



EUROPEAN CENTRAL BANK

BANKING SUPERVISION

ECB-PUBLIC

**Jean-Paul REDOUIN**

Chair of the Administrative Board of  
Review  
European Central Bank

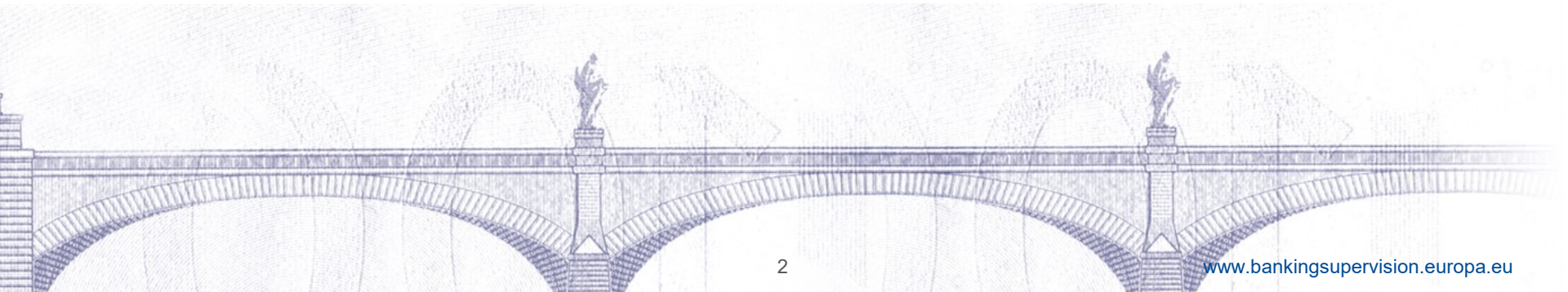
# The Administrative Board of Review – challenges and tasks after 1 year of the SSM

EBI/ECB workshop: challenges for  
banks in a changing regulatory  
environment

Frankfurt am Main, 28 January 2016

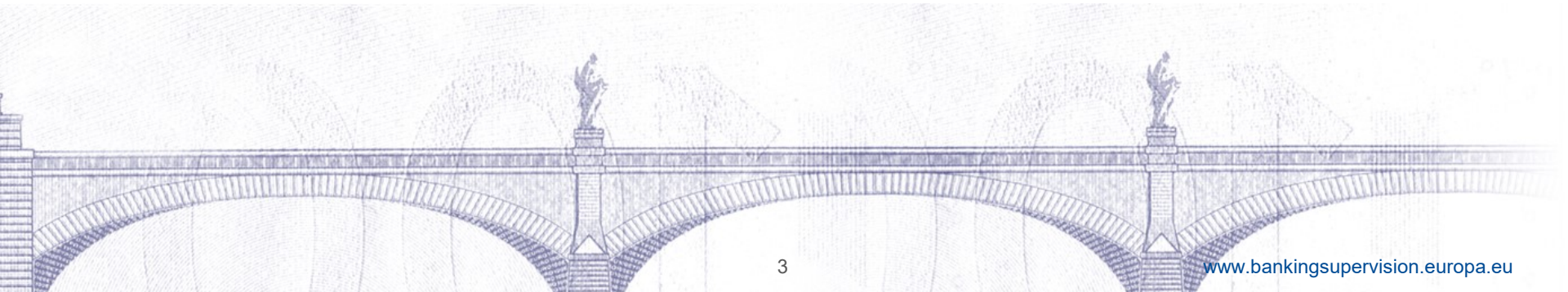
# Outline

1. Key features of the ABoR
2. The ABoR role in the SSM decision-making process
3. Scope of the ABoR review
4. Main issues raised by the banks



