European Commission
Mrs Margrethe Vestager
Commissioner for Competition
Rue de la Loi / Wetstraat 200
1049 Brussels
Belgium

19.11.2018, Brussels

Dear Commissioner,
Dear Mrs Vestager,

Today I am approaching you on the recent capital injection into Banca Carige and its compliance with European State Aid rules.

On 12 November 2018, the board of Italy's interbank deposit guarantee fund (FITD) stated that it had agreed to support the issue of a subordinated convertible bond worth up to €400m as part of a turnaround plan to increase the capital of Banca Carige. According to Banca Carige, all main Italian banks have "voluntarily" guaranteed they would buy bonds worth €320m, with a further €80m to be bought by private investors.

Banca Carige has already twice this year failed to issue subordinated debt. Not all but only the biggest Italian banks are contributing to the dedicated section of Italy's depositors' guarantee fund named 'Voluntary Scheme'. In December 2015, the Commission qualified the capital aid from FITD to Banca Tercas as "incompatible state aid". Against this background, we would like to ask the Commission to investigate whether any governmental pressure has been exercised on the participating banks to underwrite subordinated bonds to step up Banca Carige's capital. Additionally, and taking the findings on the effective voluntariness into account, we would like to ask the Commission to ensure that the capital injection into Banca Carige complies with European State Aid rules.

Sincerely yours,

Sven Giegold
MEP