
EBA/ITS/2015/05

7 July 2015

Final Report

Draft Implementing Technical Standards on the uniform formats, templates and definitions for the identification and transmission of information by competent authorities and resolution authorities to the EBA for the purposes of Article 4(7) of Directive 2014/59/EU

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1. Executive summary

Pursuant to Article 4(1) of Directive 2014/59/EU (the Directive) competent authorities and resolution authorities (the authorities) may apply simplified obligations with regard to:

- the contents and details of recovery and resolution plans provided for in Articles 5 to 12 of the Directive;
- the date by which the first recovery and resolution plans are to be drawn up and the frequency for updating recovery and resolution plans, which may be lower than that provided for in Article 5(2), Article 7(5), Article 10(6) and Article 13(3) of the Directive;
- the contents and details of the information required from institutions as provided for in Article 5(5), Article 11(1) and Article 12(2) and in Sections A and B of the Annex to the Directive; and
- the level of detail for the assessment of resolvability provided for in Articles 15 and 16 and Section C of the Annex to the Directive.

Authorities should decide on the level of detail regarding these requirements for each institution, having regard to the impact that the failure and subsequent winding up of the institution under normal insolvency proceedings would have on financial markets, on other institutions, on funding conditions or on the wider economy, taking account of the criteria in Article 4(1) of the Directive and as specified in the guidelines published by the EBA under Article 4(5) of the Directive.¹

Article 4(8) to (10) of the Directive enables authorities to waive the application of relevant sections of Chapter 1 of Title II of the Directive to institutions affiliated to a central body and wholly or partially exempted from prudential requirements in national law in accordance with Article 10 of Regulation (EU) No 575/2013 and to institutions which are members of an institutional protection scheme (IPS).

Article 4(7) of the Directive requires the EBA, by 31 December 2017, to submit a report to the European Parliament, to the Council and to the Commission on the way the Member States have applied Article 4(1), (8) and (9) and (10) of the Directive. The report must identify any divergences of approach between the Member States.

The EBA shall develop draft implementing technical standards (ITS) to specify uniform formats, templates and definitions for the identification and transmission of information by authorities to the EBA for the purposes of Article 4(7) of the Directive, subject to the principle of proportionality (Article 4(11) of the Directive).

¹ The EBA's Guidelines on the application of simplified obligations under Article 4 of Directive 2014/59/EU are available here: <https://www.eba.europa.eu/regulation-and-policy/recovery-and-resolution/guidelines-on-simplified-obligations>.

This report concerns the EBA's draft ITS, which include three reporting templates which shall be used by the authorities for the purposes of reporting under Article 4 of the Directive.

These templates establish a common and systematic framework for reporting by the authorities which will enable the EBA to conduct a detailed comparison of the approaches of the authorities when exercising their discretion pursuant to Article 4(1), (8), (9) and (10) of the Directive. This will enable the EBA to identify accurately any divergences of approach between the authorities in its report to the European Parliament, the Council and the Commission pursuant to Article 4(7) of the Directive.

In summary:

- Template 1 relates to quantitative data relevant to assessing the approach of the authorities to the application of Article 4 of the Directive;
- Template 2 relates to the approach of the authorities in relation to the application of simplified obligations under Article 4(1) of the Directive;
- Template 3 relates to the approach of the authorities in relation to the granting of waivers under Article 4(8) and (9) of the Directive.

Next steps

The draft ITS will be submitted to the Commission for endorsement before being published in the *Official Journal of the European Union*. The technical standards will apply from on the twentieth day following that of its publication in the *Official Journal of the European Union*.

2. Background and rationale

1. Directive 2014/59/EU (the Directive) sets out requirements for institutions and parent undertakings (in relation to groups) to draw up and maintain recovery plans on an annual basis, to provide information relevant for the development of resolution plans, and to submit that material to the authorities. The information to be included in the recovery plans is set out in Section A of the Annex to the Directive and is further specified in the EBA's draft regulatory technical standards (RTS) on the content of recovery plans.² The Directive also sets out requirements for resolution authorities to draw up and maintain resolution plans for institutions and groups. Article 10(7) and Article 12(3) of the Directive specify the information to be included in resolution plans for, respectively, institutions and groups, as further specified in the EBA's draft RTS on the content of resolution plans and the assessment of resolvability.³ Article 11 and Section B of the Annex to the Directive list the information resolution authorities may request for the purposes of drawing up and maintaining resolution plans. The Directive further requires resolution authorities to carry out resolvability assessments for institutions and groups (Article 10(2), Article 12(4) and Articles 15 and 16 of the Directive).
2. These requirements regarding recovery planning, resolution planning and resolvability assessments should be applied proportionately, reflecting *inter alia* the systemic importance of the institution concerned.
3. Article 4(1) of the Directive requires Member States to ensure that the authorities shall decide on the level of detail regarding these requirements for institutions, having regard to the criteria specified in that paragraph, as further specified in the EBA's guidelines under Article 4(5) of the Directive.
4. Article 4(8) of the Directive also requires Member States to ensure that the authorities can grant waivers from specified requirements regarding recovery and resolution planning to institutions affiliated to a central body and wholly or partially exempted from prudential requirements in national law in accordance with Article 10 of Regulation (EU) No 575/2013 and to institutions which are members of an IPS. Article 4(10) of the Directive specifies that institutions subject to direct supervision by the ECB pursuant to Article 6(4) of Regulation (EU) No 1024/2013 or constituting a significant share in the financial system of a Member State shall draw up their own recovery plans in accordance with Section 2 (Recovery planning) of Chapter 1 (Recovery and resolution planning) and shall be the subject of individual resolution plans in accordance with Section 3 (Resolution planning) of Chapter 1 of Title II of the Directive and may not benefit from waivers. An institution shall be considered to constitute a significant share of a Member State's financial system if the total value of its assets exceeds EUR 30 000 000 000 or the ratio of its total

² The EBA's draft RTS and guidelines on recovery plans are available here: <http://www.eba.europa.eu/-/eba-publishes-final-draft-technical-standards-and-guidelines-on-recovery-plans>.

³ The EBA's draft RTS on the content of resolution plans and the assessment of resolvability are available here: <http://www.eba.europa.eu/regulation-and-policy/recovery-and-resolution>.

assets to the GDP of the Member State of establishment exceeds 20%, unless the total value of its assets is below EUR 5 000 000 000.

5. Article 4(7) of the Directive requires the EBA to report to the European Parliament, to the Council and to the Commission on the way the authorities have applied Article 4(1), (8), (9) and (10) of the Directive. For this purpose the authorities shall inform the EBA of the way they have applied these paragraphs. The EBA must identify 'any divergences regarding the implementation at national level of [Article 4(1), (8), (9) and (10) of the Directive]' in its report.

