Jurisdiction: **Germany**

2015 IMN Survey of National Progress in the Implementation of G20/FSB Recommendations

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
I.	**Hedge funds**				
1 (2)	Registration, appropriate disclosures and oversight of hedge funds	We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds. (Seoul) Hedge funds or their managers will be registered and will be required to disclose appropriate information on an ongoing basis to supervisors or regulators, including on their leverage, necessary for assessment of the systemic risks they pose individually or collectively. Where appropriate registration should be subject to a minimum size. They will be subject to oversight to ensure that they have adequate risk management. (London)	Jurisdictions should indicate the progress made in implementing the high level principles contained in IOSCO's *Report on Hedge Fund Oversight (Jun 2009)*. In particular, jurisdictions should specify whether: - Hedge Funds (HFs) and/or HF managers are subject to mandatory registration - Registered HF managers are subject to appropriate ongoing requirements regarding: • Organisational and operational standards; • Conflicts of interest and other conduct of business rules; • Disclosure to investors; and • Prudential regulation.	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress :* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** 22.07.2013 **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: Germany has in force a regulatory framework for hedge funds. This framework sets out regulation for managers of hedge funds as well as for hedge funds themselves. According to this regulation, for example, both managers and funds are subject to an approval process. BaFin takes part in IOSCO Survey on Hedge	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any) and expected commencement date:** AIFMD is implemented and in force in the German KAGB since July 2013 **Web-links to relevant documents:** http://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Meldung/2013/meldung_130722_kapitalanlagegesetzbuch_en.html

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				Funds (via Task Force on Unregulated Entities), covering systemically relevant information about hedge funds. For further information in respect to the Alternative Investment Fund Managers Directive (AIFMD), please refer to the EU-COM answer. **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Meldung/2013/meldung_130722_kapitalanlagegesetzbuch_en.html **Additional questions:** **1. Please indicate whether Hedge Funds (HFs) are domiciled locally and, if available, the size of the industry in terms of Assets under Management and number of HFs.** Yes, HFs are domiciled locally with 2.8 bn USD Assets under Management in 30 Single Hedge Funds. **2. Please specify the main criteria and numerical thresholds (if applicable) for subjecting HFs and/or HF managers to mandatory registration.** Locally domiciled HF managers have	

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				either to have a registration or a full licence (both under the KAGB), depending on the amount of Assets under Management. HFs under the KAGB are available for professional and semi-professional investors only, thus the contractual terms need no approval by BaFin in advance. But all HFs have to be reported to BaFin and many reporting requirements including AIFMD reporting apply. **3. Please specify whether registered HF managers are subject to ongoing requirements regarding organisational and operational standards; conflicts of interest and other conduct of business rules; disclosure to investors; and prudential regulation. If any of these requirements are not applicable, please explain.** All HF managers domiciled locally are subject to ongoing requirements regarding organisational and operational standards, conflicts of interest and other conduct of business rules, disclosure to investors and prudential regulation. **4. Please describe the main challenges (where relevant) and any lessons learned in implementing this reform.** HFs and HF Managers are covered by the	

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				German Legislation since 2004, so the new requirements following the AIFMD regulation did not result in main changes. 5. **Are you monitoring the effects of this reform in your jurisdiction? If yes, please share the main findings and any related policy initiatives in response to those findings.** See question 4.	

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2 (3)	Establishment of international information sharing framework	We ask the FSB to develop mechanisms for cooperation and information sharing between relevant authorities in order to ensure effective oversight is maintained when a fund is located in a different jurisdiction from the manager. We will, cooperating through the FSB, develop measures that implement these principles by the end of 2009. (London)	Jurisdictions should indicate the progress made in implementing the high level principles in IOSCO's *Report on Hedge Fund Oversight (Jun 2009)* on sharing information to facilitate the oversight of globally active fund managers. In addition, jurisdictions should state whether they are: - Signatory to the IOSCO MMoU - Signatory to bilateral agreements for supervisory cooperation that cover hedge funds and are aligned to the 2010 IOSCO *Principles Regarding Cross-border Supervisory Cooperation.*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** 22.07.2013 **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: BaFin cooperates and shares information with authorities on the basis of relevant IOSCO and ESMA MoU. Besides that, the AIFM Directive demands the closure of cooperation agreements (MoU) in case of existing AIF business with third country NCAs. The content of the MoU is regulated by an ESMA Guideline. The purpose of these agreements is to enable the signatories to exchange information	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any) and expected commencement date:** BaFin is preparing to share information with other IOSCO members on the basis of the information sharing exercise conducted by the IOSCO Task Force on Unregulated Entities. **Web-links to relevant documents:**

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				on a regulated basis. It covers all AIFs including hedge funds. So far, the BaFin has entered 18 AIFMD MoU agreements. **Short description of the content of the legislation/ regulation/guideline:** Guidelines on the model MoU concerning consultation, cooperation and the exchange of information related to the supervision of AIFMD entities **Highlight main developments since last year's survey:** **Web-links to relevant documents:** The content of the ESMA AIFMD Model MoU is available at: www.esma.europa.eu/system/files/2013-998_guidelines_on_the_model_mous_concerning_aifmd.pdf	

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3 (4)	Enhancing counterparty risk management	Supervisors should require that institutions which have hedge funds as their counterparties have effective risk management, including mechanisms to monitor the funds' leverage and set limits for single counterparty exposures. (London) Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17, FSF 2008)	Jurisdictions should indicate specific policy measures taken for enhancing counterparty risk management and strengthening their existing guidance on the management of exposure to leveraged counterparties. In particular, jurisdictions should indicate whether they have implemented principle 2.iii of IOSCO *Report on Hedge Fund Oversight (Jun 2009)*. Jurisdictions should also indicate the steps they are taking to implement the new standards on equity exposures *(Capital requirements for banks' equity investments in funds, Dec 2013)* by 1 January 2017. For further reference, see also the following documents : • BCBS *Sound Practices for Banks' Interactions with Highly Leveraged Institutions (Jan 1999)* • BCBS *Banks' Interactions with Highly Leveraged Institutions (Jan 1999)*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☑ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☑ Final rule or legislation approved and will come into force on: For insurance supervision: Starting from 01.01.2016, Solvency II will apply, which has been implemented in German law in 2015. Until end of 2015 BaFin circular 7/2004 (VA) (Investments in Hedge Funds) from 20.08.2004 will be in effect. ☑ Final rule (for part of the reform) in force since : For further information on CRDIV/CRR, please refer to the EU-COM answer. See link for InvMaRisk below. ☐ **Implementation completed as of:** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: German regulations require financial institutions to have an effective risk management in place, which covers all counterparties. This includes	**Planned actions (if any) and expected commencement date:** For actions planned, in particular the implementation of para. 112 Basel III please refer to the EU-COM answer! **Web-links to relevant documents:**

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				counterparty limits and monitoring mechanisms for hedge funds. In addition to these general requirements, the revised Minimum Requirements for Risk Management (Banks) require explicitly that institutions have to implement an internal policy regarding credit deals with hedge funds or private equity firms, where applicable. Amongst other things, this comprises a policy regarding gathering financial and non-financial information about their counterparties and an analysis of the structure and the purpose of the transactions financed. The investment of insurance undertakings in hedge funds is regulated in BaFin circular 7/2004 (BaFin – Circular 7/2004 (VA) Investments in Hedge Funds) until end of 2015 (see above). German regulations require financial institutions to consider every relevant risk which they are exposed to. This includes also the specific risks of exposures to leveraged counterparties. For further information on CRDIV/CRR, please refer to the EU-COM answer. **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last**	

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				year's survey: Implementation of Solvency II into national law has been approved and will come into effect as of 01.01.2016. **Web-links to relevant documents:** "InvMaRisk" http://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Rundschreiben/rs_0407_investmenthedge_en_va.html	

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II. Securitisation					
4 (6)	Strengthening of regulatory and capital framework for monolines	Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit. (Rec II.8, FSF 2008)	Jurisdictions should indicate the policy measures taken for strengthening the regulatory and capital framework for monolines. See, for reference, the following principles issued by IAIS: • *ICP 13* – Reinsurance and Other Forms of Risk Transfer; • *ICP 15* – Investments; and • *ICP 17* - Capital Adequacy. Jurisdictions may also refer to: • IAIS *Guidance paper on enterprise risk management for capital adequacy and solvency purposes (Oct 2008).* • Joint Forum document on *Mortgage insurance: market structure, underwriting cycle and policy implications (Aug2013)*.	☑ **Not applicable** There are no monoline insurers in Germany. ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☐ **Implementation completed as of:** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	**Planned actions (if any) and expected commencement date:** **Web-links to relevant documents:**

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5 (7)	Strengthening of supervisory requirements or best practices for investment in structured products	Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products. (Rec II.18, FSF 2008)	Jurisdictions should indicate the due diligence policies, procedures and practices applicable for investment managers when investing in structured finance instruments and other policy measures taken for strengthening best practices for investment in structured finance product. Jurisdictions may reference IOSCO's report on *Good Practices in Relation to Investment Managers´ Due Diligence When Investing in Structured Finance Instruments (Jul 2009).* Jurisdictions may also refer to the Joint Forum report on *Credit Risk Transfer-Developments from 2005-2007 (Jul 2008).*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** 31.12.2010 **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Short description of the content of the legislation/ regulation/guideline:** For financial institutions (esp. banks) the requirements in Germany for risk management, including the new product process, have been enhanced. Financial institutions must have a clear understanding of the products and the risk profile of all investments. Investment products have to be examined adequately in the internal risk management processes	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any) and expected commencement date:** **Web-links to relevant documents:**

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				(risk measurement, limit system, stress testing, etc.) and the internal capital adequacy assessment process. Furthermore, the investment in structured products has to be in line with the strategy of the institution. The respective enhancements of EU legislation (CRD) had been transposed into German law, e.g. the strengthened management requirements for structured investment products and further due diligence requirements, especially for re-securitisations. These due diligence requirements have now been replaced by the almost identical rules of Article 406 of Regulation (EU) No 575/2013 (CRR). **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.gesetze-im-internet.de/kredwg/index.html	

