Foreword

When Andreas Dombret joined the Bundesbank’s Executive Board in May 2010, the right person came to the right place at the right time. As the President of the Bundesbank, I have come to know Andreas Dombret as a capable, resolute and, last but by no means least, eloquent colleague whose expertise has helped the Bundesbank to competently play its role in ensuring financial stability and in banking supervision. Today, as the Chairman of the Board of Directors of a major global systemically important bank, I value him as a profound interlocutor with a deep understanding of banks and financial markets.

Andreas Dombret took office in turbulent times: in the first days of his tenure the ECB launched its first asset purchase programme, which was known as the SMP. In the years that followed, he experienced the escalation of the euro crisis, quantitative easing of monetary policy, and the use of negative interest rates. With regard to both financial stability, which he initially headed the Bundesbank’s team for, and banking supervision, which he subsequently also took responsibility for, the last nine years have brought major changes worldwide, which Andreas played his part in and helped to shape from the German perspective. Those changes include, to give just a few examples: the Capital Markets Union, which he has supported from an early stage; the Single Supervisory Mechanism, where he oversaw the transitions of the major German banks under the supervision of the ECB; the diversification of the Bundesbank’s foreign exchange reserves, which he drove forward; and the Basel III negotiations, which he led decisively on the German side. He also represented, vigorously and successfully, German interests and the policies of the Bundesbank, both at home and abroad, in a large number of international bodies around the globe.

Andreas Dombret transformed himself from a banker to a central banker: after a successful career in the private sector, he decided to work in the public sector. I myself went the other way round, from public service to the private sector. We both agree that such exchanges between the world of central banks and the world of commercial banks are enormously important, in order to promote mutual understanding between the regulator and the regulated, between the central bank and the
financial markets, to find a balance between the various interests and thus, ultimately, to serve the common good. This mutual understanding will become even more important in the future, as the financial system has become much more complex over recent years, due to increasing regulation.

I would like to take this opportunity to thank Andreas Dombret for his commitment to the Deutsche Bundesbank, the banks of Europe and the global financial industry, and to wish him all the best for his professional and personal future. On the one hand, I wish him (and all of us) a less turbulent future in the financial markets than during his tenure at the Bundesbank. On the other hand, I fear that the world of commercial banks, central banks and financial markets will hold many more surprises and challenges in coming years, for example in connection with the ECB’s apparent inability to withdraw from its unconventional monetary policy, the necessary consolidation in the European banking sector, and cohesion in the euro zone. Someone such as Andreas Dombret is likely to continue to work in this environment in the future and make his contribution to overcoming such challenges, just as he has done in the past at the Bundesbank and in his other engagements.

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