

The European Banking Authority (**EBA**) is developing guidelines on the criteria and processes that credit institutions and authorities should respect when assessing the suitability of members of the management body (in both its management and supervisory functions) and key function holders.

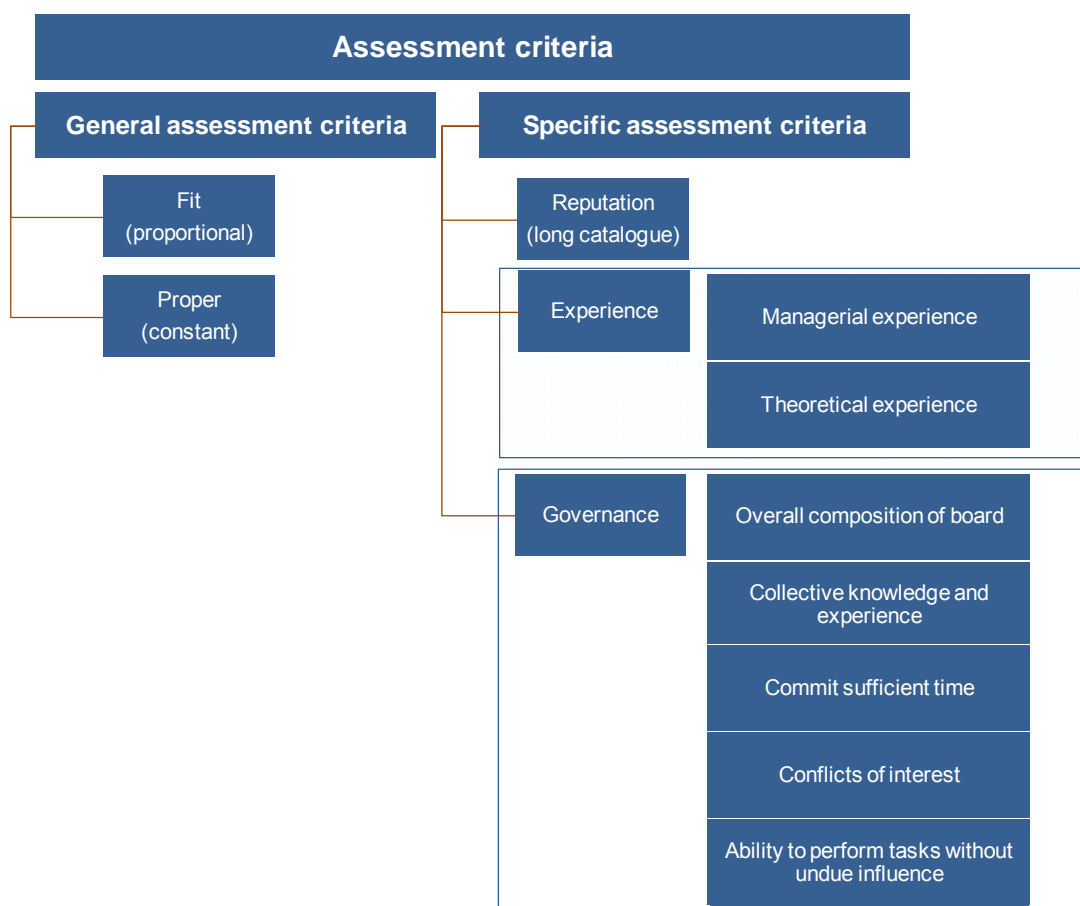
Management body

- Governing body of a credit institution, comprising the management and supervisory functions, which has the ultimate decision-making authority and is empowered to set the institutions strategy, objectives and overall direction.

Key function holders

- Employees outside of the management body whose positions give them significant influence over the direction of the credit institution. These could include, e.g. senior managers, heads of internal control functions, heads of a significant branch or of a subsidiary.

Proposed assessment criteria



Proposed experience requirements for members of the management body

Management function

- Served long enough in one management position → temporary functions usually not sufficient
- Experience in a management position in a credit institution or similar firm
- Particular attention is to be given to
 - length of service
 - nature and complexity of the institution where the position was held
 - scope of competencies
 - decision making powers and responsibilities
 - number of subordinates

Supervisory function

- Sufficient experience to provide constructive challenge in relation to the management decisions.
- Experience may be gained from
 - managerial activities
 - academic activities,
 - administrative activities
 - other relevant activities
 - both in or outside financial institutions

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