



EBA MB 2019 112

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Management Board

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10 September 2019/09:30-16:00

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Location: Paris

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EBA – Regular Use

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# Management Board meeting – Final Minutes

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## Agenda item 1: Approval of agenda and minutes

1. The Chairperson welcomed the Members. He reminded the Management Board (MB) that after the recent departure of Edouard Fernandez-Bollo, there was a vacant position in the MB. To that end, the EBA launched a call for expression of interest on 27 August and received one nomination from Martina Drvar (Croatian National Bank). The election was scheduled for the next Board of Supervisors (BoS) meeting on 19 September 2019.
2. The Chairperson also announced that the Executive Director would participate in the meeting only for items 3 to 6 and would not attend any future MB meetings and thanked him for all his excellent work in the past years.
3. The Chairperson asked the MB to approve the Minutes circulated after the round of comments.

## Conclusion

4. The MB approved the Agenda for the day and the Minutes of the MB meeting of 4 June 2019.

## Agenda item 2: Update on the Executive Director's succession (A-Point)

5. The Chairperson briefly introduced the item by summarising the actions that in the context of the Executive Director's resignation, the MB had taken so far. The MB discussed the draft Decision on restriction of occupational activities of the Executive Director during two MB conference calls based on reports provided by the Advisory Committee on Conflict of Interest
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(ACCI) and the EBA Joint Committee. In accordance with the MB agreement, the EBA launched a written procedure to the BoS asking for an approval of the draft Decision. The European Commission (EC) proposed an amendment to the draft Decision during the written procedure, with a view to further strengthening the restrictions considered. The EBA decided to suspend the written procedure in order to discuss the contents of the proposed amendment with the MB. To that end, the MB held a conference call and the EBA staff prepared several drafting proposals. The Chairperson asked the MB to express their views on the alternatives provided, in particular on the wording related to restrictions after leaving the service of the EBA, and time limitations of the restrictions.

6. One MB Member acknowledged a need to limit lobbying activities but he requested clarification on the practical implementation on how to restrict the use of knowledge the Executive Director had on topics directly linked to the work carried out by him during the last three years of service.
7. The EC representative was of the view that the limitations should specifically refer to the AFME activities. He also mentioned that the strong preference of the EC was to extend limitations to 24 months after leaving the service.
8. Other MB Members supported the proposed drafting, in particular the explicit reference to AFME-related activities. With regard to the timing, one Member preferred 24 months, while others did not have a common view alternating between 12 and 18 months. MB members exchanged views regarding the precedent set by an earlier case where limitations were imposed for a period of 24 months, but observed that this case was not fully comparable since in this case the starting date of the limitation was after leaving service, which made the limitation period effectively shorter.
9. The MB requested clarification on how the EBA would monitor the activities of the Executive Director after leaving the service. The EC representative confirmed that the onus was on the addressee of the decision to comply with its contents while the EBA had to monitor and, if necessary, enforce the limitations in the Decision, even if in practice there are limited means to do so.
10. The Chairperson concluded that the MB agreed with the AFME-specific wording and 18 months limitations of engaging in files related to his previous three years of work. He noticed that this 18 month limitation, added to the restrictions on the Executive Director being involved in regulatory and supervisory matters during his notice period, effectively resulted in almost 24 months during which the Executive Director will not be engaging in EBA related files.
11. The Chairperson continued by briefly summarising a vacancy notice for the Executive Director's position. He mentioned that it was based on previous vacancy notices for the Chairperson and Executive Director and that it would have to be adopted by the BoS.
12. The EC representative asked the EBA to liaise with the DG HR to clarify some points related to the selection criteria.

13. One MB Member asked about a selection committee and the Head of Legal Services explained that it should be appointed at the October BoS meeting. After the BoS agree on the selection procedure and the appointment of the selection committee, the EBA would circulate a call for candidates to be part of the selection committee in the coming weeks with an indication of when panel members would need to be available for meetings. The process for selecting the committee was the same as was used last year for the Chairperson's position. He also mentioned that a detailed note on the selection procedure would be submitted to the next BoS meeting in September.

