

EBA FINAL draft implementing technical standards

on passport notifications under Articles 35, 36 and 39 of Directive 2013/36/EU



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1. Executive Summary

Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investments firms ('the CRD') sets out requirements concerning the exercise by credit institutions of the right of establishment and the freedom to provide services and mandates the EBA to develop draft implementing technical standards (ITS) in order to establish standard forms, templates and procedures for notifications performed pursuant to Articles 35, 36 and 39 of the CRD.

The draft ITS establish procedures on the notification requirements for a credit institution when exercising its right of establishment (*branch notification*) and its freedom of providing services (*services notification*) as well as procedures on the interaction and cooperation between the competent authorities of the home Member State and the competent authorities of the host Member State for the purposes of such notifications. In addition, procedures covering the notification of changes to the initial branch notification are also set out.

The draft ITS also include provisions addressing issues of language and means of communication for the purposes of passport notifications and requiring the publication of the languages accepted for the purposes of passport notifications and means of communication to be used by the competent authorities of the home and the host Member States. In addition, they include provisions concerning the publication of contact details for all possible means of communication.

An assessment of the completeness of the notification submitted by a credit institution and also communication of the date of receipt of the submitted notification – from the credit institution – and the forwarded notification – from the home authorities to the host authorities - are required in order to ensure clarity on the receipt of a complete notification and on the exact timing of such a receipt, given the importance of these two elements for an efficient and effective process.

The harmonisation of passport notifications through the adoption of the common templates is expected to ensure that both home and host competent authorities receive the information they require, and reduce the likelihood of requests for further information. It will also ensure consistency in the forms used by credit institutions and will facilitate their compliance with the notification requirements set by the draft regulatory technical standards (RTS), which specify the information to be notified, given that the templates have been designed to reflect the information required.

2. Background and rationale

In accordance with the principle of single authorisation, the decision to issue an authorisation which is valid for the whole of the EU is the sole responsibility of the competent authorities of the home Member State. A credit institution may then provide the services or perform the activities for which it has been authorised throughout the Community, through either the establishment of a branch or the free provision of services.

These ITS provide a framework for the cooperation of the competent authorities of home and host Member States with regard to the notifications pursuant to Articles 35, 36 and 39 of the CRD, recognising the need to cooperate and exchange information to ensure an efficient passport notification process for credit institutions operating in the European Economic Area (EEA).

In addition, these ITS set up the procedures to be followed by the credit institutions when submitting a notification of the exercise of the right of establishment and the freedom to provide services, or of any changes in the initial branch notification.

The draft ITS build to a large extent on the 'Guidelines for passport notifications' developed by the Committee of European Banking Supervisors (CEBS), the predecessor of the EBA, and should be read along with the draft regulatory technical standards that specify the content of the passporting notifications.

Following the conclusion of the consultation process, the EBA finalised the draft ITS taking into account the responses to the relevant consultation paper, to the extent that comments could be addressed.

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3. EBA FINAL draft implementing technical standards on passport notifications under Articles 35, 36 and 39 of Directive 2013/36/EU

COMMISSION IMPLEMENTING REGULATION (EU) No .../..

of **XXX**

laying down implementing technical standards with regard to standard forms, templates and procedures for notifications relating to the exercise of the right of establishment and the freedom to provide services according to Directive 2013/36/EU of the European Parliament and of the Council

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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

Having regard to Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC¹, and in particular Articles 35(6), 36(6) and 39(5) thereof,

Whereas:

- (1) The provisions in this Regulation are closely linked, since they deal with notifications related to the exercise of the right of establishment and the freedom to provide services. To ensure coherence between those provisions, which should enter into force at the same time, and to facilitate a comprehensive view and compact access to them by persons subject to those obligations, it is desirable to include certain regulatory technical standards required by Directive 2013/36/EU in a single Regulation.
- (2) The establishment of standard procedures covering the language and means of communication of passport notifications from the credit institutions to the competent authorities of home and host Member States will facilitate the exercise of the freedom of establishment or the freedom to provide services and the efficiency of the performance of the respective tasks and responsibilities of the competent authorities of home and host Member States.
- (3) Clarity on the events that mark the start of the three month period for the decision of the competent authorities of the home Member States on the adequacy of the administrative structure and the financial situation of the credit institution and the communication of the passport notification to the competent authority of the host Member State is necessary to ensure timely assessment of the submitted notification and transparency by competent authorities of home and host Member States.
- (4) Technical standards should require the assessment of the accuracy and completeness of the submitted notification from the competent authorities of the home Member State in order to clarify the responsibilities of the respective authorities and to ensure the quality of the transmitted notifications both from the credit institutions to the competent authorities of the home Member State, and from the competent authorities of the home Member State to the competent authorities of the host Member State.
- (5) Provisions requiring the competent authorities of the home Member State to indicate the particular respects in which the passport notification is assessed to be incomplete or incorrect are necessary to ensure clarity in the identification and communication of the missing or incorrect elements and to facilitate the process of addressing these issues and resubmitting the complete and correct information.
- (6) Acknowledgement of receipt of transmitted passport notification is necessary to ensure clarity on the date of receipt of the relevant notification and on the time period available to the competent authorities of the host Member State, in order to prepare for the supervision of the credit institution in accordance with Chapter 4 of Title V and Title VII of Directive 2013/36/EU and, if necessary, in order to indicate any

¹ OJ L 176, 27.6.2013, p. 338.

conditions under which, in the interests of the general good, activities are to be carried out in the host Member State. Such a requirement would also ensure clarity regarding the exact date on which the credit institution will be in a position to establish the branch and commence its activities in the territory of the host Member State.

- (7) Communication of conditions in under which, in the interests of the general good, activities are to be carried out in the host Member State, if any, from the competent authorities of the host Member State to the competent authorities of the home Member State should ensure transparency in relation to the conditions which impose restrictions in relation to the activities performed by the credit institution.
- (8) This Regulation is based on the draft implementing technical standards submitted by the European Supervisory Authority (European Banking Authority) (EBA) to the Commission.
- (9) 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 1093/2010²,

HAS ADOPTED THIS REGULATION:

Chapter I

General provisions

Article 1

Subject matter

This Regulation specifies the standard forms, templates and procedures for the notifications to exercise the right of establishment and the freedom to provide services pursuant to Articles 35, 36 and 39 of Directive 2013/36/EU.

