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(es gilt das gesprochene Wort)

Dear Ladies and Gentlemen,

It is my pleasure to be here today. I would like to thank you for the invitation and the warm words of welcome. As Member of European Parliament, in particular as Member of the Economic and Monetary Affairs Committee, I already gave speeches in many different places. However, having the opportunity to change my views with the next generation of business leaders educated at one of the top business schools worldwide remains to be a special treat. The 50th anniversary of the European section of INSEAD last year underlines your prolonged experience in business education. Today's topic "The EU's current innovations in Financial Market Policy" is set in a broad way allowing us some room for a more detailed Q&A-discussion at the end of the presentation.

Before I begin to explain specific regulatory projects on EU level, we should shortly reflect on the current economic situation, starting with the subprime crisis in the United States in 2007. The damages caused by the liquidity bubble had huge impacts worldwide; there was no escape from deteriorating credit markets and slower economic growth. Presently, we are facing major concerns about the future ability of governments to finance their debts. Greece and Ireland failed to provide sustainable public finances and couldn't withstand the pressure on financial markets. In consequence, the European Union had to establish rescue facilities to prevent a collapse of single Member States with potentially disastrous implications for global financial markets. The banking and debt crisis left its footprints all over the globe and certainly affected the economic expansion in the United Arab Emirates, as demonstrated by the implosion of Dubai's property markets end of 2009.

The willingness of European taxpayers to pay for mismanagement and weak controls in the financial sector is deteriorating. Politicians, supervisory authorities and business leaders are obliged to find

quick and adequate answers and to build up a more credible and reliable governance system in financial supervision. With great interest have I noticed the comments by S.E. Sultan bin Nasser Al-Suwaidi, Governor of the Central Bank of the United Arab Emirates, when speaking about a regulatory partnership for sustained growth in the Middle East area. Mr. Al-Suwaidi expressed his appreciation for - I would say - European ideas: As a regulatory response to the global financial crisis the national banking laws and their application should be further aligned across the GCC states to achieve a more coherent supervisory approach. This idea is definitively a perfect starting point for today's presentation...

SLIDE 2

The outline will be as follows: At first, I would like to deal with the macro-economic level and the question, how the European Union has reinforced its governance structure and supervisory architecture. In the second part I am going to describe the ongoing measures to fill regulatory loopholes in the sectoral legislation.

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To start with the macro-economic level: The European Institutions are very much engaged in creating a new economic governance framework for the European Union with specific regard to the Eurozone countries. The debt crisis in Greece and Ireland stressed the necessity of reforming the current Stability and Growth Pact. There were early announcements by the Member States, which are represented in the so-called Council, to calm down the turmoil on sovereign debt markets in first place and to start a substantial review of the current budgetary surveillance framework. The most important outcome from the Council's work was the establishment of the European Semester, which already came into effect as Code of Conduct on 1 January 2011. According to the European Semester the Member States of the European Union will coordinate their budgetary and economic policies on an ex ante-level, while national budgets are still under preparation. In order to give you a more precise idea about the procedure: Every April - for the first time in April 2011 - Member States have to provide the European Commission with data on their medium-term budgetary strategies and national reform programmes. Based on the Commission's assessment the Council will issue country-specific guidance and recommendations until July, which should be used by Member States when finalising their draft budgets for the following year. The sovereignty, in particular the budget rights of national parliaments will stay untouched. However, the European Semester is a good exercise to streamline Member State-specific procedures on economic priorities and structural reforms.

The Council's task force, chaired by the President of the European Council, Herman van Rompuy, presented its final results on 21st October 2010. Shortly before, at the end of September, the European Commission came forward with legislative proposals, not only amending the existing Stability and Growth Pact, but also extending surveillance to macroeconomic imbalances and setting up a wider range of incentives and sanctions, which would kick in at an earlier stage. The so-called economic governance package also includes - on a more technical level - a proposal for a harmonised set of rules for budgetary frameworks in Member States. The Commission's proposals were more ambitious than the Council's and therefore gained more support by the European Parliament. The Parliament's role in the whole procedure is a crucial one: When it comes to the Stability and Growth Pact, it is the first time that the Members of European Parliament are in co-decision with the European Commission and the European Council. The procedures in Parliament foresee that the committee responsible, the Economic and Monetary Affairs Committee, is going to vote on its position in April. This position will be the starting point for negotiations with Council and Commission representatives. The outcome of these so-called trilogue negotiations will be a compromise text to be voted in plenary, probably in June this year.