### Conclusion

14. The MB agreed to introduce the AFME-specific wording in the Decision on restriction of occupational activities of the Executive Director and to limit the restriction of assisting AFME members, and otherwise contributing to AFME's activities on topics directly linked to work carried out by the Executive Director in the last three years, to 18 months after leaving the service.
15. The MB agreed to launch a written procedure to the BoS on the Decision immediately.

### Agenda item 3: Administrative and Operational Status Report (A-Point)

16. The Director of Operations presented the Administrative and Operational Status Report (document EBA MB 2019 098). He mentioned that the budget execution was very good. He explained that the EC has initiated a budgetary amendment to reduce its 2019 contribution to the EBA by EUR 2 490 000, due to the delay in the adoption of the Legislative Financial Statement in the context for the ESAs Review, including the AML proposals. The budget amendment did not affect NCA contributions, as the proposed increase would have been fully financed by EU contributions. With regard to the carry forwards, the Director of Operations informed that the EBA used already some of the contributions from the French government given to the EBA as part of the relocation. Finally, he informed that that all procurement procedures related to the move of the office had been finalised.
17. With regard to HR issues, the Director of Operations explained that the number of TA posts for 2019 remained the same as for 2018, i.e. 145 TA posts due to the delay in the adoption of the ESAs Review proposal. He continued by informing that the EBA received 10 resignations from January until end of August (7 TA, 3 CA) and one staff member retired. He also mentioned that due to the move from London, and the appeal procedure, the appraisal exercise was slightly delayed. One staff member's appraisal was unsatisfactory. The move had impact also on trainings and the Report on the implementation of the Training Plan 2018 (1 April 2018 – 31 March 2019) showed lower number of training activities compared to previous years. In total, 592 participants attended various training courses organised in-house or outside the EBA; the total number of 539 training days were provided, and there were in average 2.8 training days per staff member (considering 190 staff members (TA, CA, SNE) on 31 December 2018).

18. The Director of Operations continued by informing that all IT production systems were stable and that the most significant project; i.e. the data center migration was finalized before the move of the EBA to Paris. He provided an update on the EUCLID project and said that Workstream 2 and PSD2 Register were successfully released in production according to plan. The EUCLID CIR has been launched replacing eGATE CIR as per the convergence strategy. Workstream 3/ Resolution reporting project has been initiated and the project team was working on the preparation for the feasibility assessment, which was reviewed at the EUCLID Project Steering Group on 30 August. The project aimed to upgrade the EBA'S regulatory platform and facilitate the XBRL Resolution collection in June 2020. He finalised by summarizing that due to the relocation, the EBA changed contractors for the provision of support and maintenance for IT applications. Knowledge transfer activities from outgoing to new contractor would continue until the end of 2019.
19. One Member asked about the UK contributions after the Brexit. The Executive Director clarified that the UK PRA agreed to continue contributing until the effective Brexit day. He also mentioned that the EBA did not have any information whether the budget and national contributions would remain the same once the UK left the EU.
20. This Member also asked if the EBA had an overview of absentees as well as participants of mandatory trainings. In his response, the Director of Operations explained that the EBA had all these data and he pointed out that the numbers were exceptional for both due to the relocation. He stressed that the EBA was expecting to return to usual numbers by the end of this year. With regard to the trainings, he mentioned that these were considered also as a part of the appraisal.
21. One Member requested clarification on the headcount and this topic was further discussed under the item related to the Work programme.
22. Other Member asked about the contributions of the French government related to the reallocation to Paris and the EBA Head of Finance explained that the French government contributed 1.5 million EUR for the fit out of the office and 7 million EUR for the building charges.
23. The EC representative pointed that the EC was concerned that MB does not receive a regular update on the implementation of the Work programme similarly to the Administrative and Operational Status report. The Executive Director clarified that the EBA would prepare, in the future, a separate document on the implementation of the Work programme for each MB meeting. He also mentioned that the EBA was liaising with the other ESAs with an aim to harmonise the structure of this document for all three ESAs.

