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COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS**PUBLIC HEARING WITH ANDREA ENRIA
CHAIR OF THE SUPERVISORY BOARD OF THE EUROPEAN
CENTRAL BANK****BRUSSELS****THURSDAY, 1 DECEMBER 2022**

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IN THE CHAIR: IRENE TINAGLI*Chair of the Committee on Economic and Monetary Affairs**(The hearing opened at 9.13)*

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Chair. – Good morning everyone. Let's start our ECON Committee meeting. We basically resume the agenda we started yesterday with the public hearing with Andrea Enria, the Chair of the Supervisory Board of the ECB.

So I really would like to welcome Andrea to this second ordinary public hearing in 2022. Since your last appearance in ECON on 30 June 2022, the global and European economic development has continued to be marked by high macroeconomic uncertainty. High energy prices, high inflation and increasing interest rates are major challenges the economy is facing.

Today we would like to hear from you more on the current risk outlook and the current repercussions of these macroeconomic conditions on the banking sector. In addition, we would also like you to elaborate on your views on the implementation of the so-called Basel III finalisation in the European Union. The Council adopted recently its position on the two legislative proposals – the CRR III and the CRD VI – implementing the internationally agreed standards. The Parliament is currently negotiating its position. In this context, together with the EBA Chair, José Manuel Campa, and the Vice-President of the ECB Luis de Guindos, you reminded recently co-legislators that we need to stick to our global commitments, faithfully implement Basel III and strengthen supervisory powers.

Finally, we would also like to discuss with you today the supervisory work in the area of climate-related risks.

So Mr Enria, you have now the floor for an introductory statement of maximum 10 minutes, and then we will have our Q&A session.

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Andrea Enria, *Chair of the Supervisory Board of the European Central Bank.* – Thank you very much Chair and good morning to all of you. The banking sector maintains strong capital and liquidity positions. According to the third-quarter results available for listed banks, the sector continues to record good levels of profitability above market expectations.

However, the euro area economic outlook has further deteriorated. We face a period of lower growth and possible recession, with significant uncertainty over energy supplies. While higher interest rates and margins are boosting banks' profitability right now, they also affect the ability

of highly leveraged customers to pay back their debts or fulfil margin calls and may trigger sharp adjustments in volatile financial markets.

Banks need to prepare for the potential adverse impacts of this uncertain environment on their business, and the new risk environment warrants some adjustments to our supervisory approach. We expect to publish our updated supervisory priorities for 2023-2025 in the coming weeks. Today, I will outline how we are asking banks to prepare and remain resilient in the uncertain macro-financial environment.

We collected banks' updated capital trajectories at the end of October to identify any vulnerabilities in their capital adequacy to the energy shock and the heightened risk of recession. Based on our preliminary assessment, a number of banks seem to use relatively mild macroeconomic assumptions in their adverse scenarios, which translates into a moderate impact on their capital ratios. Consequently, supervisors will closely scrutinise capital planning and challenge management actions to ensure an appropriate level of conservatism.

Credit exposures to energy-intensive corporate borrowers are a particular area of supervisory attention. Despite limited signs of distress so far, some energy-intensive manufacturing sectors – such as chemicals or metals – are at the beginning of the value chain, where disruptions can trigger chain reactions. Since earlier this year, we have been focusing our attention on credit and derivative exposures to the largest commodity traders. We also looked at exposures to the energy utilities sector and are keeping a close eye on developments in energy derivatives markets.

Exposures to energy utilities increased by around 14% in the first three quarters of the year, and further credit extension might bring banks closer to their internal risk limits. The focus on the risk management of these exposures is particularly warranted in light of the recent temporary relaxation of margining requirements, enabling the use of uncollateralised bank guarantees as eligible collateral for non-financial corporates accessing central clearing services.

The fast-paced normalisation of interest rates is highlighting vulnerabilities in other sectors, such as residential and commercial real-estate markets, consumer finance and leveraged finance. At an aggregate level, leveraged finance exposures account for over 60% of euro area banks' common equity tier 1 capital. A large share of these are exposures to highly leveraged corporates and this is the riskiest category in an already high-risk asset class, and banks still continue to originate loans of this kind. We will therefore pursue targeted follow-up and in this year's supervisory assessment, we intend to apply Pillar 2 capital add-ons to a handful of banks, due to substantial deficiencies in their risk-management frameworks for leveraged transactions.

