Daily News 08 / 02 / 2018

Member States to benefit from €98.2 million in investments to improve citizens' quality of life

The European Commission has approved an investment package of €98.2 million to support Europe's transition to a low-carbon, circular economy under the new LIFE funding programme for the Environment and Climate Action.Today's investment package will contribute towards improving the quality of life for European citizens in five areas: Nature, Water, Air, Waste and Climate Action. The investment covers 10 projects in Belgium, Denmark, France, Greece, Lithuania, Malta, Spain and Sweden. The EU funding will mobilise investments leading to an additional €2 billion, as Member States can make use of other EU funding sources, including agricultural, structural and research funds, as well as national funds and private sector investment. A press release and annexwith details on the 10 projects are available online. *(For more information: Enrico Brivio – Tel.: + 32 229 56172; Iris Petsa – Tel.: +32 229 93321)*

Trade Defence: Commission imposes definitive anti-dumping duties on Chinese corrosion resistant steel

The Commission today imposed definitive anti-dumping duties on corrosion resistant steel from China. The investigation confirmed that Chinese producers were dumping the product on the EU market, a finding that already led to imposition of provisional duties in August 2017. The measures that will be in place for the next 5 years range from 17.2% to 27.9%. Corrosion resistant steel is mainly used in the construction industry, for mechanical engineering, in the production of welded pipes and tubes and in the manufacturing of domestic appliances. The value of EU market for corrosion resistant steel is estimated for €4.6 billion, 20% of which has been supplied by Chinese producers. Today's measures will counter the downward pressure on sales prices that has been causing financial problems for EU producers, based mostly in Belgium, France, Poland and the Netherlands. The steel sector is a vital industry for the European Union's economy and occupies a central position in global value chains, providing jobs for hundreds of thousands of European citizens. The global surplus in steelmaking capacity has driven down steel prices to unsustainable levels in recent years and had a damaging impact on the steel sector, as well as related industries and jobs. The EU is using therefore the full potential of its trade defence toolbox to ensure a level-playing-field for its producers and their ability to maintain jobs in the sector. 53 measures are now in place on steel and iron products, including 27 on products coming from China. In March 2016 the Commission issued a Communication presenting a series of measures to support competitiveness of the EU steel industry. Enhanced use of trade defence tools was one of the pillars of the strategy. In addition to that, the Commission engaged in the Global Forum on Steel Excess Capacity that agreed last November on an ambitious package of concrete policy solutions to tackle the pressing issue of global overcapacity in the steel sector.The regulation is available in the EU Official Journal. *(For more information: Daniel Rosario –*

Tel.: +32 229 56185; Kinga Malinowska – Tel: +32 229 51383)

160 innovation grants to bring frontier research closer to the market

Today, 52 winners of an innovation grant competition have been announced. The so-called 'proof of concept' grants, each worth up to €150,000, are dedicated to researchers that explore the innovation potential of their scientific discoveries. This will help researchers to bring the results of their frontier research closer to the market. Today's winners join 108 others that have already been awarded grants in 2017. In total 160 researchers will now investigate business opportunities, establish intellectual property rights or conduct technical validation to proof their scientific concept. They will for example develop new antibiotics that target drug-resistant bacteria, produce graphene sheets to protect works of art or make thermal-regulating paints that could reduce energy consumption of buildings (see further project examples). The overall budget of the competition was €24 million. In October last year, the Commission has geared its research and innovation funding towards boosting breakthrough, market-creating innovation. Europe is already a world leader in science and technology. To make Europe also a major innovation driver, the Commission has launched a Pilot for a European Innovation Council (EIC) to support top-class innovators, entrepreneurs, small companies and researchers with bright ideas. The EIC will mobilise €2.7 billion to support high-risk, high-gain innovation. The 'proof of concept' grants, announced today, are awarded by the European Research Council (ERC) and are part of the EU's Horizon 2020 research and innovation programme (see ERC news item). The ERC, set up by the European Union in 2007, is the first European funding organisation for excellent frontier research. Every year, it selects and funds the very best, creative researchers of any nationality and age, to run projects based in Europe. *(For more information: Lucía Caudet – Tel.: +32 229 56182; Victoria von Hammerstein – Tel.: +32 229 55040; Maud Noyon – Tel. +32 229-80379)*

State aid: Commission approves PLN 5 billion Polish support for closing coal mines