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6 (8)	Enhanced disclosure of securitised products	Securities market regulators should work with market participants to expand information on securitised products and their underlying assets. (Rec. III.10-III.13, FSF 2008)	Jurisdictions should indicate the policy measures taken for enhancing disclosure of securitised products. See, for reference, IOSCO's *Report on Principles for Ongoing Disclosure for Asset-Backed Securities (Nov 2012)* and IOSCO's *Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities (Apr 2010)*.	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** Amendments to CRA Regulation entered directly into force within EU Member States on 20.06.2013. **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: BaFin currently requests specific data from and interviews with senior management of banks, insurance companies, and asset management companies, to better assess the risk exposure of their securitised products. Banks also have to fulfill comprehensive disclosure requirements if they are acting as originator or sponsor of a securitisation	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any) and expected commencement date:** On 28 August 2013 Germany has adopted a law to implement the CRD IV (which is the European equivalent to the introduction of Basel III into European law. See: http://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGBl&jumpTo=bgbl113s3395.pdf With the CRD IV entering into force, German Banks are obliged to also implement the requirements of Pillar 3 of Basel III. While not all Pillar 3 relevant details were fully developed at this stage, the BCBS in January 2015 has adopted Revised Pillar 3 disclosure requirements. See: http://www.bis.org/bcbs/publ/d309.pdf In Part 6 of the Revised Pillar 3 disclosure requirements, qualitative (subsection I) and quantitative securitisation disclosures (subsection II) are contained. According to this document it is envisaged that "…(ie banks will be required to publish their first Pillar 3 report under the revised

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				which were introduced by the CRD II (Directive 2009/111/EC) and transposed into German law by 31.12.2010 - and have now been replaced by the almost identical rules of Article 409 of Regulation (EU) No 575/2013 (CRR). Commission Delegated Regulation (EU) No 625/2014 and Commission Implementing Regulation (EU) No 602/2014 provide additional clarifications regarding the application of Article 409 CRR and regarding the application of additional risk weights in case of material non-compliance with the requirements of that Article by reason of negligence or omission of an institution, which is acting as an originator or sponsor of a securitisation.. Bundesbank and BaFin request semi-annually specific data on securitised products of systemically relevant banks. Due to the SSM it has to be clarified at the moment if a request continuation is still possible. Other banks, insurance companies, and asset management companies are queried on a case-by-case basis where necessary. Interviews are also conducted with senior management at banks and insurance companies with significant risks **Short description of the content of the**	framework concurrently with their year-end 2016 financial report). The Committee encourages early adoption by individual jurisdictions." **Web-links to relevant documents:** Re: CRD IV implementation (= Basel III implementation): CRD IV Implementation Act: http://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGBl&jumpTo=bgbl113s3395.pdf Re: Implementation of Basel III Guidelines by Deutsche Bundesbank: http://www.bundesbank.de/Redaktion/DE/Downloads/Veroeffentlichungen/Bericht_Studie/bankenaufsicht_basel3_leitfaden.pdf?__blob=publicationFile Re: Requirements of Pillar 3 of Basel III: http://www.bis.org/bcbs/publ/d309.pdf

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				legislation/ regulation/guideline: As a response to the financial crisis the European Union introduced the Capital Requirements Directive II (CRD II) (Directive 2009/111/EC of the European Parliament and of the Council of 16 September 2009 amending Directives 2006/48/EC, 2006/49/EC and 2007/64/EC as regards banks affiliated to central institutions, certain own funds items, large exposures, supervisory arrangements, and crisis management), which included among others, enhanced disclosure rules regarding ABS. Under Article 122a (7) of CRD II each credit institution acting as sponsor or originator of a securitisation was subject to comprehensive disclosure obligations towards prospective investors. In particular such credit institutions needed to ensure that prospective investors have readily available access to: • all materially relevant data on the credit quality and performance of the individual underlying exposures, cash flows and collateral supporting a securitisation exposure; and • all information that is necessary to conduct comprehensive and well informed stress tests on the cash flows and collateral values supporting the	

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				underlying exposures. The respective provisions of EU CRD II legislation had been transposed into German law but have now been replaced by the regulations mentioned above. For further information on issuers originators and sponsors of ABS and their enhanced disclosure obligations under CRR and CRA III, please refer to the EU-COM answer. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:302:0097:0119:EN:PDF http://register.consilium.europa.eu/pdf/en/12/st16/st16680.en12.pdf http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:146:0001:0033:EN:PDF http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:321:0006:0342:EN:PDF http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0602&from=EN http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0625&from=EN	

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III.	**Enhancing supervision**				
7 (9)	Consistent, consolidated supervision and regulation of SIFIs	All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards. (Pittsburgh)	Jurisdictions should indicate: (1) whether they have identified domestic SIFIs and, if so, in which sectors; (2) whether the names of the identified SIFIs have been publicly disclosed; and (3) the types of policy measures taken for implementing consistent, consolidated supervision and regulation of the identified SIFIs. See, for reference, the following documents: BCBS: • *Framework for G-SIBs (Jul 2013)* • *Framework for D-SIBs (Oct 2012)* • *BCP 12 (Sep 2012)* IAIS: • *Global Systemically Important Insurers: Policy Measures (Jul 2013)* • *ICP 23– Group wide supervision* FSB: • *Framework for addressing SIFIs (Nov 2011)*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** 1 Jan 2011 (entry into force of Bank Restructuring Act) **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: Banking sector Starting the 4th of November ECB has assumed direct supervisory authority regarding significant institutions. Supervisory strategy and core themes regarding SIFIs therefore will presumably largely be determined by the ECB. Especially, ECB is responsible for supervisory decisions. Within the framework of the Joint	**Planned actions (if any) and expected commencement date:** Discussions within crisis management groups have been taking place since early 2010. Additional provisions for cross-border crisis resolution are subject to ongoing work at the EU level. Financial Conglomerates Directive (2002/87/EC) has been amended by Directive 2011/89/EC which is due to be transposed by the Members States by 10 June 2013; respective legislative work is under way. Insurance BaFin is examining whether the currently available instruments for recovery and resolution are sufficient for the national insurance sector or if additional ones are needed. According to primary estimations, preventive recovery plans appear to be a sensible instrument for which § 64a of the Insurance Supervision Act (Versicherungsaufsichtsgesetzt) provides a sufficient legal basis. BaFin is considering the inclusion of a broader range of insurers than the international discussion currently involves. Furthermore, there is a consensus that the international and European directions are the minimum of what would be

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				Supervisory Teams (JST) composed of NCA staff to a large extent, however, BaFin and Bundesbank strive to proactively participate in the joint supervisory effort including formal decisions. The following statements should be regarded against the background of this upcoming shift in terms of formal supervisory responsibility. For further information on identification / higher loss absorbency, please refer to the EU-COM answer. In order to come into effect, the CRD IV provisions which were finalized in July 2013 require a further transposition into national law. The amendments to the German 'Kreditwesengesetz' passed the Federal Council by late June 2013 and enter into force by 1 January 2014. More intensive supervision: Accordingly, pursuant to the Ongoing Monitoring Guideline ("Aufsichtsrichtlinie", Article 6) of February 2008, the supervision of banking institutions of systemic importance is now more rigorous, with a particular emphasis on detailed analyses of the risks and their possible repercussions on the institutions' risk-bearing capacity. Prudential supervision is carried out with respect to banking and	implemented nationally. Banking sector BaFin is examining the submitted recovery plans, which are written by the potential systemically important institutions. The FMSA, after consulting the supervisory authority, will draw up a resolution plan for each institution that is not part of a group subject to consolidated supervision. Therefore, the resolution authority will have to agree upon these actions with the supervisory authority. The same will apply for the assessment of resolvability carried out by the resolution authority, after consulting the supervisory authority and the resolution authorities of the jurisdictions in which significant branches are located. **Web-links to relevant documents:**

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				financial holding groups with regard to the group's solvency, its compliance with large exposure limits and its investments outside the financial sector (German Banking Act, sections 10, 13b, 12). The scope of consolidation encompasses all institutions, asset management firms, financial institutions, ancillary services undertakings, e-money- institutions and payment services institutions belonging to the group as well as where applicable the superordinated financial holding company. (German Banking Act, Section 10a). In addition, all these groups have to report on risk concentrations and intra-group transactions (German Banking Act, Sections 13b, 13c and 13d). Furthermore, the provisions in the Minimum Requirements for Risk Management are also addressing consolidated risk management for all material risks and their coverage at the group level for banking and financial holding groups as well as financial conglomerates (MaRisk, Section AT 4.5.) Regarding to the global systemically important institutions (G-SII) and other systemically important institution (O-SII) the legal basis for the identification of those institutions and the authorisation for the competent authority	

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				to impose a capital buffer is laid down in sections 10f and 10g of the German Banking Act (KWG). The methodology for the identification of G-SIIs is laid down in the delegated regulation (EU) No 1222/2014 of the European Commission. In December 2014 the European Banking Authority (EBA) published guidelines on the identification of O-SIIs to ensure a consistent identification of O-SIIs in EU (EBA GL/2014/10). A supplementary supervision applies to financial conglomerates. **Short description of the content of the legislation/ regulation/guideline:** Insurance Mirroring the banking regulations insurance groups as well have to regularly submit to BaFin the calculation of the group solvency margin and a report about important intragroup transactions. In addition, since September 2009 the groups have to quarterly report on important risk concentrations concerning counterparts outside the group (German Insurance Supervision Act, Sections 104e, 104g and 104i). Moreover, the Minimum Requirements for Risk Management (Insurance Companies), Section 2 no. 1 explicitly addresses group risks. Within the relevant scope, financial	

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				firms have been asked to provide BaFin with a draft contingency and de-risking plan in early 2010. The results were already discussed and further work has been initiated to refine the planning. On January 1, 2011 the "Bank Restructuring Act" came into effect. It introduces two voluntary proceedings that may be initiated and managed by the troubled bank's management, i.e., • A recovery proceeding; • A reorganisation proceeding A recovery proceeding may be initiated by the management of a troubled bank at an early stage of a crisis and notified to the supervisory authority. The notification must include a recovery plan, which may include all measures appropriate for a restructuring of the bank. A general principle of the measures implemented under the recovery plan is that they may not impair any rights of any creditor without its prior consent. In case the recovery proceeding seems insufficient for a bank restructuring the bank's management may apply for the opening of a reorganisation proceeding. Such application has to include a reorganisation plan, which needs to stipulate, inter alia, the individual restructuring actions to be adopted by the	

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				creditors. The restructuring plan can directly impair the rights of creditors as well as the rights of shareholders of the bank. Both proceedings are initiated by a notification from the bank to the supervisory authority (BaFin). The proceedings are conducted under control of a court, to which BaFin submits the necessary applications. Also the EU Directive 2014/59/EU (BRRD) forms an important part of supervision and regulation of SIFIs. The BRRD contains further requirements for the recovery and resolution of credit institutions and investment firms. Thereby the directive ensures a harmonisation of the procedures for resolving institutions at Union Level. In Germany the BRRD Implementation Act (Sanierungs- und Abwicklungsgesetz) has entered into force on 1th January 2015. According to the BRRD Implementation Act the resolution authority – in a first step – is the Financial Market Stabilisation Agency (Bundesanstalt für Finanzmarktstabilisierung – FMSA) and in a second step this new resolution unit is to be incorporated into BaFin. In a nutshell the shared responsibilities in practice can be described as follows: The	

