

EFIN - Newsletter n°6

EU Commission's position on access to Basic Financial Services

In April 2011, access to basic banking services was identified in the Single Market Act as an essential condition to participate in economic and social life, which is not available to all. The Commission announced therefore an initiative concerning access to a basic payment account for all citizens at a reasonable cost, wherever they live in the EU.

Michel Barnier announced, on 22 June, that the legislative initiative in favour of an access to basic financial services was being dropped for now. In the light of negative (non-public) impact assessments, the College of Commissioners decided to go for a simple Recommendation to the Member States in July. It will focus on access to a basic account (not to credit), its costs and the availability of a payment card, which will not allow overdrafts. The executive promises to review its position if the Member States fail to implement the Recommendation within one year.

The retreat on this key initiative of the Commission's work programme – identified in the Single Market Act as a measure to encourage social inclusion – is disappointing to the majority of stakeholders. For consumer associations and those active in the social sphere, access to minimum banking services is vital to many citizens who do not even have a bank account, i.e. around 30 million Europeans. This figure is expected to increase owing to the economic crisis. The initial legislative initiative was meant to absorb these differences and improve financial inclusion, and thereby social inclusion.

Social experimentations on micro-savings... an action in which EFIN will closely collaborate

Réseau Financement Alternatif's response to the call for proposals on social experimentations has been selected by the EU Commission. The project will officially start in October and last two years. It is structured in two main parts: the first one is dedicated to the implementation of 4 pilot projects to promote micro-savings by low-income or poor people in four different countries, the second one is dedicated to the assessment of the pilot projects and dissemination of the results. EFIN will be a partner for the mutual learning and dissemination work which will be carried out in 2013. More details about the project will be available in the next EFIN newsletters.

EFIN presentations at the EU Parliament

Brussels, 22 June 2011, the EU Parliament Public Utility Intergroup has invited EFIN (represented by Bernard Bayot) and the European Banking Federation (represented by Sébastien de Brouwer) to present their views and debate on the "The universal access to banking services".

Brussels, 13 April 2011, EFIN (represented by Olivier Jérusalmy) presented the main recommendations and conclusion of the Mutual Learning on Financial Inclusion project to the Economic and Monetary Affairs Committee (ECON) of the European Parliament during the workshop: "Ensuring Access to Basic Banking Services".

Discover [Pilar Cano's view](#) on financial inclusion



Pilar Cano, from the Spanish Confederation of Savings Banks (CECA)