**ANNEX II**

**INSTRUCTIONS FOR COMPLETING REPORTING ON MREL DECISIONS**

[**PART I: GENERAL INSTRUCTIONS** 2](#_Toc58422266)

[**1.** **Scope of the notification** 2](#_Toc58422267)

[**2.** **Scope of consolidation** 2](#_Toc58422268)

[**3.** **Deadline for submission** 2](#_Toc58422269)

[**PART II: TEMPLATE-RELATED INSTRUCTIONS** 3](#_Toc58422270)

[**4.** **M 20.00 – Reporting on MREL decisions** 3](#_Toc58422271)

[4.1 Instructions concerning specific columns 3](#_Toc58422272)

**PART I: GENERAL INSTRUCTIONS**

1. This annex covers instructions for reporting on the minimum requirement for own funds and eligible liabilities (MREL) set by the resolution authorities in accordance with Article 45j of the Bank Recovery and Resolution Directive (BRRD).
2. Each resolution authority, in coordination with competent authorities, shall inform the EBA of the minimum requirement for own funds and eligible liabilities set for each institution under its jurisdiction. With regard to resolution groups, the group-level resolution authority shall transmit the relevant information for the parent entity (on a consolidated basis and, where applicable, on an individual basis). Each resolution authority shall transmit the information regarding the MREL set in relation to resolution groups and subsidiaries.
3. For groups established or having subsidiaries within the banking union, the Single Resolution Board will report on decisions taken in relation to all entities falling under its jurisdiction as defined in Article 7(2) of the Single Resolution Mechanism Regulation.
4. Where the underlying data are in a currency other than euro, the authorities shall use European Central Bank euro foreign exchange reference rates (https://www.ecb.europa.eu/stats/policy\_and\_exchange\_rates/euro\_reference\_exchange\_rates/html/index.en.html) as at the date of the MREL decision and report all amounts in euro.
5. Where an institution has been exempted from MREL, this shall be indicated in column 0090, and for the resolution authority simplified reporting is permitted, with only the information in columns 0010 to 0100 to be reported. Where an institution is subject to a zero recapitalisation amount and no adjustment is made to the loss-absorbing amount, the resolution authority can opt for simplified reporting and report only the information in columns 0010 to 0080.
6. **Scope of the notification**
7. Institutions (including investment firms, as per Article 2(1) (23) of the BRRD) and entities referred to in points (b), (c) and (d) of Article 1(1) of the BRRD (under Article 45(1) of the BRRD), except mortgage credit institutions financed by covered bonds (under Article 45a BRRD).
8. **Scope of consolidation**
9. The underlying data shall be reported on an individual basis for each institution within each Member State, and at the level of the Union parent undertaking on a consolidated basis, or, where different, for each resolution entity at consolidated resolution group level, and where relevant at subconsolidated level for institutions that are not themselves resolution entities.
10. **Deadline for submission**
11. Resolution authorities shall transmit the information for the MREL applicable at 1 May of each year by 31 May.

**PART II: TEMPLATE-RELATED INSTRUCTIONS**

1. **M 20.00 – Reporting on MREL decisions**
	1. Instructions concerning specific columns

