

Selection Panel Evaluation Report for the Members of the EB and GC for the HFSF 2018 Annual Report

The SP's conclusions can be summarized as follows:

- There has been a sustained and substantial improvement in the internal functioning of HFSF.
- What is of particular importance is the smooth, steady and efficient collaboration between the members of the Executive Board and the members of the General Council.
- Overall the Fund has entered a more mature, efficient and effective phase in its operational and administrative functioning. In particular it has developed a set of intervention procedures and tools consistent with its mandate and shareholder role.
- The leadership of the fund – including both bodies – has introduced and is gradually implementing a new institutional culture aiming to redefine its vision within the boundaries of its mandate, and setting clearly defined and measurable targets and objectives.
- The Fund has clearly delineated and is giving content to its role as a shareholder of the systemic banks rather than as an additional regulator. It exercises effectively its mandate in monitoring its investments, in analysing the current status and the prospects of the four systemic banks, and in developing tools which offer very valuable options for solving some of the major problems facing the systemic banks, such as Corporate Governance issues, asset protection and NPL reduction policies.
- The SP has also noted that open issues connected to the divestment process remain outstanding and are still to be dealt with and that the independence of the HFSF and its governing bodies should be safeguarded.

Based on the information it has collected, the SP has not proposed to the Minister the removal of any Member of the decision making bodies of the HFSF.