

EBA BS BSG 2025 004 rev. 1

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Board of Supervisors and Banking  
Stakeholder Group

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25 March 2025

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Location: teleconference

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# Board of Supervisors and Banking Stakeholder Group

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## Minutes of the joint conference call on 25 March 2025

### **Agenda item 1: Welcome and approval of the agenda**

1. The EBA Chairperson welcomed the Members of the Board of Supervisors (BoS) and the Members of the Banking Stakeholder Group (BSG).
2. The EBA Chairperson asked the BoS and BSG members whether there were any comments on the draft agenda. There were no comments on the agenda.
3. Finally, the EBA Chairperson informed the BoS and BSG that the Minutes of the last conference call on 16 October 2024 have been approved by written procedure.

### **Conclusion**

4. The BoS and BSG approved the agenda of the conference call.

### **Agenda item 2: Report on the activities of the BSG**

5. The BSG Chairperson updated the Members of the BSG and BoS on the work of the BSG since the last joint meeting in October 2024. He acknowledged the BSG's contribution to five EBA's consultation papers (CPs) and said that the BSG, organised in seven technical working groups (TWG), have been drafting responses to another three CPs. In addition, the BSG discussed several horizontal topics, such as the so-called Draghi report and was considering reflecting on these in the second half of 2025.
  6. The coordinators of the BSG TWGs updated the Members on the ongoing work in each group.
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7. The coordinators of TWG 1 (Capital & Liquidity Recovery & Resolution) informed that following the submission of responses to the CP on proportionate retail diversification methods and to the CP on draft RTS on material model change, the TWG 1 has been preparing a response to the CP on draft RTS on the calculation and aggregation of crypto exposure values. They also mentioned planned future work on the impact of Omnibus, securitisation and forbearance.
8. The coordinators of TWG 2 (Governance & Supervision, Accounting, Reporting & Disclosure) informed that there would be several CRR mandates planned for later this year and noted that while the TWG 2 was aiming at responding to most of them, it might be challenging if various CPs were published at the same time.
9. The coordinator of TWG 3 (Consumer Protection) mentioned that they were considering an own initiative work reflecting several BSG discussions on access to banking services, closing of banks' branches and on digital services. The TWG 3 would also be involved in preparing the response to AML CPs to highlight consumers' aspects.
10. The coordinator of TWG 4 (Sustainable Finance) informed that the TWG 4 has been preparing a response to the CP on draft Guidelines on ESG scenario analysis.
11. The coordinator of TWG 5 (Payments) said that the TWG 5 has been waiting for finalisation of mandates in PSD3 and in the meantime, was monitoring new types of frauds which have been raising concerns and therefore, the TWG 5 was considering preparing a note on the issue.
12. The coordinator of the TWG 6 (Financial Innovation & Digitalisation) informed about their contribution to the BSG response to the CP on draft RTS on the calculation and aggregation of crypto exposure values.
13. The coordinators of TWG 7 (AML/CFT) were not present and the BSG Chairperson noted that the TWG 7 prepared a response to the CP on amending RTS on Central Contact Point submitted to the EBA on 04 February 2025.
14. One BSG Member highlighted the importance of future work on fraud as well as reflection on existing reports on the topic.
15. The EBA Chairperson concluded by thanking the BSG for their contributions.

### **Agenda item 3: Simplification and proportionality in the work of the EBA**

16. The EBA Chairperson introduced the item by noting that simplification and burden reduction have become key topics in the EU. The EBA has been working on simplification and proportionality for many years but there seemed to be an opportunity to improve the efficiency of the regulatory and supervisory framework. For that purpose, the BoS has agreed to set up a dedicated task force, chaired by the EBA Vice-Chairperson, that has been

looking into different areas to assess the current situation of the EBA and to offer ways to improve.