The European Commission has found amendments to Poland's plans to provide public support of PLN 5 billion (approximately €1.25 billion) to alleviate the social and environmental impact of closing uncompetitive coal mines by 2018 to be in line with EU State aid rules. The Commission concluded that potential competition distortions are limitedas a result of the support. The Commission had already approved Polish support for the closure of uncompetitive coal mines in November 2016. In line with EU State aid rules, and in particular Council Decision 2010/787/EU on State aid to facilitate the closure of uncompetitive coal mines, the Commission found that the aid will ease the closure process by providing financial support to workers who have lost, or will lose, their jobs due to the closure of the mines. In particular, the state support will fund severance payments, compensatory pensions and social security benefits for these workers until 2023. Furthermore, it will be used to secure mine shafts and decommissioning of mine infrastructure, repair damage to the environment caused by mining and re-cultivate land after the mine closures. More information will be available on the Commission's competition website, in the State Aid Register under the case number SA.46891. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740)*

Mergers: Commission clears acquisition of OCTE by Avis Budget Group and Koç Holding

The European Commission has approved, under the EU Merger Regulation, the acquisition of OCTE of Greece by Otokoç ABG Holland BV of the Netherlands, which will be jointly controlled by Avis Budget Group Inc. ('ABG') of the US and Koç Holding A.S. ('Koç') of Turkey. OCTE trades as Avis Hellas and, since 2010, has been appointed as Avis' franchisee in Greece for the Avis and Budget brands. ABG is a global provider of rental cars and also operates a car sharing network through its Zipcar brand. Koç is an investment holding company which is active in a range of sectors, including energy, consumer durables, cars and finance. The Commission concluded that the proposed acquisition would raise no competition concerns, given the absence of horizontal overlaps or vertical links between the companies' activities in Greece. Although ABG, Koç and OCTE all provide short-term and long-term car rental services, their activities take place in distinct national markets. Moreover, there are no existing supplier or customer relationships between them. The operation was examined under the simplified merger review procedure. More information will be available on the Commission's competition website, in the public case register under the case number M.8756. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740)*

Mergers: Commission clears acquisition of Elenia Group by Macquarie Group and Allianz Group

The European Commission has approved, under the EU Merger Regulation, the acquisition of Lakeside Network Investments S.à.r.l. ("Elenia Group") of Finland by Macquarie Super Core Infrastructure Fund SCSP ("MSCIF") of the UK and Allianz Infrastructure Luxembourg I S.à.r.l. ("AIL") of Luxembourg. Elenia Group owns and operates electricity distribution networks and district heating businesses in Finland. MSCIF is a fund owned by the Macquarie Group, a global provider of banking, financial, advisory, investment and fund management services. AIL belongs to the Allianz Group, a global provider of insurance and asset management products as well as services to private and corporate customers. The Commission concluded that the proposed acquisition would raise no competition concerns because of the limited combined market position of the companies following the proposed transaction. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.8776. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740)*

Mergers: Commission clears acquisition of joint control over Lucid Energy by Goldman Sachs and Riverstone

The European Commission has approved, under the EU Merger Regulation, the proposed acquisition of joint control over Lucid Energy Group II LLC by The Goldman Sachs Group, Inc. and Riverstone Investment Group LLC, all of the US. Lucid Energy provides natural gas gathering, compression and natural gas processing in Texas and New Mexico. Goldman Sachs is a global investment banking, securities and investment management firm that provides a wide range of banking, securities and investment services worldwide. Riverstone is a private equity firm focused on investments in the energy and power sectors. The Commission concluded that the proposed transaction would raise no competition concerns as Lucid Energy is not active in the European Economic Area. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.8800. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740)*

Mergers: Commission clears acquisition of joint control over PSA Panama International Terminal S.A. by PSA International Pte. Ltd. and Terminal Investment Limited Sàrl

The European Commission has approved, under the EU Merger Regulation, the acquisition of joint control over PSA Panama International Terminal S.A. of Panama by PSA International Pte. Ltd of Singapore, and Terminal Investment Limited Sàrl of Switzerland. PSA Panama International Terminal S.A. is a company operating a container terminal in the Port of Rodman, Panama. PSA International Pte. Ltd. provides stevedoring services at ports, with a particular focus on terminal services for containerised liner ships. Terminal Investment Limited Sàrl is jointly controlled by MSC Mediterranean Shipping Company Holding S.A. of Switzerland, Global Infrastructure Management and Global Infrastructure Partners, both of the US. Its business is in investment, development and management of container terminals. The Commission concluded that the proposed acquisition would raise no competition concerns because of the limited impact it would have on the market. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.8695. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740)*

