

## Template for comments

### Public consultation on the Review of the ECB Regulation on supervisory fees

#### Institution/Company

Austrian Federal Economic Chamber/Division Bank and Insurance

#### Contact person

Mr/Ms

First name

Surname

Email address

Telephone number

Please tick here if you do not wish your personal data to be published.

General comments

## Template for comments

### Public consultation on the Review of the ECB Regulation on supervisory fees

Please enter all your feedback in this list.

When entering your feedback, please make sure:

- that each comment only deals with a single issue;
- to indicate the relevant article/chapter/paragraph, where appropriate;
- to indicate whether your comment is a proposed amendment, clarification or deletion.

Deadline:

ID	Article of the regulation	Page	Type of comment	Detailed comment	Concise statement why your comment should be taken on board
1		1	Amendment	<p>The current regulation does not comprise any provisions on how to include the fee-paying entities in the review of costs. Thus, we believe that establishing a committee that verifies that the fee level is reasonable and that the supervisory fees are spent in a proper and cost effective manner should be considered. Bearing in mind that 100% of the funds are provided by the supervised entities, representatives thereof should be members of this committee.</p> <p>Furthermore, it should be added that the two following principles regarding the calculation of the fees to be levied on credit institutions are of central importance: First, costs must be allocated fairly, based on who causes them to be incurred. Second, the principle of proportionality must be respected.</p>	
2	4(3)		Amendment	<p>Pursuant to Article 4(3) the right to determine the fee debtor is to be reserved to the ECB without prejudice to Article 4(2). We believe that if the group is to nominate and notify the fee debtor according to the criteria set out in Article 4(2), there will be no need for the ECB to determine the debtor. Therefore, we suggest amending Article 4(3) by providing that the ECB reserves the right to determine the fee debtor only if the group of fee-paying entities has not nominated and/or notified a debtor pursuant to Article 4(2) of the Regulation.</p>	
3	5(3)(a)		Clarification	<p>Article 5(3)(a) provides that the ECB shall take into account any fee amounts related to previous fee periods that were not collectible when determining the annual costs. However, this provision should not lead to the result that (partially) outstanding supervisory fees of credit institutions of the previous fee period are invoiced to all credit institutions in the following fee period.</p>	
4	10(3)(a)(ii)		Amendment	<p>According to Article 10(3)(a)(ii) the total risk exposure is considered zero in the case of a fee-paying branch. To avoid unbalanced fees, the weighting of total assets pursuant to paragraph (3)(e)(i) should be set at 100% instead of 50% in this case. For the purposes of legal certainty and clarity, we consider that all procedures and methods determining the annual supervisory fee should be as transparent as possible and described in detail in the Regulation.</p>	
5	10(6)(b)		Amendment	<p>Pursuant to Article 10(6)(b) the minimum fee component is halved for significant supervised entities/ groups with total assets of EUR 10 billion or less. This possibility, however, is not provided to less significant supervised entities and less significant supervised groups. In light of the principle of proportionality, the minimum fee component should under certain circumstances also be halved for less significant supervised entities and groups (for instance, for credit institutions with total assets of EUR 500 million or less).</p> <p>As an alternative the minimum fee component could also be distributed without differentiating between significant and less significant supervised entities or groups, and calculating the individual fee by its total assets. Furthermore, balance sheet and off balance sheet items should be taken adequately into account when calculating the minimum fee components.</p>	
6		15	Clarification	<p>Any proceeds from penalties imposed by the ECB pursuant to this Regulation should only go into the budget of the SSM and not into the general ECB budget.</p>	
7		9	Amendment	<p>In the context of a governance process for determining SSM fees an approval and supervisory committee could be established for the approval and monitoring of fees/budget in the future. The committee should be designed to approve the estimated annual costs as well as any deficit from the fees. In situations where the ECB expects the annual costs to exceed the approved budget, the expected deficit should be subject to an approval process in advance, before the costs occur. In this process the ECB should lay down the reasons for the overrun of costs accompanied by a cost-benefit analysis. In such a committee also the institutions, the NCAs and the European Court of Auditors should be represented. The NCAs have the relevant experience in supervision and are independent. Such a procedure as well as the involvement of the institutions within this committee would also satisfy the principle of proportionality where the indirect costs which occur from the supervision of institutions would also be subject to a cost-benefit analysis. Also the institutions' understanding of the relevance of supervisory actions could be enhanced through such a process.</p>	
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