



**Extracts from the joint press conference by Neelie Kroes, Joaquín Almunia and Charlie McCreevy on impaired assets**

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The Commission's Communication took account of the recommendations of the European Central Bank, and took into account the extensive discussions with Member States over the last two months on the appropriate way to deal with impaired assets. It addressed the rationale for asset relief as a measure to safeguard financial stability and underpin bank lending; the longer-term considerations of banking-sector viability and budgetary sustainability to be taken into account when considering asset relief measures; and the need for a common and co-ordinated EU approach to asset relief, notably to ensure a level playing field. Neelie Kroes, Member of the EC in charge of Competition, Joaquín Almunia, Member of the EC in charge of Economic and Monetary Affairs, and Charlie McCreevy, Member of the the EC in charge of Internal Market and Services, gave a joint press conference following the meeting.

[Only the original language version is authentic and it prevails in the event of its differing from the translated versions.](#)

TIME	DESCRIPTION	DURATION
10:26:39	Title	00:00:04
10:26:44	Arrival to the press room	00:00:08
10:26:52	Neelie Kroes, Member of the EC in charge of Competition, saying (in ENGLISH) that Commission's communication on 25/02/2009, proposed a common European approach. Unless they identify and isolate the impaired assets, they can not remove uncertainty and kick start landing. And if uncertainty remains, the cost of the crisis will only increase. However not all Member States are affected to the same degree, and not all Member States have known their intentions to design a assets' relief schemes.	00:00:42
10:27:34	Cutaway	00:00:05
10:27:39	Neelie Kroes saying (in ENGLISH) that to ensure the banks's long term fiability or winding down in order to return to normal market conditions, the design of the assets' relief scheme will be responsibility of the Member States. But their assesment under the State aid rules will be subject to uniform criteria vital to maintain the level playing field.	00:00:27
10:28:06	Cutaway	00:00:06

10:28:12	Neelie Kroes saying (in ENGLISH) that let them start again with a clean sheet knowing the full scoop of the problem, and let them then restructure the banks than need it. Wind down the banks that can not be saved. That's also an alternative. And strengthen the regulatory environment for the financial sector. It is not exaggeration to say that it is really a task Hercules did at his time. They have to clean quite a bit of mess, but if they work with each other and not against each other, they will succeed.	00:00:38
10:28:50	Cutaway	00:00:06
10:28:56	Joaquín Almunia, Member of the EC in charge of Economic and Monetary Affairs, saying (in ENGLISH) that without the sound financial system, credit to the real economy and trade finance will continue declining and economic recovery will be hinder. Let's be clear here: they are not talking saving banks for their own sake, the sake of their managers, or the sake of their shareholders. They are adopting these measures, and are talking about restoring the credit channels, which are a vital part of their market economy.	00:00:31
10:29:27	Cutaway	00:00:06
10:29:33	Joaquín Almunia saying (in ENGLISH) that the Commission will not decide on these issues. The Member States who will put together their national schemes, they will have to decide the specific assets to be taken over, or the precise valuation of each asset, together with independent experts and supervisors. Their guidelines provide the guidance that will ensure that valuation methodologies, are comparable, and the level playing field is preserved. Moreover, they should make sure that the burden is shared, fairly shared, by shareholders and creditors, and that tax payers money is well protected.	00:00:44
10:30:17	Cutaway	00:00:06
10:30:23	Charlie McCreevy, Member of the EC in charge of Internal Market and Services, saying (in ENGLISH) that despite the huge injections and financial guarantees, banks are not lending as they should be, and business and individuals are being denied access to credits. They all want to get lending going again and avoid the risk of Euro fall of zombies banks. Many Member States are storing options on this regard. If they don't provide some guides to Member States before they adopt measures, then there is the risk such national measures may not be in conformity with the EU law.	00:00:34
10:30:57	Cutaway	00:00:06

