

Curriculum Vitae of Mr. Dr. Axel Sauer

I. Personal Data

Family name: Sauer, Dr.

First names: Axel, Stephan

Date of birth: December 27, 1951

Place of birth: Wiesbaden, Federal Republic of Germany

Marital Status: Married

Nationality: German

II. Professional Experiences

2020 up to now: The self-employed consultant and Central Banking expert is back at Potsdam, Germany, since June 2020.

2017 – 2020 National Bank of Tajikistan (NBT), Dushanbe, Tajikistan, providing consultancy services at NBT's Financial Stability Department.
Main areas of responsibility:
Monetary policy;
Domestic currency state security markets development;
Developing and implementing for NBT Macro-prudential tools and Micro-prudential regulations;
Designing and implementing "3 Lines of Defense" (3 LOD) approaches.
Location: 107A Rudaki Avenue, 734003 Dushanbe, Republic of Tajikistan. Acting as integrated expert (IF) for the "Centre for International Migration and Development" (CIM) and "Gesellschaft für internationale Zusammenarbeit (GIZ) GmbH", Germany.

2015 – 2017 National Bank of Ukraine (NBU), Kiev, Ukraine, providing consultancy services as chief specialist, at 2nd line of defense NBU's Risk Management Department at NBU's supervision, operational and reserve management objectives.
Main areas of responsibility:
Updating NBU's supervision "Framework for an asset quality review" by quantitative impact studies (QISs)

and probability of default (PD) calculation on credit risk provision (IFRS 9 regulation);
Identifying global and domestic systemic important banks and financial institutions (G-SIB and D-SIB) at Ukrainian banking system;
Amending NBU's banking supervision "early" warning system, by credit, market and liquidity risks indicator and international best practice, to compare supervised financial institutions by snap-shot analysis;
Establishing at NBU's involved departments - Supervisory Review and Evaluation Process (SREP), referring hereby to European Central Bank (ECB) three lines of defense model, and Basel Committee on Banking Supervision (BCBS) recommendations.
Supporting NBU's Financial Stability Department (FSD) and revitalizing Ukrainian securities markets, by enhancing transparency at security pricing and delivery versus payment (DVP) processes.

Location: Instytutska Street 13, Kyiv 01601, Ukraine. Acting as Integrated expert (IF) for the "Centre for International Migration and Development" (CIM) and "Gesellschaft für internationale Zusammenarbeit (GIZ) GmbH", Germany.

2003 – 2015 Self-employed consultant - since 2003 until 2015, guiding conventional commercial banks with micro-, small- and medium enterprise (MSME) clients, to improve their Finance (lending / funding) and Risk Management (MSME/RM) facilities, since 2009 advisor to Central Banks and registered as expert at European Bank for Reconstruction and Development (EBRD) consulting teams. Giving lectures, since 2014 on the topic - National and International Banking Supervision, at Frankfurt School of Finance & Management.

2012 – 2013 European Bank for Reconstruction and Development (EBRD) consultant.

Main areas of responsibility:

EBRD consultant under EBRD's framework "Regional (TCS35215): "The EBRD - Local Currency Financing and Markets Initiative - Enhancing Infrastructure and Instruments - No 1 - Kyrgyz Republic - Pillar 1b - Promoting Local Currency Bonds in ETC Countries",

with the main responsibility to support MSME bank “Kyrgyz Investment and Credit Bank” (KICB) on the process to issue and to place the first local currency corporate (bank) bond” in Kyrgyz Republic (KR).
Assessing “new” financial product and addressing proposals to National Bank of Kyrgyzstan Republic (NBKR) on the regulatory treatment of corporate (bank) bond risk weights, liquidity criteria, and loss reserve provisioning.

2009 up to now Registered expert at EBRD’s consulting teams – “targeted crisis response”, EBRD’s “Regional (TCS 29330)” medium-sized loan co-financing facility (MCFF), to EBRD’s partner banks, and as expert (without mandate) on EBRD’s – “External Supervisory Board Nominees Register of Experts”.

2009 – 2012 Central Bank of Kuwait (CB) acting as the “Governor’s Advisor” (e. g. hereby until February 2012, as advisor to His Excellency Sheikh Salem Abdul-Aziz Al Sabah), and as consultant to CB Executive Directors.

Location: Al Seif – Aljazeera Centre, Salmiya, Avenue 56, Kuwait, until July 2012.

Main areas of responsibility:

To develop Kuwait’s economic and financial system, in the fields of lending to micro, small and medium-sized entities (MSME).

To amend MSME lending/funding, capital markets and banking (off- and on- site) sector supervision regulatory frameworks, did establish at CB - Financial Stability Department (FSD), and did propose to take measures – e. g. “reconstruction and development portfolios” funded by the CB, to overcome imbalances in Kuwait’s economy (e. g. oil revenues account for more than 90 percent of state income).

