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## Press release

### AFME comments on the European Council action plan to address NPLs

11 July 2017

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Following the agreement by the European Council today on an action plan to address the problem of non-performing loans in the banking sector, Simon Lewis, Chief Executive at the Association for Financial Markets in Europe said:

“AFME supports the establishment of a strategy to address the issue of high NPL levels, where they occur, to avoid risks of cross-border spill overs in Europe. We believe that fostering deeper secondary markets for NPLs can contribute to better management of NPL flow. We therefore support proposals under the Capital Markets Union towards this objective.

“A strategy to deal with high levels of NPLs needs to be appropriately targeted and should distinguish between legacy issues and the flow of future NPLs. The need for additional supervisory measures to control new NPLs should be very carefully assessed given supervisors’ existing powers. We caution against pursuing additional measures in this area which could be duplicative and costly for firms that are currently successfully managing NPLs.”

– Ends –

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#### About AFME:

1. AFME (Association for Financial Markets in Europe) promotes fair, orderly, and efficient European wholesale capital markets and provides leadership in advancing the interests of all market participants. AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) through the GFMA (Global Financial Markets Association). For more information please visit the AFME website: [www.afme.eu](http://www.afme.eu).
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