



EUROPEAN CENTRAL BANK
BANKING SUPERVISION

Danièle NOUY

Chair of the Supervisory Board

COURTESY TRANSLATION

Mr Jonás Fernández
Member of the European Parliament
European Parliament
60, rue Wiertz
B-1047 Brussels

Frankfurt am Main, 05 August 2015

Re: Your letter (QZ109)

Honourable Member of the European Parliament, dear Mr Fernández,

In your letter passed on by Mr Roberto Gualtieri, Chair of the European Parliament's Committee on Economic and Monetary Affairs, to Mr Mario Draghi, President of the ECB, with a cover letter of 10 July 2015, you raised a question relating to the ECB in its supervisory capacity. The President has therefore forwarded this question to me. I would like to kindly ask you to address such questions to me in the future, in line with the SSM Regulation and the Inter-institutional Agreement between the European Parliament and the ECB.

As you point out, four credit institutions domiciled in Greece have been under the direct supervision of the ECB since the establishment of the Single Supervisory Mechanism in November 2014, as they were deemed significant according to the applicable criteria set out in the SSM Regulation.

Since then, the ECB has been conducting its supervisory task with the aim of contributing to the safety and soundness of the credit institutions under its direct supervision. In this context, the Greek significant credit institutions are subject to an ongoing supervisory examination programme which is tailored to their specific risk profile and ensures a comprehensive view of risks and vulnerabilities as a basis for any further supervisory actions.

In addition, owing to the gradual escalation of the crisis in Greece since the end of last year, this monitoring process has been considerably intensified, including more frequent and detailed analysis of the liquidity, solvency, profitability and asset quality position of the credit institutions, accompanied by intense cooperation with other national competent authorities involved in the supervision of the respective banking groups and more frequent interactions with the management of the credit institutions. This intensified monitoring has allowed and continues to allow the necessary supervisory action in order to help preserve the liquidity and solvency positions of the banks concerned.

Finally, the ECB is currently preparing to conduct a comprehensive assessment of the Greek significant credit institutions, as indicated in the Euro Summit statement of 12 July 2015. If this assessment identifies capital shortfalls for one or more significant institutions, these may be covered by the capital buffer to be established under a new Greek programme, after applying the legal framework.

Yours sincerely,

[signed]

Danièle Nouy