



EUROPEAN ASSOCIATION
OF CO-OPERATIVE BANKS



ANNUAL REPORT 2022

the voice of **2,700** local and retail Banks | **89** million Members | **227** million Customers in the EU

European Association of Co-operative Banks A.I.S.B.L.

Rue de l'Industrie 26-38 - 1040 Brussels

Enterprise 0896.081.149 - Transparency Book Register 4172526951-19

Tel: +32 (0)2 230 11 24

www.eacb.coop

@2023 Copyrights European Association of Co-operative Banks

CONTENTS |

TABLE

04 President's Address

06 CEO's foreword

07 About the EACB

07

· The Association

10

· The Co-operative Difference

12 Activities of EACB Working Groups

12

· Co-operative Banks in the Single Market

12

· Banking Regulation

14

· Recovery, Resolution and Deposit Protection

16

· Corporate Governance and Company Law

18

· Cooperative ID Forum

20

· Accounting and Audit

22

· Sustainable Reporting and Audit

24

· Taxation

26

· Sustainable Finance

28

· Developments Affecting the Products Offered by Co-operative Banks

28

· Consumer Policy

30

· Payment Systems

32

· Digital Money

34

· Anti-money Laundering

36

· Financial Markets

38

· Digitalisation and the Use of Data

40

· Digital Identity Workstream

42 Communication

46-49 Annexes

PRESIDENT'S ADDRESS



Berry Marttin
President

Following the pandemic crisis, we all expected for 2022 to be the year of normalisation. Instead, we were confronted with an even more challenging geopolitical and economic outlook. Neither the evolution of the geopolitical situation nor the consequences of the war in Ukraine on the EU and global economies could have been anticipated.

In the new environment, the inflationary surge, driven by but not limited to the energy sector, has been threatening growth, and by reflection financial stability, as well as societal cohesion in the EU. Central banks have been swift to react with a tightening of monetary policy. However, rising interest rates have casted doubts on market valuations and debt servicing for borrowers, both corporates and households. Meanwhile, over the past year, cooperative banks have stayed true to their mission, supporting their communities and providing financing sources to the public, proving once more to be an anchor of stability for the entire economy.

Now, though the pace of the inflationary surge seems to be slowing down, it is still unclear how our economies will adjust in the medium term, also considering the need to step up the economic transition. Keeping this in mind, it is more important than ever that the ongoing and future regulatory reforms ensure a stable financial sector, all while avoiding hampering credit flow into the economy. Defending our European interests and values remains the key challenge ahead of us.

In this context, ongoing negotiations around European implementation of the 2017 Basel reforms take on a particularly relevant dimension. Cooperative banks are calling for a final deal that will allow the EU banking market to thrive and benefit the EU economy at large. The EACB will continue to encourage the co-legislators to maintain a pragmatic stance, minimising the impact on EU citizens and the EU economy. The reforms also touch upon governance-related issues within cooperative banks, such as assessing the suitability of members of the management body. In this regard, I would like to underline that respecting the features of cooperative groups and their legal arrangements is paramount. Solutions must remain practical and not impair the democratic process for institutions to choose their administrators.

In the area of financial stability, after lengthy preparations, we will carefully look at the pending proposal reviewing the crisis management framework. Eurogroup's decision to strengthen the existing framework, while straightforward at first sight, might still touch upon a number of complex and highly controversial issues. Some examples include the mobilisation of Deposit Guarantee Scheme (DGS) resources in resolution or modification of the creditor hierarchy according to depositors' preferences. As such, we believe that the review should prioritise improving transparency in the Resolution Authority's approach and decision-making while ensuring that the solutions proposed respect the diversity of institutions and legal forms, and preserve the cooperative identity of our members and their freedom to conduct business.

The rise of new technologies and the evolving world of financial innovation is changing the global payments landscape rapidly. More and more, non-traditional, yet at times very powerful providers, are entering the world of finance, offering new kinds of solutions, such as crypto assets and stablecoins. This has led the European Central Bank to investigate the issuance of a digital euro in order to preserve the role of public money – considering the declining use of cash – and to safeguard Europe's strategic autonomy and monetary sovereignty.

The EACB is engaged at multiple levels in the debate around the update of the PSD 2, open finance and the digital euro. While we understand the need to reflect on the introduction of a digital euro, such a solution in the retail payments market comes with risks. Potential micro and macro financial stability risks are significant: the wrong design or ill-calibrated holding limits on deposits could jeopardise the funding base of regional retail banks, including cooperative banks, affecting their liquidity and funding ratios, limiting credit provisions for households and SMEs.

The design of the digital euro should thus foresee low holding and transaction limits, while not allowing for remuneration of holdings.

Seeing that cooperative banks are deeply rooted in local communities, value geographical proximity, ensure financial inclusion and offer a wide range of payment services and solutions, including access to cash, we believe that continued and thorough stakeholder dialogue is essential. There should be no rushed decision in this regard.

Innovation and digitalisation's implications clearly span far beyond payment solutions. As our economy becomes increasingly data-driven, plans to build an EU Open Finance Framework take on greater importance. This topic bears strategic implications for cooperative banks. As consumer and retail institutions, our members traditionally hold huge amounts of consumer and SME data. Open finance involves sharing information openly, which could reveal client sensitive information. Cooperative banks are highly aware of their duty to protect not only customers' funds, but also their data. While consumer data increasingly lies at the core of corporate and merchant business models, we must continue to maintain the trust of our clients and secure the storage of their data. At the same time, we need to stay competitive and meet corporates and merchants on equal terms. This means ensuring that Europe's Open Finance framework does not lead to consumers losing control over data. But it should also allow (cooperative) banks to draw benefits from data sharing, both to be able develop value-added services for their customers and to build a financially sound business case. The EACB is ready to engage with co-legislators once the legislative proposal is published. While the framework for open finance is yet to be defined, the sustainable finance agenda is progressing at a sustained pace, directing growing attention to the climate and environment at all levels of banking.

Cooperative banks place climate action at the heart of their strategies, proactively integrating environmental responsibility, social conduct, and principles of sound product development and governance. They are keen to accompany their clients and members in the green transition by financing their projects and advising them on the different investment choices available to them. These initiatives are key to ensuring accurate disclosure to market participants and supervisory assessments, especially in view of pressures for banks to promptly remediate shortcoming in processes or risk management.

Overall, proper sequencing of the measures proposed by the legislator to support the financial sector in incentivising citizens and companies to become more green remains important. In this context, increasing the availability of data required to assess companies' ESG performance is paramount. As such, sustainable reporting is a priority for the EACB. Together with the other banking industry stakeholders, we strongly supported the development of EFRAG into a standard setter for sustainability requirements. In fact, there is strong pressure on EFRAG to deliver the European Sustainability Reporting Standards in time for their first application. It is not evident that the demanded pace in which standards has to be developed will come at the price of quality. Open questions remain, like the definition of value chain, which is essential for proper framing of the reporting obligations of banks. These elements, together with the high complexity of the first set of reporting standards, will make their implementation a highly demanding task for all credit institutions and companies in the EU.

A successful green transition also calls for grassroots players to become involved: SMEs may require direct public support in their transition efforts, for example to assess their exposure to climate risk leveraging the appropriate tools and data. Furthermore, consumers that want to invest should be acquainted with the possibilities that are available to contribute to the green transition. In this context, it is important that the EU's upcoming Retail Investment Strategy looks to simplify and harmonise obligations while preserving the conditions required for cooperative banks to provide professional investment advice.

Sustainability inherently rests at the core of the mission and business model of cooperative banks; EACB members will remain engaged to achieve a consistent and practical framework.

As a final note, I would like to highlight EACB's continuous dedication to strengthening the voice of cooperative banks in policy debates. The team engaged in advocacy on the broad spectrum of the EU regulatory agenda, promoting understanding of the cooperative business model, its contribution to the diversity and dynamicity of the banking sector and the economy. Ensuring that cooperative bank features are duly considered in the legislative framework was a priority. This is why I would like to thank both Nina and the entire team of the secretariat for contributing to a prosperous 2022 for cooperative banks. I would also like to thank EACB members and their experts for their commitment and contribution to the success of the association.

CEO'S FOREWORD

Dear readers,

As Chief Executive Officer of the European Association of Co-operative Banks, it is my pleasure to present the 2022 edition of our annual report. This publication will provide you with a good picture of the wide-ranging activities of our association over the past year.

We can all agree with the Chairman's statement that 2022 was filled with uncertainty. While the ongoing effects of the pandemic were still overshadowing political discussions, the world was faced with the war in Ukraine, which had deep implications for the economy and society, triggering a substantial number of political initiatives. But despite this challenging environment, I am proud to look back on yet another year of intensive advocacy involvement, which demonstrates what we, as a team, have achieved in pursuit of our association's goals. Therefore, I would like to join our chairman in expressing my gratitude to EACB members and the staff of our secretariat for their continued commitment to EACB's objectives and valuable contributions to the association's activities.

Throughout 2022, the secretariat worked closely with the Board and General Assembly to implement a comprehensive work plan that aligns with the EU Agenda. To support our defined priorities, the secretariat established two new working groups, one focused on digital euro and the other on non-financial reporting. The EACB also nominated new chairs for some of our working groups and renewed the mandates of others for an additional two years. Observing the vast knowledge, experience and dedication of our members and experts in driving discussions on the EACB's concerns will certainly allow us as an association to display our leadership and steer the political debate.

To effectively demonstrate our clout in the regulatory discourse, our strategy focused on targeted engagement, particularly on the development of a high-level advocacy plan. The secretariat established a series of EACB roundtables allowing senior cooperative banking executives to engage in in-depth discussions on strategic topics for the sector with high-level stakeholders, including policymakers in the European Commission, the European Parliament, the European Central Bank, the European Banking Authority, and national central banks.

Complementing efforts to spread awareness of cooperative banks' concerns, we increased the visibility of our particular banking model through the implementation of a new communication strategy.

This included a series of single-format events, such as the "COOP27" dedicated to climate change, "Apropos Coop Banking" focusing on the cooperative identity, and "Political Impulse!" The EACB also pursued its partnership and sponsorship events plan to foster alliances and leverage its impact.

Furthermore, the EACB's continued strengthening its internal operations. The development of a state-of-the-art digital infrastructure, including a CRM, to promote stakeholder engagement and ensure that we stay connected. To that end, we have partnered up with IT providers and renewed our GDPR policy, equipping us with up-to-date infrastructure and data management tools that maximise our efficiency. With this reinforced environment, I am confident that the EACB is poised to achieve its strategic goals also in the coming years. Our efforts will continue to be centred on addressing the key concerns of our cooperative banking members, and on laying the foundations to be successful in this endeavour. The EACB secretariat remains committed to working collaboratively with all stakeholders to advance the interests of members and ensure the strength of the cooperative banking sector.



Nina Schindler
Chief Executive Officer

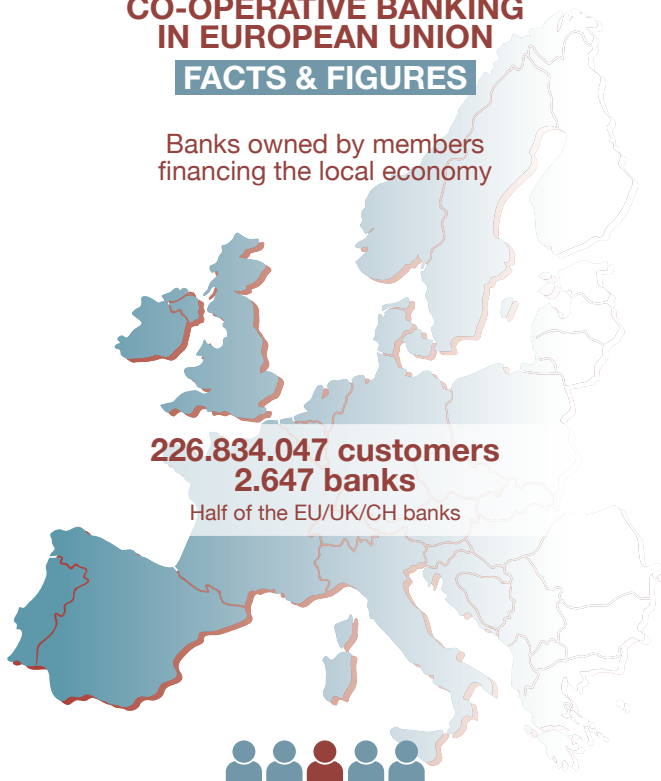
ABOUT THE EACB

THE ASSOCIATION

CO-OPERATIVE BANKING IN EUROPEAN UNION

FACTS & FIGURES

Banks owned by members
financing the local economy



88.829.524 members
+12.062.039 NEW

In co-operative banks, customers of local banks can become members of the co-operative and play an active role in the governance at the local and/or central level.

718.343 employees

of European co-operative banks



39.572
Branches



4.975.183 (mio)
deposits



9.328.429 (mio)
assets



The EACB is the leading trade association for the co-operative banking sector with 27 member institutions and co-operative banks located in 22 countries worldwide. As the representative of the world's largest co-operative banking association, the EACB advocates for almost 2,700 small, regional and large member banks at European and international levels. An international non-profit association based in Brussels, the EACB is recognised by regulators and supervisors as a key interlocutor for co-operative banks, especially at an EU level.

WHAT IS THE EACB?

As an official representative of cooperative banking to European and international institutions, the EACB is committed to providing a high-quality, credible voice for cooperative banks. In this regard, the EACB supports the code of conduct on lobbying of the European Commission and is registered in the EU transparency register book (Transparency Book Register 4172526951-19).

The EACB has the largest and most comprehensive policy resources for cooperative banks worldwide. The association represents, promotes and defends the values of the cooperative banking model in Europe and on the global stage. It is also fully engaged in the European regulatory process.

The Association emphasises the unique characteristics of its members in order to enhance the diversity and plurality of the European banking industry for the benefit of Europe's citizens, SMEs and actors in the local economy. Finally, fully dedicated to its members and in line with fundamental cooperative values, the EACB aims to give each full member the same weight in the decision-making process, regardless of its size or country.

WHO SUPPORTS THE EACB?

The high-level expertise and professionalism of its secretariat, working hand in hand with more than 400 national experts actively involved in the EACB's specific technical working groups, allows the EACB to achieve its key missions, such as making relevant contributions to consultations of European and international institutions, European Parliament committees, expert panels and other relevant hearings.

WHAT IS THE EACB'S ADDED VALUE?

With a broad range of staff expertise on cooperative banks, the EACB provides its members and stakeholders with information and assessments to increase their awareness and knowledge of European issues. It helps keep them up to speed with legislative and regulatory developments. It is also a valuable platform from which members can defend and promote their banking model.

Source: The EACB key figures compiled by EACB and Tilburg University
Complete infographics available on EACB website

THE EACB'S AGENDA FOR ACTION: HOW TO TRANSLATE DIVERSITY INTO LEGISLATION?

