

## 2022 Contributions to the administrative expenditures of the SRB Frequently asked questions (FAQs)

### Introduction

The determination and raising of Administrative Contributions is based on the Commission Delegated Regulation (EU) 2017/2361 of 14 September 2017 on the final system of contributions to the administrative expenditures of the Single Resolution Board, which came into force on 8 January 2018 and was amended by Commission Delegated Regulation (EU) 2021/517 of 11 February 2021 ("DR").

### Key deadlines

#### **Advance instalments**

Information letters	December 2021/January 2022
Consultation phase	10 January to 23 January 2022
Issuance of Contribution Notices	End-February/March 2022
Payment deadline	35 days after issuance of the Contribution Notice

#### **Individual annual contributions**

Information letters	May 2022
Consultation phase	10 days end-June/Beginning July 2022
Issuance of Contribution Notices	July/August 2022
Payment deadline	35 days after issuance of the Contribution Notice

### Scope and process

#### **1. Who has to contribute?**

All credit institutions established in the Banking Union must contribute to the administrative expenditures of the Single Resolution Board ("SRB"). The same holds true for all parent undertakings (incl. financial holding and mixed financial holding companies), investment firms and financial institutions that are covered by the consolidated supervision of the European Central Bank ("ECB").

Note that while all institutions mentioned in the previous paragraph need to contribute to the individual annual administrative contributions (Q3), only the institutions that fall under the direct responsibility of the Board are requested to pay the advance instalments on the annual individual contributions (Q1).

Please be aware that although the scope of the SRB's administrative contributions overlaps with that of the ECBs supervisory fees, there are differences between the two. The main difference is that branches established in a participating country by a parent bank based in a non-participating country are not in scope of the SRB's administrative contributions.

#### **2. Do entities contribute at solo or group level?**

The annual contributions due by entities that are members of the same banking group are calculated and collected at the group level (as a single contribution).

#### **3. What is a contribution debtor?**

The 'contribution debtor' in the context of the SRB's administrative contributions is the entity that is identified as 'fee debtor' for the purpose of the ECB's supervisory fees. In case of a banking group, it is the member of the group that is nominated by the group to act on its behalf as the 'fee debtor'.

#### **4. What is expected of the contribution debtor?**

The contribution debtor is the contact point towards the SRB for all communication related to annual administrative contributions. It is also legally responsible for the payment of the contribution amount.

**5. Can we change our contribution debtor?**

Yes, but only by nominating another fee debtor for the purpose of the ECB's supervisory fees (<https://www.bankingsupervision.europa.eu/organisation/fees/html/index.en.html>). The legislation dictates that the contribution debtor has to be the same entity as the fee debtor.

**6. Do we need to review/confirm our contact details (SRB letter sent in December/January)?**

Yes, but not all institutions need to do so. Institutions under the SRB's direct remit shall send an email to [SRB-ADMIN-CONTRIBUTIONS@srb.europa.eu](mailto:SRB-ADMIN-CONTRIBUTIONS@srb.europa.eu) to confirm the receipt of the information letter on instalments communicated at the beginning of December and amend their contact details **where needed**. The other entities do not need to confirm their contact details and invoicing preferences at this stage of the cycle. Later in 2022, a dedicated letter for this purpose will be sent to all entities in scope.

**7. How often do we need to pay administrative contributions?**

Annually. The SRB will raise individual annual administrative contributions once a year in Q3. In order to pre-finance its expenditures for the part of the financial year preceding the point at which the annual individual contributions are raised, the Board will raise advance instalments on the individual annual contributions in Q1. The advance instalments will only be raised from the institutions under the SRB direct remit and will be deducted from those institutions' individual annual contributions in Q3.

In exceptional circumstances when the administrative budget of the SRB is amended, the increased amount may be raised additionally during the same year.

**8. Are administrative contributions the same as ex-ante contributions?**

No. The two contributions serve different purposes. Administrative contributions are raised to finance the administrative expenditures of the SRB, similar to the supervisory fees that the ECB levies to cover the expenditures incurred in relation to its supervisory tasks. Ex-ante contributions are raised for the Single Resolution Fund, which, where necessary, may be used to ensure the efficient application of resolution tools and the exercise of the resolution powers conferred to the SRB by the SRM Regulation.

**9. Do the amendments of the ECB Regulation on supervisory fees have an impact on the administrative contributions process of the SRB?**

Yes. In order to avoid duplication of the reporting burden for the institutions and entities concerned, the SRB relies, when calculating its administrative contributions, on data collected and shared by the ECB for the calculation of its own supervisory fees<sup>1</sup>. Regulation (EU) No 1163/2014 of the ECB on supervisory fees was amended in 2020. Commission Delegated Regulation 2017/2361 was amended by Commission Delegated Regulation (EU) 2021/517 of 11 February 2021 to allow for the retention of synergies between both contributions' systems.

The main impact of the changes on the 2022 contributions cycle are:

- The postponement of individual annual contributions from Q1 to Q3;
- The introduction of the advance instalments on the individual annual contributions in Q1 for the institutions under the SRB direct remit, which will be deducted from those institutions' 2022 individual annual contributions determined in Q3;
- The recalculation of the 2021 contributions for all institutions using more recent data together with the 2022 individual annual contributions in Q3.

**10. Can institutions provide comments before the SRB Decisions on administrative contributions are taken?**

Yes. A structured consultation with the institutions takes place before the adoption of both the decision on the advance instalments (Q1) and the decision on the individual annual contributions (Q3).

The consultation on the 2022 advance instalments will take place between Monday 10 January 2022 and Sunday 23 January 2022. The preliminary Contribution Notice for Advance Instalment will be published on the EU Survey platform including a predefined questionnaire that will allow institutions to make their views known. The link to the EU Survey platform will be published on the SRB website (<https://www.srb.europa.eu/en/content/administrative-contributions>) in due time.

More information on the consultation on the individual annual contributions (Q3) will be provided in the information letter (May 2022) on the individual annual contributions.

<sup>1</sup> See Recital 4 of Commission Delegated Regulation 2017/2361.

## Calculation and data submission

### **Advance instalments (Q1)**

#### **11. Which contributions are calculated in Q1 2022?**

In Q1 2022, the SRB calculates the advance instalments on the 2022 individual annual contributions for the institutions under the SRB's direct remit. The advance instalments are raised in Q1 in order to pre-finance the Board's expenditures for the part of the financial year preceding the point at which the 2022 annual individual contributions are raised in Q3.

#### **12. Do we need to submit financial data to the SRB for the calculations performed in Q1 2022?**

No. The advance instalments are calculated based on the individual annual contributions determined in the previous financial year.

#### **13. What is the total annual amount of advance instalments that will be raised?**

Each year, the Board may raise advance instalments for an amount up to 75 % of total amount of annual contributions to be raised in that financial year (excluding the adjustments that may derive from recalculations).

In order to determine the amount necessary to cover its expenditures until the 2022 individual annual contributions are raised, the Board takes into account: (i) the Budget decided for the year 2022, (ii) the result of the budget of 2020<sup>2</sup>, (iii) the projected cash flows for the first 8 months of 2022 and (iv) the estimated cash balance at the end of 2021.

This amount will be published after the calculation of the advance instalments has been performed. The decision on the 2022 SRB budget as well as the financial results of the 2020 accounts can be found on the SRB website.

#### **14. How are the advance instalments calculated?**

The advance instalment of each entity or group is calculated in proportion to the individual annual contribution calculated for such entity or group in the immediately preceding financial year.

### **Individual annual contributions (Q3)**

#### **15. Which contributions are calculated in Q3 2022?**

In Q3 2022, the SRB calculates:

- The 2022 individual annual contributions for all institutions;
- Recalculates the 2021 individual annual contributions for all institutions using more recent data of the ECB;
- (Re)calculates the previously invoiced contributions of institutions that changed scope, status or other data in the past year(s) and for which those changes were reported by the ECB in 2022.

#### **16. Do we need to submit financial data to the SRB for the calculations performed in Q3 2022?**

No. The SRB does not collect financial data directly from entities. It uses information provided by entities to the ECB for the purpose of the calculation of ECB's supervisory fees.

