

**José Manuel Durão Barroso**

President of the European Commission

## **Remarks of President Barroso on the financial crisis**

*Check Against Delivery*  
*Seul le texte prononcé fait foi*  
*Es gilt das gesprochene Wort*

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We are in the middle of a serious crisis. But citizens can be assured: we are taking our responsibilities. Saturday's meeting of the European G 8 members, today's Eurogroup, tomorrow's Ecofin, next week's European Council show the determination of the EU and of its Member States to deal with this situation in a coordinated approach.

I am urging all governments of the European Union to coordinate their action.

We are a Union of states, not one single state. Therefore each and everybody has to act at his or her level, with his or her instruments. I recognise that the cases may vary and that there are different national contexts. As a consequence, there cannot be uniform responses. But if we act on the basis of the same principles our responses will be converging.

There is work to do in the short term, but also in the medium and long term. The supervisory authorities and the central banks, notably the ECB, are addressing the market events in real time. The Commission is supporting and assisting them: be it through the quick and flexible application of the state aid rules, be it through guidance to square individual measures with a common framework.

Our rules on the internal market, on state aid or the stability and growth pact are adapted to cope with this kind of exceptional situation. They are designed to address changing circumstances. Their equitable application is the basis for mutual confidence and for a lasting recovery. Of course we will apply these rules with the necessary flexibility. But we do not need to change or suspend them.

The Euro is a common currency is a stabilizing force in these tasking circumstances.

Together with the Member States and the other institutions, as well as our international partners, the Commission is doing its work. We have presented proposals on capital requirements and joint supervision for banks and financial institutions. We are working on further proposals concerning deposit guarantees, accounting rules, rating agencies and executive pay.

Specifically on deposit guarantees for savers, we already have a EU directive providing for a minimum guarantee. Member States are entitled to protect savers further and can top up this guarantee. Some of them have done so. We stand ready to work with all the Member States to ensure that these guarantees interact properly. Our future legislative proposal will consolidate the present experience and provide for a robust framework for the future.

In order to ensure the sustainability of our answer, I have decided to convene a High Level Expert Group to come forward with a full analysis and proposal for a future architecture for our financial markets.

Let me say this to our citizens: we are working full time on your behalf, to stabilize our financial markets, and our economies. Now is the time for cool heads. I cannot promise you that there will be no difficulties: but I can promise you that if we keep cool heads, we will come through and prevail.