1. Recognition of the cooperative legal form of enterprise and business neutral regulatory framework

Cooperative banks highlight the need to ensure consistency between regulation, supervision and resolution. In this trio, the legal status of a cooperative form of enterprise, which is enshrined in the European Treaties and reflected in the Statute for a European Cooperative Society, must not be called into question by authorities. The quality of governance and internal safeguards, and various solidarity mechanisms have proven their effectiveness in the past, but they seem to be underestimated. Regulators have pushed cooperative groups to become more centralised, even though the very essence of their success and resilience is based on a decentralised model of organisation. Regulation should not aim to change proven models and should respect the freedom to conduct business.

Cooperative banks encourage rule makers to carefully consider the adverse effect of an excessive alignment towards one single banking business model. Diversity of business models and governance contributes to stability through better risk diversification and allows more freedom of choice for consumers. Diversity is a critical element of financial stability. An alignment of business and governance models, driven by regulation, leads to marginalisation of diversity, which has a detrimental impact on competition and stability as well as exclusion of certain customers and economic sections of society. Governance and remuneration policies can be tools to introduce more sustainability in the economy, but these policies should not be too intrusive and should take into consideration the cooperative model. They should also ensure a level playing field with non-EU players that provide banking services in the EU.

2. Regulatory stability, reliability and careful sequencing of new initiatives to provide strong support for economic growth in Europe

Cooperative banks are financing, investing and offering long-term commitment to help and support citizens and businesses to cope with the transition of Europe's economies, driven by digitalisation, climate change and the impact of geopolitical crises. This requires a well-designed and stable legislative environment, the implementation of which takes into consideration the practical questions the market will have to face while ensuring realistic timelines. From a prudential perspective, this entails that EU implementation of the remaining set of Basel reforms, which is now underway, should be mindful of the specific features of our markets and banking system and remain faithful to the pledge of not significantly increasing capital requirements. In general, it also means that European soft law should not be overly prescriptive or impose constraints in the absence of or in contradiction to any legal basis in primary legislation. A combined effort to align current legislative reforms with transition workstreams in digital and sustainable finance in a logically sequenced manner is also paramount.

3. Cooperative banks in ongoing digital legislative discussions

With “A Europe fit for the digital age” being one of its six priorities, this Commission has presented many, and in some cases interlinked, pieces of legislation in the digital area. In addition, the European Central Bank has started another important digital project with its investigation into a digital euro. European cooperative banks have several messages to communicate in this context: 1) Before launching a digital euro its potential impacts on the financial system and the (cooperative) banking system as a whole should be well understood. Lending to the real economy should not be put at risk, and room should be left for market innovation and private payment solutions. 2) on the Data Act proposal, cooperative banks welcome prevention for the data holder of any negative impact on its business opportunities and compensation for the costs of making data available. However, on the latter point, we believe that mechanisms and criteria to determine ‘reasonable’ compensation should not be defined in legislation, especially in order to avoid undermining the free determination of costs within a free market economy, 3) on digital identity, the European Digital Identity Wallets (EUDIW) can further increase innovation and deepen the EU Single Market, facilitating access to and usage of public and private (including financial) services. Cooperative banks see a crucial role for themselves in this context but recommend that policymakers, in order to avoid the mandatory nature of the acceptance of the EUDIW in terms of SCA on payments, to limit the use of the EUDIW to verification of the user’s identity only, 4) on the point of open finance and Payment Services Directive (PSD2), cooperative banks believe that lessons learned from the implementation of PSD2 should be taken into account: PSD2 has mostly benefited one side of the market and created an uneven playing field between banks and third-party providers through a lack of the right incentives and multilateral cooperation between market actors. Additionally, priority should be given to create incentives for voluntary data sharing between industries based on a contractual agreement between the data holder and data recipient, leaving aside the idea that data access from one side of the market to another side of the market needs to be imposed.

4. Sustainability and the long-term approach of the cooperative business model to foster green and sustainable finance

Cooperative banks support the efforts of the European Commission to take the lead in the global fight against climate change and welcome the EU Sustainable Finance initiatives that are being developed. This requires huge investments, in the financing of which cooperative banks play a key role because of their significant presence at a local level. Major ‘decentralised’ activities – such as loans for energy efficiency, installation of solar panels, and the use of biomass power and sustainable household products – can best be achieved through the mobilisation of local and regional banks, together with public investments to support sectoral transition policies. Cooperative banks also have a key role to play in social sustainability as they are the main financiers of ‘societal projects’ devoted for example to financial inclusion, community development, education, social housing and social enterprises. New measures for more sustainable corporate behaviour must be efficient, avoid administrative overburdening and prevent significant competitive disadvantages for European industries. That said, the ability for cooperative banks to ensure investor protection and compliance with rules related to the distribution of financial products is hampered by a lack of quality ESG data, a hasty or overlapping sequencing of mandates and inconsistent terminologies between the sustainable finance frameworks, which has resulted in an investment gap. It is thus critical that measures related to sustainable finance should promote logical sequencing and common understanding across prudential and

ABOUT THE EACB

THE CO-OPERATIVE DIFFERENCE

Cooperative banks are a main pillar of diversity in the European banking sector. They account for about 20% of the market for EU bank deposits and loans, and are thus a major actor in the industry, playing a pivotal role in the European economy. Cooperative banks are not only the main credit providers to household citizens in terms of mortgages and consumer loans, they also are one of the largest lenders to SMEs. They assume this responsibility in good times and bad as illustrated by recent financial turmoil. With 2,700 locally operating banks and 40,000 outlets, cooperative banks are widely represented in the European Union. They serve 227 million customers – around half of the EU population – mainly consumers, SMEs and local communities. Quite often, cooperative banks are among main local employers and, with 720,000 employees in the EU, are also relevant in a broader context.

WHAT MAKES THE CO-OPERATIVE BANKING MODEL DIFFERENT?

Member ownership:

Cooperative banks are private institutions. They are owned by their members, who are also their customers (e.g. local entrepreneurs, craftsmen, farmers and households). This customer-oriented approach is a distinguishing feature of cooperative banks and hard to replicate outside the cooperative model. A broad membership base in their areas of operations allows for a local perspective and leads to a consensus-driven approach that prevents a single stakeholder from dominating the spotlight.

'One person – one vote' democratic governance, with a bottom-up approach:

As members of the cooperative, customers can elect leaders and have a say in the decisions and policies of their banks. This ensures that promoting the interests of members is the primary goal of these banks. In contrast to commercial banks, customers and members are systematically represented in the governance structures of cooperative banks and play an important role in the governance processes of the bank (i.e. membership councils, general assemblies, etc.).

Maximisation of member benefit/surplus within a long-term relationship:

Compared to shareholder banks, which are primarily focused on optimising shareholder profit, cooperative banks are focused on maximising member value (i.e. quality products, customer satisfaction, earnings stability, etc.) over the long term.

Resilience:

Cooperative banks have a lower risk appetite than shareholder-based banks. With their long-term orientation, they also maintain, on average, higher capital reserves. Thanks to their deep roots in local economies, cooperative banks anticipate and adapt to local circumstances.

Strong commitment to social values:

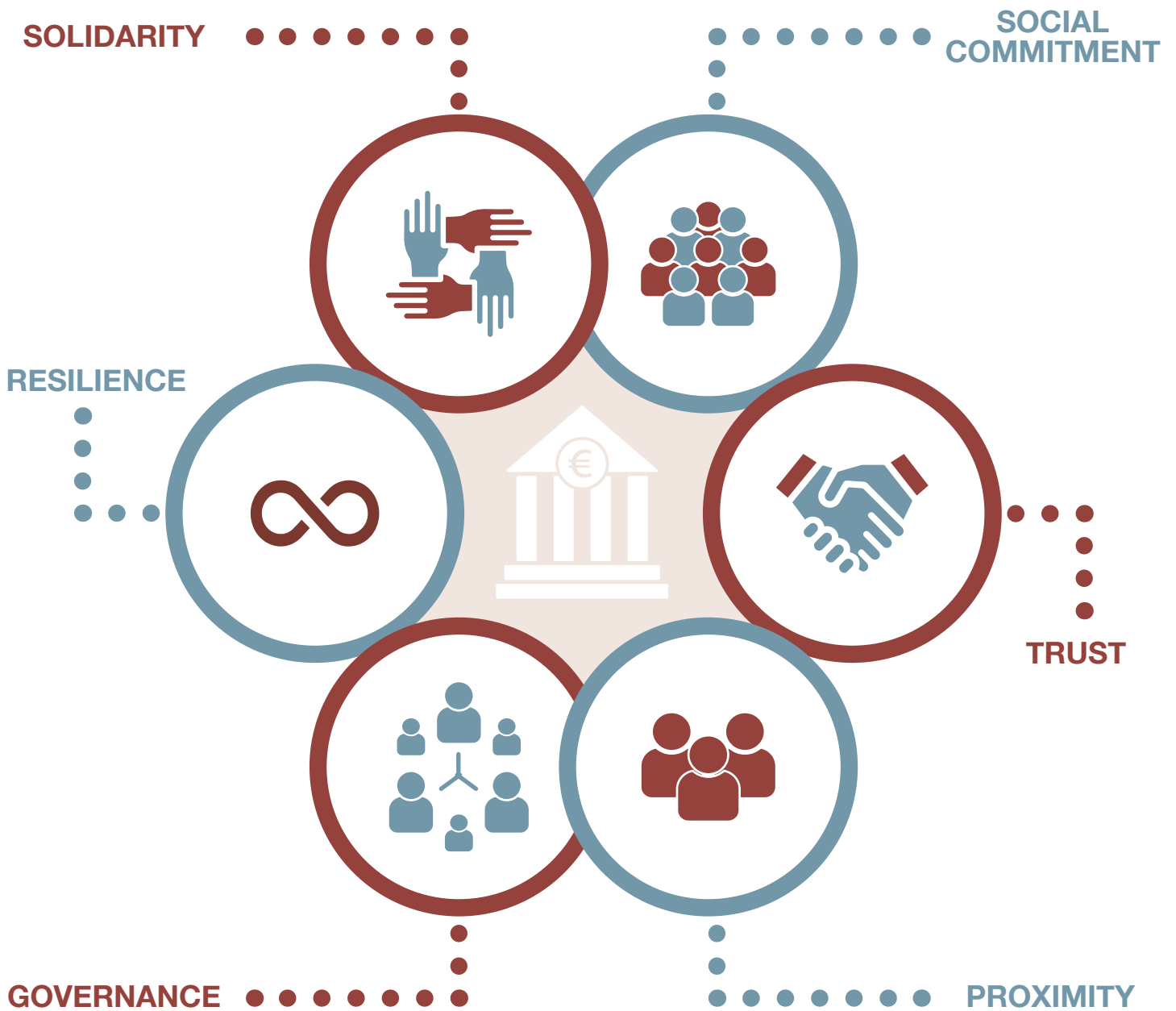
Cooperative banks have a long tradition of commitment to social values and solidarity. They were originally created in the 19th century in Europe to fight against the financial exclusion of social groups and alleviate the plight of rural populations and craftsmen. Mandated to finance households and SMEs, cooperative banks also offer financial services in remote areas, far from larger cities, where they provide an essential element of the local infrastructure. Very often, they form the backbone of the local economy and stimulate the endogenous economic potential of their communities.

As local business contributors, cooperative banks play a fundamental role and aim to improve the economic and social environment of their clients. Reinvesting in local economic initiatives that benefit the local community is common practice for cooperative banks. Because of their local presence and proximity to the needs of local communities, cooperative banks are instrumental in helping the economy become more sustainable and ensuring that the transition is socially acceptable.

Connected to customers and regional society:

Cooperative banks are committed to creating value for their customers, members and society at large. In today's world of changing client behaviour, technological developments and economic complexity, value is created through enduring relationships with relevant stakeholders and responding to client needs efficiently. With this in mind, cooperative banks are dedicated to sustaining the real economy by creating and fostering local jobs, accompanying key local actors and giving local communities the means for their own social and economic development, bearing in mind the objectives of the Paris Agreement. As a result, cooperative banks are often the main employer and serve as financial partners for local households and businesses. Overall, they finance one-third of all SMEs in Europe.

WHAT MAKES THE CO-OPERATIVE BANKING MODEL DIFFERENT?



CO-OPERATIVE BANKS IN THE SINGLE MARKET

ACTIVITIES OF THE EACB WORKING GROUPS

BANKING REGULATION

EACB policy messages

1. The implementation of the Basel reforms should remain mindful of the EU market and cooperative banks' specificities. EU banks should not be disadvantaged vis à vis non-EU lenders and shadow banking entities. It is more urgent than ever, given the transformation towards a more sustainable economy, that our banks can continue to finance our clients and preserve societal cohesion.
2. The integration of climate and environmental risks in the prudential framework and in banks' risk management is a major feature of the regulatory and supervisory debate. Ensuring pragmatic solutions remains the priority. Banks will continue to upgrade risk management and disclosure efforts, but portfolio adjustments and client engagement take time and should be part of broader policy and societal efforts.
3. It remains essential that the general spirit and flexibility of level 1 legislation is preserved when it comes to delegated regulation and guidelines. At this level, the policy design should not overstep the lines that the co-legislators fixed.

*Statement from Johannes Rehulka,
Chairman of the EACB working group
& Executive Director of Fachverband der Raiffeisenbanken*

2022 showed us again how swiftly global conditions can change, with unexpected exogenous shocks deeply affecting our societies and economy. Cooperative banks remain stable and continue to support their customers and regions, while adjusting to evolving regulatory needs.

Implementing Basel reforms and preparing the macroprudential review

The EU implementation of Basel reforms, revising the CRR-CRD, entered a crucial phase with the Parliament and Council working to begin inter-institutional negotiations soon. Our Banking Regulation Working Group continued to intensively engage with policymakers on a range of crucial issues touching upon the structure of cooperative banks but also on the continued financing of the EU economy. The EACB underlined fundamental issues in the design of the output floor to avoid discrimination of cooperative structures, the treatment of strategic and intragroup equity exposures, the question of unrated corporates and the effects of reforms on lending to the agricultural sector. We warned against the risk posed by an induced deleveraging for financing the EU's transition and resilience. We also highlighted the need to uphold proportionality in the framework and to envisage clear and pragmatic solutions when addressing ESG risks and new supervisory powers. The CRR-CRD review will remain a priority in 2023, at least during the first semester.

In the first half of 2022, we also provided the Commission with feedback for the [review of the macroprudential framework](#) expected in 2023. We believe the review should seek to avoid double counting of risks and to streamline the framework, also setting clear rules on the use and build-up of macroprudential buffers.

Delegated regulatory activity remains crucial

The working group continued to work on numerous delegated regulatory initiatives: in particular the complex review of [interest rate risk in the banking book](#) (IRRBB) mandated to the EBA with two standards and a set of guidelines. We stressed the need to avoid mechanic solutions and to ensure sufficient flexibility, particularly given the change of monetary policy and new interest rate dynamics.