Mergers: Commission clears acquisition of Hügli by Bell

The European Commission has approved, under the EU Merger Regulation, the acquisition of sole control over Hügli Holding AG by Bell Food Group AG, both of Switzerland. Hügli manufactrures soups, sauces, ready-to-eat dishes, desserts and meat substitute products for sale to retailers, wholesalers and the food service sector. Bell is active in the production, processing and sale of meat as well as other related products, seafood and convenience products through various distribution channels. The Commission concluded that the proposed acquisition would raise no competition concerns because of the limited overlap between the companies' activities. The operation was examined under the simplified merger review procedure. More information will be available on the Commission's competition website, in the public case register under the case number M.8751. *(For more information: Ricardo*

Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740)

STATEMENTS

Discours de la Commissaire Crețu à la session d'ouverture du Forum urbain mondial des Nations Unies

Aujourd'hui, la Commissaire en charge de la politique régionale et urbaine de l'UE, Corina **Creţu**, a représenté l'UE et ses Etats membres lors de la session plénière d'ouverture du 9ème Forum urbain mondial. 15 mois après le lancement du Nouvel Agenda Urbain, le Forum se concentre sur la mise en œuvre des objectifs du Programme de développement durable à l'horizon 2030. La Commissaire **Crețu** a déclaré: *"Le Nouvel Agenda Urbain trace les contours ambitieux du travail qui reste à accomplir pour des milliers de villes, sur les cinq continents. L'UE est fortement attachée à sa mise en œuvre, d'autant plus qu'elle reflète bien la vision européenne d'un développement urbain durable. En effet, nous plaidons pour une approche intégrée, adaptée à la réalité des lieux et des populations, et qui prenne en compte la diversité des villes et leur contexte territorial plus large tout en s'appuyant sur les liens urbains-ruraux. L'Union européenne et ses États membres peuvent être fiers d'avoir contribué à façonner le Nouvel Agenda Urbain."* Retrouvez l'intégralité du discours en anglais de la Commissaire ici*. (Pour plus d'informations: Johannes Bahrke – Tél .: +32 229 58615, Sophie Dupin de Saint-Cyr – Tél .: +32 229 56169)*

ANNOUNCEMENTS

Vice-Président Katainen en déplacement à Paris

Le Vice-Président Jyrki **Katainen** chargé de l'emploi, de la croissance, de l'investissement et de la compétitivité est aujourd'hui en déplacement à Paris, France. Il va prononcer un discours à l'occasion du Capital Markets Summit organisé conjointement par Politico et l'Agefi, évènement auquel Olivier Guersent, Directeur général de la Direction générale Stabilité financière, services financiers et Union des marchés de capitaux (FISMA), participera également. Le Vice-Président **Katainen** évoquera les mesures prises par l'UE pour faciliter l'accès au capital, en particulier pour les petites et moyennes entreprises (PME), notamment via le Marché Unique des Capitaux et le Plan d'Investissement pour l'Europe. Pendant sa visite, le Vice-Président **Katainen** s'entretiendra avec Steven Maijoor, Président de l'Autorité européenne des marchés financiers (AEMF), et participera également à un déjeuner de travail avec Sabine Thillaye, Présidente de la Commission des affaires européennes de l'Assemblée Nationale, et les autres membres de la Commission. *(Pour plus d'information: Vanessa Mock – Tel.: +32 229 56194; Siobhán Millbright – Tél.: +32 229 57361)*

Commissioner Stylianides visits Portugal to present rescEU, the EU's plan to strengthen emergency response

Commissioner for Humanitarian Aid and Crisis Management Christos **Stylianides** is travelling to Lisbon to meet with Prime Minister of Portugal António Costa and Minister of Internal Administration, Mr Eduardo Cabrita. During the visit Commissioner **Stylianides** will present and discuss the state of play regarding the Commission's proposal to strengthen EU disaster management: rescEU. The meetings will serve to enhance the constructive cooperation already established between the Commission and the Portuguese authorities. rescEU aims at creating a more robust EU civil protection mechanism, enabling the EU to better respond to disaster situations and to help citizens when Member States' capacities have been exhausted, as was the case in Portugal last year. The Commissioner will also deliver a speech at a seminar on the EU Civil Protection Mechanism co-organised by the European Ideas Network. Commissioner **Stylianides** visited Portugal last year, and commended the Portuguese civil protection forces for their work and support for several EU Civil Protection missions. *(For more information: Carlos Martin Ruiz De Gordejuela – Tel.: +32 229 65322; Daniel Puglisi – Tel.: +32 229 69140)*

