



Lietuvos nuolatinė atstovybė
Europos Sąjungoje

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**COUNCIL OF THE EUROPEAN UNION
GENERAL SECRETARIAT**

SGS14/07698

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NOTE VERBALE

The General Secretariat of the Council of the European Union presents its compliments to the Parties to the Agreement on the transfer and mutualisation of contributions to the Single Resolution fund signed on 21 May 2014 and, in its capacity as depositary thereof, has the honour to inform of:

- the notification, on 21 May 2014, by the Republic of Bulgaria, the Czech Republic, the Federal Republic of Germany, the Republic of Malta, Romania, the Slovak Republic and the Republic of Finland, of a declaration in respect of the Agreement, which the Republic of Estonia joined on 5 June 2014, and the text of which is attached herewith in Annex I;
- the notification, on 21 May 2014, of a declaration by the Kingdom of Denmark, the text of which is attached herewith in Annex II.

The General Secretariat of the Council of the European Union avails itself of this opportunity to renew to the Parties to the Agreement on the transfer and mutualisation of contributions to the Single Resolution fund the expression of its highest consideration.

Brussels, 12 June 2014



Encl.

Declaration of

**the Republic of Bulgaria, the Czech Republic, the Federal Republic of Germany,
the Republic of Estonia, the Republic of Malta, Romania, the Slovak Republic and the
Republic of Finland**

on the

**Agreement on the Transfer and Mutualisation of Contributions
to the Single Resolution Fund
made upon signature**

Whereas

- On 20 December 2013, the Eurogroup and ECOFIN Ministers issued a statement on the Single Resolution Mechanism (SRM) backstop (18137/13), laying down that

'In the transition period, bridge financing will be available either from national sources, backed by bank levies, or from the ESM in line with agreed procedures. The arrangements for the transition period will be operational by the time the SRF is established, including the setting up of possibilities for lending between national compartments.'

- Article 6(4) of the Regulation of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 of the European Parliament and of the Council, politically approved by the Committee of Permanent Representatives on 27 March 2014 and by the European Parliament on 15 April 2014, sets out that

'Decisions or actions of the Board, the Council or the Commission shall neither require Member States to provide extraordinary public financial support nor impinge on the budgetary sovereignty and fiscal responsibilities of the Member States.'

- In its 11 September 2013 opinion on the proposed legal basis (13524/13) of the SRM Regulation, the Council Legal Service had explicitly stressed that

'the funding of resolution may under no circumstance engage the budgetary liability of the Member States. Article 114 TFEU cannot be used to compel directly or indirectly Member States to make further contributions to the budget of the Union or any of its bodies beyond the system of own resources of the Union as laid down in Article 311 and the own resources decision' (paragraph 54).

- On 27 March 2014, in the Committee of Permanent Representatives, in relation to the SRM Regulation, the Federal Republic of Germany, the Republic of Malta, Romania, the Slovak Republic, and the Republic of Finland made a declaration that

'All provisions as well as the preamble of the SRM Regulation must be interpreted in line and conformity with the above mentioned elements. No provision or recital may be interpreted as requiring, or leading to, any public financial support or measures impinging on the budgetary sovereignty and fiscal responsibilities of Member States.'

This declaration was joined by other Member States. In the same session, the Council Legal Service confirmed in a written statement that Article 6(4) of the SRM Regulation is clearly drafted and cannot be altered by Recital 11 of the SRM Regulation.

the Republic of Bulgaria,

the Czech Republic,

the Federal Republic of Germany, which in addition refers to the declaration made by the German Chancellor on the 19/20 December 2013 European Council in relation to the SRM,

the Republic of Estonia,

the Republic of Malta,

Romania,

the Slovak Republic,

and

the Republic of Finland

declare:

It is the understanding of the Republic of Bulgaria, the Czech Republic, the Federal Republic of Germany, the Republic of Estonia, the Republic of Malta, Romania, the Slovak Republic and the Republic of Finland that the Agreement on the Transfer and Mutualisation of Contributions to the Single Resolution Fund as a whole, in particular recitals 6 and 13 as well as articles 5 and 7, as well as the recitals and articles of the SRM regulation, are to be interpreted in a manner that they do not create any obligation of joint liability of the Contracting Parties, of amending the ESM Treaty, or in particular, of any public financial support or measures impinging on the budgetary sovereignty and fiscal responsibilities of the Contracting Parties.

Erklæring:

”Den danske regering påpeger, at nærværende undertegnelse ikke i sig selv er udtryk for, at Danmark efterfølgende vil ratificere den mellemstatslige aftale. Eventuel senere dansk ratifikation af aftalen vil afhænge af en eventuel senere dansk beslutning om deltagelse i det styrkede banksamarbejde.”

Courtesy translation

Declaration:

”The Danish Government notes that this signing does not in itself express the intention of Denmark to subsequently ratify the inter-governmental agreement. A possible Danish ratification at a later stage will depend on the outcome of a later Danish decision with regard to participation in the Banking Union.”

