

EBA/ITS/2018/02

17 April 2018

Draft final report

Draft Implementing Standards

on the provision of information for the purpose of resolution plans
under Article 11(3) of Directive 2014/59/EU

Contents

1. Executive Summary	3
2. Background and rationale	4
2.1 Scope	6
2.2 Procedural requirements	7
2.3 Requirements on minimum contents and revised templates	10
2.4 Timeline of implementation	18
3. Draft implementing standards	18
4. Accompanying documents	27
4.1 Draft cost-benefit analysis	27
4.2 Feedback on the public consultation	33

1. Executive Summary

Collecting relevant and accurate information on institutions is crucial in order for resolution authorities to draw up resolution plans, substantiate their resolvability assessment and their resolution strategy.

Acting upon its mandate, the EBA developed the original Implementing Technical Standards (ITS) on information for resolution plans in 2014-2015¹. In the intervening period, resolution authorities have gained more experience in preparing resolution plans and have refined their information requirements to reflect the evolution in the process. Recognising this development and in order to deliver efficient and harmonised practices, the EBA is putting forward new draft Implementing Regulation. The new draft pursues three objectives:

- First, the revised ITS clarify the scope of the reporting framework in line with the BRRD. The revised ITS establish a minimum set of reporting obligations for institutions. However the revised ITS recognise the possibility for resolution authorities to require additional information necessary to draw up or implement resolution plans. They will also respect the right of resolution authorities, recognised in the BRRD, to set simplified reporting obligations for institutions the failure of which would have limited impact on financial stability.
- Second, leveraging on established experience in supervisory reporting, the revised ITS further specify minimum procedural and technical reporting requirements. Institutions will be able to rely on a minimum harmonized reporting schedule and set of reporting levels and frequencies. The extension of the EBA's data point model to resolution reporting templates will improve data quality and allow for automated collection, quality control and exchange.
- Third, the revised ITS update the templates taking into account the latest experience available.

The EBA has taken into account the objective of proportionality and the burden on institutions:

- Resolution authorities will retain the right to set simplified reporting obligations.
- The templates have been calibrated to avoid any unnecessary reporting and minimize duplicate reporting.
- While some data requirements are reproduced from the supervisory reporting framework this is considered proportionate because those requirements will be defined consistently and on the basis of the same data point model. This should minimize the burden for banks or enable resolution authorities to obtain the information directly from the supervisory authorities.

The draft ITS provide for the new framework to be operational in 2019 when resolution authorities collect information as of 31 December 2018.

¹ Final report EBA/ITS/2015/06 of 7 July 2015, endorsed in Commission Implementing Regulation (EU) 2016/1066 of 17 June 2016 laying down implementing technical standards with regard to procedures, standard forms and templates for the provision of information for the purpose of resolution plans for credit institutions and investment firms pursuant to Directive 2014/59/EU of the European Parliament and of the Council, OJ L181 of 6 July 2016.

2. Background and rationale

Current framework and reasons for the review

1. Relevant, accurate and updated information on institutions is crucial in order for resolution authorities to draw up resolution plans and substantiate their resolvability assessment and resolution strategy.
2. For this reason the Bank Recovery and Resolution Directive (BRRD)² empowers resolution authorities to require institutions to cooperate as much as necessary in the drawing up of resolution plans and to obtain all information necessary to prepare and implement resolution plans. For cross-border groups information is collected by the Group level resolution authority (GLRA) from the Union parent undertaking, including the information related to other group entities. Information is subsequently forwarded to resolution authorities of subsidiaries, the EBA, as well as a number of other parties involved in resolution planning.
3. The Bank Recovery and Resolution Directive sets out a minimum list of information items that resolution authorities may request³ and mandates the EBA to develop implementing technical standards (ITS) to specify “procedures and a minimum set of standard forms and templates for the provision of information” for resolution plans⁴.
4. Minimum harmonisation in this area is indeed necessary in order to achieve the following objectives:
 - to establish a minimum data foundation for resolution plans, contributing to a minimum consistent quality in resolution planning in the EU;
 - to establish a minimum harmonised set of reporting requirements for all banks, avoiding unlevelled playing field;
 - to facilitate exchange amongst authorities and collective decision-making on resolution planning within for cross-border groups. As plans are adopted by joint decisions, resolution authorities can trust that a draft plan by the GLRA is substantiated by the relevant information. The templates elaborated in these ITS constitute the minimum set of harmonised information to be shared by group-level resolution authorities with the EBA and relevant EU resolution authorities and competent authorities in the context of Article 13 of the BRRD. In this context, consistency in the level of information collected in the first place can facilitate understanding amongst authorities, particularly if the information is exchanged in a common format.

² Article 11 BRRD.

³ Annex, Section B of the BRRD.

⁴ Article 11 (3) BRRD.

5. Acting upon its mandate the EBA developed the current ITS on reporting for resolution plans⁵, which were endorsed by the European Commission in 2016⁶. The ITS set out 12 templates covering, inter alia, organization structures, information systems, critical functions and core business lines and liabilities structures. They also lay down some basic procedural requirements, e.g. on relations with supervisors and on format.
6. In 2017, the EBA has assessed with resolution authorities the early experience gained in the use of the templates. This assessment led to the conclusion that it is necessary to review the current ITS. Indeed, the current ITS were developed in 2014-2015 at a time when resolution planning was still in an early phase. As experience grew and major areas of resolution policy were determined, authorities have considered it necessary to require additional information not foreseen in the current templates. In some cases they included that additional information as part of the current templates; in others as part of separate templates, leading to duplicate reporting and varying practices. In addition, feedback received by resolution authorities from banks when collecting templates revealed that, in spite of the existing instructions, some data items were not well understood or raised technical issues. Finally, contrary to advanced reporting frameworks such as in the supervisory area, which allow for automated data collection, quality control and treatment, the current ITS essentially set out a visual layout for collection in Excel format without providing a data model or taxonomies. Certain authorities have developed taxonomies covering part of the templates and it would be beneficial to extend and bring consistency in these efforts.
7. It is therefore appropriate to review the ITS taking into account the recent experience gained. This review takes the form of a new Delegated Regulation and pursues three objectives:
 - (i) First, the review clarifies the scope of the reporting framework (section 2.1). This is done having regard to the minimum harmonisation mandate and the prerogatives of authorities, recognised in the BRRD, to set simplified reporting obligations for institutions the failure of which would have limited impact on financial stability on the one hand, and to require additional information they deem necessary for drawing up and implementing resolution plans on the other hand.
 - (ii) Second, to clarify and improve, leveraging on established experience in supervisory reporting, the minimum procedural reporting requirements (section 2.2).
 - (iii) Third, to update the templates taking into account the latest experience available (section 2.3).
8. In conducting this review the EBA has taken into account the need for proportionality:

⁵ <https://www.eba.europa.eu/documents/10180/1135507/EBA-ITS-2015-06+ITS+on+reporting+for+resolution+plans.pdf/9bad40c7-d24c-406a-9893-3f2eb6778a48>

⁶ Commission Implementing Regulation (EU) 2016/1066 of 17 June 2016 laying down implementing technical standards with regard to procedures, standard forms and templates for the provision of information for the purpose of resolution plans for credit institutions and investment firms pursuant to Directive 2014/59/EU of the European Parliament and of the Council, OJ L181 of 6 July 2016.

- The revised ITS are without prejudice to the right of resolution authorities to set simplified obligations for banks whose failure would have a limited impact on financial markets, on other institutions and on funding conditions.
 - The templates have been calibrated with a view to avoiding any unnecessary or duplicate reporting, and in some cases whole templates or fields have been deleted.
 - Following the public consultation, the EBA has made a number of adjustments to moderate the reporting burden, inter alia in terms of reporting schedules, entities covered, templates and specific data points.
 - In some cases, cross-references to supervisory templates have been used. It is believed that this approach remains proportionate: where possible the information will be obtained directly from the supervisory, and if that is not the case institutions are already expected to be able to produce the corresponding data.
9. In addition, the EBA has sought to preserve consistency with notions, concepts and practices applied in supervisory reporting. Considerable experience has been gained in that area, where institutions and authorities have been applying well-established practices and where EBA has played a central role.

2.1 Scope

10. The mandate provided by the BRRD is a minimum harmonisation mandate⁷. As a result, in principle the revised ITS establish a minimum set of information items to be reported by all credit institutions, as well as investment firms and other entities included in the scope of the BRRD.
11. However, the BRRD recognises the right for resolution authorities to determine simplified information obligations for institutions whose failure would have a limited impact on financial markets, on other institutions and on funding conditions⁸. Therefore the present ITS do not affect the right of resolution authorities to set lower requirements when requesting information from institutions eligible to simplified obligations. The methodology to assess eligibility to simplified obligations has been specified in a different context and is not part of this mandate⁹.
12. In addition the BRRD recognises the right of resolution authorities to request ‘all of the information necessary to draw up and implement resolution plans’¹⁰. These ITS recognise the possibility to request additional information and to do so in the format deemed appropriate by the resolution authority. Likewise, resolution authorities are entitled to collect the information set out in the ITS with a higher frequency or at more levels that set out in the ITS.

⁷ Article 11(3) of the BRRD

⁸ Article 4 of the BRRD.

⁹ See Draft regulatory technical standards on simplified obligations under Article 4(6) of Directive 2014/59/EU, EBA/RTS/2017/11, 19 December 2017, available on EBA’s website.

¹⁰ Article 11 (1) of the BRRD.

13. By default, all the information included in the templates must be reported by institutions in line with the Regulation without the need for resolution authorities to address particular request for information. In contrast, resolution authorities will need to inform institutions in three cases:
- a) where they apply simplified obligations;
 - b) where they do not wish to collect certain information from institutions which they already obtain from the supervisor;
 - c) where they apply additional reporting requirements beyond the minimum. Additional reporting requirements may be in the form of additional information, additional reporting level, or more stringent schedules. Where a request for information extends to additional information not included in the templates, the resolution authority will set out, in the request the applicable timeframe, format, scope and level.
14. In any event, in line with general principles of administrative law, authorities are expected to exercise the flexibilities above in a proportionate manner.