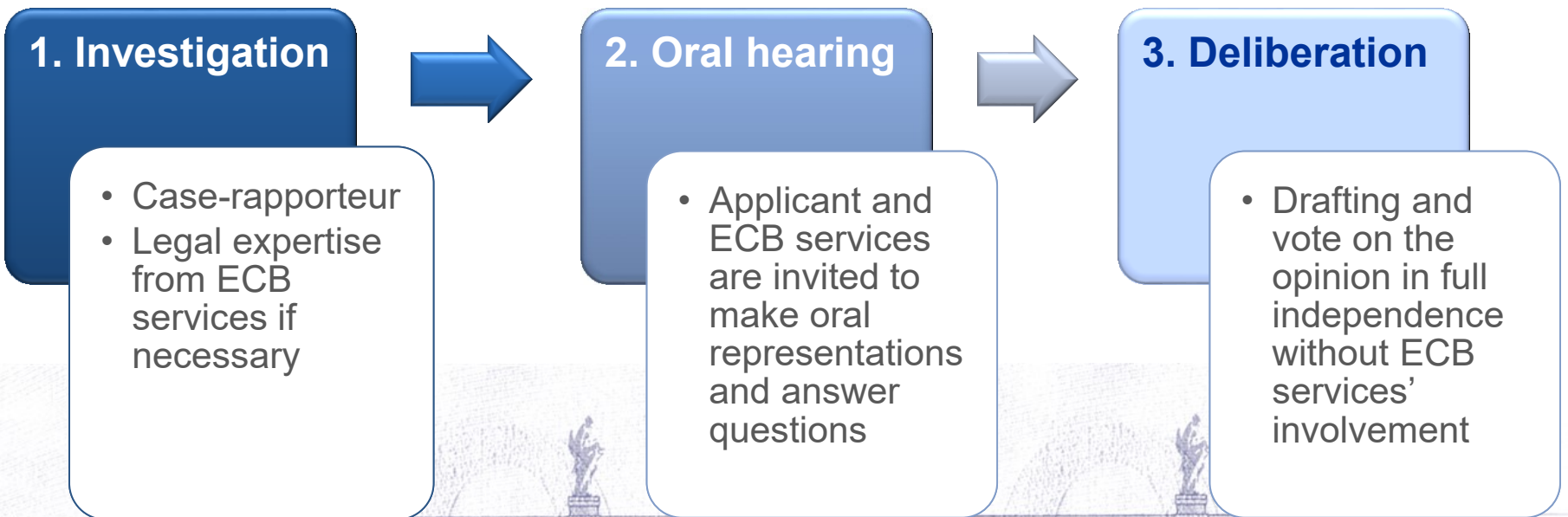
# 1. Key features of the ABoR (1/2)

- It carries out an **internal administrative review** of ECB supervisory decisions. It is **not an appeal body**.
- It is part of the ECB but its members and the Board as a whole are **independent** from the ECB.



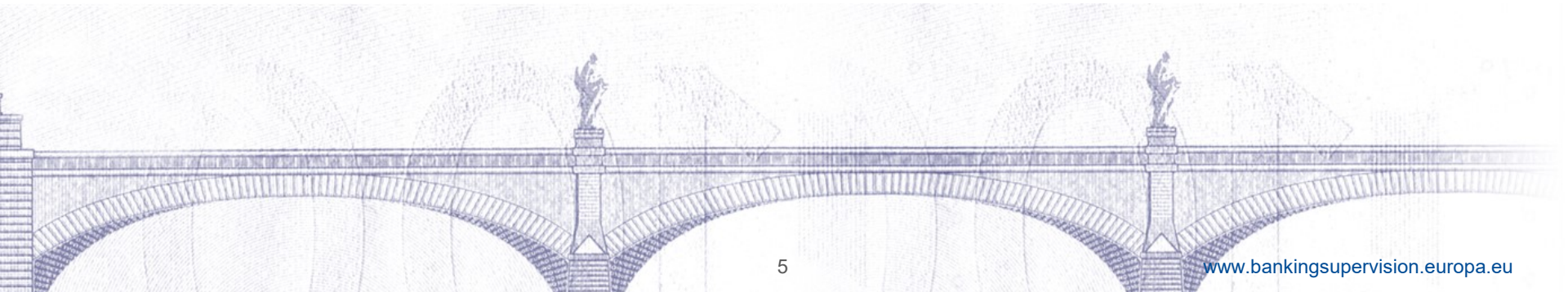
# 1. Key features of the ABoR (2/2): its independence

- A **personal and collective independence** is an **important safeguard** to balance the fact that the ABoR is an ECB body
- Its independence is **reinforced by the procedure** followed for the review