## Conclusion

24. The MB took note of the Administrative and Operational Status Report.

## Agenda item 4: EBA Relocation Final Status Report (A-Point)

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25. The Executive Director provided an overview of the EBA relocation to Paris (document EBA MB 2019 095). He thanked the MB for their support during the difficult relocation period.
26. The Executive Director reminded the MB that the move to Paris was delayed because of the delayed legislation on the change of the EBA's seat. The EBA ran a full procurement procedure for the selection of the building. The landlord did the fit out of the office based on open book tender for all necessary services and works. The fit out was finalised with a slight delay on 10 May instead of 16 April. Unfortunately, the EBA still had a long list of snagging items in the office that were not fully functional and these would be followed-up with the landlord.
27. With regard to the London premises, the Executive Director explained that the EBA had to continue paying rent and charges until the end of 2020 provided that it exercise the break clause by March 2020. This would allow terminating the rental contract at the half term of originally anticipated 12 years. After that, the EBA would have to pay 16 months' worth of rent (the original rent agreement included 32 months rent free period assuming 12 years duration of the rent. Terminating the agreement half-term means that EBA will have to return half of this incentive). This would represent 50% of landlord's contribution and around 3 million EUR for the dilapidation, which were foreseen already in the budget. In order to cover at least some of these expenses, the EBA was trying to find a new tenant and liaised with the UK government to offer the premises for their needs. Furthermore, the EBA procured a property advisor who was actively looking for sub-letting/lease options to help to further reduce the total liability for London premises.
28. The Executive Director reminded the MB of two topics related to the relocation – salaries during the transitional period, and teleworking options. He summarised that there were no major issues and that the relocation went very smoothly. He continued by mentioning that some staff requested, mainly for family reasons, to extend the teleworking policy also after the transitional period that ended on 31 August. He clarified that the EBA considered all of these cases individually. He concluded that the HR team would continue to monitor the turnover of staff in relation to the relocation until the end of the year; however, the EBA was not expecting an increase in resignations.
29. The MB acknowledged all the work done in relation to the relocation and appreciated the undisrupted move to Paris.

## Conclusion

30. The MB took note of the Relocation Status Report.

## Agenda Item 5: Final draft of the 2020 EBA's Work programme (C-Point)

31. The Executive Director introduced the item by summarising that the Work programme has been developed on the basis of the 2020 strategic priorities note agreed by the MB and the

BoS in March 2019. Additionally, the Work Programme has been drafted in line with the Single Programming Document (SPD) Guidelines developed by the Commission to harmonise all EU bodies, including EU Agencies. The first draft of work programme was prepared with input from all units of the EBA. It then was submitted for comments to the MB and subsequently to the BoS during the summer. All comments were taken on board with the exception of a comment that would have required amending the strategic priorities already agreed. The Executive Director also explained that the drafting of the Work programme was aligned with the budget procedure of the EC and that once the final budget was adopted, the EBA finalised it. He stressed that the most controversial issue related to the available resources. He concluded by mentioning that the Work programme would be submitted via written procedure to the BoS after the MB meeting.