The legislative package is accompanied by the establishment of a permanent stability mechanism for the Eurozone as decided by the European Council on 16 December last year. The permanent stability mechanism is supposed to replace the European Financial Stability Facility, which has been put in place in May 2010 as part of an overall rescue package for Eurozone countries in difficulties. The Stability Facility will be able to issue bonds guaranteed by Member States for up to 500 billion Euro. However, this facility was established as temporary solution and will expire in June 2013. For this reason, a long-term approach based on a more solid legal ground was envisaged. The permanent mechanism implies a Treaty change. This can only be done by unanimity in Council, under the preconditions that the European Parliament has been consulted and the ratification procedure has been completed in the Member States.

So far the current state of play. In the next two slides I would like to elaborate further on the contents of the legislative proposals and the questions raised by the European Parliament.

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In general, the European Institutions agree that sanctions should not only be applied in the corrective arm of the Stability and Growth Pact, but also in the preventive arm to prevent non-compliance already at an early stage. Sanctions range from interest-bearing deposits to non-interest-bearing deposits and finally to fines. A new element in the Commission proposal is the voting procedure: Sanctions are triggered in a quasi-automatic way, as the Council may only reject a Commission

recommendation in reversed qualified majority within a short timeframe of ten days. Having in mind the ineffective mechanism as it still stands today - “where potential future sinners judge current sinners” - the new voting procedure is certainly a step forward, which the European Parliament fully supports.

Besides, the preventive surveillance mechanism will be strengthened by the principle of prudent fiscal policy which requires to limit the annual expenditure growth to a medium-term rate of GDP. Any failures will be answered by warnings and followed by recommendations for corrective measures. The corrective arm of the Stability and Growth Pact foresees a closer monitoring of debt developments. As soon as a Member state's debt exceeds 60%, an obligation for debt reduction comes into place. Therefore, the debt criterion will be operationalised by a numerical benchmark allowing to measure the convergence towards the 60%-threshold. An interest bearing deposit is introduced, once a country is placed under the excessive deficit procedure. In case of ongoing non-compliance with the corrective action plan the deposit can be converted into a fine.

In order to tackle macroeconomic imbalances the Commission proposes to introduce an alert mechanism with a scoreboard that monitors a certain set of indicators. After an evaluation by the European Commission, those countries deemed at risk of severe imbalances will be obliged to take corrective action within a given timeframe. If the relevant Member State has not reacted sufficiently to end the excessive imbalance procedure, another enforcement mechanism enters into force, which works similarly to the one already presented in the excessive deficit procedure. That means: Sanctions up to a certain amount of the country's GDP as well as decision-taking by reverse voting among Member States.

Furthermore, a EU budgetary coordination framework will be introduced and should be reflected in national budgetary frameworks.

SLIDE 5

The ongoing assessment process in the European Parliament already brought forward certain key issues: A majority in Parliament underlines the necessity to integrate the framework of the European Semester into codified law in order to clarify the legal status of the new rules, which are, for the moment, only a Code of Conduct by the European Council. Rather than leaving the ball in the Council's court, the Community method has to be strengthened in order to avoid situations, where individual Member State interests prevail over legitimate European objectives. Therefore, the role of the European Commission should be further reinforced, while the role of the Council has to be

minimised, especially when it comes to decisions about sanctions. A step in the right direction would be the introduction of the reversed qualified majority in the voting procedures as mentioned earlier. Furthermore, the accountability of the European institutions involved should be enhanced by publishing reports and decisions on the application of the Stability and Growth Pact.

Another essential subject is the discussion around national ownership. The EU Parliament supports a strong national ownership, which involves national parliaments, whenever appropriate, as well as the integration of codified objectives for the fiscal framework in national law. A substantial progress in surveillance practice can, however, only be achieved, if the quality and independence of national statistic agencies and forecasting institutions are guaranteed by Member States.

The review of the economic governance framework gives floor to many - arguably - innovative ideas, which are at the moment controversially discussed among Members of European Parliament. I very much like the idea of introducing a debt limit on Member State level, as it is already the case for Germany, where public borrowing is limited to 0.35% of structural GDP per year. On the contrary, my attitude towards the creation of a European Monetary Fund or the issuance of Eurobonds is far more critical.

Economic Governance is certainly one of the latest topics in European economic and financial policy. However, it is only one part of the puzzle.