2.2 Procedural requirements

2.2.1 Cooperation between resolution authorities with supervisors

15. As provided for in the BRRD, information for resolution plans will be submitted to resolution authorities, “either directly or indirectly through competent authorities”¹¹. It is a matter of national law whether information will be submitted by institutions directly to resolution authorities, or indirectly through competent authorities.
16. As foreseen in the BRRD and in the current ITS, supervisory authorities must share with resolution authorities information in the templates which is already available to them¹². When that is the case, the resolution authority may instruct the concerned institutions to abstain from reporting that information.
17. Where the information is not already available to the competent authority or where the format in which the information is provided by the competent authority is not satisfactory to the resolution authority, the resolution authority will directly request the institution to provide the information.

2.2.2 Frequencies, dates, level and reporting entities

18. Introducing minimum prescriptions in this area will provide clarity for institutions and contribute to quality and consistency in resolution planning. It will also facilitate automation.

¹¹ Article 11(1)(b) of the BRRD.

¹² Article 11(2) of the BRRD.

19. As per the ITS, templates must be collected on annual basis. This **frequency** ties in with the obligation for resolution authorities to review, and where appropriate update, resolution plans at least annually and after any material changes¹³.
20. The draft revised ITS also introduce minimum requirements in terms of **level and scope of reporting**.
21. Requirements on level and scope are inherently linked to the rationale of each template. A full view of the scopes and levels envisaged in Table 1 below. The following principles have underpinned those choices:
- Templates which collect general information on banking groups due to their general nature, should at least be collected at parent level for the entire group.
 - Templates which collect information on critical functions also lend themselves to aggregate reporting for the entire group. In order to determine the resolution strategy it is necessary to dispose of an overview picture of critical functions at group level. The ensuing reporting is not excessive because only entities, systems and services supporting those critical functions will be reported.
 - Templates which collect quantitative information on off- and on-balance sheet items typically cover data in relation to resolution entities or resolution groups and necessary to design and implement the resolution strategy, in particular the bail-in tool. Therefore at a minimum the information should be provided on a consolidated basis at the level of the parent or, where the resolution entity is different from the parent , on a consolidated basis at the level of the resolution entity (i.e. for the whole resolution group).
 - Information necessary to set MREL should also be reported on an individual basis at the level of institutions which are not necessarily covered by the above but are subject to MREL.
 - Information on covered deposits, in line with the scope of coverage of the DGSD, should by definition be collected at credit institution level on an individual basis.
22. For the sake of clarity, it must be recalled that the reporting level must not confused with the entity which formally transmits the information to the resolution authority. In this regard it stems from the BRRD that for a group it is the Union parent undertaking that submits the corresponding information for all entities in the group to the Group level resolution authority¹⁴.

Resolution entity and resolution group

23. The BRRD recognises the existence of different resolution strategies, and in particular the existence of “multiple-point-of-entry” and single-point-of-entry” resolution strategies¹⁵. It pertains to resolution authorities to identify, in the context of resolution colleges, the entity or

¹³ Art. 11(6) and 13(3) of the BRRD.

¹⁴ Article 13(1) of the BRRD.

¹⁵ Recital 80 of the BRRD.

entities at the level of which resolution action is envisaged (resolution entities), and the entities that would be covered by resolution action at any of the points of entry. It is crucial to collect information at the corresponding levels in order to best support the envisaged resolution strategy.

24. For this reason, these draft ITS anticipate some concepts already underpinning the FSB TLAC term sheet¹⁶ and recent Commission proposal to amend the BRRD¹⁷, and provide for the reporting of certain information at the level of the 'resolution entity' and the level of 'resolution groups'. In line with existing practice of certain resolution authorities¹⁸, these entities and groups will be identified and designated to the institutions or groups ahead of reporting. At this stage the draft revised ITS provisionally reproduce the definitions contained in the Commission proposal to amend the BRRD. However these provisions will be reviewed by the Commission before endorsement with a view to preventing any possible contradiction with the upcoming revised BRRD.

2.2.3 Reporting format and data point model

25. Experience in the supervisory area indicates that the collection, quality control, treatment and exchange of large quantities of data on institutions cannot be meaningfully conducted solely based on a visual layout and legal definitions. It requires defining business and IT specifications allowing for automated collection and quality control. In turn, data thus collected enables users (banks and authorities) to produce standard reports and comparisons.
26. In order to reach this objective, the EBA is extending its single data point model (DPM) to translate the resolution reporting requirements set out in the templates into DPM data definitions. These data definitions will be stored in a consistent and accessible database. They will have to be complied with when collecting information from banks in the context of the ITS.
27. In addition, the EBA has developed XBRL taxonomies based on the DPM database. These taxonomies primarily aim at facilitating exchange between authorities and between authorities and the EBA. They are available for use by banks, and experience in the supervisory area shows that authorities and banks often opt to use those taxonomies for practical reasons.
28. The DPM and taxonomies are published on the EBA website in parallel with these ITS. They are consistent with the techniques established in the supervisory area, with which many banks and authorities are familiar. In order to avoid unnecessary duplication of work, they also leverage on existing specifications developed by some resolution authorities in relation to the current templates or own templates to the extent they are similar to the new templates.
29. As a result of this new, advanced approach to resolution reporting, institutions will not be subject anymore to duplicate reporting: as long as the minimum information items are collected in line

¹⁶ <http://www.fsb.org/wp-content/uploads/TLAC-Principles-and-Term-Sheet-for-publication-final.pdf>

¹⁷ COM(2016) 852 final, 23.11.2016.

¹⁸ See for example https://srb.europa.eu/sites/srbsite/files/ldt_guidance.pdf, page 2.

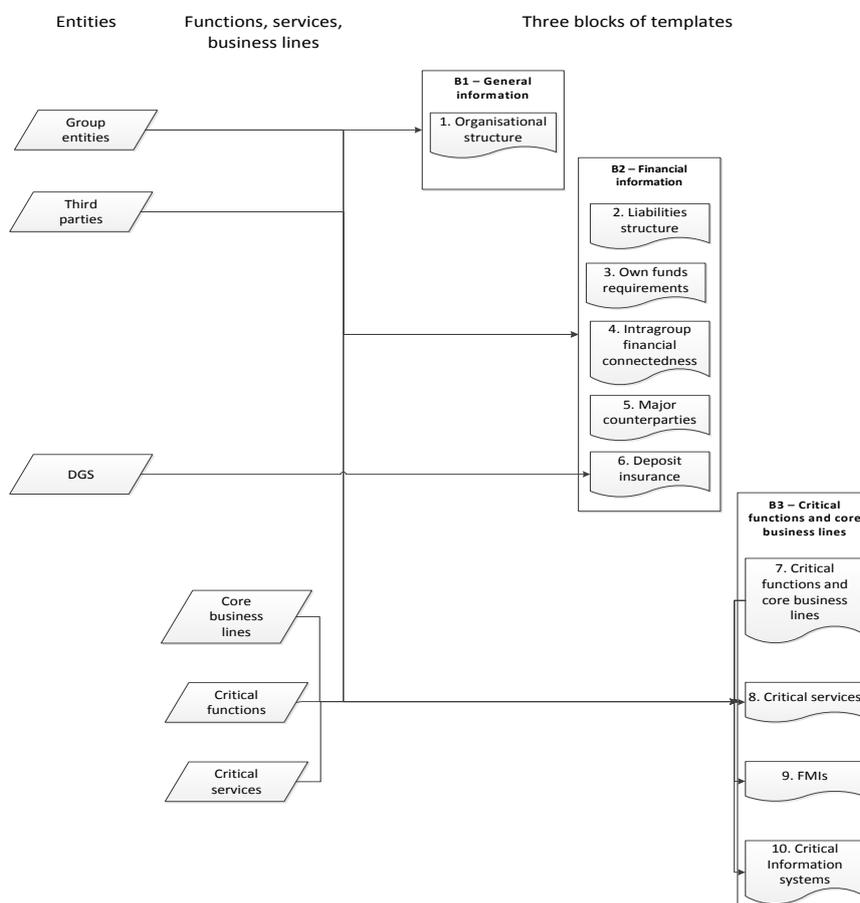
with the definitions, instructions and specifications as set out in the ITS, resolution authorities will be able to collect additional information at the same time.

2.3 Requirements on minimum contents and revised templates

- 30. It is indispensable that the implementing technical standards in this area harmonise the minimum contents of information collected for the purpose of drawing up resolution plans. For this reason, the draft revised ITS reaffirm that institutions must submit the information specified in the templates in accordance with the instructions and the DPM. As explained above, this is without prejudice to the right to apply, proportionately, simplified obligations in relation to institutions whose failure would have a limited impact on financial markets, on other institutions and on funding conditions.
- 31. The EBA has reviewed the current templates to make sure that their objective and contents were clear enough, and to ensure that they met the needs of resolution authorities in drawing up and implementing resolution plans. Moreover, the EBA has sought to ensure consistency with the approach used in the area of supervisory reporting, avoiding duplicate reporting and allowing for modelling and automation.

The following diagram shows the new organisation of templates:

REPORTING FOR RESOLUTION PLANS



32. Three main blocks of templates have been identified:

(1) Block 1 - general information on a banking group.

This first block of templates collects basic information on an institution or group. It enables the resolution authorities to map a group and locate and its various entities, identify the main distribution of assets and risk weighted assets, consolidation perimeters, and the main contact points. Block 1 consists of 1 template merging the original templates I and II. Information on ownership has been simplified to include intermediate parents (direct parent) and their voting rights.

Information on contact details has been deleted as it was considered that it was better obtained in the context of normal interaction between authorities and institutions without being included in a template.

The template on the legal impact of resolution was deleted and replaced with two specific fields in the Critical services and FMI templates. Indeed the stocktake had emphasized that this template raised uncertainty: the assessment of legal impact was difficult to summarise in a template; and given the prohibition of ipso facto termination clauses the scope of this template, beyond contracts subject to third country law, was uncertain.

(2) Block 2 - quantitative information on on- and off-balance sheet items

The information in this block of templates will be used for a wide range of purposes such as defining the main financial intragroup interconnections within the group, setting and monitoring MREL or implementing bail-in strategies.