Together, these underlying risks point to a likely deterioration in asset quality in the coming months. While over the last few quarters the headline non-performing loan ratio has continued to decline, NPLs in consumer loans segments and early arrears, both for households and corporates, are increasing. Reducing legacy NPLs and preventing an excessive build-up of new NPLs continues to be a high priority for the ECB.

Our analyses suggest that for most banks the expected increase in interest rates should enhance profitability. Some business models, though, could suffer as interest rates further normalise. This could happen either because the repayment capacity of their borrowers is very sensitive to the level of interest rates – as is the case for instance for consumer lenders – or because due to their assets and liability-management strategies, banks fail to reprice assets to the extent needed to offset higher funding costs.

We have reviewed banks' risk-management practices in relation to interest rate risk in the banking book. Banks should enhance their focus on monitoring and measuring how interest

rates affect the economic value of their net worth in the medium and long term – so the economic value of equity – as this metric affects their profit-generation capacity, long-term capital adequacy and attractiveness vis-à-vis investors, so in funding markets, basically.

We also remain attentive to fragilities in the non-bank sector. Recent market events, such as the 2021 default of the family office Archegos and the recent liquidity shock to UK pension funds have highlighted the vulnerability of non-bank financial institutions to abrupt market adjustments. These vulnerabilities not only affect banks via their direct exposures to those non-bank financial institutions, they may also give rise to damaging asset price correction spirals, which have an indirect impact on the banks' balance sheets. We performed a targeted review and an on-site inspections campaign on the governance and risk management practices in the area of counterparty credit risk and we plan to soon communicate publicly the results of these reviews and how we intend to follow up.

The crypto-asset markets may pose considerable challenges to European regulators and supervisors. The recent failures of exchange platforms and stablecoin providers demonstrates the inherent riskiness and volatility of the crypto markets. We will need to remain vigilant to ensure the regulatory framework is adequate to address both current and emerging risks. For now, the level of interconnectedness between banks and providers of crypto-assets remains low and banks have not been adversely affected by the significant correction in valuations of crypto-assets and by the default of major crypto players.

Last, digitalisation and IT challenges remain a key supervisory focus. We will follow up on banks' digital transformation plans to ensure they adapt their risk profiles. We are also conducting activities on banks' operational resilience frameworks with a focus on IT outsourcing, IT security and cyber risks.

We also maintain a focus on climate-related and environmental risks. With the climate risk stress test we conducted earlier this year, we encouraged banks to actively collect data and develop proxies on their climate exposures. We also carried out a thematic review that thoroughly examined banks' strategies, governance and risk management practices in this area.

We concluded that although banks have become better at incorporating climate and environmental risks in their risk management framework, they need to collect granular data and develop more sophisticated methodologies to quantify them. While most banks have devised basic practices at policy and procedural levels, over half have not yet proved their ability to implement these policies and procedures effectively.

To support banks on this journey, we have released a compendium of good industry practices that we identified through the exercise and this should help all banks to improve their frameworks, and also demonstrates that supervisory expectations can indeed be implemented swiftly. We have set deadlines for banks to progressively meet all supervisory expectations by the end of 2024.

Supervision and regulation should go hand in hand to ensure a strong banking sector that can maintain its function as a shock absorber in the economy. This is why we reiterate our plea for a faithful implementation of the Basel III rules. Each deviation implies a pocket of risks against which European banks will be less protected than their international peers. Empirical evidence shows that capital discounts resulting from such deviations do not in practice lead to more lending in corresponding portfolios. They also make the framework more complex to enforce, and some of the most impactful deviations would be granted at the discretion of individual Member States, which could result in additional fragmentation of the single market and potential level-playing-field issues for banks under European supervision.

The banking package should also strengthen the supervisory toolbox in specific areas. Supervisors need more tools to assess banks' transition plans to address environmental, social and governance risks. Minimum rules and requirements for third-country branches should be harmonised; and we badly need a consistent approach to fit and proper assessments for top management of all supervised banks.

For 2023, we also look forward to engaging on the upcoming legislative proposals on reforming the EU crisis management framework and we also hope for a timely agreement on the EU-level anti-money-laundering authority, so that it can begin its direct supervision in 2026 as planned.

Thank you very much for your attention. I look forward to your questions.

