
The Single Resolution Board (SRB)

The Single Resolution Board (SRB) started work in March 2015. The Single Resolution Board and the resolution authorities of the countries in the euro area are together the Single Resolution Mechanism. The Single Resolution Mechanism is one of the two foundations of the European Banking Union alongside the Single Supervision Mechanism.

The crisis resolution authority in Estonia has been Finantsinspektsioon since spring 2015. The task of the SRB is to ensure that winding up the operations of banks that have fallen into difficulty has minimal impact on the non-financial economy and on funding both within the euro area countries and outside of them.

Finantsinspektsioon, as the resolution authority in Estonia, has played an active role in the European Single Resolution Board since 2015.

The main work of the SRB is drawing up and approving resolution programmes, assessing eligibility for resolution, setting minimum rates for own funds and eligible liabilities, monitoring early intervention measures, initiating resolution procedures jointly with the European Central Bank, and taking decisions on resolution. The Single Resolution Board works closely with the resolution authorities of the member states.

The Single Resolution Board consists of an appointed Chair, four full members and a member appointed by each member state to represent the resolution authority. The European Commission and the European Central Bank each appoint a representative with the right to attend full meetings and the full board as a permanent observer.

The SRB also manages the Single Resolution Fund (SRF), which was set up in 2016. In the same year, the fund started an eight-year transition period with the final goal of building up a single fund of at least 1% of the total guaranteed deposits in the credit institutions operating under licences from the SSM. The SRF is funded by annual participation fees paid by all credit institutions and some investment firms from the member states that participate in the SRM. The SRB is responsible for calculating the participation fees, and the resolution authorities of the member states are responsible for collecting the fees from credit institutions and investment firms located on their own territory and for transferring the fees to the SRF.