17. The EBA Head of Governance and External Affairs Unit (GEA) continued by referring to the EBA's past and ongoing initiatives for a proportionate and efficient regulatory framework and mentioned a number of initiatives in the reporting area, in particular reporting platforms, follow-up measures to the 2021 EBA report on the cost of compliance with supervisory reporting (SNCIs reporting, Guidelines on resubmission of historical data) and the 2021 EBA's feasibility study on integrated reporting and measures to facilitate compliance with reporting requirements, such as signposting tool for reporting, reporting time traveller on EBA website, Q&As and validation rules forum for CAs. He also reflected on other areas and policy initiatives, such as establishment of the Joint Oversight venture for DORA supervision; move to more top-down EU-wide stress test; streamlining and merger of EBA risk reports, or set up of simple, transparent and standardised securitisation regime. The Head of GEA explained that the BoS would scrutinise four areas - production of regulatory products; reporting burden; internal working arrangements, and holistic approach of the EU prudential regulatory framework. He concluded by inviting the Members to contribute to the EBA's initial assessment and provide evidence of undue complexity in the regulatory and supervisory framework, such as excessive burden in reporting requirements, and reflect on the effectiveness of the EBA Single rulebook.
18. The EBA Vice-Chairperson stressed the crucial role of improving efficiency, use of resources and achieving resilient and competitive banking sector. He clarified that findings would be discussed with the BoS in July 2025 and following the agreement by the BoS, further developed and implemented. He named four principles – continuous resilience, efficiency without lowering standards, reliability, and prevention of fragmentation.
19. The Members welcomed the update. Several BSG Members asked for clarification on the BSG input to the work, in particular whether the EBA was expecting analytical input or rather examples from recent legislative requirements, and whether the EBA was planning to issue a discussion paper on the topic. They also highlighted that the work should not result in deregulation, specifically in the area of consumer protection. One Member proposed to consider, at the beginning of the work, the aim, strategy and what the EBA wanted to achieve. In this regard, he also suggested to reconsider a need of various data collections, the use of data and potential overlaps between data collections. On the evidence of undue complexity, one BSG Member stressed the challenges that the banking sector was facing with every new regulation. This Member questioned how the EBA was planning to measure and evaluate its work, what benchmarks would be set up and what the EBA's strategy was; i.e. to decrease compliance costs, or to ensure that these costs would not increase further. The Member also proposed to analyse possibilities of implementing AI tools and using these tools for transposing L2 and L3, including Q&As, into a tool which would help the stakeholders to find response to their questions related to the EBA' work. Finally, the Member mentioned that in accordance with DORA provisions, financial institutions had to evaluate 3rd party providers. In practise, the same provider had to be evaluated by multiple

institutions. The Member was of the view that this could be a case for harmonisation and more effective solution. Another practical example was mentioned by one BSG Member and referred to implementation of NPL templates. The templates included limited information and had to be complemented, at the national level, by additional templates. The Member pointed at the fact that such practice led to unnecessary fragmentation. Another Member noted differences in supervisory expectations, in particular on a cross-border level and asked for further harmonisation. One Member referred to cost benefit analysis and asked if the EBA was planning to analyse its products not only before they were developed but also once they were implemented. The Member also suggested that financial institutions should be asked to start implementing, without further delays, various legislative requirements when the EBA's technical standards were finalised to have sufficient time for implementation of necessary changes. One Member pointed at challenging timelines for the task forces and for the BSG to provide further input on the topic.

20. The EBA Chairperson clarified that the work was internal, and its conclusions would be presented to the EBA Board of Supervisors during its strategic meeting in July 2025. Given the internal set up, the EBA was not planning to issue any discussion paper before the meeting in July. However, concrete proposals would be then implemented in the EBA's work, the implementation and assessment of such proposals would be further considered by the EBA. In this regard, he also said that at the current early stage of the work, the views provided by the BSG Members in the discussion would be considered and that the BSG may provide also written feedback, in addition to the provided input.
21. In his response, the Head of GEA explained that the EBA has been conducting cost benefit analysis for its regulatory products and as part of the analysis, would consider how this analysis could be done more efficiently and during the implementation phase of the regulatory products. He stressed the need of a balance between building a regulatory framework and implementation of the regulation and welcomed the issues mentioned by the Members on NPLs, harmonisation and the use of AI in relation to which he referred to the signposting initiative that was, for now, implemented only for the reporting but its use could be wider.
22. The EBA Vice-Chairperson added that the primary focus would be on L2 and 3 and also welcomed the examples of fragmentation mentioned by the BSG which were good cases to be considered.
23. The EBA Chairperson concluded by noting the comments raised by the Members and their support for further work.

