



Brussels, 29<sup>th</sup> October 2024

MR/MM

**EACB comments on**

**EBA Draft Implementing Technical Standards  
on the provision of information for the purposes of resolution plans  
in the context of Directive 2014/59/EU**

**(EBA/CP/2024/18)**

**General comments**

The EACB appreciates the opportunity to comment on the EBA Draft ITS on provisions of information for the purposes of resolution plans in the context of Directive 2014/59/EU. We welcome the EBA efforts in performing a comprehensive review of the current ITS in order to foster further harmonisation, review and build on good practices and address shortcomings identified in the current framework. We also support the aim to relieve entities from parallel data collections required by different authorities and the removal of duplications and overlapping data points with MREL/TLAC, CoRep and FinRep, where the reporting entity has already submitted this data.

However, the draft ITS does not seem fully aligned with the principles mentioned above. The text suffers from the ambiguity embedded in the ITS regarding the resolution authority's discretion in determining the scope of reporting. This is detrimental to IT efficiency and data planning and counters the idea of improving overall harmonisation and efficiency. In our understanding, the ITS reporting is sufficient to satisfy the needs of resolution authorities and to comply with their mandate in “business-as-usual situations”. For this reason, we envisage that a clearer and more detailed description of the circumstances under which the resolution authority might require additional information for the purpose of individual or group resolution plans (Article 8) might be necessary to ensure full alignment of the ITS with the principles indicated above and reduce uncertainty for the actors.

With the intent of supporting the EBA and the activities of resolution authorities, the EACB would like to provide its answers to some of the suggested questions presented in the consultation.

**Answers to selected questions**

**Question 1:** Are the instructions and templates clear to the respondents?

We welcome the EBA's efforts and objective to reduce the banking sector burden in resolution reporting by combining four reports into a single delivery. However, we would suggest dividing the templates into two reports: one containing templates included in the SRB/Resolution Authority liability data report and one containing the rest. The reasoning is that the LDR contains quantitative data not (directly) related to other templates presented. This would limit the amount of information to be resubmitted should any errors be found.

**The voice of 2.500 local and retail banks, 89 million members, 225 million customers in EU**

**EACB AISBL** – Secretariat • Rue de l'Industrie 26-38 • B-1040 Brussels

Tel: (+32 2) 230 11 24 • Fax (+32 2) 230 06 49 • Enterprise 0896.081.149 • lobbying register 4172526951-19  
[www.eacb.coop](http://www.eacb.coop) • e-mail : [secretariat@eacb.coop](mailto:secretariat@eacb.coop)



Regarding the reporting scope, Article 3.3(a) indicates that Z0200 should be provided for relevant legal entities subject to MREL requirements on an individual basis. However, the reporting scope for Z0501, Z0502, Z0600, Z0701 and Z0704 under Article 3.8 has no symmetrical constraint, which is hard to justify in our opinion. The overall reporting scope under Article 3 should be limited to the resolution entity, Union parent undertaking, and other relevant legal entities subject to MREL requirements and templates listed under Article 3.8 should be limited to the Union parent undertaking.

In Article 5, it is unclear the meaning of the last part of para 2 “on an individual, subconsolidated and consolidated level, as appropriate”. The text is ambiguous and unclear as to whether the provision stretches the resolution authority’s mandate to decide on the reporting scope as they see fit or only refer to the scope defined in Article 3. As there should be a level playing field between cooperative groups and other groups, we would suggest that this part be removed or at least clarified that the idea is not to broaden the authority’s mandate.

Finally, we see a one-year transition period time as the bare minimum. Setting the first remittance date on 31 March 2026, with the first reference date on 31 December 2025, might create significant operational risks for banks and lower data quality. We would encourage the EBA to review the first remittance date to take into account the significant IT projects and internal changes that banks need to realise to comply with this ITS.

**Question 2:** Do the respondents need further clarification to understand which of the minimum reporting obligations would apply to their specific profile (Resolution entity, Liquidation entity, RLE, non-institution...)?

The EBA uses “recurrent account” for both “Deposit functions” and “Payment functions” in para 35 and 37, respectively. We would suggest the EBA to provide a definition or a reference to a legal text in order to be able to report these requirements correctly, given that both Directive (EU) 2015/2366 and Regulation (EU) 260/2012 do not provide a definition.

**Question 3:** Do the respondents identify any discrepancies between these templates and instructions and the determination of the requirements set out in the underlying regulation?

NA

**Question 4:** Cost of compliance with the reporting requirements: Is or are there any element(s) of this proposal for new and amended reporting requirements that you expect to trigger a particularly high, or in your view disproportionate, effort or cost of compliance?

If yes, please:

- specify which element(s) of the proposal trigger(s) that particularly high cost of compliance,
- explain the nature/source of the cost (i.e. explain what makes it costly to comply with this particular element of the proposal) and specify whether the cost arises as part of the implementation, or as part of the on-going compliance with the reporting requirements,
- offer suggestions on alternative ways to achieve the same/a similar result with lower cost of compliance for you.

