Impact and Consequences of the new regulation for the financial Sector from a Business Perspective

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Starting-points

- Financial services provide a decisive infrastructure for business by
  - Transferring savings to investments
  - Providing payment systems
  - Distributing risks and setting a price on risk

Starting-points

- Regulation can not hinder financial crisis
- Overregulation has a price by growth cut and reduction in GDP
- Companies in Europe depend highly on bank intermediation
- Many countries in Europe are highly indebted

Starting-points

- Growth is decisive if Europe shall be able to handle its burden of dept
- Investment and business are essential for growth
- Financial business is performed under the rules and principles of the market economy

Starting-points

- Business in a global economy demands global financial services

Guiding principles

- Perform comprehensive impact assessments on the availability of capital and growth before new regulation is set
- Address the cumulative impact of different pieces of the regulation, such as Basel III, CRD II, III, and IV, Solvency II and AMFD

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Guiding principles

- Maintain the financial market integration in Europe
- Respect key values, such as level playing field, transparency and freedom of capital movement and establishment

Guiding principles

- Regulation should foster transparency and accountability
- Regulation should improve risk management
- Macro- and micro-prudential supervision should be upgraded urgently

Guiding principles

- Strengthen capital and liquidity requirement, beyond a certain level of stability, will damage banks` lending capacity and have negative effects on growth
- Be aware of the risk of rules, which favour financial services investments in government -bonds

Guiding principles

- Address the problem of moral-hazard
- Find a global solution for a winding down system for financial undertakings too big to fail