
QUICK LINKS

[EUROPEAN CENTRAL
BANK \(ECB\)](#)

[SINGLE SUPERVISORY
MECHANISM \(SSM\)](#)

[SINGLE RESOLUTION
MECHANISM \(SRM\)](#)

[EFIG GROUP](#)

EUROPEAN CENTRAL BANK (ECB)

TARGET2-Securities – ECB publishes Annual Report 2021

6 May 2022 - The European Central Bank (ECB) has published the 11th edition of the TARGET2-Securities Annual Report.

TARGET2-Securities (T2S), in particular, was conceived as an initiative to address the highly fragmented securities settlement landscape in Europe. It was launched in June 2015 as an integrated platform for processing securities transactions against central bank money. This year the report presents the evolution of T2S settlement data, describing the T2S traffic in 2021, the value of settlements in T2S, settlement efficiency, unsettled transactions, the use of auto-collateralisation and other aspects related to settlement in T2S, while confirming the continuity of operational stability and efficiency. Furthermore it describes the T2S Service level and availability data, the T2S financial performance, the T2S risk management and compliance as well as the system evolution.

The report describes the developments which took place in T2S in 2021 and some of the main incidents that had an impact on the platform throughout the previous year.

The report is mainly addressed to decision-makers, practitioners, lawyers, and academics wishing to acquire an in-depth understanding of T2S and how it works. In addition, it will serve the public with an interest in market infrastructure matters and T2S in particular.

[Press release](#)

[Annual Report 2021](#)

QUICK LINKS

[EUROPEAN CENTRAL
BANK \(ECB\)](#)

[SINGLE SUPERVISORY
MECHANISM \(SSM\)](#)

[SINGLE RESOLUTION
MECHANISM \(SRM\)](#)

[EFIG GROUP](#)

Desks mapping review - ECB considers integration of Brexit banks in European banking supervision

19 May 2022 - The ECB has published a blog post by the Chair of its Supervisory Board, Andrea Enria, on the ECB's desk mapping review and integrating Brexit banks into European banking supervision.

The blog notes that the “*desks-mapping review, i.e. the review of booking and risk management practices across trading desks active in market-making activities, treasury and derivative valuation adjustments, is part of the supervisory work aimed at ensuring that third-country subsidiaries have adequate governance and risk management capabilities and do not operate as empty shells. It was launched as ECB Banking Supervision assessed (i) that banks had not made sufficient progress in ensuring adequate local trading presence and risk management capabilities in their newly established entities in the euro area; and (ii) that banks need clear instructions for appropriately implementing the target operating models previously agreed with their Joint Supervisory Team.*”

The first phase of the review found that the incoming banks do not yet retain full control of their balance sheets in line with the ECB's expectations. The ECB concluded that 21% of the 264 desks assessed during the first phase warranted targeted supervisory action. For the desks identified as material, the ECB will issue individual binding decisions to the incoming banks. These decisions may require the bank to: (i) appoint a head of desk within the euro area legal entity with clearly defined reporting lines and a compensation structure linked to the performance of that entity; (ii) ensure the desk has the adequate infrastructure and number and seniority of traders to manage risk locally; (iii) establish a solid governance and internal control framework of remote booking practices with parent affiliates; and (iv) ensure limited reliance on intra-group hedging.

EUROPEAN BANKING NEWSLETTER

JUNE 2022

BONELLIEREDE
BREDIN PRAT
DE BRAUW
HENGELER MUELLER
SLAUGHTER AND MAY
URÍA MENÉNDEZ

QUICK LINKS

[EUROPEAN CENTRAL
BANK \(ECB\)](#)

[SINGLE SUPERVISORY
MECHANISM \(SSM\)](#)

[SINGLE RESOLUTION
MECHANISM \(SRM\)](#)

[EFIG GROUP](#)

Ms Enria stresses that the ECB is not setting specific targets for the relocation of banking business to the euro area. Instead, it wants to ensure that incoming legal entities have onshored governance and risk management arrangements that are prudentially commensurate with the risk they cover. The extent of the actual relocation and specific booking configuration will depend on the current set-up of each bank and how it decides to implement the supervisory expectations.