Article 2

Definitions

For the purposes of this Regulation, the following definitions shall apply:

- (1) “branch passport notification” means a notification made in accordance with Article 35(1) of Directive 2013/36/EU by a credit institution wishing to establish a branch within the territory of another Member State to the competent authorities of its home Member State;
- (2) “change of branch particulars notification” means a notification made in accordance with Article 36(3) of Directive 2013/36/EU by a credit institution to the competent authorities of the home and host Member States of a change in the particulars communicated pursuant to points (b), (c) or (d) of Article 35(2) of that Directive;
- (3) “services passport notification” means a notification made in accordance with Article 39(1) of Directive 2013/36/EU by a credit institution wishing to exercise the freedom to

² 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).

provide services by carrying on its activities within the territory of another Member State for the first time to the competent authorities of its home Member State;

- (4) “passport notification” means a branch passport notification, a change of branch particulars notification or a services passport notification.

Article 3

Passport notifications

1. Passport notifications submitted under this Regulation shall comply with the following requirements:
 - (a) they shall be provided in writing in a language accepted by the competent authorities of the home Member State and in a language accepted by the competent authorities of the host Member State, or in any European Union language accepted by both the competent authorities of the home and host Member States;
 - (b) they shall be transmitted by post, or by electronic means where these are accepted by relevant competent authorities.
2. The competent authorities shall make the following information publicly available:
 - (a) the languages accepted by competent authorities in accordance with point (a) of paragraph 1;
 - (b) the address to which passport notifications are to be sent if submitted by post;
 - (c) any electronic means by which passport notifications may be submitted and any relevant contact details.

Chapter II

Procedures for the branch passport notification

Article 4

Submission of the branch passport notification

Credit institutions shall submit a branch passport notification using the form laid down in Annex 1.

Article 5

Assessment of completeness and accuracy of the branch passport notification

1. On receipt of a branch passport notification the competent authorities of the home Member State shall assess the completeness and accuracy of the information provided.
2. Competent authorities shall treat the three month period referred to in Article 35(3) of Directive 2013/36/EU as having commenced on the date of receipt of the notification containing information that is assessed to be complete and correct.
3. Where the information provided is assessed to be incomplete or incorrect, the competent authorities of the home Member State shall inform the credit institution without delay, indicating in which respect the information is assessed to be incomplete or incorrect.

Article 6
Communication of the branch passport notification

1. The competent authorities of the home Member State shall communicate a branch passport notification to the competent authorities of the host Member State using the form laid down in Annex 2 together with a copy of the branch passport notification and with the latest available information on own funds using the form laid down in Annex 3.
2. The competent authorities of the host Member State shall acknowledge receipt of the branch passport notification to the competent authorities of the home Member State without delay, stating the date on which the branch passport notification was received.
3. The competent authorities of the home Member State shall inform the credit institution of the following matters without delay following receipt by the competent authorities of the home Member State of the acknowledgement of receipt from the competent authorities of the host Member State referred to in paragraph 2:
 - (a) the communication of the branch passport notification to the competent authorities of the host Member State;
 - (b) the date on which the competent authorities of the host Member State received the branch passport notification.

Article 7
Indication of general good conditions

1. Any conditions under which, in the interest of the general good, activities may be carried on in the territory of the host Member State shall be communicated in writing by the competent authorities of the host Member State to the credit institution.
2. Where the conditions referred to in paragraph 1 impose restrictions on the activities of the branch, the competent authorities of the host Member State shall also communicate those conditions in writing to the competent authorities of the home Member State.

Chapter III

Procedures for the change of branch particulars notification

Article 8
Submission of the change of branch particulars notification

1. Credit institutions shall submit a change of branch particulars notification using the form laid down in Annex 1 unless the notification concerns the termination of the operation of the branch. Credit institutions shall only complete those parts of the form that are relevant to the changes in the particulars of the branch notification.
2. Credit institutions shall submit a change of branch particulars notification which concerns the termination of the operation of a branch using the form laid down in Annex 4.

Article 9
Decision on the change of branch particulars notification and indication of general good conditions

1. Competent authorities shall treat the one month period laid down in Article 36(3) for taking the decisions referred to in that Article as having commenced upon receipt of the

change of branch particulars notification containing information that is assessed to be complete and correct. The competent authorities of the home and host Member States shall cooperate in order to take their respective decisions within this period.

2. If the information provided in a change of branch particulars notification is assessed to be incomplete or incorrect, the competent authorities of the home Member State shall inform the credit institution without delay, indicating in which respect the information is assessed to be incomplete or incorrect.
3. The decision taken by the competent authorities of the home Member State on the change of branch particulars notification shall be communicated in writing to the credit institution and to the competent authorities of the host Member State.
4. The competent authorities of the host Member State shall communicate in writing to the credit institution any decision setting out the conditions for the change pursuant to Article 36(1) of Directive 2013/36/EU.
5. Where the conditions referred to in paragraph (4) impose restrictions on the activities of the branch, the competent authorities of the host Member State shall also communicate those conditions in writing to the competent authorities of the home Member State.

Chapter IV

Procedures for services passport notification

Article 10

Submission of the services passport notification

Credit institutions shall submit a services passport notification using the form laid down in Annex 5.

Article 11

Assessment of completeness and accuracy of the services passport notification

1. Competent authorities of the home Member State shall treat the one month period laid down in Article 39(2) of Directive 2013/36/EU as having commenced upon receipt of the services passport notification which contains information that is assessed to be complete and correct.
2. Where the information provided in the services passport notification is assessed to be incomplete or incorrect, the competent authorities of the home Member State shall inform the credit institution without delay, indicating in which respect the information is assessed to be incomplete or incorrect.

Article 12

Communication of the services passport notification

The competent authorities of the home Member State shall communicate a services passport notification to the competent authorities of the host Member State using the form laid down in Annex 6.

Chapter V

Final provisions

This Regulation shall enter into force on 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

Annex 1
Form for credit institution branch passport notifications and change of branch particulars notifications

Change of branch particular notifications must be notified to both the home and host competent authorities. Only the parts of the form which contain information which has changed should be completed.

