

**SECOND SUPPLEMENT TO THE GIBRALTAR  
GAZETTE**  
No. 3844 of 12 April, 2011

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LEGAL NOTICE NO. 50 OF 2011.

**FINANCIAL SERVICES (BANKING) ACT**

**FINANCIAL SERVICES (CONSOLIDATED SUPERVISION OF  
CREDIT INSTITUTIONS) REGULATIONS 2011**

In exercise of the powers conferred on him by section 79 of the Financial Services (Banking) Act 1992 and all other enabling powers, and in order to transpose into the law of Gibraltar Article 1(33) of Council Directive 2009/111/EC of 16 September 2009 which amends Article 131 of Directive 2006/48/EC as regards the functions of the consolidating supervisor and the college of supervisors, the Minister has made the following Regulations—

**Title and commencement.**

1. These Regulations may be cited as the Financial Services (Consolidated Supervision of Credit Institutions) (Amendment) Regulations 2011 and shall come into operation on the day of publication.

**Amendment of the Financial Services (Consolidated Supervision of Credit Institutions) Regulations 2007.**

2. The Financial Services (Consolidated Supervision of Credit Institutions) Regulations 2007 are amended in accordance with regulations 3 and 4.

**Insertion of regulation 14.**

3. The following regulation is inserted after regulation 13 of the Financial Services (Consolidated Supervision of Credit Institutions) Regulations 2007—

**“Establishment of colleges of supervisors**

14.(1) This regulation applies where the Commissioner is the European consolidated supervisor.

(2) The Commissioner shall establish colleges of supervisors to facilitate the exercise of his duties and co-ordination and co-

operation with other competent authorities in EEA States and, subject to statutory confidentiality requirements, ensure appropriate co-ordination and co-operation with relevant competent authorities in non-EEA States where appropriate.

- (3) Colleges of supervisors shall provide a framework for the Commissioner and the other competent authorities concerned to carry out the following tasks—
  - (a) exchanging information;
  - (b) agreeing on voluntary entrustment of tasks and voluntary delegation of responsibilities where appropriate;
  - (c) determining on-going supervisory examination programmes based on a risk assessment of a banking group;
  - (d) increasing the efficiency of supervision by removing unnecessary duplication of supervisory requirements, including in relation to requests for information by other competent authorities;
  - (e) consistently applying prudential requirements across all entities within a banking group without prejudice to the options and discretions available in the Act and its subsidiary legislation;
  - (f) applying such co-ordination and co-operation taking into account the work of other relevant fora.
- (4) Statutory confidentiality requirements shall not prevent the Commissioner from exchanging confidential information within colleges of supervisors with other competent authorities nor shall the establishment and functioning of such colleges affect the Commissioner's rights and responsibilities under the Act and its subsidiary legislation.
- (5) The establishment and functioning of the colleges shall be based on written arrangements referred to in regulation 7,

determined after consultation by the Commissioner with the other competent authorities concerned.

- (6) The competent authorities responsible for the supervision of subsidiaries of a European parent credit institution or a European parent financial holding company and the competent authorities of a host EEA State where significant branches under regulation 82A of the Financial Services (Capital Adequacy of Credit Institutions) Regulations are established, central banks as appropriate and competent authorities in non-EEA States where appropriate and subject to confidentiality requirements that are equivalent, in the opinion of the Commissioner and all other competent authorities, to confidentiality requirements within the EEA, may participate in colleges of supervisors.
- (7) The Commissioner shall chair the meetings of the college and shall decide which competent authorities participate in a meeting or in any activity of the college.
- (8) The Commissioner shall keep all members of the college fully informed of the calling of a meeting and its agenda and the courses of action agreed at the meeting.
- (9) A decision to establish a college of supervisors shall take account of the relevance of the supervisory activity to be planned or coordinated with those competent authorities, in particular the potential impact on the stability of the financial system in Gibraltar and in the EEA States concerned and the obligations in regulation 82A of those Regulations.
- (10) The Commissioner, subject to statutory confidentiality requirements, shall inform the Committee of European Banking Supervisors of the activities of the college of supervisors, including in emergency situations, and communicate to that Committee all information that is of particular relevance for the purposes of supervisory convergence.”.

**European consolidating supervisor.**

4. In the Financial Services (Consolidated Supervision of Credit Institutions) Regulations, “European consolidating supervisor” is substituted for “EEA consolidated supervisor” wherever it appear in the Regulations.

Dated 12th April, 2011.

P R CARUANA,  
Minister with responsibility for financial services.

