Decision (EU) 2020/1016 of the European Central Bank of 24 June 2020 on the establishment of close cooperation between the European Central Bank and Hrvatska Narodna Banka (ECB/2020/31)

DECISION (EU) 2020/1016 OF THE EUROPEAN CENTRAL BANK

of 24 June 2020

on the establishment of close cooperation between the European Central Bank and Hrvatska Narodna Banka (ECB/2020/31)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions[(1)], and in particular Article 7 thereof,

Whereas:

(1) On 27 May 2019, the Republic of Croatia notified to the European Central Bank (ECB) a request to establish a close cooperation between the ECB and Hrvatska Narodna Banka (hereinafter 'HNB') pursuant to Article 7 of Regulation (EU) No 1024/2013.

(2) On 12 July 2019 and 7 April 2020, the Republic of Croatia adopted relevant national legislation to ensure that HNB will be obliged to adopt any measure in relation to supervised entities requested by the ECB, and that legal acts adopted by the ECB pursuant to Regulation (EU) No 1024/2013 are binding and enforceable in the Republic of Croatia. The ECB assessed such legislation, taking also into account its practical implementation.

(3) On 5 June 2020, the ECB completed a comprehensive assessment of certain credit institutions established in the Republic of Croatia. On the same date, HNB endorsed the results of the comprehensive assessment.

(4) On 16 June 2020, the ECB informed the Republic of Croatia of its preliminary assessment of the request to establish a close cooperation, giving the opportunity to the latter to provide its views. The Republic of Croatia replied on 20 June 2020, agreeing with the assessment, and did not provide comments.

(5) According to Article 5(1) of Decision ECB/2014/5[(2)], where the ECB concludes that the criteria set out in Article 7(2)(a) to (c) of Regulation (EU) No 1024/2013 are met, the ECB will adopt a decision addressed to the requesting Member State and establishing a close cooperation.

(6) Article 5(2) of Decision ECB/2014/5 provides that a decision establishing a close cooperation should indicate the modalities for the transfer of the supervisory tasks to the ECB and the date of the start of the close cooperation,

HAS ADOPTED THIS DECISION:

Changes to legislation: *There are currently no known outstanding effects for the Decision (EU) 2020/1016 of the European Central Bank. (See end of Document for details)*

Article 1

Establishment of a close cooperation between the ECB and HNB

1 On the basis of the information submitted by the Republic of Croatia, the ECB concludes that the criteria set out in Article 7(2)(a) to (c) of Regulation (EU) No 1024/2013 for establishing a close cooperation with HNB are met.

2 Pursuant to Article 7(2) of Regulation (EU) No 1024/2013, this Decision establishes a close cooperation between the ECB and HNB for the purpose of carrying out the tasks in the areas referred to in Article 4(1) and 4(2) and Article 5 of Regulation (EU) No 1024/2013 in relation to supervised entities established in the Republic of Croatia.

Article 2

Definitions

For the purposes of this Decision, the definitions contained in Regulation (EU) No 468/2014 of the European Central Bank (ECB/2014/17)[3] shall apply.

Article 3

Duty of cooperation in good faith and exchange of information

From the date of application of this Decision, the ECB and HNB shall be subject to a duty of cooperation in good faith and an obligation to exchange information on the basis of Article 6(2) of Regulation (EU) No 1024/2013.

Article 4

Starting date of close cooperation between the ECB and HNB

1 The starting date of close cooperation between the ECB and HNB shall be 1 October 2020.

2 Notwithstanding paragraph 1, for the purpose of the identification of significant supervised entities established in the Republic of Croatia pursuant to Article 110 of Regulation (EU) No 468/2014 (ECB/2014/17), the starting date of close cooperation between the ECB and HNB shall be considered to be the date of application of this Decision.

Article 5

Modalities of transfer of supervisory tasks to the ECB

1 From 1 October 2020, the ECB shall carry out the tasks in the areas referred to in Article 4(1) and 4(2) and Article 5 of Regulation (EU) No 1024/2013 in relation to supervised entities established in the Republic of Croatia.

2 Accordingly, from that date: