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| European Banking Authority (EBA) |  **Division Bank and Insurance**Austrian Federal Economic ChamberWiedner Hauptstraße 63 | P.O. Box 3201045 ViennaT +43 (0)5 90 900-DW | F +43 (0)5 90 900-272E bsbv@wko.atW http://wko.at/bsbv |

Your ref., Your message of Our ref., person in charge Extension Date

53 BSBV 53/Kern 3132 21st Nov 2016

**MREL – EBA Consultation Paper - Draft ITS on procedures and templates on MREL**

The Division Bank and Insurance of the Austrian Federal Economic Chamber, as representation of the entire Austrian banking industry, appreciates the possibility to comment on the above cited consultation paper and would like to submit the following position:

**General comments**

We appreciate EBA’s efforts in weighting costs for the authorities and the need to provide transparency on how Resolution Authorities apply the factors considered in the RTS on MREL when reaching individual decisions. The proposal put forward by EBA seems to strike a sensible balance.

Even though this could exceed EBA’s mandate under Article 45(17) of the BRRD to develop procedures and templates for the identification and transmission of information, we would appreciate it if the level of granularity provided for the reporting by RAs (resolution authorities) to EBA could be seen as a minimum standard for the level of detail to be provided by the RAs to the institutions concerned.

**Question 1:**

*Do you consider that any of the components of the ITS Templates presented in the Annex I and Annex II to inform the EBA of the minimum requirement for own funds and eligible liabilities are not appropriate, and if so why?*

We understand the reporting of the leverage ratio denominator as a potential backstop calibration for MREL in-line with TLAC.

**Question 2:**

*Do you consider that any additional components are needed to be included in the templates presented in Annex I and Annex II, and if so why?*

No.

**Question 3:**

*Do you consider it necessary to split the line 190 of the Annex 1 ‘downward adjustment taking into account information received from the competent authority relating to the institution's business model, funding model, and overall risk profile’ into invidual lines for each component i) business model, ii) funding model, and iii) overall risk profile?*

No, as we would expect to report more granular data according to these components to the NRA.

Furthermore we would suggest to include a justification, if no such adjustment is made.

**Question 4:**

*Do you consider it necessary to add additional lines to gather information on MREL subordi-nation requirements? If yes, how granular information is needed?*

We prefer a harmonization which refers to the principles of the French approach.

**Additional Comment:**

As described under Art 2 Draft Text, information on MREL shall be transmitted by 1st May each year, consisting of the MREL that is applied at 1st April the same year. Here we encourage to change (or extend) this approach and define a transmission of any change in MREL at the time it occurs. As an MREL decision (following an SREP) is not automatically made at the same time for each institution (e.g. at the end of each year) it would make sense to incorporate this fact.

We ask you to give our remarks due consideration.

Yours sincerely,

Dr. Franz Rudorfer

Managing Director

Division Bank and Insurance