Moreover, in a bilateral exchange with DG FISMA, we advocated for recalibrating some elements of the EBA ITS on Pillar 3 disclosure of ESG risks. The Commission eventually proposed amendments to the EBA ITS to ease the implementation.

We also worked on the identification of groups of [connected clients](#), [machine learning](#) for internal models and templates for [NPL transactions](#). In 2023, we will remain engaged in tackling relevant mandates.

Gearing up for climate risks

The ECB finalised its first climate stress test and a thematic review on climate and environmental risks in 2022, which highlighted the intense work awaiting banks to meet supervisory expectations, reinforcing climate risks as central to regulatory/supervisory reflections.

The working group joined the EBA discussion on the [role of environmental risks](#) in the prudential framework and contributed to the Basel Committee consultation on the definition of [Principles for the effective management and supervision](#) of such risks.

We called for a risk-based approach, taking into due consideration transition efforts and avoiding a Pillar 1 view. We also highlighted the need for proportionality in the development of tools like scenario analysis and stress testing, and for climate risks to be embedded in existing risk categories (credit, operational risk, etc.).

Climate/environmental risks will also represent a priority in 2023, with the expected amendment to the EBA SREP Guidelines and ongoing work on CRD.

Strong supervisory engagement

We held numerous bilateral and industry meetings with the EBA and the SSM. Supervisory priorities, data requests, practical activities: we addressed members' concerns and provided feedback on numerous technical issues. Among others, we had bilateral discussions with the EBA on the set up of the Pillar 3 data hub and with the ECB-SSM Joint Team on Digitalisation and Fintech to discuss cooperative banks' digital transformation.

The EACB also co-hosted an industry workshop on ["Access to better technology for \(Supervisory\) Reporting"](#) that brought together banks, the EBA and the RegTech community to openly discuss how tech solutions could help banks reduce reporting costs and the hurdles that need to be cleared along the way.

In 2023, we will continue our engagement for a prudential framework fit for purpose, to look with confidence at the complex challenges the world is facing.

EACB POSITION PAPERS

- [EBIC letter to EBA on NPV threshold for distressed restructuring for definition of default, 11/02/22](#)
- [EACB comments on EBA Discussion Paper on Machine Learning for IRB Models \(EBA/DP/2021/04\), 11/02/22](#)
- [EACB comments on BCBS Principles for the effective management and supervision of climate-related financial risks, 16/02/22](#)
- [Joint industry conclusions from workshop on Access to better technology for \(Supervisory\) Reporting, 18/02/22](#)
- [EACB comments to Commission consultation on improving the EU macroprudential framework, 18/03/22](#)
- [EACB comments on EBA draft RTS on standardised and simplified standardised methodologies for IRRBB, 04/04/22](#)
- [EACB comments on EBA draft RTS on supervisory outliers test for IRRBB, 04/04/22](#)
- [EACB comments on EBA draft Guidelines on management of IRRBB and CSRBB \(interest rate and credit spread risk in the banking book\), 04/04/22](#)
- [EACB policy paper on key issues in legislative proposal for CRR, 30/04/22](#)
- [EACB policy paper on key issues in legislative proposal for CRD, 30/04/22](#)
- [EACB comments on the EBA Discussion Paper on the role of environmental risks in the prudential framework, 02/08/22](#)
- [EACB Comments on the EBA draft ITS on the NPL Transactions Data Templates, 04/08/22](#)
- [EACB comments on EBA draft RTS on the identification of a group of connected clients, 08/09/22](#)
- [EACB comments on EBA draft RTS on exposure value of synthetic excess spread, 13/10/22](#)
- [EACB policy paper on priorities for ECON compromise amendments on CRD, 17/11/22](#)
- [EACB policy paper on priorities for ECON compromise amendments on CRR, 17/11/22](#)

CO-OPERATIVE BANKS IN THE SINGLE MARKET

ACTIVITIES OF THE EACB WORKING GROUPS

RECOVERY, RESOLUTION AND DEPOSIT PROTECTION

EACB policy messages

1. The expectations of resolution authorities in the journey to improve the resolvability of cooperative banks must remain mindful of their legal specificities and organisational arrangements. There can be no one-size-fits-all solution for recovery and resolution: preserving the diversity of the European banking landscape is essential.
2. It remains key that the mutual solidarity mechanism characterising cooperative banking groups and networks (cross guarantees, institutional protection schemes) are duly considered and their value as risk mitigants are reflected in supervisory expectations and the legal framework.
3. The revision of the crisis management framework should not undermine societal trust in the soundness and resilience of EU banks. We believe that only targeted technical adjustments are needed that should aim to clarify a few well-defined issues like a consistent application of the Public Interest Assessment and funding in resolution.

*Statement from Mike Velthaak,
Chairman of the EACB working group
& Senior Policy Adviser, Rabobank*

In 2022, the Recovery, Resolution and Deposit Protection Working Group (RRDPWG) continued its work to illustrate and defend cooperative specificities in the context of a crisis management framework characterised by maturing milestones (MREL targets, SRF funding) and evolving authority expectations.

Cooperative banks' resolvability: an open dialogue

During the year, we worked intensively on what becoming resolvable means from a practical point of view for cooperative banks when they discuss this topic with resolution authorities. The EACB organised two dedicated SRB-EACB workshops (June and July) on the resolvability of cooperative banks. The first discussed the matter in detail, presenting issues, challenges and possible solutions with SRB staff. The second included a high-level political discussion with the SRB chair, Ms. König and other SRB senior managers.

Discussion during both events focused on common patterns and highlighted how only open dialogue between the resolution authorities and banks will make better mutual understanding possible and improve resolvability. We appreciated the SRB's clarification that it would continue working on the banking model, as it is on the ground, and that it is up to banks to propose solutions – with time needed to implement them. Once more, it was stressed that there cannot be a one-size-fits-all approach.

Improving the crisis management framework

As banking legislation requires the EC to periodically review the application of the regulation, the EC launched a consultation in February 2021 to gather stakeholder experience with the current crisis management and deposit insurance framework as well as their views on the revision of the framework. The results were published in a summary report with, among others, the following themes:

- The public interest assessment
- Funding and liquidity in resolution
- Insolvency proceedings and credito hierarchy

The persistence of divergent views about the way forward for the banking union has so far prevented breakthroughs.

As widely known, reservations towards a fully mutualised European deposit insurance scheme (EDIS) led to the decision of the Eurogroup in June 2022 to focus on a less ambitious work plan to strengthen the common framework for bank crisis management (CMDI) and the rules governing the use of national deposit guarantee systems. This paved the way for the EC to concretely define improvements to the CMDI framework in a legislative proposal which was expected in Q4 2022, but postponed to 2023.

To prepare for this update, EACB engaged with DG FISMA to gauge the direction of travel and understand where the BRRD/SRMR and DGSD would be touched. Facilitating the application of the framework to a wider population of banks (including smaller banks) and clarifying aspects of funding in resolution will be key objectives of the proposal, in addition to facilitating the use of DGSs outside of pay-out, and in particular in resolution.

In the months to come, EACB, with input from the RRDPWG, will continue its dialogue with the EC and co-legislators to highlight its major concerns and ensure that the review is fit for purpose. We believe it is key to state clearly the members' view that the current crisis management framework is working and that adjustments should be mostly technical. The possibility to intervene on the super preference of deposits is particularly concerning since in practice this would mean higher cost for banks and potentially even affect MREL eligible capacity. Another potentially worrying element of the expected CMDI review is the idea of giving more discretion to the national resolution authorities, which is one of the causes of this reform.

Fitting state aid rules in the picture

Also related to the recalibration of the crisis management and deposit protection framework is the Commission's review of 2013 State aid rules for failing banks. Ensuring consistency between CMDI and state aid rules (including also on liquidation aid) will be key for the European Commission. In our feedback to a public consultation, the EACB encouraged the Commission to evaluate and clarify to what extent tools foreseen under and in accordance with the CMDI framework do not qualify as state aid.

EACB POSITION PAPERS

- [EACB comments on EBA draft Guidelines on transferability to complement the resolvability assessment for transfer strategies, 15/04/22](#)
- [EACB comments on EC targeted consultation on review of 2013 State aid rules for banks in difficulty, 09/06/22](#)
- [EACB position paper on upcoming EC review of the crisis management and deposit insurance \(CMDI\) framework, 21/12/22](#)

CO-OPERATIVE BANKS IN THE SINGLE MARKET

ACTIVITIES OF THE EACB WORKING GROUPS

CORPORATE GOVERNANCE AND COMPANY LAW

EACB policy messages

1. Review of the CRD provisions on corporate governance should safeguard both the diversity of business models and national legal frameworks. Particularly in the area of fit and proper assessments, it is essential that reforms do not lead to more burdensome processes, and to a distancing between members and their cooperative bank.
2. The definition of value chains for financial undertaking in EU legislative projects shall duly consider the specifics of the financial services and the existing high regulatory standards and requirements imposed on banks and bank management. In this context, the role of the states to safeguard human rights, the environment, and any other type of public good should be articulated.
3. Ongoing global and EU initiatives aiming at fostering corporate sustainability must adequately reflect the diverse EU banking landscape and should take into account the historically well-known unique features of cooperative banking in relation to their governance, business orientation and social purpose.

*Statement from Frank Brogl,
Chairman of the EACB working group
& Group Head, DZ BANK*

In 2022, the ongoing review of the Capital Requirements Directive in relation to governance aspects and fit and proper assessments as well as the Commission proposal for a Directive on Corporate Sustainability Due Diligence were in the focus of the working group's activities.

CRD review: fit & proper assessment

Last year was marked by intense work on parts of the Commission's legislative proposal to amend CRD, which aims to further harmonise and codify the timing and process of fit and proper assessments and the treatment of key function holders. Since the beginning of the legislative debate, EACB members have been sharing numerous concerns on the Fit and Proper rules in the Banking Package 2022. The CRD currently provides that it is institutions who are primarily responsible for assessment of members of the management body, and this approach should be upheld. Serious practical and legal issues may arise with harmonisation of the ex-ante assessment across the EU. This would lead to less efficient processes and create higher and unjustified administrative interference in the management body of the institution. Particularly for cooperative banking groups, implications would be disproportionate to the intended outcome.

We therefore continued to advocate for the deletion of the overly detailed rules on an ex-ante assessment and on key function holders. In this vein, the EACB continued to influence both the Council and EP developments. In 2023, we will continue our efforts to feed into the legislative debate to ensure the revised framework is fit for cooperative banks and their networks.

Contributing to the debate on corporate sustainability due diligence

Throughout the year, the members of the EACB continued to contribute to the public debate on the Commission's Proposal for a Directive on Corporate Sustainability Due Diligence as it explicitly includes credit institutions and financial products, thus representing a crucial regulatory development. While the EACB appreciates that the Commission's proposal prioritises sustainability and a long-term vision, values which are part of the cooperative DNA, numerous elements that were tabled have turned out to be impracticable and therefore require further reflection. The experts of the Corporate Governance and Company Law Working Group at the EACB were looking into distinct aspects of the proposal (i.e. scope, due diligence obligations, directors' duties of care, civil liability, etc.) with a special focus on what it may imply for cooperative banks as we see there are many open questions and elements. A prominent example is the scope of financial services in the value chain, which still needs to be carefully assessed. In 2023, we will therefore continue to communicate to the legislators on concepts related to due diligence in the delivery chain and directors' duty of care, stressing the need to consider the cooperative bank governance model and its values in progressive work on the proposal.

Deforestation Regulation

The working group persisted with advocacy efforts on the Deforestation Regulation in view of EP plans to include financial institutions in the scope and impose specific due diligence obligations on the financial sector in the context of deforestation.

Review of the G20/OECD Principles of Corporate Governance

We used the ongoing revision of the G20/OECD Principles of Corporate Governance as an opportunity to ask the OECD to add an explicit reference to cooperatives and mutuals in its text, and to adequately consider the specific functioning principles of cooperative governance.

EBA technical works

In the beginning of the year, we replied to the EBA consultation on its revised draft Guidelines on benchmarking exercises concerning remuneration practices, the gender pay gap and approved higher ratios for banks under CRD by stressing the importance of proportionality.

EACB POSITION PAPERS

- [EACB comments on EBA consultation on its revised Guidelines under Directive 2013/36/EU, 22/03/22](#)
- [EACB response to the European Commission “Have your say” consultation on Corporate Sustainability Due Diligence proposal, 11/07/22](#)
- [EACB response to the OECD consultation on the review of the G20/OECD Principles of Corporate Governance, 21/10/22](#)

CO-OPERATIVE BANKS IN THE SINGLE MARKET

ACTIVITIES OF THE EACB WORKING GROUPS

COOPERATIVE ID FORUM

EACB policy messages

1. Cooperative entities play a decisive role in the economy and contribute significantly to growth and greater affluence all around the world. A tangible part of these effects is attributable to cooperative banks. They do not only provide financial support to the real economy but also safeguard a wide range of benefits to members, customers, communities and society at large. This positive impact should be taken into account by the upcoming Council Recommendation on developing social economy framework conditions, the Commission's plans for a social taxonomy and the development of social reporting standards by EFRAG and ISSB.
2. The cooperative identity is a multifaceted concept which should ensure a unique space for cooperative banks in the EU and regulation and policies focused on global sustainability. The regulators and supervisors should perceive cooperative banks, owing to their specificities, i.e. democratic governance, business orientation and social purpose, as a viable and attractive type of bank appreciated by members, customers and society at large.
3. Diversity in the banking sector is key. This requires a consistent and efficient legislative framework on the European level, which reflects and respects the particularities of cooperative banks. It increases the stability of the banking market and ensures that all needs are serviced. Just like in Europe in the 2008 economic and financial crisis, also in the current situation, characterised by important geopolitical uncertainties in the entire world, cooperative banks with their regional and member-focused approach ensure stability and confidence.

In 2022, the new Cooperative Identity Forum of the EACB has picked up speed and built on the work of the Task Force on cooperative affairs in line with its mandate. Throughout the year, the forum monitored and discussed developments on matters specific to cooperatives, cooperative identity, governance, and business model. Attention was also paid to developments in the world of social and solidarity economy and the ongoing debate on the cooperative identity led by the International Co-operative Alliance (ICA). The forum has horizontally supported the work of many specialised EACB working groups in advocating for cooperative identity and values.

[EACB webinars on the future of the cooperative business model; the Values and Principles of the Cooperative Identity](#)

To mark the launch of the Cooperative Identity Forum, the EACB organised a webinar on "The Future of the Cooperative Business Model" in January. In June, on the occasion of International Cooperative Day, the EACB held a webinar dedicated to "the Values and Principles of the Cooperative Identity in a Fast-Changing World". Both events were organised in a format named "Apropos cooperative banking." The webinars gathered high-level speakers from the cooperative banking sector, the academic and cooperative world and EU institutions. The events focused on the prospects for the cooperative business model and the challenges in safeguarding the cooperative identity, particularly in light of trends emerging from increasing digitalisation and the ecological transition of our economies.

