



Press release

International Centre for Local Credit's Conference in Brussels

Brussels, October 19th 2009 - The International Centre for Local Credit's Conference and General Assembly took place in Brussels on October 15th and 16th. This annual meeting has been a unique opportunity for the twenty-three members (listing below) of the organization to discuss the impact of the financial and economic crisis on public financing and local governments.

In an exclusive survey of ICLC members, it appears that the autumn 2008 financial crisis has not led to credit crunch on a short term scale for local authorities; however, in the meantime, credit spreads have sharply increased. All the attendees have indicated that public financing has played a key role over the last 12 months supporting economic stimulus plans implemented in most of the countries. Six countries, among them Sweden and Slovakia, are not expected to increase municipal financing needs due to the crisis; twelve others such as Canada, Denmark, France and Japan expect new financial needs as a consequence of local or national counter cyclical measures. The representatives of the financial institutions have also tackled the impact of the crisis on the banking sector. 22 out of the 23 members of ICLC are either partly owned by the public sector (state or local) or have benefited from state guarantees.

The survey also showed that overall, members of the ICLC maintained clients' confidence.

"The entire sector of the municipal lenders business has been through a major turmoil. It's time now to go back to basics. We are all currently working at developing close relationships with our clients through more transparency and efficiency, in a new economic context where the local public sector is a key lever to end the crisis" said Pierre Mariani, ICLC General Secretary and Dexia CEO.

"Banks play a vital role as intermediaries (...). The Belgian Government has made every effort to defend the banking and financial system and to keep the big banks and an insurance group afloat. (...) It is well understood, though, that state guarantees do not necessarily result in higher deficits and more debt.(...). I am confident that history will judge us kindly", said Belgian Prime Minister Herman Van Rompuy during the meeting.

More details regarding the *Survey on the impact of the financial crisis on the Public Finance specialized banks and their regional and local partners* on www.iclc.eu

ICLC was founded in October 1958 in Oslo by Crédit Communal de Belgique, Bank Nederlandse Gemeenten and Kommunalbanken Norge. Since then it has grown to become a truly global organisation, with members from Europe, North America, Africa and Asia. ICLC objectives are to promote local public sector investment financing.

On the eve of the crisis ICLC lenders represented 1400 billion euro out of a total of 5000 billion euro of local governments outstanding.

For more information

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ICLC Members

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Kommunalkredit Bank AG , Austria, Alois Steinbichler, Chairman of the Executive Board of the Kommunalkredit Group
Dexia Bank , Belgium, Stefaan Decraene, Chairman of the Management Board
Alberta Capital Financing Authority , Canada, Terrance Stroich, President
Municipal Finance Authority of British Columbia , Canada Robin Stringer, Chief Administrative Officer
China Development Bank , China, Yuan Chen, Governor
KommuneKredit , Denmark, Soren Hogenhaven, Chief Executive and Managing Director
Municipality Finance PLC , Finland, Pekka Averio, Managing Director
Dexia Crédit Local , France, Pascal Poupelle, CEO
Deutsche PfandbriefBank , Germany, Stéphane Rio, Head of Product and of Portfolio Management Deutsche PfandbriefBank AG and Member of DEPPFA Board
Municipality Credit Iceland , Iceland, Ottar Gudjonsson, Managing Director
Dexia Public Finance Israel , Israel, David Kapah, General Director and CEO
Dexia Crediop , Italy, Jean Le Naour, CEO
Japan Finance Organization for Municipalities , Japan, Yuji Watanabe, President and Chief Executive Officer
Fonds d'Equipement Communal , Morocco, Karim Mansouri, General Director
Bank Nederlandse Gemeenten , The Netherlands, Hans Leenaars, Member of the Executive Board
Nederlandse Waterschapsbank , The Netherlands, Ron Walkier, Chairman of the Managing Board
Kommunalbanken , Norway, Petter Skouen, President and CEO
Kommunekreditt Norge AS , Norway, Arnulf Arnoy, Managing Director
Caixa Geral de Depositos , Portugal, Fernando Faria de Oliveira, Chairman
Dexia banka Slovensko a.s. , Slovak Republic, Stefaan Depaepe, Chairman of the Board
Infrastructure Finance Corporation Limited , South Africa, Attie Van Zyl, CEO
Kommuninvest i Sverige AB , Sweden, Tomas Werngren, President and CEO
Emissionszentrale der Schweizer Gemeinden , Switzerland, Alexander Glatthard, Director Executive Committee