

DECISION (EU) 2015/[XX]* OF THE EUROPEAN CENTRAL BANK

of 11 February 2015

on the methodology and procedures for the determination and collection of data regarding fee factors used to calculate annual supervisory fees

(ECB/2015/7)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions¹, and in particular the second subparagraph of Article 4(3), Article 30 and the second subparagraph of Article 33(2) thereof,

Having regard to Regulation (EU) No 1163/2014 of the European Central Bank of 22 October 2014 on supervisory fees (ECB/2014/41)², and in particular Article 10(3)(b), Article 10(4) and (5) thereof,

Whereas:

- (1) In accordance with Article 30(3) of Regulation (EU) No 1024/2013, the annual supervisory fees to be levied on credit institutions established in the participating Member States or branches established in a participating Member State by a credit institution established in a non-participating Member State will be calculated at the highest level of consolidation within participating Member States and will be based on objective criteria relating to the importance and risk profile of the credit institution concerned, including its risk weighted assets.
- (2) In accordance with Article 10(3)(a) of Regulation (EU) No 1163/2014 (ECB/2014/41), the fee factors used to determine the individual annual supervisory fee payable in respect of each supervised entity or supervised group will be the amount, as at the end of the calendar year, of (i) total assets and (ii) total risk exposure.

* This number will be allocated by the Publications Office of the European Union when the Decision is published in the Official Journal.

¹ OJ L 287, 29.10.2013, p. 63.

² OJ L 311, 31.10.2014, p. 23.

- (3) Article 10(3)(b) of Regulation (EU) No 1163/2014 (ECB/2014/41) provides that data regarding the fee factors will be determined and collected in accordance with a decision of the European Central Bank (ECB) outlining the applicable methodology and procedures.
- (4) Pursuant to Article 30 of Regulation (EU) No 1024/2013, for the purpose of the calculation of fee factors supervised groups should, as a rule, exclude assets of subsidiaries located in non-participating Member States and third countries. In accordance with Article 10(3)(c) of ECB Regulation (EU) No 1163/2014 (ECB/2014/41), supervised groups may decide not to exclude such assets for the determination of fee factors. However, the cost of making such a calculation should not exceed the expected reduction in the supervisory fee.
- (5) Article 10(4) of Regulation (EU) No 1163/2014 (ECB/2014/41) states that national competent authorities (NCAs) are to submit data regarding the fee factors to the ECB in accordance with procedures to be established by the ECB.
- (6) Article 10(5) of Regulation (EU) No 1163/2014 (ECB/2014/41) states that if a fee debtor fails to provide the fee factors the ECB will determine the fee factors in accordance with procedures to be established by the ECB.
- (7) Accordingly, this Decision should lay down the methodology and procedures for the determination and collection of data regarding the fee factors and the calculation of fee factors, including in cases where the fee debtor fails to provide them, as well as procedures for the submission of fee factors by NCAs to the ECB. In particular, the format, frequency and timing of such submission, as well as the types of quality checks that NCAs should perform before submitting fee factors to the ECB, should be specified.
- (8) For the calculation of the annual supervisory fees payable in respect of each supervised entity and supervised group, the fee debtors should submit data regarding the fee factors to NCAs based on the templates set out in Annexes I and II to this Decision.
- (9) It is necessary to set up a procedure to carry out technical amendments to the Annexes to this Decision in an effective manner, provided that such amendments neither change the underlying conceptual framework nor affect the reporting burden. Account should be taken of the views of the Statistics Committee (STC) of the European System of Central Banks (ESCB) when following this procedure. NCAs and other ESCB Committees will therefore be able to propose such technical amendments to the Annexes through the STC,

HAS ADOPTED THIS DECISION:

Article 1

Subject matter and scope

This Decision lays down the methodology and the procedures referred to in Article 10 of Regulation (EU) No 1163/2014 (ECB/2014/41) for the determination and collection of data regarding the fee factors used

for the calculation of the annual supervisory fees to be levied in respect of supervised entities and supervised groups and the submission of the fee factors by the fee debtors, as well as procedures for the submission of such data by NCAs to the ECB.

This Decision applies to fee debtors and NCAs.

Article 2

Definitions

For the purposes of this Decision, the definitions contained in Article 2 of Regulation (EU) No 1163/2014 (ECB/2014/41) shall apply, unless otherwise provided for, together with the following definition:

1. 'working day' means a day which is not a Saturday, Sunday or a public holiday in the Member State where the relevant NCA is established.

