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Banking association President Zielke: Banks are needed to help solve the major crisis

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- Loans totalling 3.5 billion euros have already been paid out
- "Europe must emerge from the crisis united"

The newly elected President of the Association of German Banks, Martin Zielke, has praised the swift and decisive action of German policymakers in the coronavirus crisis. “In a historically unprecedented situation, it is crucially important for policymakers to set a clear course. And they have,” said Zielke. It was now up to the banks to give businesses – wherever possible – quick and unbureaucratic support. In the first few weeks of the crisis alone, Germany’s private banks have granted loans totalling around 3.5 billion euros to help companies in need.

Given a likely increase in the number of defaults, Zielke said that banks, too, will face major challenges. “Banks are needed to help solve this major crisis. We want to, and we will, play our part. Banks are liquid and well capitalised. And we are absolutely determined to assist our customers in overcoming this difficult situation,” he added.

The upshot of the crisis should not be more isolationism, said Zielke. In Europe, especially, more cooperation was needed to exit the economic crisis quickly. “We need a Europe that emerges from the crisis united and does all in its power to nip a new test of monetary union in the bud,” he said. This also applied to the single European market for financial services, which remained distinctly fragmented, as well as to European capital markets union. Both projects were necessary to provide businesses with sufficient capital and to ensure a rapid recovery.