



European Association of Co-operative Banks  
Groupement Européen des Banques Coopératives  
Europäische Vereinigung der Genossenschaftsbanken

Nathalie de Basaldua  
Head of Unit – DG Markt DDG2 H4  
European Commission  
[Nathalie.De-Basaldua@ec.europa.eu](mailto:Nathalie.De-Basaldua@ec.europa.eu)

Brussels, 14 July 2014  
Ref: HG/KKH/B19/14-150

Cc: Sabino Fornies Martinez, Emiliano Tornese

E-MAIL

**Delegated act on contributions to resolution fund(s)**

Dear Ms de Basaldua,

The European Association of Co-operative Banks (EACB) is closely following the work of the European Commission in preparation of the delegated act on contributions to the resolution fund under the BRRD, and of the proposal for a Council's implementing act under the SRM. The members of the EACB will take individual decisions concerning responding to the Commission online consultation as launched on 20 June.

The EACB would like to draw your attention to the treatment of intra-group liabilities, which we understand is one of the features that the Commission services are currently investigating. Co-operative groups/networks are characterised by strong division of tasks between the institutions belonging to them (e.g. liquidity systems). The treatment of intra-group liabilities will therefore have far reaching consequences for the fairness of the calculation system, regardless of whether the final decision will be to calculate contributions on a solo or consolidated level. **Co-operative banks consider it imperative to ensure that intra-group liabilities are excluded from the basis for the calculation of contributions to the resolution fund(s).**

In this context, a fair and equal treatment of banks of all different sizes and models must be ensured. Therefore, it is important that the exclusion is appropriately formulated, and in particular that the **definition of intra-group liabilities covers all relevant situations**. While solutions envisaged in Regulation (EU) no 648/2012 (EMIR) can be used as a basis, **clear reference to Articles 10 and 113 (Paragraphs 6 and 7) of the Regulation 575/2013 (CRR) would be necessary** to reflect different models of co-operative groups/networks.

We would therefore recommend the following definition of intra-group liabilities in the future delegated/implementing acts:

***Intra-group liabilities***

*For the purpose of this Regulation, an intragroup liability is a liability created by an institution, or an entity, contributing to a financing arrangement through a contract entered into with another institution, or entity, contributing to a financing arrangement, provided that:*

*(a) each institution, or entity, is established within any participating Member State, or in the same non-participating Member State;*

*The voice of 3.700 local and retail banks, 56 million members, 215 million customers*

EACB AISBL – Secretariat • Rue de l'Industrie 26-38 • B-1040 Brussels

Tel: (+32 2) 230 11 24 • Fax (+32 2) 230 06 49 • Enterprise 0896.081.149 • lobbying register 4172526951-19

[www.eacb.coop](http://www.eacb.coop) • e-mail : [secretariat@eacb.coop](mailto:secretariat@eacb.coop)



European Association of Co-operative Banks  
Groupement Européen des Banques Coopératives  
Europäische Vereinigung der Genossenschaftsbanken

*(b) both institutions, or entities, are:*

*(i) included in the same consolidation on a full basis and they are subject to an appropriate centralised risk evaluation, measurement and control procedures; or*

*(ii) affiliated to the same central body, or the liability is between such institution or entity and the central body, as referred to in Article 10 of Regulation 575/2013 (CRR), or*

*(iii) are part of the same institutional protection scheme, referred to in Article 113 Paragraph 7 CRR*

*(c) there is no current or foreseen material practical or legal impediment to the prompt repayment of the liability.*

***The same treatment should apply to liabilities within networks as referred to in Article 422 Paragraph 8 of Regulation 575/2013 (CRR).***

We remain at your disposal for any questions you may have.

Yours sincerely,

Hervé GUIDER  
General Manager

---

Contact:  
Volker Heegemann, Head of Unit, Tel: 0032 02 286 9848, Email: [v.heegemann@eacb.coop](mailto:v.heegemann@eacb.coop)