



# EBA workshop: EBA recommendations on cloud outsourcing – Implementation benefits and challenges The way forward

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# Benefits

- Clarity of expectations
- Legal certainty in contracts
- Level of EU harmonisation
- Proportionality
- Register is useful tool for all outsourcing
- Facilitated dialogue between industry and supervisors

# Obstacles to cloud adoption by banks

## **Supervisors** - Contractual Restrictions

**CSPs** - Harmonisation at national level (more work on consistent implementation needed), rules may stifle innovation, audits (burdensome, more clarity needed of requirements, lack of trust in audits provided, can be quickly outdated), notifications for sub-contracting.

**Institutions** – clarity on materiality criteria relevant for notification process, regulations must allow cloud adoption globally, not technologically neutral (cloud specific regulation), aspects of cloud not covered (managing a multi model capability). Banks need to 'cloud ready' – IT architecture to allow adoption at scale, skill gaps.

## Going forward

- Certifications – security standards
- Switching and porting
- Implementation of Recommendations at national level

# Questions

- Are there other obstacles not mentioned yet?
- What is the outlook for CSPs in the future- Risks of only looking at CSPs in outsourcing framework?





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