
Consultation Paper on RTS and ITS on prudentially material operations under the CRD

Public hearing: 4 February 2026

Public hearing structure and functioning

Public hearing structure

Introduction: Isabelle Vaillant (EBA, PRSP Director) and Francesco Mauro (EBA, Head of Unit)

RTS on prudentially material operations

ITSs Cooperation

Next steps

Q&A session

Suggestions for an efficient session

Should you need assistance or would like to intervene:

- write on Teams chat to any of the hosts or publicly;
- raise your hand on Teams.

To avoid background noise, please stay muted unless you take the floor.

To increase audio quality please turn off video streaming.

Please identify yourself (if you don't use full name on Teams).



01

Prudentially material operations

Prudentially material operations

Acquisition of material holdings

- **Notification trigger:** reach of materiality threshold by proposed acquirer on consolidated or individual basis, or both
- **Prudential assessment** of sound and prudent management and of AML/CFT by CA of the proposed acquirer

Transfer of material assets or liabilities

- **Notification trigger:** reach of materiality threshold by transferor or transferee.
- No supervisory assessment under CRD6

Mergers and Divisions

- **Notification** to CA of the financial stakeholder that carries out the merger or division
- **Prudential assessment:** reputation, financial soundness, sound and prudent management, implementation plan, AML/CFT
- **Cooperation** between CAs of all financial stakeholders or entities involved

Mandates conferred to the EBA

- 1 single articulated RTS of all three tools, but different scope depending on the tool
- 2 ITSs on cooperation between the CA in charge of the assessment and other authorities of financial sector entities involved

| Tool | RTS a) minimum list of information for the notification | RTS b) methodology for assessment criteria | RTS c) process for assessment | ITSs cooperation among authorities |
|---|--|---|-------------------------------------|---|
| Material acquisitions | EBA mandate | EBA mandate | EBA mandate | EBA mandate |
| Material transfer of assets or liabilities | EBA mandate | NO EBA mandate | NO EBA mandate | NO EBA mandate |
| Mergers and divisions | EBA mandate | EBA mandate | EBA mandate | EBA mandate |

2 ITSs on
cooperation
merged = 1 ITS

RTS + ITS =
1 Consultation
paper



02

RTS on prudential material operations

Proportionality: general aspects

Level 1



- Balance** between levelling playing field, administrative burden, safety and soundness of the entities carrying out the material operation
- Discretionary assessment of:**
 - a) **intra-group** material acquisitions, mergers and divisions;
 - b) Material acquisitions between entities of same IPS

RTS prudentially material operations



- Exemption** from submission of information already in possession of CA
- Level of detail** reflecting materiality, size, complexity and risk profile
- Reduced list of information** for material acquisitions, mergers and divisions in cases of discretionary assessments
- Mergers and divisions:** leverage on documents prepared for purposes of Company Law Directive

Determination of materiality threshold

Material holdings



- Materiality threshold:** acquired holdings \geq 15% eligible capital of the proposed acquirer on consolidated or individual basis, or both
- Determination:** greater of the ratios between the purchase price or the book value of the material holding and the proposed acquirer's eligible capital as per the latest reporting
- Anti-circumvention:** aggregation of acquisitions of holdings in the same target carried out in the last 12 months

Material transfers



- Materiality threshold:** transferred asset or liabilities \geq 10% total value of assets or liabilities of the transferee or transferor; or 15% in case of intra-group transactions
- Determination:** the greater of the ratios, separately calculated for assets and liabilities, between:
 - (a) the purchase price of the assets and liabilities and the book value of the acquirer's total assets or liabilities
 - or
 - (b) the book value of the assets or liabilities and the book value of the acquirer's total assets or liabilities

Mergers and divisions: no materiality threshold. All operations to be notified

Acquisitions of material holdings – overview

Information requirements

- Clarification of indirect acquisitions
- Business plan in baseline and stress scenario - Financial and prudential forecasts - Material changes to internal governance
- AML/CFT

Assessment methodology and process

- Forward-looking continuous compliance with prudential and AML/CFT requirements post acquisition
- Attention to material changes to business model, internal governance and AML/CFT risks
- Process: inspired by process for qualifying holdings. Complete notification, assessment, pre-notification contacts