2.1 Content

6. Pursuant to Article 4(11) of the Directive the EBA shall develop draft ITS to specify uniform formats, templates and definitions for the identification and transmission of information by the authorities to the EBA for the purposes of Article 4(7) of the Directive, subject to the principle of proportionality. The draft ITS set out in this report include reporting templates for this purpose.

2.1.1 Obligation to report

7. The authorities have the discretion to apply simplified obligations and to grant waivers in relation to:
 - (i) requirements relating to recovery planning (e.g. regarding the contents and details of recovery plans); and
 - (ii) requirements relating to resolution planning and resolvability assessments (e.g. regarding the contents and details of resolution plans and the level of detail for the assessment of resolvability) (see Article 4(1)(a) to (d) of the Directive).
8. Therefore, in order to enable the EBA to assess the way the authorities have applied their respective discretions, the authorities must each report to the EBA on their approaches. However, to minimise the burden on the authorities when reporting on their approaches, where the competent authorities and the resolution authorities of a Member State use the same basis for determining whether an institution should be subject to simplified obligations under Article 4(1) or waivers under Article 4(8) of the Directive, it should be possible for the authorities to submit reports to the EBA on a joint basis, providing that the authorities complete their respective parts of the reporting templates set out in Annex II of the draft ITS.

2.1.2 Reporting periods

9. In order to prepare the report to the European Parliament, the Council and the Commission it is important for the EBA to obtain from the authorities a range of information across the longest possible period from the deadline for transposing the relevant provisions of the Directive (1 January 2015) to the deadline for the production of the EBA's report (31 December 2017). Therefore, the authorities should prepare two reports in this period in order for the EBA to assess their evolving practices. The first reporting period shall run from 1 January 2015 to 30 April 2016 and the second reporting period shall run from 1 May 2016 to 30 April 2017.

2.1.3 Overview of the templates

10. In order to facilitate reporting by the authorities and in order to ensure that the EBA receives readily comparable information, the authorities shall use the three templates set out in Annex II to the draft ITS when reporting under Article 4(7) of the Directive. In summary:

- **Template 1** relates to quantitative data relevant to assessing the approach of the authorities to the application of Article 4 of the Directive;
- **Template 2** relates to the approach of the authorities in relation to the application of simplified obligations under Article 4(1) of the Directive;
- **Template 3** relates to the approach of the authorities in relation to the granting of waivers under Article 4(8) and (9) of the Directive.

2.1.4 Approach to reporting on institutions

11. In order for the EBA to report on the application of simplified obligations and waivers it is necessary for the EBA to understand the approach in relation to all institutions established in the Member States which are subject to such treatment.

12. The authorities may choose to apply simplified obligations or grant waivers on an institution-by-institution basis or in relation to categories (or, put differently, buckets) of institutions which share similar characteristics (e.g. in terms of size, interconnectedness, and scope and complexity).

13. A requirement for the authorities to report on a case-by-case basis in all cases where the supervisory or resolution practice is to apply types of simplified obligations to institutions sharing specified characteristics would be disproportionate. Therefore, the authorities should have the option to report on an 'individual' or 'category' basis, depending on the approach in the Member State concerned. So, for instance, if the authorities consider the majority of institutions on a 'category' basis but also consider some institutions on an institution-specific basis (e.g. to take account of 'outlying' institutions), the reporting templates should be completed for individual institutions and for the relevant categories of institution. In any case the authorities must ensure that their reports to the EBA, overall, cover all institutions established in the Member State concerned who are subject to simplified obligations or waivers pursuant to Article 4 of the Directive.

14. Where the authorities report on a 'category' basis, in order to help the EBA interpret the categories established by the authorities, and therefore assist the EBA in analysing the approach of the authorities to the application of simplified obligations and waivers and in conducting effective peer reviews, it is important for the authorities to provide the LEI numbers (or names where LEI numbers are not available) of the institutions within each category.

Template 1: Quantitative data relating to the application of Article 4 of the Directive (overview of simplified obligations and waivers)

15. The EBA's report under Article 4(7) of the Directive will involve a qualitative assessment of the practices of the authorities. However, it will also involve an assessment of the extent to which, in quantitative terms, the authorities apply full (or simplified) obligations to the institutions established in their jurisdiction.

16. In order for the EBA to provide to the European Parliament, the Council and the Commission a 'snapshot' of the number of institutions (separately, credit institutions and investment firms) to which simplified obligations or waivers have been applied under Article 4(1) or Article 4(8) of the Directive relative to the total number of institutions established in the Member State concerned, the authorities shall provide to the EBA quantitative data in accordance with Template 1 in Annex II of the draft ITS.

Template 2: Information relating to Article 4(1) of the Directive

17. Template 2 concerns the application of simplified obligations under Article 4(1) of the Directive.

18. In summary, for each institution or category of institution to which the report relates, the competent authority (or, as the case may be, the resolution authority) must describe the basis for determining, having regard to the criteria set out in Article 4(1) of the Directive, that the failure and subsequent winding up of the institution under normal insolvency proceedings would not be likely to have a significant negative effect on financial markets, on other institutions, on funding conditions or on the wider economy, and therefore that the institution or category of institution concerned is eligible for simplified obligations.

19. The authorities must include a description of the simplified obligations applied to the institution or category of institution concerned. This should be done by reference to the 'full' obligations as set out in the relevant articles of the Directive, the relevant section of the Annex to the Directive and the EBA's RTS on recovery planning and resolution planning.

Template 3: Information relating to Article 4(8) of the Directive

20. Template 3 relates to the granting of waivers under Article 4(8) of the Directive.

21. The consequences of a determination that an institution is eligible for a waiver are set out in Article 4(9) of the Directive. As such, authorities are required only to report on the basis on which the institution or institutions in question are eligible for a waiver, i.e. whether:

- the institution is affiliated to a central body and wholly or partially exempted from prudential requirements in national law in accordance with Article 10 of Regulation (EU) No 575/2013; or
- the institution is a member of an IPS.



22. Waivers may not be granted in relation to institutions that are significant in accordance with Article 4(10) of the Directive.