The central template, 'Liability structure', has been restructured to better highlight liabilities not eligible to bail-in, liabilities eligible to bail-in, and own funds. It is inspired from existing own templates of some resolution authorities. Liabilities are broken down by counterparty class and maturity. An 'own funds requirements' template will collect memorandum information on own funds requirements. These two templates do not require granular reporting on a counterparty-by-counterparty basis or contract-by-contract basis.

A new 'intragroup financial interconnections' template, partly corresponding to the current Interconnectedness template, captures intragroup liabilities and guarantees between relevant legal entities. In contrast to 'Liability structure', this template contains counterparty-by-counterparty information broken down by class of instrument.

The original template IV – Critical counterparties (sections 1, 2 and 3) has been deleted. The notion of "criticality" in relation to counterparties has raised uncertainty and some data items seemed to be available in supervisory reporting templates. Instead, on the asset side, it is assessed that resolution authorities will obtain sufficient information from the supervisory "Large exposure" templates. On the liability side, a new template captures information on liabilities towards 'major' counterparties defined as the 10 largest in aggregate outstanding amounts, by class. A similar template captures off-balancesheet items received. Once a

counterparty is identified as being included in the top ten, then all the liability items and off-balance sheet items, aggregated by class, for that counterparty, will be reported.

The original templates on material hedges and pledged collateral have been deleted. The stocktake highlighted that institutions were not always clear how to assess the materiality of hedges, and that it was difficult for authorities to assess the accuracy and relevance of the information submitted. In relation to pledged collateral, at this stage it is assessed that resolution authorities could obtain meaningful information from the supervisory “Asset encumbrance” templates.

A new template on deposit protection has been introduced. This template will provide an overview of deposit insurance in the group that will facilitate engagement with DGSs within resolution colleges.

(3) Block 3 - critical functions.

This block of templates relates to identifying critical functions, mapping them across group entities and identifying which core business lines, services, financial market infrastructures and information support them. The preservation of critical functions is a central resolution objective and the identification of such functions and mapping across the group is a mandatory task for resolution authorities.

In the existing ‘critical functions and core business lines’ template, institutions are required to report critical functions, with little guidance how to do so and little transparency how they came to this conclusion.

Instead, under a new ‘criticality assessment’ template, institutions are now guided in the analysis of their economic functions and are required to document, at least for each Member State in which a group is active, how they came to the conclusion that a function is critical or not.

Criticality must be assessed for each Member State in which the group is active. However, beyond this minimum national assessment, resolution authorities are entitled to require more granular assessments, for example at the level of a region.

While institutions are required to perform a criticality assessment, resolution authorities might take a different view and retain the ultimate responsibility to identify critical functions. In any event, the information collected in this template will facilitate their assessment and could inform bilateral engagements with institutions on the matter. In the subsequent templates, institutions are required to map critical functions and core business line to legal entities in the group.

Once critical functions are identified and mapped, additional templates identify financial market infrastructures, services and information systems which are procured in order to perform such critical functions.

33. Two different sensitivity thresholds are provided in order to maintain a proportionate reporting burden:

- For the organisational structure templates, a low threshold of 0.5% of total assets or total liabilities of the accounting group, 0.5% of RWA or 0.5% of the total Common Equity Tier 1 of the prudential group. This minimum threshold is necessary in order to obtain a comprehensive view of the group structure.
- For financial templates in block 2, a threshold of 5 % of the total RWA, leverage ratio exposure risk exposure or operating income of the group.

In any event, regardless of these thresholds all entities providing critical functions should report all templates.

34. Table 1 provides a more granular view of the templates, the objectives they pursue and the expected level of reporting. For practical purpose Table 2 then summarises, for each type of entity, the templates to be reported and the applicable perimeter and threshold.

Table 1 – Overview of templates¹⁹

Entity transmitting the information: Union parent undertaking		
Frequency of reporting: annual		
Reference date: same as financial reporting with annual frequency (i.e. 31 December of year n-1 unless special rules apply)		
Remittance date: 31 march of year n		
Template	Description and rationale	Entity Level and perimeter
Block 1 – General information		
1. Organisational structure	Lists all relevant legal entities in the group and basic information associated (type of entity, RWA, LRE etc.). Enables the resolution authorities to obtain the group’s institution’s legal and ownership structure. Serves as basic repertoire of entities used in other templates. One template will be reported for the entire group.	- EU Parent level - all entities in the accounting consolidation and exceeding minimum relevance thresholds: 0.5 % of group total assets, total liabilities of the group consolidated financial statements; or 0.5% of total RWA or total CET1) calculated on a prudentially consolidated level. In addition, all entities providing critical functions should be listed.
Block 2 – Financial information		
2. Liability structure	Granular information on the liability structure of an institution or group. Identifies liabilities excluded from bail-in, liabilities eligible to bail-in, eligible to MREL and own funds. Liabilities are further broken down by liability classes, counterparty classes and maturity.	- EU Parent level on consolidated basis or, if different resolution entity level for resolution group on consolidated basis. - EU Parent level or, if different resolution entity level, on individual basis

¹⁹ Notes:

1. The requirements are only minimum - the RA may add another level, extend the scope, or increase the frequency.
2. The requirements are also without prejudice to simplified obligations. Therefore, to the extent an entity has been declared eligible to simplified obligations the RA may go below the minimum
3. Reporting requirements do not impact the obligations of the RA in relation to the plan. For example an annual reporting obligation does not imply an obligation for the RA to modify the plan annually.
4. The assessments made by institutions in their reporting, for example on critical functions, do not bind the resolution authority, which might have a different assessment.

	Necessary to set and monitor MREL, and determine the resolution strategy, anticipate the execution of the strategy and determine potential impediments to resolvability.	- Level of every institution (bank or investment firm) that is a relevant legal entity, on individual basis, except where solo MREL has been waived.
3. Own funds	Information on own funds requirements. Necessary to set MREL.	
4. Intragroup financial interconnections	Lists intragroup liabilities and guarantees between relevant legal entities. In contrast to 'Liability structure', contains counterparty-by-counterparty information. Necessary to assess the financial interdependencies among group entities, inter alia to assess their separability or to set internal MREL.	- EU Parent level. Covers all financial connections between relevant legal entities included in the consolidated financial statements.
5. Major counterparties	Information on liabilities towards, and off-balancesheet items received from major external counterparties defined as the 10 largest counterparties in aggregate amounts of liabilities and off-balancesheet items received. Necessary to identify important third party creditors relevant for the implementation of the resolution strategy, assess potential contagion of the application of resolution tools. Can be also used to identify the main investor-base of MREL-eligible liabilities.	- EU Parent level or, if different resolution entity level, on individual basis. - EU Parent level on consolidated basis or, if different resolution entity level for resolution group on consolidated basis
6. Deposit insurance	Information on covered deposits, DGS membership, IPS membership and additional contractual deposit protection. Provides an overview of deposit insurance in the group that will facilitate engagement with DGSs within resolution colleges.	- Level of every credit institution that is a relevant legal entity, on an individual basis.
Block 3 – Critical functions and core business lines		
7. Critical functions and core business lines	4 templates to: 1/ document the quantitative and qualitative data on the basis of which an institution or group assesses that an economic function is critical or not; 2/ map the critical functions thus identified to group entities; 3/ list core business lines and map them to group entities; 4/ map critical functions to core business lines.	- EU parent level in relation to all critical functions and core business lines in the group. - Specific rule for 'Criticality assessment of economic functions (R-FUNC 1)':

	<p>The resolution plan has to contain a mapping of the institution’s critical operations and core business lines and a demonstration of how critical functions and core business lines could be legally and economically separated from other functions so as to ensure continuity upon the failure of the institution. Core business lines are also important for the assessment of the resolvability of an institution or a group. In resolution, the continuity of critical functions and core business lines may justify an exemption of certain liabilities from the application of the bail-in tool and may also justify its transference to a bridge bank. This is in line with the FSB Key Attributes, which describes principal or essential business lines in this context.</p> <p>Each template will be collected for the entire group, except the ‘criticality assessment’ template which will be reported per geographic area, and at least for each Member state in which the group is active.</p>	<p>reported separately at least for each country in which the group is active.</p>
8. Critical services	<p>Information on services obtained by group entities, from other group entities or third parties, which are considered as indispensable to maintain the continuity of critical functions.</p> <p>Provides crucial information for the determination of the resolution strategy, in particular to determine the options available in order to preserve the continuity of critical functions and the separability of various group entities.</p> <p>The template will be reported once for the whole group.</p>	<p>- EU Parent level, in relation to all critical services in the group.</p>
9. FMI services	<p>1 template to identify critical FMI providers and their users within the group.</p>	<p>- EU Parent level in relation of all FMIs.</p>
10. Critical information systems	<p>Identifies information systems which are assessed as having a material impact on critical functions.</p> <p>Necessary to ensure the continuity of critical functions alongside, critical services and FMIs.</p>	<p>- EU Parent level in relation to all critical information systems.</p>

Table 2 - Templates to be submitted, by reporting level

<u>Reporting level</u>	<u>Perimeter</u>	<u>Templates</u>	<u>Threshold</u>
EU parent	Accounting consolidation	Organisational structure	Only entities exceeding the minimum threshold ²⁰ .
		Major counterparties	
		Intragroup financial connections Deposit insurance	Only relevant legal entities ²¹
		Critical functions (9.1 by Member State, 9.2 for the entire group) Critical services FMIs Information systems	
EU parent	Prudential consolidation	Liabilities structure Own funds requirements	
EU parent	Individual basis	Liabilities structure Own funds requirements	
Resolution entity	Resolution group consolidation	Liabilities structure Own funds requirements	
Resolution entity	Individual basis	Liabilities structure Own funds requirements	
Every institution	Individual basis	Liabilities structure Own funds requirements	Only covers relevant legal entities. Only applies if the institution is not subject to an MREL waiver



²⁰ 0.5 % of group total assets, total liabilities of the group consolidated financial statements; or 0.5% of total RWA or total CET1) calculated on a prudentially consolidated level. In addition, all entities providing critical functions should be listed.

²¹ 5 % of the total RWA, leverage ratio exposure risk exposure or operating income of the group. In addition, all entities providing critical functions should be listed.

