

EBA comprehensive approach to loan origination

FOCUS

Prudent credit risk taking and management

Consumer protection

OUTLINE OF THE GUIDELINES

INTERNAL GOVERNANCE

Credit decision-making
Risk management and control
IT and data infrastructure
Automated models and model governance
FinTech

CREDITWORTHINESS ASSESSMENT

Consumers, SME and corporates
Automated models

PRICING

Risk-based pricing

MONITORING FRAMEWORK

Exposures and borrowers
Regular credit review of corporate borrowers
IT and data infrastructure

LOAN ORIGINATION PROCEDURES

Automated models
Environmentally sustainable lending
ESG factors
AML/CFT

VALUATION OF COLLATERAL

Immovable and movable property
Initial valuation, re-valuation and monitoring
Requirements for valuers
Advanced statistical models