Requirements and approach common to material transfers, mergers and divisions

- Internal cross-references to provisions of this Chapter

Material transfers: approach to information requirements

| Transferor and transferee | Transferor | Transferee |
|--|--|--|
| <ul style="list-style-type: none">• Determination of materiality threshold• Description of transferred assets or liabilities• General proportionality criteria | <ul style="list-style-type: none">• Information for next 3 years on a baseline scenario basis:<ul style="list-style-type: none">• impact on profitability• financial and prudential forecasts• forecast accounting plans | <ul style="list-style-type: none">• 3-year business plan base and stress scenario• Financial and prudential forecasts• Material changes to internal governance |

Proportionality: information specific approach for mergers and divisions

No materiality threshold in Level 1

Overarching criteria

- Entity being acquired has total assets ≤ EUR 1 bn
- Sum of total assets of merging and merged entities ≤ EUR 5 bn

Further reduced information

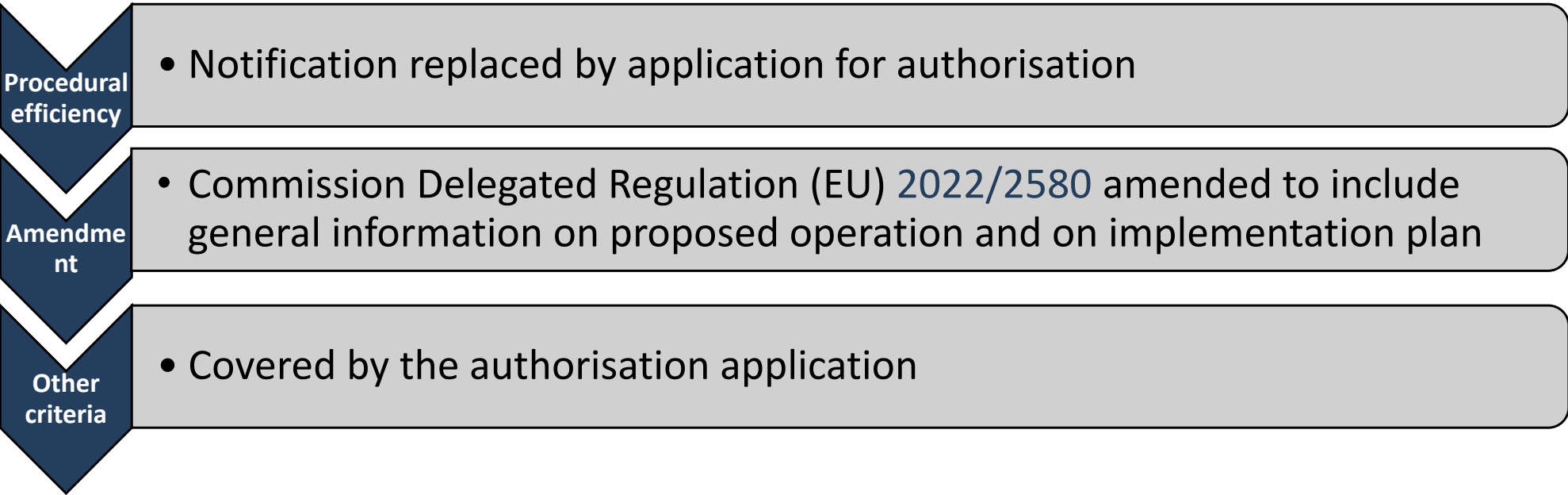
Subsequent criteria (where the general criteria do not apply)

- Intra-group mergers
- Purchase price or book value of merged entity <15% of total eligible capital of merging entity (Level 1 materiality threshold for material acquisitions)