3. Draft implementing technical standards on the uniform formats, templates and definitions for the identification and transmission of information by competent authorities and resolution authorities to the EBA for the purposes of Article 4(7) of Directive 2014/59/EU

**COMMISSION IMPLEMENTING REGULATION (EU) No .../... laying down
implementing technical standards with regard to the uniform formats, templates and
definitions for the identification and transmission of information by competent
authorities and resolution authorities to the European Banking Authority according
to Directive 2014/59/EU of the European Parliament and of the Council**

of **XXX**

THE EUROPEAN COMMISSION,

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

Having regard to Directive 2014/59/EU of 15 May 2014 of the European Parliament and of the Council on establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012 of the European Parliament and of the Council⁴, and in particular Article 4(11) thereof,

Whereas:

- (1) Article 4(1) of Directive 2014/59/EU provides that simplified obligations may be applied to an institution where, having regard to the criteria referred to therein, and Guidelines prepared by the European Banking Authority (EBA) under Article 4(5) of that Directive, the competent authorities and resolution authorities determine that the institution's failure and subsequent winding up under normal insolvency proceedings would not be likely to have a significant negative effect on financial markets, on other institutions, on funding conditions, or on the wider economy.
- (2) Subject to Article 4(9) and (10) of Directive 2014/59/EU, Article 4(8) requires Member States to ensure that competent authorities and resolution authorities may waive the application of the requirements of Sections 2 and 3 of Chapter 1 of Title II of that Directive to institutions affiliated to a central body and wholly or partially exempted from prudential requirements in national law in accordance with Article 10 of Regulation (EU) No 575/2013 of the European Parliament and of the Council⁵. Article 4(8) also requires Member States to ensure that competent authorities and resolution authorities may waive the application of the requirements of Section 2 of Chapter 1 of Title II of that Directive to institutions which are members of an IPS (institutional protection scheme). In particular, Article 4(10) of Directive 2014/59/EU specifies that institutions subject to direct supervision by the ECB pursuant to Article 6(4) of Regulation (EU) No 1024/2013⁶ or those institutions, according to criteria referred to thereof, constitute a significant share in the financial system of a Member State are required to draw up their own recovery

⁴ OJ L 193, 12.6.2014, p. 190.

⁵ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, OJ L 176, 27.6.2013, p. 1.

⁶ 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, OJ L 287, 29.10.2013, p. 63.

plans in accordance with Section 2 of Chapter 1 of Title II of Directive 2014/59/EU and must be the subject of individual resolution plans in accordance with Section 3 of the Chapter.

- (3) Article 4(7) of Directive 2014/59/EU requires competent authorities and resolution authorities to inform the EBA of the way they have applied paragraphs 1, 8, 9 and 10 of Article 4 of that Directive to institutions in their jurisdiction. To help inform this report the Regulation provides three templates for the submission of information relating to Article 4(1) and 4(8) of Directive 2014/59/EU which can be completed, as appropriate, on an institution-specific or category basis in accordance with the practices adopted by the competent authorities and resolution authorities when assessing institutions sharing similar characteristics having regard to the criteria referred to in Article 4(1) of that Directive.
- (4) This Regulation is based on the draft implementing standards submitted by the EBA to the Commission.
- (5) The EBA has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council⁷,

HAS ADOPTED THIS REGULATION:

Article 1- General

1. In order to inform the EBA about the application of paragraphs 1, 8, 9 and 10 of Article 4 of Directive 2014/59/EU to institutions in their jurisdictions, competent authorities and resolution authorities shall transmit to the EBA the information identified in accordance with Article 2 and Article 3 of this Regulation.
2. For the purposes of the transmission of information in accordance with paragraph 1, competent authorities and resolution authorities shall complete the relevant templates set out in Annex I to this Regulation. Competent authorities and resolution authorities shall complete the templates set out in Annex I where appropriate by referring to the optional indicators set out in Annex II to this Regulation.
3. Competent authorities and resolution authorities may choose to complete the templates set out in Annex I to this Regulation on a joint basis in the following manner:
 - (a) competent authorities complete the relevant parts of the templates for the purposes of recovery planning;

⁷ Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC, OJ L 331, 15.12.2010, p.12.

- (b) resolution authorities complete the relevant parts of the templates for the purposes of resolvability assessments and resolution planning.
4. Competent authorities and resolution authorities may transmit to the EBA the information identified in accordance with Articles 2 and 3 of this Regulation by making reference to a ‘category of institutions’, where they determine that two or more institutions share similar characteristics in terms of the criteria referred to in Article 4(1) of Directive 2014/59/EU for the application of simplified obligations.

Article 2- Information to be submitted by competent authorities

1. For each reporting period specified in Article 4 of this Regulation, competent authorities shall submit to the EBA the following information on the application of simplified obligations in relation to the contents and details of recovery plans and the date by which the first recovery plans are to be drawn up and the frequency for updating recovery plans:
- (a) the number of credit institutions and the number of investment firms established in the Member State;
 - (b) the number and total assets of credit institutions and the number and total assets of investment firms for which simplified obligations have been applied under Article 4(1) of Directive 2014/59/EU for the purposes of recovery planning as compared to the number and total assets of all credit institutions and, respectively, investment firms established in the Member State concerned;
 - (c) the number and total assets of institutions to which a waiver has been granted under Article 4(8) of Directive 2014/59/EU compared to the number and total assets of all institutions established in the Member State concerned;
 - (d) for each institution, or category of institution, to which simplified obligations have been applied and remain applicable under Article 4(1) of Directive 2014/59/EU by the end of each reporting period:
 - (1) the Legal Entity Identifier number or, where this is not available, the name of the institution or institutions falling within the category;
 - (2) where the report relates to a category of institution, a description of the basis for establishing the category of institution concerned according to Article 1(4) of this Regulation;
 - (3) quantitative information in relation to the application of the following criteria referred to in Article 4(1) of Directive 2014/59/EU: size, interconnectedness and scope and complexity of activities;
 - (4) a summary of the optional indicators provided in Annex 2 to this Regulation, if any, applied in relation to each of the criteria referred to in Article 4(1) of Directive 2014/59/EU;
 - (5) a description of the simplified obligations as compared to full obligations;

- (e) for each institution, or category of institution, to which a waiver has been granted under Article 4(8) of Directive 2014/59/EU a description of the basis on which the waiver has been granted having regard to the criteria set out in Article 4(8)(a) and (b) of Directive 2014/59/EU.
2. For the purposes of submitting the information required under paragraph 1 the competent authorities shall complete the relevant items of each of the reporting templates in Annex I to this Regulation. Where the competent authority has applied a weighting to particular criteria among those referred to in Article 4(1) of Directive 2014/59/EU such that they have been particularly determinative in establishing that an institution, or category of institution, should be subject to simplified obligations, it is necessary for the competent authority to identify the weighting assigned to these criteria in its report. Where the competent authority has not applied a weighting to particular criteria among those referred to in Article 4(1) of Directive 2014/59/EU the authority shall identify in its report the relative importance of the criteria in establishing that an institution, or category of institution, should be subject to simplified obligations.

Article 3- Information to be submitted by resolution authorities

1. For each reporting period specified in Article 4 of this Regulation, resolution authorities shall submit to the EBA the following information on the application of simplified obligations in relation to the contents and details of resolution plans and the date by which the first resolution plans are to be drawn up and the frequency for updating the plans:
- (a) the number and total assets of credit institutions and the number and total assets of investment firms for which simplified obligations have been applied under Article 4(1) of Directive 2014/59/EU for the purposes of resolvability assessments and resolution planning as compared to the number and total assets of all credit institutions and, respectively, investment firms established in the Member State concerned;
 - (b) the number of credit institutions and the number of investment firms to which a waiver has been granted under Article 4(8) of Directive 2014/59/EU;
 - (c) for each institution, or category of institution, to which simplified obligations have been applied and remain applicable under Article 4(1) of Directive 2014/59/EU by the end of each reporting period:
 - (1) the Legal Entity Identifier number or, where this is not available, the name of the institution or institutions falling within the category;
 - (2) where the report relates to a category of institution, a description of the basis for establishing the category of institution concerned according to Article 1(4) of this Regulation;
 - (3) quantitative information in relation to the application of the following criteria referred to in Article 4(1) of Directive 2014/59/EU: size, interconnectedness and scope and complexity of activities;

- (4) a summary of the optional indicators provided in Annex 2 to this Regulation, if any, applied in relation to each of the criteria;
 - (5) a description of the simplified obligations as compared to full obligations;
 - (d) for each institution, or category of institution, to which a waiver has been granted under Article 4(8) of Directive 2014/59/EU a description of the basis on which the waiver has been granted having regard to the criteria set out in Article 4(8)(a) and (b) of Directive 2014/59/EU.
2. For the purposes of submitting the information referred to in paragraph 1 the resolution authorities shall complete the relevant items of each of the reporting templates set out in Annex I to this Regulation. Where the resolution authority has applied a weighting to particular criteria among those referred to in Article 4(1) of Directive 2014/59/EU such that they have been particularly determinative in establishing that an institution, or category of institution, should be subject to simplified obligations, the resolution authority shall identify and inform about the weighting assigned to these criteria in its report. Where the resolution authority has not applied a weighting to particular criteria among those referred to in Article 4(1) of Directive 2014/59/EU the authority shall identify in its report the relative importance of the criteria in establishing that an institution, or category of institution, should be subject to simplified obligations.

Article 4- Reporting periods and submission dates

1. With regard to the information referred to in Article 2(1) and Article 3(1) the first reporting period shall commence on 1 January 2015 and shall end on 30 April 2016. The information relating to the first reporting period shall be submitted to the EBA by 1 June 2016.
2. With regard to the information referred to in Article 2(1) and Article 3(1) the second reporting period shall commence on 1 May 2016 and end on 30 April 2017. The information relating to the second reporting period shall be submitted to the EBA by 1 June 2017.

Article 5- Entry into force

This Regulation shall enter into force on the the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission

The President

On behalf of the President

[Position]

ANNEX I – Reporting templates

Template 1 – Overview of simplified obligations and waivers

<u>Overview of simplified obligations and waivers: Reporting template</u>	
<i>[The notes included in this template are intended to assist the competent authorities and resolution authorities when completing the template and do not form part of the template.]</i>	
Member State	
Name of competent authority/resolution authority submitting the report	
Reference date	
Number of credit institutions established in the Member State	
Number of investment firms established in the Member State	
Number and total assets of credit institutions for which simplified obligations have been applied under Article 4(1) of Directive 2014/59/EU for: (a) recovery planning; (b) resolution planning; (c) resolvability assessments, compared to the number and total assets of all credit institutions established in the Member State concerned	<i>[Figures should be provided by the relevant authority, separately, in relation to obligations relating to: recovery planning, resolvability assessments and resolution planning.]</i>

<p>Number and total assets of investment firms for which simplified obligations have been applied under Article 4(1) of Directive 2014/59/EU for: (a) recovery planning; (b) resolution planning; (c) resolvability assessments, compared to the number and total assets of all investment firms established in the Member State concerned</p>	<p><i>[Figures should be provided by the relevant authority, separately, in relation to obligations relating to: recovery planning, resolvability assessments and resolution planning.]</i></p>
<p>Number and total assets of institutions to which a waiver has been granted under Article 4(8) of Directive 2014/59/EU compared to number and total assets of all institutions established in the Member State concerned</p>	

Template 2^A – Institutions determined to be eligible for simplified obligations pursuant to Article 4(1) of Directive 2014/59/EU

Article 4(1) of Directive 2014/59/EU: Reporting template

[The notes included in this template are intended to assist the competent authorities and resolution authorities when completing the template and do not form part of the template.]

Member State	
Name of competent authority/resolution authority submitting the report	<p><i>[Competent authorities and resolution authorities are expected to complete a report dealing with those institutions to which simplified obligations are applied in relation to, respectively, requirements as regards recovery plans and requirements relating to resolvability assessments and resolution plans (see the list in Article 4(1) of Directive 2014/59/EU).</i></p> <p><i>Competent authorities and resolution authorities must report on all institutions to which simplified obligations are applied. To satisfy this requirement, the competent authorities and resolution authorities may choose to complete this template on an institution-by-institution basis or with regard to specific categories of institutions that have common characteristics and, therefore, are assessed in the same way against the criteria listed in Article 4(1) of Directive 2014/59/EU.]</i></p>

^A If indicator values, in accordance with the definitions prescribed in this template, are not available due to the fact that relevant entities which fall within the scope do not report in IFRS and to which FINREP requirements do not apply, the competent and resolution authorities should use appropriate proxies (e.g. from national GAAP). In this case, relevant authorities should ensure that those proxies are properly explained and are correlated, to the greatest extent possible, with the definitions specified in this template.

Reference period	
LEI number, or where not available name of institution to which the report relates	<i>[This part of the report should be completed only where the report relates to an individual institution and not a category of institution.]</i>
- Name of category of credit institution or investment firm to which the report relates - LEI numbers, or where not available names of institutions within the category	<i>[This part of the report should be completed only where the report relates to a category of institution and not an individual institution.]</i>
Basis for determining the category of institution concerned	<i>[This part of the report should be completed only where the report relates to a category of institution and not an individual institution.]</i> <i>Competent authorities and resolution authorities should provide a description of the approach (i.e. the methodology and specific parameters) they have applied in order to establish the boundaries of the category of institution to which the report relates (e.g. the categorisation of institutions according to the EBA guidelines on common procedures and methodologies for the supervisory review and evaluation process and the mandatory indicators assigned to specific criteria referred to in Article 4(1) of Directive 2014/59/EU such as size and interconnectedness pursuant to the EBA guidelines under Article 4(5) of Directive 2014/59/EU).]</i>
Weighting and/or importance of criteria and indicators in the assessment process (scale of high, medium and low)	<i>[In this section of the report, please describe:</i> <ul style="list-style-type: none"> - <i>the weight, if any, assigned to each of the criterion; or</i> - <i>the relative importance of each of the criterion on a scale of 1 to 3 (scale of high (1), medium (2) and low (3)) in the assessment process.</i> <i>Where weights have been assigned to mandatory indicators, please also provide this information.]</i>

