

PRESS RELEASE

EMF-ECBC welcomes European Commission's announcement that it will consider amending capital charges for Green Mortgages

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The European Mortgage Federation-European Covered Bond Council ([EMF-ECBC](#)) welcomes today's announcement by the European Commission that it **will consider amending capital charges for banks in order to boost green investments and loans, including green mortgages and green bonds.**

After his speech at today's [One Planet Summit](#) in Paris, organised to mark the two-year anniversary of the signature of the COP21 agreement on climate objectives, European Commission Vice-President **Valdis Dombrovskis**, responsible for Financial Markets, Financial Stability and the Capital Markets Union, [tweeted](#), *"We are looking at amending capital charges for banks to boost green investments and loans. This could for example make it cheaper for green-minded households to get **mortgages for energy-efficient housing**, or loans for electric cars."*

The European mortgage and covered bond industries stand ready to support the European Commission in its important work in this respect by way of the EMF-ECBC led **Energy efficiency Mortgages Action Plan (EeMAP)** initiative and the soon to be launched **Energy efficiency Data Portal & Protocol (EeDaPP)** initiative, which together will not only deliver an energy efficient mortgage product (soon to be piloted with banks), but also deliver the data gathering, processing and disclosure capabilities in respect of these loans. As **Martin Koch**, DG FISMA – European Commission, highlighted during today's meeting of the Energy Efficiency Financial Institutions Group ([EEFIG](#)), EeMAP and EeDaPP have the potential to lead the way in providing **evidence demonstrating the existence of a de-risking set of data**, which would justify the amending of capital charges for green mortgages and green covered bonds.

Commenting on the European Commission's statements, **Luca Bertalot**, EMF-ECBC Secretary General and EeMAP and EeDaPP Coordinator, said:

"We welcome Vice-President Dombrovskis' statement and, as a clear sign of our commitment to the EU's energy and CMU agendas, we will continue to strongly support the Commission through the Energy Efficient Mortgages initiative (EeMAP and EeDaPP). Our sectors can play a game-changing role in helping the European Union to meet its COP21 commitments whilst maintaining their critical function of funding the continent's real economy. The Paris events this week give a clear sign of the acceleration of the energy debate within the European banking industry and clearly demonstrate that we are at the dawn of a new and global energy efficiency revolution."

The text of Vice-President Dombrovskis' statement to the One Planet Summit can be accessed [here](#).

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Notes to the Editor:

1. Established in 1967, the **European Mortgage Federation (EMF)** is the voice of the European mortgage industry, representing the interests of mortgage lenders and covered bond issuers at European level. The EMF provides data and information on European mortgage markets, which were worth c. 7.0 trillion EUR at the end of 2016. As of December 2017, the EMF has 17 members across 14 EU Member States as well as a number of observer members.
2. In 2004 the EMF founded the **European Covered Bond Council (ECBC)**, a platform bringing together covered bond issuers, analysts, investment bankers, rating agencies and a wide range of interested stakeholders. As of December 2017, the ECBC has over 116 members across more than 30 active covered bond jurisdictions and many different market segments. ECBC members represent over 95% of covered bonds outstanding, which were worth c. 2.5 trillion EUR at the end of 2016.
3. The **Covered Bond Label** was established in 2012 by the EMF-ECBC. It is a quality Label which responds to a market-wide request for improved standards and increased transparency in the covered bond market. As of December 2017, the Label website features the Harmonised Transparency Template (HTT) and 14 National Transparency Templates, published by 95 issuers disclosing information on 112 labelled cover pools across 16 jurisdictions. The Covered Bond Label website currently provides issuance data on close to 4,300 covered bonds, amounting to a total face value of over 1.5 trillion EUR, out of which over 2,500 covered bonds already include information on the Liquidity Coverage Requirement (LCR).
4. For the latest updates from the EMF-ECBC, follow us on [Twitter](#), [LinkedIn](#) and [YouTube](#).