

Minutes
of the General Assembly Meeting of the European Federation of Building Societies
(EFBS)
on 8 October 2020, 2:00-4:00 pm, digital via Microsoft Teams

President:	Jeníček Jan (Czech Republic)
1. Vice-President	Körbi Uwe (Germany)
2. Vice-President	Prof. Dr. Grünbichler Andreas (Austria)
Managing Director:	König Christian (Belgium/Germany)
Participating members:	Dr. Conradi Ralf (Germany) Dersch Agnes (Austria) Freise Agnes (Germany) Guthmann Axel (Germany) Kaschel Rainer (Hungary) Lesemann Max (Germany) Nowak Karl (Austria) Springl Markus (Austria) Sudler Thorsten (Luxembourg) Szendrey Zoltán (Hungary) Vizkelety Péter (Hungary)
Corresponding members:	Bogk Matthias (Germany) Botzem Dirk (Germany) Dr. Dedert Bernd (Germany) Dr. Eichwede Rainer (Germany) Gonschor Michael (Germany) Grebler Gerhard (Germany) Kármán András (Hungary) Kranz Thomas (Germany) Phlippen Jörg (Germany) Tichy Zoltán (Hungary)
Guest:	Šedivý Jiří (Czech Republic)
Secretariat:	Holler Kathrin (Belgium) Keuper Lisa (Belgium)
Minutes:	Pfenning Jonathan (Belgium)

ITEM 1: Secretary/ Amendments to the agenda

Mr. Jeníček proposed Mr. Pfenning to take the minutes of the meeting. The General Assembly approved the agenda via voting letter. No amendments were requested.

ITEM 2: Quorum

Mr. Jeníček asked Mr. König to confirm the existence of a quorum in accordance with Article IV (8) of the Constitution. The existence of a quorum is given, when at least the half of the members with voting rights ("participating members") are present or represented. Mr. König confirms the existence of a quorum. 12 out of 17 voting rights have been exercised by the voting letters.

The General Assembly unanimously approved the minutes of the last meeting held on 17 October 2019 in Prague.

ITEM 3: Report by the Managing Director on the activities of the Federation in 2019/2020

Mr. Jeníček asked Mr. König to report on the work of the EFBS in the period 2019/2020.

Mr. König reported on the most important activities, meetings, and topics of the EFBS in the past year. During the last year, the EFBS held meetings with Members of the European Parliament, the European Commission, and the European Banking Authority on topics such as the MCD, CCD, the final Basel III framework and sustainable finance. The EFBS also participated in various conferences and the roundtable of the European Commission on payment moratoria. Due to the COVID-19 pandemic meetings took place via digital formats since March 2020. Furthermore, during the period under review, 63 EFBS circulars and 6 newsletters were sent out on relevant topics.

Mr. Jeníček thanked Mr. König and the European Office for their good work during the last year.

ITEM 4: Annual Financial Statement 2019/ Federation's Finance 2021

Mr. Jeníček explained that the regularity of the 2019 budget was certified by an auditor and asked Mr. König to report on the Annual Financial Statement 2019 and on the Federation's budget for 2019 and the Federation's financial planning for 2021.

Mr. König went through the individual items and explained that due to the COVID-19 pandemic the current budget will not be spend entirely. The Federation's financial planning for 2021 is in line with the planed budget for 2020.

The General Assembly unanimously approved the Annual Financial Statement for 2019 and the Federation's Finance plan for 2021 by voting letter.

ITEM 5: Release of the Managing Director

Mr. Jeníček reported that the General Assembly discharged the Managing Director, Mr. König, in accordance with Article IV (6) of the Constitution, via voting letter.

ITEM 6: Vote on the EFBS membership application of Wuestenrot Bausparkasse AG Luxembourg branch

Mr. Jeníček asked Mr. König to introduce the application request of Wuestenrot Bausparkasse AG Luxembourg branch.

Mr. Jeníček reported that the General Assembly accepted Wuestenrot Bausparkasse AG Luxembourg's application request to become an EFBS corresponding member based on Article III (4) of the EFBS Constitution via voting letter.

Mr. Jeníček welcomed the new member.

ITEMS 7: Election of the Managing Director

Mr. Jeníček explained that based on Article IV (6) of the Constitution of the EFBS the Managing Director has to be elected every three years. Since the last election took place in 2017 an election has to take place in 2020. Mr. Jeníček further explained that re-election is possible and that it was proposed to participating members to confirm Mr. König for a further three-year term of office as Managing Director.

Mr. Jeníček reported that the General Assembly according to Article IV (2) of the Constitution agreed on Mr. König's re-election via voting letter and congratulated Mr. König for his re-election.

ITEMS 8: Report on the conversion of the EFBS into an aisbl

Mr. Jeníček gave the floor to Mr. König who gave an update on the change of the legal status of EFBS into an international non-profit-making association (aisbl) under Belgium law. Due to COVID-19 containment measures, the meeting with the Belgian notary took place on 26 June 2020. The notary made only few wording amendments to the draft of the statutes. The only major change regarding content concerns the date of the General Assembly meeting which in the future must take place within the first six months of the year.

All documents have been sent to the Bureau Sécurité Juridique, which will now need to approve the new EFBS statutes and publish it in the Moniteur Belge. The whole process shall take place during autumn 2020.