2.4 Timeline of implementation

35. As per these draft ITS, the new framework will be operational for the collection of information with reference date 31 December 2018 (2019 collection exercise).
36. In terms of remittance dates, information under the new framework will have to be submitted, in the first year, by 31 May 2019 at the latest, and from 2020 onwards, by 30 April at the latest. It must be emphasised that these deadlines and progressive implementation are set out as a minimum requirement and taking into account the difference departure points amongst authorities. However, some authorities have already implemented shorter deadlines successfully. Considering that early submissions is conducive to timely resolution planning cycles, it is not expected that resolution authorities would have to implement later deadlines as a result of these ITS.

3. Draft implementing standards

COMMISSION IMPLEMENTING REGULATION (EU) .../...

of XXX

laying down implementing technical standards with regard to procedures, standards forms and templates for the provision of information for the purposes of resolution plans for credit institutions and investment firms pursuant to Directive 2014/59/EU of the European Parliament and of the Council, and repealing Commission Implementing Regulation (EU) 2016/1066

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,
 Having regard to Directive 2014/59/EU of the European Parliament and of the Council 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 Council²², and in particular Article 11(3) thereof,
 Whereas:

²² OJ L 173, 12.6.2014, p. 190.

- (1) Commission Implementing Regulation (EU) 2016/1066 specified the procedure and a minimum set of templates for the provision of information by credit institutions or investment firms ('institutions') to resolution authorities for the purpose of drawing up and implementing resolution plans for institutions. Since the adoption of Commission Implementing Regulation (EU) 2016/1066, resolution authorities have gained experience in the area of resolution planning. In the light of that experience, it is necessary to update the minimum set of templates for the collection of information for resolution planning purposes.
- (2) Implementing Regulation (EU) 2016/1066 also aimed to design the procedure and a minimum set of templates in a way to enable the resolution authorities to collect that information in a consistent manner across the Union and to facilitate the exchange of information among the relevant authorities. However, experience also indicates that a harmonised approach to the collection of that information has only been partially achieved. It is therefore necessary to ensure that resolution authorities collect a minimum core of information relating to an institution or group across the Union on a regular basis. This should be without prejudice to the power of resolution authorities to collect any additional information they deem necessary to draw up and implement resolution plans or to determine, as set out in Article 4 of Directive 2014/59/EU, simplified information obligations.
- (3) In order to ensure that resolution plans are based on a minimum set of data of consistently high quality and precision, the data items set out in the reporting templates contained in this Regulation should be transformed into a single data point model, as is the practice in supervisory reporting. The single data point model should consist of a structural representation of the data items, and identify all relevant business concepts for the purpose of uniform reporting for resolution planning and should contain all of the relevant specifications necessary for further developing uniform IT reporting solutions.
- (4) In order to safeguard the quality, consistency and accuracy of data items reported by institutions, the data items should be subject to common validation rules.
- (5) Due to their very nature, validation rules and data point definitions are updated regularly in order to ensure they comply, at all times, with applicable regulatory, analytical and information technology requirements. However, the time presently required to adopt and publish the detailed single data point model and validation rules means that it is not possible to carry out modifications in a sufficiently rapid and timely manner that would ensure permanent provision of uniform information regarding resolution plans in the Union. Therefore, stringent qualitative criteria should be established for the detailed single data point model and the detailed common validation rules which will be published electronically by the European Banking Authority on its website.
- (6) In accordance with Article 11(2) of Directive 2014/59/EU, competent and resolution authorities should cooperate in order to minimise duplicated information requirements. For this purpose, Implementing Regulation (EU) 2016/1066 introduced a cooperation procedure between competent and resolution authorities, which should be maintained so that competent and resolution authorities jointly verify whether some or all of the requested information is already available to the

competent authority. Where the information is available to the competent authority, it is appropriate that the latter transmits it to the resolution authority.

- (7) Given the extent of the necessary amendments to Implementing Regulation (EU) 2016/1066, it is preferable, for reasons of legal certainty and clarity, to adopt a new Implementing Regulation and, therefore, to repeal Implementing Regulation (EU) 2016/1066.
- (8) This Regulation is based on the implementing technical standards submitted by the European Banking Authority (EBA) to the Commission.
- (9) The EBA has conducted open public consultations on the 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 Council ,

HAS ADOPTED THIS REGULATION:

Article 1
Subject matter

This Regulation lays down implementing technical standards specifying procedures and a minimum set of standard templates for the submission to resolution authorities of information necessary to draw up and implement individual resolution plans, in accordance with Article 11 of Directive 2014/59/EU, and group resolution plans in accordance with Article 13 of that Directive.

Article 2
Definitions

For the purposes of this Regulation, the following definitions [] apply:

- (1) ‘resolution entity’ means [a group entity or entities which are identified by the resolution authority in accordance with Article 12 of Directive 2014/49/EU as an entity in respect of which it is envisaged to take resolution action];
- (2) ‘resolution group’ means [a resolution entity and its subsidiaries that are not resolution entities themselves and that are not subsidiaries of another resolution entity];
- (3) ‘group institution’ means a group entity which is a credit institution or an investment firm.
- (4) ‘relevant legal entity’ means a group entity that meets any of the following criteria:
 - (a) it represents or provides more than 5% of the total risk exposure amount referred to in Article 92(3) of Regulation (EU) No 575/2013 , leverage ratio total exposure measure referred to in Article 429(4) of that Regulation or operating income of the group on a consolidated basis; or
 - (b) It provides critical functions.

Article 3

Provision of core information for the purpose of individual and group resolution plans

1. Subject to Article 8 of this Regulation, institutions or, in the cases of groups, Union parent undertakings, shall submit to resolution authorities, either directly or through the competent authority, the information specified in the templates set out in Annex I in accordance with the level of application, frequency and format set out respectively in Articles 4, 5 and 6, and following the instructions set out in Annex II of this Regulation.

2. Where a resolution authority or, in the case of groups, a group-level resolution authority, applies simplified obligations in accordance with Article 4 of Directive 2014/59/EU, it shall inform the institutions or Union parent undertakings concerned which information is not required to be included in the submission of information referred to in paragraph 1. It shall identify that information by reference to the templates set out in Annex I.

Article 4

Level of application

1. Institutions that are not part of a group shall submit the information referred to in Article 3(1) of this Regulation, with the exception of templates Z 07.02 and Z 04.00 of Annex I, on an individual basis.

2. In the cases of groups, Union parent undertakings shall submit the information referred to in Article 3(1) of this Regulation according to the following specifications:
 - (a) the information specified in template Z 01.00 of Annex I at the level of the Union parent undertaking in relation to the following:
 - (1) group entities included in its consolidated financial statements which exceed 0.5% of total assets or total liabilities of the group;
 - (2) group institutions which exceed 0.5% of the total risk exposure amount or 0.5% of the total Common Equity Tier 1 of the group on the basis of the consolidated situation of the Union parent undertaking;
 - (3) group entities which provide critical functions.
 - (b) the information specified in templates Z 02.00 and Z 03.00 of Annex I:
 - (1) at the level of the Union parent undertaking or, if different, at the level of each resolution entity on an individual basis;
 - (2) at the level of each group institution that is a relevant legal entity and does not fall within the scope of point (1), on an individual basis, except in those cases when the resolution authority has fully waived the application of the individual minimum requirement for MREL pursuant to Article 45(11) or (12) of Directive 2014/59/EU to that institution;

- (3) at the level of the Union parent undertaking on a consolidated basis or, if different, at the level of each resolution entity on the basis of the consolidated situation of the resolution group.
- (c) the information specified in template Z 04.00 of Annex I, at the level of the Union parent undertaking, in relation to the financial interconnections between all relevant legal entities.
- (d) the information specified in templates Z 05.01 and Z 05.02 of Annex I :
 - (1) at the level of the Union parent undertaking or, if different, at the level of each resolution entity, on an individual basis;
 - (2) at the level of the Union parent undertaking on a consolidated basis or, if different, at the level of each resolution entity, on the basis of the consolidated situation of the resolution group.
- (e) the information specified in template Z 06.00 of Annex I at the level of the Union parent undertaking on a consolidated basis, in relation to all credit institutions which are relevant legal entities;
- (f) the information specified in template Z 07.01 of Annex I separately for each Member State in which the group operates ;
- (g) the information specified in templates Z 07.02 and Z 07.03 and Z 07.04 of Annex I in relation to the critical functions and core business lines provided by any group entity;
- (h) the information specified in template Z 08.00 of Annex I, at the level of the Union parent undertaking regarding all critical services provided to any group entity included in template Z 01.00 of Annex I;
- (i) the information specified in template Z 09.00 of Annex I regarding, in relation to all financial market infrastructures the disruption of which would present a serious impediment or prevent the performance of any critical function identified in template Z 07 02;
- (j) the information specified in templates Z 10.01 and Z 10.02 of Annex I in relation to all critical information systems within the group.

Article 5

Frequency, reference dates and remittance dates

3. Institutions shall submit the information referred to in Article 3(1) of this Regulation at the latest by 30 April each year in respect of the year ended on the 31st of December of the preceding year or of the applicable relevant financial year. If the 30th of April is not a business day, the information shall be provided on the following business day.
4. Resolution authorities shall provide the necessary contact details to which the information has to be provided within the resolution authority or, where applicable, the competent authority.

5. Institutions may submit unaudited figures. Where audited figures deviate from submitted unaudited figures, the revised, audited figures shall be submitted without undue delay. Unaudited figures are figures that have not received an external auditor's opinion whereas audited figures are figures audited by an external auditor expressing an audit opinion.
6. Other corrections to the submitted reports shall also be submitted without undue delay.

Article 6

Format for the submission of information

7. Institutions or, in the cases of groups, Union parent undertakings, shall submit the information referred to in Article 3(1) of this Regulation in the data exchange formats and representations specified by resolution authorities, respecting the data point definitions included in the single data point model referred to in Annex III and the validation rules referred to in Annex IV as well as the following specifications:
 - (k) information not required or not applicable shall not be included in a data submission;
 - (l) numeric values shall be submitted as facts according to the following:
 - (1) data points with the data type “Monetary” shall be reported using a minimum precision equivalent to thousands of units;
 - (2) data points with the data type “Percentage” shall be expressed as per unit with a minimum precision equivalent to four decimals;
 - (3) data points with the data type “Integer” shall be reported using no decimals and a precision equivalent to units.
8. The data submitted by the institutions or, in the cases of groups, by the Union parent undertakings, shall be associated with the following information:
 - (m) reference date for the submission;
 - (n) reporting currency;
 - (o) applicable accounting standards;
 - (p) identifier of the reporting entity;
 - (q) level of application in accordance with Article 4.