Blog post by Andrea Enria, Chair of the Supervisory Board of the ECB: [The desks mapping review - integrating Brexit banks into European banking supervision](#)

EUROPEAN BANKING NEWSLETTER

JUNE 2022

BONELLIEREDE
BREDIN PRAT
DE BRAUW
HENGELER MUELLER
SLAUGHTER AND MAY
URÍA MENÉNDEZ

QUICK LINKS

*EUROPEAN CENTRAL
BANK (ECB)*

*SINGLE SUPERVISORY
MECHANISM (SSM)*

*SINGLE RESOLUTION
MECHANISM (SRM)*

EFIG GROUP

SINGLE SUPERVISORY MECHANISM (SSM)

No relevant items

QUICK LINKS

[EUROPEAN CENTRAL
BANK \(ECB\)](#)

[SINGLE SUPERVISORY
MECHANISM \(SSM\)](#)

[SINGLE RESOLUTION
MECHANISM \(SRM\)](#)

[EFIG GROUP](#)

SINGLE RESOLUTION MECHANISM (SRM)

Resolution framework public interest assessment - SRB publishes addendum

20 May 2022 - The Single Resolution Board (SRB) has published an addendum setting out its revised approach to the resolution framework public interest assessment (PIA). The SRB previously published an addendum to its resolution framework PIA in May 2021. The SRB notes that the new addendum will bring further clarity to the PIA in relation to Deposit Guarantee Schemes (DGSs) relating to resolution objectives 2 and 4, namely: (i) to avoid significant adverse effects on financial stability, in particular by preventing contagion and maintaining market discipline; and (ii) to protect depositors covered by the DGS Directive and investors covered by the Investor Compensation Scheme Directive, respectively. The PIA enhancement strengthens the choice of the best resolution strategy to safeguard the resolution objectives. It reiterates that, in the context of resolution planning, resolution objective 4 should not be considered at risk on the basis of DGSs' inadequacies as the functioning of national DGS is required under the DGS Directive (2014/49/EU).

[SRB Addendum to the Public Interest Assessment - Deposit Guarantee Schemes Considerations](#)

[Press release](#)

EUROPEAN BANKING NEWSLETTER

JUNE 2022

BONELLIEREDE
BREDIN PRAT
DE BRAUW
HENGELER MUELLER
SLAUGHTER AND MAY
URÍA MENÉNDEZ

QUICK LINKS

[EUROPEAN CENTRAL
BANK \(ECB\)](#)

[SINGLE SUPERVISORY
MECHANISM \(SSM\)](#)

[SINGLE RESOLUTION
MECHANISM \(SRM\)](#)

[EFIG GROUP](#)



BONELLIEREDE

Stefano Micheli
stefano.micheli
@belex.com



HENGELER MUELLER

Dirk Bliesener
dirk.bliesener
@hengeler.com



BONELLIEREDE

Giuseppe Rumi
giuseppe.rumi
@belex.com



HENGELER MUELLER

Christian Schmies
christian.schmies
@hengeler.com



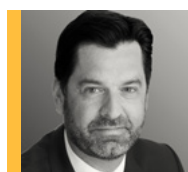
BREDIN PRAT

Didier Martin
didiermartin
@bredinprat.com



SLAUGHTER AND MAY

Jan Putnis
jan.putnis
@slaughterandmay.com



BREDIN PRAT

Matthieu Pouchepadass
matthieupouchepadass
@bredinprat.com



SLAUGHTER AND MAY

Nick Bonsall
nick.bonsall
@slaughterandmay.com



DE BRAUW

Mariken van Loopik
mariken.vanloopik
@debrauw.com



URÍA MENÉNDEZ

Pedro Ravina
pedro.ravina
@uria.com



DE BRAUW

Pete Lawley
pete.lawley
@debrauw.com



URÍA MENÉNDEZ

Carlos Costa Andrade
carlos.andrade
@uria.com

EUROPEAN BANKING NEWSLETTER

JUNE 2022

BONELLIEREDE

www.belex.com

Milan, Genoa, Rome, Addis Ababa*, Brussels, Cairo*,
Dubai, London

**: in cooperation with local law firm*

BREDIN PRAT

www.bredinprat.com

Paris, Brussels

DE BRAUW

www.debrauw.com

Amsterdam, Brussels, London, Shanghai, Singapore

HENGELER MUELLER

www.hengeler.com

Frankfurt, Berlin, Dusseldorf, Munich, Brussels,
London

SLAUGHTER AND MAY

www.slaughterandmay.com

London, Beijing, Brussels, Hong Kong

URÍA MENÉNDEZ

www.uria.com

Madrid, Barcelona, Bilbao, Bogotá, Brussels, Lima,
Lisbon, London, New York, Porto, Santiago, Valencia
