



VALDIS DOMBROVSKIS
EXECUTIVE VICE-PRESIDENT OF THE EUROPEAN COMMISSION

Rue de la Loi, 200
B-1049 Brussels
Tel. +32-2 295 00 00
cab-dombrovskis-contact@ec.europa.eu

Ms Eva Kjer Hansen
Chair of the European Affairs Committee
Mr Lars Christian Lilleholt
Chair of the Business Committee
Parliament of Denmark
Christiansborg
1240 København K
Denmark

Brussels, **20.03.2020**
JD // ap Ares(2020)s507466

Dear Ms Kjer Hansen, dear Mr Lilleholt,

Thank you for your letter of 19 December 2019, in which you raise concerns about the impact that a possible introduction in EU legislation of an output floor as agreed by the Basel Committee to replace the previous Basel I floor might have on Danish banks and their customers.

The Commission is fully aware of the unique nature of the Danish banking system, in particular its mortgage lending and funding model, and the impact that the output floor may have in this context. In its recent public consultation on the implementation of the final Basel III reforms in the EU, the Commission has addressed the issues that you raise. A number of Danish stakeholders have responded to this consultation.

The Commission is committed to a faithful implementation of the revised Basel framework in the EU. The Commission agrees that its legislative proposal must take into account the diversity of the EU banking sector and EU specificities and is paying close attention to the issues that you raise in the impact assessment that will inform this proposal. The Commission is confident that by doing so it will be possible to implement the final Basel III standard in the EU in a way that would benefit all Member States.

Yours sincerely,

Valdis Dombrovskis