[Exploring cooperative identity and embedding cooperative DNA in upcoming EU regulations and policies](#)

Since the start of its mandate, the forum has held several exchanges both in online and in-person format with the main purpose of embedding the cooperative perspective in current political and regulatory initiatives, specifically this year's European Financial Reporting Advisory Group (EFRAG) public consultation on the new European Sustainability Reporting Standards (ESRS) and the upcoming European Commission's social taxonomy. Importantly, in November, the meeting of the Coop ID Forum was hosted by CERA KBC Ancora in Leuven-Belgium. Topics related to membership value, measuring cooperative value, promotion and recognition of cooperatives and the cooperative difference were discussed.

[Survey on Cooperative Benefits](#)

In June, the forum launched a mini survey among EACB members to explore and define cooperative benefits. This survey is the first step in a broader exercise about the 'cooperative difference' with an overarching aim of finding out how we can quantify the cooperative difference in view of upcoming regulatory and political initiatives focusing more and more on social and sustainability issues. The first results of the survey were discussed during the meeting of the forum in November. The ultimate aim is to define commonly agreed indicators for cooperative benefits and the cooperative difference which could be used in discussions on upcoming regulatory and political initiatives focusing increasingly on ESG matters.

Monitoring activities of international and European cooperative bodies

The forum was closely monitoring developments on matters specific to cooperatives and cooperative identity on the EU and global level, i.e. developments in the world of social and solidarity economy (OECD, Commission's EU Action Plan for Social Economy) and the global survey on the cooperative identity carried out by the ICA.

The forum also exchanged views on other relevant activities of the ICA, the International Co-operative Banking Association (ICBA), and Cooperatives Europe typically linked to the meaning of the cooperative identity.

CO-OPERATIVE BANKS IN THE SINGLE MARKET

ACTIVITIES OF THE EACB WORKING GROUPS

ACCOUNTING AND AUDIT

EACB policy messages

1. The EACB highlights the fundamental importance of a system for corporate reporting and statutory audit that is proportionate and globally suitable for cooperative banks.
2. The EACB reaffirms the need to preserve the dedicated elements of the accounting framework related to the IASB FICE project, which ensure appropriate treatment of IFRIC 2 cooperative members' shares.
3. Ongoing changes in the IASB's DRM model project must ensure that the model is effective in solving volatility in hedging derivative results.

*Statement from Volker Heegemann,
Acting Chairman of the EACB working group
& Head of the Legal Department, EACB*

In 2022, the Accounting & Audit Working Group (AAWG) focused mainly on providing feedback to relevant consultations, including the EC's initiative to strengthen the quality of corporate reporting and statutory audit and the IASB's Request for Information on IFRS 9. Monitoring developments of two crucial IASB initiatives remained a top priority for cooperative credit institutions: the Financial Instruments with Characteristics of Equity (FICE) project and Dynamic Risk Management (DRM) project.

IASB-related activities

The IASB's Dynamic Risk Management (DRM) project remained high on the agenda. Following the secretariat's session in December 2021, during which AAWG members highlighted several points critical to the overall development of a DRM model, the EACB co-signed a joint letter with ESBG and EBF regarding the recognition of changes in fair value of DRM hedging derivatives in other comprehensive income (OCI). This matter is of utmost importance for members as the accounting mechanics reflecting risk mitigation are vital to banks' financial statements. Recognising the changes in fair value of hedging derivatives in OCI will result in significant volatility in equity and may not provide a true and fair view of banks' financial positions. Pending the IASB's feedback on the letter, the EACB, ESBG and EBF have come forward with a joint proposal to the EFRAG Board to

conduct a field-testing exercise on the DRM model. In the context of the extreme volatility seen in 2022, it is necessary to ensure that the model is equally effective as IFRS9/IAS39 techniques in solving volatility in hedging derivative results. Industry dialogue on this important topic will continue well into 2023 and future discussions on the DRM project will revolve around the proposal to conduct a field test.

The IASB's Request for Information on the Post Implementation Review for IFRS 9 Classification and Measurement was a long-awaited initiative. The EACB had a chance to stress practical challenges related to the assessment of SPPI criterion for ESG-linked financial instruments. The AAWG continued following project developments throughout the year; already in April the IASB launched the second phase of the PIR on classification and measurement, starting with the topic of contractual cash flow characteristics.

The AAWG is strongly committed to proactive monitoring of the potential effects of IASB activities related to its FICE project on the classification of cooperative shares as equity instruments.

Improving the quality of corporate reporting

The EC's consultation on strengthening the quality of corporate reporting and its enforcement has dominated the work of the AAWG for several months. It is important for EACB members to reduce over-regulation in the field of supervision of auditors/audit firms, especially because the flood of regulation restricts market entry and promotes market concentration in the field of PIE examiners.

In relation to the concerns specific to cooperatives, there is an absolute need to ensure that members of cooperatives who are also shareholders are not excluded from being members of an audit committee. Cooperative shareholders usually hold small amounts of capital which does not impact their independence.

EACB POSITION PAPERS

- [EACB comments on IASB Request for Information for PIR of IFRS 9 “Financial instruments: Classification and Measurement”](#) , 28/01/22
- [EACB comments on EC consultation on strengthening the quality of corporate reporting and its enforcement](#), 18/02/22

CO-OPERATIVE BANKS IN THE SINGLE MARKET

ACTIVITIES OF THE EACB WORKING GROUPS

SUSTAINABLE REPORTING AND AUDIT

EACB policy messages

1. Defining realistic reporting boundaries for financial institutions under the European Sustainability Reporting Standards (ESRS) remains a key priority for our member banks. Credit institutions should be able to limit their reporting boundaries and only report on the sustainable impacts, risks and opportunities of their direct relationship in their value chain.
2. The ongoing sustainability standard setting process should prioritise the reduction and simplification of standards as well as the possible phase-in of disclosure requirements. The practical usability of the final ESRS and an alignment with the global baseline should remain at the centre.
3. It is a matter of utmost priority for the EACB to ensure that proportionality principles are duly embedded in the ESRS and can be adequately applied. In addition, we need a sustainability reporting framework that takes cooperative specificities and objective social indicators into account as much as possible.

*Statement from Volker Hartke,
Chairman of the EACB working group & Head of
Sustainability Services at Genossenschaftsverband*

Following the Commission's adoption of a legislative proposal for a Corporate Sustainability Reporting Directive (CSRD) in April 2021, EFRAG took over new responsibilities as the European Commission's technical adviser for developing draft European Sustainability Reporting Standards (ESRS) even before the adoption of the directive. After a year of intensive work, on 29 April 2022, the EFRAG had established a complete first set of draft standards and launched a public consultation. This first set of standards comprises cross-cutting, as well as a broad range of environmental, social, and governance (ESG) issues.

To keep pace with these fast developments on the sustainability reporting landscape and lay the groundwork, the EACB established a new Working Group on Sustainability Reporting and Audit (SRA WG) in May which swiftly became a dynamic platform for exchange between experts on sustainability disclosures. The Board nominated Mr. Volker Hartke from BVR as chair of the WG. Under a tight timeline of only 3 months, members assessed and responded to the EFRAG's consultation on the exposure drafts that outline reporting requirements across 13 topics over about 400 pages.

The EACB welcomes the European Commission's objective to produce a comprehensive sustainability reporting framework and the role of EFRAG as a European sustainability reporting standard setter. The SRA WG therefore gladly made a contribution to the discussion, aiming to achieve the right balance between meeting the needs of all stakeholders while ensuring that the standards are feasible for the reporting entities. Moreover, to be able to drive positive change, it is also important that its implementation is carried out gradually. With sustainability at the centre of their business model, cooperative banks should grasp the opportunity to demonstrate their commitment to social responsibility, environmental stewardship and sound governance by advancing ESG criteria.

From August to early November, EFRAG's Sustainability Reporting Board (SRB) worked intensively to develop draft ESRS, consider the feedback received from stakeholders, and agree on subsequent amendments in the exposure drafts before delivering the set 1 ESRS to the European Commission on 22 November. SRA WG's members accompanied this deliberation process and were actively involved in negotiations at the EFRAG SRB, working closely with the SRB Board Member representing the banking sector, Ms. Annina Tanhuanpää. The WG made a significant effort to analyse an unparalleled level of detail and quantity of materials on technically complex aspects of the proposed ESRS with extremely short deadlines.

Currently, the major concern of the financial sector remains the obligation for an entity to collect information on its entire value chain. The capability of a bank to control a long client-based chain is factually limited to the direct counterparty where the bank has a contractual relationship through which it can control the information it receives. Therefore, it is fundamental to clarify the reporting boundary under the ESRS for credit institutions. There is a parallel discussion on the value chain in the currently negotiated CS3D. In addition, the requirements of Article 18 of the Taxonomy Regulation on the value chain must be taken into account in the discussion. Overall, there is a risk of SME borrowers and cooperative banks being overcharged.

The importance of the mission of cooperative banks for local development cannot be overstressed, and European sustainability disclosures should not ignore the most important social aspects for cooperative banks. Importantly, the ESRS requirements should give clear guidance and propose a specific and objective framework for measuring and presenting the effect on communities and society. In the months to come, the members of the SRA WG will continue to closely follow the work of European and international standard-setters to develop a framework for sustainability reporting and engage in active communication and the advocacy process with various relevant legislative bodies.

EACB POSITION PAPERS

- [EACB comments on EFRAG SRB consultation on draft European Sustainability Reporting Standards](#), 29/07/22
- [EACB comments on ISSB IFRS S1 General Requirements Exposure Draft and IFRS S2 Climate Exposure Draft](#), 29/07/22

CO-OPERATIVE BANKS IN THE SINGLE MARKET

ACTIVITIES OF THE EACB WORKING GROUPS

TAXATION

EACB policy messages

1. The European corporate taxation reform, Business in Europe: Framework for Income Taxation (BEFIT), should be based on existing regimes and be made as simple as possible. It is also critical to ensure that the BEFIT Directive is reasonably adopted before the OECD tax reform comes into force in 2023.
2. Adequate implementation in the EU of the OECD/G20 agreement on a minimum corporate tax through Pillar Two is of key importance for the financial sector.
3. Cooperative banks should be at the forefront of the latest European and international tax legislative initiatives such as “VAT in the digital age” and with respect to a crypto-assets reporting framework.

*Statement from Volker Heegemann,
Acting Chairman of the EACB working group
& Head of the Legal Department, EACB*

Recent European and international initiatives in the field of taxation seek to reflect the major trends that will impact our economy and society more broadly. In 2022, the Taxation working group (TaxWG) continued its efforts to monitor and support a growing number of EC initiatives in the field of taxation, such as legislative proposals to mitigate the debt-equity bias induced by corporate taxation (DEBRA) and the adoption of an EU-wide system for withholding tax relief at source. The group also dealt with legislation on VAT in the digital age designed to keep pace with the latest digital and technological developments.

A main focus was on establishing a position on international consultations, from the OECD public consultation on the Crypto Assets Reporting Framework (CARF) and amendments to the Common Reporting Standards (CRS) to the OECD/G20 IF on BEPS' proposal to ensure minimum global taxation for multinationals.

Reasonable transposition of the OECD/G20 minimum effective tax agreement

The year was marked by advanced negotiations on the transposition of the OECD/G20 IF on BEPS' agreement on a 15% global minimum tax rate into EU law. TaxWG's meeting in July primarily concerned an exchange on the notion of Ultimate Parent Entity (UPE) for cooperative groups provided by Pillar 2 Model Rules, an issue of particular importance for some groups, e.g. in France.

It is fundamental that these groups receive clarification on when a central institution and its affiliates would be considered as single GloBE Group for the purpose of Pillar 2 and when a central institution would be considered to be the UPE of that Group. At time of writing, advanced negotiations are deadlocked at the level of the Council.

Continued advocacy on DEBRA's tax rules for lease companies

The banking industry's successful lobbying efforts resulted in credit institutions being excluded from the scope of the draft directive on laying down rules on a Debt-Equity Bias Reduction Allowance (DEBRA) and on limiting the deductibility of interest for corporate income tax (CIT) purposes. Nevertheless, EACB continued developing our position with regards leasing activities – a point of concern for some members – by explicitly requesting the inclusion of lease companies in the exemption for financial undertakings even when there is no banking licence required for leasing activities.

Supporting a new EU system for withholding tax

The continued lack of a common standardised European system for withholding tax relief at source is causing double taxation and hampers cross-border investments in the EU. Further to the EACB position submitted on the EC's roadmap consultation, the WG took part in public consultation to again stress member support for the establishment of a standardised EU-wide system for withholding tax on dividend or interest payments.

Ensuring adequate implementation of BEFIT

Put forward by the EC as part of the package on corporate taxation to stimulate the EU economy after the pandemic, Business in Europe: Framework for Income Taxation (BEFIT) is a single set of tax rules for doing business in Europe. BEFIT intends to replace national corporate tax systems for companies in scope with a view to reducing their compliance costs and removing barriers to cross-border investment.

It is imperative that a new directive is based on existing regimes (e.g. Pillar 2 and/or country-by-country reporting (CBCR)) and be as simple as possible. The implementation of BEFIT, which involves adding a rule to existing local rules, might not be appropriate as the complexity of tax rules and compliance costs will increase. With the legislative proposal on BEFIT planned for the second half of 2023, this initiative will remain at the top of the WG's agenda.

EACB POSITION PAPERS

- [EACB comments on EC proposal for a Directive on a global minimum tax for MNEs in the EU](#) , 06/04/22
- [EACB comments on OECD public consultation on crypto-asset reporting framework \(CARF\) and amendments to the common reporting standard \(CRS\)](#), 29/04/22
- [EACB comments on EC legislative proposal for “Value-added tax \(VAT\) in the digital age”](#), 05/05/22
- [EACB comments on EC proposal for a directive on a DEBRA and on limiting the deductibility of interest for CIT purposes](#), 29/07/22

CO-OPERATIVE BANKS IN THE SINGLE MARKET

ACTIVITIES OF THE EACB WORKING GROUPS

SUSTAINABLE FINANCE

EACB policy messages

1. We believe that one of the preconditions for the transitions is to improve the availability and accessibility of ESG data. The EACB considers that, in principle, and in accordance with the urgency of the transitions and targets of the Green Deal and Paris Agreement, ESG performance data should be made accessible to the public in order to incentivise and foster sustainability investments. As such, the EACB welcomes the establishment of the European Single Access Point for ESG data, which will reduce the transition risk for businesses of not being able to meet future (or even current) regulation requirements. The ESAP will also enable data accessibility and comparability.
2. Companies should have access to tools for establishing their transition plans. We need coherent, sectoral and science-based methodologies to ensure companies' engagement. Companies also need guidance from public authorities and there should be clear requirements: i) to measure their performance compared to the economic sector they operate in, ii) to identify intermediate targets of carbon footprint reduction; iii) to track and verify progress.
3. Any EU policies, and therefore ESG policies, must be coherent and complementary to what is already out there. For the sake of the real economic impact and support for the sustainability transitions, we believe that unnecessary administrative burdens on EU companies and dissonance between legislative texts should be avoided.

