

DR. CAROLINE LUCAS

Green Party
for the South East of England

Commissioner Almunia
DG Economic and Monetary Affairs
The European Commission
200 Rue de la Loi
B1049 Brussels
Belgium

October 28th 2008

Dear Commissioner,

It is well known that a large number of EU citizens have been affected by the collapse of the Icelandic bank Kaupthing, Singer and Friedlander (KSF) and I welcome efforts by the Commission to minimise the negative impact on individuals and the economy as a whole. However, I have concerns that one particular group of people are not being adequately supported and am calling on the Commission to look into this matter.

The Isle of Man branch of KSF was nationalised, along with all others, by the Iceland government on October 9th, impacting on hundreds, if not thousands, of UK savers. Whilst the British government has pledged that UK savers will be compensated for losses caused by the collapse of KSF, the promise does not extend to customers of the Isle of Man division. Although the UK is representing the Isle of Man in negotiations with the Icelandic authorities, the UK's Financial Services Compensation Scheme does not cover deposits in Isle of Man banks. The Isle of Man's own compensation scheme is unlikely to be able to cope with the projected claims. Similarly, customers of Landsbanki Guernsey, who have been affected by the collapse of Landsbanki Iceland, are offered very little protection under the national compensation scheme.

I have been contacted by a number of constituents who had accounts with KSF Isle of Man and Landsbanki Guernsey - some of whom were saving with Derbyshire Building Society until its take over by KSF; some of whom are UK citizens who have found it difficult to open an account in Britain because they live abroad; and some of whom are living, working and paying taxes in the UK. I would argue that these individuals are entitled to the same protection as EU citizens that had savings with KSF or Landsbanki in Iceland, yet under the current arrangements they will not be afforded this right. I would be grateful, therefore, to learn what can be done at EU level to ensure equal treatment.

I look forward to your response.

Yours sincerely,



Caroline Lucas - Green Party MEP for South East England.