

Minutes of the 12 June 2012 Meeting of the Management Board

Agenda Item 1: Opening, Welcome and approval of the minutes and agenda

1. The minutes of the last MB meeting were distributed and subsequently approved by the MB.

Agenda Item 2: Welcome of Newly Elected Members of the Management Board

2. The Chairperson welcomed Daniele Nouy and Andrew Bailey and Fernando Vargas Bahamonde (represented by Cristina Iglesias), the newly elected members and thanked David Rozumek and Karoly Szasz for their work and contribution to the MB for the past one and a half years.

Agenda Item 3: Away-Day Potential Agenda

3. The Chairperson recalled that the Away-Day meeting should be mainly focused on supervisory issues and asked for the opinion of the MB on how to structure and organise the meeting.
4. The Chairperson suggested organising the meeting in three separate sessions: -1st session: a backward looking discussion focused on lessons learnt from the past on supervision and actions adopted by national authorities in this regard.; -2nd session: current situation- how can supervisors drive the process forward? What are the possible steps to be taken by banks and supervisors. These questions lead to three elements identified: Asset quality, funding and business models; -3rd session: European Banking Union and relevant developments/long vision of supervisory convergence. It was also suggested that some members should take the lead on different topics.
5. The MB proposed the following topics: historical experience of what went wrong and how to improve in the near future; the role of the EBA in colleges; long term vision on supervisory convergence; possible contribution of the EBA to the European Banking Union; how to move towards a common supervisory framework and the role to be played by the EBA in such setting;

what the EBA could do to strengthen supervision at a EU level, CRDIV and bail-in.

6. The Chairperson invited all members to make further proposals in writing on the topics to be discussed.
7. It was suggested to confirm whether Voting Members would like to invite external speakers to give a presentation on specific topics and lead some of the discussions.

Conclusion

8. The MB agreed to structure the Away Day meeting into three different sessions with possible case studies. It was agreed that an external presentation will be organised to lead into one session.

Agenda Item 4: Process for the Assessment of Third Country Equivalence

9. The Director Regulation stated that the objective of the note presented to the MB is to clarify the EBA's current mandate and to ask the MB for preliminary views on the process regarding cases where a decision on third country equivalence is needed for the application of prudential treatment under the CRR. General views on the third country equivalence regime were not sought. Two different options for dealing with a possible request from the Commission were presented to the MB.
10. The first option is simply waiting for the EBA lead network to be set up in mid-2012 and the second option is to mandate existing working groups, to assess the equivalence of prudential, supervisory and regulatory requirements in third countries.

Conclusion

11. The MB supported the first option, with the possibility of receiving support/assessment from the experts groups.

Agenda Item 5: EBA Work Programme- Input from MB and Standing Committees Chairs

12. The Chairperson stated that the Work Programme (WP) will be presented by September 2012. According to the EBA Regulation the WP should be adopted, before 30 September 2012, on the basis of a proposal by the MB for the coming year. The Chairs from the Standing Committees were invited to provide their input to the WP.
13. The Chairperson presented to the MB some preliminary ideas discussed within the EBA staff. The following priorities were identified in different areas:
Oversight: project on risk weighted assets, asset quality review and funding;

stress testing; practical work on crisis management and possibly something on supervisory practices (dependent on BoS July away day discussions); Policy Regulation: crisis management resolution and liquidity standards; SME Lending and remuneration bench marking; Consumer protection: ETFs; mortgages and financial innovation (ongoing work).

Conclusion

14. A written procedure should be launched in July 2012 to finalise the WP and be submitted for approval by the BoS in September and sent to the European Parliament, the Council and the Commission by end September.

Agenda Item 6: EBA Long Term Office Solution

15. The MB was provided with an update on the long term office solution. There are two options subject to the approval from the EP.
16. The Executive Director informed the MB of the meeting with the MEP Hohlmeier on 31 May in Brussels to discuss these two options.
17. The MB will be duly informed of any further development in this regard.

Agenda Item 7: Administrative and Operation Status Report

18. The Director Operations explained the main updates regarding the Administrative and Operations Status Report.
19. In terms of budget execution and as requested by the MB at the last MB meeting, an Annex has been added to the Administrative and Operational Status Report to make clear the EU Terminology. Regarding procurement, the tender for travel services has been published and another tender for the IT infrastructure services will be published in the course of early July.
20. With reference to HR, the appraisal exercise was launched in May and should be completed by 27 June 2012. The Director Operations informed of a change made by the Commission in conducting performance appraisals; there has been a change to the rule that performance appraisal should not be done against the stated objectives.
21. Regarding IT, the first draft of the data point model for ITS was published for consultation on the EBA website on 28 May for comments by 11 June 2012.

Agenda Item 8: EBA Annual Account 2011

22. The Annual Accounts of the EBA for the year 2011 were presented to the MB in accordance with Article 61 of the Financial Regulation jointly with the opinion of the Court of Auditors. The documents submitted to the MB at today's meeting are only for information due to the late distribution of the preliminary opinion of the Court of Auditors.

23. The Executive Director explained that the Court of Auditors sent to the EBA its preliminary observations on 12 June 2012 and added that six observations were made by the Court of Auditors to the EBA Annual Account 2011.
24. The opinion of the MB was asked on the 2011 Annual Accounts as stipulated in Article 83 (2) of the EBA Financial Regulation.
25. The MB was provided with an update on the EBA budget surplus of 2011.

Conclusion

26. The MB agreed to endorse the EBA Annual Accounts for the year 2011 via written procedure by the end of June. After the approval, the Annual Accounts for 2011 will be sent together with the opinion of the MB, to the Commission's Accounting Officer, the European Parliament and the Court of Auditors.

Agenda Item 9: HR Implementing Rules

27. The Decision on the general implementing provisions adopting the Guide to Missions submitted to EU COM in December 2011 by the 3 EASs for approval by DG HR were presented to the MB. The decision from the DG HR was received by the EBA on 2 May 2012.

Conclusion

28. The Guide to Missions was approved by the MB.

Agenda Item 10: Ethics Guidelines

29. The draft Ethics Guidelines was presented to the MB. This Decision is broadly based on the DG MARKT text, but with additional requisites and amendments applied to reflect the sensitive information which ESA Staff may have as a result of their duties at the ESA.

Conclusion

30. Members were invited to provide written comments on the draft, and to approve the Decision by written procedure.

Agenda Item 11: AOB

31. **-Update on Internal crisis Team:** The Executive Director updated the MB on the latest activities performed by this Team and on the process to be followed in case of an emergency situation. He added that the Code of Conduct has been reviewed and that an emergency contact list has been

prepared as a preparatory measure, should an emergency situation be declared. The Chairperson recalled the importance of communicating and discussing in a multilateral setting any decision at a national level before is taken.

Andrea Enria
Chairperson

List of Participants

Andrea Enria	Chairperson
Danièle Nouy	MB member
Mary Burke	MB alternate member for Matthew Elderfield
Jukka Vesala	MB member
David Rozumek	Co-SCrepol Chair
Uldis Cerps	MB alternate member for Martin Andersson
Mario Nava	European Commission
Andrew Bailey	MB member
Cristina Iglesias	MB Alternate member for Fernando Vargas
Anthony Kruizinga	SCConFin Chair
Peter Lutz	MB alternate member for Raimund Roseler
Adam Farkas	Executive Director
Isabelle Vaillant	Director Regulation
Piers Haben	Director Oversight
Peter Mihalik	Director Operations
Corinne Kaufman	EBA Staff - Policy Analysis & Coordination
Joseph Mifsud	EBA Staff - Legal
Patricia Juanes Burgos	EBA Staff - Legal