

## Frankfurt financial centre



### A central location of international significance

Frankfurt am Main benefits from its central location and Frankfurt's financial centre is the gateway to Europe's biggest economy. Frankfurt lies in the economically dynamic Rhine-Main region and is home to more than 200 banks, over 80% of which are foreign banks. Frankfurt is ranked 10th in the Global Financial Centres Index 25 and, along with London and Zurich, is among three European cities in the top 10.

European monetary policy is conducted in Frankfurt since this is where the European Central Bank (ECB) is based. It is the central bank of the 19 member states of the European Union to have adopted the euro. Deutsche Bundesbank, which has been part of the Eurosystem since 1999 and is thus jointly responsible for the euro with the ECB and the other national central banks, has its headquarters in Frankfurt too. Frankfurt is also the centre for national and European financial supervision. It is home to the Single Supervisory Mechanism (SSM), which, together with the national supervisory authorities, has been supervising eurozone banks since 2014. In 2010, the European Systemic Risk Board (ESRB) was established in Frankfurt with the aim of monitoring the financial system in the EU and preventing systemic risk.

Also based in Frankfurt are the European Insurance and Occupational Pensions Authority (EIOPA) and the Federal Financial Supervisory Authority (BaFin), which is responsible for supervising banks and financial services providers, insurance companies and securities trading in Germany.

Deutsche Börse AG, which operates the Frankfurt stock exchange and provides services for securities markets throughout the world, has close ties with the financial centre of Frankfurt too.

Enhancing Frankfurt's standing as a financial centre is one of our key tasks. To this end we foster dialogue with market participants by initiating discussion and organising events.

“Together with the Association of Banks in Hesse we offer foreign banks a platform to exchange views on important international regulatory issues and matters impacting the financial sector.”

Dr. Christian Ossig, Chief Executive of the Association of German Banks



## A location for culture and digitisation

Frankfurt and the Rhine-Main region have a lot to offer culturally: internationally renowned museums along Frankfurt's Museum Embankment (Museumsufer) and in the surrounding towns, numerous theatres and stages as well as countless festivals and events. Frankfurt as a financial centre also benefits from its long tradition as a city of trade fairs and commerce, from its excellent infrastructure with major hubs for road and rail and from Frankfurt Airport, one of the largest airports in Europe.

Young financial technology companies, or fintechs for short, take advantage of the proximity of the financial industry in Frankfurt. When it comes to digital banking, the financial centre is pressing ahead with the digitalisation of products and processes while at the same time providing access to investors and capital. In 2016 the Frankfurt TechQuartier was founded, a publicly supported start-up and fintech initiative with partners from industry, finance and research. TechQuartier and the Hesse state government together plan to make Frankfurt an international hotspot for artificial intelligence (AI). AI is increasingly becoming a driver of the digital value chain, especially in the financial industry. Plans include a centre (AI hub) for technology companies, universities and public institutions as well as a datalab, which will consolidate information of relevance to financial markets from the major national and European financial supervisory and regulatory authorities.

Owing to its huge importance for the financial sector, the issue of digitisation plays a central role in our daily work at the Association of Banks in Hesse and is a top priority in numerous events and discussion forums.

„We have all that’s needed to make Frankfurt an international AI hotspot: the world’s largest internet node, state-of-the-art data centres, cuttingedge IT security research. (Tarek Al-Wazir, Hesse Minister of Economics)“