



Press Release

Banking Union – Single Resolution Board fully operational as of 1 January 2016

Brussels – 30 November 2015

Today, the Single Resolution Board (SRB) is delighted to report that it will take over full responsibility for bank resolution as planned on 1 January 2016. The number of Member States needed to validly ratify the Intergovernmental Agreement (IGA) on the Single Resolution Fund (SRF) was reached in due time for the SRB to be fully operational as of the beginning of next year.

Participating Member States representing not less than 90% of the aggregate of the weighted votes have ratified and deposited the ratification instrument by 30 November 2015. The SRM Regulation will therefore become fully applicable on 1 January 2016. The Single Resolution Board will become responsible for any resolution for around 120 significant banking groups in the Euro area as well as any cross border banking groups.

"I am very happy to announce that the Single Resolution Board will be taking over its full responsibilities as of January 2016. The ratification of the Intergovernmental Agreement on the Single Resolution Fund came just in time for the SRM Regulation to be fully applicable as of next year. This marks an important step in completing the Banking Union and will enhance further financial stability in the Euro area"- Elke König, Chair of the Single Resolution Board

The IGA is part of the overall compromise reached by the Member States and the European Parliament on the Single Resolution Mechanism (SRM). Member States signed the Agreement on the transfer and mutualisation of contributions to the SRF on [21 May 2014](#).

Background

For participating Member States, in the context of the SRM, a centralised power of resolution is entrusted to the SRB and to national resolution authorities (NRAs). While the Bank Recovery and Resolution Directive (BRRD) requires the EU Member States to establish national financing arrangements, within the SRM, these national funds will gradually be replaced by the Single Resolution Fund (SRF) as of 2016.



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The Fund will be built up during the transitional period of eight years (2016-2023) and shall reach at least 1% of covered deposits (approx.€55bn) within the SRM by the end of 2023. The IGA complements the SRM Regulation. The purpose of the Agreement is to enable a transition from existing national resolution funds to the SRF. During the transitional period, the contributions will be allocated to different compartments for each participating Member State (national compartments). Those compartments will be subject to a progressive mutualisation so that they will have been fully merged at the end of the transitional period. The Agreement determines how the SRB will be able to use the national compartments that are progressively merged.

More information:

- [DIRECTIVE](#) 2014/59/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council
- [REGULATION](#) (EU) No 806/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010
- First industry dialogue meeting [presentation](#) on the SRF contributions

About the SRB

*The **Single Resolution Board (SRB)** is the resolution authority for the significant and cross border banking groups established within participating Member States. In the context of the Single Resolution Mechanism it works in close cooperation with the national resolution authorities. In the newly created Banking Union the SRB cooperates with the European Central Bank, the European Commission, as well as other European and international institutions. Its mission is to ensure an orderly resolution of failing banks with minimum impact on the real economy and on public finances of the participating Member States and beyond.*

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