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Markus Ferber (PPE). – Thank you, Mr Enria! The finance ministers recently agreed on a position regarding the implementation of the Basel III proposals. As pointed out by the Chair, you and your colleague Mr Campa spoke about this a short while ago in a blog post titled: '*Strong rules, strong banks: let's stick to our commitments*'. And you said, in essence, that we, as Europeans, sat at the negotiating table in Basel, and therefore must implement them now.

There are a couple of things I would like to ask you about. First, not all banks under your supervision are so-called Basel-relevant banks, i.e. banks that refinance themselves on the capital market. Second, the Commission itself has also provided for the necessary transitional arrangements in its proposal for the transitional period. That's why I was rather surprised to receive legislative advice from supervisory authorities. Do you not think it would be better to leave it to the legislator to strike the right balance here, and carry out your supervisory work accordingly? That's my question.

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Andrea Enria, Chair of the Supervisory Board of the European Central Bank. – Yes, it is true that Basel is an agreement for international banks, which is not let's say binding on the signatories on banks of different dimensions. I think that the decision which has been taken at the European level by the Parliament, by the co-legislators, by the Commission, has always been one of keeping the whole banking sector under the umbrella of the international standards and to use proportionality as a tool to alleviate the potential burden or disapply sometimes some of the specific requirements in international standards for smaller banks. I think personally that this is a wise solution which has served well the European interest. So I would advise to maintain this approach, which we know is not the one followed in other jurisdictions, but which I think has been positively adopted in the European Union.

On the transitional arrangements, and again, I'm very respectful of the prerogatives of the co-legislators, I understand that the decision that is being taken in our institutional setup is to have also very technical rules implemented at the highest level in terms of legislation and I'm respectful of that. Transitional arrangements, first of all, it's better to have longer transitional arrangements – where we do have an issue of difficulty in compliance – than deviating. So that's my first point.

But we should also ask ourselves whether these transitional arrangements really serve our purposes. For instance, I understand that one of the transitional arrangements concerns residential real estate, so mortgages basically. We know that at this juncture mortgages are becoming a relatively risky part of the portfolios of our banks. So I'm not sure whether we want to give to the banks the indication that they will have for the next seven or ten years a relatively laxer approach than the international standards or not. My advice as a supervisor would be to consider carefully whether – for instance the European Systemic Risk Board is inviting macroprudential authorities to increase specific sectoral requirements for residential real estate

– from the cyclical point of view, this is the right moment to be a little bit less demanding on these type of exposures.

So, again, it is in your camp. We stand ready, of course, at any moment to advise the co-legislators to give our technical input, and eventually it will be your decision where to calibrate the transitional arrangements.

1-007-0000

Eero Heinäluoma (S&D). – Many thanks, Mr Enria, for your very valuable presentation. I would like to come back to a recent really interesting interview which you gave to the *Financial Times* in which you stated that you are worried for your fellow supervisors who will have to supervise crypto companies. You also said that these companies pose a huge consumer protection problem and that in Portugal the most vulnerable of the population, the less affluent, the poorest, the minorities, are at risk. Very wise words I have to say.

The recent failure of FTX proves that you have it right. We heard yesterday from ESMA that there are potentially 100 000 victims in the European Union, so MiCA could be a first prudent step. However, given the rather light touch, I think we have to manage our expectations about this framework and it will only be applicable in 2024.

So my questions: what could or should be done before 2024 to get a better grip on the speculative side of the sector? And then, one of the key problems, as you underlined and as we also saw in FTX, is difficulty in locating the many crypto asset providers. How could this be effectively addressed in your mind? And then finally, the spillover effects towards traditional financial sector seem more at this point, as you said, and it can be so that the FTX saga will not encourage the financial sector to invest. Yesterday the ECB stated, referring to the high volatility of bitcoin, that investors should be wary of the long-term damage of promoting bitcoin investments. How could this be ensured from a regulatory perspective?

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Andrea Enria, Chair of the Supervisory Board of the European Central Bank. – It's a complex question. But let me say, first of all, we should be proud that Europe is the first jurisdiction to start regulating these entities. It's clear that we're all learning, so there might be in the future a need for adjusting. But it's important that we start extending the regulatory coverage to crypto companies.

