



PRESS RELEASE

23 March 2018

ECB publishes guides to assessments of licence applications for banks and fintech credit institutions

- ECB explains application process and licensing requirements for banks in general and for fintech credit institutions in particular in two new guides
- Guides intended to support common supervisory practices and to increase transparency
- Publication of guides follows the completion of public consultation

The European Central Bank (ECB) has today published its guide to assessments of licence applications and its guide to assessments of fintech credit institution licence applications. The publication follows the completion of a public consultation.

The first document, the guide to assessments of licence applications, explains the general application process and the assessment requirements regarding governance, risk management, capital etc. The second document, the guide to assessments of fintech credit institution licence applications, complements the first and is aimed at fintech entities. The fintech guide explains aspects of the supervisory assessment of licence applications that are particularly relevant to the specific nature of banks with fintech business models. It should be read in conjunction with the general ECB guides to the assessment of licence applications and fit and proper assessments.

The guides reflect the ECB's commitment at ensuring consistent supervisory practices across the euro area by promoting a common interpretation of the licensing criteria. The guides offer a practical tool for applicants to increase their understanding of the criteria and to ensure a smooth and effective licensing procedure. With the publication of the guides, the ECB enhances transparency towards the industry on supervisory expectations.

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The ECB's role is to ensure that banks are properly authorised and have in place risk control frameworks that enable them to anticipate, understand and respond to the risks arising in their fields of operation. Licensing serves by ensuring that only robust banks can enter the market and perform a wide range of activities. Equally, to ensure a level playing field, fintech banks must be held to the same standards as other banks.

The national competent authorities act as the first point of contact for receiving licence applications, while assessments are conducted jointly with the ECB. The latter takes the final decision on granting, extending or withdrawing a banking licence in the euro area.

During the assessment process, supervisors evaluate whether an entity complies with the licensing requirements set out in EU and national law. Among other things, the entity must meet supervisory capital requirements, have an adequate governance and risk management system in place, and ensure that members of its management body pass a fit and proper assessment.

The guides are available on the ECB's banking supervision website together with a feedback statement explaining how comments received from stakeholders during the public consultation have been taken into account and the comments themselves. A second consultation on an addendum to the guide to assessments of licence applications will be conducted at a later stage.

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Notes:

- [Guide to assessments of licence applications](#)
- [Guide to assessments of fintech credit institution licence applications](#)
- [Feedback statement](#)
- [All public consultation documents](#)
- [More on authorisations](#)