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				supervisory authority is still responsible for the assessment of recovery plans. The resolution authority, after consulting the supervisory authority, draws up a resolution plan and assesses the resolvability. Moreover, the supervisory authority after hearing the resolution authority and the resolution authority after hearing the supervisory authority are able to decide, that an institution is failing or likely to fail. Finally, the resolution authority is able to apply the resolution tools to institutions. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** BRRD Umsetzungsgesetz: http://www.bundesfinanzministerium.de/Content/DE/Downloads/Gesetze/2014-12-18-BRRD-Umsetzungsgesetz.pdf?__blob=publicationFile&v=5	

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8 (10)	Establishing supervisory colleges and conducting risk assessments	To establish the remaining supervisory colleges for significant cross-border firms by June 2009. (London) We agreed to conduct rigorous risk assessment on these firms [G-SIFIs] through international supervisory colleges. (Seoul)	Reporting in this area should be undertaken solely by home jurisdictions of G-SIBs and G-SIIs. Please indicate the progress made in establishing and strengthening the functioning of supervisory colleges for G-SIBs and G-SIIs using, as reference, the following documents: BCBS: • Principle 13 of the BCBS *Core Principles for Effective Banking Supervision (Sep 2012)* • *Principles for effective supervisory colleges (Jun 2014)* IAIS : • *ICP 25 and Guidance 25.1.1 – 25.1.6 on establishment of supervisory colleges* • *Guidance 25.6.20 and 25.8.16 on risk assessments by supervisory colleges* • *Application paper on supervisory colleges (Oct 2014)*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress :* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** 01.12.2010/01.03.2011/24.7.2012 **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Short description of the content of the legislation/ regulation/guideline:** The process of setting up supervisory colleges for those German large and complex cross-border banks and insurance undertakings identified by the FSB has been completed and college meetings are taking place. In addition, the banking groups for which EU law (CRD II) requires the establishment of supervisory colleges have also been	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any) and expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				identified and the process for setting up these colleges has been completed, too. Germany has been home supervisor to about 20 colleges and host supervisor in more than 50 colleges. With the SSM coming into effect on November 2014, the majority of these colleges ceased to exist or the ECB took over the role as home supervisor. Germany is now home supervisor for only 5 colleges. In June 2014 the Commission Implementing Regulation (EU) 710/2014 was published containing the Implementing Technical Standards (ITS) on the joint decision process on institution-specific prudential requirements (joint decision on capital and liquidity) and a series of annexes/templates. In May 2015 the EBA published final instructions to these annexes/templates to facilitate the preparations and communication of individual contributions to the group risk assessment report and the group liquidity risk assessment report based on the methodology of the EBA SREP-Guidelines (EBA/GL2014/13). Germany is using the new templates in preparing the joint decisions on capital and liquidity for 2015 for those colleges for which Germany is the home supervisor.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				According to the Capital Requirements Directive the consolidating supervisor is responsible for the establishment of the supervisory college. According to (EU) Regulation 575/2013 "consolidating supervisor' means a competent authority responsible for the exercise of supervision on a consolidated basis of EU parent institutions and of institutions controlled by EU parent financial holding companies or EU parent mixed financial holding companies" As supervisory responsibility regarding significant institutions in the Eurozone has shifted from National Competent Authorities (NCAs) to the ECB the ECB is "consolidating supervisor" for significant banking groups in the sense of the CRD IV. Accordingly the SSM Supervisory Manual states: "Regarding colleges the ECB may have the following roles regarding supervisory colleges for significant banking groups: act as a home supervisor for colleges where the ECB is the consolidating supervisor and where there are supervisors from non-participating Member States (European college) or from countries outside EU (International college); act as a host supervisor for colleges where the	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				consolidating supervisor is from a non-participating Member State (or a country outside the EU).” Relevant NCAs may take part in the abovementioned colleges as observers. Concerning colleges established for Less Significant Institutions NCAs shall participate as members whereas the ECB may participate as an observer. Also in the colleges in which the German insurance supervisors are home supervisors, templates to achieve a “shared view on the risks of the group and its major solo entities” have been elaborated. This risk assessment is being performed once a year. The results of the risk assessment are regularly discussed in the college. The information derived is being supplemented by the exchange of data on balance sheet and profit-and-losses for the material insurance entities and by the college discussions of significant intragroup-transactions and risk concentrations. **Highlight main developments since last year’s survey:** From a former home supervisor´s perspective the main development was the going live of the SSM in November 2014 which changed the major	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				responsibilities, especially in the area of international cooperation within banking supervision. With regards to Deutsche Bank the ECB (the Deutsche Bank JST and its competent SRG IC/RRP) is now the relevant supervisory authority steering the processes and fora of the various colleges which were established and steered by BaFin and Deutsche Bundesbank before November 2014. Supervisory colleges are still appearing in different compositions: The Euro-College consists nowadays of the ECB and the relevant countries of the EEA and follows the legal framework of CRD IV, the BRRD and the relevant BTSs. The college usually meets physically once a year. Besides the EBA-College, additional colleges based on multilateral agreements (MoU) exist. The Trilateral consists of the ECB, UK (PRA and FCA) and US (FRBNY, BoGFRS and NYDFS). The Trilateral meets at least twice a year. The Asia-Pacific-College (APAC) is the third college. It is held on an annual basis and supervisors from the rest of the world are invited (non-EEA supervisors). According to the FSB Principles and as	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Deutsche Bank is still classified as a G-SIB a CMG was established on the fundament of the former Core College (innver-circle of the EBA college)/Trilateral in October 2009. The group came effectively into force in 2010. Nowadays the CMG which regularly meets twice a year is steered by the ECB and the FMSA. The European Market Infrastructures Regulation (EMIR) requires the establishment of supervisory colleagues for CCPs; there are colleges for the manjor German CCPs. For Details pls refer to EU-KOM response. **Web-links to relevant documents:** **Additional questions:** **1. Please indicate whether supervisory colleges for all G-SIBs/G-SIIs headquartered in your jurisdiction have been established. If not, please explain.** Deutsche Bank is the only G-SIB headquartered in Germany. See response above. Supervisory colleges for all G-SIIs headquartered in Germany have been established. European and global colleges were implemented even before this designation. After the designation, G-SII topics were on the agenda on a regular basis. In parallel, a crisis management	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				group was created. Members of this CMG are NCAs of jurisdictions with significant insurance activity (i.e. high volume or high risk). The college is regularly informed of the work of the CMG, like e.g. the reasoning for the designation. Furthermore, information on the quality of the plans created by the group (LRMP, SRMP, Recovery Plan) or the annual work plan of the CMG were received. **2. Please indicate the structure of the supervisory colleges for G-SIBs/G-SIIs in your jurisdiction (core, universal, other) and the reasons why it may differ across firms.** The structure of the supervisory colleges varies, depending on the structure of the group. Furthermore, differences appear based on whether the group is a pure insurance group or also a financial conglomerate. Therefore, the rules for cooperation with foreign authorities regarding both (i.e. insurance groups and financial conglomerates) need to be taken into account. There are usually both European and international colleges for groups that are internationally active. In case the group is at the same time a financial conglomerate, the global college takes the form of a FiCo-College. If the group is particularly strongly engaged in	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				certain jurisdictions, Core Colleges exist. For one group, the activities of the Core College have been replaced by the CMG and its activities. **3. Please indicate the frequency of meetings over the past year of the supervisory colleges (core, universal, other) for G-SIBs/G-SIIs in your jurisdiction.** Deutsche Bank: see above The meetings of the European supervisory college take place at least annually, for large groups at least twice a year. Core colleges (if existing) orientate themselves on this. The meetings of the global colleges usually take place annually. The CMG meets at least once per year, next to conference calls that take place regularly. Cooperation with foreign supervisory authorities does not only take place within colleges. Plenty of bilateral or multilateral contacts take place. Workshops, conference calls or written communication takes place for certain topics. Additionally, joint on-site inspections or temporary working groups (e.g. regarding internal model) exist. **4. Please describe the main objectives of supervisory colleges for G-SIBs/G-SIIs in your jurisdiction and the types of issues that have been discussed over the past year. (e.g.**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				specific area(s) of risk, coordinated risk assessments, joint supervisory work, coordinated supervisory plans). In your response, please indicate briefly some of the main challenges in conducting joint risk assessments and steps taken to address them. The main objective in this area for the ECB which is now in charge of steering the college work in the Eurozone, is to continue the well-established international cooperation by BaFin and Deutsche Bundesbank. Therefore there are no longer special national objectives with regards to the German jurisdiction. Types of issues that have been discussed are all relevant categories of risk according to the supervised banking group, joint risk assessments and joint decisions on capital and liquidity, the SEP steered by the ECB. Main topics were: - Business situation of the group and selected entities - Risk Assessment - Clarification of several questions regarding Solvency II **5. Please describe the main challenges in the functioning of supervisory colleges for G-SIBs/G-SIIs in your jurisdiction and any plans to enhance the effectiveness of colleges.** The drafting of a coordination arrangement was a big challenge for	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				European colleges. Currently, work on coordination arrangements for the global colleges/FiCo-Colleges is being performed and they will soon be agreed on. Additionally, there are plenty of tasks for the colleges regarding the change to Solvency-II. In case a group wants to calculate its group solvency capital requirements by an internal model, the concerned supervisory authorities need to approve this by a joint decision. Furthermore, the European college needs to be consulted before deciding on the method to calculate the group-SCR. Some examples on the decisions that need to be made within a college are defining the language of the narrative reports, reporting thresholds for intra-group transaction or risk concentrations under Solvency II. The current work of the supervisory colleges (as well as probably in the upcoming years) will be strongly affected by the change to Solvency II, risk-based supervision and the corresponding new supervisory processes.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
9 (11)	Supervisory exchange of information and coordination	To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of information and coordination in the development of best practice benchmarks should be improved at both national and international levels. (Rec V.7 , FSF 2008) Enhance the effectiveness of core supervisory colleges. (FSB 2012)	Jurisdictions should include any feedback received from recent FSAPs/ROSC assessments on the September 2012 BCP 3 (Cooperation and collaboration) and BCP 14 (Home-host relationships). Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations. Jurisdictions should describe any recent or planned regulatory, supervisory or legislative changes that contribute to the sharing of supervisory information (e.g. within supervisory colleges or via bilateral or multilateral MoUs).	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** 2011 **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: BaFin has established a cross-sectoral risk committee that analyses and monitors cross-sectoral and major sector-specific risks that might pose a threat to financial stability. As well, it constitutes the internal interface between micro- and macroprudential financial supervision. Furthermore, the BaFin risk committee coordinates BaFin-positions on recommendations of the Financial	**Planned actions (if any) and expected commencement date:** Insurance Sector BaFin participates at the IAIS Supervisory Forum (vice chair of the committee), which is mandated to facilitate the exchange of experiences of supervisory practice. It helps i.a. identify existing and potentially emerging trends and risk issues and encourages the participating supervisors to share ideas on the experience and methodologies applied in practice for the qualitative and quantitative supervision of large insurers and insurance groups. **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Stability Committee particularly regarding to the usage of macro-prudential instruments. The BaFin risk committee consists of participants of each of BaFin's directorates and high-level representatives from Deutsche Bundesbank. It meets on a quarterly basis. Within each of BaFin's directorates exist structures that monitor sector-specific risks and transfer relevant information into the cross-sectoral risk committee: In BaFin's Banking Supervision Directorate there have been implemented structures that are responsible for collecting and analysing information and undertaking best practice studies. As well, it facilitates co-ordination with the banking section of Deutsche Bundesbank (e.g. GLA, working group on risk-oriented supervision). In BaFin's Insurance Supervision Directorate risk identification, risk-analysis and risk-monitoring are carried out by a special section dealing with the risk orientation of insurance supervision. BaFin's Securities Supervision Directorate has set up a working group to identify, monitor and address systemic risks resulting from the securities markets. The Commission	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Implementing Regulation 620/2014 and the Commission Delegated Regulation (EU) No. 524/2014 – both coming into effect in the first half of 2014 - contributed to enhanced and more detailed information, communi-cation and cooperation of competent and relevant NCAs with regard to the banking groups foreign activities. In addition to regular bilateral contacts, supervisory colleges, especially core colleges, are also a major tool for the exchange of information and coordination among competent NSAs regarding individual institutions. Overarching issues in contrast are addressed through many multilateral initiatives, for example the new European Supervisory Authorities (i.e. EBA, EIOPA and ESMA) the BCBS, FSB working groups, IAIS, etc. Since the implementation of the SSM in November 2014, there is also a steady flow of information between BaFin/Bundesbank and the ECB via the Joint Supervisory Teams and several working groups. At the end of 2014, Germany has signed bilateral MoUs with more than 60 NSAs in the banking sector and some 30 NSAs in the insurance sector and more than 40 in the securities sector	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Short description of the content of the legislation/ regulation/guideline: **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
10 (12)	Strengthening resources and effective supervision	We agreed that supervisors should have strong and unambiguous mandates, sufficient independence to act, appropriate resources, and a full suite of tools and powers to proactively identify and address risks, including regular stress testing and early intervention. (Seoul) Supervisors should see that they have the requisite resources and expertise to oversee the risks associated with financial innovation and to ensure that firms they supervise have the capacity to understand and manage the risks. (FSF 2008) Supervisory authorities should continually re-assess their resource needs; for example, interacting with and assessing Boards require particular skills, experience and adequate level of seniority. (Rec. 3, FSB 2012)	No information on this recommendation will be collected in the current IMN survey due to the recent publication of the FSB thematic peer review report on supervisory frameworks and approaches to SIBs.		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
IV.	**Building and implementing macroprudential frameworks and tools**				
11 (13)	Establishing regulatory framework for macro-prudential oversight	Amend our regulatory systems to ensure authorities are able to identify and take account of macro-prudential risks across the financial system including in the case of regulated banks, shadow banks[1] and private pools of capital to limit the build up of systemic risk. (London) Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in order to assess the potential for failure or severe stress to contribute to systemic risk. This will be done in close coordination at international level in order to achieve as much consistency as possible across jurisdictions. (London)	Please describe major changes in the institutional arrangements for macroprudential policy (structures, mandates, powers, reporting etc.) that have taken place since the financial crisis, including over the past year. Please indicate whether an assessment has been conducted with respect to the adequacy of powers to collect and share relevant information among different authorities on financial institutions, markets and instruments to assess the potential for systemic risk. If so, please describe identified gaps in the powers to collect information, and whether any follow-up actions have been taken.	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress :* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since: ☑ **Implementation completed as of:** 01.01.2013 **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: Since 1 January 2013, the Act on the Strengthening of German Financial Supervision is in force. It contains the Financial Stability Act (FinStabG): • . • The Financial Stability Committee has	**Planned actions (if any) and expected commencement date:** Macro-prudential analyses, risk identification processes and macroprudential instruments will be further enhanced – also taking account of discussions in international fora. The joint cross-sectoral risk committee continues its structured dialogue in its quarterly meetings. The regulatory reporting was under review to take into account the lessons learnt from the financial crisis. The new reporting regime is to be adopted in the coming month and will strengthen data coverage in several fields (e.g. earnings, large exposures). **Web-links to relevant documents:**