In terms of the recent events, we are doing internally a study to understand how MiCA would have, or would not have, been able to remedy some of the issues that had been highlighted in the FTX failure. My impression – it's a personal view – my impression is that the key loophole that we have and you hinted at that, is the fact that regulation and supervision are based on companies or on legal entities and are based on territories.

If you look at the case of FTX, one of the biggest issues was that there was a big cobweb of international entities that were having massive transactions with one another that prevented basically the visibility of the overall solvency of the group. That's something that we in banking learned a long time ago, you know with Banco Ambrosiano, BCCI in the late 80s and early 90s, and the outcome was international standards and consolidated group-wide supervision.

Now, if we put those strict rules in Europe, but these entities can still provide European citizens with services from non-European locations, the risk for European citizens will still be there. So I really think that we should make a major effort in international coordination in these areas, trying to get at least basic principles agreed and supervised globally.

And for the rest, I think that the key issues are, in my view, let's say we also have the anti-money-laundering legislation open. This is one important element that could provide the

European authorities with a major entry point into these entities because the type of business they do is traditional, also open to contamination from known illegal sources of money.

Consumer protection is very complicated exactly because sometimes these services are also provided from outside our jurisdictions, so that's why I have some feeling of sympathy for the regulators and supervisors that will have to enforce, it will be a difficult challenge and the risk management of these entities is totally different from the risk management of a traditional bank or financial institution. So they look more at IT security rather than the traditional financial risk, so they are prone to be very vulnerable when there are major shifts in market valuations. So the traditional toolbox of supervisors is not well suited to supervise these entities.

So in a nutshell I think that the avenue is, MiCA is good, we need to implement it and learn from this implementation. I think that we need to move towards international cooperation and we need to get a grip on groups which are operating on a global basis, and that will be the greatest challenge.

1-009-0000

Eva Maria Poptcheva (Renew). – Many thanks, Mr Enria, for a very interesting introductory presentation. I wanted to come back to what you also spoke about the non-performing loans and maybe the looming crisis of them with an uneven impact across countries because of the uneven impact of the interest rate hikes. So this could have potential high impact on the willingness also to undergo greater integration in this sense. And the ESRB alert is really striking in this sense when it comes to financial stability. And I take it that it hints also the problem of variable interest rates for mortgages among the various sources of uncertainty.

So what is your opinion on that? And also thinking about the different relief measures proposed by different Member States and the risk there that this could feed into the doom loop of transferring basically private liabilities into the states' balance sheets?

1-010-0000

Andrea Enria, Chair of the Supervisory Board of the European Central Bank. – We should start from the observation that let's say the exit from the measures adopted during the COVID pandemic has not created the damages that we were concerned could have been created. So when the moratoria were closed there wasn't the surge in non-performing loans that we were fearing. And that is positive news, and so far there hasn't been a **major** impact – actually the stock of non-performing loans keeps reducing, still. As I mentioned in my introductory statement, there is a little uptick in consumer lending, but in all the other segments, areas of business, the stock is still going down. So this still positive. But again, there is the likely possible recession on the one hand, the energy shock and the interest rate aspects that are all pointing to a likely increase in non-performing loans.

So I think we have a much better framework right now than we had in the last crisis, thanks also to the prudential backstop that was adopted in the legislation and the policies that the ECB has put forward. I read that there was some indication that we had a preference for some types of contracts. We don't have a preference for a variable or a fixed-interest contract. What is important is that if you have a fixed-interest contract where the interest rate risk is on the bank, basically it is important the banks manage these interest rate risk properly. If you have variable interest rate where the risk is basically on the side of the customers, it is important that customers are well informed and that the banks stand ready to intervene with a reorganisation, restructuring measures early enough when there are signs that the customer is unable to pay.

All in all, I don't think at the moment that there is any visible need for relief measures. If there were a need in the future, it would be of course up to governments to decide. In my view it shouldn't be as broad-based and large in size as it was during the pandemic because we are

confronted with a different type of crisis and it would be important if these type of criteria were developed ideally at the European level, because that would give more of a level playing field.

But again, at the moment, I don't think that there is a need for these types of interventions. And sometimes I think the banks are excessively taking it for granted that if there is going to be a shock affecting their customers' creditworthiness the government cavalry will be stepping in and saving the day. Maybe this will not happen, which means that banks should proactively manage credit risk now.

1-011-0000

Claude Gruffat (Verts/ALE). – Mr Chair, thank you for joining us for this discussion.

