



## PRESS RELEASE

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### **Banco de España approves new structure for its Directorate General Banking Supervision**

At its session on 2 April, the Executive Commission of the Banco de España approved the restructuring of the Directorate General Banking Supervision (DGBS) and changes to its organisation chart with three aims in mind:

- To continue complying with the measures laid down in the Memorandum of Understanding entered into last year by the Spanish government and the Community authorities
- To prepare the DGBS structure for the future demands that may arise from the start-up of the Single Supervisory Mechanism.
- To adopt the supervisory procedures governing the asset management company (Sareb) in keeping with the provisions of Article 38 of Law 9/2012 on the restructuring and resolution of credit institutions, and of Royal Decree 1559/2012, establishing the legal regime for asset management companies.

Henceforth the DGBS shall comprise four departments;

- Supervision Department I: responsible for the direct supervision of the banks resulting from the former savings banks
- Supervision Department II: responsible for the supervision of the two Spanish banks defined as systemic under the methodology of the Financial Stability Board (FSB)
- Supervision Department III: responsible for the supervision of all other banks, credit cooperatives and other financial institutions
- Supervision Department IV (newly created): comprises the specialist operational groups previously reporting to the Associate Directorate General Banking Supervision (credit and operational risk; market, liquidity and custody risk; off-site analysis, and innovation and technology), which will continue providing cross-departmental support. Furthermore, two new divisions have been created:
  - a) Regulatory compliance division. This division will support and coordinate the activities hitherto performed in the DGBS in relation to the supervision of money laundering, senior executive pay and the marketing of financial products by credit institutions to their customers (provided this does not

come under the remit of the Spanish National Securities Market Commission);

b) A division exclusively dedicated to the supervision of Sareb

The new structure of the DGBS is a first step to adapt to the new circumstances in place in the Spanish banking system and to the setting up of the European Single Supervisory Mechanism under way. Foreseeably, further changes will be required as the functions of the European Single Supervisor develop and become firmly established.

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