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PRESS RELEASE

ECB LAUNCHES PUBLIC CONSULTATION ON DRAFT ECB SSM FRAMEWORK REGULATION

- Draft Framework Regulation sets out how ECB will cooperate with national competent authorities (NCAs)
- Final version to be published by 4 May 2014
- ECB to fully assume its supervisory tasks on 4 November 2014

The European Central Bank (ECB) has today published a draft of the ECB Single Supervisory Mechanism (SSM) Framework Regulation for public consultation. The draft Framework Regulation lays the basis for the work of the SSM when it takes over as supervisor of euro area banks in November 2014. The consultation opens today for a four-week period until 7 March 2014.

The draft Framework Regulation describes the rules and procedures governing the following aspects:

- assessment of a bank's significance to determine whether it falls under the ECB's direct or indirect supervision;
- the ECB's oversight of the whole system;
- cooperation between the ECB and the NCAs with a view to ensuring a smooth functioning of the SSM;
- language regime for the various processes within the SSM;
- general principles for the conduct of supervisory procedures by the ECB;
- procedures relating to the SSM's micro-prudential and macro-prudential tasks;
- arrangements for close cooperation with countries whose currency is not the euro;
- administrative penalties for breaches of the relevant law.

A consultation document, comprising the draft Framework Regulation and an explanatory report, and a Questions and Answers document have been published on the ECB's website.

The ECB will also hold a public hearing on the consultation document on 19 February 2014 at its premises in Frankfurt am Main. The public hearing will be broadcast live via the internet and a webcast will remain on the ECB's website after the event. Information on registering for the hearing and on how to submit a comment on the consultation document can be found in the "Banking Supervision" section of the ECB's website.

Following the public consultation, the ECB will publish the comments received from the stakeholders along with an evaluation and summary of the responses. The Supervisory Board will then prepare the ECB SSM Framework Regulation for submission to the Governing Council for adoption. As required under the Regulation establishing the SSM, the final version of the ECB SSM Framework Regulation will be published by 4 May 2014.

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