Article 3

Templates for the reporting of the fee factors to NCAs by the fee debtors

The fee factors shall be submitted to the NCAs by the fee debtors using the templates set out in Annexes I and II to this Decision. Auditor's statements in accordance with Article 7 shall also be submitted to the NCAs. In the case of a group of fee-paying entities with subsidiaries established in non-participating Member States or third countries, the fee debtors shall provide an explanation of the method used for the determination of the fee factors in accordance with Article 10(3)(c) of Regulation (EU) No 1163/2014 (ECB/2014/41) in the space allocated for this purpose in the template.

Article 4

Remittance dates

1. NCAs shall submit data regarding the fee factors to the ECB at the latest by close of business on the 10th working day following the remittance dates referred to in Article 10(4) of Regulation (EU) No 1163/2014 (ECB/2014/41). Thereafter, the ECB shall verify the data received within five working days of receipt. If so requested by the ECB, NCAs shall explain or clarify the data. The ECB will finalise the data on the 15th working day following the relevant remittance date.
2. Upon the ECB finalising the data in accordance with paragraph 1, it shall grant the fee debtors access to the finalised data. The fee debtors shall be given five working days in which to comment on the fee factors data in the event that they consider that data to be incorrect. Thereafter, the fee factors will be applied for the calculation of the annual supervisory fees.

*Article 5***Data quality checks**

NCA shall monitor and ensure the quality and reliability of the data regarding the fee factors submitted to the ECB. NCA shall apply quality control checks to assess whether the fee factors have been calculated in line with the methodology set out in Article 7. The ECB shall not correct or modify data regarding the fee factors provided by the fee debtors. Any corrections or modifications to the data shall be undertaken by the fee debtors and submitted by them to the NCAs. NCAs shall submit to the ECB any corrected or modified data received by them. When submitting data regarding the fee factors, NCAs shall: (a) provide information on any significant developments implied by such data; and (b) communicate to the ECB the reasons for any significant corrections or modifications to it.

*Article 6***Reporting frequency and first reporting reference date**

Data regarding the fee factors shall be submitted by the fee debtors to the NCAs on an annual basis. The first reporting reference date for the fee factors is 31 December 2014.

*Article 7***Methodology for the calculation of the fee factors**

1. The total risk exposure figure to be reported shall be derived from the regular reporting undertaken pursuant to Commission Implementing Regulation (EU) No 680/2014³. The following specific calculation requirements shall apply.
 - (a) For a supervised group that does not have subsidiaries established in non-participating Member States or third countries, the group's total risk exposure shall be determined by reference to the common solvency ratio reporting (COREP) 'own funds requirements' template set out in Annex I to Regulation (EU) No 680/2014 (hereinafter the 'own funds requirements template').
 - (b) For a supervised group that has subsidiaries established in non-participating Member States or third countries, the group's total risk exposure shall be determined by reference to the own funds requirements template, with the option to deduct the contribution to the group's total risk exposure of those subsidiaries which are established in non-participating Member States or third countries with reference to the COREP 'group solvency: information on affiliates' template set out in Annex I to Regulation (EU) No 680/2014. If the data on the contribution of subsidiaries established in non-participating Member States or third countries

³ Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (OJ L 191, 28.6.2014, p. 1).

is not available in the COREP 'group solvency: information on affiliates' template for the purpose of calculation of supervisory fees, fee debtors may submit this information to NCAs.

- (c) If the fee-paying credit institution is not part of a supervised group, the institution's total risk exposure shall be determined by reference to the own funds requirements template.
2. The total assets figure to be reported should correspond to the amount of total assets stipulated in Article 51 of Regulation (EU) No 468/2014 of the European Central Bank (ECB/2014/17)⁴. If total assets cannot be determined by reference to that Article, it shall be determined on the basis of the following data.
 - (a) For a supervised group that only has subsidiaries established within the participating Member States, the reporting packages used by the supervised entities for preparing consolidated accounts at group level shall be used to determine total assets. An auditor shall certify the supervised group's total assets by carrying out appropriate verification of the reporting packages.
 - (b) For a fee-paying credit institution that is not part of a supervised group but has a parent established in non-participating Member State or a third country, the reporting packages used by the fee-paying credit institution for preparing consolidated accounts at group level shall be used to determine total assets. An auditor shall certify the fee-paying credit institution's total assets by carrying out appropriate verification of the reporting packages.
 - (c) In the event that total assets of a fee-paying branch is calculated on the basis of statistical data reported pursuant to Regulation (EC) No 25/2009 of the European Central Bank (ECB/2008/32)⁵, an auditor shall certify the total assets of the fee-paying branch by carrying out appropriate verification of its financial accounts.
 3. For a supervised group that has subsidiaries established in non-participating Member States or third countries, its total assets shall be determined in accordance with one of the following options.
 - (a) Its total assets may be determined on the basis of Article 51 of Regulation (EU) No 468/2014 (including subsidiaries established in non-participating Member States or third countries). If the total assets cannot be determined by reference to that Article, they shall be determined in accordance with Article 7(2)(a) of this Decision.
 - (b) Its total assets may be determined by aggregating the total assets disclosed in the statutory financial statements of all the supervised entities established in participating Member States within the supervised group if available, or otherwise by aggregating the total assets stated in the relevant reporting package(s) used by the supervised entities or group of fee-paying credit institutions for preparing consolidated accounts at group level. To avoid double

⁴ Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities (SSM Framework Regulation) (ECB/2014/17) (OJ L 141, 14.5.2014, p.1).