|  |  |
| --- | --- |
| Column | Legal references and instructions |
| 0010 | **ENTITY CODE**Code of the entity for which the MREL decision has been made. For institutions, the code shall be the 20-digit, alphanumerical legal entity identifier (LEI) code. For other entities, the code shall be the 20-digit, alphanumerical LEI code, or if not available a code under a uniform codification applicable in the Union, or if not available a national code.The code shall be consistent with the code reported for the same institution under the Reporting Regulation (Commission Implementing Regulation (EU) 2018/1624). The code shall always have a value. This code shall be the unique identifier for each column for the relevant entity. |
| 0020 | **TYPE OF CODE**The reporting authority shall identify the type of code reported in column 0010 as an ‘LEI code’ or ‘Non-LEI code’. The type of code shall always be reported. |
| 0030 | **RESOLUTION ENTITY CODE**Code of the resolution entity to which the entity belongs. This code shall be the same as in the column 0010 if the decision reported is a group decision. For institutions, the code shall be the 20-digit, alphanumerical LEI code. For other entities, the code shall be the 20-digit, alphanumerical LEI code, or if not available a code under a uniform codification applicable in the Union, or if not available a national code.The code shall be consistent with the code reported for the same institution under the Reporting Regulation (Commission Implementing Regulation (EU) 2018/1624). |
| 0040 | **TYPE OF CODE**The reporting authority shall identify the type of code reported in column 0030 as an ‘LEI code’ or ‘Non-LEI code’. The type of code shall always be reported. |
| 0050 | **CONSOLIDATION PERIMETER**Reporting authorities shall report one of the following:* Resolution group
* Individual
* Subconsolidated level
 |
| 0060 | **TYPE OF INSTITUTION**Reporting authorities shall report one of the following:* Global systemically important institution (G-SII): as defined in point (133) of Article 4(1) of Regulation (EU) No 575/2013.
* Top tier: the resolution entity is part of a resolution group the total assets of which exceed EUR 100 billion at resolution group level.
* Pillar 1 bank (fished): the resolution entity is part of a resolution group the total assets of which are lower than EUR 100 billion and which the resolution authority has assessed as reasonably likely to pose a systemic risk in the event of its failure.
* Other credit institution.
* Investment firm.
 |
| 0070 | **INTERNAL OR EXTERNAL?**Reporting authorities shall report one of the following:* Internal: MREL applied to entities that are not themselves resolution entities pursuant to Article 45f of the BRRD.
* External: MREL applied to entities that are resolution entities pursuant to Article 45e of the BRRD.
 |
| 0080 | **SIMPLIFIED REPORTING**Reporting authorities shall indicate whether simplified reporting for institutions for which the recapitalisation amount is zero and where no adjustment to the loss-absorbing amount has been made is applied:* Yes
* No
 |
| 0090 | **WAIVER**Reporting authorities shall indicate if the waiver was granted on the basis of the following articles of the BRRD or on another basis:* 45f(3)
* 45f(4)
* 45g
* Another basis
 |
| 0100 | **REASON FOR WAIVER**If an option other than ‘No’ has been reported in column 0090, reporting authorities shall describe the reason for applying the waiver. |
| 0110–0150 | **RESOLUTION STRATEGY AND TOOLS** |
| 0110 | **RESOLUTION STRATEGY**Reporting authorities shall report one of the following:* Single point of entry
* Multiple point of entry
* Liquidation
 |
| 0120 | **MAIN RESOLUTION TOOL (PREFERRED STRATEGY)**Reporting authorities shall report one of the following:* Open bank bail-in
* Bridge institution
* Asset separation
* Sale of business
* N/A

If column 0110 was reported as ‘Liquidation’, column 0120 shall be reported as N/A.  |
| 00130 | **SECOND RESOLUTION TOOL (PREFERRED STRATEGY)**Reporting authorities shall report one of the following:* Open bank bail-in
* Bridge institution
* Asset separation
* Sale of business
* N/A

If column 0110 was reported as ‘Liquidation’ or if no alternative strategy has been set, this column shall be reported as N/A. |
| 0140 | **MAIN RESOLUTION TOOL (VARIANT STRATEGY)**Reporting authorities shall report one of the following (if applicable):* Open bank bail-in
* Bridge institution
* Asset separation
* Sale of business
* N/A

If column 0110 was reported as ‘Liquidation’, this column shall be reported as N/A. |
| 0150 | **SECOND RESOLUTION TOOL (VARIANT STRATEGY)**Reporting authorities shall report one of the following:* Open bank bail-in
* Bridge institution
* Asset separation
* Sale of business
* N/A

