

The Qualitative Questionnaires available for download on the EBA's website are for information purposes only. It is important that institutions participating in the QIS only fill in and submit the online version of the questionnaire obtained from their respective Competent Authority. ECAIs should only respond to the online version of the questionnaire they have received from the EBA.



EBA qualitative questionnaire on December 2017 Basel III standards for ECAIs

Fields marked with * are mandatory.

General

The EBA received a Call for Advice from the European Commission on the impact and implementation aspects of the revisions to the Basel III standards agreed by the Basel Committee on Banking Supervision (BCBS) in December 2017. In particular, some elements of the Call for Advice involve external credit assessment institutions (ECAIs).

This qualitative questionnaire is addressed to all ECAIs. The aim is to gather qualitative information for the purposes of addressing the European Commission's Call for Advice.

The deadline for submitting the qualitative questionnaire is **11/01/2019**.

Filling in the qualitative questionnaire

All sections of the questionnaire should be completed in English.

ECAIs should respond to all questions, unless otherwise stated.

When responding to the questionnaire, ECAIs should base their answers, to the extent possible, on actual data, rather than subjective judgements. Where an institution is unable to respond to a question or the question is not applicable, the corresponding answer should be left blank. No text such as "na" should be entered in these cells. For some specific questions, the option 'not applicable' or 'N/A' is already foreseen within the list of possible answers.

Respondent information

* Name of your ECAI

Standardised Approach for credit risk

Exposures to institutions

Basel III requires that the ratings to be used within the standardised approach for credit risk must not incorporate assumptions of implicit government support, unless the rating refers to a public bank owned by its government. The following questions refer to bank ratings excluding ratings for public banks owned by their governments.

*Q1 Do you have a bank credit rating methodology?

- Yes
- No

Q2 Does your bank rating methodology take into account any assumptions regarding implicit government support?

- Yes
- No

Q3 How does the assumption of implicit government support affect the final rating (in terms of notches for an average counterparty)?

Average number of notches

Please explain:

Q4 Does the assumption of implicit government support vary across jurisdictions?

- Yes
- No

Q4a Please provide a breakdown of the impact by jurisdiction:

| | Number of notches upgrade |
|----------------|---------------------------|
| Austria | |
| Belgium | |
| Bulgaria | |
| Croatia | |
| Cyprus | |
| Czech Republic | |
| Denmark | |
| Estonia | |
| Finland | |
| France | |
| Germany | |
| Greece | |
| Hungary | |

| | |
|-------------------|--|
| Ireland | |
| Italy | |
| Latvia | |
| Lithuania | |
| Luxembourg | |
| Malta | |
| Netherlands | |
| Poland | |
| Portugal | |
| Romania | |
| Slovak Republic | |
| Slovenia | |
| Spain | |
| Sweden | |
| US | |
| Rest of the world | |

Q5 In your methodology, do you use an assumption of implicit government support for all types of banks or only in certain cases (e.g. bank business models or other bank-specific factors)?

- All types of banks
- Certain types of banks

Q5a Please briefly explain your methodology

Q5a Please provide the impact and an explanation for each business model considered

| | Description of Business model | Number of notches upgrade | Explanation |
|------------------|-------------------------------|---------------------------|-------------|
| Business model 1 | | | |
| Business model 2 | | | |
| Business model 3 | | | |
| Business model 4 | | | |
| Business model 5 | | | |
| Business model 6 | | | |

Q5b Please provide the impact and an explanation for each type of bank-specific factor considered

| | Description of bank-specific factor | Number of notches upgrade | Explanation |
|------------------------|-------------------------------------|---------------------------|-------------|
| Bank-specific factor 1 | | | |
| Bank-specific factor 2 | | | |
| Bank-specific factor 3 | | | |
| Bank-specific factor 4 | | | |
| Bank-specific factor 5 | | | |
| Bank-specific factor 6 | | | |

Q6 Do you issue bank credit ratings that do not assume implicit government support?

- Yes
- No

Q6a Are ratings that do not assume implicit government support publicly disclosed?

- Yes
- No

Q6a Please indicate how easy it would be for you – in terms of conceptual changes required, time and costs– to start producing credit assessments that do not assume implicit government support:

- Very easy
- Easy
- Feasible
- Difficult
- Very difficult

Q6b Do you foresee any potential negative consequences as a result of the issuance of bank ratings without assuming government support?

- Yes
- No

Please explain: