

Ladies and gentlemen,

Good morning. It's my great pleasure to be here today to address the annual Athens Exchange Conference for a second consecutive year, among such distinguished speakers. I also wish to express my warm thanks to the organizers, Mr. Anastasopoulos and Mr. Lazarides, for their invitation to this important event.

As Chairman of the Hellenic Capital Market Commission, my mission, is the effective supervision of Greece's capital market, and the creation of the regulatory conditions that promote private investment opportunities within a financially sound environment.

Before elaborating on our ongoing efforts, I want to take this opportunity to share my optimism for the Greek economy. Economic figures for the first quarter of 2017 show clear signs of recovery.

I assume that the speakers to follow, macroeconomists, will refer in more details to this topic.

These positive developments are underpinned by Greece's key competitive advantages, which include:

- **An exceptional geographic location and climate.**
- **Full participation across all E.U. structures.**
- **A modern and solid infrastructure that is in the process of being completed.**
- **And a significant improvement in labor market competitiveness with a highly-skilled and specialized workforce.**
- **Last but not least, I want to highlight the gradual recovery of trust in the Greek economy, following the completion of the second evaluation, which also includes a positive prospect for the restructuring of Greek debt.**

With the afore-mentioned in mind, I can-not but conclude, that the time is ripe for Greece to attract foreign investment.

However, no economy is an isolated island, and we must keep in mind the global economic and political backdrop. The weak performance of the global economy and major political events, such as the UK's Brexit and the upcoming German elections, have adversely affected European economic performance, and consequently Greece's as well.

Against this backdrop, Greece's biggest economic challenge is the implementation of its new growth model, based mainly on exports and foreign investment. Given that private consumer spending remains weak, and that public investment is constrained by the obligations of the economic adjustment programme, the contribution of exports, as well as large-scale investment, are crucial for economic growth.

Furthermore, with regard the financing of the real economy, Greek banks still remain the major source of financing. However, it is not sufficient. And there are significant benefits to be had from achieving a better balance between the banking system and the financial markets as sources of funding for the economy.

The benefits to the Hellenic financial system include more diverse funding sources, which would facilitate a shift from debt-funding to equity-funding, and in turn, an increase in the overall competitiveness of the financial system.

In this way, capital markets can perform an essential function in society, as an increase in the financing of economic activities, would result in more jobs and economic growth, while also allowing for Greek citizens to increase savings and investments.

At the Hellenic Capital Market Commission, we are fully aware of our role as the regulator, entrusted with the tasks of promoting and establishing sound conditions for the capital market, as well as enhancing public confidence in the quality of supervision and market behaviour, which are prerequisites for growth, as well.

With all this in mind, we have introduced a rigorous institutional framework for the establishment of alternative sources of financing. First and foremost, we have introduced the issuance of corporate bonds, tradeable on the Athens Exchange. This initiative has created an essential alternative channel for the distribution of liquidity, directly from investors to sound productive enterprises.

It is also worth noting that the EBRD is actively participating in the funding of Greek firms, in recognition of the existing high yields and the good prospects of the Greek economy.

We have also established a crowdfunding regime, which enables start-ups, as well as existing small and medium-sized enterprises, to seek funding. Both the corporate bond and crowdfunding initiatives are now in full swing and we are already recording their positive results.

In parallel, the HCMC also introduced the authorisation of fund managers, operating under the scope of the Alternative Investment Fund Managers Directive, which offers the opportunity to make use of the so-called European passport.

At the same time, our Commission actively follows the developments at a European and international level, through its participation in ESMA and IOSCO, and contributes to initiatives promoting capital market reforms in Europe. We also ensure that all reforms are introduced into the Greek legal framework in a timely manner.

Special reference should also be made to the Commission's active involvement in the drafting of the law to incorporate MiFID II into Hellenic legislation, which is the E.U.'s most significant development in Europe's capital market regulation. The draft Law has already been sent to the Ministry of Finance and is expected to be passed in parliament by August 2017.

In conclusion, I wish to assure you that the Hellenic Capital Market Commission will continue to fully support and promote all initiatives that foster economic growth for Greece. Our goal is to provide a sound and efficient capital market that offers great prospects, within a modern and well-regulated framework, that not only protects investors, but also supports innovation.

It is my belief and hope that 2017, and the years that follow, will see our goals fulfilled, and our expectations for progress exceeded, for both the Greek economy and its people alike.

Thank you very much for your attention.