32. The MB requested clarification on the number of staff as result of the ESAs' review and their allocation. In this response, the Executive Director explained that the resource allocation has been prepared based on the headcount and budget adopted by College of Commissioners in June, notwithstanding the EBA management's belief that resources allocated were insufficient, which was reflected in minor adjustments to CA and SNE numbers. To achieve a sufficient level of delivery on the wider AML expectations following the ESAs' review, the EBA proposed to request an additional three TAs and two CAs ahead of the Parliament and Council deliberations on the EU Budget for 2020. In this regard, the BoS in a written procedure endorsed the proposal and this additional request was reflected in the draft Work Programme. He concluded by saying that there was not final decision on the allocation of the staff and this would be decided only after having the final headcount.
33. One MB was concerned that there were too many projects and that some of them might not be of the highest priority. Furthermore, he requested a clarification on the integrated reporting framework. Another Member was also of the view that the Work Programme was challenging and that for 2021, the EBA should narrow down a number of strategic priorities.
34. The EC representative thanked the EBA for incorporating their comments and asked about the absence in the draft Work Programme of a report on AML issues to be delivered to the EC [the issue was further clarified after the meeting]. He pointed out that the EC did not have a voting right in the BoS and therefore, the EC would not comment on the headcount and the allocation of resources.

## Agenda Item 6: EUCLID – Update on the 3<sup>rd</sup> stage (B-Point)

35. The Head of IT presented an overview of the EUCLID project. He summarised the work done under Workstreams 1 and 2 and explained a plan for the Workstream 3, which aimed at the collection of regulatory data, including resolution reporting. The target end date of the project would be in December 2020.
36. One MB Member was concerned about the timing and asked if there was any fall back option. The Head of IT explained that the EBA was already collecting all the data, in particular,

resolution data but this information was collected in formats that were no longer effective. Therefore, the inclusion of the resolution reporting in the Workstream 3 project would be beneficial.

37. One Member asked the EBA to provide an estimate of costs and resources working on all reporting tasks and reminded that the reporting and IT projects were very burdensome and expensive for competent authorities, in particular if different requirements were requested from each of the three ESAs.
38. Other Member requested clarification on the validation engine and the Head of IT confirmed that further discussions would be necessary to finalise this issue.
39. Finally, one Member mentioned cooperation between the EBA, SRB and national resolution authorities and the EBA confirmed that with exception of three competent authorities, either all competent authorities were resolution authorities as well, or they closely cooperate at the national level.

## Conclusion

40. The MB took note of the EUCLID project.

## Agenda Item 7: ESAs' review - update (B-Point)

41. In its presentation, the EBA summarised main points arising from the ESAs' Review related to the Proportionality advisory committee, BSG, AML standing committee and conflicts of interest.
42. On the Proportionality advisory committee (PAC), the Head of Policy Coordination Unit explained that the proposed tasks are to give ex ante advice on the proportionality issues and ex post reviews of measures adopted by the EBA, as well as advice on ad hoc issues requested by the Management Board or Board of Supervisors. It would be a relatively small committee of up to eight people.
43. One Member asked whether any internal resources would be needed to support the PAC. The Head of Policy Coordination Unit explained that under the proposal the committee would be co-chaired by a BoS Member and the Director of Economic Analysis and Statistics and there would be also two BoS members (member or alternate), two non-industry external experts (e.g. academic, MEP, Commission) and Chair and Vice-chair of the BSG. Therefore, there would be a need to allocate internal staff but primarily for secretariat functions.
44. Other Members stressed that ex post reviews might be very challenging. The Chairperson clarified that the EBA was considering the PAC should perform an overall annual review of the EBA's work on proportionality for this purpose, rather than reviews of individual measures.

