



Tarek Al-Wazir

EUROPEAN CENTRAL BANK INAUGURATION CEREMONY FOR THE ECB'S NEW PREMISES IN FRANKFURT 18 MARCH 2015

Dear President Mario Draghi,
Dear Lord Mayor Peter Feldmann,
Dear Members of the governing council,
Ladies and Gentlemen!

I am very pleased and honoured to speak here today at this important occasion.

So, thank you very much for this invitation.

I am bringing along with me warm regards from the entire Government of the State of Hessen.

Ladies and gentlemen, today is a good day for the European Central Bank (ECB) and it is a very good day for Frankfurt, the metropolitan region Frankfurt/Rhine-Main and the state of Hessen as a whole.

The opening of the new ECB's premises here is a strong sign of confidence both in Frankfurt and in the State of Hessen; and we are proud of that.

It is a further milestone after the start of the Single Supervisory Mechanism (SSM) last November, when the ECB became the direct supervisor for the 120 largest banks in the Euro area.

With its characteristic silhouette, the new high-rise adds to and enriches Frankfurt's skyline. It is an impressive, energyefficient building surrounded by, as I was told, 7,000 new trees. I am grateful that the building of the former "Großmarkthalle" the former fruit and vegetable market of Frankfurt, is still visible. I am happy that Konrad Elsaesser is with us today.

And I know that you also are aware that the history of this place is connected to the darkest period in German history. I am grateful that Salomon Korn is also with us today.

Of course, more than the buildings, it is the international staff of the ECB that adds to the region's development, an international region where people from all over the world feel at home - I hope that you, the people working for the ECB and your families already feel at home, and I hope that this building, unlike today, becomes a natural part of the city of Frankfurt.

Mr. Draghi, let me express our warmest welcome to all ECB staff here in Frankfurt. I can assure you that we are always ready to listen to your needs and visions for further development and mutual cooperation. You are a European Institution, but you are also a part of this region. The people in this region are always interested in people from other regions and countries. They are open and want to communicate with you - take this opportunity and be an open institution.

I am aware, of course, that financial news agencies are of bigger importance for you than the regional newspapers, but don't forget that for the people in this region financial news agencies are usually not their main source of information. The ECB is certainly one of the most outstanding institutions contributing to Frankfurt's ideal to become a leading centre for the development of financial markets, for regulation and supervision.

It is our ideal that here in Frankfurt, with all the European Monetary Institutions as well as our leading academic institutions, we can develop a regulatory centre that will stand for a philosophy of stable and sustainable financial markets, which are both socially beneficial and effectively regulated.

That should be, I think, also an ideal of the majority of the protesters outside and it could be the common ground that we all can happily subscribe to. Frankfurt also has a history as a place for international political dialogue and productive dispute. However, let me add: Violence and destruction is not part of a productive dispute. I want to say to the people outside: Stop the violence. And to the peaceful demonstrators I want to say: distance yourself from the violence. Everyone has the right to demonstrate. No one has the right to injure people, destroy buildings or burn cars.

Nowadays, the ECB plays a crucial role for the future of the Euro.

The successful handling of the problems that we are currently faced with in the Euro area is of tremendous importance for the economic and political stability of European countries, and hence for social cohesion and democracy.

We are well aware that the ECB has to deal with a completely new set of problems - both in monetary policy for the Euro area and in banking supervision.

People in the Euro area are concerned about the economic situation and have many questions. What could the ECB do about the ongoing unemployment in many European countries and the resulting high human costs? I know that this is the reason why the ECB embarked on developing new forms of monetary policies such as the bond-buying programme. But again many are concerned and ask, what this means for the savings of ordinary people?

The demonstrators outside today also have many questions, but the problem is, that there are no simple answers to difficult questions, if you look at the challenges we have been facing since 2010. But they are asking some of the right questions: Has it ever been successful in economic history to try to balance the budget through massive spending cuts in a shrinking economy? As the past years have proven - in my view - austerity can indeed be self-defeating.

On the other hand, if you want to protest against austerity, why protest in front of the ECB? In this respect, the ECB might be the wrong target in March 2015.

However, if you look at Greece: The problem in the past decades wasn't a lack of money - it was of course a lack of structural reforms within the country.

Many things to discuss, many things to negotiate. And I think that negotiations should be characterized by understanding

and mutual respect, not by command of one side, not by obstruction from the other side.

Dispute is the engine of analytical and social progress - provided the dispute takes place in an atmosphere of acceptance, understanding and mutual respect.

In search for solutions for the Euro we may bear in mind that no-one is in possession of a crystal ball showing ultimate truths. Nobody can be sure to know the best solution. Unfortunately, this applies to myself, too.

Therefore, the ECB, academia and other institutions here in Frankfurt could become the hub for productive regulatory, financial and monetary disputes.

It is these disputes that we would like to have and that are essential for Europe's future.

Ladies and gentlemen, the contribution of the ECB with all its expertise to the regulatory, financial and monetary policy dispute is highly appreciated.

To get ahead in Europe, this dispute must be governed by mutual respect, mutual acceptance and mutual understanding.

I am confident that together we will progress on the route to a better Euro area.

Ladies and gentlemen, on behalf of the whole Hessian State Government, I congratulate you on this beautiful new location.

I'm looking forward to the next years!

KONTAKT: Marco Kreuter, Pressestelle
Hessisches Ministerium für Wirtschaft, Energie, Verkehr und Landesentwicklung
Kaiser-Friedrich-Ring 75, 65185 Wiesbaden, Tel 0611 815 2020
MAIL: marco.kreuter@wirtschaft.hessen.de www.wirtschaft.hessen.de