[1] The recommendation as applicable to shadow banks will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				been installed encompassing three members of the Ministry of Finance (MOF, Chair), Deutsche Bundesbank, BaFin, the and the Federal Agency for Financial Market Stabilisation (non-voting). The committee meets quarterly (first meeting in March 2013). The committee's tasks resemble those of the ESRB, but with a national focus. • The FinStabG confers a financial stability mandate upon the FSC, with a prominent role for Deutsche Bundesbank (incl. right of veto in decisions on warnings and recommendations). • The FinStabG establishes reporting requirements and fosters information sharing within and between relevant institutions. • The FinStabG responds to experiences gathered in the course of the most recent financial crisis and in particular to Recommendation ESRB/2011/3 Cf. also #12 For more information on the ESRB, please refer to the EU-COM answer **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:** Financial Stability	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Act :http://www.bundesbank.de/Redaktion/EN/Downloads/Bundesbank/Tasks_and_organisation/bundesbank_act_monitoring_financial_stability.pdf?__blob=publicationFile ESRB Recommendation ESRB/2011/3 : http://www.esrb.europa.eu/pub/pdf/recommendations/2011/ESRB_2011_3.en.pdf?38c057b902aaa3e860b27c96df848eb3 **Additional questions:** **1. Please describe the institutional arrangements for financial stability and macroprudential policy in your jurisdiction, including whether a macroprudential authority has been explicitly identified and the respective roles and responsibilities of the central bank and other authorities.** Section 1 Financial Stability Act (FinStabG) Safeguarding financial stability (1) The Deutsche Bundesbank shall contribute to safeguarding the stability of the financial system (financial stability) in Germany. Section 2 (FSC) Financial Stability Committee (1) The Financial Stability Committee shall be set up at the Federal Ministry of Finance (Bundesministerium der Finanzen) in order to strengthen cooperation in the area of financial stability. Section 3	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				(FSC) The Financial Stability Committee shall consist of (1) three representatives of the Federal Ministry of Finance, one of whom shall be delegated as the chair and one as the deputy chair of the Committee, (2) three representatives of the Deutsche Bundesbank, and (3) three representatives of the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienst-leistungsaufsicht, hereinafter referred to as BaFin). 2. The FSC meets on a quarterly basis and is chaired by the MOF. Meetings frequently start with a general discussion of financial market developments relevant for current and potential risks to financial stability. Thereafter, members discuss specific risks in greater detail and debate on ways to deal with these risks. A further regular agenda item is a discussion on the latest developments at the ESRB and other international fora. The FSC files an annual report to the Lower House of the German Parliament (Deutscher Bundestag) (typically in June for the period April to March) , which is prepared by the Bundesbank. The first report provided details of the Committee's macroprudential strategy. The FSC can also publish press releases.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				2. If a macroprudential authority has been explicitly identified in your jurisdiction, please describe its legal basis, mandate, composition, powers (warnings, recommendations, prudential tools, powers of direction, other) and accountability arrangements. Who provides the resources and analytical support for the authority's activities? Section 1 (FinStabG) The Deutsche Bundesbank shall contribute to safeguarding the stability of the financial system (financial stability) in Germany, in particular by a.) analysing factors that are key to financial stability and identifying risks which may impair financial stability b.) preparing a report once a year on the situation and developments in financial stability, and making this report available to the Financial Stability Committee (Ausschuss für Finanzstabilität c.) making proposals to the Financial Stability Committee regarding the issuing of warnings pursuant to section 3 (1) and recommendations pursuant to section 3 (2), and d.) evaluating the implementation measures pursuant to section 3 (4) sentence 2 and informing the Financial Stability Committee of its assessment. Section 3 (FSC) Warnings and recommendations a.) In warnings to a	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				specific addressee, the Financial Stability Committee may draw attention to risks which might impair financial stability. Detailed reasons shall be given for the warnings. b.) In recommendations to a specific addressee, the Financial Stability Committee may identify the measures that it considers to be suitable and necessary for the addressee to implement in order to avert risks to financial stability. BaFin is the "designated authority" in the CRD4/CRR context. The FSC can direct recommendations at BaFin regarding the use of macroprudential tools. The BaFin is responsible for implementing and applying macroprudential tools. The FSC is the forum to discuss and decide about issuing warnings and recommendations to domestic public entities. Recommendations may initiate the application of regulatory tools like macro-prudential capital buffers. The FSC is expected to take decisions unanimously. **3. Is there an inter-agency body on financial stability or macroprudential matters – distinct from the designated macroprudential authority – in your jurisdiction? If so, please describe its legal basis, mandate, composition, powers and**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				accountability arrangements. Who provides the resources and analytical support for its activities? **4. Please describe the extent to which the macroprudential authority (or other relevant body) is able to collect information on material financial institutions, markets and instruments in order to assess potential systemic risks. In your response, please indicate whether the authorities involved in systemic risk monitoring have specific legal powers to collect information from financial institutions (whether regulated or not) for financial stability purposes, and whether there exist dedicated information gateways (e.g. Memorandum of Understanding) to share such information among relevant authorities.** Section 6 (FinStabG) Reporting requirements; power to issue statutory orders (1) Financial corporations within the meaning of Annex A chapter 2 paragraphs 2.32 to 2.67 of Council Regulation (EC) No 2223/96 of 25 June 1996 on the European system of national and regional accounts in the Community (OJ L 310/1 of 30 November 1996) domiciled in Germany shall, upon request, provide the Deutsche Bundesbank with the economic and trade data which it needs to perform its functions specified in this Act. Economic and trade data within the meaning of	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				sentence 1 shall mean all data which enable a deeper insight into the situation regarding and developments in the economic circumstances of financial corporations as well as their trading activities. Such data shall include, in particular, balance sheet figures, information about off-balance-sheet business activities at both single entity and group level, information about the group structure and structural data, information about bilateral interconnectedness and risk management, and solvency and liquidity figures. Such data may also include personal data insofar as these are needed imperatively for the performance of the functions specified in this Act. The Deutsche Bundesbank shall request the data only insofar as it is unable to obtain them through the exchange of information with other authorities. The request must be made in writing and shall state the legal basis, the data to be transmitted and the purpose of collecting the data, as well as an appropriate deadline for the transmission thereof.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
12 (14)	Enhancing system-wide monitoring and the use of macro-prudential instruments	Authorities should use quantitative indicators and/or constraints on leverage and margins as macro-prudential tools for supervisory purposes. Authorities should use quantitative indicators of leverage as guides for policy, both at the institution-specific and at the macro-prudential (system-wide) level…(Rec. 3.1, FSF 2009) We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject. (Cannes) Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)	Please describe at a high level (including by making reference to financial stability or other reports, where available) the types of methodologies, indicators and tools used to assess systemic risks. Please indicate the use of macroprudential tools in the past year, including the objective for their use and the process used to select, calibrate, and apply them. See, for reference, the following documents: • CGFS report on *Operationalising the selection and application of macroprudential instruments (Dec 2012)* • FSB-IMF-BIS progress report to the G20 on *Macroprudential policy tools and frameworks (Oct 2011)* • IMF staff papers on *Macroprudential policy, an organizing framework (Mar 2011)*, *Key Aspects of Macroprudential policy (Jun 2013)*, and *Staff Guidance on Macroprudential Policy (Dec 2014)*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress :* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since: ☑ **Implementation completed as of:** 2013 **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: On the newly established – high-level - Financial Stability Committee, please refer to answer #11 above. Monitoring capital market and asset prices and assessing their implications for the financial system and the macro-economy at large is part of financial macro-prudential analyses in relevant German authorities, in particular Deutsche Bundesbank and BaFin in line with their respective mandates. The BaFin Risk	**Planned actions (if any) and expected commencement date:** For actions planned, please refer to the EU-COM answer! The national transposition of the CRD IV entered into force in January 2014. The FSC reviews its macro-prudential toolbox on an on-going basis. **Web-links to relevant documents:** Transposition of EMIR into German law (German only):http://www.bgbl.de/Xaver/text.xav?bk=Bundesanzeiger_BGBl&start=%2F%2F*%5B%40attr_id%3D'bgbl113006.pdf'%5D&wc=1&skin=WC#__Bundesanzeiger_BGBl__%2F%2F*%5B%40attr_id%3D'bgbl113006.pdf'%5D__1377103917492