*Statement from Bouke De Vries,
Chairman of the EACB working group
& Advisor to the Board, Public Affairs, Rabobank*

Throughout 2022, EU institutions consolidated their Sustainable Finance strategy and the new legislation it entailed. Cooperative banks are, by their local and regionally organised governance models, close to their clients. They are committed to engaging on sustainability issues with clients, members and other stakeholders. The EACB held several meetings throughout the year on the topic and cooperative banks had multiple conversations with policymakers and government officials. We also provided, on behalf of our members, input on key level 1 and 2 files, by responding to consultation and publishing policy papers.

The flagship Corporate Sustainability Reporting Directive has been published in the Official Journal. Several points supported by EACB are in the final texts, including the group approach for subsidiaries and separate audits. We will continue to monitor the Directive's implementation, especially EFRAG reporting standards. To foster in-depth work on sustainability reporting, we established a dedicated Sustainability Reporting and Audit Working Group, which will take the lead on these topics. Work is advancing on the EC's proposal for a Corporate Sustainability Due Diligence Directive and we are engaging with relevant legislators to build a proportionate approach to impending requirements. In parallel, the EACB is carefully tracking the implementation of the Taxonomy Regulation level 2 acts.

The Disclosures and Climate Delegated Acts became applicable on 1 January 2022; the Complementary DA on nuclear and gas activities will apply from 1 January 2023.

As reporting requirements begin to kick in, financial entities remain concerned about the availability of customer data. In this context, the EACB voiced a unanimous position that institutions should get easy access to publicly reported ESG data. We also act as a hub for members to share good practices for accurate and credible reporting. The new WG also discussed Platform on Sustainable Finance reports (Extension of the Taxonomy; Minimum Social Safeguards; Data and usability) which will potentially feed into level 2 texts. We are exploring how we can carry this work forward and provide concrete views to the EC.

ESG topics remain at the top of the international agenda and a number of our members joined international initiatives such as the UN Net Zero Banking Alliance and Glasgow Alliance. We support members' policies in this regard and are helping them achieve a comprehensive view of the global framework. Our COOP 27 event (in parallel with COP27) welcomed regulators and practitioners to debate crucial climate adaptation issues from the cooperative angle. It was accompanied by a [call for action](#), including five policy recommendations to increase the resilience of local economies.

EACB POSITION PAPERS

- [Press release - EACB welcomes that new EFRAG Sustainability Reporting Board becomes operational](#) , 16/03/22
- [EACB Comments on CSRD trilogue negotiations](#), 04/04/22
- [Response to Consultation on PSF proposal on Minimum safeguards](#), 02/09/22
- [#COOP27 - Co-operative banks call for action on climate adaptation](#), 14/11/22

DEVELOPMENTS AFFECTING THE PRODUCTS OFFERED BY CO-OPERATIVE BANKS

ACTIVITIES OF THE EACB WORKING GROUPS

CONSUMER POLICY

EACB policy messages

1. There is no urgent need to review the Mortgage Credit Directive (MCD). The MCD is also not the best place for a possible definition of green mortgages, which should be based on EU taxonomy criteria.
2. The review of the Consumer Credit Directive (CCD) should ensure that obligations on lenders remain proportionate to the amount and length of the credits and maintain the possibility to take an individualised approach towards customers, while creating a level playing field between different kinds of credit providers.
3. The scope of the proposed revision of the Distance Marketing in Financial Services Directive (DMFSD) should be clarified to ensure that it only applies to products which are not already subject to sectoral or product-specific legislation.

*Statement from Elisabeth Delahousse,
Chairwoman of the EACB Consumer Policy Working Group
& Head of EU Affairs, Fédération Nationale du Crédit Agricole:*

The year 2022 started for the Consumer Policy working group with work on the Commission consultation on the review of the Mortgage Credit Directive (MCD), the answer to which was due in February 2022. EACB members believe that the directive has performed well and does not require a revision, according to the Better Regulation principles.

The technologically neutral approach of the MCD allows the rules to adapt to new technologies and consumer expectations. Should the MCD be amended, focus should only be on addressing new market entrants, information and digitalisation. As for the new topic of green mortgages, cooperative banks emphasise that any possible definition of a green mortgage should be based on EU taxonomy criteria, and not feature in the future MCD. This position was discussed with the European Commission in an exchange on 18 May. Additionally, the secretariat participated in a workshop organised by IFC consultants.

In March, with the war in Ukraine underway, DG FISMA reached out to the EACB with an urgent request regarding access to basic bank accounts by Ukrainian refugees arriving on EU territory. Different EACB members were able to quickly provide the EACB with relevant feedback as to how they helped refugees to access banking services and cash.

In May, the Commission issued a reform of the [EU rules on Distance Marketing of Consumer Financial Services](#). EACB members would have been happy to maintain the existing Directive on Distance Marketing of Financial Services, which the Commission proposed to repeal, as it functions as a technologically neutral and flexible safety net.

In parallel to the above work streams, the EACB secretariat worked closely with its members to feed the reflections of the European Parliament and Council on the proposal for a revised Consumer Credit Directive. Position papers, proposals for amendments and letters to institutions were formulated, aimed at keeping the scope of the requirements proportionate to the amount and length of the credits and maintaining the possibility to take an individualised approach towards customers, while creating a level playing field between different kinds of credit providers.

At the trilogues on 1 December, a political agreement was reached, after more than one and a half year of negotiations. Unfortunately, small and short credits and leasing with an option to purchase are now in the scope of the CCD2 but some flexibility might remain at the discretion of Member States. Institutions will not be able to grant credit in the case of a negative creditworthiness assessment except for students, new EBA Guidelines might be issued and CPI will not be concluded before three days left to consumers to compare different offers.

Finally, the Consumer Policy working group also contributed to the EACB's work on open finance, notably looking at the mortgage and consumer credit aspects of the Commission consultation.

EACB POSITION PAPERS

- [EACB response to the European Commission's consultation on the review of the Mortgage Credit Directive, 28/02/22](#)
- [Joint ESBG, EACB, ENCU letter on CCD, 11/22](#)
- [EACB position on the Commission proposal for a revision of the Consumer Credit Directive](#)

¹ Case C-911/19 of 15 July 2021, *Fédération bancaire française (FBF) v Autorité de contrôle prudentiel et de résolution (ACPR)*

DEVELOPMENTS AFFECTING THE PRODUCTS OFFERED BY CO-OPERATIVE BANKS

ACTIVITIES OF THE EACB WORKING GROUPS

PAYMENT SYSTEMS

EACB policy messages

1. The implementation of the EPC SEPA Instant Credit Transfer Scheme required substantial investment efforts for cooperative banks as not only customer-bank interfaces but also core banking systems and settlement mechanisms had to be adjusted. It is therefore important that the proposed regulation on instant payments in euros aligns with the rules of the EPC instant payment scheme rulebook and refrains from adding requirements that go further or require redesign of processes.
2. In the context of the PSD2 revision and EU Open Finance Framework, lessons learned from PSD2 should be taken into account. Any further work should be based on mutual benefits for market players and freedom of contract and the work on a SEPA Payment Account Access Scheme.
3. The EACB is supportive of EPC work on a SEPA Payment Account Access Scheme as it builds on lessons learned from PSD2. As a next step in the process, it will be important to formulate a minimum viable product and the elements of the business model.

Statement of Marieke van Berkel, Head of Department Retail Banking, Payments, Digitalisation and Financial Markets in memoriam of Patrice Hertzog, Confédération Nationale du Crédit Mutuel & former Chair of the EACB Payment Systems Working Group)

EACB work on payments in 2022 was spread over several legislative and non-legislative topics:

Instant payments in euros

One topic that took high priority in EACB's work plan was the Commission's work on instant payments. The EACB, jointly with other EU banking associations, provided written input and had several meetings with the Commission services, expressing as its main concerns: no need for regulatory intervention and the need for a business model to support uptake and product development by banks. The legislative proposal announced by the Commission on 26 November, however, does put forward an obligation for payment service providers to offer the service of receiving and sending instant credit transfers in euros. It also sets rules around the pricing of instant credit transfers in euros and obliges providers to verify whether the IBAN and name of the payee match. These latter points met with reluctance from EACB members who will want to discuss these topics further with the co-legislators. Simplification of the sanctions regime proposed by the Commission to accommodate the nature of instant payments is positively received as it follows the recommendations of the joint EACB/EBF/ESBG Task Force on sanctions screening. Our advocacy work towards the European Parliament and the Council will be mainly carried out in 2023.

Review of Payment Services Directive 2

The EACB has contributed to the ongoing review of PSD2 through a response to the public consultation, an interview with the contractor of the Commission's external study, and participation in the Commission's expert group on payments. Our view is that PSD2 has brought benefits for payment users by making payments safer and more secure, but at the same time contributed to an uneven playing field between banks and third-party providers; should the Commission decide to revise PSD2, we would be in favour of a targeted revision focusing only on certain aspects. API standards should not be regulated, better interplay between PSD2 and EU data protection legislation should be ensured and lessons learned from PSD2 should be taken into account in the context of the PSD2 revision and the Open Finance framework. The Commission is expected to announce a legislative proposal on the revision of PSD2 in June 2023.

SEPA Payment Account Access Scheme

Having voted in favour of the adoption of the June 2021 report of the Euro Retail Payments Board on the topic and considering that it builds on lessons learned from PSD2, the EACB is committed to the work that has been developed as a follow up to this report. It actively participates in work of the European Payments Council's Multi-Stakeholder Group on the SEPA Payment Account Access Scheme. The group is composed of representatives of banks, asset brokers, consumers, retailers, corporates and SMEs, and is responsible for the development of a SPAA scheme in relation to access to payment accounts (API Access Scheme for payment services beyond PSD2). The first version of the SPAA scheme rulebook was published on 30 November. As a next step, it is now important to complete the rulebook with a proposition for the minimum viable product (a set of mandatory services to be supported by scheme adherents) and the business model.

Work in ERPB and EPC stakeholder bodies

The EACB took an active part in the different work streams of the Euro Retail Payments Board (ERPB)¹ and the European Payments Council (EPC), such as the workstream on transparency for retail payment end users, and high-level communication strategy on instant payments.

EACB POSITION PAPERS

- [Joint Banking Association position paper on instant payments, 01/22](#)
- [Recommendations of the joint EACB/EBF/ESBG Task Force on sanctions screening and instant payments, 02/22](#)
- [Joint Banking Association position paper on instant payments, 03/22](#)
- [EACB answer to European Commission targeted consultation on PSD2 review, 19/07/22](#)
- [EACB answer to European Commission consultation on digital euro, 22/07/22](#)

² The ERPB is a high-level strategic body hosted by the ECB and tasked with fostering the integration, innovation and competitiveness of euro retail payments in the EU (<https://www.ecb.europa.eu/paym/groups/erpb/html/index.en.html>).

DEVELOPMENTS AFFECTING THE PRODUCTS OFFERED BY CO-OPERATIVE BANKS

ACTIVITIES OF THE EACB WORKING GROUPS

DIGITAL EURO

EACB policy messages

1. The EACB understands the need to discuss, reflect and research the topic of a digital euro for Europe. Indeed, it acknowledges that a digital euro is being considered as a response to digitalisation in general, the emergence of private stable coin initiatives around the globe, multiple Central Bank Digital Currency projects by foreign central banks (as in China and the US), as well as market dominance by non-EU payment service providers, which might undermine the financial stability and monetary sovereignty of the EU.
2. The biggest challenge is finding the right balance between creating a successful retail payment instrument that does not create issues for the funding base of the banks that rely heavily on deposits to finance the lending business (such as cooperative banks). In line with this, they would like to see a relatively low holding limit and limitations on transaction amounts and waterfall mechanisms.
3. EACB members consider that there are a number of wholesale applications of CBDC that deserve attention.

*Statement of Marieke van Berkel,
Head of Department Retail Banking, Payments,
Digitalisation and Financial Markets*

On 1 October 2021, the Eurosystem launched the 2-year investigation phase (see full schedule in annex 2) for a digital euro project with the aim of addressing key issues regarding design and distribution and assessing the possible impact of a digital euro on the market, identifying the design options to ensure privacy and avoid risks for euro area citizens, intermediaries and the overall economy.

The digital euro has been described by the ECB, as a digital equivalent of euro banknotes. The main rationale behind the project: bringing central bank money into the digital era is a logical step as payments become increasingly digitalised. A digital euro would preserve the role of public money as the anchor of the payments system in the digital age, contribute to Europe's strategic autonomy and economic efficiency by offering a European means of payment that could be used for any digital payment, meet Europe's societal objectives and be based on a European infrastructure.

The EACB understands the need to discuss, reflect and research the topic of a digital euro for Europe. Indeed, it acknowledges that a digital euro is being considered as response to digitalisation in general, the emergence of private stable coin initiatives around the globe, multiple Central Bank Digital Currency projects by foreign central banks (as in China and the US), as well as market dominance by non-EU payment service providers, which might undermine the financial stability and monetary sovereignty of the EU.

As to the way in which to develop a digital central bank currency for Europe, EACB members consider that there are a number of wholesale applications that deserve attention. It welcomes the initial reflections within the [AMI-Seco context](#).

With regard to the retail digital euro that is under investigation, EACB members see the biggest challenge in finding the right balance between creating a successful retail payment instrument that does not create issues for the funding base of those banks that rely heavily on deposits to finance the lending business (such as cooperative banks). In line with this, they would like to see a relatively low holding limit and limitations on transaction amounts and waterfall mechanisms.

The EACB believes that close cooperation between the ECB and the private sector in reflections on the digital euro is important. It therefore appreciates the [stakeholder dialogue](#) set up in the context of the ERPB and welcomes the regular [vvv](#) that have taken place accordingly ahead of the October 2023 decision of the Governing Council whether to start a realisation phase to develop and test technical solutions and business arrangements for a digital euro.

EACB POSITION PAPERS

- EACB [answer](#) to ECB consultation on digital euro use cases and foundational design options, 25/05/22
- EACB [answer](#) to ECB consultation on tools to avoid excessive use of a digital euro, 12/07/22
- EACB answer to ECB consultation on distribution model options for a digital euro, 07/22
- [EACB answer to European Commission consultation on digital euro](#), 22/07/22
- EACB answer to ECB consultation on funding and settlement choices for a digital euro, 09/22
- EACB [answer](#) to ECB consultation on digital euro's intermediaries, form factor, programmability and cross-currency architecture, 02/12/22

DEVELOPMENTS AFFECTING THE PRODUCTS OFFERED BY CO-OPERATIVE BANKS

ACTIVITIES OF THE EACB WORKING GROUPS

ANTI-MONEY LAUNDERING

EACB policy messages

1. The EACB supports the fight against money laundering and terrorist financing.
2. The new Anti-Money Laundering legislative package has significant potential to improve this fight, notably by proposing a regulation as a legislative tool.
3. However, EACB members would like to see more detail included in both the AML Regulation and the Regulation establishing the AML Authority and fewer level 2 measures.

