



PRESS RELEASE

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Reorganisation of the Directorate General Banking Supervision

The Executive Commission has today approved the reorganisation of the Directorate General Banking Supervision proposed by its director general Mercedes Olano. This reorganisation has been ratified by the Bank's Governing Council. The new organisation chart of the Directorate General Banking Supervision is included in the annex to this note.

The reorganisation of the Directorate General Banking Supervision is one more step in the process of adaptation to the European joint supervisory framework. Now that four years have passed since the integration of the Banco de España in the structure of the Single Supervisory Mechanism, it is considered that some organisational aspects require further adjustments.

This reorganisation has two basic objectives. First, to strengthen the supervision of less significant institutions, for which the Banco de España is directly responsible, and second, to enhance coordination: i) within the Directorate General Banking Supervision itself; ii) with the Single Supervisory Mechanism; iii) with other directorates general of the Banco de España; and iv) with other national supervisory bodies, for which purpose the horizontal analysis functions of the Directorate General are reorganised.

The Directorate General Banking Supervision is to be organised around two Associate Directorates General, which will coordinate the five departments:

- The Associate Directorate General Banking Supervision I will be responsible for Departments I, II and III, which will retain their current functions.

Departments I and II, which are responsible for the supervision of Spanish significant institutions, will take responsibility for the supervision of the subsidiaries and branches of other significant institutions of the Single Supervisory Mechanism, which has until now been performed by Department III. This department will continue to supervise less significant institutions and will support the units that perform on-site inspections.

- The Associate Directorate General Banking Supervision II will be responsible for Department IV and Department V.

Department IV retains the competencies of on-site inspection of significant institutions, validation and review of internal models of regulatory capital, and the supervision of technology risk and structural risks on the balance sheet.

The structure of Department V is adapted to the Single Supervisory Mechanism, it is assigned all the horizontal functions of the Directorate General and it is reorganised into five divisions: i) supervision of the procedures for the prevention of money laundering, previously in Department IV; ii) methodology; iii) risk analysis; iv) stress tests and, v) supervisory policies.

The director general will also be responsible for the Single Supervisory Mechanism Coordination Service and the newly created Organisation and Quality Division, which will combine the functions relating to staff planning and training and to review of the Directorate General's processes.

