

THE CHAIRPERSON



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**EBA-2020-D-3307**

John Berrigan  
Director-General  
Directorate-General Financial Stability, Services and  
Capital Markets Union  
European Commission  
B-1049 Brussels  
Belgium

09 December 2020

**Subject: New proposition of time limits for submission of regulatory mandates according to articles 10(2) and 15(2) EBA Founding Regulation (EU) No 1093/2010**

Dear Mr Berrigan,

The EBA continues to respond with high commitment to the significant role attributed to the Authority in the completion of the Single Rulebook.

In accordance with article 10(2) regarding regulatory technical standards (RTS), and Article 15(2) regarding implementing technical standards (ITS) under the EBA Founding Regulation, the European Commission may request the submission of such RTS and ITS within a new time limit where draft technical standards have not been submitted within deadlines provided in the legislation.

This letter constitutes a formal request for new time limits for those mandates where delays could not be avoided. It follows the slight readjustment of timelines that the EBA had to consider and which are outlined in its Roadmap on the risk reduction measures package for mandates due by year end 2020.<sup>1</sup> Moreover, with the outbreak of the COVID-19 crisis and for the purpose of operational relief to stakeholders, the EBA lengthened consultation periods, and had to slightly postpone the publication of final technical standards depending on their degree of finalisation and expected time of implementation. The EBA had to put on hold data collections normally used for ad-hoc impact or cost-benefit analyses in order to alleviate burden on banks.

The EBA kindly suggests submission within new time limits for the following mandates, which were initially due to be delivered by end of December 2020 and 1<sup>st</sup> January 2021:

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<sup>1</sup> The Roadmap on the risk reduction measures package have been published on the EBA website ([here](#)).

**Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending the Capital Requirements Regulation as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (CRR II)**

| <b>Article</b>             |  | <b>Legal DL</b>   | <b>Expected DL</b> |
|----------------------------|--|-------------------|--------------------|
| Art. 18 (7)                | RTS on methods of prudential consolidation   | 31 December 2020  | Q1 2021            |
| Art. 124(4) and Art 164(8) | Draft RTS on the factors and conditions to be taken into account when assessing the appropriateness of risk weights and minimum LGD values   | 31 December 2019  | 31 July 2021       |
| Art. 248 (1)               | RTS on method for calculating nominal amount for undrawn part of a liquidity facility  | 31 December 2020  | n.a.               |
| Art. 325bp (12)            | Market risk reporting requirement – Internal Model Approach (IMA) - Requirements that an internal methodology or external sources used under the internal default risk model are to fulfil for estimating default probabilities and losses given default | 28 September 2020 | 30 June 2021       |
| Art. 415 (3)               | ITS on ALMM reporting for small and non-complex institutions   | 28 June 2020      | Q3 2021            |

**Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending the Capital Requirements Directive IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures (CRD V)**

| <b>Article</b> |  | <b>Legal DL</b>  | <b>Expected DL</b> |
|----------------|--|------------------|--------------------|
| Art. 8a (6)(b) | RTS on the calculation of the thresholds (EUR 30bn) for an undertaking trading on own account (MiFID 3) or underwriting on a firm commitment basis (MiFID 6) to be required to be required to apply for a credit institution authorisation | 26 December 2020 | End March 2021     |

**Regulation on the prudential requirements of investment firms and amending the European Banking Authority Regulation, the Capital Requirements Regulation, the Markets in Financial Instruments Regulation and the Single Resolution Mechanism Regulation (Investment Firms Regulation (IFR))**

| <b>Article</b>  |  | <b>Legal DL</b>  | <b>Expected DL</b> |
|-----------------|--|------------------|--------------------|
| Art. 49, 54, 55 | Investment firms ITS on supervisory reporting and disclosures' (disclosure of own funds) | 26 December 2020 | March 2021         |
| Art. 7(5)       | RTS on prudential consolidation of investment firms groups                               | 26 December 2020 | End March 2021     |

**Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (STS)**

| <b>Article</b> |  | <b>Legal DL</b>  | <b>Expected DL</b> |
|----------------|--|------------------|--------------------|
| Art. 44        | ESA Report on functioning of STS, due diligence, risk retention, transparency requirements and market initiative on standardisation of documents | 31 December 2020 | 31 March 2021      |

The EBA remains fully committed to accomplish its pending mandates within the deadlines, while the utmost attention will continue to be given to the quality of the Single Rulebook.

The transparency and quality of exchanges with DG-FISMA staff remains most appreciated in this context and represents an essential ingredient in our achievements.

Yours sincerely,

[Signed]

José Manuel Campa

CC: Irene Tinagli, Chair of the Economic and Monetary Affairs Committee, European Parliament  
 Olaf Scholz, President of the ECOFIN Council, Council of the European Union  
 Tuomas Saarenheimo, Chair of Economic and Finance Committee, Council of the European Union  
 Jeppe Tranholm-Mikkelsen, Secretary-General of the Council of the European Union  
 Martin Merlin, DG FISMA, Director Directorate D  
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