The activities of the AML Working Group in 2022 focused very much on discussions in the European Parliament and Council on the AML legislative package that was issued by the Commission early 2021.

EACB members consider this package an important step towards a more harmonised and effective EU AML framework as money laundering activities do not stop at national borders. Having said that, they would prefer the package to contain more details and leave fewer specifications to level 2 legislation and the new EU AML Authority (AMLA) or the Commission. Additionally, it must be kept in mind that half of money laundering activities take place outside the financial sector.

To ensure the effectiveness of the framework, non-financial entities must be also within the scope of the AMLA. Cooperative banks would also like to see more data exchange between the public and private sector and among private sector participants. They propose that a European Beneficial Owners Register and European Know-Your-Customer Register are established with uniform standards and protection of legitimate expectations.

The EACB reached out to the different rapporteurs and shadow rapporteurs on the AML package in the European Parliament to provide input on their exchanges.

EACB POSITION PAPERS

- [EACB position on the proposal for a Directive on the mechanisms to be put in place by the Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and repealing Directive 2015/849 \(AMLD6\), 22/03/22](#)
- [EACB position on the proposal for a Regulation establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism, 22/03/22](#)
- [EACB position on the proposal for a Regulation on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, 22/03/22](#)

DEVELOPMENTS AFFECTING THE PRODUCTS OFFERED BY CO-OPERATIVE BANKS

ACTIVITIES OF THE EACB WORKING GROUPS

FINANCIAL MARKETS

EACB policy messages

1. Cooperative banks support a strategy towards regulation that puts retail investors at the fore, but are concerned that the European Commission is in some instances making proposals that do not really empower consumers because they try to fix issues that retail investors have not really flagged, or that will make capital markets less accessible.
2. Investor protection rules on topics such as inter alia conflicts of interest, assessing the suitability of a financial product for a target market and transparency and disclosure of costs and inducements are already in place, but according to the European Commission's June 2022 study on Disclosures, Inducements and Suitability, are not always understood. The next step in instilling trust is not banning existing provisions such as the inducements regime, or drastically changing current requirements, but rather investing in the financial education of retail investors, and making sure that ESG disclosures and rules are adequately simplified to help consumers assess their sustainability preferences when seeking investment advice or directly making investments.
3. Digitilisation is important to herald in a new generation of retail investors, but this should not come at the detriment of marginalised members of society in terms of access to internet, digital savviness and wealth. It is important that the development of open finance in investments does not lead to unintended consequences relating to retail investors' data privacy, proprietary data and bank processes, etc.

*Statement from Giuseppe ZAGHINI,
Chairman of the EACB Working Group
& Head of Regulatory Coordination, Iccrea Banca:*

The most pressing securities markets topics that EACB navigated during 2022 were in relation to the Retail Investment Strategy. One critical proposal was the complete overhaul of the MiFID II suitability and appropriateness regime via the introduction of standardised assessments, and of the "portability" of machine-readable client profiling between intermediaries. Members have not been in favour of standardisation and portability, citing the lessons learned from PRIIPs, the effects they would have on consumer choice and competitiveness and the costs and risks of transferability (GDPR, fees for transferring an assessment, liability risks).

EACB members also discussed the European Commission's proposal to increase obligations of manufacturers and distributors to assess the pricing of investment products versus their value-for-money (VfM), and have strongly advocated against the proposed ban on inducements. In the view of cooperative banks, the proponents of an inducements ban too easily overlook the fact that inducements, through a socialisation of costs, are key to ensuring access to (face-to-face) advice for all kinds of retail investors, not just the affluent ones.

These topics shall remain relevant to EACB in the upcoming months based on the Commission's deadline to deliver an impact assessment and legislative proposals for the Retail Investment Strategy by Q1 2023.

The inducements ban also remains a contested topic for the EACB under another dossier: the MiFIR review on market data. This was already relevant during 2022 due to the potential risk of the cooperative banking intragroup payment and order chain being captured under a proposed ban on payments for order flow (PFOF). The EACB continues to advocate for cooperative banks to be exempted from such a ban as well as ensuring that the European Parliament and Council do not approve a position that extends a ban on PFOF into a general inducements ban. The EACB's advocacy also continues with respect to various proposed changes in market data, trading and clearing regulations under MiFIR, EMIR (mainly CCP rules) and CSDR (particularly regarding cash settlements).

In terms of sustainable finance, implementation was at full speed, ahead of the ESG delegated acts amending MiFID II earlier this year. However, members struggled to tackle the related proposed ESMA Guidelines, which were more granular than expected and left stakeholders with more questions than answers on how to guide retail investors toward identifying their ESG investment preferences.

The ESMA Guidelines were also concerning as they seemed to diverge from EIOPA guidance under the IDD. This has been further complicated due to timeline/sequencing issues which EACB strongly advocated against during 2022, pending updates to the SFDR RTS coming from developments in the Taxonomy Regulation (nuclear and gas disclosures), the Corporate Sustainability Reporting Directive and the European Single Access Point proposals being delayed, a pending proposal on EU sustainability reporting standards spearheaded by EFRAG and pending Q&As from the Commission to clarify inconsistencies in definitions and scope (e.g. sustainable investments).

The EACB will continue to assess implementation of the ESG delegated acts and SFDR RTS in the upcoming months. Monitoring of labelling regimes shall also continue, such as the proposal for a regulation on an EU Green Bond Standard which is relevant because cooperative banks remain at the forefront of issuance of green bonds.

EACB POSITION PAPERS

- [EACB answer to ESMA's call for evidence on retail investor protection aspects, 02/01/22](#)
- [EACB answer to European Commission targeted consultation on enhancing suitability and appropriateness assessments, 06/04/22](#)
- [EACB answer to ESMA consultation on Guidelines on certain aspects of MiFID suitability requirements, 27/04/22](#)
- [EACB answer to ESMA consultation on Guidelines on MiFID product governance requirements, 10/10/22](#)

DEVELOPMENTS AFFECTING THE PRODUCTS OFFERED BY CO-OPERATIVE BANKS

ACTIVITIES OF THE EACB WORKING GROUPS

DIGITALISATION AND THE USE OF DATA

EACB policy messages on digital aspects

1. Cooperative banks support the EC's effort to create a more integrated and functional single European Data Space through its data strategy. We support its general principle of facilitating data sharing, which should be based on free choice of private individuals and businesses, voluntary and on a contractual basis.
2. Further related applicable legislation (e.g. GDPR, national banking acts, banking secrecy, trade secrecy) should be carefully analysed and considered when establishing an integrated single market for data in the EU.
3. A possible legal framework on Open Finance must avoid repeating the PSD2 model and instead be based on principles of mutual benefits, creating incentives for all market participants to join. The principle 'same business/service, same risks, same supervision, same rules' should always apply. This principle alone ensures a level playing field and a high level of consumer protection.

*Statement from Gilles Saint-Romain,
Chairman of the EACB Working Group
& Head of Digital European Public Affairs, Groupe BPCE*

Our work on digitalisation in 2022 was very much focused on legislative proposals launched in previous years, such as the Digital Operational Resilience Act (DORA), the Digital Markets Act (DMA) and the Artificial Intelligence (AI) Act. There were also new workstreams on the EC's proposal on the Data Act and preparatory work for the upcoming Open Finance framework.

For the first part of the year, the EACB continued its dialogue with the European Parliament and the Council on DORA, to the exclusion of statutory auditors and audit firms within its scope, on the introduction of the definition of 'intragroup ICT service provider' to reflect cooperative banking models and on the need for a holistic approach to ICT/Operational Risk/Payment incident reporting. At the same time, we continued reaching out to relevant MEPs and targeted council attachés on the DMA, advocating for fair and equal access conditions for third parties to digital infrastructure, which successfully passed into the final text published in the EU's Official Journal in October.

The DUDWG also closely followed the AI Act proposal and we discussed our position paper and suggestions for amendments with relevant MEPs from the various committees involved in providing additional input based on member assessments of different committee opinions.

At the beginning of the year, we opened discussions with the EC on the Data Act. EACB members were involved in drafting a [position paper](#) as well as amendments to the proposal. Based on these materials, outreach towards relevant stakeholders started after the summer, stressing positive developments and areas for improvement. The Data Act, together with the Data Governance Act, represents a building block for the upcoming sectoral Open Finance framework. I was directly involved in drafting the [report on Open Finance](#) within the expert group (EG) on a European financial data space, where I – together with another cooperative representative colleague, Juliana Pichler from Raiffeisen Bank International, and in coordination with other bankers – contributed to this report over several months. We were supported by the EACB Secretariat which, during the same period, [responded](#) to the EC's targeted consultation on open finance and organised a [webinar](#) on the topic.

The EACB is committed to supporting the EC's work on open finance to maximise data-driven innovation in a more integrated and functional European Data Space by making sure that consumer protection, feasible data-sharing business models and a level playing field for all market actors are key priorities.

EACB POSITION PAPERS

- [EACB amendments on the Artificial Intelligence Act, 26/01/22](#)
- [EACB response to the EDPB's Guidelines 01/2022 on data subject rights – Right of access, 11/03/22](#)
- [EACB Position Paper on a Proposal for a Regulation on “Harmonised rules on fair access to and use of data” \(The Data Act\), 12/05/22](#)
- [EACB's key remarks to the IMCO-LIBE draft Report on the Artificial Intelligence Act, 19/05/22](#)
- [EACB answer to the call for evidence for an impact assessment on the Open Finance Framework, 04/07/22](#)
- [EACB Position Paper on the targeted consultation on open finance framework and data sharing in the financial sector, 05/07/22](#)
- [EACB webinar on Open Finance with Marcel Haag, Director, DG FISMA, 06/07/22](#)
- [EACB's key remarks on the amendments to the IMCO-LIBE draft Report on the Artificial Intelligence Act, 05/09/22](#)
- [EACB amendments to the Data Act, 06/10/22](#)
- [ESBG and EACB congratulate the Commission's Expert Group on its Report on Open Finance, 25/10/22](#)

DEVELOPMENTS AFFECTING THE PRODUCTS OFFERED BY CO-OPERATIVE BANKS

ACTIVITIES OF THE EACB WORKING GROUPS

DIGITAL IDENTITY WORKSTREAM

EACB policy messages

1. The ECSAs eID Task Force welcomes the high ambitions presented in the EC's proposal for a European Digital Identity (DI), including for a European Digital Identify Wallet (EDIW). We believe the proposal will incentivise Member States to be more expedient in developing eID solutions with a wide scope of usage and potentially much higher adoption rate. The wallet architecture with its underlying principles has the potential to further increase innovation and digital identification within the financial industry, benefitting all European businesses and citizens. However, some aspects need to be further clarified.
2. The proposal for mandatory acceptance of the EDIW for Strong Customer Authentication (SCA) is however of great concern. If banks were obliged to accept the EDIW for SCA within several payments use cases, additional significant investments and fundamental adjustments to existing payment infrastructures would be required to update interfaces and procedures without necessarily improving the customer experience. It could, on the contrary, actually reduce security and privacy. Furthermore, these requirements would involve significant cost on the part of all Member States in order to incorporate a huge variety of payment solutions beyond identification itself.
3. The DI proposal does not sufficiently address the question of liability. We believe it is essential to elaborate a coherent framework that clearly allocates liability between issuers and payment service providers, also in accordance with sector-specific legislation (e.g. PSD2) and oversight.

*Co-Chair contribution to the 2022 EACB Annual Report
ECSAs Co-Chair: Jens Holeczek,
Head of the Digital Payment Unit
at the National Association of German Cooperative Banks (BVR)*

Digital Identity is an important topic for the banking sector's relationship with clients. In February 2021, the EACB, together with EBF and ESBG (known collectively as ECSAs) established a dedicated ECSAs eID Task Force (TF) to take a proactive role on the topic. The TF worked on a common strategic position for the EU banking industry and, when the EC published its proposal on Digital Identity on 3 June 2021, refocused its efforts on putting forward our position on the matter.

During the first three months of 2022, the TF and corresponding ECSAs constituencies were involved in two major activities: the drafting and finalisation of suggestions for amendments to the Digital Identity proposal and our position on the EC's consultation document on European Digital Identity Wallet Architecture and Reference Framework (ARF); a set of common standards and technical specifications that will serve as a basis for the implementation of the European Digital Identity Regulation, once adopted.

The TF organised an event on 9 February 2022 with Dr Romana Jerković, the Rapporteur from the Parliament, which was a good occasion to present our messages and establish a dialogue with relevant MEPs and Council and Commission representatives. The objective was to explain the crucial role of banks and impact of the proposal on existing processes. The event generated significant attention at Head of Unit and Director level from DG CONNECT, as well as with DG FISMA.

During the first half of the year and based on our position paper and suggestions for amendments, the ECSAs Secretariat, together with the other Co-Chairs, met with relevant MEPs to discuss the ECSAs' main concerns.

Following the publication of the IMCO, JURI and LIBE draft opinions, we performed an in-depth gap analysis of the amendments proposed by the European Parliament and the Council and developed a note on the issuers of attestation of attributes and relying parties regarding user data. Both documents were shared with relevant MEPs and the EC in September and became the subject of further exchanges between delegations of TF and MEPs and the EC from September to November.

The ECSAs organised two meetings with the ITRE Secretariat and the EC on 20 October 2022, mainly to share the ECSAs TF's views on mandatory acceptance of the EDIW DIW for Strong Customer Authentication for payments and liability. The financial industry is keen to continue engaging in a dialogue with the different policymakers involved and to make the Digital Identity proposal a success for citizens, governments and the private sector.

EACB POSITION PAPERS

- [The European Credit Sector Associations' amendments to the Digital Identity proposal, 07/03/22](#)
- [The European Credit Sector Associations' position on the European Digital Identity Architecture and Reference Framework, 14/04/22](#)
- [European Credit Sector Associations' remarks on the EP and Council's AMs on the Digital Identity proposal, 16/09/22](#)
- [European Credit Sector Associations' note on the issuers of attestation of attributes and relying party of the Digital Identity proposal, 07/10/22](#)

COMMUNICATION

Throughout 2022, the EACB's communication strategy focused on increasing the organisation's visibility within the European political discussion and spreading awareness of its key messages, which recognise and promote the specific concerns of cooperative banks.

A mix of digital and offline communication tools, including events, newsletters, press releases, websites, and social media, were leveraged to more effectively reach out to and target key stakeholders.

Additionally, notable efforts were made to advance the digitalisation of EACB's communication means, such as improving CRM systems and integrating intranet and extranet networks to boost internal efficiency. The EACB's digital transformation will remain a priority in the upcoming year.

1. Website and social media

To improve user experience and address digital welfare and security concerns, the EACB recently renewed its [GDPR policy](#). The updated global GDPR policy is now available on the EACB website, which also includes a compliant [cookies policy](#) and matching consent pop-up.

In addition, a comprehensive social media plan was implemented to stimulate social media interactions via Twitter and LinkedIn, resulting in a significant increase in followers and impressions.

