



*"The voice of crafts and SMEs in Europe"*

## **Capital requirements: SMEs welcome deal to transpose "Basel III" rules in the EU**

*UEAPME praises Othmar Karas MEP and Irish Presidency for agreement reached last night*

Brussels, 28 February 2013 – UEAPME, the European craft and SME employers' organisation, warmly welcomed the agreement reached between the EU institutions last night on the implementation in the Union of the "Basel III" rules on capital requirements. According to UEAPME, the negotiators in the "trialogue" talks struck a good balance between the requirement to increase the resilience of the financial system on one hand and the need not to harm the provision of financing to the real economy on the other. This agreement is an important step to further stabilise financial markets and will help sheltering SME finance from the possible pitfalls of a wrong "Basel III" implementation, stressed the association, which praised the Irish Presidency for taking the lead in closing this important file and Othmar Karas MEP for his hard work to bring the rules in line with the needs of SMEs.

Economic and Fiscal Policy Director **Gerhard Huemer** commented as follows:

*"Yesterday's agreement is a huge step towards a sensible and workable implementation in the EU of the 'Basel III' rules on capital requirements. Nobody questions the need to increase the resilience of the financial system to avoid future crises. However, a botched translation of Basel III in the EU could have spelled trouble for SME finance. Thankfully, the EU institutions found a good balance between strengthening banks and not harming the flow of credit to SMEs. In particular, we welcome the reduced risk weights for retail loans and the EU-wide 'single rulebook' covering the regulatory aspects."*

*"Yesterday's agreement provides an excellent basis for implementing Basel III in the EU without creating obstacles to financing for the real economy, which is crucial for Europe's recovery and for further investments. We congratulate the Irish Presidency, which worked very hard to close the deal on this difficult file and brought it to an excellent conclusion. We are also very grateful to Othmar Karas MEP. His work at the European Parliament was instrumental to support access to finance for SMEs and to reduce the possible negative impacts of the new rules on financing for the real economy."*

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**EDITORS' NOTES:** UEAPME is the employers' organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 83 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

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