Part 1 – Contact information

Type of notification	[Branch passport notification / change of branch particulars notification]
Host Member State in which the branch is to be established:	
Name and reference number of the credit institution:	
Address of the credit institution in the host Member State from which documents may be obtained:	
Intended principal place of business of the branch in the host Member State:	
Date on which the branch intends to commence its activities:	
Name of contact person at branch:	
Telephone number:	
E-mail:	

Part 2 - Programme of operations

a. *Types of business envisaged*

- 1) Description of the main objectives and business strategy of the branch and an explanation of how the branch will contribute to the strategy of the institution and, where applicable, of its group

[to be completed by the credit institution]

- 2) Description of the target customers and counterparties

[to be completed by the credit institution]

3) Envisaged activities subject to mutual recognition provided for in Annex I to Directive 2013/36/EU

No.	Activity	Envisaged activity	Core activity	Intended start date for each core activity
1.	Acceptance of deposits and other repayable funds			
2.	Lending including, inter alia: consumer credit, credit agreements relating to immovable property, factoring, with or without recourse, financing of commercial transactions (including forfeiting)			
3.	Financial leasing			
4.	Payment services as defined in Article 4(3) of Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market			
4a.	Services enabling cash to be placed on a payment account as well as all the operations required for operating a payment account.			
4b.	Services enabling cash withdrawals from a payment as well as all the operations required for operating a payment account.			
4c.	Execution of payment transactions, including transfers of funds on a payment account with the user's payment service provider or with another payment service provider: <ul style="list-style-type: none"> – execution of direct debits, including one-off direct debits – execution of payment transactions through a payment card or a similar device – execution of credit transfers, including standing orders 			

4d.	Execution of payment transactions where the funds are covered by a credit line for a payment service user: <ul style="list-style-type: none"> – execution of direct debits, including one-off direct debits – execution of payment transactions through a payment card or a similar device – execution of credit transfers, including standing orders 			
4e.	Issuing and/or acquiring of payment instruments* ¹			
4f.	Money remittance			
4g.	Execution of payment transactions where the consent of the payer to execute a payment transaction is given by means of any telecommunication, digital or IT device and the payment is made to the telecommunication, IT system or network operator, acting only as an intermediary between the payment service user and the supplier of the goods and services.			
5.	Issuing and administering other means of payment (e.g. travellers' cheques and bankers' drafts) insofar as this activity is not covered by point 4			
6.	Guarantees and commitments			
7.	Trading for own account or for account of customers in:			
7a.	– money market instruments			
7b.	– foreign exchange			
7c.	– financial futures and options			
7d.	– exchange and interest-rate instruments			
7e.	– transferable securities			
8.	Participation in securities issues and the provision of services related to such issues			
9.	Advice to undertakings on capital structure, industrial strategy, and related questions and advice as well as services relating to mergers and the purchase of undertakings			
10.	Money broking			

11.	Portfolio management and advice			
12.	Safekeeping and administration of securities			
13.	Credit reference services			
14.	Safe custody services			
15.	Issuing electronic money			

¹ Does this activity (4g) include granting credits in accordance with the conditions in Article 16(3) of Directive 2007/64/EC on payment services in the internal market?

yes no

4) Envisaged investment services and activities provided for in Annex I to Directive 2004/39/EC³

Financial Instruments	Investment services and activities								Ancillary services						
	A 1	A 2	A 3	A 4	A 5	A 6	A 7	A 8	B 1	B 2	B 3	B 4	B 5	B 6	B 7
C1															
C2															
C3															
C4															
C5															
C6															
C7															
C8															
C9															
C10															

Note 1: Row and column headings are references to the relevant section and item numbers in

³ Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC (OJ L 145, 30.4.2004, p.1)

Annex I to Directive 2004/39/EC on markets in financial instruments (e.g. A1 refers to point 1 of Section A of Annex I)

b. Structural organisation of the branch

- 1) Description of the organisational structure of the branch, including functional and legal reporting lines and the position and role of the branch within the corporate structure of the institution and, where applicable, of its group. The description may be supported by relevant documents, e.g. an organisational chart.

[to be completed by the credit institution]

- 2) Description of governance arrangements and internal control mechanisms, including:
 - a) Risk management procedures of the branch and details of liquidity risk of the institution, and where applicable, of its group

[to be completed by the credit institution]

- b) Any limits that apply to the activities of the branch, in particular to its lending activities

[to be completed by the credit institution]

- c) Details of the internal audit arrangements of the branch, including details of the person responsible for these arrangements and, where applicable, details of the external auditor

[to be completed by the credit institution]

- d) Anti-money laundering arrangements of the branch including details of the person appointed to ensure compliance with these arrangements

[to be completed by the credit institution]

- e) Controls over outsourcing and other arrangements with third parties in connection with the activities carried on in the branch that are covered by the institution's authorisation

[to be completed by the credit institution]

3) Where applicable, for investment services and activities:

- a) arrangements for safeguarding client money and assets

[to be completed by the credit institution]

- b) Arrangements for compliance with the obligations laid down in Articles 19, 21, 22, 25, 27 and 28 of Directive 2004/39/EC and measures adopted pursuant thereto by the relevant competent authorities of the host Member State

[to be completed by the credit institution]

- c) Internal code of conduct including controls over personal account dealing

[to be completed by the credit institution]

- d) Details of the person responsible for dealing with complaints in relation to the investment services and activities of the branch

[to be completed by the credit institution]

- e) Details of the person appointed to ensure compliance with the arrangements of the

branch relating to investment services and activities

[to be completed by the credit institution]

- 4) Details of professional experience of the persons responsible for the management of the branch

[to be completed by the credit institution]

c. Other information

- 1) Financial plan containing forecasts for balance sheet and profit and loss accounts, covering a period of three years. Information can be also provided as an attachment to this notification.

[to be completed by the credit institution]

- 2) Name and contact details of the Union deposit-guarantee schemes and investor protection schemes of which the institution is a member and which cover the activities and services of the branch, together with the maximum coverage of the investor protection scheme.

[to be completed by the credit institution]

- 3) Details of the branch's IT arrangements.

[to be completed by the credit institution]

Annex 2

Form for the communication of the branch passport notification from the competent authorities of a home Member State to the competent authorities of the host Member State

Competent authorities of the home Member State:

Name of the contact person:

Telephone number:

E-mail:

Address of the competent authorities
of the host Member State:

[Date]

Ref:

Communication of branch passport notification

[The communication shall include at least the following information:

- name and reference number of the credit institution;
- competent authorities responsible for the authorisation and supervision of the credit institution;
- statement on the credit institution's intention to carry on activities in the territory of the host Member State, including the date on which receipt of complete passport notification was received;
- name and contact details of those responsible for the management of the branch;
- Union deposit guarantee schemes and investor protection schemes.]

