



Mailing list Supervision/ Accounting/ Money Laundering

Brussels, 10 June 2014

Public Consultation on a draft regulation of the European Central Bank on supervisory fees

Dear Madam or Sir,

The European Central Bank (ECB) has now published the announced public consultation on a draft regulation on supervisory fees. By this regulation the ECB intends to determine the annual contribution of each credit institution for the financing of the supervisory task which will be assumed by the ECB as of 4 November 2014. The ECB estimates a cost expenditure of 260 million euros for 2015.

1. Scope

According to the draft regulation all credit institutions which are supervised in the SSM shall be requested to pay a contribution. This includes as well the credit institutions which will still be supervised by national supervisory authorities. Credit institutions which are established in a member state participating in the SSM and branches of credit institutions in a participating member state with only an establishment in a non-participating member state are covered by the scope. In case of several branches in a participating member state a common fee notice is send to the bank on the highest level of consolidation.

2. Amount of the contribution

In order to calculate the individual contribution, the cost expenditure is attributed appropriately in a first step to the two groups – the directly by the ECB supervised and the indirectly supervised credit institutions (article 9). The single contribution of each credit institution is composed according to the proposed method (article 10) of a minimum fee and a variable fee.

Concerning the minimum fee, 10 % of the supervisory costs are proportionally allocated to the credit institutions of the respective two groups. For significant credit institutions with total assets of a maximum of 10 billion euros, the minimum fee component shall be reduced by half.

In order to cover the remaining costs a variable component shall be determined. According to article 10 (5) and (3) the share of each credit institution in the total assets and the total risk exposure shall be relevant.

The ECB estimates that contributions of significant credit institutions will amount from 150.000 euros to 15 million euros. Not significant credit institutions will pay between approximately 2.000 euros and 210.000 euros.

However, it is not possible to calculate with the provisions in the draft regulation the concrete financial burden for each credit institution.

The ECB clarifies that costs which result from the ongoing supervision of less significant credit institutions by the national supervisory authorities are not covered by the contributions mentioned in the draft regulation. At the same time, the national laws which demand fees are not affected by the draft regulation.

3. Procedure

A first fee notice is notified to the credit institutions at the beginning of June 2015. The contributions shall be firstly due on 1 July 2015. They will cover the last two months of 2014 and the year 2015.

The fee debtor shall be notified to the ECB for the first time on 31 December 2014 and afterwards always on 1 March of each year.

4. Entering into force

The ECB regulation shall enter into force five days after its publication in the official journal of the EU. It will then apply directly in the Member states of the Eurozone. A review and a possible revision are planned for 2017.

Please find attached the draft regulation. We would be grateful if you would send your comments, remarks and views on the draft to the EFBS office by **27 June 2014**.

If you have further questions, please contact us at any time.

Yours sincerely,



Andreas J. Zehnder
Managing Director

European Federation of Building Societies

Annex

- Draft regulation of the European Central Bank on supervisory fees