

2021 Contributions to the administrative expenditures of the SRB

Frequently asked questions (FAQs)

Introduction

On 8 January 2018, Commission Delegated Regulation (EU) No 2017/2361 of 14 September 2017 on the final system of contributions to the administrative expenditures of the Single Resolution Board (“DR”) came into force. The final system replaces the transitional system that had been in place since the Board started its operations in November 2014.

Key deadlines

SRB has sent information letter to all entities	January 2021
Deadline for entities to confirm contact details and invoicing preferences	End-January – beginning of February 2021
Issuance of Contribution Notices	February - April 2021
Payment deadline	35 days after issuance of the Contribution Notice

Questions related to:

A. 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”).

Please be aware that although the scope of the SRBs administrative contributions overlaps with that of the ECBs supervisory fees, there are differences between the two. The main difference being that branches established in a participating country by a parent bank based in a non-participating country are not in scope of the SRBs 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. Why did we need to review/confirm our contact details (SRB letter sent in January)?

To ensure that Contribution Notices and related communications are properly addressed, the SRB request all entities to confirm their contact details and invoicing preferences from the previous contributions cycle (or that it received from the ECB in case institutions are new in scope).

7. Can we change our contact details and invoicing preferences after confirming them?

Yes. You can do so by sending an email to SRB-ADMIN-CONTRIBUTIONS@srb.europa.eu. For operational reasons, however, with respect to the 2021 contribution cycle the SRB cannot take into account changes in the invoicing preferences of entities after the deadline indicated above. Those will then be taken into account for 2022 onwards.

8. How often do we need to pay administrative contributions?

Annually. The SRB will raise administrative contributions once a year. In exceptional circumstances when the administrative budget of the SRB is amended, the increased amount may be raised additionally during the same year.

9. 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.

10. 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 fees¹. Regulation (EU) No 1163/2014 of the ECB on

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

supervisory fees was amended in 2020. Commission Delegated Regulation 2017/2361 will be partially amended to allow for the retention of synergies between both contributions' systems. The European Commission is currently working on the necessary amendments that will apply for the initial transitional period and for future administrative contribution cycles.

B. Calculation and data submission

11. Which contributions are calculated in 2021?

In 2021, the SRB calculates the contributions amounts for the current financial year. Additionally, it (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 the current contribution cycle. Lastly, the SRB determines the part of outstanding settlements of the individual administrative contributions due under the provisional period and postponed in the previous cycle.

12. Did we need to submit financial data to the SRB for the calculations performed in 2020?

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

13. 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 2021:

Financial year for which contributions are due	Reference date
2021	
○ All institutions (and groups), except the newly authorised in Q1/Q2/Q3 2020;	31 December 2018*
○ Newly authorised institutions (and groups) in Q1/Q2/Q3 2020.	Q1, Q2 or Q3 2020**
2020	
○ All institutions (and groups), except the newly authorised in Q1/Q2/Q3 2020;	31 December 2018
○ Newly authorised institutions (and groups) in Q1/Q2/Q3 2020.	Q1, Q2 or Q3 2020**
2019	31 December 2017

* Following the amendment to the ECB Regulation on supervisory fees (Regulation (EU) No 1163/2014 of the ECB), the ECB levying system changed from an ex-ante to an ex-post one. The calculation and raising of the ECB supervisory fees for a given year (Y) will now occur in the following year (latest by 30 June of year Y+1). Hence, the ECB is not in a position to provide the SRB with the entire set of most recent data necessary for the calculation of the administrative contributions at the beginning of the year 2021. On an exceptional basis, for the 2021 administrative contributions, the SRB will use, in accordance with Article 6(7) DR, the latest available data provided by the ECB (in this case, the data received from the ECB to calculate the 2020 administrative contributions). Depending on the amendments to Commission Delegated Regulation 2017/2361 that would enter into force in the first semester of 2021 and that will govern the transitional period between the previous and new regime,

it is possible that the SRB would be required to recalculate administrative contributions due for financial year 2021 under the amended legal framework and based on more recent data.

** 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. For the 2021 administrative contributions cycle, this means that, for all entities established after 1 January 2020 and before 1 October 2020, fee factors with reference date Q1/Q2/Q3 2020 (depending on the date when the entity or group was newly established) will be used to recalculate the 2020 administrative contributions as well as to calculate the 2021 administrative contributions of the entities and groups concerned. No fee factors will be available in the 2021 administrative contributions cycle for the entities established in Q4 2020.

14. What is the total annual amount to be raised?

In order to establish the total amount to be raised in 2021, 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 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 [2021 SRB budget](#) as well as the financial results of the [2019 accounts](#) can be found on the SRB website.

15. How are the SRB's administrative 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.

16. Will a change in my entity's situation affect my annual contribution?

Yes. Depending on the type of change reported by the institution to the ECB, the annual contribution to the SRB's administrative expenditures can be affected:

- A **newly authorised** institution, established in the Banking Union and not forming part of an existing supervised group, must pay the annual administrative contribution.

The amount is calculated on the basis of the number of full months for which the entity has been supervised in the contribution period. This means that a newly authorised entity must pay the contribution covering the period from the first full month following the date of its

authorisation. Where applicable, the payment of such amount will be requested in the following round of collection of contributions, together with the contributions pertaining to the following financial year.

- An institution whose **authorisation is withdrawn** or a supervised group that is supervised for only part of the contribution period must pay administrative contributions covering the number of full months for the period to the date on which its authorisation ceases. If it has already paid the contribution for the relevant contribution period, the SRB will make a refund in the following contribution period when updated data is provided to the SRB by the ECB.
- A **change in status between significant** (category A) **and less significant** (category B), including due to a merger or acquisition, will mean a change in the amount of the annual administrative contribution. Entities will be classified in the respective categories on the basis of the number of months for which the entity falls under the respective category at the last day of the month.

Independently of the change, it is important to note that any **change occurring after the date on which the data was transmitted by the ECB to the SRB**, will be taken into account and settled in the subsequent administrative contribution collection cycles in accordance with the DR.

C. Payment of administrative contributions

17. 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.

18. 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).

19. 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.

20. 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.

21. What if I cannot find an answer to my question here?

Please send your question to SRB-Admin-Contributions@srb.europa.eu or contact our helpdesk:
+32 2 490 3444.