45. Some MB Members were of the view that it would be beneficial to have external members in the PAC and that the composition and mandate of this committee should be coordinated with other two ESAs. The Head of Legal Services explained that the three ESAs were liaising on the ESAs' review in general and that the EBA might propose to have one PAC for all three ESAs. With regard to the external members, one Member proposed to fill these positions with BSG members. Other Member asked if senior representatives of competent authorities could be elected instead of BoS Members.
46. The EC representative expressed their concerns regarding the PAC. He mentioned that the focus on this committee should be on the supervisory convergence work and it should be a sounding board rather than a working group similar to other committees at the EBA. He also stressed that the purpose was not to introduce an overly complicated procedure to ensure that proportionality measures were considered in the work of the EBA.
47. On the point of the PAC, the Chairperson concluded that the EBA would further consider how to avoid too complicated and burdensome a workload and to involve only BSG members as external participants.
48. The Director of Banking, Markets Innovation and Consumers (BMIC) continued with a presentation on the AML mandate, structure and tasks of the AML standing committee and its voting rules.
49. One Member asked why at least two sub-committees should be established. The Director of BMIC explained for efficiency reasons, the EBA would like to divide work between sub-committees.
50. On the voting and involvement of the AMLSC in BUL cases, the Director of BMIC pointed that in general draft decisions would be circulated to the BoS by normal written procedure, as there was no delegation envisaged; i.e. the AMLSC would vote, but there would be no BoS discussion unless the AMLSC Chair or the EBA Chair specifically request a discussion and physical vote at a BoS meeting. BoS members could also request, via the EBA chair, a discussion and vote in a physical meeting. With regard to the BUL, he explained that it was a legislative requirement to involve the AMLSC and therefore, the EBA could not avoid discussions at the AMLSC level.
51. One Member was of the view that it would be necessary to have some orientation discussions related to the AML issues at the BoS level.
52. The EC representative requested clarification on the EBA staff participation and the Director of BMIC confirmed that the staff would have a non-voting membership.
53. The Head of Policy Coordination Unit updated on the BSG transition. He mentioned that current BSG would not meet composition requirements from 1 January 2020 and therefore, the EBA wanted to propose to issue a new call for BSG members, based on the new composition, appointing in Q1 2020 and that the current BSG would continue until new appointments were made.

54. The EC representative stressed that the three ESAs should have the same approach with regard to their stakeholders groups and that they should wait until the mandates of current members expire. He also proposed that the ESAs liaise with the EC Legal Services to clarify this issue.
55. The Head of Legal Services explained the scope and practical arrangements of the legislative requirements related to the conflict of interest (COI). The MB was concerned mainly about the operational aspects of the declaration of the COI before the meeting. Concerns were also raised in some cases where an institutional COI may exist. In particular the BUL process, not giving an opportunity to the Board Member of the CA affected to put forward their position and participate in the meetings because of COI. The EC representative supported the proposed extension of the conflict of interest requirements to include situations where a competent authority in a BoS member's Member State is the direct addressee of a decision, recommendation or opinion and potentially of other EBA measures, and considered that it was clear that the legislators wanted to tighten the requirements of independence for Board members. The Head of Legal Services explained that, although members who have a conflict of interest could not participate in the Board discussion or voting, that would not exclude competent authorities providing their input into the process and ways could be found to ensure that the EBA, including Board members, receives the necessary input.
56. The Chairperson concluded that the EBA would further analyse possible practical solutions, and how to articulate the proposed changes to the conflicts of interest policy while ensuring a proper process for engagement with the competent authorities concerned in particular cases.

## Conclusion

57. The MB took note of the ESAs' review update.

## Agenda Item 8: CRD-CRR, BRRD and IFD-IFR roadmaps (A-Point)

58. The Director of Prudential Regulation and Supervisory Policy Department (PRSP) reminded that at its March meeting the MB was provided a review of some of the tasks arising for the EBA under the so-called risk reduction measures package. Since then, the formal legislative texts have been adopted by the Council and the Parliament on 20 May and published in the Official Journal (OJ) on 7 June. In addition, clarity exist regarding the mandates under the new investment firms regime, as established under the IFD-IFR texts, which was intended to be published in the OJ by next October. She also mentioned that the market risk roadmap was published over the summer, following the CRR2 entry into force, together with the consultation on the first batch of mandates related to counterparty credit and market risk. At the same time, work has progressed on the planning of the remaining mandates, as instructed by the MB, which at the March meeting validated the operational priorities for the EBA and concluded that the EBA urgently needed to prioritise and organise the work in order to be able to deliver on all the mandates in good time. She concluded by stressing that a dozen mandates were set to be delivered in 6 to 9 months after entry into force. This short delivery time was very challenging for the EBA and she envisaged that the EBA would be able to deliver close to

the deadline only for a handful of them. A large share of the mandates risked to be delayed by three up to maximum 9 months from the deadline set in the legislative text. For mandates providing for 1-year time deliveries and beyond, the EBA aimed to be on time by increasing the number of working group meetings as well as heightened involvement of CAs/RAs resources.