[Contact details]

Annex 3

Template for the amount and composition of own funds and own funds requirements

1.1. C 01.00 - OWN FUNDS (CA1)

Row	Legal references and instructions (All Article references are to Regulation (EU) No 575/2013)	Amount (in million EUR)
010	<u>1. Own funds</u> Point (118) of Article 4(1) and Article 72 The own funds of an institution shall consist of the sum of its Tier 1 capital and Tier 2 capital.	
015	<u>1.1 Tier 1 capital</u> Article 25 The Tier 1 capital is the sum of Common Equity Tier 1 Capital and Additional Tier 1 capital	
020	<u>1.1.1 Common Equity Tier 1 capital</u> Article 50	
530	<u>1.1.2 ADDITIONAL TIER 1 CAPITAL</u> Article 61	
750	<u>1.2 TIER 2 CAPITAL</u> Article 71	

1.2. C 02.00 - OWN FUNDS REQUIREMENTS (CA2)

1.2.1. Instructions concerning specific positions

Row	Legal references and instructions	Amount (in million EUR)
010	<u>1. TOTAL RISK EXPOSURE AMOUNT</u> Article 92(3), and Articles 95, 96 and 98	
040	<u>1.1 RISK WEIGHTED EXPOSURE AMOUNTS FOR CREDIT, COUNTERPARTY CREDIT AND DILUTION RISKS AND FREE DELIVERIES</u> Points (a) and (f) of Article 92(3)	
490	<u>1.2 TOTAL RISK EXPOSURE AMOUNT FOR SETTLEMENT/DELIVERY</u> Point (c) (ii) of Article 92(3) and point (b) of Article 92(4)	
520	<u>1.3 TOTAL RISK EXPOSURE AMOUNT FOR POSITION, FOREIGN EXCHANGE AND COMMODITIES RISKS</u>	

	Points (b)(i) and (c)(i) and (c)(iii) of Article 92(3) and point (b) of Article 92(4)	
590	<u>1.4 TOTAL RISK EXPOSURE AMOUNT FOR OPERATIONAL RISK</u> Point (e) of Article 92(3) and point (b) of Article 92(4)	
630	<u>1.5 ADDITIONAL RISK EXPOSURE AMOUNT DUE TO FIXED OVERHEADS</u> Article 95(2), Article 96(2), Article 97 and point (a) of Article 98(1)	
640	<u>1.6 TOTAL RISK EXPOSURE AMOUNT FOR CREDIT VALUATION ADJUSTMENT</u> Point (d) of Article 92(3)	
680	<u>1.7 TOTAL RISK EXPOSURE AMOUNT RELATED TO LARGE EXPOSURES IN THE TRADING BOOK</u> Point (b)(ii) of Article 92(3) and Articles 395 to 401	
690	<u>1.8 OTHER RISK EXPOSURE AMOUNTS</u> Articles 3, 458, 459 and 500 and risk exposure amounts which cannot be assigned to one of the items referred to in 1.1 to 1.7. Institutions shall report the amounts needed to comply with the following: <ul style="list-style-type: none"> – The temporary capital ratio for the Basel I floor set in Article 500 (Institutions using the IRB approach). – Stricter prudential requirements imposed by the Commission, in accordance with Articles 458 and 459 – Additional risk exposure amounts due to Article 3 	

Annex 4
Form for credit institution notification of the termination of the operation of a branch

Credit institution/Branch/Contact person

Telephone number:

E-mail:

Address of the competent authorities of home Member State:

Address of the competent authorities of host Member State:

[Date]

[Ref:]

Notification in accordance with Article 36(3) of Directive 2013/36/EC concerning termination of the operation of a branch

[The communication shall include at least the following information:

- name of the credit institution;
- name of the branch in the territory of the host Member State;
- competent authorities responsible for the authorisation and supervision of the credit institution;
- statement on the credit institution's intention to terminate the operation of the branch in the territory of the host Member State and the date by which the termination will be effective;
- name and contact details of those responsible for the termination of branch operations;
- the schedule for the planned termination;
- information on the process of terminating the business relations with branch customers.]

[Contact details]

Annex 5
Form for credit institution services passport notification

Part 1 – Contact information

Type of notification	Services passport notification
Host Member State in which the credit institution plans to carry out its activities:	
Name of credit institution:	
Head office address:	
Name of contact person at the credit institution:	
Telephone number:	
E-mail:	

Part 2 - Intended activities

1) Intended activities in accordance with the Annex I to Directive 2013/36/EU.

No.	Activity	Envisaged activity	Core activity	Intended start date for core activity
1.	Acceptance of deposits and other repayable funds			
2.	Lending including, inter alia: consumer credit, credit agreements relating to immovable property, factoring, with or without recourse, financing of commercial transactions (including forfeiting)			
3.	Financial leasing			
4.	Payment services as defined in Article 4(3) of Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market			
4a.	Services enabling cash to be placed on a payment account as well as all the operations required for operating a payment account.			
4b.	Services enabling cash withdrawals from a payment as well as all the operations required for operating a payment account.			

4c.	Execution of payment transactions, including transfers of funds on a payment account with the user's payment service provider or with another payment service provider: <ul style="list-style-type: none"> – execution of direct debits, including one-off direct debits – execution of payment transactions through a payment card or a similar device – execution of credit transfers, including standing orders 			
4d.	Execution of payment transactions where the funds are covered by a credit line for a payment service user: <ul style="list-style-type: none"> – execution of direct debits, including one-off direct debits – execution of payment transactions through a payment card or a similar device – execution of credit transfers, including standing orders 			
4e.	Issuing and/or acquiring of payment instruments*1			
4f.	Money remittance			
4g.	Execution of payment transactions where the consent of the payer to execute a payment transaction is given by means of any telecommunication, digital or IT device and the payment is made to the telecommunication, IT system or network operator, acting only as an intermediary between the payment service user and the supplier of the goods and services			
5.	Issuing and administering other means of payment (e.g. travellers' cheques and bankers' drafts) insofar as this activity is not covered by point 4			
6.	Guarantees and commitments			
7.	Trading for own account or for account of customers in:			
7a.	– money market instruments			
7b.	– foreign exchange			
7c.	– financial futures and options			
7d.	– exchange and interest-rate instruments			
7e.	– transferable securities			
8.	Participation in securities issues and the provision of services related to such issues			

