



15 February 2008

**PRESS RELEASE EACB**

**EACB President Pleister: Customer focus of the European co-operative banks gaining popularity**

**Oliver Wyman study sees co-operative banks as "save haven" in turbulent times**

*Brussels, 15 February 2008* – European co-operative banks should be seen a "save haven" in the current times of turbulences and uncertainty in financial markets. With their unique membership features, co-operative banks can act as "customer champions" and so act as counterweight to commercial banks. These are among the main conclusions of a new study by Oliver Wyman, which was published today at the convention of the European Association of Co-operative Banks (EACB).

According to the study, co-operative banks are the "customer champions" in Europe due to their business model, under which customers are at the same time the owners of the banks. As EACB president Dr. Christopher Pleister, who is also the president of the National Association of German Co-operative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken [BVR]), said, "Studies such as the Oliver Wyman report bear witness to the future sustainability of the co-operative business model. It is in fact unique in the banking sector and of great value that a bank is privately organized so that it belongs to its members who are its customers, in the form of cooperative shares, and beyond that is available to them in cities as well as rural areas with a dense and readily accessible network of banks. While some sector representatives are seeking a bank champion, co-operative banks have proven that they champion their customers."

EACB president Pleister highlighted the outstanding stability of the co-operative banks, which plays a crucial role especially in view of the current upheavals in the financial markets: "We focus on our members and customers, not on quick profits. We develop product innovations, such as those involved in founding businesses, that result from the daily experience of our bank staff in their dealings with customers, and not because some sectoral trend prescribes them. As regionally operative institutions, co-operative banks have a stable surplus of deposits, particularly due to the savings deposits. Thus, regardless of international developments, they have high liquidity, which above all facilitates continuous lending to small and medium-sized businesses. Especially in the current capital market situation, we notice that our customers value this combination of reliability and vitality that the co-operative banks provide. We believe that the co-



operative model is the best form of bank management, contributing substantially to a pluralistic and stable market," explained Pleister. He added that this is increasingly acknowledged at the political level in Brussels. Thus Guenter Verheugen, vice-president of the European Commission and the EU commissioner for enterprise and industry, emphasized in December 2007 that co-operative banks play a key role in company financing thanks to their involvement in the local economy.

One hundred and fifty representatives of European co-operative banks from 28 countries, politicians and executive managers will be attending the third convention of European Association of Co-operative Banks (EACB). The annual convention serves as a forum for discussion of the current challenges and perspectives facing co-operative banks in Europe. The speakers include, for example, Joerg Decressin, director of the European division of the International Monetary Fund (IMF), Mr. Elemér Terták, Director Financial Institutions at the European Commission and Mr. Pier Carlo Padoan, Deputy Secretary General, Organisation for Economic Co-operation and Development (OECD). Pervenche Berès of the European Parliament is speaking as a member and chairman of the Committee on Economic and Monetary Affairs (ECON) on the role of the co-operative banks in the context of the current developments in the financial markets.

Contact : EACB General Manager: Herve Guider (Tel : +32 2 230-11-24)  
[h.guider@eurocoopbanks.coop](mailto:h.guider@eurocoopbanks.coop)  
website: [www.eurocoopbanks.coop](http://www.eurocoopbanks.coop)

*The programme of the EACB convention is available at [www.eurocoopbanks.coop](http://www.eurocoopbanks.coop) .*

*Printable photos of the EACB convention will be available for download as of 1:00 p.m. at: [www.lammel.com/eacb/photos.zip](http://www.lammel.com/eacb/photos.zip)*

*For a copy of the Oliver Wyman report please contact:*

*Julia Reichmann, Oliver Wyman, [julia.reichmann@oliverwyman.com](mailto:julia.reichmann@oliverwyman.com), +44 20 7852 7372*

*Jason Nisse, Fishburn Hedges, [jason.nisse@fishburn-hedges.co.uk](mailto:jason.nisse@fishburn-hedges.co.uk), +44 20 7839 4321*

#### About the EACB

The European Association of Co-operative Banks (EACB) is the voice of the co-operative banks in Europe. The EACB represents the interests of 28 co-operative banking associations at the European level. Founded in 1970, the organisation promotes co-operation amongst its members and represents the co-operative banking sector both in EU institutions as well as in dealings with the European Central Bank.

With 4,500 institutions and 63,000 branches, co-operative banks are well represented within the European Union and play a leading role in the European economies and financial markets. The banking business with 140 million customers, primarily private customers and small and mid-sized corporate clients as well as municipalities has a long tradition. The co-operative banks in Europe have 47 million members, employ 730,000 staff members and have an average market share of 20 percent.