

Provisions of the CNB Organisational Statute

fulfilling statutory requirements laid down in Articles 5 of the Recovery and Resolution Act

The Bank Board

- decides upon fundamental measures in the area of monetary and macroprudential policy, financial market supervision and resolution,
- issues first-instance decisions and, where relevant, approve provisions of a general nature on the application of resolution measures or the write-down and conversion of capital instruments where such procedure requires the approval of the Ministry of Finance, and also in cases of an significant systemic impact,
- decides in administrative proceedings on appeals and other legal remedies in respect of which it is a competent superior administrative authority pursuant to the Administrative Procedure Code,
- shall propose to the Minister of Finance the CNB's employees to be appointed members of the administrative board of the Financial Market Guarantee System,
- approves the provision of emergency liquidity to the Financial Market Guarantee System in the form of a short-term secured loan for the purpose of disbursement from the Deposit Insurance Fund in the event that the Financial Market Guarantee System does not have sufficient available funds to fulfil its tasks in the area of deposit claims insurance and such a situation could threaten the stability of the financial market,
- determines the total amount of extraordinary contributions to the Deposit Insurance Fund to be collected from banks, credit unions and branches of banks from non-EU countries,
- establishes, if the gravity of the situation so requires, in particular with regard to the possible systemic impact of a failure of an obliged person under the BRRD, a design team composed of representatives of the relevant CNB organisational units or external experts, as appropriate, on the proposal of the Financial Markets and Resolution Department.

Financial Markets and Resolution Department

The Financial Markets and Resolution Department shall exercise powers of a resolution authority under the Recovery and Resolution Act, except in cases where the Bank Board makes decisions.

In the context of resolution, the Financial Markets and Resolution Department is responsible in particular for the preparation of resolution, including the preparation and regular updating of resolution plans, resolution of relevant financial market entities and regulatory cooperation in the area of resolution-related activities, which primarily includes:

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- a methodology to ensure the performance of resolution-related activities (resolution-related activities means resolving failures of obliged entities under the Recovery and Resolution Act, planning resolution, removing obstacles to resolution eligibility, writing down and converting capital instruments, applying resolution measures, performing group resolution, carrying on activities or participating in resolution colleges and planning and managing resolution financing, including principles for communication in this area,
- in cooperation with the Financial Market Supervision Department checking the preparation and subsequent regular updating of the recovery plans of obliged entities under the Recovery and Resolution Act,
- preparing and regularly updating resolution plans on a solo or group basis and contributing to the preparation of such plans on a group level,
- informing the Bank Board of the preparation of resolution plans, especially those for systemically important institutions,
- communicating with relevant financial market entities and authorities, including requesting the necessary cooperation, information and reference documents in order to prepare resolution plans,
- working with the Financial Market Guarantee System in the preparation of resolution plans where its participation is necessary,
- participating in the preparation, implementation and assessment of exercises of dealing with adverse situations and resolution exercises and other simulation exercises,
- decision-making in resolution-related activities,
- in the event of application of a bridge institution or asset management vehicle, working with the Ministry of Finance on establishing the bridge institution or asset management vehicle,
- assessing information obtained from a special manager in the execution of special management,
- working with the Financial Market Regulation and International Cooperation Department on the preparation of legislation relating to resolution-related activities,
- working with the Financial Market Regulation and International Cooperation Department on the preparation of opinions on the documents and proposals of international organisations and institutions relating to resolution-related activities,
- conducting resolution-related administrative proceedings and issuing decisions in such proceedings,
- preparing draft provisions of a general nature relating to resolution-related activities, except in cases where the Bank Board makes decisions,
- conducting resolution-related administrative proceedings, including providing necessary reference documents in cases where the Bank Board makes decisions,
- preparing opinions and reference documents for the Bank Board and the Appeals Committee when a remedial action is filed against a decision,
- after discussion with the Financial Market Guarantee System, setting the annual target level of contributions to the Resolution Fund and deciding on payment commitments to the Resolution

Fund and publishing the amount of contributions in an Official Information document, in cooperation with the Financial Market Guarantee System, deciding on payment commitments to the Resolution Fund,

- preparing motions for the opening of proceedings which are to be conducted by another CNB organisational unit, within the scope of the department's defined areas of competence,
- ensuring methodological cooperation with the Statistics and Data Support Department when preparing reporting for resolution-related activities,
- preparing reference documents for the General Secretariat for dealing with submissions, suggestions and enquiries from the public and concerned financial situations regarding practical aspects of resolution-related activities within the CNB
- working in cooperation with competent European resolution authorities and other relevant entities within the EU in the performance of resolution-relevant activities,
- participating in resolution colleges,
- in cooperation with the Financial Market Regulation and International Cooperation Department and the General Secretariat, negotiating on behalf of the CNB in respect of both binding and non-binding mediation with European Supervisory Authorities regarding resolution-related issues,

The Executive Director of the Financial Markets and Resolution Department shall be responsible for:

- performing resolution-related activities, within the scope of the powers delegated to him,
- appointing and dismissing special managers,
- appointing and removing the valuer for resolution purposes and carrying out the preliminary valuation,
- approving resolution-related provisions of a general nature under the Recovery and Resolution Act in respect of obliged entities under the Recovery and Resolution Act, except in cases where the Bank Board makes decisions,
- issuing first-instance decisions in administrative proceedings conducted in respect of resolution-related activities, except in cases where the Bank Board makes decisions,
- deciding, together with the Executive Director of the Financial Market Supervision Department in the area of supervision or with the Executive Director of the Resolution Department in the area of resolution, on whether the CNB will comply with the guidelines and recommendations of the European Supervisory Authorities,

in justified cases, the Director may delegate in writing to the Director of the Resolution Division the performance of some of the above activities.

Cooperation of the CNB's organisational units in providing resolution-related activities

Resolution-related activities under the Recovery and Resolution Act, which are carried out within the scope of the Financial Markets and Resolution Department, are carried out separately from the CNB's other activities, in particular financial market supervision; the Bank Board's powers are not affected.

In carrying out its activities, the Financial Markets and Resolution Department cooperates with the Financial Market Supervision Department, the Financial Market Supervision Department II, the Financial Stability Department and, where appropriate, other CNB organisational units. This cooperation shall be carried out in such a way as to ensure the separate exercise of the Financial Markets and Resolution Department's competences, including ensuring that the confidentiality obligation under specific regulations is maintained.

The Statistics and Data Support Department shall provide the Financial Markets and Resolution Department, upon request, with data and information from statistical information systems and databases within the scope of the Statistics and Data Support Department, with limited access relating exclusively to the scope of the Financial Markets and Resolution Department.