

**Question for written answer E-004850/2020
to the Commission**

Rule 138

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Subject: Concerns about the intended merger between CaixaBank and Bankia

The news that two major Spanish banks, CaixaBank and Bankia, intend to merge to create 'the biggest bank in Spain'¹ has just appeared in the press. Both are publicly listed on the Madrid-based IBEX35. CaixaBank's market share amounts to 15 %². Bankia, bailed out at the expense of Spanish taxpayers in 2012, is under the control of the Spanish Government, and has a 7 % share of the market. The Spanish banking system is highly concentrated (73.16 % in 2017³) and subtle entry barriers keep the presence of non-Spanish banks extremely low.

This move comes after years of Spanish Government interference with market forces such as Royal Law Decree 15/2017⁴, which invited financial institutions based in Catalonia to move their headquarters elsewhere.

1. Regarding Article 2(1)(a) of the Merger Regulation, what is the Commission's assessment of the consequences of such a merger on banking competition?⁵
2. What are the specific expected consequences in terms of consumer credit, access to credit and financing costs for families and small and medium-sized enterprises at both national and regional level?
3. Has the Commission analysed the systemic risk that this merger would pose to the Spanish banking sector, particularly considering the lack of non-Spanish banks with a significant market share?

¹ https://www.ara.cat/economia/CaixaBank-Bankia-fusio_0_2520348144.html

² <https://www.expansion.com/empresas/banca/2020/04/04/5e878d42468aeb11108b45a7.html>

³ https://www.theglobaleconomy.com/rankings/banking_system_concentration/European-union/#Spain

⁴ <https://www.boe.es/buscar/doc.php?id=BOE-A-2017->

11501#:~:text=Real%20Decreto%20Dley%2015%2F2017,%C2%AB%20BOE%20%C2%BB%20n%C3%BAm.

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32004R0139&from=en>