Upcoming events of the European Commission (ex-Top News)

Member States to benefit from €98.2 million in investments to improve citizens' quality of life

Today's investment package will contribute towards improving the quality of life for European citizens in five areas: Nature, Water, Air, Waste and Climate Action. The investment covers 10 projects in Belgium, Denmark, France, Greece, Lithuania, Malta, Spain and Sweden. The EU funding will mobilise investments leading to an additional €2 billion, as Member States can make use of other EU funding sources, including agricultural, structural, regional and research funds, as well as national funds and private sector investment.

Karmenu **Vella**, Commissioner for the Environment, Maritime Affairs and Fisheries, said: *"One euro from LIFE mobilises 20 euros from other funding sources. In addition to this remarkable leverage, LIFE Integrated Projects directly respond to concerns voiced by citizens about air and water quality and the impacts of climate change. They enable Member States to tap into resources to tackle some of the biggest environmental challenges today, such as air pollution, water scarcity, circular economy or biodiversity loss in a coordinated way. This is a perfect example of EU funds making a real difference on the ground."*

Miguel **Arias Cañete**, Commissioner for Climate Action and Energy, said: *"These new projects will be a catalyst for regional adaptation to climate change and* *energy efficient housing. They demonstrate that an inclusive, integrated and climate-smart approach to funding can unlock more investment and improve the lives of citizens across the EU."*

Supporting Member States towards a low-carbon and circular economy

The 10 projects have a total budget of €182.2 million, including €98.2 million of EU co-financing.

In the area of the **environment**, projects have a total budget of €152.7 million, including €80.2 million of EU co-financing, and plan to make use of some €886 million of complementary funding:

- **Nature:** 5 projects in Denmark, France, Greece, Lithuania and Sweden will help conserve Europe's nature on a wider scale. For example, by improving the implementation of management plans for nature protected areas (Greece) or by providing incentives to farmers to manage their land in a more environmentally-friendly manner. The specific project in Denmark will help farmers harvest biomass from natural areas, through the development of high-value specialty products, sold at a premium of at least 25%.
- **Water:** Projects in Malta and Spain address water scarcity, offering solutions for sustainable water management, such as investing in water treatment and greater reuse of water.
- **Waste management:** A project in France aims to improve waste management and prevention in the region of Provence-Alpes-Côte d'Azur, contributing to the transition to a circular economy. The project's aim is to increase the amount of organic waste being collected by around 30% and significantly reduce the amount of landfilled household waste.

In the area of ***climate action****, a budget of €29.4 million is available for 2 projects, of which €17.9 million is EU-funded. They will also access more than €1.16billion in complementary funding in support of energy efficiency and climate change adaptation policy priorities.*

- ***Energy efficiency:*** *A project in Belgium will help renovate more than 8500 homes improving their energy efficiency, while the project in Spain will help the Navarra region with implementing its 2030 climate change adaptation goals.*
- ***Climate change adaptation:*** A project addressing climate change adaptation in the region of Navarre, Spain for example by introducing early warning systems for river floods and emergencies involving wastewater treatment.

Descriptions of all 10 new integrated projects can be found in the Annex to this press release.

Background

The LIFE programme is the EU's funding instrument for the environment and climate action. It has been running since 1992 and has co-financed more than 4500 projects across the EU and in third countries, mobilising over €9 billion and contributing over €4 billion to the protection of the environment and climate.

Since their introduction in 2014, there have been 25 Integrated Projects in 14 Member States, with a combined budget of more than €460 million. These ongoing projects are facilitating the coordinated use of more than €5 billion in complementary funding from other EU and national funds and the private sector.

For more information on LIFE

LIFE Programme

Yves Mersch: Interview with Bloomberg

BIS General Manager Augustine Carstens said in his speech in Frankfurt the other day that there is a "strong case" for authorities to rein in digital currencies because of their links to the established financial system. How would you respond?