Article 7

Provision of additional information for the purpose of individual or group resolution plans

Subject to Article 8 of this Regulation, where a resolution authority or, in the cases of groups, a group-level resolution authority, considers information not covered by any template set out in Annex I to this Regulation to be necessary for the purposes of drawing up and implementing resolution plans, it shall:

- (r) specify, taking into account the volume and complexity of the required information, the appropriate timeframe within which the institution or, in the case of groups the Union parent undertaking, shall provide the information to the resolution authority;
- (s) specify the format to be used by institutions or, in the case of groups, by Union parent undertakings in order to provide the information to the resolution authority;
- (t) specify whether the information has to be completed on an individual or group level basis and whether its scope is local, Union-wide or global;
- (u) provide the necessary contact details to which the information has to be provided within the resolution authority or, where applicable, the competent authority.

Article 8

Cooperation between competent and resolution authorities

- 9. Competent and resolution authorities shall jointly verify whether part or all of the information to be provided to the resolution authority in order to draw up and implement the resolution plan is already available to the competent authority.
- 10. Where part or all of the information is already available to the competent authority, that authority shall provide such information to the resolution authority in a timely manner.
- 11. In the cases referred to in paragraph 2, resolution authorities shall ensure that institutions or, in the cases of groups, Union parent undertakings, are informed of the information which is required to be included in the submission of information referred to in Article 3(1) of this Regulation. They shall identify that information by reference to the templates set out in Annex I.
- 12. Where additional information is considered to be necessary pursuant to Article 7 of this Regulation and the information is not already available to the competent authority, or where the format in which the information is provided by the competent authority is not satisfactory to the resolution authority, taking into account in particular the procedure to draw up group resolution plans, the resolution authority shall directly request the institution or Union parent undertaking to provide the information.

Article 9
Transition period

13. By derogation to Article 5(1) of this Regulation, for a financial year ending on a date between 1 January and 31 December 2018, the remittance date shall be 31 May 2019 at the latest.
14. By derogation to Article 5(1) of this Regulation, for a financial year ending on a date between 1 January and 31 December 2019, the remittance date shall be 30 April 2020 at the latest.

Article 10
Repeal

Commission Implementing Regulation (EU) 2016/1066 is hereby repealed with effect from [xx xxxx 20xx].

Article 11
Entry into force

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.

Annex I
Templates

See separate file

Annex II
Instructions

See separate file

Annex III
Single data point model

All data items set out in Annex II shall be transformed into a single data point model which is the basis for uniform IT systems of institutions and competent authorities.

The single data point model shall meet the following criteria:

- (v) provide a structured representation of all data items set out in Annex I;
- (w) identify all the business concepts set out in Annex I;



- (x) provide a data dictionary identifying table labels, ordinate labels, axis labels, domain labels, dimension labels and member labels;
- (y) provide metrics which define the property or amount of data points;
- (z) provide data point definitions that are expressed as a composition of characteristics that univocally identify the financial concept;
- (aa) contain all the relevant technical specifications necessary for developing IT reporting solutions producing uniform resolution planning data.

Annex IV

Validation rules

The data items set out in Annex I shall be subject to validation rules ensuring data quality and consistency. The validation rules shall meet the following criteria:

- (bb) define the logical relationships between relevant data points;
- (cc) include filters and preconditions that define a set of data to which a validation rule applies;
- (dd) check the consistency of the reported data;
- (ee) check the accuracy of the reported data;
- (ff) set default values which shall be applied where the relevant information has not been reported.

Done at Brussels,

For the Commission
The President
[...]

4. Accompanying documents

4.1 Draft cost-benefit analysis

Article 15(1) of the EBA Regulation²³ provides that when any draft implementing technical standards (ITS) developed by the EBA are submitted to the Commission for adoption, they should be accompanied by an analysis of ‘the potential related costs and benefits’. This analysis should provide an overview of the findings regarding the problem to be dealt with, the solutions proposed and the potential impact of those options.

A. Problem identification and baseline scenario

The stability of the EU financial system and the efficient and orderly functioning of its banking sector depend on the implementation of an effective resolution framework for banks in the EU²⁴. As ex-ante planning is a key attribute of such a regime²⁵, the availability of sufficient and uniform bank-level information at the disposal of resolution authorities is crucial

A set of minimum standards for procedures, forms and templates for the collection of information on institutions is necessary for the consistent and effective development of bank-specific resolution plans. It is also necessary in order to provide a common information foundation supporting exchange and collective decision-making within resolution colleges.

Following the above rationale, the EU bank resolution framework (Article 11(3), BRRD²⁶) mandated the EBA to develop specific ITS, adopted by the European Commission in June 2016²⁷, laying out in twelve annexes the templates for the information to be provided to resolution authorities²⁸. Considering the then early stage of resolution planning and scarce experience in that matter at national and European levels, the EBA has now decided to review the current ITS on reporting for resolution planning and execution purposes, to review and build on good practices and address weaknesses identified in the current framework.

²³ 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. 12–47.

²⁴ European Commission (2009), Communication on “an EU framework for cross-border crisis management in the banking sector”, http://ec.europa.eu/internal_market/bank/docs/crisis-management/091020_communication_en.pdf.

²⁵ Financial Stability Board (2014), Key attributes of effective resolution regimes, http://www.fsb.org/wp-content/uploads/r_111104cc.pdf.

²⁶ DIRECTIVE 2014/59/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a framework for the recovery and resolution of credit institutions and investment firms (Bank Recovery and Resolution Directive, “BRRD”).

²⁷ COMMISSION IMPLEMENTING REGULATION (EU) 2016/1066 laying down implementing technical standards with regard to procedures, standard forms and templates for the provision of information for the purpose of resolution plans for credit institutions and investment firms pursuant to Directive 2014/59/EU of the European Parliament and of the Council.

²⁸ The content of resolution plans for EU banks is specified in COMMISSION DELEGATED REGULATION (EU) 2016/1075 supplementing Directive 2014/59/EU with regard to the respective regulatory technical standards.



In spring 2017, the EBA has conducted a survey amongst resolution authorities, to precisely identify the issues perceived and take on board resolution authorities' suggestions for improvements and further harmonisation needs in its review of the respective ITS.

The responses received from resolution authorities in 20 Member states revealed a broad variety of practices with more, less, or different information being collected, leading in some case to duplicate reporting. To understand the reasons for this divergence, authorities pointed out a number of difficulties they had experienced or on which they had been alerted by the institutions under their jurisdiction, with the following main types of weakness:

- *Insufficient information:*
For example, template I on 'Organisational Structure' needed to include size indicators. Template V dealing with the 'Structure of Liabilities' was considered to be insufficiently granular by comparison to existing own templates on liabilities of some resolution authorities.
- *Format of the template:*
Line-by-line details of organisational structure or management information systems while useful, needed to support the production of a graphic overview.
- *Too difficult to be filled by banks:*
Authorities reported that banks were not really in position to identify critical functions as part of template III- 'Critical Functions and Core Business Lines' without further guidance. To address this issue, one authority reported that it had provided formulas to enter the economic significance of various business functions. Likewise the notion of 'critical counterparties' was difficult to comprehend.
- *Insufficient guidance*
Some requirements raised numerous questions of interpretation, for example the notion of critical counterparty, or the amounts of pledged collateral. Generally resolution authorities considered that the guidance in Annex XIII should be further developed.

B. Policy objectives

In general, these ITS aim at contributing to the stability of the EU financial system and the efficient and orderly functioning of the EU banking sector, by ensuring that banks in the EU can be wound down in an orderly manner without serious negative effects on the financial system, public finances or the real economy. Further, these ITS are intended to contribute to strengthening convergence of practices and efficient cooperation between resolution authorities²⁹. More specifically, these ITS are developed with a view to facilitate the drafting and collective adoption of credible and feasible resolution plans, which comply with a minimum level of consistency across banks in different EU Member States.

²⁹ EBA, Work Programme 2017,

<https://www.eba.europa.eu/documents/10180/1617016/EBA+Revised+2017+Work+Programme.pdf/59d29b87-d9ca-415d-bdbe-6ebdd54705e8>



Operationally, the objectives underpinning the current ITS, and which guide the EBA in its review, are the following:

- a) Provide a minimum set of information for all resolution plans, contributing to a minimum consistent quality in resolution planning in the EU;
- b) Enhance the level of harmonisation of the reporting requirements for all banks, avoiding unlevelled playing field;
- c) Foster the information exchange among resolution authorities, facilitating the decision-making process on resolution planning for cross-border banking groups;
- d) Maintain a proportionate reporting burden for banks consistent with the proportionality principle.

These draft revised ITS aim at progressing further towards these objectives by:

- (i) clarifying the scope of application of this reporting framework
- (ii) further improving standard procedural requirements
- (iii) reinforcing the harmonisation of core contents.

C. Options considered and preferred options

With regard to these ITS, the EBA has considered the following policy options with the aim to improve the minimum procedural requirements and to update the current reporting framework taking into account the latest experience available.

1. Need for regulatory intervention

Option 1.1: To maintain the current ITS and monitor and assess resolution authorities' compliance (*status quo*);

Option 1.2: To review the current ITS on the EBA's own initiative and incorporate new experience available.

Option 1.1 implies the maintenance of the current practices on resolution planning across the EU. This would not entail new additional compliance costs for both institutions and resolution authorities. Otherwise, none of the problems that have arisen within the current framework would be eased.

Option 1.2 tries to address this issues leaving space for a substantial change in the current practices and processes on resolution planning. The additional compliance costs are expected to be more than offset by the benefits coming from a real improvement of the *status quo*.

Option 1.2 has been retained.

