

EBF statement on CRS implementation in EU

The European Banking Federation wishes to share the concerns of European banks over a possible political agreement among EU member states that would pave the way towards adopting a revised version of the Directive on Administrative Cooperation. This revision is meant to implement internationally agreed Common Reporting Standards (CRS) in the European Union.

Last month, the Article 29 Working Party (WP29), which brings together representatives of data protection authorities of the European Union, sent a letter to G20 Presidency, the OECD, the European Commission and the President of the European Parliament, to provide them with preliminary remarks on a number of critical data protection issues raised after the CRS was approved by the OECD Council on 15 July and G20 Finance Ministers on 21 September. The opinion of WP29 needs to be considered before a decision is made on implementation of CRS.

European banks support the view that there is a need to further examine the potential impact that the CRS may have on legal, constitutional and data protection aspects. A proper timeframe is required to perform such an examination and to engage with stakeholders. In this connection, it is noticeable that the expert group which has been set up by the Commission to advise them on AEOI-related issues has not yet met and therefore has not yet had any opportunity to provide technical advice on the proposed directive and to discuss data protection issues.

To ensure a more proportionate system, EU member states should focus on exchanging the core identification data on account holders, rather than a more cumbersome range of information which may trigger legal and constitutional issues.

The CRS model will require financial institutions to automatically exchange detailed account information with tax authorities in their country, under a process also known as Automatic Exchange of Information (AEOI). European finance ministers will consider this political agreement at their monthly meeting this week. What's more, some 48 jurisdictions have expressed the intention to become 'early adopters' of the CRS and plan to sign agreements with each other by the end of the month.

Press contact: Raymond Frenken, Head of Communication +32 (0) 496 52 59 47, press@ebf-fbe.eu

About the European Banking Federation: *Launched in 1960, the European Banking Federation is the voice of the European banking sector from countries in the European Union and the European Free Trade Association. Members of the federation are 32 national banking associations. The EBF represents the interests of some 4,500 banks, large and small, wholesale and retail, local and cross-border financial institutions. Together these banks account for over 80 percent of the total assets and deposits and some 80 percent of all bank loans in the EU alone. Website: www.ebf-fbe.eu*

13/10/2014