9.	Advice to undertakings on capital structure, industrial strategy, and related questions and advice as well as services relating to mergers and the purchase of undertakings			
10.	Money broking			
11.	Portfolio management and advice			
12.	Safekeeping and administration of securities			
13.	Credit reference services			
14.	Safe custody services			
15.	Issuing electronic money			

¹ Does this activity (4g) include granting credits in accordance with the rules provided for in Article 16(3) of Directive 2007/64/EC on payment services in the internal market?

yes no

2) Envisaged investment services and activities in accordance with Annex I to Directive 2004/39/EC

Financial Instruments	Investment services and activities								Ancillary services						
	A1	A2	A3	A4	A5	A6	A7	A8	B1	B2	B3	B4	B5	B6	B7
C1															
C2															
C3															
C4															
C5															
C6															
C7															
C8															
C9															
C10															

Note 1: Row and column headings are references to the relevant section and item numbers in Annex I to Directive 2004/39/EC on markets in financial instruments (e.g. A1 refers to point 1 of Section A of Annex I)

Annex 6
Form for the communication of the services passport notification from the competent authorities of the home Member State to the competent authorities of the host Member State

Competent authorities of the home Member State:

Name of the contact person:

Telephone number:

E-mail:

Address of the competent authorities
of the host Member State:

[Date]

Ref:

Communication of services passport notification

[The communication shall include at least the following information

- name and reference number of the credit institution;
- competent authorities responsible for the authorisation and supervision of the credit institution;
- statement on the credit institution's intention to carry on activities in the territory of the host Member State by exercising the freedom to provide services.]

[Contact details]

4. Accompanying documents

4.1 Cost-benefit analysis

4.1.1 Introduction

The EBA's 'Guidelines for passporting notifications' (August 2009) were developed in recognition of the need to cooperate and exchange information to ensure an efficient passport notification process for credit institutions operating in the EEA. Although non-binding, these guidelines represent a set of common standards already agreed on. In addition, the competent supervisory authorities have gained sufficient experience in the application of the common framework to identify positive aspects as well as drawbacks and elements that could be taken into account to develop a better regulatory framework. Thus, the draft ITS build to a large extent on the existing guidelines.

In order to assess the impact expected from the elements that are being implemented by the ITS, the cost-benefit analysis was performed based on a questionnaire that had been developed and answered by EBA substructures in which all Member States are represented. That questionnaire aimed to assess, inter alia, the level of implementation of the existing guidelines by the competent authorities and the level of compliance of credit institutions with the implemented elements of the guidelines.

4.1.2 Procedural issues and stakeholder consultation

While developing the draft ITS and before the publication of the consultation paper it was felt important to consult competent authorities on the policy options and the approach favoured by the draft ITS, with special focus on (i) the procedures to be followed by credit institutions and the competent authorities of the home and the host Member States, and (ii) on the templates to be used for the purposes of passport notifications.

In this context, the draft impact assessment analysis is organised into four main sections:

- the level of implementation of the existing guidelines and compliance, with a focus on the procedures and templates;
- the current supervisory framework, with a focus on the number of notifications received from authorities in their capacities both as home and as host (same information as for the relevant part of the RTS on passport notifications);
- a comparison between the current and the future framework, with a focus on expected changes as a result of the proposed ITS only (meaning that any changes resulting from the RTS were kept aside for the purposes of this comparison);
- the costs and benefits of the draft ITS, with a focus on the specific policy options that have been noted as those from which the main incremental costs and benefits are expected.

The sections below describe in detail the results of the analysis of the responses submitted for all these four areas.

4.1.3 Level of implementation and current supervisory framework

From the responses that were submitted to the impact assessment questionnaire, 85% of respondents reported a 100% level of implementation, while 15% reported a 75% level of implementation.

4.1.4 Comparison between the current and future supervisory framework

In general, the procedures introduced by the draft ITS have been assessed as clearer and more efficient for (i) the establishment of a branch, (ii) changes in the initial branch notification and (iii) branch termination. They have been assessed as similar for notification of exercise of the freedom to provide services. For all these functions, the templates have been assessed as clearer and more comprehensive. Section 4.1.7 provides detailed information on the policy options and solutions to issues that have been originated as a result of the implementation of the current guidelines and after consideration of possible improvements in the current practices followed.

Comparison with the current supervisory framework		
	Procedure	Templates
Branch notification	clearer	clearer
Changes	clearer	clearer
Termination	clearer	clearer
Services notification	similar	clearer

4.1.5 Problem definition

The main problem that the EBA is called on to address is the development of procedures and templates that will be followed by credit institutions and by competent authorities of the home and the host Member States both for the purposes of initial branch notifications and services notification and for changes in the initial branch notifications.

To accomplish this, the EBA took into account the fact that one of the main objectives of binding technical standards is to achieve the maximum possible harmonisation as a means of reaching the objectives of achieving a level playing field, preventing regulatory arbitrage opportunities, enhancing supervisory convergence and providing legal clarity. In addition, developing procedures and templates that address identified problems in the current practices is expected to reduce the burden of compliance with the legal framework on credit institutions and contribute to efficient and effective cooperation between the competent authorities.

4.1.6 Objectives

The impact assessment has been carried with the aim of ensuring that the four general objectives of the CRD are met and that negative externalities have been contained⁴. However, for the purposes of the forthcoming analysis, three general objectives are particularly relevant to the specific ITS:

- Enhance financial stability (G-1). The draft ITS provide a framework for a timely and efficient exchange of the relevant information concerning the right of establishment of a branch or exercise of the freedom to provide services, contributing to the stability of credit institutions operating across borders.
- Enhance safeguarding of depositor interests (G-2). The draft ITS satisfy this objective by providing a definite procedural framework for the exchange of information concerning the intended activities

⁴ For more information, refer to the Commission staff working paper–impact assessment’ accompanying the document ‘Regulation of the European Parliament and the Council on prudential requirements for the credit institutions and investment firms’ (http://ec.europa.eu/internal_market/bank/docs/regcapital/DIRECTIVE_2013/36/EU4_reform/IA_regulation_en.pdf)

abroad (including deposit taking), providing a common template for communication that gives more details in the case of both the initial notification and subsequent changes.

