

PRESS RELEASE

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ECB launches consultation on guide to on-site inspections and internal model investigations

- Inspections are a critical tool for banking supervision
- Draft ECB guide to inspections published for consultation
- Consultation runs from today until 15 September 2017

The European Central Bank (ECB) today launches a public consultation on a draft guide to on-site inspections and internal model investigations. Inspections are a critical tool for banking supervision worldwide. The objective of the guide, which was drafted in close cooperation with the national competent authorities (NCAs), is to explain how ECB Banking Supervision conducts inspections and to provide a useful document for banks subject to such inspections.

An inspection of a bank aims to provide an in-depth analysis of its various risks, internal control systems, business models or governance. It has a pre-defined scope and time frame and takes place on the premises of the inspected bank or a related legal entity. An inspection should be intrusive while adhering to the principle of proportionality and aims to provide a detailed snapshot of the situation of a given bank, including a forward-looking analysis. The guide provides an overview of the general framework under which inspections are conducted, describes the different inspection phases, and sets out the principles of inspections to be followed by both banks and the inspection teams.

The consultation on the document starts today and ends on 15 September 2017. The relevant documents, comprising the draft guide as well as an FAQ, are available on the ECB's Banking Supervision website.

Information on how to submit comments can be found on the website. Following the public consultation, the ECB will publish the comments received together with a feedback statement.

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