

DECISION (EU) 2019/976 OF THE EUROPEAN CENTRAL BANK**of 29 May 2019****laying down the principles for defining objectives and sharing feedback in joint supervisory teams and repealing Decision (EU) 2017/274 (ECB/2019/14)**

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions ⁽¹⁾, and in particular Article 6(1) and (7) thereof,

Whereas:

- (1) Article 6(1) of Regulation (EU) No 1024/2013 stipulates that the European Central Bank (ECB) is responsible for the effective and consistent functioning of the Single Supervisory Mechanism (SSM). Recital 79 of that Regulation states that highly motivated, well-trained and impartial staff is indispensable to effective supervision.
- (2) In accordance with Articles 3 to 6 of Regulation (EU) No 468/2014 of the European Central Bank (ECB/2014/17) ⁽²⁾, the ECB is in charge of the establishment and composition of joint supervisory teams composed of staff members from the ECB and the national competent authorities. A joint supervisory team (JST) coordinator, assisted by one or more national competent authority (NCA) sub-coordinators, ensures the coordination of the work within the JST.
- (3) In view of the JST coordinators' and NCA sub-coordinators' important roles in coordinating the work of JST members from the NCA, it is necessary and proportionate to introduce a uniform process for defining objectives and sharing feedback within the JSTs.
- (4) Feedback on the performance of the NCA sub-coordinators was previously provided during an initial trial period based on Decision (EU) 2016/3 of the European Central Bank (ECB/2015/36) ⁽³⁾, and then during a subsequent trial period in accordance with the principles laid down in Decision (EU) 2017/274 of the European Central Bank (ECB/2017/6) ⁽⁴⁾. As that subsequent trial period has concluded, Decision (EU) 2017/274 (ECB/2017/6) should be repealed in the interests of legal certainty.
- (5) Experience gained during that subsequent trial period indicated that a feedback mechanism within JSTs may be useful to ensure their effective functioning, better collaboration and dialogue, and to further build trust and openness in these teams. The feedback mechanism should therefore be continued and used on a regular basis. However, in order to accommodate revisions that need to be made to the feedback mechanism, it is necessary to adopt a new Decision. Therefore, Decision (EU) 2017/274 (ECB/2017/6) should be repealed and replaced by this Decision.
- (6) The NCAs are solely responsible for the appraisal of their staff, and the ECB is solely responsible for the appraisal of its staff. In the management of staff, NCAs may use the feedback provided by the JST coordinators to the NCA sub-coordinators, if permitted under the relevant national law, and the ECB may use the feedback provided to the JST coordinator, in all cases in accordance with this Decision.

⁽¹⁾ OJ L 287, 29.10.2013, p. 63.

⁽²⁾ Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities (SSM Framework Regulation) (ECB/2014/17) (OJ L 141, 14.5.2014, p. 1).

⁽³⁾ Decision (EU) 2016/3 of the European Central Bank of 18 November 2015 laying down the principles for providing feedback on the performance of national competent authorities' sub-coordinators in the joint supervisory teams of the Single Supervisory Mechanism (ECB/2015/36) (OJ L 1, 5.1.2016, p. 4).

⁽⁴⁾ Decision (EU) 2017/274 of the European Central Bank of 10 February 2017 laying down the principles for providing performance feedback to national competent authority sub-coordinators and repealing Decision (EU) 2016/3 (ECB/2017/6) (OJ L 40, 17.2.2017, p. 72).

- (7) The European Data Protection Supervisor was consulted in accordance with Article 27 of Regulation (EC) No 45/2001 of the European Parliament and of the Council ⁽⁵⁾ and delivered an opinion on 7 April 2015 recognising that feedback is necessary for the management of JSTs, and endorsing the feedback mechanism, while advising that its precise operation is defined in an appropriate legal instrument,

HAS ADOPTED THIS DECISION:

Article 1

Definitions

For the purposes of this Decision, the definitions contained in Article 2 of Regulation (EU) No 1024/2013 and Article 2 of Regulation (EU) No 468/2014 (ECB/2014/17) shall apply.