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Committee supports macro-prudential supervision as it is tasked to identify macro-prudential risks, to analyse the data and to evaluate it. According to this evaluation, the Risk Committee might decide on further steps and concrete measures (with specific responsibilities and time limits) if considered necessary. A leverage ratio reporting requirement was introduced into German supervisory law as an indicator under Pillar 2. **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:** **Additional questions:** **1. Please describe, at a high level, the types of methodologies, indicators and reports used in your jurisdiction to identify, analyse, communicate and address systemic risks.** The Bundesbank analyses factors relevant to financial stability on an ongoing basis, identifies risks to financial stability in the process and, where applicable, proposes warnings and recommendations to the FSC i. Besides official meetings of the FSC, the Bundesbank, the BaFin and the MOFfrequently exchange views on	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				macro-prudential issues. **2. Please describe the range of policy tools (prudential and other) currently available to the authorities for macroprudential purposes.**[2] Macro-prudential tools can be distinguished by their legal allocation. Soft tools like press releases, press conferences and the annual report are at the disposal of the FSC. Medium tools like warnings and recommendations are at the FSC's disposal as well. Hard tools, like the countercyclical capital bufferthe national flexibility package, the systemic risk buffer or sectoral capital requirements (all of the above apply to the banking sector and are based on CRD IV / CRR), are at the disposal of BaFin. FSC recommendations to BaFin may trigger the application of hard macro-prudential tools **3. Please indicate which tools have been deployed for macroprudential purposes over the past year, including the objective for their use and the process used to select, calibrate, and apply them.**	

