



### HEADLINES

#### **EU / FINANCE Brussels 23/07/2001: EC also prolongs consultation on new capital standards**

Further to the Basel Committee decision to undertake another round of consultation in early 2002 (see ESBA WEEKLY - Vol 3 - N 29), the European Commission has decided that it will conduct a parallel round of consultations with interested parties concerning the application of new rules on capital standards to the European banking and investment industry.

**ESBA, LIKE ALL OTHER BUSINES ORGANISATIONS, ALREADY EXPRESSED THEIR CONCERNS ON THE POTENTIAL IMPLICATIONS OF THE PROPOSED NEW REGIME FOR LENDING TO SMALL BUSINESSES, AND ON THE TIGHT CONSULTATION SCHEDULE SO FAR (the new round of consultation in 2002 was initially not foreseen). IT SEEMS THAT THE CONCERNS EXPRESSED BY ALL SMEs ORGANISATIONS HAVE BEEN TAKEN INTO ACCOUNT FOR THE MOMENT. ESBA HOPES THAT THIS EXTENSION OF THE CONSULTATION TIME WILL GIVE SMEs THE OCCASION TO BE MORE FULLY INVOLVED IN THE PREPARATION OF THE NEW CAPITAL ACCORD BY THE BASEL COMMITTEE AND THE EC ON BANKING SUPERVISION.**

#### **EU / TRADE Brussels 24/07/2001: Trade facilitation agreement with Lithuania and Latvia**

The agreements follow similar ones already recently concluded with the Czech Republic and Hungary (see ESBA WEEKLY - Vol 3 - 13). The agreements are known as Protocols to the Europe Agreement on Conformity Assessment (PECA), and allows business to benefit in practice from an extended internal market before accession to the EU as it removes all technical barriers to trade where legislation is aligned with the *acquis communautaire* of the EU. The agreement with Lithuania, worth over EUR 600 million, will initially cover six industrial sectors (machinery, electrical safety, electromagnetic compatibility, simple pressure vessels, lifts, and personal protective equipment) and be extended to other industrial sectors as legislation is aligned. The agreement will enter into force within some months, after signature and ratification by the EU and the Lithuanian authorities. Talks on analogous agreements are in progress with Estonia, Slovakia and Slovenia, and will soon be opened with other applicant countries. For candidate countries, PECAs provide a means to develop closer trade relations with the EU while fully integrating certain sectors with the Single Market before accession.

**ESBA WELCOMES SUCH AGREEMENTS AND WOULD WELCOME QUICK EXTENSION TO OTHER SECTORS AND CANDIDATE COUNTRIES. ESBA GENERALLY SUPPORTS ALL BILATERAL AND MULTILATERAL TRADE FACILITATION AGREEMENTS.**

#### **EU / GOVERNANCE Brussels 25/07/2001: EC issues White Paper on European Governance**

The Paper lays out a set of recommendations on how to enhance democracy in Europe and increase the legitimacy of the institutions. The White Paper follows the publication of the interim report on regulatory simplification (see ESBA WEEKLY - Vol 3 - N 14) and will be followed up by a detailed action plan at the end of the year. Main themes of the White Paper: - Better participation (better informing citizens, develop regional participation, and involve civil society, develop consultations and networks); - Improving the elaboration and implementation of policies (see interim report on regulatory simplification); - Contributing to the debate on global governance; and - Refocusing the

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role of institutions The public consultation lasts until 31 March 2001, after which concrete proposals will be suggested.

More info: [http://www.europa.eu.int/comm/governance/white\\_paper/index\\_en.htm](http://www.europa.eu.int/comm/governance/white_paper/index_en.htm)

### **EU / SINGLE MARKET Brussels 25/07/2001: Fixed internal and cross-border transfer tariffs**

The European Commission has issued the regulation (see ESBA WEEKLY - Vol 3 - N 31) making it compulsory for banks to fix similar tariffs for internal and cross-border transfers after the changeover of the euro. If adopted, this provision would apply from 1 January 2002 for card payments and cash dispensers and from 1 January 2003 for bank transfers and cheques.

More info (copy/paste full link):

[http://europa.eu.int/comm/internal\\_market/en/finances/payment/news/egality .htm](http://europa.eu.int/comm/internal_market/en/finances/payment/news/egality .htm)