If column 0110 was reported as ‘Liquidation’, or if no alternative strategy has been set, this column shall be reported as N/A. |
| 0160–0190 | **SUPERVISORY PILLAR 2 AND COMBINED BUFFER REQUIREMENT**The information on Pillar 2 requirements used as input for calibrating MREL shall be based on the latest available official own funds requirements communicated by the competent authority at the time of the calibration of MREL. |
| 0160 | **REFERENCE DATE**The date when the competent authority communicated the Pillar 2 requirements and combined buffer requirement to the institution.  |
| 0170 | **REQUIREMENT AS A PERCENTAGE OF TOTAL RISK EXPOSURE AMOUNT (TREA)**Pillar 2 requirement to hold additional own funds in excess of these requirements, in particular pursuant to Article 104(1)(a), of the Capital Requirements Directive (CRD) used to calibrate MREL or as estimated as per ITS BRRD, Article 45c(4). |
| 0180 | **COMBINED BUFFER REQUIREMENT**Combined buffer requirement referred to in point (6) of Article 128 of the CRD. The amount reported shall represent the amount of own funds needed to fulfil the respective capital buffer requirements or as estimated as per ITS No (…) BRRD, Article 45c(4). |
| 0190 | **OF WHICH: COUNTERCYCLICAL CAPITAL BUFFER**Point (2) of Article 128, Article 130 and Articles 135 to 140 of the CRD. The amount reported shall represent the amount of own funds needed to fulfil the respective capital buffer requirements used to calibrate MREL. |
| 0200–0260 | **BALANCE SHEET DATA USED TO CALIBRATE MREL** |
| 0200 | **REFERENCE DATE**Reference date of the data reported in columns 0210 to 0260.  |
| 0210–0230 | **BEFORE RESOLUTION**Balance sheet data used to calibrate MREL before resolution. |
| 0240–0260 | **AFTER RESOLUTION**Balance sheet data used to calibrate MREL after resolution. |
| 0210, 0240 | **TREA**TREA in accordance with Article 45(2)(a) of the BRRD and Article 92(3) of the Capital Requirements Regulation (CRR). |
| 0220, 0250 | **TOTAL LIABILITIES AND OWN FUNDS (TLOF)**Sum of all liabilities and own funds of the reporting entity. With respect to derivatives, the value to be used shall be the sum of net liability positions, taking into account prudential netting rules.This item corresponds to the information reported in row 0600 of template Z 02.00 of Annex I to Commission Implementing Regulation (EU) 2018/1624. |
| 0230, 0260 | **TOTAL EXPOSURE MEASURE (TEM)**TEM in accordance with Article 45(2)(b) of the BRRD and Articles 429(4) and 429a of the CRR. |
| 0270–0380 | **MREL DECISION** |
| 0270 | **DECISION DATE**Date when the resolution authority decided the MREL or made the waiver decision. |
| 0280 | **COMPLIANCE DATE**Date from when the institution shall comply with the MREL or waiver decision. |
| 0290 | **REQUIREMENT AS A PERECENTAGE OF TREA**Reporting authorities shall report MREL expressed as a percentage of TREA calculated in accordance with Article 92(3) of the CRR. |
| 0300 | **OF WHICH: MAY BE MET WITH GUARANTEES**The part of the requirement reported in column 0290 that upon permission of the relevant resolution authority may be met with a guarantee provided by the resolution entity in accordance with Article 45f(5) of the BRRD, expressed as a percentage of TREA calculated in accordance with Article 92(3) CRR. |
| 0310 | **REQUIREMENT AS A PERCENTAGE OF TEM**The entity’s MREL expressed as a percentage of TEM calculated in accordance with Articles 429(4) and 429a of the CRR. |
| 0320 | **OF WHICH: MAY BE MET WITH GUARANTEES**The part of the requirement reported in column 0310 that upon permission of the relevant resolution authority may be met with a guarantee provided by the resolution entity in accordance with Article 45f(5) of the BRRD, expressed as a percentage of TEM calculated in accordance with Articles 429(4) and 429a of the CRR. |
