Abstract
The international financial crisis has been the catalyst for a profound change in financial supervision and its business model. In the case of Europe, the size of the banking industry demands severe adjustment. This article analyzes recent reorganization processes within the banking sector that have been undertaken, or that have at least been recently initiated, by national entities (savings banks and credit cooperatives). Their special territorial basis, which has theoretically been compatible with a strong geographical expansion process, has led to application of the legal formula of the "Institutional Protection System (IPS)" that was suggested by the European Union only months before the international financial crisis arose. This new method of business concentration is presented as an alternative to mergers and acquisitions. With this in mind the article first looks at how the environment has been affected by the consequences of the crisis within the sector. It goes on to present the IPS that have been initiated and implemented until now, looking at specific cases within the European credit cooperatives sector and analyzing the Spanish sector econometrically.

Keywords
Financial crisis, Financial Institutions, Social Economy, Institutional Protection System (IPS), Saving banks, credit co-operatives.