

# European Central Bank (ECB): specific tasks concerning the functioning of the European Systemic Risk Board (ESRB)

2009/0141(CNS) - 21/01/2010 - Legislative proposal

**PURPOSE:** to entrust the European Central Bank with specific tasks concerning the functioning of the European Systemic Risk Board (ESRB).

**PROPOSED ACT:** Council Regulation.

**CONTENT:** the Council adopted a general approach with regard to the proposal for a Council Regulation entrusting the European Central Bank with specific tasks concerning the functioning of the European Systemic Risk Board. The text has been modified to comply with the Treaty on the Functioning of the European Union (TFEU).

It should be recalled that experience of the financial crisis has exposed important failures in financial supervision, both in particular cases and in relation to the financial system as a whole. The Commission proposed a [regulation establishing a European Systemic Risk Board](#) (ESRB) with aim to reinforce financial supervision in Europe. The Council reached a broad agreement on the substance of the regulation.

Given its expertise on macro-prudential issues, the European Central Bank (ECB) can make a significant contribution to the effective macro-prudential oversight of the EU financial system. As a consequence, the proposed regulation provides that:

- the President of the European Central Bank shall be Member of the General Board of the European Systemic Risk Board;
- the European Central Bank shall ensure a Secretariat, and thereby provide analytical, statistical, logistical and administrative support to the ESRB. The mission of the Secretariat shall prepare the ESRB meetings and ensure the collection and processing of information, including statistical information, on behalf and for the benefit of the fulfilment of the tasks of the ESRB;
- the ECB shall ensure sufficient, human and financial resources for the fulfilment of its task of ensuring the Secretariat;
- without prejudice to the application of criminal law, any confidential information received by the Secretariat whilst performing its duties may not be divulged to any person or authority whatsoever outside the ESRB, except in summary or aggregate form, such that individual financial institutions cannot be identified;
- the Secretariat shall ensure that documents are submitted to the ESRB in a manner which ensures the confidentiality of these documents. The ECB shall ensure the confidentiality of the data received by the Secretariat for the performance of the tasks of the ECB under this Regulation.