Application of criteria to the individual institution concerned or the category of institution concerned		<i>[In this section of the report, which deals with each of the criteria referred to in Article 4(1) of Directive 2014/59/EU, please provide quantitative data, where requested. Where the report is completed in relation to a category of institution, quantitative data may be provided in the form of a range (e.g. total assets of EUR Amount A to EUR Amount B).]</i>
Criterion	Indicator	
Size¹	Total assets	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Total assets/Member State's GDP	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Total liabilities	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	For investment firms only: Total fees and commission income	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Indicators taken into account from the list of 'optional' indicators in Annex II to the Regulation	<i>[Please list any optional indicators taken into account when assessing the institution concerned, or category of institution concerned, against the criterion of 'size'.]</i>
Interconnectedness	Inter-financial system liabilities²	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Inter-financial system assets³	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Debt securities outstanding⁴	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Indicators taken into account from the list of 'optional'	<i>[Please list any optional indicators taken into account when assessing the institution concerned, or category of institution concerned, against the criterion of 'interconnectedness'.]</i>

1 For the purposes of this template 'total assets' is to be calculated on a global basis in accordance with FINREP (IFRS or GAAP) — F 01.01, row 380 column 010. For the purposes of this template 'total liabilities' is to be calculated on a global basis in accordance with FINREP (IFRS or GAAP) — F 01.02, row 300 column 010.

2 For the purpose of this template, 'inter-financial system liabilities' are to be calculated on a global basis in accordance with FINREP (IFRS or GAAP) → F 20.06, rows 020+030+050+060+100+110, column 010, All countries (z-axis).

3 For the purpose of this template, 'inter-financial system assets' are to be calculated on a global basis in accordance with FINREP (IFRS or GAAP) → F 20.04, rows 020+030+050+060+110+120+170+180, column 010, All countries (z-axis).

4 For the purpose of this template, 'debt securities outstanding' are to be calculated on a global basis in accordance with FINREP (IFRS or GAAP) → F 01.02, rows 050+090+130, column 010.

	indicators in Annex II to the Regulation	
Scope and complexity of activities	Value of OTC derivatives (notional)⁵	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Cross-jurisdictional liabilities⁶	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Cross-jurisdictional claims⁷	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Deposits⁸	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Total covered deposits	<i>[Please provide quantitative data. This may include a value range where the template is completed on a category basis.]</i>
	Indicators taken into account from the list of ‘optional’ indicators in Annex II to the Regulation	<i>[Please list any optional indicators taken into account when assessing the institution concerned, or category of institution concerned, against the criterion of ‘scope and complexity of activities’.]</i>
Risk profile	Categorisation of institutions according to SREP	<i>[Please provide information on the extent and relevance of the use of the outcomes of the supervisory review and evaluation process (SREP) performed in accordance with Article 97 and Article 107 of Directive 2013/36/EU.]</i>
	Indicators taken into account from the list of ‘optional’ indicators in Annex II to the Regulation	<i>[Please list any optional indicators taken into account when assessing the institution concerned, or category of institution concerned, against the criterion of ‘risk profile’.]</i>

5 For the purpose of this template, ‘value of OTC derivatives (notional)’ is to be calculated on a global basis in accordance with: FINREP (IFRS) → F 10.00, rows 300+310+320, column 030 + F 11.00, rows 510+520+530, column 030 or FINREP (GAAP) → F 10.00, rows 300+310+320, column 050 + F 11.00, rows 510+520+530, column 030.

6 For the purpose of this template, ‘cross-jurisdictional liabilities’ are to be calculated on a global basis in accordance with FINREP (IFRS or GAAP) → F 20.06, rows 010+040+070, column 010, All countries except home country (z-axis). Note: The calculated value should exclude i) intra-office liabilities and ii) liabilities of foreign branches and subsidiaries vis-à-vis counterparties in the same host country.

7 For the purpose of this template, ‘cross-jurisdictional claims’ are to be calculated on a global basis in accordance with FINREP (IFRS or GAAP) → F 20.04, rows 010+040+080+140, column 010, All countries except home country (z-axis). Note: The calculated value should exclude i) intra-office assets and ii) assets of foreign branches and subsidiaries vis-à-vis counterparties in the same host country.

8 For the purpose of this template, ‘deposits’ are to be calculated on a worldwide basis in accordance with FINREP (IFRS or GAAP) — F 01.02, row 80 column 010.

Legal status	Indicators taken into account from the list of ‘optional’ indicators in Annex II to the Regulation	<i>[Please list any optional indicators taken into account when assessing the institution concerned, or category of institution concerned, against the criterion of ‘risk profile’.]</i>
Nature of business	Indicators taken into account from the list of ‘optional’ indicators in Annex II to the Regulation	<i>[Please list any optional indicators taken into account when assessing the institution concerned, or category of institution concerned, against the criterion of ‘risk profile’.]</i>
Shareholding structure	Indicators taken into account from the list of ‘optional’ indicators in Annex II to the Regulation	<i>[Please list any optional indicators taken into account when assessing the institution concerned, or category of institution concerned against the criterion of ‘shareholding structure’.]</i>
Legal form	Indicators taken into account from the list of ‘optional’ indicators in Annex II to the Regulation	<i>[Please list any optional indicators taken into account when assessing the category of institution concerned, or institution concerned, against the criterion of ‘legal form’.]</i>
Membership of an IPS or other cooperative mutual solidarity system as referred to in Article 113(7) of Regulation (EU) No 575/2013	Indicators taken into account from the list of ‘optional’ indicators in Annex II to the Regulation	<i>[Please list any optional indicators taken into account when assessing the institution concerned, or category of institution concerned, against the criterion of ‘Membership of an IPS or other cooperative mutual solidarity system as referred to in Article 113(7) of Regulation (EU) No 575/2013’.]</i>

<p>Description of simplified obligations applied to the institution/category of institution: <i>[Within this section please provide, having regard to and as relevant:</i></p> <ul style="list-style-type: none"> - <i>the Articles of Directive 2014/59/EU set out in the relevant row of the table;</i> - <i>Section A of the Annex to Directive 2014/59/EU and the EBA RTS on the content of recovery plans;</i> - <i>Section B of the Annex to Directive 2014/59/EU and the EBA RTS on resolution plan requirements;</i> - <i>Section C of the Annex to Directive 2014/59/EU;</i> - <i>the EBA guidelines on a minimum list of quantitative and qualitative recovery plan indicators, a description of the difference between full obligations and the applicable simplified obligations.]</i> 	
<p>Describe the simplified obligations as regards the content and detail of recovery plan</p>	<p><i>[Please describe the difference between full obligations and the applicable simplified obligations (i.e. what the institution or category of institutions does not need to comply with), for example, having regard to the list in Section A of the Annex of Directive 2014/59/EU and the EBA's RTS on the content of recovery plans, which elements are not required pursuant to the simplified obligations applied to the institution/category of institution.]</i></p>
<p>Describe the simplified obligations as regards the content and detail of resolution plan</p>	
<p>Outline when was/is the first recovery plan/resolution plan to be drawn up and how frequently is it to be updated</p>	
<p>Describe the simplified obligations as regards the content and detail of information required to be provided under Article 5(5), Article 11(1) and Article 12(2) and in Sections A and B of the Annex of Directive 2014/59/EU</p>	
<p>Describe the simplified obligations as regards the level of detail required for the assessment of resolvability provided for in Articles 15 and 16 and Section C of the Annex of Directive 2014/59/EU</p>	



