commission has approved EUR 16.785 billion in state aid to Banca Popolare di Vicenza and Veneto Banca under Italian insolvency laws. Initially, the Italian authorities had made a request for precautionary recapitalisation under EU law arguing that state aid was necessary to preserve financial stability. This request was based on the ECB assessment that the two banks were solvent. On 23 June 2017 the ECB stated that the banks were failing or likely to fail. However, the Single Resolution Board (SRB) decided that resolution action under the Bank Recovery and Resolution Directive (BRRD) is not warranted in the public interest in both cases because their failure was not likely to result in significant adverse effects on financial stability paving the way for the use of Italian taxpayers' money.

Can the Commission explain what has caused the sudden insolvency of the two banks, whether the delay in resolving the banks has made the rescue more costly for the taxpayer and whether other options to protect small retailers were available?

Can the Commission explain its assessment that the specific choice of Intesa as buyer was in conformity with EU competition rules and whether this has had any negative effects on financial stability?

Does the Commission believe that this case is a good example of how the Banking Union and particularly the BRRD works?