I did provide high quality advice to at CB responsible departments, to keep the local currency - Kuwait Dinar (KWD), in the status of a (completely) convertible, and stable currency, according to Kuwait’s CB currency laws (e. g. KWD in circulation, has to be kept within mandatory KWD cover ratio (≥ 100) by the foreign currencies reserve and Gold).

And to accommodate Kuwait's banking sector and local securities markets by security REPOs (repurchase agreements) with liquidity, hereby focusing on equity and debt markets, with appropriate (e. g. inflation not impacting) funds in local currency.

I did implement IMF and World Bank recommendations (e. g. to allow the local market to diversify by issuing "new" product lines), to foster securities, foreign exchange (FX), and standardized derivatives trading at primary and secondary markets, and did amend CB's regulatory standards for all types of financial markets intermediation.

I did implement, at CB on – site "risk based assessment" processes and "stress tests" referring to by World Bank and "International Monetary Fund" (IMF) promoted "CAMEL" and "BCOM" approaches and "Basel Committee on Banking Supervision" (BCBS) recommendations - e. g. the "International Convergence of Capital Measurement and Capital Standards (Basel II, standardized approach), June 2006", and the "Enhancements to the Basel II framework, July 2009" on the "Internal Capital Adequacy Assessment Process" (ICAAP) .

CB Executive Director Operations & Research Sector and myself did prepare proposals, to topics addressed by "Basel III: International framework for liquidity risk measurement, standards and monitoring, (December 2010)", on "liquidity buffer", and "liquidity coverage ratio" (LCR), with application focus on - "Kuwait's" conventional and Islamic banks.

2003 – 2009 Self-employed consultant for conventional banks with SME and Micro SME lending activities at transition countries, did develop local financial markets, and funding to real economic sector (e. g. to small and medium-sized business entities (SMEs)).

Location: 2004 until December 2009 at various project locations.

Main areas of responsibility:

2003 – 2004 Seminars on risk management and regulatory compliance to the employees of Eastern European conventional banks at Serbia, Bulgaria, Ukraine, and

- Russia on by the BCBS given recommendations the “New Basel Capital Accord (Basel II)”.
- 2004 – 2005 ProCredit Bank, Georgia, chief financial officer (CFO) with special responsibilities to Risk Management (RM) out of SME banking book loan portfolios, interest rate change risk, liquidity risks, market risks, and settlement risk on foreign currency exchange transactions, on local banking supervision eligible over the counter (OCT) derivatives, and on issuing local currency denominated corporate (bank) bonds, listed at Tbilisi stock exchange.
- 2005 – 2006 ProCredit Bank, Romania, amending treasury front office by liquidity and market risk management tools in all MSME lending relevant currencies, and to launch in local currency the banks first, and in Romania fourth, publicly offered conventional corporate (bank) bond, listed at Bucharest stock exchange.
- 2006 – 2008 ProCredit Bank, Kosovo implementing treasury front office functions, enabling the bank to manage market risks and to provide foreign currency exchange services to SME clients – by keeping the bank’s daily revaluated open currency positions (OCP) close to zero levels, and to establish investment and liquidity guidelines/ratios to operate within by Central Bank and the board approved limits on EUR and USD bond portfolios.
- 2008 – 2009 ProCredit Bank, Albania advisor to executive management with special tasks on treasury front office activities (Liquidity, FX and securities services), risk department (market and credit risks), and on SME project financing issues.
- 2008 – 2009 Short term (up to three weeks) consultancies to ProCredit Bank, D. R. Congo, Kinshasa, addressed to treasury front office, and mobile phone payments departments, on liquidity and market risk management in all MSME lending relevant currencies, and on money transfer and FX services to MSME clients.
- 2001 – 2002 The Association of German Public Sector Banks, Berlin, Germany; employed as Senior Manager/Division Manager. Securities trading and German securities exchanges, corporate governance and regulatory compliance,

participation in the drafting of German regulations on standardized security prospectus, and the prevention of insider trading and “market abuse”, as set forth in the EU - “Investment Services Directive” (ISD).