| 0330–0340 | **TOTAL SUBORDINATION AS A PERCENTAGE OF TREA**Reporting authorities shall report the subordination requirement levels expressed as a percentage of TREA (100% for internal MREL).  |
| 0350–0360 | **TOTAL SUBORDINATION AS A PERCENTAGE OF TEM**Reporting authorities shall report the subordination requirement levels expressed as a percentage of TEM (100% for internal MREL). |
| 0330, 0350 | **MANDATORY PILLAR 1 SUBORDINATION REQUIREMENT**Reporting authorities shall report the subordination requirement levels in accordance with Articles 45(b)(4), 45c(5) and (6) and Article 45d(2)a of the BRRD. |
| 0340, 0360 | **DISCRETIONARY PILLAR 2 SUBORDINATION REQUIREMENT**Reporting authorities shall report the subordination requirement levels in accordance with Articles 45b(5) and (7) of the BRRD, including any impact from 8% TLOF.  |
| 0370 | **SENIOR DEBT ALLOWANCE**For G-SIIs, reporting authorities shall report the share of liabilities allowed to qualify as eligible liabilities instruments up to an aggregate amount that does not exceed 3.5% of the TREA calculated in accordance with Articles 92(3) and (4) of the CRR. |
| 0380 | **DE MINIMIS ALLOWANCE**For G-SIIs, reporting authorities shall report the share of excluded liabilities referred to in Article 72a(2) of the CRR that rank *pari passu* or below those liabilities in insolvency in terms of the amount of the own funds and eligible liabilities of the institution as per Article 72b(4) of the CRR. |
| 0390–0480 | **ADJUSTMENTS** |
| 0390–0400 | **ADJUSTMENTS FOR CALIBRATING THE LOSS-ABSORBING AMOUNT AS PERCENTAGES OF TREA AND TEM**Adjustments to the loss-absorbing amount pursuant to Article 45c(2), first subparagraph, of the BRRD expressed as a percentage of TREA and TEM. |
| 0410–0460 | **ADJUSTMENTS FOR CALIBRATING THE RECAPITALISATION AMOUNT AS A PERCENTAGE OF TREA**Adjustments to the recapitalisation amount pursuant to the last paragraph of Article 45c(3)(a)(ii) and 45c(7)(a)(ii) of the BRRD expressed as a percentage of TREA.  |
| 0410–0420 | **ADJUSTEMENTS TO PILLAR 2**Input any adjustment to the supervisory Pillar 2 requirements pursuant to the last paragraph of Article 45c(3), fifth subparagraph, letter (b), and of Article 45c(7), fifth subparagraph, letter (b), of the BRRD. |
| 0430–0440 | **ADJUSTMENTS TO MARKET CONFIDENCE BUFFER**Adjustments pursuant to Article 45c(3), sixth subparagraph; and Article 45c(7), sixth subparagraph, of the BRRD. |
| 0450–0460 | **ADJUSTMENTS RESULTING FROM CHANGE IN THE BALANCE SHEET POST RESOLUTION**Adjustments pursuant to the last paragraph of Article 45c(3), fifth subparagraph, letter (а), of the BRRD.  |
| 0470–0480 | **ADJUSTMENTS FOR CALIBRATING THE RECAPITALISATION AMOUNT AS A PERCENTAGE OF TEM**Adjustments to the recapitalisation amount resulting from change in the balance sheet post resolution pursuant to the last paragraph of Article 45c(3)(b) and 45c(7)(b) of the BRRD expressed as a percentage of TEM.  |
| 0390, 0410, 0430, 0450, 0470 | **UPWARDS** |
| 0400, 0420, 0440, 0460, 0480 | **DOWNWARDS** |
| 0490–0540 | **TRANSITION PERIOD**Reporting authorities shall indicate any intermediary target they may have set for the years after the reporting date. The target shall be expressed both as a percentage of TREA and as a percentage of TEM. |
| 0490, 0520 | **MREL LEVEL**Reporting authorities shall indicate the total MREL level institutions shall meet at the intermediary date |
| 0500, 0530 | **SUBORDINATION**Reporting authorities shall indicate the total subordinated level institutions shall meet at the intermediary date. |
| 0510, 0540 | **DATE OF APPLICATION**Reporting authorities shall indicate the transition dates of the path to MREL compliance.  |