

Single Resolution Mechanism

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The Republic of Croatia joined the Single Resolution Mechanism on 1 October 2020.

Following the decision of the European Central Bank of 10 July 2020 to establish close cooperation with the Croatian National Bank, on 1 October 2020, the Republic of Croatia became a participating Member State in the Single Resolution Mechanism.

The [Single Resolution Mechanism](#) comprises uniform regulatory rules to address the financial difficulties of all credit institutions in the participating Member States either through bankruptcy or compulsory winding-up or exceptionally, if in the public interest, through resolution, with minimal costs to taxpayers and the real economy. It became fully operational on 1 January 2016.

The Single Resolution Mechanism consists of the [Single Resolution Board](#) and the national resolution authorities of the participating Member States. The participating Member States are those Member States of the European Union that have adopted the euro as the national currency or that have established close cooperation with the European Central Bank.

Funds from the [Single Resolution Fund](#) may also be used to ensure the efficient application of resolution instruments and the exercise of resolution powers in the Single Resolution Mechanism.

Contributions to the Single Resolution Fund shall be paid by credit institutions and certain investment firms from all participating Member States, which ensures that the financial industry as a whole ensures the stabilisation of the financial system.

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