



## ***“The voice of SMEs in Europe”***

### **Press Statement**

FOR IMMEDIATE RELEASE

#### **Basel II Directive made more positive for SMEs by Parliament report**

**Brussels, 26 April 2005** UEAPME, the European small and medium business organisation, has welcomed the European Parliament report on the Basel II Directive, proposed today (Tuesday), claiming it improves the impact that the new credit-rating rules will have on small businesses.

“This report is a step in the right direction. It is vital that the Directive limits the negative effects of the new risk assessment rules on SMEs,” said **Gerhard Huemer**, UEAPME Director of Economic and Fiscal Policy.

The report addresses some of the key difficulties, which small businesses faced under the original Commission proposal, and makes a number of positive changes, including:

- Increasing the transparency of the rating process by obliging banks to disclose information on the rating results;
- Introducing a more practical approach regarding the use of properties for collateral; and
- Providing for some simplification in the treatment of smaller clients by credit institutions in the risk management process.

UEAPME is now calling on the Parliament to support these proposals and to ensure that any further amendments are focused on improving the impact of the Directive on SMEs.

“Poor access to finance one of the main obstacles faced by small businesses in Europe in fulfilling their role as growth generators. Every possible step should be taken to ensure this Directive does a little damage as possible to small businesses, which already have enough difficulty in accessing finance,” concluded Mr Huemer.

\*\*\*\*\* End \*\*\*\*\*

**EDITORS’ NOTE:** UEAPME is the employer’s organisation representing the interests of crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 78 member organisations, which represent crafts and SMEs across the whole of Europe, covering over 11 million enterprises with nearly 50 million employees. UEAPME is a European Social Partner.

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