59. The MB was concerned about the timelines and delays. One Member suggested adding an information on a date from when each Article should be applicable, as this would help in prioritisation of the tasks.
60. The EC representative welcomed the EBA's initiative to be transparent on potential delays. However, he stressed that the EC was concerned that a number of important tasks would be delayed. He reminded the MB that the EC tried to involve the EBA in the drafting of the legislation and therefore, they would expect more flexibility on delivery dates, in particular on some important tasks. Finally, he mentioned that banks and other institutions would need to know well in advance what changes they might expect.
61. The Chairperson acknowledged the concerns raised and informed that next steps would be discussed at one of the next BoS meetings.

## Conclusion

62. The MB took note of the roadmaps update.

## Agenda Item 9: Basel III CfA – Follow up work (B-Point)

63. The Chairperson reminded the MB that in the letter received on 15 July 2019, the EBA has been asked by the EU Commission to provide additional analysis to inform their decision-making in few areas of the Call for Advice on the final elements of the Basel III framework. In terms of timeline, the Commission suggested that this additional analysis could ideally be part of the second advice, which covers market risk and CVA risk, and which will be published in September/ October.
64. The Head of Economic Analysis and Impact Assessment Unit (EAIA) continued by summarising that the EC requested the EBA to carry out additional analysis to cover the following points: 1) Output floor: impact of applying the output floor at both consolidated and solo level; 2) Equity: impact on intra-group equity exposures and advice to enhance risk sensitivity; 3) Specialised Lending: appropriateness of LGD input floors included in the Basel III framework and advice on criteria to differentiate the quality of specialised lending; and 4) TLAC/MREL: impact of the change in RWAs on TLAC/MREL shortfalls. He clarified that the EBA assessed implications of the request, in particular in relation to the workload and timelines and concluded that with the exception of the request on TLAC/MREL, which the EBA could carry out in the context of its ongoing work on the monitoring of TLAC/MREL requirements leveraging on the results of the Basel III CfA, the items in the scope of the letter could potentially require the EBA, the NCAs and last but not least participating banks to deploy substantial amounts of resources in

the short/medium period. Furthermore, the EBA would not be in a position to deliver on these items before the end of year and would need additional six months, i.e. by summer 2020 to finalise the work. To that end, the Head of EAIA presented options how the work, in particular necessary data collections, could be sequenced to deliver relevant data.

65. With regard to output floor, one Member was of the view that no additional data collection should be launched with banks and that supervisory data that the EBA already had should be used. At the same time, he raised concern if the data that the EBA already had would be sufficient for the EC request. Other Members were of the view that the EBA should exercise Option 1, which implies a data collection at individual level in order to collect meaningful data. Similarly, one Member mentioned that the EBA would need to collect data at individual level to have an overall picture. One Member suggested focusing only on some important subsidiaries and not on all banks in order to collect data within a shorter period.
66. On equity, one Member mentioned that the EBA could launch a data collection, which could be covering also output floor data. Other Member supported Option 1, i.e. to collect data on individual level.
67. On specialised lending, two Members asked whether any further action in this area would be meaningful unless further discussions at the Basel level could be foreseen, as they were of the view that this might not be the case. One Member was of the view that a quick fix would not be preferable and that the EBA should embark on a large-scale exercise. Other Member supported Option 2, i.e. present the QIS results in a more granular way for additional insight.
68. On TLAC/MREL shortfalls, one Member stressed that some banks had a multiple point of entry strategy and that this should be considered in the analysis.
69. One Member asked if the exercise would be meaningful in case the EBA would not deliver all requested data to the EC on time. In his response, the EC representative clarified that the EC would need the data for their impact assessment, which the EC is preparing for future legislation and negotiations. To finalise it, the EC would need the data by the end of 2019, or in January 2020 at the very latest.
70. The Head of Risk-based Metrics Unit (RBM) explained the timelines the EBA had to observe when launching data collections and that finalizing the work by year end was not feasible.
71. Some Members suggested streamlining the sample of banks in the exercise but the EBA staff's view was that any smaller sample of banks would not provide relevant data overview. Other Members questioned the necessity of additional large-scale data requests with short deadlines, which were not included in the EBA work plan. The Head of EAIA stressed that squeezing in a solo level data collection on output floors at such a late stage could have consequences on the timelines of other ongoing projects.

