SRB statement on European Court judgments annulling 2016 ex-ante contributions decisions for three banks

**The Single Resolution Board (SRB) takes note of yesterday’s judgments of the General Court of the European Union annulling the SRB’s decisions on the 2016 ex-ante contributions of Banco Cooperativo Español, Portigon, and Hypo Vorarlberg Bank to the Single Resolution Fund.**

The judgments only relate to the ex-ante contributions of these three institutions for 2016. There will be no impact on the build-up of the Single Resolution Fund. The contributions of these entities represent a very small percentage of the overall ex-ante contributions collected from more than 3,700 institutions in 2016.

In the judgments, the Court identified certain flaws related to procedural elements of the decision-making process in 2016, when the SRB was in its start-up phase. It made no comment on the calculation methodology, nor on the validity of the legal framework for calculating the ex-ante contributions.

The SRB will carefully assess the content of the judgments in order to determine the next steps, which will be taken in cooperation with the relevant National Resolution Authorities (NRAs). The banks remain under the obligation to pay ex-ante contributions for 2016.

**About the Single Resolution Fund**

The Single Resolution Fund (SRF) was established by Regulation (EU) No 806/2014 (SRM Regulation). The SRF may be used to ensure the efficient application of resolution tools and the exercise of the SRB’s resolution powers. The Fund is composed of contributions from credit institutions and certain investment firms in the 19 Banking Union Member States. It ensures that the financial industry, as a whole, finances the stabilisation of the financial system. The SRF is gradually being built up during the first eight years (2016-2023) and shall reach the target level of at least 1% of the amount of covered deposits of all credit institutions within the Banking Union by 31 December 2023.

**About ex-ante contributions**

Contributions to the SRF are raised annually from institutions in scope in each of the 19 Banking Union Member States. The SRB cooperates with the NRAs to ensure the raising of all the contributions due by the institutions under its remit. In particular, the SRB is responsible for the calculation of ex-ante contributions. The NRAs are responsible for the collection of contributions and the transfer to the SRF.