[2] An indicative list of such tools can be found in "Macroprudential Policy Tools and Frameworks – Progress Report to the G20" by the FSB, IMF and BIS (October 2011, http://www.financialstabilityboard.org/wp-content/uploads/r_111027b.pdf); "Staff Guidance on Macroprudential Policy" (December 2014, http://www.imf.org/external/np/pp/eng/2014/110614.pdf) by IMF staff; and "Operationalising the selection and application of macroprudential instruments" (December 2012, http://www.bis.org/publ/cgfs48.pdf) by the CGFS.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				According to the law, the FSC can issue warnings and recommendations to the Federal Government, the BaFin or other public authorities in Germany. Addressees have to comply or explain their inaction in great detail. In June 2015, FSC issued a recommendation to establish a legal foundation for giving BaFin the authority to impose restrictions with regard to the granting of loans to build or acquire domestic residential real estate secured by a mortgage (caps on LTV, DTI, DSTI, and amortisation requirements). **4. Please describe whether and, if so, how the relevant authorities assess the *ex ante* cost and benefits of macroprudential policies and their *ex post* effectiveness.** Ex-ante impact assessments are conducted by applying both theoretical and quantitative models (e.g. DSGE models, time series analyses, stress tests, Monte Carlo simulations). A framework for ex-post evaluation of policy measures is under construction.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
V.	**Improving oversight of credit rating agencies (CRAs)**				
13 (16)	Enhancing regulation and supervision of CRAs	All CRAs whose ratings are used for regulatory purposes should be subject to a regulatory oversight regime that includes registration. The regulatory oversight regime should be established by end 2009 and should be consistent with the IOSCO Code of Conduct Fundamentals. (London) National authorities will enforce compliance and require changes to a rating agency's practices and procedures for managing conflicts of interest and assuring the transparency and quality of the rating process. CRAs should differentiate ratings for structured products and provide full disclosure of their ratings track record and the information and assumptions that underpin the ratings process. The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London) Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible	Jurisdictions should indicate the policy measures undertaken for enhancing regulation and supervision of CRAs including registration, oversight and sharing of information between national authorities. They should also indicate their consistency with the following IOSCO document: • *Code of Conduct Fundamentals for Credit Rating Agencies (Mar 2015)* Jurisdictions may also refer to the following IOSCO documents: • Principle 22 of *Principles and Objectives of Securities Regulation (Jun 2010)* which calls for registration and oversight programs for CRAs • *Statement of Principles Regarding the Activities of Credit Rating Agencies (Sep 2003)* • *Final Report on Supervisory Colleges for Credit Rating Agencies (Jul 2013)*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** December 2009 **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Short description of the content of the legislation/ regulation/guideline:** For information on CRA regulation and supervision, please refer to the EU-COM answer. **Highlight main developments since last year's survey:** Three Delegated Regulations adopted by the European Commission last	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any) and expected commencement date:** : For actions planned, please refer to the EU-COM answer! **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
		in 2010. (FSB 2009) We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg)		30.09.2014 have been published on 6 January 2015 in the Official Journal, setting out Regulatory Technical Standards (RTS) needed to implement key provisions of the Regulation on Credit Rating Agencies. These technical standards set out: 1.The disclosure requirements for issuers, originators and sponsors on structured finance instruments; 2.Reporting requirements for credit rating agencies (CRAs) on fees charged by CRAs to their clients; 3.Reporting requirements to CRAs for the European Rating Platform **Web-links to relevant documents:** CRA III: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013R0462:EN:NOT Consultation Paper on CRA3 implementation (Feb 2014): http://www.esma.europa.eu/content/Consultation-Paper-CRA3-Implementation ESMA Draft RTS on CRA transparency requirements : http://www.esma.europa.eu/system/files/2014-689_esma_publishes_draft_rts_on_cra_transparency_requirements.pdf ESMA Guidelines on Periodic Reporting : http://www.esma.europa.eu/system/files/2015-609_cra_guidelines_on_periodic_reporting.pdf COM Delegated Regulation on Periodic Reporting : http://eur-	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				lex.europa.eu/legal-content/EN/TXT/?qid=1433338325381&uri=CELEX:32015R0002 COM Delegated Regulation (EU) 2015/1 - RTS on fees: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2015:002:TOC COM Delegated Regulation (EU) 2015/2 - RTS on ERP: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2015:002:TOC COM Delegated Regulation (EU) 2015/3 - RTS on SFIs: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2015:002:TOC	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
14 (17)	Reducing the reliance on ratings	We also endorsed the FSB's principles on reducing reliance on external credit ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. (Seoul) Authorities should check that the roles that they have assigned to ratings in regulations and supervisory rules are consistent with the objectives of having investors make independent judgment of risks and perform their own due diligence, and that they do not induce uncritical reliance on credit ratings as a substitute for that independent evaluation. (Rec IV. 8, FSF 2008) We reaffirm our commitment to reduce authorities' and financial institutions' reliance on external credit ratings, and call on standard setters, market participants, supervisors and central banks to implement the agreed FSB principles and end practices that rely mechanistically on these ratings. (Cannes) We call for accelerated progress by national authorities and standard setting bodies in ending the mechanistic reliance on credit ratings and encourage steps that	Jurisdictions should indicate the steps they are taking to address the recommendations of the May 2014 FSB thematic peer review report on the implementation of the FSB Principles for Reducing Reliance on Credit Ratings, including by implementing their agreed action plans. Jurisdictions may refer to the following documents: • FSB *Principles for Reducing Reliance on CRA Ratings (Oct 2010)* • FSB *Roadmap for Reducing Reliance on CRA Ratings (Nov 2012)* • BCBS Consultative Document *Revisions to the Standardised Approach for credit risk (Dec 2014)*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☑ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Final rule (for part of the reform) in force since : 21.12.2014 ☐ **Implementation completed as of:** **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:** IOSCO - Good Practices on Reducing Reliance on CRAs in Asset Management:http://www.iosco.org/library/pubdocs/pdf/IOSCOPD488.pdf Joint Committee - Final Report on mechanistic references to credit ratings in the ESAs' guidelines and recommendations : http://www.esma.europa.eu/system/files/jc_2014_004_final_report_mechanistic_re	**Planned actions (if any) and expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
		would enhance transparency of and competition among credit rating agencies. (Los Cabos) We call on national authorities and standard setting bodies to accelerate progress in reducing reliance on credit rating agencies, in accordance with the FSB roadmap. (St Petersburg)		ferences_to_credit_ratings_rect.pdf Joint Committee - Discussion Paper on the Use of Credit Ratings by Financial Intermediaries - Article 5(a) of the CRA Regulation : http://www.esma.europa.eu/system/files/jc_dp_2014_01_-_discussion_paper_on_use_of_credit_ratings_by_financial_intermediaries.pdf German Federal Act to Reduce Overreliance on Ratings, adopted in December 2014:http://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGBl&jumpTo=bgbl114s2085.pdf Technical Advice on Reducing Sole and Mechanistic Reliance on Credit Ratings	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VI.	**Enhancing and aligning accounting standards**				
15 (18)	Consistent application of high-quality accounting standards	Regulators, supervisors, and accounting standard setters, as appropriate, should work with each other and the private sector on an ongoing basis to ensure consistent application and enforcement of high-quality accounting standards. (Washington)	Jurisdictions should indicate the accounting standards that they follow and whether (and on what basis) they are deemed to be equivalent to IFRSs as published by the IASB or are otherwise of a high and internationally acceptable quality, and provide accurate and relevant information on financial performance. They should also explain the system they have for enforcement of consistent application of those standards. Jurisdictions may want to refer to their jurisdictional profile prepared by the IFRS Foundation, which can be accessed at: http://www.ifrs.org/Use-around-the-world/Pages/Analysis-of-the-G20-IFRS-profiles.aspx.	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** 15.12.2004 ("Accounting Enforcement Act") – Enforcement System in place since 01.07.2005) **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Short description of the content of the legislation/ regulation/guideline:** For more information, please refer to the EU-COM answer! **Highlight main developments since last year's survey:** 23.07.2015: Implementation of	**Planned actions (if any) and expected commencement date:** For actions planned, please refer to the EU-COM answer! BilRUG for fiscal years beginning on or after 31.12.2015. **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				2013/34/EU in German Commercial Law by BilRUG. **Web-links to relevant documents:** http://www.gesmat.bundesgerichtshof.de/gesetzesmaterialien/15_wp/Bilanzkontrollgesetz/bgbl104s3408.pdf (in German only). http://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGBl&jumpTo=bgbl115s1245.pdf (in German only).	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
16 (19)	Appropriate application of Fair Value Accounting	Accounting standard setters and prudential supervisors should examine the use of valuation reserves or adjustments for fair valued financial instruments when data or modelling needed to support their valuation is weak. (Rec. 3.4, FSF 2009) Accounting standard setters and prudential supervisors should examine possible changes to relevant standards to dampen adverse dynamics potentially associated with fair value accounting. Possible ways to reduce this potential impact include the following: (1) Enhancing the accounting model so that the use of fair value accounting is carefully examined for financial instruments of credit intermediaries; (ii) Transfers between financial asset categories; (iii) Simplifying hedge accounting requirements. (Rec 3.5, FSF 2009)	Jurisdictions should indicate the policy measures taken for appropriate application of fair value accounting. Although not an application of fair value accounting, jurisdictions should additionally be mindful of implementation issues arising from the new accounting requirements for expected loan loss provisioning for impaired loans that are being introduced by the IASB and the FASB, and, for those jurisdictions where specific action is needed to foster transparent and consistent implementation, set out any steps they intend to take. See, for reference, the following BCBS documents: • *Basel 2.5 standards on prudent valuation (Jul 2009)* • *Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☑ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☑ Draft published as of: 15.09.2015: EFRAG Endorsement Advice on IFRS 9 (Financial Instruments) ☐ Final rule or legislation approved and will come into force on: ☑ Final rule (for part of the reform) in force since : a) 01.01.2010 (date of the last relevant amendment of the "German Commercial Code"). b) 01.01.2013 (effective date of IFRS 13; endorsed by 1255/2012/EU). c) 01.01.2014 (effective date of Article 105 of Regulation (EU) 575/2013 (CRR) ☐ **Implementation completed as of:** **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Short description of the content of the legislation/ regulation/guideline:** a) Banks and investment firms that apply the German Commercial Code, not IFRS are required to hold a reserve for fair	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any) and expected commencement date:** Implementation of the forthcoming RTS on prudent valuation (adoption by EU-COM is outstanding) For actions planned, please refer to the EU-COM answer! **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				value gains from trading (§ 340g and § 340e (4) of the "German Commercial Code"). b) IFRS 13 "Fair Value Measurement" defines fair value on the basis of an "exit price" notion and introduces a "fair value hierarchy", which results in a market-based, rather than entity-specific, measurement. c) Art. 105 CRR sets out requirements relation to prudent valuation adjustments of fair value measured positions to determine prudent values. It mandates the EBA to prepare draft regulatory technical standards (RTS) in this area. **Highlight main developments since last year's survey:** The reserve held for fair value gains from trading is now available to the institution for unrestricted and immediate use (19.07.2014: amendment to § 340e (4) of the "German Commercial Code"). EBA has provided to the EU-COM a final draft regulatory technical standard (RTS) on prudent valuation. 15.09.2015: EFRAG Endorsement Advice on IFRS 9 **Web-links to relevant documents:** http://www.gesetze-im-internet.de/bundesrecht/hgb/gesamt.pdf (in German only) https://www.eba.europa.eu/documents/10	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				180/642449/EBA-RTS-2014-06+RTS+on+Prudent+Valuation.pdf http://www.efrag.org/files/IFRS%209%20endorsement/IFRS_9_Final_endorsement_advice.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VII.	**Enhancing risk management**				
17 (20)	Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks	Regulators should develop enhanced guidance to strengthen banks' risk management practices, in line with international best practices, and should encourage financial firms to re-examine their internal controls and implement strengthened policies for sound risk management. (Washington) National supervisors should closely check banks' implementation of the updated guidance on the management and supervision of liquidity as part of their regular supervision. If banks' implementation of the guidance is inadequate, supervisors will take more prescriptive action to improve practices. (Rec. II.10, FSF 2008) Regulators and supervisors in emerging markets[3] will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009) We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)	Jurisdictions should indicate the policy measures taken to enhance guidance to strengthen banks' risk management practices. Jurisdictions may also refer to FSB's *thematic peer review report on risk governance (Feb 2013)* and the BCBS *Peer review of supervisory authorities' implementation of stress testing principles (Apr 2012)* and *Principles for sound stress testing practices and supervision (May 2009).*	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☑ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Final rule (for part of the reform) in force since : Dec 2012 (for all topics other than the Principles for effective risk data aggregation) By October 1st, 2015 the LCR requirement will be introduced as a binding minimum standard with a 60% phase-in requirement. ☐ **Implementation completed as of:** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Short description of the content of the legislation/ regulation/guideline:**	**Planned actions (if any) and expected commencement date:** Preparation of enhanced guidance on effective risk data aggregation and risk reporting A draft Implementing Technical Standard on Additional Liquidity Monitoring Tools is currently awaiting its endorsement by the EU-Commission. With its entry into force – expected by January 1st 2016 – it will allow supervisors to monitor more closely the liquidity risk of banks. Core element is a maturity ladder, supplemented by information on concentration risks and development of market prices. **Web-links to relevant documents:**

[3] Only the emerging market jurisdictions that are members of the FSB may respond to this recommendation.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Germany has transposed the FSB and BCBS recommendations in the Minimum Requirements for Risk Management ("Mindestanforderungen an das Risikomanagement", MaRisk; revised version for the banking sector published on 14.12.2012, circular 10/2012 (BA)) for financial institutions. Inter alia, the MaRisk require financial institutions to have sound stress testing practices in place. Stress test results must be taken into account as part of the institutions' internal capital adequacy assessment process and internal liquidity adequacy assessment process. Accordingly, bank's stress testing practices form part of BaFin's, Deutsche Bundesbank's and ECB`s Supervisory Review and Evaluation Process (SREP). The SREP assessment is also based on information received through the newly introduced reporting requirements on LCR and NSFR components (as per the Capital Requirements Regulation, Regulation (EU) No. 575/2013) and the ITS (Implementing Technical Standard) on Supervisory Reporting. Additionally, for the systemically important banks, the ECB is receiving supplementary reporting regarding the newly calibrated	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				EU-LCR, the Basel NSFR-ratio, on banks funding plans and additional monitoring metrics. This allows a thorough scrutiny of bank´s risk management approaches in the SREP. LCR and NSFR components are also part of the guidance for the regular compilation of the risk profile of an institution and taken into account when judging an institution’s liquidity management. In case of inadequate implementation banks are required to take remedial action. The implementation is then closely supervised. Principles for effective risk data aggregation and risk reporting (BCBS 239): BaFin and Bundesbank are currently working on the transposition of the requirements into national law (the Minimum Requirements for Risk Management) and into supervisory practice. We expect the transposition to be finalized in the course of 2015. With regard to the reporting on Asset Encumbrance, a monitoring framework of the ITS data on Asset Encumbrance covering all German institutions pursuant to Article 100 in conjunction with Article 4 para. 1 no. 1 of Regulation (EU) No 575/2013 and para. 1 of Article 1a of the German Banking Act has been implemented in Q1 2015 to	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				assess the level, evolution and types of asset encumbrance and related sources of encumbrance. In this context, in-depth analyses based on the ITS data have been conducted and will be updated on a regular basis. A data collection based on the EBA guidelines on harmonised definitions and templates for funding plans of credit institutions under Recommendation A4 of ESRB/2012/2 (EBA/GL/2014/04) has been conducted (first reporting date: 30th June 2015) and will be repeated on an annual basis in the future (year-end data). Banking sector Robust stress testing for institutions is required by the Minimum requirements for risk management. Supervisory stress tests are conducted on a regular basis. Germany participates in the EU stress tests conducted by EBA and ECB. On 14.12.2012 BaFin has published an amended version of the MaRisk (circular 10/2012 (BA)). This new version contains additional requirements on the liquidity risk management, in particular with respect to foreign currency funding risk and liquidity cost benefit allocation mechanisms. Furthermore requirements on governance aspects (risk control function, compliance function) are	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				incorporated. By this means existing guidelines of the EBA (Internal Governance) and recommendations of the ESRB (foreign currency funding risk) are implemented in German supervisory practise. Insurance sector Based on the German Insurance Supervision Act (circulars R4/2011 (Va) and 1/2004 (VA)) the insurance undertakings have to conducts a stress test at least quarterly and to submit the stress test annually on national level. BaFin predefines the stress test model and the scenarios in the annual stress tests. Quarterly stress tests have to meet appropriate criteria. Also in 2013 Germany has agreed to participate in the pan-European stress test of EIOPA performed in 2014. A new minimum market coverage requirement concerning the EIOPA stress test has been agreed for in 2013. This shall ensure a minimum national market coverage of at least 50% for life and non-life insurances (based on annual gross premium written). For further information, please refer to the EU-COM answer. **Highlight main developments since last year's survey:** On January 17th, 2015 the EU	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Commission published the delegated regulation (EU) 2015/61 specifying the liquidity coverage requirement for credit institutions in the EU. This regulation came into force on the 20th day following the publication and applies since October 1st, 2015. It is binding in its entirety and directly applicable in all EU Member states. Thus, starting October 1st, 2015, the LCR is a binding minimum requirement in Germany. Germany follows the phase-in provided for in the LCR and introduces the LCR with a 60% rate in 2015. **Web-links to relevant documents:** http://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Rundschreiben/rs_1104_anlage_geb_vermoegen_en_va.html http://www.bafin.de/SharedDocs/Downloads/EN/Rundschreiben/dl_rs_1210_ba_marisk.pdf?__blob=publicationFile	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
18 (22)	Enhanced risk disclosures by financial institutions	Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington) We encourage further efforts by the public and private sector to enhance financial institutions' disclosures of the risks they face, including the ongoing work of the Enhanced Disclosure Task Force. (St. Petersburg)	Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on *Enhancing the Risk Disclosures of Banks* and *Implementation Progress Report by the EDTF (Aug 2013),* and set out any steps they have taken to foster adoption of the EDTF Principles and Recommendations.	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** January 2007 (Effective date of IFRS 7). 1 January 2013 (Effective date of IFRS 13) **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: German supervisory authorities have strongly advised the relevant international banks and insurance companies to adhere to this recommendation and informed industry about upcoming requirements at an early stage. Information from the main financial institutions shows that important banks have significantly improved their respective disclosure practices.	**Planned actions (if any) and expected commencement date:** On 28 August 2013 Germany has adopted a law to implement the CRD IV (which is the European equivalent to the introduction of Basel III into European law. See: http://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGBl&jumpTo=bgbl113s3395.pdf With the CRD IV entering into force, German Banks are obliged to also implement the requirements of Pillar 3 of Basel III. While not all Pillar 3 relevant details were fully developed at this stage, the BCBS in January 2015 has adopted Revised Pillar 3 disclosure requirements. See: http://www.bis.org/bcbs/publ/d309.pdf The Revised Pillar 3 disclosure requirements is the BCBS's response to enhanced disclosure requirements. The Working Group to develop these requirements (WGD) assessed in Phase I the existing recommendations of the Enhanced Disclosure Task Force of 2012. According to The Revised Pillar 3 disclosure requirements it is envisaged that "…(ie banks will be required to publish their first Pillar 3 report under the