2. Newsletter

Each edition of the EACB Monthly Interview addressed a topic of relevance to cooperative banks. The intro message "Word of the CEO" highlighted the EACB's stance on the subject, followed by a "3 questions to" interview conducted with a high-level external expert and concluded with a "second opinion" from a cooperative banking representative underlining the member organisations' perspectives. To automatically receive new editions, sign up for [the EACB Newsletter](#).

EACB NEWSLETTERS IN 2022

N°46 – Jan. 2022	3 Questions to Alexandra Jour-Schroeder , Deputy Director General, DG FISMA, European Commission Second Opinion from Nicolas Théry , Chairman, Confédération Nationale du Crédit Mutuel
N°47 – Feb./Mar. 2022	3 Questions to Councillor Matthew Brown , Leader of the City Council (Plungington Ward) Labour, Preston City Council Second Opinion from Robin Fieth , Chief Executive of the UK Building Societies Association
N°48 – Mar. 2022	3 Questions to Verena Ross , Chair, European Securities and Markets Authority (ESMA) Second Opinion from Manuel Ruiz Escudero , President, Unión Nacional de Cooperativas de Crédito (UNACC)
N°49 – Apr. 2022	3 Questions to Eric Ducoulombier , Head of the Retail and Payments Unit, European Commission (DG FISMA) Second Opinion from Elisabeth Delahousse , Head of EU Affairs, Fédération Nationale de Crédit Agricole (FNCA)
N°50 – May 2022	3 Questions to Marija Laurila , Head of the Company Law Unit, DG JUST, European Commission Second Opinion from Frank Brogl , Chair of the Corporate Governance and Company Law Working Group, EACB & Head of Banking Supervisory Law Affairs, DZ BANK AG
N°51 – June 2022	3 Questions to Evelien Witlox , Programme Manager of the digital euro project, European Central Bank Second Opinion from Andreas Martin , Representative of the EACB in the Euro Retail Payments Board & Member of the Board of Managing Directors, BVR
N°52 – Sept. 2022	3 Questions to Guy Cormier , President and Chief Executive Officer, Desjardins Group & Member of the General Assembly, EACB Second Opinion from Alban Aucoin , Head of Public Affairs, Crédit Agricole Group & Member of the Board, EACB

COMMUNICATION

<u>N°53 – Oct. 2022</u>	3 Questions to Sven Gentner , Head of Unit for Corporate Reporting, Audit, and Credit Rating Agencies, European Commission Second Opinion from Annina Tanhuanpää , Board Member of EFRAG Sustainability Reporting Board & Director, ESG and Corporate Responsibility of OP Financial Group
<u>N°54 – Nov. 2022</u>	3 Questions to Marcel Haag , Director for horizontal policies, DG FISMA, European Commission Second Opinion from Gilles Saint-Romain , Head of digital European Public Affairs, Groupe BPCE & Juliana Pichler, Senior Manager for Group Regulatory Affairs & Data Governance, Raiffeisen Bank International
<u>N°55 – Dec. 2022</u>	3 Questions to Peter Glas , Delta Programme Commissioner of the Netherlands Second Opinion from Berry Marttin , President, EACB & Member of the Managing Board, Rabobank

3. Press releases

The EACB continuously issued press releases throughout the year to spotlight momentum in the association's activities.

PRESS RELEASES 2022

16/03/2022	<u>EACB welcomes that new EFRAG Sustainability Reporting Board becomes operational</u>
29/04/2022	<u>The Board of the European Association of Co-operative Banks (EACB) (re-)elected at the 45th General Assembly in Paris</u>
22/06/2022	<u>Co-operative Banks Exchange with High-Level Speakers on the Topics of Digital Euro, Banking Union and Sustainability During the EACB 46th General Assembly</u>
19/09/2022	<u>Co-operative Banks come together in Vienna to celebrate the 150th Anniversary of ÖGV during EACB's 47th General Assembly</u>
25/10/2022	<u>EACB congratulates the Commission's Expert Group on its Report on Open Finance</u>
18/11/2022	<u>EACB CEO, Nina Schindler, calls for diversity in her keynote speech at the International Co-operative Banking Association centennial event</u>
22/12/2022	<u>Cooperative banks' General Assembly members exchange with Evelien Witlox, Programme Manager of the digital euro project at the ECB</u>

COMMUNICATION

4. Events

The EACB held several events that brought together senior member representatives with policymakers and other key stakeholders to boost the EACB's visibility. The established EACB formats of "A propos Coop Banking" "Political Impulse!" were applied to reinforce the EACB branding. Moreover, to foster alliances, the EACB engaged in the

EVENTS IN 2022

24/01/22	<u>Apropos Coop Banking "The Future of the co-operative Business Model"</u>
18/02/22	<u>Joint Workshop on "Access to better technology for (Supervisory) Reporting"</u>
16-17/06/22	<u>13th International Workshop on Cooperative and Responsible Finance for Development: Call for Papers</u>
22/06/22	<u>Financial institutions outreach event on EFRAG exposure drafts on draft European Sustainability Reporting Standards</u>
30/06/22	<u>Apropos Coop Banking "Co-operative Banking Today: Living Up to the Values and Principles of the Co-operative Identity in a Fast-Changing World"</u>
05/07/22	<u>Political Impulse! "Open Finance and How to Make it Sustainable"</u>
26-27/09/22	<u>Global Innovation Cooperatives Summit 2022</u>
14/11/22	<u>COOP27: Co-operative Banks Local Action for clients' Adaptation to Climate Change</u>

ANNEXES

KEY STATISTICS ON 31/12/2021

European Countries and data providing institutions	Economic indicators					
	Total assets (EUROmio)	Total deposits from customers	Total loans to customers (EUROmio)	Net profit after taxes (EUROmio)	Total equity (EUROmio)	Leverage Ratio (%)
Austria						
Österreichische Raiffeisenbanken	387.902	253.305	249.691	3.039	31.881	n.a.
Österreichischer Volksbanken	32.095	22.747	21.563	219	2.658	6,6
Bulgaria						
Central Co-operative Bank	3.775	3.395	1.477	13	309	8,19
Denmark						
Nykredit	224.627	12.441	195.579	1.190	12.563	4,8
Finland						
OP Financial Group	174.110	75.612	96.947	901	14.184	7,4
France						
Crédit Agricole	2.323.557	1.044.566	1.051.592	9.101	133.715	6,1
Crédit Mutuel	1.080.491	547.660	564.925	4.302	67.000	8,0
BPCE	1.516.021	665.317	781.097	4.003	79.592	5,8
Germany						
Co-operative Financial Network	1.566.451	984.926	944.028	7.505	129.543	8,0
Greece						
Association of Cooperative Banks of Greece	1.787	1.551	1.218	1	125	7,0
Hungary						
IHKSZ - Central Body of Integrated Credit Institutions ***	11.161	10.183	9.061	17	731	5,7
Italy						
Federacasse (BCC)	271.461	189.438	139.137	800	21.200	7,8
Luxembourg						
Banque Raiffeissen	10.156	8.891	7.423	19	454	5,2
Netherlands						
Rabobank	639.575	372.031	416.158	3.692	43.402	7,3
Poland						
National Union of Co-operative Banks (KZBS)	51.311	45.223	20.524	168	3.327	8,7 ⁶
Portugal						
Credito Agricola	26.002	19.236	11.726	159	2.019	8
Romania						
Creditcoop	343	263	228	1	31	19,7
Spain						
Unión Nacional de Cooperativas de Crédito	131.656	100.904	71.323	575	9.524	7,2
Banco de Crédito Cooperativo (BCC)	58.513	38.740	34.803	63	3.579	5,5
Switzerland						
Raiffeisen Schweiz	263.574	186.898	191.184	990	17.726	6,7
United Kingdom						
Building Societies Association	553.861	391.856	444.756	1.923	31.772	5,2
Total European countries⁹	9.328.429	4.975.183	5.254.441	38.681	605.333	
Non-European Countries						
Canada						
Desjardins Group	275.993	165.668	160.891	2.045	23.302	8,5
Japan						
The Norinchukin Bank / JA Bank Group ¹⁰	755.934	468.186	101.528	1.263	52.250	7,9
South-Korea						
Korean Federation of Community Credit Cooperatives	179.301	159.135	131.217	826	14.088	11,7
Total Non-European countries	1.211.228	792.989	393.636	4.134	89.640	

Profitability indicators				Capital solidity indicators
European Countries and data providing institutions	ROA (%)	ROE after taxes (%)	Cost/Income Ratio (%)	Total capital ratio (%)
Austria				
Österreichische Raiffeisenbanken	0,78	10,5	58,1	13,9
Österreichischer Volksbanken	0,68	9,5	77,3	19,3
Bulgaria				
Central Co-operative Bank	0,35	4,1	79,8	15,2
Denmark				
Nykredit	0,50	9,9	38,4	23,4
Finland				
OP Financial Group	0,50	6,6	55,0	20,4
France				
Crédit Agricole	n.a.	n.a.	61,4	21,4
Crédit Mutuel	0,40	6,4	59,6	22,6
BPCE	0,28	5,0**	69,4	18,7
Germany				
Co-operative Financial Network	0,48	6,0	64,6	15,8
Greece				
Association of Cooperative Banks of Greece	0,05	0,8	62,0	13,4
Hungary				
IHKSZ - Central Body of Integrated Credit Institutions ***	0,18	2,4	92,5	17,2
Italy				
Federkasse (BCC)	0,29	4,1	64,8	19,6
Luxembourg				
Banque Raiffeisen	0,19	4,2	73,9	12,8
Netherlands				
Rabobank	0,58	8,8	57,9	22,6
Poland				
National Union of Co-operative Banks (KZBS)	0.40 ⁶	5.4 ⁶	72.5 ⁶	18.6 ⁶
Portugal				
Credito Agricola	0,64	8,1	65,4	17,6
Romania				
Creditcoop	0,35	1,6	94,0	27,4
Spain				
Unión Nacional de Cooperativas de Crédito	0,44	6,0	56,9	n.a.
Banco de Crédito Cooperativo (BCC)	0,11	1,8	44,4	15,7
Switzerland				
Raiffeisen Schweiz	0,38	5,6	56,0	23,2
United Kingdom				
Building Societies Association	0,35	7,4	66,7	34,5
Total European countries ⁹				
Non-European Countries				
Canada				
Desjardins Group	n.a.	8,9	71,2	22,1
Japan				
The Norinchukin Bank / JA Bank Group ¹⁰	0,17	2,1	81,9	21,3
South-Korea				
Korean Federation of Community Credit Cooperatives	0,50	5,9	81,1	12,4
Total Non-European countries				

ANNEXES

KEY STATISTICS ON 31/12/2021

Other indicators						
European Countries and data providing institutions	Nb Em- ployees Full- time equiva- lent	Nb Clients	Nb of legally independent local OR regio- nal co- operative banks	Nb of branches (in home coun- try)	Nb mem- bers	Nb of do- mestic ATMs
Austria						
Österreichische Raiffeisenbanken	26.017	4.000.000	340	1.338	2.000.000	n.a
Österreichischer Volksbanken	3.128	1.021.805	9	243	502.700	613
Bulgaria						
Central Co-operative Bank	1.617	1.897.140	n.a.	294	6.201	561
Denmark						
Nykredit	3.907	1.217.000	45	41	998.000	n.a.
Finland						
OP Financial Group	13.074	3.600.000	121	324	2.049.000	n.a.
France						
Crédit Agricole	147.000	53.000.000	39	7.400	11.200.000	n.a
Crédit Mutuel	83.141	36.100.000	18	5.330	8.300.000	n.a
BPCE	100.000	36.000.000	29	n.a.	9.000.000	n.a.
Germany						
Co-operative Financial Network	170.614	> 30.000.000	772	8.074	18.177.683	16.309
Greece						
Association of Cooperative Banks of Greece	557	200.495	6	55	107.890	79
Hungary						
IHKSZ - Central Body of Integrated Credit Institutions ***	4.274	1.360.724	3	700	5.210	760
Italy						
Federkasse (BCC)	28.755	6.500.000	238	4.155	1.374.692	n.a.
Luxembourg						
Banque Raiffeissen	598	130.751	1	34	43.298	83
Netherlands						
Rabobank	35.766	9.600.000	84	146	2.100.000	n.a.
Poland						
National Union of Co-operative Banks (KZBS)	28,474 ⁶	n.a.	511	3.805	898.204	n.a.
Portugal						
Credito Agricola	4.093	1.444.560	75	624	426.988	1.597
Romania						
Creditcoop	1.701	596.692	34	727	659.075	n.a.
Spain						
Unión Nacional de Cooperativas de Crédito	12.161	7.181.764	42	3.244	1.657.889	4052,0
Banco de Crédito Cooperativo (BCC)	5.317	3.576.116	18	873	1.559.101	1525
Switzerland						
Raiffeisen Schweiz	9.729	3.607.000	219	820	1.963.593	1.732
United Kingdom						
Building Societies Association	38,420 ⁴	25,800,000 ¹²	43	1.345	25.800.000	1.500
Total European countries ⁹	718.343	226.834.047	2.647	39.572	88.829.524	
Non-European Countries						
Canada						
Desjardins Group	53.783	7,500,000 ⁷	215	782	7,500,000 ⁷	1.679
Japan						
The Norinchukin Bank / JA Bank Group ¹⁰	205.099 ¹¹	n.a.	585	6493	10.421.317 ¹¹	10.753
South-Korea						
Korean Federation of Community Credit Cooperatives	14.933	21.436.241	1297	3242	8.310.616	7.969
Total Non-European countries	273.815	28.936.241	2.097	10.517	26.231.933	

Market share				
European Countries and data providing institutions	Domestic market share deposits (%)	Domestic market share loans (%)	Mortgage market share (%)	Market share SMEs (%) ¹
Austria				
Österreichische Raiffeisenbanken	33,2	33,6	33,2**	n.a.
Österreichischer Volksbanken	4,8	5,1	6,1	n.a.
Bulgaria				
Central Co-operative Bank	5,8	4,1	5,3	n.a.
Denmark				
Nykredit	5,2	34,5	43,9	n.a.
Finland				
OP Financial Group	38,0	34,7	38,5	38,8 ³
France				
Crédit Agricole	25,0	23,1	31,8	31,9
Crédit Mutuel	16,5	17,3	19,6	n.a.
BPCE	22,1	22,0	26,0	n.a.
Germany				
Co-operative Financial Network	22,7	23,1	29,9	36,1
Greece				
Association of Cooperative Banks of Greece	n.a.	n.a.	n.a.	n.a.
Hungary				
IHKSZ - Central Body of Integrated Credit Institutions ***	6,2	8,1	5,7	12,3
Italy				
Federacasse (BCC)	9,2	7,7	12,0	n.a.
Luxembourg				
Banque Raiffeissen	18,0	11,0	14,0	n.a.
Netherlands				
Rabobank	35,0	n.a.	20,8 ²	38,5 **
Poland				
National Union of Co-operative Banks (KZBS)	9,8 ⁶	6,2 ⁶	5,5 ⁶	9,0 ⁶
Portugal				
Credito Agricola	8,2	5,8	3,5	11,8
Romania				
Creditcoop	n.a.	n.a.	n.a.	n.a.
Spain				
Unión Nacional de Cooperativas de Crédito	6,9	6,1	n.a.	n.a.
Banco de Crédito Cooperativo (BCC)	2,5	2,9	n.a.	n.a.
Switzerland				
Raiffeisen Schweiz	14,0	n.a.	17,6	12,0 **
United Kingdom				
Building Societies Association	17,6	na	22,6	na
Total European countries⁹				
Non-European Countries				
Canada				
Desjardins Group	42,0 ⁸	26,0 ⁸	38,0 ⁸	24,0 ⁸
Japan				
The Norinchukin Bank / JA Bank Group ¹⁰	9,9	n.a.	n.a.	n.a.
South-Korea				
Korean Federation of Community Credit Cooperatives	7,9	n.a.	n.a.	n.a.
Total Non-European countries				

10 Economic indicators, Profitability and Capital solidity indicators are The Norinchukin Bank figures. Other indicators and market share indicators are cooperative group (JA Bank) figures.