#### **Agenda item 4: Specific accounting-related aspects of Significant Risk Transfer in securitisation**

24. The EBA Chairperson introduced the item by the BSG Vice Chairperson, who presented on securitisation and risk transfer from an accounting perspective. He reflected on recognition rules for derivatives according to IFRS9 and focused on impairment and derecognition. He also referred to risk transfer via a true sale transaction and via credit derivative and explained specificities of consequences on risk transfers under various scenarios. He clearly pointed out that, from an accounting perspective, a transfer of credit risk depended on the timing of the transfer. Before a potential derecognition, the corresponding financial instruments first was subjected to an impairment test. If the financial instruments have not yet experienced a significant deterioration in credit quality, a credit risk transfer was successful. However, if the financial instruments have already suffered a significant deterioration or have already been individually impaired, the impairments have already been expensed in the income statement (lifetime expected losses have to be booked immediately). In these cases, the credit risk that can subsequently be transferred is minimal. The BSG Vice Chairperson noted that for credit swap transactions, accounting derecognition may not be achieved and that some volatility may emerge due to the recognition of the derivative in the balance sheet of the originator. Generally, when junior/mezzanine tranches were sold to third party investors, true sale securitisations achieve accounting derecognition, while synthetic transactions did not. As a consequence, for the latter, the underlying pool of loans would continue to be recorded in the balance sheet. Moreover, a new derivative (i.e. the CDS used to transfer synthetically the risk to the SPPE) would also be recognised, which could lead to some volatility in P&L in case it would not be possible to hedge it. The BSG Vice Chairperson concluded by comparing true sale (traditional) securitisation with synthetic in terms of accounting treatment.
25. In response, a BoS Member agreed with the BSG Vice Chairperson's conclusions on accounting aspects. He commented on the interplay between the accounting and prudential frameworks, noting that for prudential purposes a specific test was envisaged by the current framework which diverged from the accounting provisions and focused on the transfer of the unexpected loss. From a prudential perspective, derecognition followed the SRT process as set out in the CRR, which was also applicable to NPEs transactions. He cited Articles 244 and 245 of the CRR, which applied to traditional and synthetic securitisations respectively, alongside the EBA guidelines that developed the legal framework. The BoS Member referred to the link between accounting derecognition and SRT, noting that the SRT criteria in the CRR did not distinguish between IFRS 9 stages, which affected the related aspects of the determination of the expected credit losses. The BoS Member also noted that for NPEs transactions the SRT test focuses on the net balance sheet exposures (i.e. net of the corresponding provisions already accounted in the P&L) as this was also reflected in the price of the transfer. Based on experience, NPL securitisation allowed for accounting and prudential derecognition.

26. The EBA Senior Policy Expert noted that the derecognition criteria envisaged by IFRS 9 may lead in some circumstances to a final outcome divergent from the prudential framework, as in the case of credit swap transactions which generally led to prudential derecognition. He stated such divergence was expected given that prudential and accounting frameworks were built on different foundations and pursue different objectives, with the accounting criteria being more stringent as requiring the transfer of all risks and rewards while the SRT test focused on the transfer of the only credit risk. He noted that despite the different perspectives of the two frameworks, it was important to remain aware of the accounting treatment and assess if the volatility introduced may constitute an issue for banks (despite, so far, the EBA has not concrete evidence in this regard). He concluded that this issue may be also discussed with accounting auditors to get additional insights from the industry.
27. One BSG Member inquired whether and how accounting rules have been amended to address gaps following the great financial crisis. Another BSG Member further commented that prudential rules have changed dramatically, with the most notable changes being in transparency and retention requirements.
28. The BSG Vice Chairperson responded, stating that there have been major changes to accounting rules since the great financial crisis. The standard on financial instrument accounting followed an expected loss model. Additionally, changes to consolidation criteria and derecognition process which followed a risk/reward approach. He continued, stating that depreciation rules have not been changed. The BSG Vice Chairperson also acknowledged awareness of both articles referenced by the BoS Member. The aim was to highlight the differences and keep in mind that the prudential framework could appear different from the accounting treatment. It was important to refer back to accounting as much as possible and aim to clarify the two securitisation accounting outputs. Impairment rules could change the initial expectation of expected losses, which then needed to be reflected in the deterioration of credit quality in the P/L statement, which was unavoidable from an accounting perspective.

#### **Agenda Item 5: AOB**

29. The EBA Chairperson announced that the next Joint BoS/BSG meeting was scheduled for 15 October 2025 as a physical meeting at the EBA in Paris.
30. The Members did not raise any other business comments.

## Participants of the Joint Board of Supervisors and Banking Stakeholder group conference call on 25 March 2025<sup>1</sup>

