

THE CHAIRPERSON



Floor 46, One Canada Square,  
London E14 5AA UNITED KINGDOM

t: +44(0) 20 7382 1770

f: +44(0) 20 7382 1771

[www.eba.europa.eu](http://www.eba.europa.eu)

+44(0)20 7382 1765 direct  
[andrea.enria@eba.europa.eu](mailto:andrea.enria@eba.europa.eu)

Vice-President Valdis Dombrovskis  
European Commission  
Rue de la Loi / Wetsstraat 200  
1049 Brussels  
Belgium

**EBA/2017/D/1623**

20 December 2017

**Subject: EBA Non-Performing Loans Templates**

Dear Mr Vice-President Dombrovskis,

As you may already be aware, on the 14<sup>th</sup> of December we published on our website the EBA NPL Templates. This is the EBA's formal response to your and EU Council's call to develop standardised data templates to reduce information asymmetries between potential buyers and sellers of Non-Performing Loans (NPL), as set in your letter to me on 29 March 2017 and the EU Council's action plan to tackle NPLs on 11 July 2017 respectively.

The EBA NPL transaction templates provide data loan by loan, i.e. at the most granular level, and they are built on where possible based on existing reporting, which should reduce implementation costs for banks. Each data field has been provided a ranking of importance, and a subset has been considered as critical, also following the feedback received from market participants.

A separate stratified data subset, the EBA NPL portfolio screening template, provides a high level view of an NPL portfolio and could be used for the purposes of market screening.

The templates aim at becoming a market standard for NPL secondary markets. They are voluntary but are expected to be used by market participants for all NPL transactions and become the foundation of enhanced NPL secondary market. They will be promoted by the European institutions and competent authorities in initiatives to stimulate this market. For example, the templates are expected to be an entry criterion for national Asset Management Companies under the EU "blueprint" as well as for any future NPL data or trading platforms.

The EBA will actively promote the usage of the templates by providing training to market participants as well as to competent and resolution authorities. Any further support from the

Commission's side in regards of promoting the usage of the templates would of course also be welcome and I will be happy to discuss this aspect.

The EBA continues to work in order to address the scope of disclosure, at aggregate level, under Pillar 3. We expect this work to be concluded by the end of 2018.

Please feel free to contact me if you require any further information or updates in the meantime.

Yours sincerely

A handwritten signature in black ink, which appears to read 'Andrea Enria', is positioned below the text 'Yours sincerely'.

Andrea Enria

CC: Olivier Guersent, Director General, European Commission  
Martin Merlin, Dir D Regulation and prudential supervision of financial Institutions  
Mario Nava, Dir E Financial system surveillance and crisis management