Here are my questions: the ECB underlines the financial stability risks posed by the current volatility on energy derivatives markets. In your view, do banks have a role to play in mitigating the extreme volatility in these markets and the impact it may have on EU citizens' purchasing power? To what extent are these risks adequately addressed in prudential regulation and, in particular, do you see reason for removing some of the existing deviations from Basel III, especially with regard to the exposure of banks to the CVA risk on derivatives markets?

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Andrea Enria, Chair of the Supervisory Board of the European Central Bank. – There has been indeed heightened volatility in energy markets, which has also created a turmoil with very sizeable margin calls on energy derivatives that have generated liquidity pressure on large energy providers. In those cases, I must say that it was mainly, in many cases actually, not all, but it was mainly a liquidity issue of companies that were profitable in the medium to long term. So there was a good rationale, probably not the sort of bridging solution to avoid major disruptions, but that was also giving us a number of lessons.

And one of the first lessons I would say for us is that the move to central clearing that was a clear policy indication after the last crisis was a positive move and we need to preserve the stability of CCPs and the framework on margining requirements that work well. At the same time, it would be important to have more visibility for banks and firms on the mechanisms that trigger margin calls. So what are the mechanisms in the models of CCPs that generate the timing and the size of margin calls and more predictability on that would help manage liquidity in a better way. Indeed, this volatility and the spike in prices have had widespread effects on households, on SMEs, on corporates. That's why from the prudential point of view our attention is mainly on the possible deterioration of these economic actors and counterparts of banks and clients of banks, due to the increase in energy prices.

That's why we have been doing a lot of work on the risk management of banks vis-à-vis these potential risks, which means ability to basically, as I mentioned before, identify early customers that go into difficulties and provide solutions for these customers in terms of forbearance, in terms of the reorganisation of loans and maturity rescheduling and the like, with the appropriate classification, of course, of the loan. So this is the most important aspect.

On the point that you mention on derivatives and the deviation at the European level on **CVA**, I have been on the record for several years that these deviations are, in our view, non-justified. There is a risk that these quantified under international standards, we decided to do a carve out for corporates and sovereigns. And I think that has not been a proper choice. So if there were room for reconsidering this in the current package we would warmly invite you to consider it.

1-013-0000

Michiel Hoogeveen (ECR). - Mr Enria, thank you for your presence here this morning. I have two brief questions.

Do you believe that, for the purposes of ECB supervision of the banking sector, it is possible to differentiate sufficiently between level 2 and level 3 fair values? Do all banks use the same

methodology and models to evaluate their risk-weighted assets? If not, how does the ECB evaluate these differences?

To turn to my second question, the difference in requisite bank capital for the purposes of low-risk and high-risk loans respectively is reduced under the Basel IV reforms, thereby reducing risk sensitivity and comparability. What is the reasoning behind this? Would it not be more logical to require more capital for higher risks? It also means that banks with relatively safe assets such as surplus-value mortgages will be disproportionately affected by these new rules, especially in my country, the Netherlands.

1-014-0000

Andrea Enria, *Chair of the Supervisory Board of the European Central Bank*. – If I understood correctly, the first point that you raised was on Level 2 and Level 3 assets, so valuation issues. Indeed, this is a point that was raised quite forcefully also from the Parliament side already some years ago. And even before I joined the ECB, we engaged in a campaign of on-site inspections that went quite deep into the valuation of these assets at banks which have significant assets for which there are not enough liquid markets enabling to gather a proper valuation. So when the banks use their own internal models to a large extent to value the assets in many cases we have intervened on the banks' internal models, in asking for more conservatism, asking for a stronger governance mechanism on the valuation of these assets. So this is a point that we regularly review when we go on site.

On the issue of risks, indeed the whole concept of Basel, of the Basel standards, is to charge higher capital for exposures that are carrying higher risk. Now, of course, there is already a much lighter treatment, for instance, of mortgages under Basel standards than of loans to companies which have a low rating or which are corporates which are considered to be riskier. So there is already this type of differentiation.