- Ensure international competitiveness of EU banking sector (G-3). The common and standardised set of procedures and templates provided in the draft ITS will foster the level playing field among credit institutions operating in different jurisdictions, reducing compliance costs and reinforcing their opportunity to expand in a European integrated banking sector.

The (specific) operational objectives that are the most relevant and addressed, implicitly or explicitly, by this impact assessment are the following:

- Prevent regulatory arbitrage opportunities (S-3). In line with the task of building up a single rulebook on supervision at European level, the draft ITS reduce the chance of national approaches that could result in lengthier or inconsistent procedures for the handling of passport notifications and their transmission from credit institutions to the home authorities and from the home authorities to the host authorities.
- Enhance legal clarity (S-4). By including provisions delivering clarity on the roles and responsibilities of credit institutions and home and host authorities in the process to be followed for the purposes of passport notifications as well as the templates to be used, it is expected that costs resulting from the use of inappropriate means of transmission, transmission of incomplete or unclear notifications and late communication of passport notifications will be significantly reduced.
- Reduce the burden of compliance (S-5). A harmonised regulatory framework to be respected and followed by competent authorities in the EEA will have a beneficial impact on the compliance costs sustained by credit institutions, by reducing the likelihood of their having to comply with different rules or practices at national level.
- Ensure level playing field (S-6). A harmonised framework of technical standards among competent authorities in the EEA will foster opportunities for credit institutions to offer services across borders through the establishment of a branch or through the exercise of the freedom to provide services, ensuring that notification procedures operate according to a single common mechanism implemented and binding in all jurisdictions.
- Enhance supervisory cooperation and convergence (S-7). Cooperation among home and host authorities will benefit from the introduction of the ITS; the exchange of information will converge on a common standard as a result of the specification of precise procedures for transmitting passport notifications among the competent authorities and the use of common templates.

4.1.7 Policy options: analysis and comparisons

The current impact assessment study considered the following policy options as being the most relevant for the draft ITS:

- I. developing the draft ITS based on the 'Guidelines for passport notifications';
- II. developing the draft ITS from scratch, ignoring the guidelines that have already been implemented.

In addition, the following second-order policy options were identified as the most important ones in terms of the resulting incremental costs and benefits. The questionnaire invited competent authorities to note the three most important incremental costs and benefits and to identify the policy options from which these costs and benefits resulted.

i) Provisions requiring publication of accepted language(s) for passport notification purposes

The draft ITS set procedures according to which the notifications and other communications should be provided *'in writing in a language accepted by the competent authorities of the home Member State and in a language accepted by the competent authorities of the host Member State, or in any European Union language accepted by both the competent authorities of the home and host Member States'* (Article 3 of the draft ITS).

A new requirement has since been added; the competent authorities will have to make publicly available information on accepted languages and means of transmission of notifications (Article 3(2) of the draft ITS). This provision was inserted with the aim of achieving maximum harmonisation of arrangements concerning languages and means of transmitting notifications among competent authorities.

ii) Provisions requiring the assessment of accuracy and completeness of passport notifications from the competent authorities of the home Member State (Articles 5 and 11 of the draft ITS)

Article 5 'Assessment of completeness and accuracy of the branch passport notification' and Article 11 'Assessment of completeness and accuracy of the services passport notification' of the draft ITS, intended to ensure that the information submitted by the credit institution to the competent authorities of the home Member State according to Article 35(2) and Article 39(1) of the CRD is complete and accurate, allowing the competent authorities of the home Member State to receive all the appropriate elements of information in order to conduct an assessment of the received notification within the 3-month period noted in the Level 1 text. At the same time, the right to provide cross-border services without undue delays is safeguarded to the credit institution to a greater extent, since any additional request for information by the competent authorities of the host Member State will not impact on the validity of the notification by the credit institution or alter the 2-month time period provided for in Article 36(1) of the CRD.

Article 11(1) of the draft ITS provides that the 'one month period provided in Article 39(2) of Directive 2013/36/EU shall start to run on receipt of the notification containing information [according to Article 39(1)] that is assessed to be complete and correct'. Under these terms, whenever a credit institution notifies the relevant supervisory authority of its intention to provide a particular activity abroad for the first time, the authority has the opportunity to a) check that the credit institution is authorised to carry out the activity and actually performs it in the country of origin; and b) check the consistency of the notification with previous notifications of the same kind by the credit institution. Although indirectly, these formal checks and considerations, without imposing a limit or a burden on the credit institution or the competent authorities, will lead to more efficient monitoring of activities carried out abroad.

iii) Provisions covering the communication of passport notification (Article 6 of the draft ITS)

Article 3 of the draft ITS states that notifications and other communications should be transmitted by post or by electronic means, if accepted by the relevant competent authorities, with acknowledgement of receipt.

The obligation to provide an acknowledgement of receipt in both cases has been added in order that the start date of the deadline of two months mentioned in Article 36(1) of the CRD can be clearly identified (a more in depth analysis can be found at point vi).

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- iv) Provisions requiring the communication of conditions imposing restrictions in the services/activities of the branch to the competent authorities of the home Member State (Article 7(2) and Article 9(3) of the draft ITS)

The draft ITS – building on the provisions of the Level 1 text - specify that the conditions of general good imposed by the competent authorities of the host Member State are to be notified only to the credit institution; in addition, the draft ITS require that this communication be addressed also to the competent authorities of the home Member State when the conditions represent a restriction on the intended activities abroad, thus reducing the administrative burden among authorities.

- v) Provisions establishing standard forms and templates

The standard forms and templates have been developed as a ‘mirror’ of the information specified under the draft RTS on passport notifications and the information to be notified, in the case of the initial branch notification and services notification and in the case of changes in the initial branch notification, as required by the Level 1 text. Thus, it is believed that the templates will stand as a complete source of information on which credit institutions can rely when preparing the passport notification; at the same time, they will act as a useful tool to aid competent authorities in checking the completeness and accuracy of the submitted notification.

- vi) The start of the 2-month period provided for in Article 36(1) of the CRD.

The experience of the competent authorities has revealed that in practice there are particular reasons for a lack of clarity about the date at which the branch may begin activities in the territory of a host Member State. In particular, the institution and the home and the host competent authorities may not use the same reference date for the 2-month period provided for in Article 36(1) of the CRD primarily because the date on which the notification is sent by the competent authorities of the home Member State and the date on which the notification is received by the competent authorities of the host Member State are not necessarily the same and because the current procedures in the guidelines are not clear about how a request for additional information in a case of incomplete notification impacts on the two-month timeline.