72. The EC representative also mentioned that for the purpose of this exercise, the EBA could deliver data as collected from banks, i.e. without any further quality checks, if it would be delivered by the end of 2019.
73. The Chairperson concluded that the EBA would launch necessary data collection exercises and the EC would revert regarding the timelines in case of major difficulties.

### **Conclusion**

74. The MB agreed to pursue the data collection exercise on individual level for output floor and equity and to present the QIS results (specialized lending) in a more granular way.

## **Agenda Item 10: Provisional Agenda BoS 19 September Meeting (B-Point)**

75. The Chairperson reminded the MB that the next BoS meeting was scheduled for 19 September in Paris.
76. In relation to future meetings, one Member suggested to start MB meetings at 9:00.

### **Conclusion**

77. The MB took note of the draft Agenda.

## **Agenda Item 11: AOB**

### **A) Audit on Supervisory reporting – Data Quality in EBA-Announcement letter (A-Point)**

78. The Chairperson briefly informed that the IAS informed the EBA that IAS team would conduct an audit on supervisory reporting – data quality. The audit was due to start shortly before year-end.

### **B) ACCI advice related to the Chairperson**

79. The Chairperson was excluded from this point in the agenda. The Alternate Chairperson introduced the item by referring to the Advisory Committee on Conflict of Interest (ACCI), which reviewed the Annual Declaration of Interest submitted by the Chairperson prior to his taking up of employment. The Chair of ACCI continued by explaining the analysis the ACCI has conducted and the results of the analysis presented in the Advice. He also clarified the policy related to the conflict of interest with regard to shareholdings. The Alternate Chairperson highlighted the need to decide on the period of application of the preventive measures.
80. One Member suggested to extend the period during which the Chairperson should refrain from having any professional contact with staff from his previous employment for 18 months. The

EC representative pointed that consistency with the Decision related to the Executive Director would require to set this period to 24 months.

81. The EC representative suggested introducing a broader wording related to the Chairperson's absence of influence on any decisions involving directly his previous employer, as the ACCI advice was deemed to be too specific. One Member also suggested that this should apply for as long as the Chairperson maintained a financial interest in Banco Santander.
82. The Alternate Chairperson concluded that the EBA would reflect the suggestions in the Decisions that would be prepared as a next step. He also mentioned that the EBA would inform the BoS.

## Participants at the Management Board meeting

10 September 2019

**Chairperson** Jose Manuel Campa

**Alternate Chairperson** Jo Swyngedouw

**Member** Jesus Saurina

**Member** Marteen Gelderman

**Member** Martin Noreus

**Alternate** Carsten Kjær Joensen

**Alternate** Peter Lutz

**European Commission representative** Dominique Thienpont

### **EBA Staff**

Executive Director

Adam Farkas

Director of Operations

Peter Mihalik

Director of Economic Analysis and Statistics

Mario Quagliariello

Director of Prudential Regulation and Supervisory Policy

Isabelle Vaillant

Director of Banking Markets, Innovations and Consumers

Piers Haben

Philippe Allard; Jonathan Overett Somnier; Tea Eger; Radu Burghilea; Carlos Martins; Gaetano Chionsini; Massimiliano Rimarchi; Lars Overby; Fergus Power