

**Question for written answer E-002971/2014
to the Commission**
Rule 117
Pino Arlacchi (S&D)

Subject: The cost of money in Italy - Households and SMEs pay the price

The cost of money in the eurozone is 0.25 percent. However, both households and small and medium-sized businesses, who face the daily struggle of producing, providing employment and contributing to GDP, know perfectly well how unrealistic it would be to ask the Italian banking system for a loan at a rate significantly lower than the limit laid down by law for the purposes of defining usury.

The most recent report on the threshold rate for mortgage loans released by the Bank of Italy establishes the following average interest rates for mortgages for the period from 1 July to 30 September 2013, with application from 1 January to 31 March 2014:

Mortgage loans	Average rates	Usury threshold rates
Fixed rate	5.11%	10.3875 %
Variable rate	3.81%	8.7625 %

Italian banks often also charge a range of commissions which, if added to the calculation to determine the threshold rate, would give rise to usury. This is against the law and in fact, according to the Supreme Court, in order to avoid usury Italian banks should include, in the calculation for checking whether the usury threshold rate has been exceeded, both the rate for arrears and overdraft fees.

It is worth noting that, since 14 May 2011, the rules for the calculation of the usury threshold rate provide for an increase in the average overall effective rate in Italy (TEGM) of one quarter, adding a further margin of four percentage points. The difference between the limit and the average rate cannot be more than eight percentage points.

Can the Commission confirm that the calculation method recently introduced in Italian legislation (Decree-Law 70/2011) is compatible with European Union banking regulation policies and with the need to protect people and businesses from banks, which may succeed in charging interest rates that are more than 10 percentage points above the cost of money in the eurozone?

Can the Commission also make the relevant enquiries to ascertain whether cartel agreements between Italian banks, repeatedly denounced even by the Antitrust Authority, but ignored by the Bank of Italy, constitute a breach of unfair competition legislation by actually preventing European banks from accessing the Italian market?