

# EBA Peer Review Work Plan 2020-2021

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In accordance with Article 30 (8) of the EBA Regulation<sup>1</sup> the EBA shall publish its peer review work plan for the coming two years. In case of urgency or unforeseen events, the EBA may decide to carry out additional peer reviews.

Following a proposal from the EBA's Management Board, the EBA's Board of Supervisors has agreed the following peer review work plan for 2020-21.

1. A peer review on the **Joint ESAs Guidelines on the prudential assessment of the acquisition of qualifying holdings of 20 December 2016**(JC/GL/2016/01).

These cross-sectoral Guidelines revise the previous Joint CEBS/CESR/CEIOPS Guidelines on the same matter further to the European Commission Review Report of February 2013 on the application of Directive 2007/44/EC setting the discipline for the prudential assessment of the acquisition of qualifying holdings.

The Joint ESAs Guidelines focus on: (i) harmonising the conditions under which the proposed acquirer of a holding in a financial institution is required to notify its decision to the competent authority responsible for the prudential supervision of the target undertaking; (ii) defining a clear and transparent procedure for the prudential assessment by the competent authorities of the proposed acquisition or increase of a qualifying holding, including setting the maximum period of time for completing the process; (iii) specifying clear criteria of a strictly prudential nature to be applied by the competent authorities in the assessment process; and (iv) ensuring that the proposed acquirer knows what information it will be required to provide to the competent authorities in order to allow them to assess the proposed acquisition in a complete and timely manner.

2. A peer review on a **package of EBA Guidelines on non-performing exposures**: the peer review exercise to focus on the EBA policy products in the field of non-performing exposures (NPEs) and forborne exposures (FBEs) covering the **EBA Guidelines on management of non-**

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<sup>1</sup> 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

**performing and forborne exposures (EBA/GL/2018/06)** and the **EBA Guidelines on disclosure of non-performing and forborne exposures (EBA/GL/2018/10)**. The EBA developed these guidelines in accordance with the Council Action Plan on tackling non-performing loans (NPLs) in Europe announced in July 2017.

The Guidelines on management of non-performing and forborne exposures, amongst others, require banks with elevated levels of NPEs to achieve sustainable reduction and effective management of NPEs on their balance sheets. Banks are required to achieve their NPE reduction targets through appropriate NPE management strategies supported by appropriate governance and operational arrangements. Competent authorities should oversight banks' NPE reduction strategies closely and in accordance with these guidelines. The Guidelines on the disclosure of non-performing and forborne exposures focus on further increasing transparency on quality of assets. These Guidelines require banks with elevated levels of NPEs to provide more detailed Pillar 3 disclosures of their NPE positions and forbearance measures.

3. A peer review on the **Guidelines on the Information and Communication Technology (ICT) risk assessment under Supervisory Review and Evaluation Process (SREP) (EBA/GL/2017/05)**. These Guidelines are addressed to competent authorities and aim at promoting common procedures and methodologies for the assessment of ICT risk.  
These Guidelines are structured around 3 main parts: (i) the general provisions for applying these Guidelines; (ii) the assessment of the institution's ICT governance and strategy; (iii) the assessment of ICT risk and the controls in place in the context of risks to capital, which reflects the same structure as the EBA SREP Guidelines on the assessment of Operational risk.