2. Procedural requirements

2.1 Reporting format

Option 2.1.1: To develop a data point model (DPM) for more advanced and efficient reporting practices;

Option 2.1.2: To maintain the approach based on visual layout and legal definitions (*status quo*).

Option 2.1.1 proposes to develop a DPM in order to allow the automated collection of the data and to ensure a better data quality control. In addition, data will be collected fully in line with definitions and instructions provided within the ITS, avoiding also duplicate reporting. As a consequence, all the data to be collected would be comparable and the level of harmonisation across EU countries is expected to increase.

On the other hand, the adoption of the DPM would entail implementation costs for the EBA and resolution authorities, due to the development of its specifications³⁰. Nevertheless, the model and its taxonomies are going to be consistent with the techniques established in the supervisory area. The experience of the EBA in this field can make the implementation process and the use of DPM readily operable for all actors involved.

Option 2.1.2 consists in continuing to use the current approach without any additional compliance costs for the EBA and resolution authorities. According to this option, information wouldn't be comparable and precise enough to ensure an efficient reporting process for all the institutions under the scope. This option is considered not in line with the objectives underpinning the current ITS.

Option 2.1.1 has been retained.

2.2 Dimensions of reporting

Option 2.2.1: To maintain the current flexible approach (*status quo*);

Option 2.2.2: To introduce minimum requirements in terms of frequency, level and scope of reporting.

Option 2.2.1 implies a flexible approach which allows institutions to report data without a defined minimum set of information items. In fact, resolution authorities can autonomously decide about frequency, level and scope of reporting without providing minimum prescriptions. This is in respect of the structural differences across jurisdictions within the EU and consistent with the proportionality principle.

However, divergent practices among the Member States led to a non-harmonised level of information and in some case duplicate reporting. Recent supervisory experience raised the issue

³⁰ DPM will be compulsory only for the submission of the required information from the resolution authorities to the EBA. The model is not going to be compulsory in the relation between banks and resolution authorities.

of the need to improve the comparability of the information items in order to foster the joint cooperation between resolution authorities and the EBA.

Option 2.2.2 addresses this issue introducing minimum prescriptions. First, templates are expected to be collected on annual basis (*frequency requirement*). Second, specific provisions are laid down in order to define whether data may be submitted at the level of the parent undertaking, on a consolidated level or intragroup (*level and scope of reporting*). The latter will vary according to the nature and the rationale of each template.

Option 2.2.2 has been retained.

3. Requirements on minimum contents and revised templates

Option 3.1: To remove only the templates that are not considered necessary or essential;

Option 3.2; To remove all the existing templates and rely only on supervisory templates;

Option 3.3: To add new items into the existing templates and also create new specific ones;

Option 3.4: Comprehensive review of the current templates.

Option 3.1 would simplify the contents of information to be collected requiring institutions to submit only the templates that are considered essential for the purpose of drawing up resolution plans. This option is in line with the proportionality principle but, on the other hand, it doesn't meet the other objectives in terms of enhancement of the level of harmonisation and improvement of the information exchange amongst resolution authorities. The same considerations are valid for Option 3.2 since relying solely on supervisory templates would prevent the collection of a more precise and homogeneous information across Member States.

Option 3.3 aims to address the issues arising from Option 3.1 and 3.2. However, additional items and new specific templates could increase the reporting burden for some institutions, failing to meet the proportionality principle objective.

Option 3.4 addresses all the issues arising from the other options providing more specific and revised set of templates that includes minimum contents to be collected for the purpose of drawing up resolution plans. This option can be considered a combination of the other assessed options and it implies three main groups of templates that collect information about (i) group structure and dependences, (ii) on and off balance sheet items, and (iii) critical functions and core business lines. More detailed required information is not going to negatively affect the proportionality principle since simplified obligations can be applied for eligible institutions³¹.

Option 3.4 has been retained.

³¹ Article 4, BRRD. See also: EBA Consultation paper on Draft Regulatory Technical Standards on simplified obligations under Article 4(6) of Directive 2014/59/EU, EBA/CP/2017/05, 8 May 2017, <https://www.eba.europa.eu/documents/10180/1838747/Consultation+Paper+on+the+draft+RTS+on+simplified+obligations+%28EBA-CP-2017-05%29.pdf>



D. Overall cost-benefit analysis

The aim of these ITS is to set out “procedures and a minimum set of standard forms and templates for the provision of information” in order to draw up resolution plans (BRRD, Art. 11(3)). This is going to affect institutions, resolution authorities and the EBA.

Divergent practices amongst Member States can hinder an effective and precise collection of information for the preparation of resolution plans. Given this, the expected benefits resulting from these ITS refer to the possibility (i) to improve the level of harmonisation of reporting requirements, and (ii) to foster the exchange of information between resolution authorities, and with the EBA, and therefore contribute to collective decision-making within resolution colleges.

Ensuring a minimum harmonised set of reporting requirements is essential to allow resolutions authorities and the EBA to cooperate efficiently. In addition, more defined contents can improve the quality in resolution planning within the EU. This also would contribute to enhance the level playing field.³²

Benefits are also expected from the improved reporting framework. In this respect, the revised minimum procedural reporting requirements can positively affect the quality of the information to be collected and it would also simplify the collection processes avoiding duplication reporting and varying practices.

In contrast, potential costs are expected from the implementation phase. These ITS entail new processes and, in consideration to this, compliance costs could arise for both institutions and resolution authorities. However, most of the costs would be one-off costs resulting from the implementation of the new reporting processes. The EBA is also expected to face costs since it has to develop the new reporting framework.

Nevertheless, costs would be bearable for the actors involved compared to the dimension of potential benefits. The aim of the resolution plans is, in fact, to identify the actions to be taken by resolution authorities in order to achieve an orderly resolution of the entities under the scope of the BRRD. With this regard, the improvement of the quality of the information to be collected for the purpose of the resolution plans can enhance the supervisory activity positively affecting the financial stability within the EU.³³

Finally, the reporting burden for institutions is duly taken into account. Following the clarification of scope, the revised ITS preserves, in line with the BRRD, for the possibility for resolution authorities to adjust the reporting requirements in relation to institutions eligible to simplified obligations. These adjustments may relate to scope, level, frequency or any substantial data requirements. In addition, attention has been paid to avoiding unnecessary duplicate reporting

³² EBA (2017), Annual Report 2016,

<http://www.eba.europa.eu/documents/10180/1879387/EBA+Annual+Report+2016.pdf/4c08e80f-ea87-4643-90cb-a2a02230c0a2>

³³ ECB (2011), The new EU framework for financial crisis management and resolution, Monthly Bulletin – July, https://www.ecb.europa.eu/pub/pdf/other/art3_mb201107en_pp85-94en.pdf?099adfac3782d2b53a81b5cad9dc1680

with supervisory reporting. Finally the structuring of information in business requirements has part of the DPM is expected to be more in line with the actual practice within institutions and therefore better suited to their need operationally.

In conclusion, it is reasonable to assume that the overall expected benefits resulting from a better harmonised reporting requirements processes and a more homogenous contents of information would exceed the potential costs.

4.2 Feedback on the public consultation

The EBA publicly consulted on the draft proposal contained in this paper from 11 October 2017 until 10 December 2017. 13 responses were received. All were published on the EBA website except where the respondents asked for confidentiality.

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 the response to different questions. In such cases, the comments, and EBA analysis are included in the section of this paper where EBA considers them most appropriate.

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

Summary of key issues and the EBA's response

The purpose of the review was broadly supported. The following main concerns were raised:

- **Transition and schedules** - A number of respondents called for a postponement of the entry into force of the framework by 6 to 18 months to prepare for the change. In particular, remittance dates should remain at end May as proposed for the first year and should not be accelerated to end April and end March in years 2 and 3. Requirements with regard to FMIs and information systems should be phased-in over a three-year period. Information sets that would not be subject to substantive change should not be submitted annually but every two years.
- **Simplified obligations and additional information requirements** - The Regulation, by recognising the possibility to lay down simplified obligation and requiring additional information, failed to establish a truly harmonised framework. The templates published diverged with existing own templates currently used by authorities, in particular the SRB.
- **Scope** – Clarity should be improved as to which entities are covered and the level of reporting. The scope of entities diverged from existing own templates currently used by authorities which, for example, relied on a higher threshold along the concept of relevant legal entities.



- **Templates** – A series of useful technical comments was submitted with regard to specific templates. Templates 9.2 and 9.3 collecting information on FMI services and enabling services were widely seen as unnecessary and confusing.

Key revisions

The overall text and approach of the proposed revised ITS remain stable. However, some adjustments are made to provide for a more proportionate reporting burden. In particular, the requirement to accelerate the remittance date in year 3 has been deleted, two templates have been removed and a higher threshold has been introduced to limit the number of entities reporting financial templates. These changes are described below. Other changes are of a more technical nature.

- **Transition and reporting schedule**

The draft retains 2019 for the entry into force of the new framework. This timeframe follows the timeline of changes in the supervisory reporting framework. Considering the divergences currently existing in templates used by authorities, it is appropriate to start converging as soon as possible, particularly given the inevitable teething problems anticipated in the first phase. The alternative of a transition period would increase confusion as authorities' own templates currently in use would coexist with EU templates provided in the current ITS and with EU templates provided in the revised ITS.

Following comments received by stakeholders, remittance dates have been adjusted. Data will still have to be submitted by end May in year 1 and end April in year 2, but no further acceleration is provided as initially envisaged.

No transition period has been provided for the mapping of FMIs and information systems. Instead, Templates 9.2 and 9.3 collecting advanced information on FMI services and enabling services have been removed. Instead the structured nomenclature of FMI systems in main template is seen as a sufficient starting point for further engagement with banks. Institutions are already currently under an obligation to map those systems and, three years after the entry into force of the BRRD, it does not appear appropriate to further postpone this mapping exercise.

- **Scope**

Following comments received by stakeholders the scope of entities covered has been adjusted to better balance the reporting burden. A low threshold³⁴ has been maintained for the first template because resolution authorities need to obtain a comprehensive overview of the group structure. Likewise, all critical functions will be reported. On the contrary, financial templates will be reported only for 'relevant legal entities' defined as entities which exceed 5% of the total RWA, leverage ratio exposure or operating income of the group, or entities which provide critical functions.

