



Committee on Economic and Monetary Affairs
The Chairwoman

Mr Mario Draghi
President
European Central Bank
Kaiserstrasse 29
D-60311 Frankfurt am Main

318024 28.10.2013

Dear President

This is a follow up to my letter of 16 October, in which we were inviting the ECB for a meeting on SSM developments issues planned on 22 October. As announced during the negotiations on the Interinstitutional Agreement, the ECON committee has set up a SSM Working Group tasked with the follow up of the implementation of the ECB Regulation and the close oversight of the ECB acting as a supervisor. The SSM Working Group held its first meeting on 22 October, and stressed again the need to get an overview of the concrete steps already taken and foreseen by the ECB in order to be ready and fully operational when taking up its new supervisory tasks in the autumn next year.

We are aware of the publication by the ECB of a communication and note on the comprehensive assessment it intends to carry out as of November. Still, we would like to ask more specific questions relating to the ECB internal preparation. The questions are the following:

1. The ECB has advertised several key jobs (Director General/Deputy Director General for DG Micro-Prudential Supervision I, II, III; Director General/Deputy Director General in DG Micro-Prudential Supervision IV).
 - a. Who will prepare the appointment decisions?
 - b. Who will take the appointment decisions?
 - c. Will the ECB take these decisions before the Chair and Vice-Chair of the Supervisory Board are appointed? What is the time schedule?
 - d. How will it be ensured that the new Chair is not bound by these decisions?
2. How will the ECB ensure appropriate diversity of banking and supervision skills as well as geographical and gender balance in the recruitment process of the SSM staff, especially the lead staff that will directly assist the Chair and the Vice-Chair of the Supervisory Board?
3. Will the ECB provide or coordinate training activities for the staff of national supervisory authorities to ensure that all staff performing supervisory tasks as part of the SSM share common knowledge and best practice and act independently from their home authorities with a European mandate, and what is the volume of financial resources made available for and the planned frequency of such trainings?

4. A number of working groups have been created to prepare the SSM. Please provide us with:
 - a. a list of these working groups,
 - b. a full list of the respective members, and
 - c. an outline of their mandates and agendas.
5. Has the ECB or the preparatory working group produced a draft organigramme of the SSM? If so, we would ask you to please share the draft organigramme with the EP.
6. How is the ECB planning to ensure that monetary and supervisory policy are strictly separated in terms of staff, reporting lines and career paths in the ECB?
7. How will the ECB ensure that the planned asset quality review covers the whole part of the banking system under the supervisory responsibility of the SSM and not only the 130 institutions cited in the note regarding the comprehensive assessment? What arrangements, including the framework as foreseen in Article 6 of the ECB regulation, will be made to guarantee the coherence with the exercises carries out by the EBA and other supervisory authorities in the EU?
8. In the absence of common backstop mechanisms and in order to ensure a smooth transition to a full-fledged Banking Union, what is the view of the ECB regarding the measures to be taken in the case that potential needs for capital arise from the asset quality review?
9. How does the ECB plan to ensure that all rule-making and communication including reporting processes with banks are done in the home languages of the respective countries?
10. When will the ECB convene a first meeting of the Supervisory Board?
11. Will the ECB explain the relationship with the European Parliament concerning the SSM on the SSM section of its website? <http://www.ecb.europa.eu/ssm/html/index.en.html>

We would be grateful if the ECB could send its response in writing within 2 weeks after receipt of this letter.

Once again I trust that both our institutions are committed to having a strong and effective SSM coming into force as quickly as possible.

Yours sincerely, and on behalf of the SSM Working Group



Sharon Bowles