To this end, Article 6(3) of the draft ITS requires that *‘[t]he competent authorities of the home Member State shall inform the credit institution about the communication of the branch passport notification to the competent authorities of the host Member State without delay following the acknowledgement of the receipt from the competent authorities of the host Member State. The competent authorities of the home member State shall inform the credit institution of the date on which the competent authorities of the host member State received the branch passport notification’*.

Under this new requirement, the credit institution will be able to know with certainty and clarity the date on which the host competent authority has received the notification; that date will mark the start of the two-month period referred to in Article 36(1) of the CRD.

4.1.8 Cost-benefit Analysis

(1) General assessment

In general terms the answers provided by the competent authorities show that the provisions to be introduced by the draft ITS are likely to generate incremental benefits rather than costs for all identified categories of stakeholders (competent authorities, credit institutions, any other stakeholders).

(2) Benefits

- **Competent authorities:** the analysis of the answers shows that competent authorities are considered to be the stakeholders whom the draft ITS will affect the most in terms of benefits and costs. In particular, with regard to expected benefits and the main policy options from which benefits are expected, it seems that the provisions covering the establishment of common standard forms and templates are expected to generate significant benefits for the competent authorities, while in general benefits identified are linked to the provisions bringing more clarity and standardisation to the procedure to be followed by all directly involved stakeholders (credit institutions, competent authorities). Specific policy options that have been indicated as significant are (i) provisions requiring the assessment of accuracy and completeness of passport notifications from the competent authorities of the home Member State (Articles 5 and 11 of the draft ITS), (ii) provisions covering the communication of passport notifications (Article 6 of the draft ITS), and (iii) provisions requiring the communication of conditions imposing restrictions on the services/activities of the branch from the competent authorities of the host Member State to the competent authorities of the home Member State (Article 7(2) and Article 9(3));
- **Credit institutions:** the analysis of the responses shows that, in the opinion of the competent authorities, credit institutions will not be particularly affected, overall, by the proposed ITS, although both benefits and costs are expected. In general, benefits are associated with the provision of more clarity in the process to be followed, as well as with the use of common forms and templates. It is also noted that the answers indicated resulting benefits without linking them to any of the identified policy options but rather to the overall implementation of the draft ITS. Specific policy options from which benefits for credit institutions are expected are (i) provisions requiring publication of accepted language(s) for the purposes of passport notifications, (ii) provisions requiring publication of accepted means of communication, and (iii) provisions requiring the assessment of accuracy and completeness of passport notifications from the competent authorities of the home Member State (Articles 5 and 11 of the draft ITS).
- **Other stakeholders (investors, depositors, etc.):** in general the analysis of the responses indicates that competent authorities do not expect the new regulation to produce significant benefits for stakeholders other than credit institutions and competent authorities themselves. The incremental benefits that were most mentioned are (i) clearer and more efficient procedures and (ii) enhanced transparency in roles, responsibilities, and means and languages of communication. The specific policy options that were most mentioned are (i) provisions requiring publication of accepted language(s) for passport notifications, (ii) provisions establishing common standard forms and templates and (iii) provisions requiring the communication of conditions imposing restrictions on the services/activities of the branch to the competent authorities of the home Member State (Article 7(2) and Article 9(3) of the draft ITS).

(3) Costs

- **Competent authorities:** in general, the impact assessment analysis shows that, in the opinion of the respondents, the new proposed regulation is not expected to generate significant incremental costs for the competent authorities. However, the main cost that was most mentioned is the need for competent authorities and their staff to adapt to the new procedures that will be introduced by the ITS. Specific policy options from which costs for the competent authorities are expected to arise are (i) provisions requiring the assessment of accuracy and completeness of passport

notifications from the competent authorities of the home Member State (Articles 5 and 11 of the draft ITS), (ii) provisions requiring publication of accepted language(s) for passport notifications, and (iii) provisions requiring the communication of conditions imposing restrictions on the services/activities of the branch to the competent authorities of the home Member State (Article 7(2) and Article 9(3)). It is also noted that provisions establishing common standard forms and templates were not generally considered to be as a possible source of incremental costs.

- Credit institutions: incremental costs are in general associated with a more detailed process to be followed for the passport notifications, as well as with more detailed templates. The main policy options from which costs are expected to arise for credit institutions are (i) provisions establishing common standard forms and templates, and (ii) provisions requiring publication of accepted language(s) for passport notifications, although it is expected that it will be the requirement to submit passport notifications on the specified languages, rather than the publication of the accepted languages, that will generate costs for credit institutions.
- Other stakeholders: none of the options considered is mentioned by the competent authorities as a source of incremental costs for the other stakeholders.

4.2 Feedback on the public consultation

The EBA publicly consulted on the draft proposal contained in this paper.

The consultation period lasted for three months and ended on 21 August 2013. Five (5) responses were received, and all of them were published on the EBA website.

The draft ITS were also presented to the Banking Stakeholder Group (BSG) of the EBA. The BSG did not submit an official response to the relevant consultation paper.

This paper presents a summary of the key points and other comments arising from the consultation, the analysis and discussion triggered by these comments and the actions taken to address them if deemed necessary.

In many cases, several industry bodies made similar comments or the same body repeated its comments in response to different questions. In such cases, the comments and EBA's analysis are included in the section of the paper where the EBA considers them most appropriate.

Changes have been incorporated into the draft ITS as a result of the responses received during the public consultation.

Summary of key issues and the EBA's response

The majority of the responses received during the consultation period expressed support for the draft ITS and for specific provisions covering checking the completeness and accuracy of passport notifications, means of communication, languages accepted for the purposes of passport notifications, and templates. However, specific issues were flagged up by different respondents, although the EBA's did not result for which EBA analysis did not result in changes in the draft ITS.

One of the reasons for not applying changes is that some of the proposed changes or comments were considered to be as outside the scope of the draft ITS .e.g. proposals urging the EBA to continue working on delivering supervisory convergence in the assessment of the completeness of passport notifications. Moreover, some of the points that were commented on as in need for further clarifications were assessed as clear enough by the EBA and further clarifications were not considered as necessary. In this context, the EBA encourages readers to consider the draft ITS along with Articles 35, 36 and 39 of the CRD in order to get a complete understanding of the provisions covering the requirements for branch notifications as well as for services notifications.