#### **17. What are the reference dates of the fee factors used in the SRB's calculations?**

The DR establishes the following reference dates for the calculations (and recalculations, when appropriate) performed in 2022:

Financial year for which contributions are due	Reference date
<b>2022</b>	
o All institutions (and groups), except the newly authorised in Q1/Q2/Q3/Q4 2021;	31 December 2020
o Newly authorised institutions (and groups) in Q1/Q2/Q3 2021.	Q1, Q2 or Q3 2021**
o Newly authorised institutions (and groups) in Q4 2021.	0***
<b>2021</b>	
o All institutions (and groups), except the newly authorised in Q1/Q2/Q3/Q4 2020;	31 December 2019*
o Newly authorised institutions (and groups) in Q1/Q2/Q3 2020.	Q1, Q2 or Q3 2020**
o Newly authorised institutions (and groups) in Q4 2020.	31 December 2020***
o Newly authorised institutions (and groups) in Q1/Q2/Q3 2021.	Q1, Q2 or Q3 2021**
o Newly authorised institutions (and groups) in Q4 2021.	0***
<b>2020</b>	
o All institutions (and groups), except the newly authorised in Q1/Q2/Q3/Q4 2020;	31 December 2018

<sup>2</sup> Financial year 2020 is the latest financial year for which the final accounts have been published in accordance with Article 63(7) of Regulation (EU) No 806/2014.

○ Newly authorised institutions (and groups) in Q1/Q2/Q3 2020.	Q1, Q2 or Q3 2020**
○ Newly authorised institutions (and groups) in Q4 2020.	31 December 2020***

\* In accordance with Article 14a DR, in 2022, the Board shall recalculate the individual annual contributions due for the financial year 2021 on the basis of the data provided by the ECB to the Board in 2021 in accordance with Article 6.

\*\* Following the amendment to the ECB Regulation on supervisory fees (Regulation (EU) No 2019/2155 of the ECB), the reference date of the fee factors of newly authorised institutions or groups changed. Starting from 1 January 2020, the reference date for the fee factors of newly authorised institutions or groups established before 1 October (before Q4) will be the end of the quarter closest to the reference date used for the other entities.

\*\*\* In accordance with Article 2a DR, for newly supervised institutions entering in Q4 of year Y, the individual annual contributions due for year Y and Y+1 shall be calculated by setting the fee factors to zero. In year Y+3, the administrative individual annual contribution due for the two preceding financial years (Y and Y+1) shall be recalculated based on the fee factors used for that financial year.

### **18. What is the total annual amount of annual contributions to be raised?**

In order to establish the total amount to be raised in 2022, the SRB will take into consideration:

- The budget adopted by the Board for that financial year;
- Any subsequent amendments thereof;
- The result of the budget of the latest financial year for which the final accounts have been published;
- The aggregate result of the adjustments made to the 2021 contributions and the contributions of institutions that changed scope, status or other data in the past year(s) and for which those changes were reported by the ECB in the current contribution cycle.

*This amount will be published after the final calculation has been performed. The decision on the 2022 SRB budget as well as the financial results of the 2020 accounts can be found on the SRB website.*

### **19. How are the SRB's individual annual contributions calculated?**

Entities are required to contribute to the SRB's administrative expenditures in proportion to the resource requirements that they place on the Board, as approximated by observable data (on the size and risk of their activities). Before contributions are individually allocated to entities, they are split between entities under direct responsibility of the Board (Category A) and entities under the responsibility of national resolution authorities (Category B), with fixed shares of 95% and 5%, respectively. The contributions are calculated on a **monthly** basis and generally collected at the beginning of each year.

## **Payment of administrative contributions**

### **20. How can administrative contributions be paid?**

The SRB can only accept payments done via SEPA credit transfer to the SRB's bank account in accordance with the terms specified in the Contribution Notice. SEPA Direct debit and TARGET 2 payment options are not possible.

### **21. How much time do we have to make the payment after we received the Contribution Notice?**

Entities are required to pay the contribution amount within 35 days after the Contribution Notice has been issued by the SRB. The contribution will be considered paid once the full amount has been credited to the SRB's bank account (day of payment).

### **22. What happens if we do not pay on time?**

If the SRB's account is not credited by the full payment of the contribution by the deadline, the SRB is entitled to accrue interest on a daily basis on the unpaid amount of the administrative contributions. Interest is accrued at the rate applied by the ECB to its main refinancing operations that is in force on the first calendar day of the month in which the payment deadline falls, plus 8 percentage points per annum. Interest will be calculated from the first day after the date on which the payment was due. Payments of the annual contributions due and any interest for late payment are enforceable by the SRB in all Member States participating in the Banking Union.

### **23. Does the SRB have a VAT number?**

No. The SRB, as an EU agency, is not a taxable person under Article 9 of Directive 2006/112/EC. Consequently, it does not have a VAT number and the administrative contributions are exempted of any tax.

### **24. What if I cannot find an answer to my question here?**

Please send your question to [SRB-Admin-Contributions@srb.europa.eu](mailto:SRB-Admin-Contributions@srb.europa.eu).