



Mailing list Supervision/Accounting/Money laundering

Brussels, 23 October 2014

Delegated regulation on the provisional system of instalments on contributions to cover the administrative expenditures of the Single Resolution Board during the provisional period

Dear Madam or Sir,

On 8 October 2014 the European Commission has published a delegated regulation on the provisional system of instalments on contributions to cover the administrative expenditures of the Single Resolution Board during the provisional period. Article 42 ff. of the regulation establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund requires the establishment of a Board which shall be responsible for the drawing up of resolution plans for credit institutions under ECB supervision (article 7 (2), (8)), taking decisions related to their resolution (article 14 ff.) and the administration of the Single Resolution Fund (article 67). Pursuant to article 65 of the regulation the credit institutions which were listed by the ECB on 4 September 2014 as significant institutions shall cover the administrative costs of the Board (concerning the remuneration of staff, the administration, the professional infrastructure, professional training and operational expenses). However, significant credit institutions which are subsidiaries of groups, which are already considered as obliged to contribute themselves, shall be excluded from the payment. Therefore, the European Commission shall determine through a delegated regulation the administrative costs, the calculation method and the payment arrangements. However, this delegated regulation foresees only a system of temporary cost recovery during a provisional period. The financing shall only cover the period from 19 August 2014 to 31 December 2015. The European Commission will propose a definite solution in a delegated regulation which will be designed similarly to the framework of financing of the supervision of the credit institutions by the ECB later on.

For the instalment on contributions of each relevant credit institution the administrative expenditures of the Board for 2014 and 2015 shall be multiplied with the ratio of the total assets of that significant entity to the aggregate of the total assets of all significant entities (as reported on 31 December 2013 or the relevant reporting date). The instalments shall be reviewed at the establishment of a definite financing system (article 6 of the delegated regulation).

The delegated regulation will enter into force with its publication in the Official Journal of the EU. It will be directly applicable and binding in the Member States. Please find enclosed the delegated regulation. If you have further questions, please contact us at any time.

Yours sincerely,



Andreas J. Zehnder
Managing Director
European Federation of Building Societies

Annex:

- Delegated regulation on the provisional system of instalments on contributions to cover the administrative expenditures of the Single Resolution Board during the provisional period