For example, Article 35(3) of the CRD sets provisions according to which the competent authorities of the home Member State have a period of three months from receipt of the branch passport notification to perform their assessment of the adequacy of the administrative structure or the financial situation of the credit institution and to forward this notification to the competent authorities of the host Member States. The draft ITS set provisions based on which the start of the three-month period is linked with the assessment of completeness of the passport notification and the responsibility for performing this assessment is clearly stated to be that of the competent authorities of the home Member State. Thus it

is deemed that any requests for clarification and any communication between the competent authorities of the home Member State and the competent authorities of the host Member State cannot in any way affect the time available for assessing and processing of the passport notification once the notification has been assessed as complete and accurate.

Finally, comments arguing for provisions in the draft ITS that would encourage the use of particular European languages for the purposes of passport notifications were considered not to be in the spirit of the European Union, where all EU languages are deemed to have equal status.

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

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
General comments			
Means of transmission	A request for clarification on what is meant by electronic means of communication (e.g. website or email). Electronic transmission would be more helpful but it should be accompanied by transmission by post. There was a call for banks to be allowed flexibility with regard to the means of transmission, meaning that both options should be allowed. Fax numbers are not necessary.	'Electronic means' is an expression used in the CRD so there is no need to explain or define this further. The draft ITS encompass a specific degree of flexibility bearing in mind the costs and restrictions for the competent authorities. Fax numbers are indeed regarded as redundant and, as such, they have been deleted.	See Annexes 1, 2, 4, 5 and 6, where references to fax numbers have been deleted.
Means of transmission	Support for electronic means of submission, ensuring that security and confidentiality risks are addressed.	Not applicable.	No changes are needed.
Language of passport notifications	Concerns were expressed on possible risk of interpretation created by the use of more than one language for the same notification. It was requested that the competent authorities agree on a common language to be used for the purposes of passport notification (e.g. a language that is customary in the 'sphere of international finance'). Some also noted that if a translation is necessary then credit institutions should pay attention to the translation of specific activities (e.g. activity No 11 - portfolio management and advice) into other EU languages.	The provisions included in the draft ITS have been developed bearing in mind that all EU languages should be treated as equal in the European Union. Thus, the technical standards cannot favour the use of specific language(s) for the purposes of passport notifications. The translation of the activities included in Annex I of the CRD is outside the remit of these technical standards.	No changes were applied.
Language of passport	In addition to the options included, the use of EU working languages, e.g. English or French, should be	The possibility of using English or French for the purposes of passport notifications is not excluded from	No changes were applied.

notifications	allowed.	the technical standards if these languages are among the accepted languages of the competent authorities involved pursuant to Article 3(1)(a) of the draft ITS. However, the ITS cannot include provisions in favour of specific EU languages.	
Language of passport notifications	The draft ITS should note which language should prevail over the possibilities. Accepted languages may also be a good compromise.	As above.	No changes were applied.
Communication of branch notification	Clarifications are required with regard to Article 6 of the draft ITS (if there is no communication/response from the competent authorities of the host Member State, then at what point would the credit institution assume that the passport notification had taken effect?).	Article 6 of the draft ITS establishes the procedure to be followed for the purpose of communicating the branch notification from the competent authorities of the home Member State to the competent authorities of the host Member State. In particular, Article 6(3) of the draft ITS aims to ensure clarity as to the exact date when the branch notification was received from the competent authorities of the host Member State and also communication of this information to the credit institution. This point should be read along with Article 36(2) of the CRD where specific provisions are included underlining that in the absence of any communication before the expiry of the 2-month period – clarity on the start of which is achieved through Article 6(3) of the draft ITS – <i>‘the branch may be established and may commence its activities’</i> .	No changes were applied.
Check of passport notifications completeness and accuracy	Support for the provisions covering the check of the completeness of notifications by the competent authorities of home Member State.	Not applicable.	No changes are needed.

<p>Checking of passport notifications completeness and accuracy</p>	<p>Support for the provisions, noting, however the need to ensure that the check of completeness is performed in a pragmatic and realistic way.</p> <p>The provisions should clarify that additional requests for information from the competent authorities of the host Member State 'will not impact the validity of the notification nor will it alter the two months deadline'.</p> <p>The EBA should continue working on enhancing supervisory convergence on the way passport notifications' completeness and accuracy are assessed by the competent authorities of Member States.</p>	<p>Article 5 of the draft ITS places the responsibility for the performance of the check of completeness in the hands of the competent authorities of the home Member State. In addition, Article 5(2) of the draft ITS, which should be read alongside with Article 35(3) of the CRD, provides for the start of the three-month period when the passport notification is assessed to be complete and accurate. Thus, the ITS and the Level 1 text do not allow for delays in the process after the competent authorities of the home Member State have confirmed the completeness of the passport notification.</p> <p>Possible work by the EBA on enhancing supervisory convergence on the assessment of completeness and accuracy of passport notifications is outside the scope of these technical standards.</p>	<p>No changes are needed.</p>
<p>Templates – Annexes</p>	<p>The templates in the draft ITS will contribute to delivering a smoother and faster flow of information between firms and competent authorities.</p>	<p>Not applicable.</p>	<p>No changes are needed.</p>
<p>Templates – Annexes (envisaged activities)</p>	<p>Some clarification was requested with regard to the term 'envisaged activities' used in Annex 1, Part 2(a) and Part 3.</p>	<p>The term 'envisaged activities' used in the templates in the draft ITS was considered as the most appropriate phrase to reflect the provisions, and the terminology of these provisions, in Article 35 of the CRD, in which credit institutions are required to submit, among other things, information on the types of business envisaged. Envisaged activity is considered to be an activity which the credit institution plans to perform in the territory of a Member State other than that where it is authorised. Some of these activities are expected to be considered as core activities performed by the credit institution, and</p>	<p>No changes are needed.</p>

		for these activities only the credit institution is expected to indicate the intended start date. These provisions are expected to contribute to the enhancement of clarity on the activities actually performed in the territory of host Member States.	
Templates - Annexes	It is not clear for what periods the estimated figures on own funds and own fund requirements are to be calculated.	This is a valid point and the draft ITS have been revised in order to make clear that the template on own funds and own fund requirements is to be provided based on the latest available figures (Q1, Q2, etc.) at the time of the branch notification.	See change in Article 6(1) of the draft ITS.