Article 2

Setting objectives and sharing feedback

1. Without prejudice to the sole responsibility of NCAs as the employer of NCA sub-coordinators, JST coordinators shall, after consultation with each NCA sub-coordinator, set out that NCA sub-coordinator's main tasks and objectives.
2. The objectives and competencies of the role of JST coordinator are defined within the context of the ECB's performance management and development process. For the purpose of feedback within the JST, NCA sub-coordinators shall be informed of those competencies set out and defined in the ECB capability framework ⁽⁶⁾ that are applicable to the role of JST coordinator.
3. The feedback shall be reciprocal: the JST coordinators shall provide feedback to the NCA sub-coordinators and the NCA sub-coordinators shall provide feedback to the JST coordinators, in accordance with the principles set out in Annex I.
4. The relevant JST coordinator and the relevant NCA sub-coordinators shall jointly provide feedback to their JST as a whole on how that team met its objectives in accordance with the principles set out in Annex I.
5. The JST coordinators and the NCA sub-coordinators shall aim to provide feedback in the context of a face-to-face meeting.
6. The reference period for which objectives are defined and feedback is provided shall be the period from 1 January until 31 December in each year.
7. Feedback recorded in the system tool used to manage the feedback process shall be accessed only by persons meeting the need to know criteria laid down in Regulation (EU) 2018/1725 of the European Parliament and of the Council ⁽⁷⁾. Specific categories of stakeholders having a need to know the feedback shall be set out in the relevant record of the processing operation and the privacy notice provided to data subjects.

Article 3

Repeal

Decision (EU) 2017/274 (ECB/2017/6) is hereby repealed.

⁽⁵⁾ Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.1.2001, p. 1).

⁽⁶⁾ See the document entitled 'The ECB capability framework: the competencies', available at https://www.ecb.europa.eu/careers/pdf/leadership_competencies.en.pdf

⁽⁷⁾ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

*Article 4***Final provisions**

1. This Decision shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.
2. By derogation from Article 2(6), the first reference period for which objectives are defined and feedback is provided shall start on the date of entry into force of this Decision and shall end on 31 December of the same year.

Done at Frankfurt am Main, 29 May 2019.

For the Governing Council of the ECB
The President of the ECB
Mario DRAGHI

ANNEX I

Principles for defining objectives and sharing feedback in joint supervisory teams of the Single Supervisory Mechanism*Principle 1***Setting objectives**

1. Without prejudice to the sole responsibility of NCAs as the employer of NCA sub-coordinators, at the beginning of each reference period or when a NCA sub-coordinator has joined a JST, the JST coordinator, after consultation with the NCA sub-coordinator, sets out the main tasks and objectives for each NCA sub-coordinator.
2. The JST coordinator and the NCA sub-coordinator jointly define the team objectives and communicate these objectives to the JST annually during a JST meeting which shall take place at the beginning of each reference period or when a new JST has been set up.
3. The agreed tasks and objectives for the NCA sub-coordinator may be recorded in the system tool used to manage the feedback process.

*Principle 2***Sharing feedback**

1. The JST coordinator provides at least once a year, in any case, following the end of a reference period, face-to-face feedback to the NCA sub-coordinator on how they and their teams met their respective objectives. This feedback takes into account the competencies set out in Annex II.
2. The NCA sub-coordinator provides at least once a year, in any case, following the end of a reference period, face-to-face feedback to the JST coordinator on their coordination of the JST. This feedback takes into account the competencies set out in the ECB capability framework.
3. Feedback shared between the JST coordinator and the NCA sub-coordinator as described in Principle 2.1 and 2.2 is recorded, upon request from the feedback receiver via the system tool, in the system tool, which is used to manage the feedback process.
4. The JST coordinator and the NCA sub-coordinator jointly provide feedback to their JST on how the team met its objectives. This feedback is provided to the JST at least once a year, in any case, following the end of a reference period, during a JST meeting.
5. In order to ensure continuous dialogue, the JST coordinator provides each NCA sub-coordinator with guidance and continuous feedback throughout the year.
6. The JST coordinator and the NCA sub-coordinator provide guidance and continuous feedback to their team throughout the year.