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The financial crisis, its global economic damage and the enormous efforts to stabilize financial markets forced governments and regulators to review the regulatory and supervisory framework “from the scratch”. Beginning this year, there has been a significant shift in Europe’s financial supervisory architecture. The European supervisory authorities, as established in regulations last year, took up their assignments on 1st of January: the European Banking Authority (EBA) in London, the European Insurance and Occupational Pensions Authority (EIOPA) in Frankfurt and the European Securities and Markets Authority (ESMA) in Paris. Even if the ongoing day-to-day-supervision remains with the national authorities, the European supervisors are going to have a strong say, when financial institutions face crucial situations. When it comes to macro-prudential oversight, the European authorities will be supported by the European Systemic Risk Board (ESRB) located in Frankfurt. The task of the ESRB is to identify risks to financial stability across institutions and borders and to issue risk warnings and recommendations for action to address these risks. The Board is chaired by the President of the European Central Bank, and the ECB will also deliver administrative and logistic support. The Systemic Risk Board, however, is not only in central bankers’ hands. The Advisory

Scientific Committee will represent academics and professionals with various backgrounds, who provide input for the decision-process within the ESRB.

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Thanks to the assertiveness of the European Parliament, the EU authorities - the so-called ESAs - are equipped with strong competences, especially with direct competences towards national supervisory authorities and individual financial institutions. In cases of a manifest breach of Community law or non-application of legislative acts, in emergency situations and situations of disagreement between national competent authorities, the European supervisors will be able to take decisions, which are binding for national competent authorities and also directly applicable to individual financial institutions. In order to implement these competences the existing legislation has to be changed, which is done by the so-called Omnibus Directives. As rapporteur of the European Parliament I am dealing with the Omnibus II Directive, an amending directive to the Solvency II framework for the insurance sector.

In the regulations setting up the new European Authorities the role of the EU representatives inside the colleges of supervisors has been strengthened in view of stress testing and in the improvement of the quality of national supervision, both through the creation of a single set of rules in the form of binding technical standards. The tasks of the ESAs include the assessment of market developments, financial products and financial transactions. If a European Supervisory Authority considers it necessary, it shall inform the European Commission to prepare legislative acts to prohibit or restrict harmful financial activities. Furthermore, a Joint Committee has been established to facilitate cooperation between the ESAs on micro-level and the European Systemic Risk Board on macro-level, thus increasing the coherence of the European system of financial supervision.

The new supervisory architecture provides the fundament for sectoral legislation, which is currently under revision and also enlarged by several new pieces of legislation like the Directive on Alternative Investment Fund Managers.

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In November 2010, the European Parliament adopted the so-called AIFM-Directive, introducing rules for authorisation, ongoing operation and transparency for managers of alternative investment funds. The initial legislative proposal, the Commission proposal, was already published in April 2009. The negotiations, however, proved to be rather difficult. The most contentious were the provisions dealing with the market access for third country managers and the marketing of third country funds.

In the spirit of compromise a separate timeline for these provisions has been introduced, which I am going to explain later.

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It is worth to mention a few key areas, in which the Parliament had a strong say, while negotiating the text with the European Commission and the Council. First of all, there is the scope of the directive, which covers only active marketing for reasons of practicability. Fortunately, the European Parliament has been successful in implementing the principle of proportionality. This led to a lighter regime for AIFM, if their assets under management fall below a threshold of 100 million Euro. In case of unleveraged funds, which do not grant redemption rights during a period of five years, the threshold is set at 500 million Euro.

With the new legislation in place, the fund managers are obliged to provide initial capital and an additional amount of own funds, which shall be invested in liquid assets and not include speculative positions. The new rules on capital reserves are accompanied by the obligation to implement proper valuation procedures resulting in a reliable and independent valuation of assets for the alternative investment fund. The valuation function can be either performed by a qualified external valuer or by the AIFM itself, if safeguards are in place to prevent potential conflicts of interest.

Furthermore, the new directive clarifies, who can be selected as depositary and who remains liable, when depositary tasks are delegated. A depositary shall have its registered office or branch in the same country as the alternative investment fund. In case of a third country fund the depositary can only be established in the same third country, if certain conditions are met: Third country depositaries must be subject to effective prudential regulation and supervision of the same effect as laid down in the European law. The tax regime in the relevant country will also be assessed according to OECD standards.

These criteria also have a significant role, when talking about the marketing of third country funds in the European Union.

