



## EUROPEAN COMMISSION

11.7.2013  
Brussels,  
C(2013) 4293 final

*Dear President,*

*The Commission would like to thank the Riksdag for its Reasoned Opinion on the Proposal for a Council Regulation conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions {COM(2012) 511 final} and apologises for the delay in replying.*

*The Commission welcomes in particular the support expressed for the proposal on the establishment of a fully-fledged banking union as outlined by the Commission in its Communication 'A Roadmap towards a Banking Union' of 12 September 2012 {COM(2012) 510}.*

*The Commission understands that in its Reasoned Opinion the Riksdag questions the compatibility of the proposal for a Single Supervisory Mechanism (SSM) Regulation with the principles of subsidiarity and proportionality. The Riksdag particularly requests that national authorities should remain competent to impose additional capital requirements for reasons of financial stability at national level. In addition the Riksdag argues that the lack of decision making powers of the non-Euro area participating Member States in the Governing Council is disproportionate.*

*The Commission underlines that the issues raised by the Riksdag have been carefully analysed during the negotiations and addressed in the Council compromise unanimously agreed on 12-13 December 2012 as well as in the comprehensive compromise texts on the proposals following negotiations with the European Parliament on the proposal amending the Regulation establishing the European Banking Authority (EBA) and the consultation of the European Parliament on the proposal establishing the SSM.*

*The Commission fully shares the view that a clear division of labour between the ECB and national competent authorities is necessary and that the experience and know-how of national supervisory authorities should be adequately reflected in the SSM. Indeed, the comprehensive compromise text keeps the ECB's responsibility for the functioning of SSM which should ensure efficient and high quality supervision of all banks. At the same time, it provides for a clearer division of labour between the ECB and national supervisors: the ECB will carry out direct supervision of more significant banks while*

*Mr Per WESTERBERG  
President of the Riksdag  
SE – 100 12 STOCKHOLM*

*national supervisors will have responsibility for less significant banks within the framework established by the ECB. The significance of banks will be assessed on the basis of objective criteria (assets of more than EUR 30 billion or 20% of national GDP, public financial assistance) which seem suitable in view of ensuring that supervision is carried out at the most appropriate level. The activity of national supervisors will be integrated in the SSM and the ECB will be able to take over the direct supervision of any bank in participating Member States when necessary to ensure consistent application of high supervisory standards.*

*Similarly, the Commission fully shares the Riksdag's view that full involvement of the non-Euro area Member States and clear separation between the monetary policy and supervisory tasks should be ensured within the boundaries set by the present Treaty. The comprehensive compromise text reinforces the rights of participating non-Euro area Member States which may, on an equal footing with the euro-area Member States, participate in the activities of the newly created Supervisory Board that is in charge of planning and executing the supervisory tasks conferred upon the ECB. It further ensures the separation between the ECB's monetary and supervisory functions by minimising the role of the Governing Council in the decision making process. In particular, the Supervisory Board would carry out full preparatory work and propose complete draft decisions to the Governing Council which will be deemed adopted unless the Governing Council objects in a duly justified manner. In addition, a mediation panel will be created to resolve differences of views expressed by national supervisors on an objection of the Governing Council to a decision proposed by the Supervisory Board.*

*The Commission has taken note in its "Blueprint for a deep and genuine economic and monetary union" of 28 November 2012 of the request by many non-Euro area Member States, including Sweden, to propose a limited change to the Treaty in order to "eliminate some of the legal constraints it currently places on the design of the SSM". Additionally, Member States have expressed their willingness to work constructively on a proposal for a Treaty change while reaffirming their commitment to the urgent implementation of all agreed elements of the Banking Union.*

*Following the political agreement reached on the SSM package there is now an urgent need, as expressed by the European Council in its December 2012 conclusions, to move on towards a fully-fledged banking union in order to restore financial stability. The Commission therefore calls upon the EU co-legislators to continue in their commitment towards implementing all the agreed elements of banking union..*

*The Commission hopes that these explanations serve to clarify the points raised by the Riksdag and looks forward to continuing our political dialogue in future.*

*Yours faithfully,*

*Maroš Šefčovič  
Vice-President*