Same set of reduced information

Mergers and divisions: authorisation of new credit institution

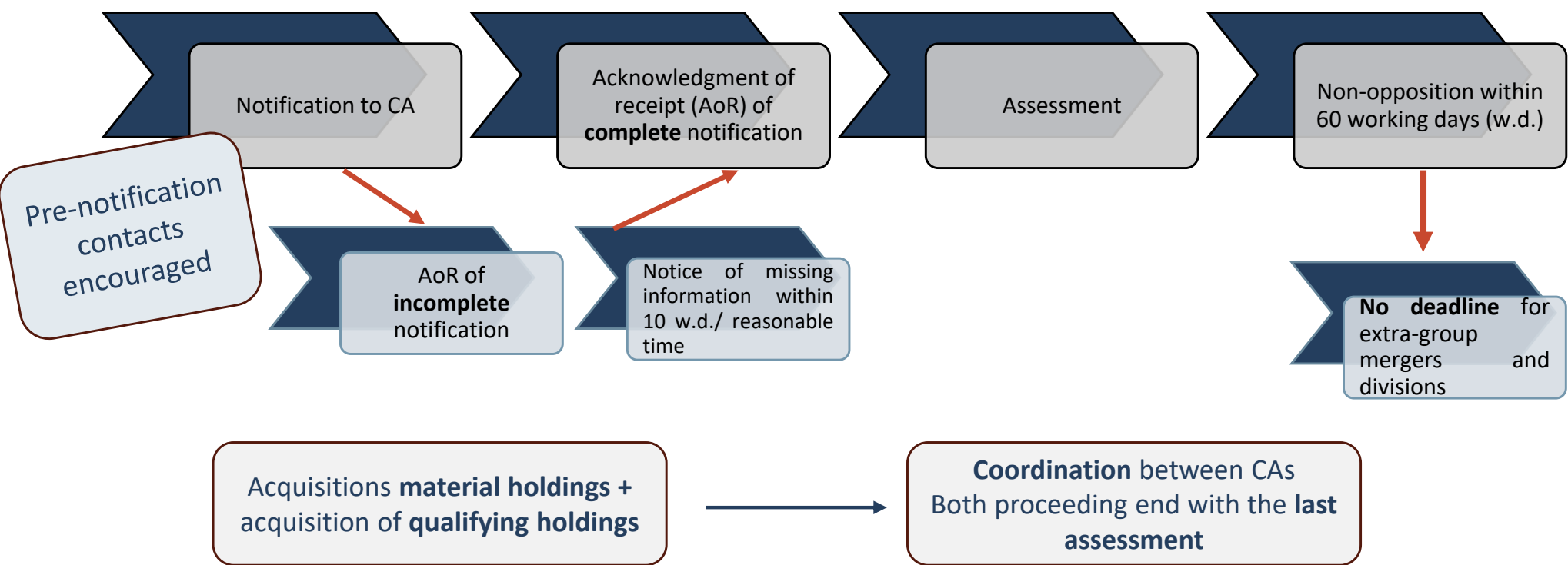
Article 27i(3) CRD6: no assessment where merger or division involve the licensing of a new credit institution. Notification, however, is not waived



Mergers and divisions: specific issues

| | |
|---|---|
| Badwill (material acquisitions, mergers and divisions) | <ul style="list-style-type: none">• In case of materiality of badwill on ability to meet prudential requirements• CAs to assess opportunity of mitigation or supervisory measures until the sustainability of the business model is firmly established |
| Pillar 2 (mergers and divisions) | <ul style="list-style-type: none">• Consistency between post merger Pillar 2 and business and implementation plans• Common and transparent reference to identification of the additional requirements to be factored into their plans. No new capital decision |
| Systematicity | <ul style="list-style-type: none">• Likelihood of post merger changes of systemic importance• CA to coordinate with the relevant macroprudential authorities |
| Divisions | <ul style="list-style-type: none">• RTS builds up on approach set out in Company Law Directive: terminology correspondence between provisions on mergers and on divisions and use of cross-references• Flexible approach: margins for adjusting content of notification depending on transaction and entities involved |