**EBA Chairperson:** Jose Manuel Campa

**BSG Chairperson:** Christian Stiefmueller

### BoS

<b>Country</b>	<b>Voting Member/High-Level Alternate</b>	<b>National/Central Bank</b>
1. Austria	Helmut Ettl	Josef Meichenitsch
2. Belgium	Jo Swyngedouw/Kurt Van Raemdonck	
3. Bulgaria	Stoyan Manolov	
4. Croatia	Sanja Petrinic Turkovic	
5. Cyprus	Mariza Platritou	
6. Czech Republic	Marcela Gronychova	
7. Denmark	Louise Mogensen	Morten Rasmussen
8. Estonia	Andres Kurgpold	Timo Kosenko
9. Finland	Marko Myller	Katja Taipalus
10. France	Francois Haas	
11. Germany	Adam Ketessidis	Alexander Schulz
12. Greece	Heather Gibson	
13. Hungary		
14. Ireland	Yvonne Madden	
15. Italy	Guiseppe Siani/Andrea Pilati	
16. Latvia	Kristine Cernaja-Mezmale/Ludmila Vojevoda	
17. Lithuania	Simonas Krepsta/Renata Bagdoniene	
18. Luxembourg		Christian Friedrich
19. Malta	Christopher Buttigieg/Anabel Armeni Cauchi	Oliver Bonello
20. Netherlands	Willemieke van Gorkum	
21. Poland	Artur Ratasiewicz	Olga Szczepanska
22. Portugal	Rui Pinto/Jose Rosas	
23. Romania	Catalin Davidescu	
24. Slovakia	Tatiana Dubinova/Linda Simkovicova	
25. Slovenia	Damjana Iglic	
26. Spain	Daniel Perez Cid/Agustin Perez Gasco	
27. Sweden	Henrik Braconier	David Forsman

### **EFTA Countries**

### **Member**

1. Iceland		
2. Liechtenstein	Markus Meier	
3. Norway	Bjorn Andersen	Sindre Weme

<sup>1</sup> Pascal Hartmann (FMA); Eida Mullins, Andrew Ennis (Central Bank of Ireland); Marek Sokol (CNB); Marco Giornetti (Bank of Italy); Catherine Attard, Ivan-Carl Saliba (MFSA); Caro Dullemond (DNB); Esther Palomeque (Bank of Spain); Eva-Maria Luedemann (Bundesbank); Francesco Pennesi (SRB); Frida Alvarsson (Finansinspektionen); Liga Kleinberga (Latvijas Banka); Marcio Mateus, Antonio Sanchez (ESRB); Markus Schweiger (OENB); Pawel Gasiorowski (NBP)

**Observer**

1. SRB

**Representative**

Javier Dominguez

**Other Non-voting Members**

1. ECB Banking Supervision/ECB
2. ESRB
3. European Commission
4. EIOPA
5. ESMA
6. EFTA Surveillance Authority

**Representative**

Thijs Van Woerden/Katrin Assenmacher  
 Tuomas Peltonen  
 Almore Rubin de Cervin  
  
 Louise Waller  
 Marta Runarsdottir

**BSG**

<b>First Name</b>	<b>Surname</b>	<b>Institution</b>	<b>Country</b>
Alin Eugen	Iacob	AURSF	Romania
Anna-Delia	Papenberg	Nordic Financial Union	Germany
Caroline	Liesegang	AFME	Germany
Christian	Stiefmueller	Finance Watch	Germany
Christophe	Nijdam	ADAM	France
Dermott	Jewell	Consumers' association of Ireland (CAI)	Ireland
Dominique	Carriou	European Savings Banks Group	France
Edgar	Loew	Frankfurt School of Finance and Management	Germany
Erik Isak	Bengtzbøe	Eurofinas - European Federation of Finance House Associations	Sweden
Fotios	Pasiouras	MBS School of Business	Greece
Gema	Diaz-Ufano Navarro	Santander	Spain
Gonzalo	Gasos	European Banking Federation	Spain
Guillermo	De la Fuente	European Association of Corporate Treasurers	Spain
Henrik	Ramlau-Hausen	Copenhagen Business School	Denmark
Jekaterina	Govina	Amlyze	Lithuania
Joshua	Kaplan	Satisfay	France
Julia	Strau	Raiffeisen	Austria
Kęstutis	Kupšys	Lithuanian Consumers Alliance	Lithuania



Laura	Grassi	University of Milano	Italy
Laura	Nieri	University of Genova	Italy
Maria	Angiulli	Italian Banking Association	Italy
Marieke	Van Berkel	European Association of Cooperative Banks	Netherlands
Paolo Giuseppe	Grinaschi	Italian trade union for financial sector	Italy
Patricia	Bogard	Crédit Agricole	France
Patricia	Suarez Ramirez	ASUFIN	Spain
Riina	Salpakari	Nordea	Finland
Sandra	Burggraf	FIA – European Principal Traders Association	France
Vinay	Pranjivan	DECO	Portugal

**EBA**

Executive Director	Francois-Louis Michaud
Directors	Isabelle Vaillant Meri Rimmanen Marilyn Pikaro
Heads of Unit	Philippe Allard
Experts	Tea Eger Sam Myer Danilo Barbagallo Sebastian Deka
For the Board of Supervisors	For the Banking Stakeholder Group
Done at Paris on 21 May 2025	Done at Paris on 21 May 2025
[signed]	[signed]
José Manuel Campa	Christian Stiefmueller
EBA Chairperson	BSG Chairperson