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The European Parliament made huge efforts in order to include a passport option in the new legislation, hoping that such a regime would attract foreign investors. A EU passport will guarantee market access to the whole European Union, after a foreign fund manager has been successfully authorized in one Member State. The question, under which conditions a passport can be granted, was a high political one. On the one hand, fund managers from outside the European Union should

not face a restrictive regime, which will be difficult or even too difficult to comply with. On the other hand, an uneven level playing field to the detriment of a highly regulated European fund industry should also be avoided. We concluded with a compromise, not a perfect one, but a compromise, which will give us the opportunity to evaluate the passport regime at first.

From 2013 onwards, a passport will be introduced, but limited to EU managers who market EU funds. The marketing of third country funds will still be possible via national private placement regimes. Two years later ESMA, the European Authority for Securities and Markets, will conduct an assessment on the functioning of the intra-European passport. Besides, ESMA is going to issue a recommendation on the introduction of a third country passport. Based on a positive recommendation, third country managers will be able to obtain a marketing passport for the whole Union area, subject to certain conditions, as, for example, a cooperation agreement between the supervisory authorities involved. Both systems, the European and the national one, are going to co-exist for a few years to provide for a smooth transition to a European passport system. The national private placement regime is deemed to expire in 2018, also in order to demonstrate the credibility of the European solution.

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Another issue we are busy with at the moment is the regulation of OTC Derivatives. These financial instruments have until now not been regulated at all in the EU - just like the hedgefunds managers. However, derivatives have become crucial in the financial economy. Therefore the European Parliament has adopted an own-initiative report on the topic in June 2010 to push the Commission to act. Indeed, the Commission published its proposal on OTC derivatives, central counterparties and trade repositories in September 2010. The discussion in the European Parliament is still ongoing, the draft report was published just on 9 February 2011 and we will vote on it in Plenary in May or June.

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With its proposal, the Commission tried to introduce a clearing obligation for as many contracts as possible. That is, all standardized OTCs will have to be cleared centrally. And as many OTCs as possible should be standardized. However, bilateral OTCs remain possible, but will need to be reported to trade repositories and will imply higher capital requirements. Corporates will have to clear only positions that are systemically relevant: an information threshold and a clearing threshold are introduced by the Commission to identify these positions.

The newly founded ESMA will get a key role in regulating and supervising of CCPs as well as in dispute settlement and registering trade repositories. Additionally, CCPs will be considered as systemically

relevant institutions and will have to build up robust governance arrangements. These proposals are actually not that bad from my point of view.

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The main problems which we still have to deal with are the following: The subject matter and scope provide some difficulties. There are so many different users of derivatives that it is almost impossible to cover them all adequately in one regulation. Additionally, the European governments want apparently to extend the scope of the regulation to all derivatives and not only OTC contract. I do oppose this, this was not the aim of the regulation and there are other legal frameworks to deal with derivatives which are non-bilateral.

The definitions of financial and non-financial counterparties do still cause some concerns as well. This is actually related to the question to the scope. As many stakeholders try to be regarded as non-financial counterparty instead of lobbying for a plain exemption. I'm not in favor of this either; we should be restrictive with any "special treatments". As the goal of the regulation is harmonization and not fragmentation.

Besides, the information threshold for non-financial counterparties proposed by the Commission would lead to a considerable increase in bureaucracy. I therefore think we should delete this threshold. And the clearing threshold should also be revised a little. Clearing should only be necessary if a corporate crosses the threshold during a longer period.

The Commission wants to establish colleges to supervise the CCPs. This would lead to a rather complicated and complex system, while supervision can also be assured by a close cooperation between ESMA and national authorities. The interoperability arrangements suggested by the Commission would in my opinion lead to an increase of systemic risk - this can not be our intention.

And last but not least we have to safeguard a level playing field: CCPs from third countries should be obliged to fulfill the same requirements as European CCPs, otherwise our system wouldn't be effective. The draft report of my colleague Werner Langen addresses most of these problems. Now we have to see what the other political groups think about this dossier and what amendments they will table.

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Another dossier, which is indeed closely related to the OTC derivatives, has already advanced a little further. Even though the proposal was published by the Commission together with the OTC proposal, the draft report on Short Selling and certain aspects of Credit Default Swaps was already finalized in November last year.

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The main goal of the Commission was here to introduce more transparency to the market. The Commission therefore wants to introduce a low threshold for notification of a short position and a requirement of marking short orders. These requirements should apply to OTC as well; exemptions are only planned for shares of a company where the principal market is outside the EU, market making activities and primary market operations performed by dealers.