11 The number of FTEs and members pertain to the JA Bank Group. In previous years, these figures only referred to The Norinchukin Bank

12 Total number of clients equals total number of members, because every customer has to be a member.

1 Cooperative banks do not apply a similar definition of the SME sector.

2 Market share new mortgages

3 Market share corporate loans

4 Just FTEs, no parttime employees are included

5 Market shares in terms of deposits and loans of residents only

6 Data refers to co-operative banks without the two Polish affiliating banks

7 Desjardins Group has a total of 7.5 million members and clients. All clients of each local caisse are members. Desjardins subsidiaries have clients who are not necessarily members of a caisse.

8 Market shares in the province of Québec

9 Totals are based on reported data, i.e. data for some co-operative banks were not available..

NOTES

*Table elaborated in collaboration with Tilburg University and based on Members input. The aggregated figures for 2020 onwards are not comparable to those before 2019. The reason is that LCCU Group from Lithuania and Dezelna Banka Slovenije d.d. From Slovenia are no longer EACB members and the Korean Federation of Community Credit Cooperatives from South Korea joined the EACB in 2020.

** These indicators are calculated by Tilburg University which bears the full and sole responsibility. These figures are neither reported nor formally approved by the respective co-operative banks.

*** This reporting organisation used to be called SZHISZ in many previous years.

MEMBER ORGANISATIONS

ON 31/12/2022

FULL MEMBERS

AUSTRIA

Fachverband der Raiffeisenbanken

Am Stadtpark 9 | A - 1030 WIEN

Tel.: +43 1 717 07 12 70 | Fax: +43 1 717 07 24 96

www.raiffeisen.at

Österreichischer Genossenschaftsverband

(Schulze-Delitzsch)

Löwelstrasse 14-16 | A - 1013 WIEN

Tel.: +43 1 313 28 0 | Fax: +43 1 313 28 450

www.oegv.volksbank.at

BULGARIA

Central Co-operative Bank

87, Tsarigradsko Shose Blvd | BG - 1086 SOFIA

Tel.: +359 2 92 66 107/122 | Fax: +359 2 98 88 107

www.ccbank.bg

FINLAND

OP Financial Group

Gebhardinaukio 1 – P.O. BOX 380 FIN 00013 OP HELSINKI

Tel. +358 10 252 010

www.op.fi

FRANCE

Confédération Nationale du Crédit Mutuel

88-90, rue Cardinet | F - 75017 PARIS

Tel.: +33 1 44 01 10 10 | Fax: +33 1 44 01 12 30

www.creditmutuel.fr

Fédération Nationale du Crédit Agricole

48, rue La Boétie | F - 75008 PARIS

Tel.: +33 1 49 53 43 23 | Fax: +33 1 49 53 44 81

www.creditagricole.info

BPCE

50, avenue Pierre Mendès | F - 75201 PARIS Cedex 13

Tel.: +33 1 58 40 41 42 | Fax: +33 1 40 39 60 01

www.bpce.fr

GERMANY

Bundesverband der Deutschen Volksbanken und

Raiffeisenbanken – BVR

Schellingstrasse 4 | D - 10785 BERLIN

Tel.: +49 30 20 21 0 | Fax: +49 30 20 21 19 00

www.bvr.de

DZ BANK AG

Platz der Republik | D - 60265 FRANKFURT AM MAIN

Tel.: +49 69 74 47 01 | Fax: +49 69 74 47 16 85

www.dzbank.de

GREECE

Association of Co-operative Banks of Greece

50, Skoufa Str Kolonaki | GR - 106 82 ATHENS

Tel.: +30 1 36 36 311 | Fax: +30 1 36 10 210

www.este.gr

HUNGARY

Szövetkezeti Hitelintézetek Integrációs Szervezetének

Fogaskerekű u. 4-6 | H - 1125 BUDAPEST

Tel.: +36 1 312 0602

www.szhisz.hu

ITALY

Federazione Italiana delle Banche di Credito

Co-operativo- Casse Rurali ed Artigiane

Via Torina, 153 | I - 00184 ROMA

Tel.: +39 06 7207 1 | Fax: +39 06 7207 2790

www.creditocooperativo.it

LUXEMBOURG

Banque Raiffeisen Luxembourg

4, rue Léon Laval | L-3372 Leudelange

Tel.: +352 24 50 1 | Fax: +352 22 75 41

www.raiffeisen.lu

NETHERLANDS

Rabobank Nederland

Croeselaan 18 | NL - 3500 HG UTRECHT

Tel.: +31 30 216 18 54 | Fax: +31 30 216 00 00

www.rabobank.nl

POLAND

Krajow Zwiasek Bankow Spoldzielczych - KZBS

ul. T. Boya-Zelenskeigo 6 Apt. 22/23

PL- 00 – 621 WARSAW

Tel.: +48 22 875 30 30 | Fax: +48 22 875 30 40

www.kzbs.org

PORTUGAL

FENACAM – Federação Nacional das Caixas de Crédito Agrícola Mútuo, F.C.R.L.

R. Professor Henrique Barros, N° 4, 7° | P -

2685-338 PRIOR VELHO

Tel.: +351 (21) 313 69 00

www.fenacam.pt | www.creditagricola.pt

ROMANIA

Central Co-operatist Bank Creditco-op

Plevnei Way 200 | Sector 6 | RO - BUCHAREST

Tel.: +40 21 317 74 05 | Fax: +40 21 317 74 86

www.creditcoop.ro

SPAIN

Unión Nacional de Cooperativas de Crédito

Alcalá 55, 3° derecha | E - 28014 MADRID

Tel.: +34 91 781 94 18

www.unacc.com

Banco de Crédito Cooperativo (BCC)

Paseo de la Castellana, 87 | E - 28046 MADRID

Tel.: +34 914 364 703

www.bcc.es



ASSOCIATE MEMBERS

BELGIUM

CERA - KBC Ancora

Muntstraat 1 | B-3000 LEUVEN

Tel.: (+32) (0)16 27 96 72 | Fax: +32 70 69 52 41

www.cera.coop

CANADA

Mouvement des Caisses Desjardins

100, avenue des Commandeurs | Lévis (Québec) G6V 7N5

Tel.: +1 866 835-8444 or +1 418 835-8444

www.desjardins.com

CYPRUS

Cyprus Asset Management Ltd

8, Gregory Afxentiou Street | CY-1096 NICOSIA

Tel.: +357 22 74 30 00

www.ccb.coop.com.cy

DENMARK

Nykredit

Kalvebod Brygge 1-3 | DK – 1780 COPENHAGEN V

Tel.: +45 70 10 90 00

www.nykredit.com

KOREA

KFCC – Korean Federation of Community Credit Co-operatives

20, Bongeunsaro | 114-gil, Gangnam-gu SEOUL

Tel.: +82 2 2145 9026 | Fax: +82 2 2018 8673

www.kfcc.co.kr

JAPAN

The Norinchukin Bank

1-2-1 Otemachi, Chiyodaku | TOKYO 100-8420

Tel.: +81 (0)3 3279 0111

www.nochubank.or.jp

SWITZERLAND

Raiffeisen Schweiz

Raiffeisenplatz | CH - 9001 St. Gallen

Tel.: + 41 71 225 88 88 | Fax: +41 71 225 88 87

www.raiffeisen.ch

UNITED KINGDOM

The Building Societies Association

6th Floor, York House, 23 Kingsway | London WC2B

Tel: +44 (0)20 7520 5900 | Fax : +44 20 7240 5290

www.bsa.org.uk

MEMBERS OF THE BOARD AND GENERAL ASSEMBLY

ON 31/12/2022

PRESIDENT

B. MARTTIN

Rabobank Netherlands

BOARD

P.E. BATARD (VICE-PRESIDENT)

Confédération Nationale du Crédit Mutuel

D. QUINTEN (VICE-PRESIDENT)

Bundesverband der Deutschen Volksbanken
und Raiffeisenbanken – BVR

A. AUCOIN

Fédération Nationale du Crédit Agricole

R. BORNS

Volksbank Wien AG

A. DELL'ERBA

Federazione Italiana delle Banche di Credito
Cooperativo-Casse Rurali ed Artigiane

GENERAL ASSEMBLY MEMBERS

AUSTRIA

A. PANGL

Fachverband der Raiffeisenbanken

R. BORNS

Volksbank Wien AG

J. REHULKA

Fachverband der Raiffeisenbanken

BELGIUM

F. DEPICKERE

Cera KBC - Ancora

BULGARIA

G. KONSTANTINOV

Central Co-operative Bank

CANADA

G. CORMIER

Mouvement des Caisses Desjardins

CYPRUS

M. PAPADOPOULOS

Cyprus Asset Management Ltd

DENMARK

D. SORENSEN

Nykredit

FINLAND

T. MAJURI

OP Financial Group

FRANCE

R. APPERT

Fédération Nationale du Crédit Agricole

A. AUCOIN

Fédération Nationale du Crédit Agricole

P.-E. BATARD

Confédération Nationale du Crédit Mutuel

E. DELAHOUSSE

Fédération Nationale du Crédit Agricole

I. FERRAND

Confédération Nationale du Crédit Mutuel

D. LEFEBVRE

Fédération Nationale du Crédit Agricole

L. MIGNON

BPCE

N. THERY

Caisse Fédérale du Crédit Mutuel

GERMANY

A. MARTIN

Bundesverband der Deutschen Volksbanken und
Raiffeisenbanken – BVR

M. KOLAK

Bundesverband der Deutschen Volksbanken und
Raiffeisenbanken – BVR

D. QUINTEN

Bundesverband der Deutschen Volksbanken und
Raiffeisenbanken – BVR

C. RIESE

DZ BANK AG

GREECE

G. BOUKIS

Association of Co-operative Banks of Greece



HUNGARY
A. TAJTHY

Szövetkezeti Hitelintézetek Integrációs Szervezetének

ITALY
A. DELL'ERBA

Federazione Italiana delle Banche di Credito Cooperativo-Casse Rurali ed Artigiane

S. GATTI

Federazione Italiana delle Banche di Credito Cooperativo-Casse Rurali ed Artigiane

JAPAN

H.FUKUDA

The Norinchukin Bank

KOREA

P. CHA HOON

KFCC - Korean Federation of Community Credit Co-operatives

LUXEMBOURG

G. HOFFMANN

Banque Raiffeisen Luxembourg

NETHERLANDS

J. J. BOS

Rabobank Netherlands

B. MARTIN

Rabobank Netherlands

M. VELTHAAK

Rabobank Netherlands

POLAND

K. MAJERCZYK-ZABOWKA

Krajowy Związek Bankow Spoldzielczych

PORTUGAL

J. VOLANTE

FENACAM – Federação Nacional das Caixas de Crédito Agrícola Mútuo, F.C.R.L.

ROMANIA

A. MORAR

Central Cooperatist Bank Creditcoop

SPAIN

M. RUIZ ESCUDERO

Unión Nacional de Cooperativas de Crédito

L. RODRIGUEZ GONZÁLEZ

BCC Spain

SWITZERLAND

C. HOFER,

Raiffeisen Schweiz

UNITED KINGDOM

R. FIETH

The Building Societies Association

SECRETARIAT GENERAL

ON 31/12/2022



Ms. Nina SCHINDLER
Chief Executive Officer
nina.schindler@eacb.coop

DEPARTMENT RETAIL, BANKING, PAYMENTS, DIGITALISATION & FINANCIAL MARKETS



Ms. Marieke VAN BERKEL
Head of Department
marieke.vanberkel@eacb.coop



Mr. Farid ALIYEV
Senior Adviser
Payment Systems
farid.aliyev@eacb.coop



Ms. Tamara CHETCUTI
Senior Adviser
Financial Markets
tamara.chetcuti@eacb.coop



Ms. Chiara DELL'ORO
Senior Adviser Digitalisation
chiara.delloro@eacb.coop



Ms. Fabia LEHFELD
Senior Adviser
Adviser Retail Banking
fabia.lehfeldt@eacb.coop

DEPARTMENT PRUDENTIAL, BANKING UNION & LEGAL MATTERS



Mr. Volker HEEGEMANN
Head of Department
volker.heegemann@eacb.coop



Mr. Marco MANCINO
Deputy Head of Department
marco.mancino@eacb.coop



Ms. Pauline HACOËT
Adviser Sustainable
finance & Banking Union
pauline.hascoet@eacb.coop



Ms. Magdalena KNYPINSKA
Senior Adviser Banking Union
& Corporate Governance
magdalena.knypinska@eacb.coop



Ms. Maryia SULIK
Adviser Accounting, Auditing,
Tax & Co-operative Affairs
maryia.sulik@eacb.coop



Mr. Giovanni BETTI
Adviser Sustainable Finance
Horizontal Matters
giovanni.betti@eacb.coop

DEPARTMENT COMMUNICATION AND OPERATIONAL MANAGEMENT



Ms. Nathalie CORBISIER
Office Manager
nathalie.corbisier@eacb.coop



Ms. Luce JACQMIN
Lead Communication
luce.jacqmin@eacb.coop



N.N.
Advisor to Management



N.N.
Administrative Assistant

FOLLOW US!



European Association
Co-operative Banks



@EACB_News

European Association of Co-operative Banks A.I.S.B.L.
Rue de l'Industrie 26-38 - 1040 Brussels
Enterprise 0896.081.149 - Transparency Book Register 4172526951-19
Tel: +32 (0)2 230 11 24

www.eacb.coop

@2023 Copyrights European Association of Co-operative Banks



EUROPEAN ASSOCIATION
OF CO-OPERATIVE BANKS

the voice of **2,700** local and retail Banks | **89** million Members | **227** million Customers in the EU

EACB AISBL – Secretariat | Rue de l'Industrie 26-38 · B-1040 Brussels
Tel: (+32 2) 230 11 24 | Fax (+32 2) 230 06 49
Enterprise 0896.081.149 | lobbying register 4172526951-19

www.eacb.coop | e-mail: secretariat@eacb.coop