ITEM 9: Tour de table: Measures taken by Bausparkassen in view of the COVID-19 crisis

Mr. Jeníček gave the floor to the respective Bausparkassen representatives:

For Austria, Mr. Grünbichler (Bausparkasse Wüstenrot Aktiengesellschaft) reported that the legislative moratorium for payment breaks for private customers is applicable for loans completed before the 15 of March 2020. The original deferral was three months, then an extension to seven months until end of January 2021 was granted. In addition, there exists also a private moratorium from the Austrian banks. The EBA Guidelines on loan moratoria in this context were not very helpful for going forward. Mr. Grünbichler added that the loan business was quite good despite the lockdown in spring 2020. Old contracts had been canceled due to the interest rate requirement.

For the Czech Republic, Mr. Jeníček (Raiffeisen stavební spořitelna a.s), reported that despite the COVID-19 crisis the Bauspar business is doing very well. The loan business grew by over 30% over the last year equalling the level of 2018. In 2019 numbers declined due to the measures taken by the Czech National Bank regarding debt-to-income and debt-service-to-income ratios. Regarding the savings business figures are 3% higher than last year on average. Substantial differences exist regarding the figures for each single market player. Mr. Jeníček added that there exists also a loan moratorium in the Czech Republic. The total volume under the moratorium is 5-10% of the loans. The end of the moratorium will be at the end of October 2020.

For Germany Mr. Körbi and Mr. König reported. Mr. König (Verband der Privaten Bausparkassen e.V.) reported that there was a legal payment break in April, May, and June 2020 in Germany. The payment break included next to the principal also interests payment. After the publication of the EBA Guidelines on payment moratoria the different German banking federations drafted and negotiated with the national banking supervisor standards for moratoria for their member institutions enabling their debtors payment breaks according to their individual needs. Mr. Körbi (LBS Westdeutsche Landesbausparkasse) added that in his company less than 1% of the customer base opted for a payment break. Looking on the Bauspar market as a whole, the figures for savings business rise again after having fallen in March, April, June, and July 2020. At the end of 2020 LBS West shall reach the same level as in the year 2019. Generally speaking, the real estate market is still performing very well.

For Hungary Mr. Kaschel (Fundamenta-Lakáskassza Zrt.) reported that COVID-19 caused a lockdown from mid of April until mid of June 2020. Bausparkassen managed that period quite good, without any reputational risks. The loan moratoria in Hungary applied to all loans and the customer had to actively opt out of that moratoria. The moratoria will apply until the end of 2020 and could be extended for specific groups of customers until mid-2021. Bausparkassen made big efforts to reach a high opt-out ratio from the moratorium. The market reached an opt-out ratio of 40-50%. The figures for Fundamenta-Lakáskassza was even higher. Still, the moratorium has a negative impact on interest income and risk provision. Mr. Kaschel concluded that the economic impact of COVID-19 in Hungary and CEE is stronger than in Germany or Austria. This affects also the new bauspar business, which is 20 % below the budget.

ITEM 10: Report from Brussels on current topics at EU level

Mr. Jeníček gave the floor to the EFBS secretariat to give an update on current topics at EU level. The EFBS secretariat first gave a general overview of the event "Regulatory environment for real estate financing in the EU" that was organised in January 2020 by the German Bausparkassen together with the German Pfandbriefbanken, of the working mode of the EU institutions in times of COVID-19, the new Commissioner for Finance, Mairead McGuinness and the relocation to a new EFBS office premise. Then the secretariat gave a legislative overview of banking supervision, green finance, and consumer rights. Mr. Pfenning spoke on the state of play of the transposition of the final Basel III agreement into European law, the so called CRR QuickFix and EFBS's efforts regarding the inclusion of Bausparkassen in the ECB's TLTRO III programme. Ms. Keuper gave an overview of the European Commission's Communication on the Green Deal, the finalisation of the Taxonomy Regulation, the consultation on the review of the Non-Financial Reporting Directive as well as the consultation on the new sustainable finance strategy, the EU-wide renovation wave and the new sustainable finance strategy. Ms. Holler updated the Members on the New Consumer Agenda, the state of play regarding the Consumer Credit Directive as well as the state of play regarding the Mortgage Credit Directive and on digital finance. Finally, Mr. König reported that he was interviewed in context of the review of the Mortgage Credit Directive by the consultants, which have been mandated by the Commission.

In addition, Mr. König informed that the secretariat will soon send to its Members templates for Bauspar-statistics in order to keep the statistic overview of the Bausparkassen business in their member states.

ITEM 11: EFBS events in 2021

Mr. König announced that the semi-annual meeting of the European Federation of Building Societies could hopefully be held on Thursday and Friday, 18 and 19 March 2021 at the premises of the Thon Hotel in Brussels (Belgium) with a dinner in the Atomium.

The EFBS annual meeting would be held on 7 October 2021 as a one-day event in Berlin. On the evening of 6 October 2021, the possibility of a joint dinner in the Berlin TV-Tower would be offered.

President Jeníček thanked the Managing Director and the European Office for the organisation of the meeting and closed the call.

Annex

- Set of slides of the General Assembly Meeting