



# ASF

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ASSOCIATION FRANÇAISE  
DES SOCIÉTÉS FINANCIÈRES

**RESPONSIBLE LENDING IN TIMES OF CRISIS**  
**CEPS – ECRI WEBINAR**  
**FRANÇOISE PALLE-GUILLABERT - CEO**

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# ASF : EXPERTS AT THE HEART OF THE REAL ECONOMY

- 280 members, 20 % of the credits to the real economy in France,
- 247 billion € in current transactions
- 8 business lines
  - Equipment and real estate leasing (around 400 Bn€ annual production in the EU)
  - Factoring (factoring volume 1,91 Trillion€ and 275 Bn€ funding in the EU)
  - Consumer credit (€462.7 billion new loans in 2019)
  - And also : investment services, guarantees, securitization, home loans
- **The ASF, through consumer credit and leasing activities, is very much involved in financing the green economy: clean cars, green households equipments, solar and wind energy, green real estate, SMEs green investments...**

# IMPACTS OF COVID CRISIS

## On consumer credit :

- Lenders have faced a sharp decline in their activity
- In April, new credits granted decreased by an unprecedented 68,3%
- Car finance was particularly hit with a decrease of 90%

## On factoring :

- We expect a sharp decrease from April
- Credit insured lines will be affected by reduction or cancellation

## On leasing

- Sharp decrease in production (auto lease, leasing of professional equipment...)

# COVID 19 :WHAT HAS THE ASF DONE SO FAR ?

- **ASF members have responded to demands in credit payment deferrals in April and May**
- **The ASF has worked with the French supervisor on efficient private moratoria for corporates**
- **For Consumer credit, moratoria have not been necessary in France due to efficient governmental measures dedicated to secure the purchase power of households**
- **The ASF has proposed to the Government solutions to accelerate the economic recovery**
- **The ASF has asked, like other European federations, for a temporary ease of the prudential framework**
- **The ASF has asked for a delay in the publishing of EBA GL on loan origination in the context of COVID crisis**

# EBA'S GUIDELINES EBA : ECONOMIC IMPACTS AND LEGAL ISSUES

- **Some EBA guidelines requirements do not fit with some specialised business models that have demonstrated their efficiency**
  - GL requirements do not fit with intermediated lending activities such as onsite credit, vendor leasing...
  - In France there is no access to positive external data
  - Customer Single View is not possible in the French legal framework (banking secret, data protection...)
  - *Signal and justify* any pricing below the cost is not compatible with intermediated forms of specialised credit
- **EBA guidelines do not fit with the exceptional economic context**
  - EBA GL are contradictory with European institutions political actions (ECB quantitative easing, EC recommendations on best practices...)
  - EBA GL are risk adverse, and so procyclical in the context of crisis
  - EBA GL rigidify credit granting against some policies of national governments
- **Do EBA guidelines go too far ?**
  - EBA guidelines, supposed to be non-binding, are in reality almost totally implemented as hard law by the national supervisors (“comply or explain”)
  - Several MEPS have recently raised concerns
  - Some parts of the guidelines are contradictory with level I law (implementation of CCD)

# Thank your for your attention

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Le site : [www.asf-france.fr](http://www.asf-france.fr)



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