Template 3 – Institutions subject to a waiver pursuant to Article 4(8) of Directive 2014/59/EU

<u>Article 4(8) of Directive 2014/59/EU: Reporting template</u>	
<i>[The notes included in this template are intended to assist the competent authorities and resolution authorities when completing the template and do not form part of the template.]</i>	
Member State	
Name of competent authority/ resolution authority submitting the report	<i>[Competent authorities and resolution authorities are expected to complete a report dealing with those institutions to which waivers are granted in relation to the relevant requirements of Sections 2 and 3 of Chapter I of Directive 2014/59/EU. The competent and resolution authorities must report on all institutions to which waivers are granted.]</i>
Reference period	
- Name of credit institution or name of category of credit institution - LEI numbers, or where not available, names of institutions falling within the category	<i>[If the report is completed with regard to a specific category of institution, please provide a description of the category, including the key characteristics of institutions in that category (e.g. by reference to SREP classification or other applicable classification system). Provide a list of the LEI numbers or, where LEI numbers are not available, the names of the institutions within the category. Where more than one category of institution exists, please complete the report for each category.]</i>
Basis for granting the waiver having regard to the relevant criteria set out in Article 4(8) of Directive 2014/59/EU <i>[Within this section please provide a description of the characteristics of the institution or category of institution concerned.]</i>	



ANNEX II – List of optional indicators

Optional indicator

Total assets
Total EAD
Total assets/Member State's GDP
Total EAD/Member State's GDP
Total RWAs
Total liabilities
Total client money
Total client assets
Total fees and commission income
Market capitalisation
Value of assets under custody
Value of OTC derivatives (notional)
Inter-financial system liabilities
Inter-financial system assets
Cross-jurisdictional liabilities
Cross-jurisdictional claims
Debt securities outstanding
Value of domestic payment transactions
Total deposits
Total covered deposits
Private sector deposits from depositors in the EU
Value of private sector loans, including committed facilities and syndicated loans
Number of private sector loans
Number of deposit accounts – business
Number of deposit accounts – retail
Number of retail customers
Number of domestic subsidiaries and branches
Number of foreign subsidiaries and branches (to be broken down into subsidiaries and branches established in other Member States and in third countries)
Membership of financial market infrastructure
Critical functions provided by the institution to other group companies or by group companies to the institution
Critical functions and core business lines in each relevant jurisdiction, including the provision of services to other institutions
Provision of clearing, payment and settlement services provided to market participants or others and number of other providers available to the market
Payment services provided to market participants or others and number of other providers available to the market
Geographical breakdown of the institution's activity (including the number of jurisdictions in which the institution, and subsidiary entities, operates and the size of the operations)
The institution's market share per business line per jurisdiction (for example, deposit-taking, retail mortgages, unsecured loans, credit cards, SME lending, corporate lending, trade finance, payments activities and the provision of other critical services)
Private sector loans to domestic recipients
Private sector loans to recipients in a specific region



Optional indicator

Mortgage loans to recipients in the EU
Mortgage loans to domestic recipients
Retail loans to recipients in the EU
Retail loans to domestic recipients
SREP score (overall)
SREP scores assigned to capital adequacy, liquidity adequacy, internal governance and institution-wide controls assessments
Regulated activities for which the institution has permission to carry out
Whether advance models are used for the calculation of own funds requirements for credit, market and operational risk
The overall institution's business model, its viability and sustainability of the institution's strategy based on the outcomes of the business model analysis performed as part of SREP according to the SREP Guidelines
The institution's position in the jurisdictions in which it operates in terms of the critical functions and core business lines offered in each jurisdiction
Whether shareholders are concentrated or dispersed, in particular taking account of the number of qualified shareholders and the extent to which the shareholding structure may impact, for example, the availability of certain recovery actions for the institution
The structure of an institution in terms of assessing whether the institution is part of a group and, if so, whether the group has a complicated or simple structure having regard to financial and operational inter-dependencies
The type of the incorporation of the institution (for example, a private limited company, a limited liability company or other type of company defined within national law)
The function of the institution in the system as participant or central institution or as provider of critical functions to other participants, or potentially as a party exposed to the scheme's concentration risk
The size of the guarantee fund relative to the institution's total funds
The type of the mutual solidarity system and its risk management policies and procedures
The degree of interconnectedness to other IPS participants

4. Accompanying documents

4.1 Impact assessment

Article 4(11) of the Directive requires the EBA to develop draft ITS to specify uniform formats, templates and definitions for the identification and transmission of information by competent authorities and resolution authorities to the EBA for the purposes of Article 4(7) of the Directive, subject to the principle of proportionality.

Information obtained from the competent authorities and the resolution authorities pursuant to the ITS shall inform the report that the EBA is required to prepare for the European Parliament, the Council and the Commission on the way the competent authorities and the resolution authorities have applied Article 4(1), (8), (9) and (10) of the Directive (see Article 4(7) of the Directive):

- Article 4(1) of the Directive requires Member States to ensure that competent authorities and resolution authorities shall decide on the level of detail regarding these requirements for institutions, having regard to the criteria specified in that paragraph, as further specified in the EBA's guidelines under Article 4(5) of the Directive.⁸
- Article 4(8) of the Directive requires Member States to ensure that competent authorities and resolution authorities can grant waivers from specified requirements regarding recovery and resolution planning to institutions affiliated to a central body and wholly or partially exempted from prudential requirements in national law in accordance with Article 10 of Regulation (EU) No 575/2013 and to institutions which are members of an IPS. Article 4(10) of the Directive specifies that institutions subject to direct supervision by the ECB pursuant to Article 6(4) of Regulation (EU) No 1024/2013 or constituting a significant share in the financial system of a Member State shall draw up their own recovery plans in accordance with Section 2 (Recovery planning) of Chapter 1 (Recovery and resolution planning) and shall be the subject of individual resolution plans in accordance with Section 3 (Resolution planning) of Chapter 1 of Title II of the Directive. An institution shall be considered to constitute a significant share of a Member State's financial system if the total value of its assets exceeds EUR 30 000 000 000 or the ratio of its total assets to the GDP of the Member State of establishment exceeds 20%, unless the total value of its assets is below EUR 5 000 000 000.