Besides, the Commission allows for a prohibition or restriction of short selling activities that would otherwise be legitimate or pose minimal risks in emergency situations. Again, ESMA will be given a key co-ordination role and will - like the national competent authorities - get access to documents, the right to obtain information and to take enforcement action.

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From my point of view, there are only a few corrections to the Commission proposal needed: The current approach is rather fragmented which limits the effectiveness, creates confusion and may result in regulatory arbitrage. Plus, we have to make sure that the thresholds for disclosure of significant net-short-position are adequate. We therefore should take the thresholds calculated by CESR as guideline. The requirements for marking and flagging of short orders are from my point of view exaggerated, as well as the restrictions of naked short selling. At least, we need an exemption for intra-day-trade and market makers. Everything else would neglect the realities of the market. This is also why the deadlines for buy-in-procedure should be adjusted.

Unfortunately, we did not get such a good draft report as the report on OTC. The rapporteur for this dossier is unfortunately from the Green Party and does have a rather different approach to the issue - let's say it like that. He would for example like to extend the scope of the regulation massively. My colleague Markus Ferber is currently pretty busy with the compromise negotiations to re-adjust the report. I'm confident he will succeed and we will then be able to adopt a good report in Plenary in March or May.

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So we are on the one hand busy filling regulatory loopholes by creating regulations in areas where there was no regulation at all until now. But on the other hand, the crisis also revealed various shortcomings in the legal framework which already exists.

This is why we are for example currently discussing again the issue of Credit Rating Agencies. This topic is actually keeping the EU busy for years now. While the first regulation requiring the Rating Agencies to register in the EU and thus to fulfill certain transparency and governance requirements only came into force last year, we already had to review this regulation to adapt it to the new supervisory architecture. The Rating Agencies will now be submitted to the supervision of ESMA.

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However, the main issues remain yet unsolved: We urgently need more competition within the market of Credit Rating Agencies, as well as more transparency. However, more competition does not automatically imply better competition but needs to be combined with strong requirements assuring the quality of the rating to avoid phenomenon like "rating shopping".

We therefore also have to discuss about how to find a new pay model other than the current issuer-pays model which tends to lead to conflicts of interest. And especially in the area of Sovereign Debt Rating we have to address the issue of a lack of accountability of the Credit Rating Agencies. The European Parliament is therefore currently discussing an own-initiative report which tries to give possible solutions for these problems.

Personally, I'm not really convinced of the two "most famous" ideas of which many of my colleagues seem to believe that they could solve our problems with the Rating Agencies. The Left Parties including the Social Democrats and the Greens would like to create a kind of European public rating authority. I actually think this is a very bad idea. The last thing we need in the EU is another inefficient authority. And such an authority would never be able to free itself from political influence. It would thus never gain credibility in the market - but without credibility, no Rating Agency will be able to survive in the long run. Besides, creating only one Agency more would not really lead to more competition - especially if it's public. And then, I'm also not sure that we need an explicitly European Agency. We need more competition but the question of the geographic origin of such a competitor should in my opinion be secondary - as long as it fulfills our legal requirements. The second idea very much "en vogue" at the moment is the one of a European Rating Foundation. This does not really convince me either, for the same reasons.

But at least, a Foundation could politically be a little more independent. I think we should rather ask ourselves if it was not partly our own fault as regulators, that ratings got such an influence during the last years. External ratings have become a common requirement in our regulations. So we should rather think about how to reduce this over-reliance on external ratings than arguing for a European stand against the US-Agencies. The own-initiative report therefore tries to give internal ratings more importance.

We will have to see what the Commission will make out of this input in its next proposal on Rating Agencies this summer.

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When we talk about the importance of external ratings in current regulation, the step to the topic to capital requirements is not very big. Also in this area are we in the EU currently reviewing our legislation: After the Basel Committee published its proposals on Basel III in September, the European Commission is at the moment preparing its proposal on the Capital Requirements Directive IV (CRD IV) which will probably also be published this summer.

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I think the crisis has proven that new measures are necessary; we do need qualitatively and quantitatively better capital requirements. And the proposals of the Basel Committee are actually not that bad. The Committee wants the Core Tier-1 to become the essential factor for the calculation of the capital requirements. It should only consist of nominal capital plus return. Other forms of capital should become secondary over time.

The minimum common equity requirement should increase up to 4.5% in 2015; the Tier 1 capital requirement should increase up to 6% in 2015.

An additional capital conservation buffer of 2.5% should be introduced.

An additional countercyclical buffer of up to 2.5% should be introduced.

