



OPINION OF THE EUROPEAN CENTRAL BANK

of 22 June 2011

**on exchange of information and cooperation obligations among national supervisory authorities
(CON/2011/52)**

Introduction and legal basis

On 25 May 2011 the European Central Bank (ECB) received a request from the Bulgarian Ministry of Finance for an opinion on a draft law on collective investment schemes and other undertakings for collective investments (hereinafter the 'draft law').

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union and the third and sixth indents of Article 2(1) of Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions¹, as the draft law relates to Българска народна банка (Bulgarian National Bank) and rules applicable to financial institutions insofar as they materially influence the stability of financial institutions and markets. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

1. Purpose of the draft law

The aims of the draft law are to: (a) transpose into national legislation Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast)²; (b) regulate the activities of certain non-UCITS funds including closed-end investment undertakings; (c) further develop the legal framework by, *inter alia*, imposing on Българска народна банка (Bulgarian National Bank) certain information obligations and fostering cooperation between Българска народна банка (Bulgarian National Bank) and the Financial Supervision Commission; (d) consolidate the regulatory framework for collective investment schemes and other undertakings for collective investments.

In accordance with Article 1(2) of Council Decision 98/415/EC and taking into account the consultation request from the Ministry of Finance, this opinion only covers the provisions of the draft law that relate to Българска народна банка (Bulgarian National Bank).

¹ OJ L 189, 3.7.1998, p. 42.

² OJ L 302, 17.11.2009, p. 32.

2. General observations

The ECB notes that the draft law imposes certain information obligations on Българска народна банка (Bulgarian National Bank) in relation to the Financial Supervision Commission as regards depository banks and banks³. The draft law also provides for cooperation between Българска народна банка (Bulgarian National Bank) and the Financial Supervision Commission in the context of administrative enforcement measures⁴.

The ECB acknowledges that such arrangements are necessary in view of the supervisory framework in Bulgaria where Българска народна банка (Bulgarian National Bank) is in charge of banking supervision, and the Financial Supervision Commission is competent to supervise financial institutions and markets as laid down in Article 1(2) of the Law on the Financial Supervision Commission⁵.

The ECB supports information sharing and cooperation among supervisory authorities as it is necessary for efficient supervision. The measures introduced by the draft law will further promote efficient institutional arrangements for cooperation between Българска народна банка (Bulgarian National Bank) and the Financial Supervision Commission.

In this context, the ECB welcomes the provisions of the draft law that relate to Българска народна банка (Bulgarian national bank).

This opinion will be published on the ECB's website.

Done at Frankfurt am Main, 22 June 2011.

[signed]

The President of the ECB

Jean-Claude TRICHET

³ Article 35(3) and paragraph 21 of the transitional and final provisions of the draft law.

⁴ Article 195(3) and (4) of the draft law.

⁵ Law on the BG-FSA, *Darjaven vestnik*, issue 8 of 28 January 2003, available at www.fsc.bg.