- **Templates**

The overall set of templates is stable, with the following main changes:

- The liability template provides for the reporting of senior non-preferred debt in line with the recently adopted Directive 2014/59/EU as regards the ranking of unsecured debt instruments in insolvency hierarchy.

³⁴ All group entities which exceed 0.5% of total assets or total liabilities of the group, 0.5% of the total risk exposure amount or the total CET1 of the group, or provide critical functions.



- The template on own funds requirement was aligned with COREP. This change implies a different presentation of the main components of capital now expressed as aggregates (Pillar 1 and Pillar 2R, P1+P2R+CBR, P1+P2R+CBR+P2G) rather than as add-ons. This way, consistency with the capital framework is maintained and this should minimise mistakes by banks, alleviate the reporting burden and facilitate cooperation with supervisors.
- Templates 9.2 and 9.3 collecting advanced information on FMI services and enabling services have been removed. They were widely seen as confusing and overly complicated. Instead, the structured nomenclature of FMI systems was seen as a reliable starting point for further engagement with banks.



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

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
General comments			
First collection date	<p>Several respondents called for postponing the first collection of data under the new framework by 6 months to a year. They were concerned that it could take 18 months for the publication of the final standards in the Official journal. They called for the detailed XBRL specification to be available at least 12 months before the first collection. They also point out that other reporting requirements will come into effect at the same time as other requirements such as AnaCredit and SHS-G.</p>	<p>The EBA is delivering the draft revised ITS, together with the data point model and XBRL taxonomy, approximately one year before the first collection date.</p> <p>This timeframe is in line with established processes in the supervisory area, and allows institutions time to adapt their systems.</p> <p>The alternative of a transition period would increase confusion as authorities' own templates currently in use would coexist with EU templates provided in the current ITS and with EU templates provided in the revised ITS.</p>	
Frequency	<p>One respondent recommended that templates with information that is not likely to change often should be reported every two years rather than every year.</p>	<p>The BRRD requires resolution authorities to review resolution plans on an annual basis. Therefore, in principle resolution authorities should also collect information on an annual basis. Where information is stable it is believed that the compliance cost for institutions will be minimal.</p>	
Information already available to the competent authorities	<p>Several respondents pointed out that under the BRRD information already available to competent authorities should be provided by</p>	<p>It is correct that Article 11(2) of the BRRD provides for supervisory authorities to cooperate with resolution authorities and</p>	



	<p>those authorities directly to resolution authorities.</p> <p>Some respondents highlighted that the BRRD did not contain any reference to additional conditions whereby the information should be in a “satisfactory format”. On that basis they considered that, in allowing resolution authorities to collect information where information was available to the supervisors but not in a format satisfactory to the resolution authorities, the current and revised ITS were not compliant with the BRRD.</p>	<p>provide information that it available to them.</p> <p>However, the BRRD does not restrict the amount of information which resolution authorities may require directly from banks. On the contrary, Article 11(1) empowers resolution authorities to require institutions to cooperate as much as necessary in the drawing up of resolution plans and provide them with all the information necessary.</p> <p>The current ITS as well as the proposed revision take a proportionate approach by providing that resolution authorities shall directly request information from banks where information is either not available to the supervisor, or not available in a satisfactory format.</p> <p>In addition, the extension of the EBA data point model and dictionary could facilitate the exchange of information and reduce the cases where information is already available to the supervisor but not in a satisfactory format.</p>	
<p>Minimum harmonisation, collection of additional information and simplified obligations</p>	<p>Several respondents considered that the ITS failed to achieve sufficient harmonisation. One of them considered that, by allowing for simplified obligations the ITS were not achieving minimum harmonisation in terms of substance or procedure. Many others considered that resolution authorities should not ask additional information or should justify in they do so.</p>	<p>The revised ITS seek to strike the right balance between the need for consistency and the minimum harmonisation mandate provided for by the BRRD.</p> <p>Under Article 11 of the BRRD resolution authorities have the power to require from institutions as much information as</p>	



	<p>In contrast, some respondents considered that the obligations in the ITS were excessive in relation to small to mid-size institutions and asked further clarification as to the applicable criteria for granting simplified obligations.</p>	<p>necessary to draw up and implement resolution plans, provided they comply with the implementing technical standards. On the other hand, Article 4(1)(c) explicitly recognises the right for resolution authorities to determine simplified reporting obligations having regard to the impact that the failure of an institution could have.</p> <p>The eligibility criteria to determine whether institutions should be subject to simplified obligations have been further specified in draft Regulatory Technical Standards developed by the EBA pursuant to Article 4(6) of the BRRD. The draft RTS have been submitted to the Commission on 19 December 2017. They are available on the EBA’s website https://www.eba.europa.eu/documents/10180/2067437/Final+draft+RTS+on+simplified+obligations+under+BRRD+%28EBA-RTS-2017-11%29.pdf</p> <p>Nevertheless, the EBA takes due note of the call for further harmonisation in the area. As bank resolution has been introduced only three years ago in the EU framework, resolution planning is in development. As resolution plans are progressively fleshed out in more details resolution authorities are improving their assessment of the data foundation on which the plans should be based, taking</p>	
--	---	---	--



		<p>into account the heterogeneity amongst EU banks.</p> <p>As the understanding continues to improve, it is possible that in the future further harmonisation could be achieved while respecting differences across banks and the ability for resolution authorities to ultimately obtain the information necessary to achieve resolvability of banks under their jurisdiction.</p>	
DPM	<p>A respondent considered that it was not clear how the DPM on resolution reporting would be articulated with respect to the supervisory DPM.</p>	<p>The final report clarifies that there is one and only one, single data point model.</p> <p>The DPM referred to in the consultation is the supervisory DPM, which is being expanded to include the data points included in the templates of these ITS.</p>	
Authority responsible for collecting data	<p>Some respondents were critical of the rule that EU parent undertaking should transmit information to the Group level resolution authority (GLRA) with regard to all subsidiaries in the group. They considered that the lead role of the GLRA only made sense with regard to single point of entry strategy and to the extent necessary to EU resolution planning tasks. They emphasised the role of host authorities for subsidiaries, and considered that the latter should take a leading role for multiple-point-of-entry strategies, if necessary complemented by additional collection at GLRA level.</p>	<p>As per the draft ITS, the GLRA will make the information available as per Article 13 of BRRD, thereby making the necessary information available to local resolution authorities.</p>	
Level of application	<p>A respondent asked for more clarity about which firms it is expecting to submit which templates and for what purpose</p>	<p>The scope and level of reporting has been determined with a view to best fulfil the objective pursued for each data set collected. As a result, the scope of</p>	<p>A new threshold has been introduced with regard to ‘relevant legal entities’ in order to ensure more proportionality in relation to financial templates.</p>



	<p>Another understood the logical proposed, but for practical reasons suggested at least a consistent level within each of the three blocks of templates.</p> <p>Some respondents were concerned that financial templates had to be reported at a particularly granular level. This was especially in comparison with some existing own templates used by resolution authorities, which were only reported at the level of relevant legal entities.</p>	<p>reporting is broadly consistent within each block of template: organisational structure and critical functions templates at the accounting group level; financial template at the level of relevant legal entities.</p> <p>Application levels have been adjusted accordingly to maintain a proportional reporting burden on each institution.</p> <p>A new table (table 2) summarises the templates to be reported for each entity and group.</p> <p>With regard to the organisational structure template, the existing thresholds (<i>0.5 % of group total assets, total liabilities, total RWA or total CET1</i>) have been set with the targeted granularity in mind. An elevated threshold results in a granularity insufficient for the intended purposes of the template.</p>	
<p>Remittance dates and frequency. Simplified obligations.</p>	<p>According to a respondent, authorities should have the discretion to set different reporting timeframes, including a different frequency, in relation to firms that are subject to simplified obligations.</p>	<p>The EBA confirms that simplified obligations may apply. They may cover the content of reporting requirements but also procedural requirements.</p>	
<p>Coordination between the EBA and resolution authorities, in particular the SRB</p> <p>Dual reporting</p>	<p>Most respondents highlighted divergences between EBA templates and own templates currently used by resolution authorities.</p> <p>They asked for clarifying the relationship between those sets of templates and called for the EBA and authorities to ensure coordination.</p>	<p>The concerns expressed have been at the centre of this review and the EBA believes that they are appropriately addressed.</p> <p>First, the review aligns the EU core requirements with the most recent, shared experience with resolution planning. The revised ITS have been elaborated by the</p>	



	<p>In particular they were concerned about having to report two sets of templates.</p>	<p>EBA staff as well as experts from 15 authorities including the SRB, taking into account existing templates and ongoing developments. The ITS have been endorsed by the Resolution Committee and the Board of Supervisors</p> <p>Second, the ITS do not imply an obligation for resolution authorities to collect the EU templates separately from their own additional requirements. In other words, resolution authorities are entitled to integrate the minimum data points set out in the ITS to broader templates extending to additional requirements. However, without prejudice to simplified obligations, they are under an obligation to include the minimum requirements under the conditions of the ITS.</p> <p>This integration will be facilitated by the use of techniques already applied in supervisory reporting and in particular the reliance on a single data point model and the publication of an XBRL taxonomy. For example, the EBA and the SRB have cooperated to develop an XBRL taxonomy incorporating the additional data points contained in the upcoming Liability Data Report of the SRB as well as the EU core requirements contained in the ITS. That taxonomy will allow banking union institutions to report all data points with regard to liability structures in one go.</p>	
--	--	---	--