Besides, non-risk-based leverage ratio should be introduced: A Tier-1 leverage ratio of 3% will be tested and may be adjusted based on the results of the test in 2017, with the aim of migrating it to Pillar 1 on 1 January 2018.

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But these are just proposals - we will have to see which of these the Commission will take on and in what way. Generally speaking - and without speculating about possible details of the Commission proposal - I think it's essential that the new requirements will not overburden the financial institutions. And we can not allow the future regulation to discriminate against certain business models. Regulatory measures should be restricted to higher capital requirements but not affect the definition of the capital. The quality of the capital should be important, not the business model of the financial institution.

Besides, higher capital requirements are not the only regulation imposed on the financial sector at the moment. There are many other projects as a possible bank levy, a financial transaction tax, the investor security scheme, or the deposit guarantee scheme, for which the financial institutions will have to raise money. But the cumulative effects of all current proposals and projects are yet unknown and almost impossible to estimate correctly. If all the projects are implemented, charges for the banks will multiply. This additionally needed capital would no longer be available for credits. This would above all concern the SMEs, which are only starting to recover from the crisis just now. But the SMEs are the backbone of the European economy and we can actually not hope for a sustainable economic recovery if we do not allow the SMEs to prosper.

Last but not least, the introduction of higher requirements will only make sense if it happens on a global level; the international level playing field must be maintained. Otherwise the EU will only weaken its own competitiveness. But I am actually not very optimistic about this point.

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The last regulatory issue I have chosen as an example for the EU's lessons from the crisis is the Deposit Guarantee Scheme (DGS). The draft report in this topic is published this week.

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Already in the height of the crisis the coverage level for deposits per depositors was raised to 100 000 Euro to calm citizens. This coverage level is now introduced as permanent. And the Commission wants all financial institutions and security schemes to be covered by the new directive. The time limit for paying out depositors should be reduced to 7 days according to the Commission. The target level should be fixed at 1.5% of eligible deposits and must be on hand after a transition period of 10 years. Additionally, 0.5% ex-post of eligible deposits contributions must be paid if necessary. The contributions to both funds should be risk-based.

A mutual borrowing between DGSs should be possible in certain circumstances.

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We do actually have some problems with these proposals in Parliament. These concerns are shared by all the political Groups. Therefore, the draft report will include some major changes to the Commission proposal on which all the Groups agreed already now.

We do not want to overburden financial institutions by fixing a too challenging target level. So we will stick with the 1.5% - but instead of eligible deposits we will only take the covered deposits into account. And we will prolong the period until this target level will have to be reached to 15 years.

We try to make sure that the contributions to the ex-post fund do not have procyclical effects.

Besides, the model for the risk-based calculation of the contributions the Commission proposed is not realistic on our point of view. There are huge differences in the risk-profiles of the different institution within each DGS and the spreads suggested by the Commission do not reflect this adequately. So we will introduce a standard model to assure a certain level of harmonization but allow for the DGSs to develop own models in line with certain guidelines and supervised by the EBA.

And we regard the time for payment of depositors 7 days as is too short - at least today. So we will stick with the current 20 days for now. The mutual borrowing facility is in our view not viable considering the differences between current schemes. However, we can agree with a voluntary mutual borrowing.

But what is most important is that well-proven elements of existing schemes should be preserved. Institutional schemes have proven very stable during the crisis not the least thanks to their preventive character. So we should not abolish without need but rather promote their positive elements.

There has been an unusual good and close cooperation between the Groups already at this early stage. So I expect that we will get a large majority for our positions in Committee and then also in Plenary.

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So, these are some - and in my point of view the most important - dossiers with which we have been or are currently busy in consequence of the crisis.

Like I said at the beginning, we are active on two different levels: We are trying to draw the macro-economic conclusions by reviewing the Economic Governance of the EMU and by having introduced a new and more effective European Supervision. At the same time, we are trying to fix the loopholes in financial regulation by revising the existing legal framework and by creating a new framework where necessary.

Our aim with this is twofold as well: First, we want to decrease the likeliness of a new crisis. Therefore, we introduce more transparency, more effective supervision and more cooperation. Second, we want to increase the protection mechanisms in case of a crisis. So we introduce measures to prevent a spread of a crisis, higher buffers and more consumer protection.

This is actually pretty much work.

And we are far from finished.

But I am confident that we will manage.

And if we get this right, we can come out of the crisis much stronger than before.

Thank you for your attention and I'm looking forward to your comments and questions.