⁵ Regulation (EC) No 25/2009 of the European Central Bank of 19 December 2008 concerning the balance sheet of the monetary financial institutions sector ((ECB/2008/32) (OJ L 15, 20.1.2009, p. 14).

counting, the fee debtor has the option of eliminating intragroup positions among all supervised entities that are established in participating Member States of the supervised group in the consolidation process. Any goodwill included in the consolidated financial statements of the parent undertaking of a supervised group should be included in the aggregation; the exclusion of goodwill allocated to subsidiaries established in non-participating Member States or third countries is optional. Where a fee debtor uses statutory financial statements, an auditor shall certify that the total assets correspond to the total assets disclosed in the audited statutory financial statements of the single supervised entities. Where a fee debtor uses reporting packages, an auditor shall certify the total assets used for the calculation of the annual supervisory fees by carrying out appropriate verification of the reporting packages used. In all cases, the auditor shall confirm that the aggregation process does not deviate from the procedure laid down in this Decision and that the calculation performed by the fee debtor is coherent with the accounting method used to consolidate the accounts of the group of fee-paying entities.

Article 8

Determination of fee factors by the ECB in the event of non-provision or non-submission of required corrections or modifications

In the event that a fee factor is not reported or required corrections or modifications are not submitted by a fee debtor, the ECB will use information available to it to determine the missing fee factor.

Article 9

Simplified amendment procedure

Taking the views of the STC into account, the ECB's Executive Board shall be entitled to make any technical amendments to the Annexes to this Decision, provided that such amendments neither change the underlying conceptual framework nor affect the reporting burden on the fee debtors. The Executive Board shall inform the Governing Council of any such amendment without undue delay.

Article 10

Entry into force

This Decision shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

Done at Frankfurt am Main, 11 February 2015.

[signed]

The President of the ECB

Mario DRAGHI

**CALCULATION OF FEES
TOTAL RISK EXPOSURE**

Reference period		NAME	
Date		MFI Code	
		LEI code	

Item		Type of institution 010	Source for risk exposure amount 020	Risk exposure amount 030	Comments 040
010	TOTAL RISK EXPOSURE	(1), (2), (3) or (4)	COREP C 02.00 , row 010		
020	CONTRIBUTION OF SUBSIDIARIES in non-participating Member States or third countries	(4)	COREP C06.02 , col 250 (SUM)		
021	Entity 1	(4)			
.	Entity 2	(4)			
.	Entity 3	(4)			
N	Entity N	(4)			
030	TOTAL RISK EXPOSURE AMOUNT of the supervised group deducting the CONTRIBUTION OF SUBSIDIARIES in non-participating Member States or third countries: Item 030 is equal to 010 minus 020	(4)			

Please ensure that this template is completed in accordance with the instructions provided separately.

CALCULATION OF FEES
TOTAL ASSETS

Reference period		NAME	
Date		MFI Code	
		LEI code	

Item		Type of institution	Confirmation of auditor's verification (Yes/No)	Total assets	Comments
		010	020	030	040
010	TOTAL ASSETS in accordance with Article 51 of Regulation (EU) No 468/2014 (ECB/2014/17)	(1), (2), (3), (4), (5)			
020	TOTAL ASSETS in accordance with Article 7(2)(a) or (b) of this Decision	(6) or (7)			
030	TOTAL ASSETS in accordance with Article 7(3)(b) of this Decision: Item 030 is equal to 031 minus 032 plus 033 minus 034	(8)			
031	Total assets of all group entities established in participating Member States				
032	Intragroup positions among supervised entities established in participating Member States (from reporting packages used for the elimination of balances for group reporting purposes) - optional				
033	Goodwill included in the consolidated financial statements of the parent undertaking of a supervised group - obligatory				
034	Goodwill allocated to subsidiaries established in non-participating Member states or third countries - optional				
040	Total assets for a supervised entity or supervised group classified as less significant on the basis of an ECB decision made in accordance with Article 6(4) of Regulation (EU) No 1024/2013 in conjunction with Article 70(1) and Article 71 of Regulation (EU) No 468/2014 (ECB/2014/17) and Article 10(3)(d) of Regulation (EU) No 1163/2014 (ECB/2014/41).	(9)			

Please ensure that this template is completed in accordance with the instructions provided separately.