
Press release

European Supervisory Authorities publish final Guidelines on consistency of supervisory practices for financial conglomerates

The Joint Committee of the three European Supervisory Authorities (ESAs - EBA, ESMA and EIOPA) published today the Joint Guidelines on the convergence of practices aimed at ensuring consistency of supervisory coordination arrangements for financial conglomerates. The first Guidelines developed jointly by the three ESAs in relation to the FICOD (Financial Conglomerates Directive) aim to clarify and enhance cooperation between national competent authorities on cross-border groups that have been identified as financial conglomerates.

The Joint Guidelines focus on how authorities should cooperate in order to achieve a supplementary level of supervision of financial conglomerates. This will serve the purpose of addressing loopholes in present legislation, as prescribed by the FICOD. The Joint Guidelines should also enhance the level playing field in the financial market and reduce administrative burdens for firms and supervisory authorities.

The areas covered by the Joint Guidelines include in particular the mapping of the financial conglomerate structure and written agreements; the coordination of information exchange, supervisory planning and coordination of supervisory activities in going concern and emergency situations; the supervisory assessment of financial conglomerates; and other decision-making processes among the competent authorities.

The Joint Guidelines apply from 23 February 2015.

Legal background

The Joint Guidelines have been developed in accordance with Article 11 (1) paragraph 3 of Directive 2002/87/EC (Financial Conglomerates Directive), which mandates the ESAs, to develop, through the Joint Committee, guidelines to achieve convergence of supervisory practices relating to the consistency of supervisory coordination arrangements in accordance with Article 116 of Directive 2013/36/EU and Article 248(4) of Directive 2009/138/EC.

Joint Committee

The Joint Committee is a forum for cooperation that was established on 1st January 2011, with the goal of strengthening cooperation between the three ESAs. Through the Joint Committee, the three ESAs cooperate regularly and closely and ensure consistency in their practices. In particular, the Joint Committee works in the areas of supervision of financial conglomerates, accounting and auditing, micro-prudential analyses of cross-sectoral developments, risks and vulnerabilities for financial stability, retail investment products and measures combating money laundering.