Material acquisitions, mergers and divisions: process





03

ITS on Cooperation between authorities

ITSs on Cooperation between authorities: overview

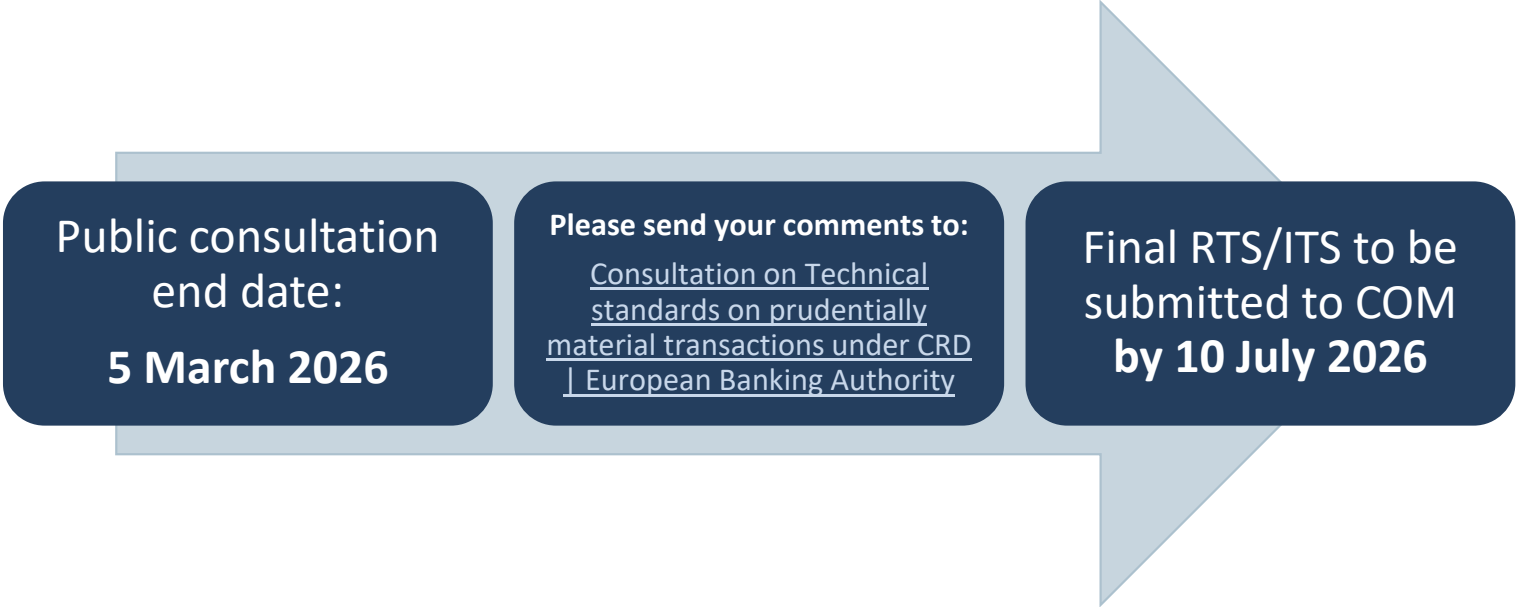
| Material acquisitions, mergers and divisions | Material acquisitions (one threshold reached) | Material acquisitions (two thresholds reached) |
|---|---|--|
| <ul style="list-style-type: none">• Consultation and coordination procedure between involved CAs• Parallel proceedings (i.e. material acquisition also amounts to acquisition of qualifying holdings are also covered)• Standard forms of consultation notice and response | <ul style="list-style-type: none">• Material threshold reached on individual <u>or</u> consolidated basis and the 2 CAs are different• Consultation between the CA in charge of the assessment and the other CA where material holdings are acquired in supervised entities | <ul style="list-style-type: none">• Material threshold reached on individual <u>and</u> consolidated basis and the 2 CAs are different• Coordination and consultation process• Process for joint decision between the consolidating supervisor (in the lead) and the other CA• Finalisation of the procedure only upon reach of joint decision or EBA mediation |



04

Timeline and consultation questions

Next steps



Consultation questions (1/2)

Question n. 1: Do you agree with the methodology laid down in Article 1(2) on the determination of the materiality threshold?

Question n. 2: Do you consider that proportionality is well embedded in this Chapter 1, in particular regarding the list of information laid down for specific cases of material acquisitions referred to in Article 7(3)?

Question n. 3: Does Article 13 on process sufficiently encompass the different use-cases on material acquisitions?

Question n. 4: Do you agree with the list of information to be submitted in case of a material transfer of assets or liabilities, in particular the differentiation between transferee and transferor?

Question n. 5: Do you consider that proportionality is sufficiently reflected in the threshold and cases covered by Article 24(2) and (3) as regards the requested set of reduced information and the related proportionate assessment set out in Articles 25 to 27?

Consultation questions (2/2)

Question n. 6: Do you agree with the flexibility developed under Articles 23 and 27 in relation to goodwill, Pillar 2 requirements and the assessment of systemic importance?

Question n. 7: Do you agree with the information requested in case of a merger or division requiring the authorisation of a credit institutions via the amendment to Commission Delegated Regulation (EU) No 2022/2580 under Article 35?

Question n. 8: Do you think that the draft RTS is sufficiently clear, comprehensive and suitable for each material operation / adequate for a smooth proceeding?

Question n. 9: Do you agree with the steps and the timeline for the consultation process between requesting and requested authorities in case of proposed material acquisitions or proposed mergers or divisions?

Question n. 10: Do you consider the processes set out in Chapters 2 and 3 in relation to material acquisitions sufficiently clear, comprehensive and adequate for a smooth proceeding?



ANY QUESTIONS?

EBA Regular Use



Floor 24-27, Tour Europlaza
20 Avenue André Prothin
92400 Courbevoie, France

Tel: +33 1 86 52 70 00
E-mail: info@eba.europa.eu

<https://eba.europa.eu/>