The General Manager of the BIS is usually also reflecting the views that are expressed around the table when central bankers come together. You won't be surprised to know that we at the ECB are fully in line with his views and we have similar worries, or similar endeavours we are working on.

The question is not so much that these virtual currencies (VCs) are already at a level that would cause huge disruption in the real economy, but we are currently more concerned about the social and psychological effect they seem to have. In this respect money has to do with confidence and that's why we, central bankers, feel that we have a certain role to play to preserve confidence of the public in our legal tender. There is so much money flowing in that it's like a gold rush – but there is no gold.

What specific role can the ECB as a banking supervisor play in reining in digital currencies?

It's important to stress that we are a supervisor and not regulator. But supervisors can also impose certain requirements in terms of risk mitigation and prudent behaviour. But by and large, many banks out of their own initiative have already taken clear positions that they will not venture into this gold rush. But that being said, it's not only the question of the bank supervisor. Also from the monetary policy perspective, the central bank has a mandate to promote sound and efficient payment systems. From that point of view, it remains appropriate that we keep a clear distinction between virtual private initiatives, not backed by anyone, and trusted public currencies that are legal tender and backed by whole economies.

Are you coordinating your efforts with other authorities?

We are obviously in a constant dialogue with other authorities, whose mandate is to maintain the integrity of the markets, protection of investors and of consumers. Therefore we should have a deeper reflection on where the action is needed. There is an area of investor protection, then there is oversight of the financial market infrastructure. If you increasingly have bridges between the virtual world and the real world and then there is a collapse in this virtual world, it could drain liquidity from the real world. This then becomes a concern for the central bank.

Take the example of CCPs: if one were to offer future contracts on such VCs these would then have to be cleared. But CCPs have a single fund of default and if that fund were not sufficient then that would engage the responsibility of other clearers. That would mutualize risks that are emanating from those virtual currencies. The question then arises whether we shouldn’t have a clearer segregation between the real and the virtual world. The same goes for the imported credit risk that could come along and the question of collateral. These are the areas where we have direct responsibility as a central bank.

What is relevant to us is that we protect the functioning of our open market economy. At the same time, if someone wants to play Casino, let him do it, but then we shouldn’t mutualize losses with the rest of the society.

What tools do you have to keep this virtual world at bay and do they need reinforcement?

Our existing frameworks for monetary policy clearly don’t accept these assets as collateral and we will also not accept them to enter our existing platforms like Target-2 – these rules are already in place. The question is: should we go beyond?

If banks were to start leveraging, i.e. giving loans to finance such activities, then it would obviously be of concern for us, not only from the point of view of the risk management as a supervisor, but also in the view of our role to support financial stability and in view of our functioning, because we conduct monetary policy through banking system so we need a sound banking system.

Would it help if also in the market infrastructure we would have the obligation to segregate accounts or to have higher capital retention? Those ideas are typical tools that are at disposal of either the central bank or the supervisor or macroprudential authorities and we might have to take a look whether they are also applicable to those virtual currencies and whether the time has come to go that way. But since some of those VCs have no national base, but rather define themselves as being globalized it would be best to have a globalized response and that’s why the G20 is looking into the matter.

In what areas do you foresee the need for more forceful global response?

Since I have heard from different locations of similar concerns, we are all working at home, looking at what could be done. But it’s at a very premature stage because we don’t want to overdo it. We are in an open society, where people are free to lose money as they like.

It’s a phenomenon that affects central banking, payment systems, banks and financial market infrastructure. By definition those activities become cross-border so a cross-border response is always preferable to a fragmented national one. In many jurisdictions there is a very high concern about money-laundering and terrorism financing. What needs to be decided here as a super-priority has to do with the level of political responsibility rather than the level of individual agencies. Therefore the G20 where you also have the government side coming is a welcome forum.

The second in the list of priorities is to have more information because it’s very difficult to have access to what is happening and where it’s happening. We need more information and that’s why for me one obligation would already be to force the unregulated platforms to report transactions in a harmonized way to repositories so that we would have access to information also in order to create a better response. I hear often that there are concerns of criminal activity and the amount of hoaxes in this virtual world is rather high. So the main concern is the absence of proper information and the absence of traces so you could track the transactions. So this is certainly something that specialized staff in different member states will also look into.

