



EUROPEAN CENTRAL BANK
BANKING SUPERVISION

Danièle NOUY

Chair of the Supervisory Board

Mr Marco Zanni
Member of the European Parliament
European Parliament
60, rue Wiertz
B-1047 Brussels

Frankfurt am Main, 18 August 2017

Re: Your letter (QZ-079)

Honourable Member of the European Parliament, dear Mr Zanni,

Thank you for your letter regarding different reference values for NPLs recovery in recent resolution or liquidation cases which was passed on to me by Mr Roberto Gualtieri, Chairman of the Committee on Economic and Monetary Affairs, accompanied by a cover letter dated 24 July 2017.

Please be informed that, in accordance with the allocation of competencies established by the Bank Recovery and Resolution Directive (BRRD)¹, the Banca d'Italia, in its capacity as the national resolution authority, was responsible for determining that the resolution of Banca Etruria was necessary in the public interest and preferable to the bank being wound up under normal insolvency proceedings. Accordingly, the Banca d'Italia is also responsible for verifying that resolution complies with the principle that no creditor may incur losses greater than those that would have been incurred if the entity in question had been wound up under normal insolvency proceedings. Similarly, the Italian authorities were responsible for the liquidation of the two Venetian banks.

The BRRD does not foresee any role for supervisory authorities in the above-mentioned assessments and decisions. Consequently, the ECB is not competent to assess the grounds on which the Italian Authorities, and in particular the national resolution authority for Banca Etruria, took their decisions or look at how these decisions compares with other cases.

Yours sincerely,

[signed]

Danièle Nouy

¹ Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council (OJ L 173, 12.6.2014, p. 190).