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Short description of the content of the legislation/ regulation/guideline: **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.bafin.de/SharedDocs/Downloads/DE/Protokoll/dl_050901_Anwendungsbsp.html	revised framework concurrently with their year-end 2016 financial report). The Committee encourages early adoption by individual jurisdictions." **Web-links to relevant documents:** Re: CRD IV implementation (= Basel III implementation): CRD IV Implementation Act: http://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGBl&jumpTo=bgbl113s3395.pdf Re: Implementation of Basel III Guidelines by Deutsche Bundesbank: http://www.bundesbank.de/Redaktion/DE/Downloads/Veroeffentlichungen/Bericht_Studie/bankenaufsicht_basel3_leitfaden.pdf?__blob=publicationFile Re: Requirements of Pillar 3 of Basel III. http://www.bis.org/bcbs/publ/d309.pdf

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VIII. Strengthening deposit insurance					
19 (23)	Strengthening of national deposit insurance arrangements	National deposit insurance arrangements should be reviewed against the agreed international principles, and authorities should strengthen arrangements where needed. (Rec. VI.9, FSF 2008)	Jurisdictions should describe any revisions made to national deposit insurance system, including steps taken to address the following recommendations of the FSB's February 2012 *thematic peer review report on deposit insurance systems:* • Adoption of an explicit deposit insurance system (for those jurisdictions that do not have one) • Addressing the weaknesses and gaps to full implementation of the *Core Principles for Effective Deposit Insurance Systems* issued by IADI in November 2014	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** On 3 July 2015 the new German Law on Deposit Guarantee Schemes which transposes European Directive 2014/49/EU on Deposit Guarantee Schemes entered into force. The Act further strengthens depositors rights by implementing a faster payout (reduction from 20 working days to 7 working days) and by implementing clear rules on ex-ante financing of deposit guarantee schemes. Current national deposit insurance arrangements are compliant with the agreed set of international 18 Core Principles by IADI/BCBS. **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory	**Planned actions (if any) and expected commencement date:** In 2014 the new Deposit Guarantee Scheme Directive (DGSD – Directive 2014/49/EU) entered into force. It is transposed into German law by 3 July 2015. **Web-links to relevant documents:** http://ec.europa.eu/finance/bank/guarantee/index_en.htm http://www.eba.europa.eu/regulation-and-policy/recovery-and-resolution/guidelines-on-payment-commitments http://www.eba.europa.eu/regulation-and-policy/recovery-and-resolution/guidelines-on-methods-for-calculating-contributions-to-deposit-guarantee-schemes-dgss- http://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Fachartikel/2014/fa_bj_1409_einlagensicherung_en.html

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				actions), please specify: **Short description of the content of the legislation/ regulation/guideline:** According to the new Act on Deposit Guarantee supervision of deposit guarantee schemes by BaFin is mandatory. BaFin is empowered to counteract irregularities which may impair the proper handling of the compensation or jeopardise the assets accumulated for paying compensation. BaFin also monitors whether national regulation complies with international principles. To this end, BaFin and Deutsche Bundesbank regularly receive broad information on the national deposit guarantee schemes (such as: on risk oriented contribution systems, monitoring procedures within the guarantee schemes, financial statements, stresses and strains of the funds). The risk orientated contribution system has been improved in 2011 and will be revamped according to the new EBA guidelines. **Highlight main developments since last year's survey:** Implementation of the new Deposit Guarantee Scheme Directive (DGSD – Directive 2014/49/EU); two institutional protection schemes are recognized as a	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				DGS for the members that are associated with the BVR and the DSGV, the associations for German cooperative banks and German savings banks. A new Regulation on contributions to the legal deposit guarantee schemes (Entschädigungseinrichtungs-Finanzierungsverordnung) is currently in progress. **Web-links to relevant documents:** http://www.gesetze-im-internet.de/einsig/ http://www.bafin.de/SharedDocs/Aufsichtsrecht/EN/Verordnung/EdBBeitvV_en.html http://www.bafin.de/SharedDocs/Aufsichtsrecht/EN/Verordnung/edvoebbeitrv_en.html	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
IX. Safeguarding the integrity and efficiency of financial markets					
20 (24)	Enhancing market integrity and efficiency	We must ensure that markets serve efficient allocation of investments and savings in our economies and do not pose risks to financial stability. To this end, we commit to implement initial recommendations by IOSCO on market integrity and efficiency, including measures to address the risks posed by high frequency trading and dark liquidity, and call for further work by mid-2012. (Cannes)	Jurisdictions should indicate whether high frequency trading and dark pools exist in their national markets. Jurisdictions should indicate the progress made in implementing the recommendation in the following IOSCO reports in their regulatory framework: • *Regulatory issues raised by changes in market structure (Dec 2013)* • *Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency (Oct 2011)* • *Report on Principles for Dark Liquidity (May 2011)*.	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☑ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☑ Final rule or legislation approved and will come into force on: Mid 2016 (MiFID II level 2) ☑ Final rule (for part of the reform) in force since : May 2013 (German HFT Act) ☐ **Implementation completed as of:** **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: Germany adheres to the international recommendations, e.g. suitable trading control mechanisms to deal with volatile market conditions are well known in the German trading landscape, e.g. so called volatility interruptions and appropriate control mechanisms for order flow are in place, e.g. so called "naked sponsored	**Planned actions (if any) and expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				access" would generally not be permitted. The operation of dark pools (trading venues that provide for exceptions of pre-trade transparency requirements) needs a specific permission. This permission, so called "waiver" would only in specific and limited circumstances be granted and would be discussed on EU/ESMA level. There are no exceptions as regards post trade transparency requirements. In addition BaFin supports in principle all respective initiatives on EU level. For more information on these initiatives, please refer to the EU-COM answer. **Short description of the content of the legislation/ regulation/guideline:** German High Frequency Trading Act, published 7 May 2013. The Act introduces an authorisation requirement and special organisational requirements intended to mitigate the potential risks arising from the speed and complexity of algorithmic high-frequency trading methods. High-frequency traders are now subject to an authorisation requirement. In addition, the Act introduces special organisational requirements for investment services enterprises, asset management companies (Kapitalanlagegesellschaften) and self-	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				managed investment stock corporations (Investmentaktiengesellschaften) engaged in algorithmic trading. BaFin has published answers to FAQs (http://www.bafin.de/EN/DataDocuments/FAQ/HFT-Gesetz/hft-gesetz_node.html) relating to the new provisions. **Highlight main developments since last year's survey:** Since last year's survey there were no significant changes, especially not on a purely national level. However, work has been going on to develop level 2 measures (e.g. technical standards) in the context of MiFID II. This work is almost finalised at ESMA level and will subsequently be discussed in European institutions such as the Commission, the Council and the Parliament with the aim of achieving consensus by early 2016. **Web-links to relevant documents:** http://ec.europa.eu/internal_market/securities/isd/mifid_en.htm http://www.esma.europa.eu/system/files/2012-128.pdf http://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Meldung/2013/meldung_130322_hft-gesetz_en.html http://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Meldung/2013/meldung_130322_hft-gesetz_en.html	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
21 (25)	Regulation and supervision of commodity markets	We need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, and achieve appropriate regulation and supervision of participants in these markets. Market regulators and authorities should be granted effective intervention powers to address disorderly markets and prevent market abuses. In particular, market regulators should have, and use formal position management powers, including the power to set ex-ante position limits, particularly in the delivery month where appropriate, among other powers of intervention. We call on IOSCO to report on the implementation of its recommendations by the end of 2012. (Cannes) We also call on Finance ministers to monitor on a regular basis the proper implementation of IOSCO's principles for the regulation and supervision on commodity derivatives markets and encourage broader publishing and unrestricted access to aggregated open interest data. (St. Petersburg)	Jurisdictions should indicate whether commodity markets of any type exist in their national markets. Jurisdictions should indicate the policy measures taken to implement the principles found in IOSCO's report on *Principles for the Regulation and Supervision of Commodity Derivatives Markets (Sep 2011)*. Jurisdictions, in responding to this recommendation, may also make use of the responses contained in the update to the survey published by IOSCO in September 2014 on the principles for the regulation and supervision of commodity derivatives markets.	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** March 27th 2012 **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: "Markttransparenzstelle Gesetz" adjusts German law to REMIT. **Short description of the content of the legislation/ regulation/guideline:** According to current German legislation, market manipulation rules apply both to commodities and commodity derivatives admitted to trading on a regulated market (sec.20a securities trading act-WpHG). Further strengthening of the regulatory	**Planned actions (if any) and expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				framework regarding commodities and commodity derivative and European harmonisation will be achieved by the new EU Market Abuse regulation (Market Abuse Directive, Market Abuse Regulation) and the new Markets in Financial Instruments Directive and Regulation (MiFID II, MiFIR). Germany supports the aforementioned regulatory framework and will adjust national rules in alignment with the MAD/MAR and MiFID II requirements. For more information on MiFID, please refer to the EU-COM answer. **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
22 (26)	Reform of financial benchmarks	We support the establishment of the FSB's Official Sector Steering Group to coordinate work on the necessary reforms of financial benchmarks. We endorse IOSCO's Principles for Financial Benchmarks and look forward to reform as necessary of the benchmarks used internationally in the banking industry and financial markets, consistent with the IOSCO Principles. (St. Petersburg)	Collection of information on this recommendation will continue to be deferred given the forthcoming FSB progress report on implementation of the FSB recommendations in this area, and ongoing IOSCO work to review the implementation of the IOSCO Principles for Financial Benchmarks.		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
X.	**Enhancing financial consumer protection**				
23 (27)	Enhancing financial consumer protection	We agree that integration of financial consumer protection policies into regulatory and supervisory frameworks contributes to strengthening financial stability, endorse the FSB report on consumer finance protection and the high level principles on financial consumer protection prepared by the OECD together with the FSB. We will pursue the full application of these principles in our jurisdictions. (Cannes)	Jurisdictions should describe progress toward implementation of the OECD's *G-20 high-level principles on financial consumer protection (Oct 2011)*. Jurisdictions may also refer to OECD's September 2013 and September 2014 reports on effective approaches to support the implementation of the High-level Principles.	☐ **Not applicable** ☐ **Applicable but no action envisaged at the moment** ☐ **Implementation ongoing:** *Status of progress:* ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Final rule (for part of the reform) in force since : ☑ **Implementation completed as of:** June 2015 **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation /Guidelines ☑ Other actions (such as supervisory actions), please specify: In July 2015 a new act to better protect retail investors (Kleinanlegerschutzgesetz) came into force. BaFin now is in charge of protecting the collective interests of consumers and will have the power to ensure compliance of the supervised entities. BaFin will be able to ban or restrict certain financial products as well	**Planned actions (if any) and expected commencement date:** For more information on MiFID, IMD II and PRIPS-Regulation, please refer to the EU-COM answer. The draft bill for the implementation of the right to a basic bank account (Directive 2014/92/EU on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features) was open to comments until 2. October 2015. BaFin is designed as competent authority for the implementation.The draft bill aims to ensure the right to a basic bank account to every citizen. The Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property will be implemented in Germany by March 2016. Transformation of the Joint Committee guidelines on complaints handling for the securities (ESMA) and banking (EBA) sectors by BaFin circular by end of 2015. The Implementing of EU legislation on Alternative and Online Dispute Resolution (Directive on alternative dispute resolution (ADR) and Regulation on online dispute resolution (ODR) is