On mortgages, we also need to understand that we have a number of different products, and if I understand correctly your question, I was, for instance, a couple of weeks ago in Amsterdam also engaging with banks and with the authorities in the Netherlands. One issue which is being raised quite a lot is the issue of interest-only mortgages, which is a product very much used in the Netherlands. Of course, this is a product that has its own riskiness because basically the ability of the customer to repay is to a large extent depending on the value of the collateral and the realisation of the collateral. And if you have a market which is excessively inflated at a certain point, the customers might find it difficult to repay.

So our recommendation to banks has been to develop stronger risk-management tools to monitor the ability of the customer to pay throughout the life of the mortgages and not to rely exclusively on the realisation of the collateral, which I think is a good risk-management practice. I must say that the industry has been receptive to our request and I think that these will not jeopardise in any meaningful way the working of the mortgage market in the country.

1-015-0000

Pedro Marques (S&D). – Thank you, Mr Enria. I will ask the first part of my question in Portuguese, since I will be discussing the situation in Portugal, although it closely follows what my colleague Eva Poptcheva asked, and your answer. The matter of concern is the very considerable risk to customers you mentioned when there is a very high proportion of variable-rate contracts. This is very much a reality, particularly in my country. Market and business practices strongly encourage customers to remain on variable-rate contracts. This is true.

There are solutions that do not have to be transferring the contracts to the state's balance sheet and public bodies. In my country, the solution that has been tested with an innovative legal framework is actually, as Mr Enria mentioned, to encourage banks to approach customers who are most at risk due to this interest rate hike and renegotiate their contracts.

I would like to know your opinion about this legal incentive for financial institutions to renegotiate. In my view, it is a step in the right direction, but I would like to know what you think.

Now I will switch rapidly to the matters of money laundering. There was this decision this week by the European Court of Justice on the ultimate beneficial owners registry, as you know, saying that what we have, the provisions we have in the directive, should not continue to be applicable because of the matters of privacy, of data privacy of the owners of these companies. But for the money-laundering work, it's a very serious decision.

How did you see this decision by the European Court of Justice and since we have a package on money laundering currently being discussed, the regulation and the directive, how do you see what should be the new balance that we need to find as legislators to cope with the decision of the Court of Justice, but not to hamper our capacity to continue to have suitable work on the money-laundering aspects?

1-017-0000

Andrea Enria, *Chair of the Supervisory Board of the European Central Bank*. – Well, let me start from your first question and say we are not a consumer protection authority, so of course we do not intervene directly in the relationship between banks and their customers. This is mostly left to national authorities. However, from a prudential point of view, what we have said again and again, we can easily reiterate it here and we do it when we discuss with banks, is that the lesson of the great financial crisis is that the earlier you engage with the customers when there is a sign of distress and you intervene to restructure the loan, reschedule the maturity, review the interest rate, the better. Because that helps maintain the payments and eventually curing the asset-quality problem and avoiding a build-up of non-performing loans.

What banks generally tend to do is to try to kick the can down the road, hoping that the market situation improves, that there is a turnaround, that there are maybe public support measures and then delay the classification of the loan as forborne or as unlikely to pay, which of course would have an impact also in terms of provisions and capital. And this is a practice that we discourage very much.

So the sooner the banks engage with their customers as signs of distress, the better to avoid the piling-up of non-performing loans at a later stage, and also an inability to cure them, because if you let them rot basically **in** your balance sheet, after a while, the only solution you have is selling or securitising the markets as we've seen at deep discounts, having a massive impact also on the capital. So that is the way through which we as a prudential supervisor encourage these practices.

On your last question I'm afraid I don't have an answer. I'm with you in the sense that we will look always in our own backyard. The public interest has many different declinations. It's clear that for me, the ability of the AML authorities to identify the beneficial owners, the ultimate beneficial owners, is crucial. And we need to find a way to make these consistent with the privacy laws. There can be no privacy when there is a concern that there could be an illegal origin of funds or that the funds are potentially supporting money-laundering purposes.

So we need to find ways. There are – even under new technologies like blockchain, for instance – ways in which you can have registers that are accessible to authorities and that can be used in case of need to protect privacy in ordinary conditions. But I think authorities, especially AML authorities, need to have access to this information and we need to find a way under the Court ruling.

1-018-0000

Chair. – Thank you very much. So we just finished our list of questions and speakers perfectly in time. So unless there are any additional remarks or additional requests, I think we can conclude our public hearing.

I really want to thank again Mr Enria for his availability and all the MEPs and colleagues who have participated in the debate.

(The hearing closed at 9.57)