The EBA must identify in its report any divergences regarding the implementation at national level of Article 4(1), (8), (9) and (10) of the Directive.

⁸ Article 4(5) of the Directive requires the EBA to issue guidelines on the criteria in Article 4(1), and, only after some experience is acquired with the application of the guidelines, to prepare draft RTS to specify the abovementioned criteria (Article 4(6) of the Directive).



This section of the report presents an impact assessment (IA) with cost–benefit analysis of the provisions included in the ITS described in this report. Given the nature of the ITS, the IA is mostly high level and qualitative in nature.

A. Problem identification

It is reasonable to expect potential variations in the reporting by competent authorities and resolution authorities of their approaches as regards the application of Article 4(1), (8), (9) and (10) of the Directive. For example, where a competent authority or a resolution authority determines, pursuant to Article 4(1) of the Directive, that an institution may be subject to simplified obligations in relation to recovery planning or resolution planning, it is for the authority concerned to determine the nature of the simplified obligations to be applied (one reason for this is that simplified obligations are not specified on the face of the Directive). In view of the discretion available to the authorities, in the absence of a common reporting framework it is reasonable to expect variations between the authorities in the way the simplified obligations are reported to the EBA.

A lack of a harmonised approach to reporting could result in differences between the competent authorities and the resolution authorities as to the level of detail and range of information submitted to the EBA for the purposes of its report under Article 4(7) of the Directive. It is reasonable to expect that such variations could lead to problems for the EBA in assessing the approaches of the competent authorities and the resolution authorities regarding the implementation at national level of Article 4(1), (8), (9) and (10) of the Directive for the purposes of the report under Article 4(7) of the Directive.

Below, a qualitative assessment of the various options is presented and a set of options is identified that can effectively address these problems to varying degrees.

B. Policy objectives

The objective of the ITS is to promote convergence of reporting practices by competent authorities and resolution authorities as regards their approach to the implementation at national level of Article 4(1), (8), (9) and (10) of the Directive, in particular, pursuant to Article 4(1) of the Directive and the EBA's guidelines under Article 4(5) of the Directive, where simplified obligations are applied for the purposes of recovery and resolution planning and with regard to the nature of the simplified obligations applied.

A central element of promoting convergence of practice is specifying a common set of templates and definitions for the identification and transmission of information by competent authorities and resolution authorities to the EBA for the purposes of Article 4(7) of the Directive. A common framework is expected to achieve consistent and systematic reporting, which will enable the EBA to conduct a detailed comparison of the approaches of the competent authorities and the resolution authorities when exercising their discretions pursuant to Article 4(1), (8), (9) and (10) of



the Directive. This will enable the EBA to identify accurately any divergences of approach between the authorities in its report to the European Parliament, the Council and the Commission pursuant to Article 4(7) of the Directive.

C. Baseline scenario

Most Member States are currently preparing reporting procedures for the purposes of the recovery and resolution framework. Although some convergence is expected under the framework of the Directive, variations may arise between Member States as regards the implementation at national level of Article 4(1), (8), (9) and (10) of the Directive. It is important that such variations can be identified. However, in the absence of common formats, templates and definitions for the purposes of reporting how these provisions have been implemented, it is likely to be very difficult for the EBA to identify these variations and to prepare an accurate report containing a detailed comparison of the approaches of the Member State authorities pursuant to Article 4(7) of the Directive.

D. Options considered

This section of the IA will discuss the advantages and disadvantages of a set of technical options to address possible variations in approaches to reporting to the EBA.

The assessment considers the following options:

- (a) A high-level template requiring competent authorities and resolution authorities to report in summary form their approaches to the application of Article 4(1), (8), (9) and (10) of the Directive without reference to individual institutions (Option A);
- (b) A detailed set of reporting templates requiring competent authorities and resolution authorities to report only on an institution-specific basis their approaches to the application of Article 4(1), (8), (9) and (10) of the Directive (i.e. such that a template must be completed for each institution, for instance describing the basis on which an institution has been determined to be eligible for simplified obligations pursuant to Article 4(1) of the Directive and the EBA's guidelines under Article 4(5) of the Directive) (Option B);
- (c) A set of detailed reporting templates enabling competent authorities and resolution authorities to report on a 'category' or institution-specific basis their approaches to the application of Article 4(1), (8), (9) and (10) of the Directive (Option C).

Under Option A, a generic framework would be developed, requiring competent authorities and resolution authorities to provide a general narrative description of the way they have implemented Article 4(1), (8), (9) and (10) of the Directive without reference to any specific criteria or components. Under this option, the competent authorities and resolution authorities would have the complete freedom to decide on the information to be provided, and on the terminology used to describe their approaches.



The costs and benefits of Option A are expected to be negligible. Although this option would entail the lowest potential costs for the competent authorities and resolution authorities when preparing their reports, this alone would not be expected to promote further convergence in reporting practices since it would not structure reporting to any significant extent. Accordingly, it would allow competent authorities and resolution authorities with wide discretion and therefore would not address the identified problems.

Under Option B, detailed templates would be developed, requiring competent authorities and resolution authorities to provide information in relation to the implementation of Article 4(1), 4(8) and (9) and 4(10) of the Directive. For instance, the competent authorities and the resolution authorities could be required to report on the way they have assessed individual institutions against the criteria referred to in Article 4(1) of the Directive and on the specific indicators used for the purposes of establishing whether an institution should be subject to simplified obligations. The reports could be required to be completed on an institution-specific basis only. Such an approach would ensure that the EBA had available detailed information to compare the approaches of the competent authorities and the resolution authorities to the implementation of Article 4(1) of the Directive by requiring granular information to be submitted with reference to individual criteria and indicators, thereby facilitating the production of the report under Article 4(7) of the Directive.

However, Option B would not permit reporting by competent authorities and resolution authorities on a 'category' basis, i.e. where a number of institutions in a jurisdiction share similar characteristics (for example in terms of size, business activities and interconnectedness) and therefore would be time intensive and entail relatively high costs for the authorities in having to complete the templates for every institution in the jurisdiction determined to be eligible for simplified obligations or waivers pursuant to, respectively, Article 4(1) and 4(8) and (9) of the Directive. Furthermore, very prescriptive templates and definitions would be insufficiently flexible to take account of any particular features of a jurisdiction's banking sector or individual institutions and would be, therefore, too rigid.

Option C aims to find a balance between a fully flexible and a fully harmonised approach. It proposes a set of detailed templates dealing separately with Article 4(1), 4(8) and 4(9), and 4(10) of the Directive.

These templates use common definitions and require a common set of information to be provided in order to enable the EBA to conduct a comprehensive assessment of the approach of the competent authorities and resolution authorities in each Member State. However, they enable authorities to provide both quantitative and narrative descriptions to ensure that any specificities of the banking sector or individual institution concerned can be reported.

Furthermore, the templates relating to Article 4(1) and 4(8) and 4(9) of the Directive are sufficiently flexible to enable reporting on an 'individual' or 'category' basis (for example using the categories set out in the EBA's Guidelines for common procedures and methodologies for the supervisory review and evaluation process under Article 107(3) of Directive 2013/36/EU),

depending on the approach of the competent authorities and resolution authorities concerned. So, for instance, if the competent authorities and the resolution authorities consider the majority of institutions on a ‘category’ basis but also consider some institutions on an institution-specific basis (e.g. to take account of ‘outlying’ institutions), the reporting templates could be completed for individual institutions and for the relevant categories of institution.

E. Cost–Benefit Analysis

Table 1 presents a summary of the potential benefits and costs associated with the options.

Table 1 Potential benefits and costs associated with the options

	Potential benefits	Potential costs
A high-level reporting template (Option A)	A level of supervisory discretion can be retained.	Competent authorities and resolution authorities have wide discretion. This may result in variations as to the level of detail and range of information provided.
	Harmonisation is achieved to a certain extent.	A lack of consistency across jurisdictions may develop.
	The costs of reporting are kept to a minimum.	Significant variations are likely to make it difficult for the EBA to conduct an accurate comparison of the approaches of the competent authorities and resolution authorities to the exercise of their discretions under Article 4 of the Directive.
A very detailed set of reporting templates enabling competent authorities and resolution authorities to report only on an institution-specific basis (Option B)	Full convergence is achieved for supervisory and resolution reporting across jurisdictions.	The templates are too rigid to enable special characteristics of the banking sector or individual institutions to be reported.
	A very high degree of clarity and transparency are provided regarding the nature of the information required to be submitted pursuant to the reporting templates.	The costs of reporting are very high in light of the granularity of the information requested.
	The EBA receives very granular information about the exercise of the discretions under Article 4 of the Directive.	The ability of the EBA to conduct an accurate comparison of the approaches of the competent authorities and resolution authorities to the exercise of their discretions under Article 4 of the Directive is impaired in light of the foregoing.
A set of detailed reporting templates enabling competent authorities and resolution authorities to report on a ‘category’ or institution-specific	A balance between effective convergence and flexibility for reporting minimises variations between the approaches of the competent authorities and resolution authorities and enables any special characteristics of the banking sector or individual institutions to be reported.	The costs of reporting are not low in light of the granularity of the information requested.



basis (Option C)	Clarity and transparency are provided regarding the nature of the information required to be submitted pursuant to the reporting templates.	
	The EBA receives granular information about the exercise of the discretions under Article 4 of the Directive.	

F. Preferred option

It is reasonable to conclude that Option B is very difficult to implement and that Option C inherits some of the disadvantages of Option A, but to a lesser extent. Given the potential costs and benefits of the technical options, Option C is the preferred option to address the identified problems.



4.2 Views of the Banking Stakeholder Group (BSG)

The BSG did not submit a response to the draft ITS set out in EBA/CP/2014/26 (the draft ITS).



4.3 Feedback on the public consultation and on the opinion of the BSG

The EBA publicly consulted on the draft ITS.

The consultation period lasted for three months and ended on 3 January 2015. One response was received, which was published on the EBA website.

No changes have been made to the draft ITS as a result of the response received. However, some small changes have been made to the draft ITS as a consequence of those made to the draft guidelines under Article 4(5) of the Directive.

Summary of key issues and the EBA's response

The response focused on the criteria to be assessed when considering the level of application for the assessment. A summary of the response is provided in the feedback table.



Summary of responses to the consultation and the EBA's analysis

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Responses to questions in Consultation Paper EBA/CP/2014/26			
Question 1. Do you agree with the list of information the competent authorities are required to report to the EBA?	<p>A respondent proposed that the indicators for IPSs should be based on Article 113(7) of the Capital Requirements Regulation (Regulation 575/2013/EU).</p> <p>A respondent suggested that the level of reporting to the EBA for IPSs should be done at the level of the scheme and not the individual member.</p> <p>A respondent questioned the value of SREP scores in assessing the level of obligations that should apply, and therefore the requirement to report such an indicator to the EBA.</p>	<p>The level of reporting to the EBA should be done at the same level where the obligation for a recovery plan and resolution plan has been set.</p> <p>The SREP score is used as an indicator for assessing institutions against the criterion of risk profile. This is a useful benchmark for the purposes of assessing the riskiness of an institution and is to be taken into account alongside all other criteria for the purposes of informing the assessment as to whether simplified obligations are appropriate.</p>	No amendments.
Question 2. Do you agree with the list of information the resolution authorities are required to report to the EBA?	Same response as above.	As above.	No amendments.
Question 3. Do you agree with the approach set out in the reporting templates in Annex I of the draft ITS?	A respondent suggested that a guidance note be developed to help the authorities when completing the reporting templates, given the level of detail required.	The EBA notes this suggestion and will keep under review the need for guidance.	No amendments.



Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Question 4. Do you agree with the proposed reporting periods?	A respondent suggested that the start date for reporting, 1 January 2015, is too ambitious.	The transposition date for the Directive is 1 January 2015 (Article 130 of the Directive). Therefore, requirements as to recovery and resolution planning and resolvability assessments apply from this date. Therefore, it is appropriate for the reporting period to begin on 1 January 2015.	No amendments.
Question 5. Do you agree that competent authorities and resolution authorities should be permitted to submit reports on a joint basis, for instance, where the authorities have taken an identical approach to the determination that an institution, or category of institution, is eligible for simplified obligations albeit that the nature of the simplified obligations (e.g. for recovery and resolution planning purposes) are likely to be different?	<p>A respondent suggested that it is essential that a report be submitted on a joint basis to achieve consistency.</p> <p>A respondent proposed that the authorities be required to report how their assessment achieves the goal of ensuring the administrative burden for recovery and resolution plan preparation is minimised, as set out in recital 15 of the Directive.</p>	<p>It is not a requirement that competent authorities and resolution authorities submit their report jointly, but the authorities have the option to do so where they find this a better approach. However, the level of simplified obligations for recovery and resolution may not necessarily be the same, so it may not always make sense to submit a report jointly.</p> <p>The EBA agrees that obligations for recovery and resolution planning should be set in a proportionate manner.</p> <p>Article 4 of the Directive states that the authorities should determine the level of information required based on whether the institution's failure and subsequent winding up under normal insolvency proceedings would be likely to have a significant negative effect on financial markets, on other institutions, on funding conditions, or on the wider economy. The authorities should therefore determine the level and frequency of information required based on their assessment of institutions against the criteria set out in Article 4(1) of the Directive, using the indicators set out in the EBA's guidelines under Article 4(5) of the Directive.</p>	No amendments.