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				as certain financial practices in case of significant threats to consumers or to the proper functioning of financial markets or to the stability of the financial system. Implementation of the Act on fee based investment advice on financial instruments (Honoraranlageberatungsgesetz), 1.08.2014 **Short description of the content of the legislation/ regulation/guideline:** Complaints handling (see Principle 9) is also already done by BaFin: Pursuant to section 4 b Act Establishing the Federal Financial Supervisory Authority (Finanzdienstleistungsaufsichtsgesetz, FinDAG) consumers have the right to complain against any financial institution supervised by BaFin. Section 33, paragraph 1, no.4 Securities Trading Act: Investment services enterprises must have in place effective and transparent procedures for the reasonable and prompt handling of complaints received from retail clients and keep a record of each complaint and the measures taken for its resolution. A special regulation for complaints against investment services was introduced in Nov. 2012: Pursuant to section 34 d WpHG (Securities Trading	currently in process. **Web-links to relevant documents:** http://dipbt.bundestag.de/extrakt/ba/WP18/672/67297.htm

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Act) , implementing Directive 2006/73/EC of 10 August 2006 implementing Directive 2004/39/EC, the investment services enterprises must report to the Supervisory Authority 1. any complaints; 2. the name of the employee on whose activity the complaint is based; and 3. where the investment services enterprise has several branches or other organisational units, the branch or organisational unit to which the employee is assigned or for which he predominantly or usually performs his activity to be reported pursuant to sentence 1. Further, according to section 342 para. 1 and 2 German Capital Investment Act, which implements Art. 100 Directive 2009/65/EC, investors and clients may file complaints concerning alleged contraventions of the German Capital Investment Act by managers of collective investment schemes with the Supervisory Authority at any time. Complaints may be filed in writing or orally for the record with the Supervisory Authority and should state the facts and the reason for the complaint. Where alleged complaints involve cross-border matters, the Supervisory Authority cooperates with the competent authorities of the other	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				member states of the European Union or other signatories to the Agreement on the European Economic Area. Furthermore, managers of collective investment schemes are obliged to implement appropriate complaints-handling procedures and provide sufficient information thereof to investors. The German Capital Investment Act also provides for a comprehensive supervisory regime regarding collective investment schemes (cis) and their management companies. These rules are focussed on the protection of all investors in cis setting considerably higher standards for the protection of retail clients including consumers as compared to institutional investors. BaFin has elaborated this regime by several ordinances, guidelines and circulars taking into account the advice of industry and consumer organisations. Cis Managers have to treat all investors equitably, honestly and fairly and provide consumers with key information that informs the consumer of the fundamental benefits, risks and terms of the product. Cis Managers have to work in the best interest of their customers and be responsible for upholding financial consumer protection	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				The remuneration structure for staff of Cis Managers has to be designed to encourage responsible business conduct, fair treatment of consumers and to avoid conflicts of interest. According to section 28 Payment Services Supervision Act (Gesetz über die Beaufsichtigung von Zahlungsdiensten, ZAG) payment service users, too, are entitled to submit to BaFin complaints about payment service providers. Section 28a Payment Services Supervision Act justifies the same entitlement to complain to holders of electronic money against the electronic money issuer. Regarding internal complaints handling procedures, in the securities sector already a high degree level of harmonisation through Directive 2004/39/EC, Directive 2009/65/EC and their Level 2 measures is reached. In 2012 the European Insurance and Occupational Pensions Authority (EIOPA) published “Guidelines on Complaints-Handling by Insurance Undertakings”,- The member states of the EU now should comply with these guidelines or explain why they will not apply which will be implemented by BaFin. BaFin implemented the EIOPA guidelines via a circular (Rundschreiben)	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				and a general decree (Allgemeinverfügung), which came into force on 01.01.2014. On Alternative and Online Dispute Resolution (ADR/ODR): Many credit institutions and the majority of insurers in Germany have voluntarily agreed to settle possible disputes with the help of private mediators, so-called ombuds persons. These arbitration boards have been established within the industry associations of the respective companies. The ombuds persons themselves, however, are independent. The ombuds persons are appointed for a specific period and may not, for instance, be dismissed prematurely simply because they have adjudged a case to the company's disadvantage. In most cases, the ombuds persons are highly qualified legal professionals, e.g. former federal judges. The procedural rules to be applied may differ between the respective ombuds persons. The procedure is generally free of charge for the applicants. Some ombuds persons are authorized to adjudge cases up to a specific amount in controversy (usually EUR 5,000); the rulings are binding on the companies concerned. In contrast, some ombuds persons are merely	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				authorized to issue non-binding recommendations. BaFin has also established an arbitration board for consumer disputes in relation to provisions pursuant to the Capital Investment Act (Art. 342 (Kapitalanlagegesetzbuch (KAGB)). A consumer advisory council has been set up by BaFin and the complaints procedure for consumers and other customers of supervised enterprises as well as consumer protection organisations has been incorporated into the FinDAG (sections 8a and 4b) to ensure that consumer issues will play a larger role in BaFin's supervisory approach. The Consumer Advisory Council is responsible for advising BaFin on issues related to its supervisory duties from a consumer's perspective. The Consumer Advisory Council collects, analyses and reports to BaFin data relating to current developments in the banking and insurance businesses and in the areas of financial services and financial instruments ("consumer trends").The Consumer Advisory Council comprises 12 representatives: three from academia, four from consumer and investor protection organisations, three from	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				extrajudicial dispute resolution schemes, one from the Federal Ministry of Justice and Consumer Protection (Bundesministerium der Justiz und für Verbraucherschutz – BMJV) and one from trade unions. Its 1st meeting took place in Bonn on 20 June 2013. The Finanzmarktwächter (financial watchdog) has been founded. It observes the German financial market using instruments like mystery shopping. The Federation of German Consumer Organisations (vzbv) is in charge. The vzbv is a non-govermental umbrella organisation for 41 consumer associations and represents the interests of consumers in public, the private sector and civil society. The Finanzmarktwächter can address irregularities to BaFin. (Remark: Please be aware that this list of consumer protection activities is not final.) **Highlight main developments since last year's survey:** **Web-links to relevant documents:** Guidelines on Complaints-Handling by Insurance Undertakings", see: https://eiopa.europa.eu/fileadmin/tx_dam/files/publications/guidelines/complaints_handling/EIOPA_Complaints_Handling_GL_EN.pdf	

XI. Source of recommendations:

- Brisbane: G20 Leaders' Communique (15-16 November 2014)
- St Petersburg: The G20 Leaders' Declaration (5-6 September 2013)
- Los Cabos: The G20 Leaders' Declaration (18-19 June 2012)
- Cannes: The Cannes Summit Final Declaration (3-4 November 2011)
- Seoul: The Seoul Summit Document (11-12 November 2010)
- Toronto: The G-20 Toronto Summit Declaration (26-27 June 2010)
- Pittsburgh: Leaders' Statement at the Pittsburgh Summit (25 September 2009)
- London: The London Summit Declaration on Strengthening the Financial System (2 April 2009)
- Washington: The Washington Summit Action Plan to Implement Principles for Reform (15 November 2008)
- FSF 2008: The FSF Report on Enhancing Market and Institutional Resilience (7 April 2008)
- FSF 2009: The FSF Report on Addressing Procyclicality in the Financial System (2 April 2009)
- FSB 2009: The FSB Report on Improving Financial Regulation (25 September 2009)
- FSB 2012: The FSB Report on Increasing the Intensity and Effectiveness of SIFI Supervision (1 November 2012)

XII. List of Abbreviations used: