



Review of the ECB Regulation on supervisory fees

Frequently asked questions

- 1 Why are you reviewing this ECB regulation?**

The ECB Regulation on supervisory fees, adopted in October 2014, obliges the ECB to conduct a review by 2017. The aim of the current consultation is to gather feedback from interested parties with a view to assessing possible improvements. The responses to the consultation paper will provide the ECB with important insights for preparing, if considered appropriate, a formal update to the ECB Regulation on supervisory fees.
- 2 Does this ECB regulation apply to all banks in the euro area or only to those directly supervised by the ECB, i.e. significant banks?**

All banks supervised within the Single Supervisory Mechanism (SSM) during the fee period have to pay supervisory fees at the highest level of consolidation. However – as specified in the ECB methodology laid down in the ECB Regulation on supervisory fees – the annual supervisory fee is related to the supervised entity's status as either significant or less significant, thus reflecting the different degree of supervisory scrutiny required from the ECB for each category.
- 3 Why does the ECB levy supervisory fees?**

Under Article 30 of the SSM Regulation (Council Regulation (EU) No 1024/2013), the ECB levies annual supervisory fees in order to cover its expenditure in relation to the supervisory tasks conferred on it under the same Regulation. The fee is charged to credit institutions established in the Member States participating in European banking supervision and branches established in a participating Member State by a credit institution established in a non-participating Member State.
- 4 Which parts of the ECB Regulation on supervisory fees are open for review?**

The review will focus on the methodology and criteria for calculating the annual supervisory fee to be levied on each supervised entity and group. This particularly concerns the provisions of the ECB Regulation on supervisory fees that are relevant for defining the methodology by which the annual supervisory fee is calculated,

allocated and levied, as set out in Part III (Determining the annual supervisory fee) and Part V (Invoicing) of the ECB Regulation on supervisory fees.

5 **Is Part II (Expenditure and costs) of the ECB Regulation on supervisory fees included in the review?**

The recovery of expenditure incurred by the ECB in conducting its supervisory-related tasks is provided for in Article 30 of the SSM Regulation and hence does not fall within the scope of the review of the ECB Regulation on Supervisory fees.

6 **Does the review cover the fees that banks pay to their national competent authorities?**

No, the review only covers the ECB supervisory fee framework, without prejudice to the supervisory fees of the national competent authorities, which are established under national legislation. Furthermore, the review is without prejudice to changes in the wider legal framework governing the ECB annual supervisory fees, in particular the SSM Regulation.

7 **How can I submit my comments?**

Please submit your comments using the dedicated template and enter the information requested, specifying for each comment the relevant article and page of the ECB Regulation on supervisory fees. Please provide examples and data where appropriate.

You can send the completed template to the ECB by email or post. For details, please refer to the Submitting comments section.

8 **What happens next? What are the envisaged next steps?**

Supervised entities and groups as well as other interested parties are invited to contribute to the public consultation. All comments will be assessed by the ECB and taken into consideration when preparing, if considered appropriate, a formal update to the ECB Regulation on supervisory fees. The ECB will consult the national competent authorities via the Supervisory Board and other established fora. The outcome of the review will be published on the ECB's banking supervision website in 2018.

9 How will the supervisory fees for 2017 be determined?

The annual supervisory fees for 2017 will be calculated using the current methodology laid out in the Regulation on the supervisory fees. More information on the timeline, relevant deadlines and practical information can be found in the Supervisory fees section of the ECB's banking supervision website.