- 1995 – 2001 DG Bank (Deutsche Genossenschaftsbank) AG, Frankfurt a. Main, Germany; employed as Deputy Department Head, Consulting (Capital Markets) Group. Set up and managed the Consulting (Capital Markets) Group; duties did included client acquisition of savings banks, small commercial banks in Germany and co-operative banks in Austria, Italy and Spain, and to support the sales units of the principal departments “Capital Markets” and “Treasury”; managed a staff of four.
Presentations and seminars for customers on how to report to supervisor and how to book (under the accounting standards stipulated by the German Commercial Code, IAS or IFRS), “new” on and off balance sheet banking products (e. g. interest-rate and FX items, securities, and OTC derivatives (swap, cap, floor)).
- 1995 – 1997 DG Bank (Deutsche Genossenschaftsbank) AG, Frankfurt a. Main, Germany; employed as Vice President, Customer Support – to German co-operative banks.
Set up and managed the group “Customer Support”; duties did include co-operative banks acquisition and sales of investment banking products, interest-rate and FX products, securities, derivatives, and OTC derivatives (swap, cap, floor) to co-operative banks in Germany; managed a staff of nine.
- 1989 – 1995 Schweizerische Kreditanstalt (Deutschland) AG, (“Credit Suisse”), Frankfurt a. Main, Germany; employed as Assistant Manager with General Power of Attorney (vice president, or “Prokurist”).
Head of the “Asset & Liability Management” group; responsible for price risk management for all by Schweizerische Kreditanstalt (Deutschland) AG managed assets and liabilities with an original maturity of more than one year; managed a staff of four.

Marketing of, and own-account (proprietary) trading in, OTC derivatives (interest rate and foreign currency swaps, caps, floors) and futures (LIFFE, London); issuance of own borrower's note loans, and own-account (proprietary) trading in private placements and borrower's note loans in DEM, CHF and USD.

1987 – 1989 Schweizerische Kreditanstalt (Deutschland) AG (“Credit Suisse”), Frankfurt a. Main, Germany; employed as Manager with Special Authorizations (“Handlungsbevollmächtigter”).
Authorized to serve as a “centre of competence” (CC) for Credit Suisse, Zurich, Switzerland, and to Credit Suisse First Boston (CSFB), London, New York and Tokyo, in regard to DEM interest rate, and foreign currency swaps, and their use in capital market bond issues.

1984 – 1987 Berliner Handelsgesellschaft und Frankfurter Bank (BHF-Bank K. a. AG, “BHF Bank”), Frankfurt a. Main, Germany; employed as Trainee with Special Authorizations (“Bevollmächtigter in IPO, and OTC derivatives”).
Authorized to serve on “initial public offering” equity deals for clients of BHF Bank AG, Frankfurt a. Main, and as trader on “over the counter” (OTC) derivatives transactions in regard to exploit “arbitrage” trading opportunities.

III. Educational Background

1958 – 1963 Grammar School, Taunusstein, Germany.
Degree: Exam for entering High-Schools.

1963 – 1968 Albrecht-Duerer School, Wiesbaden, Germany. Degree: Exam for entering business High-Schools.

1968 – 1972 Friedrich-List-Business School, Wiesbaden, Germany. Degree: B. A. equivalent to matriculation or High-School Exam for entering Universities.

1972 – 1973	Military Service.
1973 – 1979	Johann Wolfgang Goethe University, Frankfurt a. Main, Germany, Degree / Diploma: M.Sc. in Macro Economics / Diplom-Volkswirt (MA in Economics). Thesis: Human Capital and Income Distribution.
1979 – 1984	Johann Wolfgang Goethe University, Frankfurt a. Main, Germany Degree: Ph.D. in Macro / Micro Economics with focus on Banking and Finance. Thesis: The Capital Asset Pricing Model applied on - pricing processes of initial - publicly at securities markets, offered equity products.
1984 – 1987	Berliner Handels- und Frankfurter Bank (“BHF-Bank”), Frankfurt a. Main, Germany. Degree: Certified Bank Officer.

III. Languages Skills

<i>Language</i>	<i>Reading</i>	<i>Speaking</i>	<i>Writing</i>
German (native speaker)	5	5	5
English	5	5	5

Marked 5 to 1 for competence, 5 = excellent, 4 = good, 3 = fair

IV. Computer Skills

Electronic Data Processing:
“Microsoft Office” products for economic modelling, cash management and funding simulation tools, and Treasury front office systems like Reuters, Bloomberg including middle office systems.

VI. Memberships

European Finance Forum (EFF) <http://www.eff.de>

VII. Publications

Aktienemissionsplanung und Emissionskurswertbildung: bei vollkommenem u. unvollkommenem Kapitalmarkt / Axel Sauer, - Frankfurt am Main; Bern; New York; Lang, 1984.

September 2012, comments on Basel Committee on Banking Supervision consultative document – “Fundamental review of the trading book”, May 2012, with focus to emerging market countries.

<http://www.bis.org/publ/bcbs219/cacomments.htm>

January 2014, comments on Basel Committee on Banking Supervision second consultative document – “Fundamental review of the trading book”, October 2013.

<http://www.bis.org/publ/bcbs265/comments.htm>

February 2020, comments on Basel Committee on Banking Supervision consultative document – “Revisions to market risk disclosure requirements”, November 2019.

<https://www.bis.org/bcbs/publ/comments/d484/overview.htm>