Identifiers	Throughout the forms and templates respondents identified areas where it is not possible to provide the requested identifier. They asked for more clarity on what should be provided where, for example, an entity does not have an LEI code as it does not engage in financial transactions (e.g. IT companies).		The identifiers have been amended in a consistent manner. The LEI code is preferred in all case, and at any rate it is required for institutions. Where LEI codes are not available, EU or national codes are allowed. With regard to more company specific information such as information systems, internal identifiers are admitted.
Template R-ENT	One respondent notes that Annex I, “Index” makes reference to template R-ENT “Information about the entity” which does not seem to be included in the excel templates or mentioned in the consultation paper itself.		The header template is indeed not included in the ITS, as is the practice in supervisory reporting. The information about who submits the templates and at which level relates to ‘master data’ rather than to the data to be submitted. Requirements about the identification of reports (which may be required to be included in the filenames, for example) will be determined by resolution authorities in line with the ITS and in particular Article 6 thereof.
Question 1. Remittance dates			
Remittance date	<p>Most respondents considered that the proposed remittance date, and more particularly the proposal that all templates should be submitted by 31 March at the end of a three year transition period, was too tight. Generally, 30 April or 31 May would be preferred.</p> <p>Some respondents asked clarification about what to submit when financial data has not been audited yet.</p> <p>Generally, respondents considered that templates in block 3 required more time than</p>	<p>Early submission is conducive to timely resolution planning cycles.</p> <p>Based on the comments, differentiated deadlines by group of template could in principle be envisaged. However, this is not considered practical, if only from the point of view of resolution authorities.</p> <p>Instead, the revised text provides for a single remittance date, to be accelerated from end May to end April.</p>	<p>The remittance date is set at 31 May in 2019 and 30 April in 2020, without further acceleration.</p> <p>A provision similar to the ITS on supervisory reporting has been included in Article 5 whereby non audited figures may be submitted. Revised figures following audits, as well as any other correction, must be submitted without undue delay.</p>



	<p>others because they entailed qualitative assessment and judgement, and because they needed to be aligned with recovery plans (e.g. the identification of critical functions).</p> <p>They acknowledged that templates in block 2 on financial information could be delivered earlier in the year provided deadlines were aligned with supervisory deadlines. They highlighted that delivering on those templates was dependent on completing the audit of Group results.</p>	<p>This minimum harmonisation provision takes into account different departure points amongst authorities. However, authorities may have already implemented shorter schedules successfully. Where this is the case the expectation at the time of writing is not that they would to implement longer deadlines.</p>	
Question 2. template 'R 01.00 - Organisational structure (R-ORG)'			
Accounting standard	<p>Several respondents requested to clarify under which accounting standards entities should report the various amounts. They insisted that reporting in a different standard as that used for financial statements would be disproportionate.</p>	<p>Entities are indeed expected to report under the same accounting standard (IFRS or nGAAP) as that used for financial statements. Where necessary an additional field has been added in order to specify which standards are used).</p>	
Entity-specific information in relation to entities subject to waivers	<p>It should be clarified that, in case institutions benefit from the waiver (Art. 7 CRR), columns 080 – 130 do not have to be completed by these institutions.</p>		<p>Instructions have been clarified. Where entities are subject to a waiver under Article 7 or 10 of the CRR they are not required to report on their individual risk exposure amount or leverage exposure. However they are expected to report on their contribution to total consolidated assets and total consolidated risk exposure amounts.</p>
R 01.00 (organisational structure)	<p>Two respondents pointed out that risk exposure amounts, contributions to total consolidated assets and total consolidated risk exposure amounts were already reported as part of COREP or Finrep.</p>	<p>The EBA recognises that some data points may be common with supervisory reporting templates. Identical data points are defined by reference to the relevant supervisory templates, thus minimising any data production requirement for banks.</p>	



R 01.00 (organisational structure)	Some [One respondent requests] further clarification concerning the definition in column 170 "Amount of share capital held by the direct parent in the Entity." Does this mean we need to list the amount of equity including reserves?	Column 170 is the share capital held on the balance sheet of the direct parent and does not include reserves	Instructions have been clarified.
Question 3. Second block of templates			
2.00 Liability Structure	Several respondents asked the liability structure to include the newly established liability type "senior non preferred liabilities"		The EBA has implemented the suggestion.
02.00 Liability Structure	A respondent asked whether the counterparty breakdown excluded intragroup liabilities or liabilities governed by third country law.	The counterparty breakdown does not exclude intragroup liabilities or liabilities governed by third country law. Amounts reported in columns 0100 and 0110 are part of the total in 0090.	An additional "of which liabilities governed by the law of a third-country, excluding intragroup" has been included.
02.00 Liability Structure	Definition of liabilities shall be introduced (e.g. either 86/635/EEC or IFRS as mentioned in EC 1606/2002)	The EBA staff agree in elaborating more this in the instructions	Clarify the instructions
02.00 Liability Structure	In the interest of the industry participants, explain the reasoning behind the inclusion of the detail (110-200), if these liabilities are not to be used in any case for Bail-In.	Exclusions from bail-in are instructive with a view to calculating bail-in capacity and MREL capacity, but also to implement transfer strategies where excluded liabilities are typically transferred.	
03.00 Own Funds	Many several respondents asked whether entities not subject to capital requirements and resolution groups would have to report on own funds requirements.		Instructions have been updated to clarify that entities not subject to capital requirements and resolution groups do not have to report on own funds requirements.



<p>04.00 Intragroup financial interconnections</p>	<p>Several respondents asked to clarify the exact scope of entities covered by this template.</p>		<p>The ITS has been amended and clarified.</p> <p>All intragroup connections between any combination of relevant legal entities within the entire group shall be reporting</p>
<p>04.00 Intragroup financial interconnections</p>	<p>Should the amount be aggregated by counterparties and not on a single transaction?</p>	<p>EBA confirms that the amount should be aggregated by counterparties and not on a single transactions</p>	
<p>04.00 Intragroup financial interconnections</p>	<p>Should all guarantees be reported, if yes, is it possible to insert a threshold?</p>	<p>All guarantees should be reported – however all guarantees received by, and provided to, the same combination of group entities, should be aggregated</p>	
<p>04.00 Intragroup financial interconnections</p>	<p>It is not clear why template R 04.00 has a column asking for the MREL-eligible portion of intra-group liabilities, since intra-group positions do not qualify for MREL.</p>	<p>This column aims to capture intragroup MREL in the perspective of the upcoming review of the legislative framework.</p>	<p>Instructions have been updated to specify that “For this purpose, liabilities shall not be excluded from the calculation on the sole ground that they are issued to or held by a group entity.”</p>
<p>05.01 – Major Liability Counterparties</p>	<p>A respondent suggests that entities benefiting from a waiver of the supervisory ALMM template should also be waived from this template.</p>	<p>The ALMM template is collected on a quarterly basis and follows a different logic linked to the liquidity profile of the institution. Instead this template is yearly and focuses on the bail-in and MREL potentials. To the extent an institution is a relevant legal entity and is not waived from MREL, there is no reason to waive it from this template.</p>	



<p>06.00 – Deposits Insurance</p>	<p>Several respondents considered that DGSs themselves should be in charge of reporting the information in this template.</p>	<p>The EBA recognises that information on deposits and DGS might already be available through various channels. However, considering the eminently important dimension of covered deposits in the pursuit of financial stability, this dashboard will be essential for informing resolution planning and interaction with deposit guarantee schemes.</p> <p>Banks may have access to several deposits insurance scheme and it could be not efficient to request the information to all of them. In addition, banks should be ready to provide up to date information for resolution purposes if requested by the Resolution Authority</p>	<p>Update the instructions</p>
<p>06.00 – Deposits Insurance</p>	<p>Several respondents asked whether only institutional protection schemes the membership of which is voluntary and which are not officially recognised as DGS should be reported in Z 06.00 (column 0050).</p>	<p>Credit institutions should report the name of the IPS they are member of. This IPS may also be officially recognised as DGS under the DGSD. In that case the name will be identical to the name in column 0030.</p>	
<p>Question 4. Third block of templates</p>			
<p>Critical functions and core business lines</p>	<p>One respondent suggested that the concept of ‘Critical function’ on the resolution side should be in line with the recovery side.</p>	<p>Critical functions are defined in the BRRD, both in relation to recovery planning and resolution planning. The definition applies to this ITS.</p> <p>The determination of critical functions is further specified in Commission delegated regulation 2016/778 of 2 February 2016. As reflected in recital (2) of that Regulation critical functions of an institution or group are set out in its recovery plan and form the</p>	<p>Update the instructions</p>



		<p>basis of the resolution plan. However recital (2) also observes that the resolution authority should conduct its own assessment of critical functions when establishing the resolution plan.</p>	
<p>FMI services – providers and users</p>	<p>Many respondents considered that given the complexity of those templates the submission had to be postponed to May 31st.</p> <p>A transition period was favoured by all respondents.</p> <p>Respondents suggested that the list of typical services could be provided by the EBA, FMI themselves or resolution authorities.</p> <p>All of the guidelines should be improved, including the dropdown lists in columns 030-050, which seems to be misplaced and do not match the fields.</p>		<p>The list of FMIs has been improved.</p> <p>Templates 9.2 and 9.3, considered confusing and unnecessary, have been removed.</p>
<p>Question 5. Transition period for FMIs and information systems</p>			
	<p>Many respondents favoured a transition period for critical services as well as FMIs and information systems.</p>	<p>No transition period has been provided for the mapping of FMIs and information systems. Instead, Templates 9.2 and 9.3 collecting advanced information on FMI services have been removed. The structured nomenclature of FMI systems in main template is seen as a good starting point for further engagement with banks.</p> <p>An alternative option would have provided for the progressive build-up over a three year period. However institutions are</p>	



		already currently under an obligation to map those systems and, three years after the entry into force of the BRRD, it did not appear appropriate to further postpone this mapping exercise.	
Question 6. List of typical FMI services and enabling services			
	<p>Many respondents considered that the notion of enabling services was not very clear.</p> <p>Some respondents proposed a slightly adjusted nomenclature of FMIs.</p>		<p>The list of FMIs has been improved.</p> <p>Templates 9.2 and 9.3, considered confusing and unnecessary, have been removed.</p>
Question 7. Information systems			
	<p>Many respondents considered that the scope of these templates was uncertain, as the notion of information systems might be very broad. Most respondents called for a list of typical systems but could not provide one. Some alluded to banks' contingency plans.</p>	<p>The EBA is aware of the difficulty, at this stage, to identify the scope of which systems should be considered critical.</p>	<p>In order to facilitate the analysis, a link has been created with critical services in order to identify only those systems which support critical services and the disruption of which would hinder the performance of critical functions.</p>
Question 8. Suitability with regard to investment firms			
No feedback was received in relation to this issue.			