Your colleague Benoit Coeuré said recently that the ECB expects G-20 meeting in March to focus on coordinated response to the growth of digital currencies and urged leaders to come up with a regulatory answer. What are you expectations about this meeting in Buenos Aires?

You should not think of a meeting as being a switch. It will launch a certain amount of studies, it will probably task a certain number of existing institutions to dig deeper and then we will start the work. But in the meantime we already prepare in-house. Whatever happens, we want to be prepared.

What can you do until this coordinated response is ready?

We have on the one hand our existing toolbox. It always is useful if you look at the toolbox again in terms of what is possible from the point of view of a new application. Then you can see that a lot can be done already. Some measures might also be taken without huge or difficult legal changes.

Could you give us an example?

Our collateral framework, our platform where we are an operator, we have our payment systems, we are in the midst of discussing European framework for CCPs – these are all areas where there is still time and where a certain amount of legislation is still under review, so we could add it.

Would you be ready to abandon your TIPS initiative in favor of a blockchain/DLT based solution? The conclusion to your Stella project with BOJ

says “DLT-based solution could meet the performance needs of current large value payment systems”?

TIPS is 10 seconds, 0.2 cents. DLT transactions are at best 30 euros and take at least one hour. Why would we abandon TIPS? We have a mandate for efficient payment systems, and we go for efficiency. We are not bound to a technology, we are bound to results, and I think it’s the result that counts.

As to the technology of DLT, we are testing it but there are so many unsolved questions in terms of governance and legal certainty in DLT. We are looking to what extent we could overcome these legal barriers, but we are at a very early stage.

There seems to be a certain change of tone in how you and your colleagues now speak about digital currencies. In the past some of your colleagues largely dismissed it as, for example, Tulip mania with no immediate consequences for the central bank. What prompted this bigger sense of urgency that something needs to be done right now?

As long as it was negligible it was not considered a priority, but since this hype accelerated at the end of last year it has moved higher up on the agenda. If you see how fast something can develop, it can very quickly reach dimensions of past bubbles that also had negative effects on the economy. That we cannot ignore. The valuations are not at a level where you would now jump from your chair and say “you need to forbid this thing”. We are not there. But what I do not like is the public hype driving this thing. Also the amount in ICOs is rather small. But this is market integrity, this is protecting the consumer. Here you can’t say it’s also affecting monetary policy. One thing to remember is also that we target asset bubbles if they are a risk for financial stability, and are debt-financed.

If we could fast-forward a bit – can you imagine a situation where there is going to be one day a digital euro? Do you completely rule out such development – a digital fiat currency?

I’m not a science fiction writer so in my official imagination I would restrain myself at best to look at certain circumstances if citizens were to desert cash, which is not the case right now. I could imagine a digital representation of cash, meaning a digital issuance that would replicate the features of cash, not a new digital currency disrupting bank intermediation, in order not to rock the boat of our whole economy and put into question the functioning of a two-tier banking system. So why would we do it? For the sake of disruption? We have made so much effort to make our banking system safer and sounder again, and we are still not fully finished. Why would we then discontinue with that? I think there would be a price – and maybe not a small price – in doing away with the banking system from one day to the next.

[Statement by the Eurogroup President on the nominations for the post of ECB Vice-President]

Press contacts

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At the 22 January Eurogroup, I asked euro area members to send their nominations for candidates to replace Vítor Constâncio as ECB Vice-President after his term ends on 31 May.

I have received two names.

Ireland has proposed its central bank governor, Philip Lane, and Spain, its economy and competitiveness minister, Luis de Guindos. These are two excellent candidates and I welcome the initiative of both countries to make their nominations public.

I look forward to our discussion at the next Eurogroup on 19 February which will pave the way for a formal recommendation to the European Council.

The selection process will continue to be fully in line with Treaty provisions, and will be conducted in an open and transparent way based on the candidates put forward by member states. This will include opinions from both the European Parliament the European Central Bank.

The Eurogroup meeting of 19 February will consider and discuss the applications. On the following day, the Ecofin Council, by reinforced qualified majority voting of the euro area members, will formally adopt a recommendation to the European Council.

Such majority requires 72% of euro area members in favour (i.e., at least 14 out of the 19), representing at least 65% of the population of the euro area.

On 22 March, after consulting with the ECB and European Parliament, the European Council will take its final decision.

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Q&A on MiFIR data reporting

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