*Principle 3***Access to the feedback recorded in the system tool**

1. Access to the feedback recorded in the system tool used to manage the feedback process is given to the JST coordinator and to NCA sub-coordinator.
2. Access by ECB staff, other than the JST coordinator and the process administrator to the feedback recorded in the system tool used to manage the feedback process may be provided on a need-to-know basis in accordance with Regulation (EU) 2018/1725.

3. Upon the request of the relevant NCA, feedback on the NCA sub-coordinator recorded in the system tool used to manage the feedback process, if available, is made accessible to, and may be used by, the relevant NCA:
 - (a) for the purpose of facilitating its staff management, if permitted by applicable national law;
 - (b) as an input to identify professional development needs, including training needs, of the JST sub-coordinators, in line with the NCA's internal rules;
 - (c) for the creation/preparation of appraisals, if permitted under the relevant national law.
4. Access to the feedback, including its transfer, is granted to NCAs in accordance with Article 9(1)(a) of Regulation (EU) 2018/1725. If requests for feedback are received and a transfer takes place, the NCA sub-coordinator concerned is informed accordingly.

Principle 4

Protection of personal data processed in the context of sharing feedback

1. All personal data related to setting objectives and sharing feedback on how these objectives are met is processed by the ECB in accordance with Regulation (EU) 2018/1725.
 2. Personal data related to setting the objectives and sharing feedback on how those objectives are met is used only for the purposes described in Principle 3, and may be stored for a maximum period of five years.
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ANNEX II

List of competencies particularly relevant for staff working in the SSM (SSM competencies)

Professional knowledge: Knowledge of supervisory policies, methodologies and regulations, especially in the SSM context, as well as of financial institutions functioning. Keeps abreast of developments in those fields and applies the knowledge to the relevant areas of work.

Communication: Conveying information clearly and concisely to groups or individuals, either verbally or in writing, to ensure that they understand the information and the message. Listening and responding appropriately to others.

Cooperation and collaboration: Building and maintaining on-going, collaborative, working relationships with co-workers to accomplish the SSM tasks of the team with their European dimension. Developing and maintaining effective relationships with others in order to encourage and support teamwork. Proactively sharing data, information and knowledge within the team.

Determination in achieving objectives: Performing tasks with tenacity and perseverance, pursuing successful solutions while adapting own behaviour to find a suitable approach to reach a successful outcome.

Judgement and intrusiveness: Analysing and assessing situations, data and information in order to develop appropriate strategies, plans and policies. Understanding and formulating different and opposing perspectives on an issue, if needed, adapting approaches as the requirements of a situation change, considering problems from new perspectives and expanding on the thinking or solutions proposed by others. Attempting to fully understand issues prior to making a recommendation or reaching a conclusion, while gathering full and exact information as necessary; arriving at a sound judgement by respectfully asking a series of intrusive questions; and continuously scanning for potential issues and various information.

Breadth of awareness and being forward-looking: Looking beyond the own role to establish the wider context in which one operates, by having a full understanding of the different functions/areas, by showing awareness of diverse cultural contexts and points of view, and by assessing the implications of own decisions on others. Looking ahead and anticipating opportunities and threats in the future, taking action to create opportunities or to avert a future issue.

Acting objectively with integrity and independence: Acting independently and objectively, in the interest of the Union as a whole, on the basis of the professional standards of the SSM, verifying circumstances to get a complete and realistic picture of a situation. Striving to reduce or eliminate biases, prejudices, or subjective evaluations by relying on verifiable data and facts.

Managing SSM teams (applicable to managers only): Directing (virtual/remote) teams and guiding them to the team objectives. Coordinating team activities across boundaries, by providing direction and by using their competencies and diversity in the most effective and efficient way. Working to reduce and cope with ambiguity and finding ways to direct and deliver under uncertainty.
