



What makes a bank significant?

The criteria for determining whether banks are considered significant - and therefore under the ECB's direct supervision - are set out in the SSM Regulation and the SSM Framework Regulation. To qualify as significant, banks must fulfil at least one of these criteria.

The ECB can decide at any time to classify a bank as significant to ensure that high supervisory standards are applied consistently.

Significance criteria

Size	the total value of its assets exceeds €30 billion
Economic importance	for the specific country or the EU economy as a whole
Cross-border activities	the total value of its assets exceeds €5 billion and the ratio of its cross-border assets/liabilities in more than one other participating Member State to its total assets/liabilities is above 20%
Direct public financial assistance	it has requested or received funding from the European Stability Mechanism or the European Financial Stability Facility

A supervised bank can also be considered significant if it is one of the three most significant banks established in a particular country.

Change of significance status

The ECB conducts regular reviews of all banks authorised within the participating countries. The status of banks may change: either through normal business activity or due to one-off events such as mergers or acquisitions. In such cases, the ECB and the national supervisors involved coordinate the transfer of supervisory responsibilities.

A change in supervisory status can mean a change in the amount of the annual supervisory fees to be paid to the ECB.

> Supervisory status and fees

Change from less significant to significant

If a less significant bank meets any of the criteria for the first time, it is reclassified as significant. The national supervisor then hands over responsibility for direct supervision to the ECB.

Change from significant to less significant

If a significant bank fails to meet the criteria for three consecutive years, it can be reclassified as less significant. Direct supervisory responsibility for it then returns to the relevant national authority.