



Council of the
European Union

Brussels, 5 August 2022
(OR. en)

11756/22

ECOFIN 800
EF 246

COVER NOTE

From:	European Commission
date of receipt:	4 August 2022
To:	General Secretariat of the Council
No. Cion doc.:	COM(2022) 387 final
Subject:	Report from the Commission to the European Parliament and the Council on the compliance of the European Banking Authority with the requirements regarding the location of its seat

Delegations will find attached document COM(2022) 387 final.

Encl.: COM(2022) 387 final

Brussels, 4.8.2022
COM(2022) 387 final

**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**on the compliance of the European Banking Authority with the requirements regarding
the location of its seat**

1. INTRODUCTION

In the context of the United Kingdom's withdrawal from the Union, the other 27 Member States, at the margins of the General Affairs Council on 20 November 2017, selected Paris, France, as the new seat of the European Banking Authority (EBA)¹.

The location of the EBA's seat is laid down in Article 7 of the EBA founding Regulation² ("the EBA Regulation"), which therefore had to be amended³ to move the seat from London to Paris. In addition to changing the location of the seat, the amendment to the EBA Regulation introduced certain new requirements regarding the location of the seat, as well as an obligation for the Commission to publish a report by 30 March 2019 and every 12 months thereafter on EBA's compliance with these requirements.

According to Art. 7 of the EBA Regulation: "*The location of the seat of the Authority shall not affect the Authority's execution of its tasks and powers, the organisation of its governance structure, the operation of its main organisation, or the main financing of its activities, while allowing, where applicable, for the sharing with Union agencies of administrative support services and facility management services which are not related to the core activities of the Authority*".

EBA has provided the necessary input to fulfill these reporting requirements. The first three reports were published in 2019⁴, 2020⁵ and 2021⁶. This is the fourth report under this reporting obligation.

2. EBA HEADQUARTERS AGREEMENT

A Headquarters Agreement (hereinafter "HQA") with the French Government was signed in Paris on 6 March 2019. In accordance with Article 25 of the HQA, EBA completed the internal procedures for its entry into force on 4 March 2019, and it confirmed their completion to the French Ministry of Foreign Affairs in June 2021. EBA is awaiting confirmation of completion of the procedures required by French law for the HQA to enter into effect: the *Assemblée nationale* adopted the HQA on 17 February 2022 and awaits approval in the *Sénat* followed by publication in the Official Journal.

In addition to reflecting the requirements of Protocol No 7 on the privileges and immunities of the European Union⁷, the HQA entitles EBA staff members to a special residence permit FI (Fonctionnaire International), attesting their status as international civil servants in France (applicable also to family members). EBA has been engaging with the Protocol Office of the Ministry of Europe and Foreign Affairs and Customs to ensure a smooth process in relation to the arrival of staff and their families in France, the provision of special residence permits, and the application of tax privileges to EBA. As of April 2022, 223 staff and family members have received

¹ General Affairs Council (Art. 50), 20 November 2017:

<https://www.consilium.europa.eu/en/press/press-releases/2017/11/20/european-banking-authority-to-be-relocated-to-city-country/>

² Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority) (OJ L 331, 15.12.2010, p. 12).

³ Regulation (EU) 2018/1717 of the European Parliament and of the Council of 14 November 2018, amending Regulation (EU) No 1093/2010 as regards the location of the seat of the European Banking Authority (OJ L291, 16.11.2018, p. 1).

⁴ COM(2019) 451 final.

⁵ COM(2020) 317 final.

⁶ COM(2021) 771 final

⁷ OJ C202, 7.6.2016, p. 266-272

EBA	ESMA plus 9 other agencies	Data protection consultancy	Framework contract signed in 2021
EBA	ESMA, EUISS ⁹ EUSPA ¹⁰	Medical services	Framework contract signed in 2021
EBA	ESMA, EIOPA	Managed network services	Signature planned for June 2022
EBA	ESMA	Facilities management consultancy and reception services	Signature planned for 2023
EBA	ESMA	Cleaning services	Signature planned for 2023
EBA	ESMA	Catering services	Signature planned for 2023
EBA	ESMA	External audit of annual accounts	Signature planned for September 2022
ESMA	EBA, EIOPA	Application development, maintenance, and support	Signature planned in Q4 2022
ESMA	EBA, EIOPA	ICT Consultancy	Signed April 2022
ESMA	EBA, EIOPA	Professional skills development training	Signature planned in Q3 2022

EBA and ESMA also participate in a network of procurement officers of international organisations based in Paris.

Cooperation on joint ESAs projects

EBA, ESMA and EIOPA work on a joint project (led by EIOPA) with the objective to establish a system for the exchange of information relevant to the assessment of the fitness and propriety of holders of qualifying holdings, directors, and key function holders of financial market participants by competent authorities.

Coordination on COVID-19

Since the outbreak of the pandemic, EBA has maintained its operations, carrying out its full range of tasks. EBA has been in regular and close contact with ESMA and international organisations based in France (OECD and Interpol) to share good practices regarding measures during the lockdown as well as plans related to the return-to-office.

EBA led the initiative for the home-office contribution to its staff and coordinated the development of guidelines with EIOPA and ESMA to ensure as much alignment as possible across the ESAs.

⁹ European Union Institute for Securities Studies

¹⁰ The European Union Agency for the Space Programme.

EBA and ESMA have also closely coordinated their gradual return-to-office approaches with a view to ensuring as much alignment as possible.

4. CONCLUSIONS

Based on the available information, the EBA's execution of its tasks and powers, its governance structure, its main organisation, and the financing of its activities have not been affected by the relocation of its seat to Paris, nor by the administrative cooperation arrangements with ESMA and EIOPA described above, which are not related to the core activities of EBA.