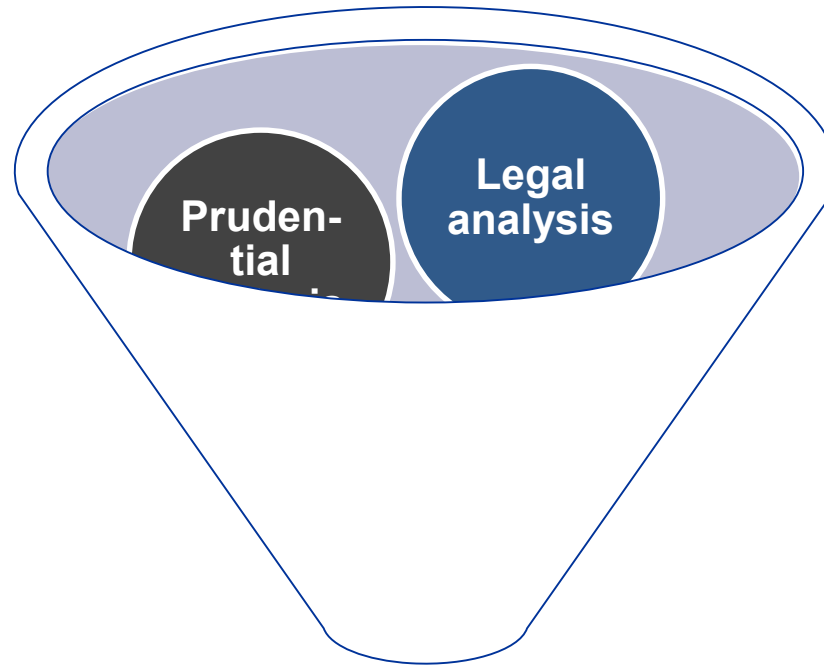


## 2. ABoR role in SSM decision-making process

- ABoR opinions are **not binding** but the Supervisory Board **shall take them into account** (Art. 24(7) SSM Regulation)
- Review procedure provides for the Supervisory Board to **reconsider its former decision**
  - Have a chance to take a more robust decision
  - Reduce risk of legal challenge
- **New decision** systematically adopted after an ABoR review
  - Preserve the right of the applicant to challenge the decision in court
  - If legal challenge, ABoR opinion may be disclosed in court



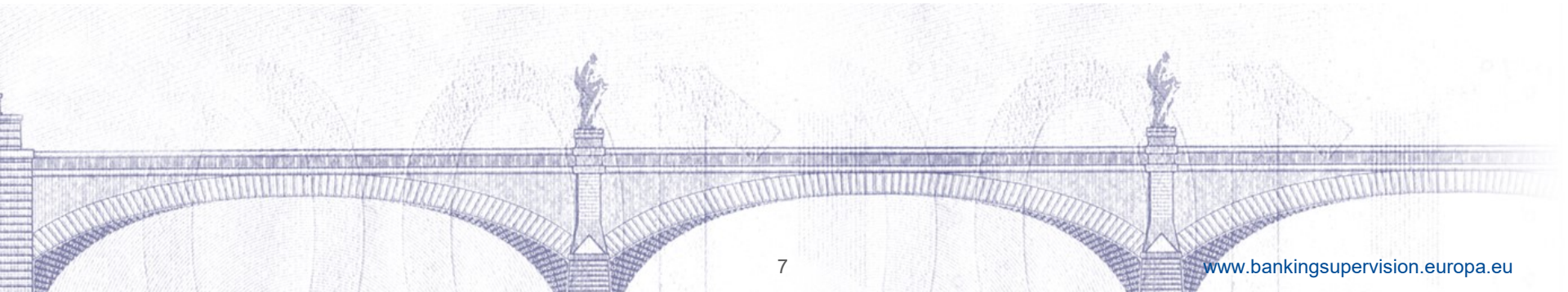
### 3. The scope of the ABoR opinion: a comprehensive review of the ECB decision



**ABoR opinion**

## 4. Main issues raised before the ABoR

- **When is a bank significant?**
  - e.g. business model, scope of consolidation of a banking group
- **What is a banking group?**
  - e.g. Article 10 CRR, status of joint ventures
- **The role of the management body in its supervisory function**
- The ABoR observed a **lack of harmonisation in the implementation of European law** at national level



# Conclusion

In its reviews, the ABoR works in the interest of both

- The ECB
- The banks

Administrative Board of Review  
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