



## **Press Release - Newly elected EAPB president Mills meets Executive Director of the European Banking Authority, Farkas, in the midst of Brexit.**

On June 28, the European Association of Public Banks (EAPB) organised its semestrial General Assembly in Helsinki, Finland. The event was kindly hosted by [Municipality Finance PLC](#).

Mr. Philippe Mills, Chairman and Chief Executive of [SFIL](#) was elected President of the EAPB. In his opening speech, Mr. Mills highlighted:

*'In this moment of strong uncertainty created by the decision of the British people to leave the European Union (EU), we believe the EU must do everything now to provide clarity regarding the terms and conditions for the UK's withdrawal. In these challenging times, promotional banks are well prepared to play their role by acting as a stabilizing force; spurring growth and social development, for example through our support to the Investment Plan for Europe.'*

At the General Assembly, EAPB members met with Mr. Adam Farkas, Executive Director of the European Banking Authority and discussed the right legal framework for the role of promotional banks and municipal funding agencies. EAPB expressed its views on the current Leverage Ratio framework emphasising the adverse effects that the introduction of a binding Leverage Ratio (LR) may have on promotional business in the EU.

EAPB made [proposals](#) on how the LR could be rectified in a way that safeguards lending policy and distribution mechanisms of promotional loans and preserving the business models of promotional institutions across the EU.

Mr. Marcel Roy, Secretary General of the EAPB, comments:

*'Promotional banks, should obtain a differentiated treatment which respect to the specificities of promotional loans and promotional business models. The deduction of promotional loans in the LR calculation and a prudent LR calibration for all promotional bank business models in Europe would facilitate promotional banks work as actors of growth.'*

**ENDS**



### Notes to Editor

Promotional banks are supporting the [Investment Plan for Europe](#). Currently there are 14 direct and indirect EAPB members, which have signed projects to contribute to financing under EFSI of an amount of over EUR 2,5 billion in five countries across Europe.

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### About Mr. Philippe Mills:

Philippe Mills was appointed Chairman and Chief Executive of SFIL and Chairman of the supervisory board of its 100% subsidiary, CAFFIL, in February 2013. Since June 2013, Philippe Mills has also been a member of the board of the European Investment Bank (EIB). Mr. Mills has graduated from IEP in 1986 (Institute of Political Science, Paris) and ENA in 1990. From 2008 to 2013, he was the Chief Executive of Agence France Trésor, the French Debt Management Office, and Chairman of the Economic and Financial Sub-Committee on EU Sovereign Debt Markets from 2010 to 2013. He was Deputy Director General in the Centre d'Analyse Stratégique from 2006 to 2008, the French Strategy Department attached to the Prime Minister. After different functions as an economist within the Ministry of Finance, he was also principal banker at the EBRD from 1994-96. He was also appointed Advisor for economic policy coordination and public finances to the Director General of Economic and Financial Affairs at the European Commission (2000-2003). From 2004 to 2006, Mr. Mills was Deputy Assistant Secretary in charge of Public Finances at the Directorate General of the Treasury and Economic Policy.

### About SFIL

SFIL was created with the aim of guaranteeing stability in local public sector financing in France. SFIL has another mission: to refinance major export credit agreements. SFIL is a 100% publicly-owned bank. The French government is the principal shareholder, with a 75% stake in its capital (the remainder being owned by Caisse des Dépôts et Consignations (20%) and La Banque Postale (5%)), two public financial institutions in France. SFIL is a long-term finance provider acting in line with its public mission. It is subject to banking regulation and under the direct supervision of the European Central Bank.

### About Munifin

Municipality Finance Plc (Kuntarahoitus Oyj) is a credit institution specialized in financing local government sector and state-subsidised social housing



## European Association of Public Banks

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production. MuniFin is one of Finland's largest financial institutions. Municipality Finance aims to promote welfare in Finland through the financing of municipal projects related to basic infrastructure, healthcare, education and the environment. A significant portion of its lending is used for socially responsible projects such as building hospitals.

### **About EAPB:**

The European Association of Public Banks represents public banks and funding agencies and their specific tasks at the European level. EAPB has several members from various European countries representing directly and indirectly about 90 financial institutions. EAPB members constitute an essential part of the European financial sector, in which they play a decisive role with a market share of approximately 15% a balance sheet of about EUR 3.500 billion and around 190.000 employees. Members of the EAPB are financial institutions, funding agencies, public banks, associations of public banks and banks with similar interests.