NA



**Question 5:** Change of the submission date from April 30 to March 31. The ITS update introduces an earlier submission deadline for resolution reports. This is expected to provide additional time for Resolution Authorities to assess data quality, in particular given the introduction of granular reporting to supplement the aggregate liability data currently in scope of the ITS. How does this change impact your organisation's ability to report resolution data in a timely manner while still retaining data quality?

We urge the EBA to reconsider the approach to request reporting a month in advance. This creates a significant operational risk and will lead to a deterioration of data quality involving potential resubmission. To clarify, some of the reports (CFR notably) depend on data made available by the COREP / FINREP. There is thus a bottleneck and the availability of both data and teams will be lacking for the proper production of some resolution reports.

Therefore, we advise the EBA to maintain the submission date at April 30 to ensure that processes are run with the necessary flexibility, especially in light of the granular reporting introduced. The April 30 submission date is both in the interest of credit institutions (to avoid costly resubmissions, less time for adequate data) and resolution authorities (that in case of a shorter timeline might be faced with impaired data quality, increased probability of errors due to resubmissions, thus defeating the purpose of an earlier resubmission date).

**Question 6:** The Relevant Legal Entity (RLE) threshold defined in the ITS is proposed to be reduced from 5% to 2%. The threshold is referenced to the resolution group. An absolute threshold based on total assets (above 5 billion EUR) has also been added. Do you have any comment on the changes in the definition of the RLE threshold, including the absolute threshold of 5 billion EUR?

NA

**Question 7:** Identification of the legal vs the resolution group structure. The previous reporting obligations on the organisational structure limited the scope of reporting to relevant legal entities that were part of the legal structure of the group. Under the revised ITS, the authorities would like to remove this threshold to get a more comprehensive view of the legal structure. At the same time, the ITS introduces the identification (LEI code), for each entity listed, of the resolution group to which it belongs. The information is expected to be in line with the details of the current resolution plan. Where an entity is not part of a resolution group, "N/A" would be reported in this field.

Note that this table is not expected from institutions that are not part of a group.

- i. Do you identify any issues with expanding the scope of Z01.01 to all entities in the group, bearing in mind that this report would only be requested at the level of the Group?
- ii. Do you see an issue in the ability of the group to identify the resolution group to which each entity reported in the organizational structure belongs?

NA

**Question 8:** The expectation is that all reporting entities, at a minimum, are required to report on their Liability Structure, at an aggregate level, in line with the current reporting obligations. In particular, the reporting introduces the notion of "Carrying Amount" in addition to the "Outstanding Amount", to support ongoing policy developments on MREL. In terms of Own Funds reporting, this is not required for Liquidation



entities as the data is not considered relevant in this case. The ITS review also introduces targeted data points for reporting of Own Funds by Investment Firms, which fall under different reporting obligations.

In the case of groups, additional reporting is expected on intergroup financial connections, which also applies to liquidation entities that are part of a group. This reporting covers both liabilities excluded from bail-in (new) and liabilities not excluded from bail-in (already covered in the current ITS), in order to better assess financial interconnections within the group, influencing the decision on the SPE vs MPE approach.

- i. Are the data-point definitions provided for reporting of the Carrying Amount sufficiently clear?
- ii. Do the revised data points for the reporting of Own Funds by Investment Firms better correspond to the reporting obligations for these types of Institutions? If not, please elaborate what changes you deem appropriate.
- iii. Do you anticipate any difficulties in providing the additional data required for the reporting of intragroup financial connections (for liabilities excluded from bail-in)?
- iv. Do you see merit in providing additional clarification about any data-point definition existing in the previous version of the CIR on Resolution Reporting? If so, for which specific data points?

NA

**Question 9:** The revised ITS introduces the possibility of reporting on critical functions at a Regional Level, where this is relevant for a given jurisdiction, in addition to reporting at the EU and national levels. In general, the reporting obligations have been expanded with regards to the Impact and Substitutability analyses, in order to provide a more effective assessment by banks and resolution authorities of the bank's critical functions. Among these changes is the introduction of the Onboarding capacity of the bank (limited in this ITS to Deposits and Payments functions), which aims to assess the theoretical capacity of an entity to absorb the critical functions of a failing bank.

A comments section has also been added to each of the functions assessed, which provides a channel via which the reporting entity can explain the reasoning behind its assessment.

- i. Do you have questions on how the new instructions on Onboarding Capacity should be interpreted for your organization?
- ii. Do you find the availability of a comments section useful to explain your assessment of the critical functions? Would you suggest another means of doing this, and if so, what?

We encourage the EBA to explicitly delineate the rationale for banks to produce data regarding Onboarding capacity. We would like to underline that this data is not available to all our members and it will be difficult to produce, as it will vary even within business lines depending on clients' profiles and needs. Similar reflections might also refer to recurrent transactions.

In addition, the Z0701 reporting scope should be limited to Member states (identified as 'country') in which the group is active and has one or more functions considered critical in the market for the relevant country. In other terms, if the institution is active but has no critical functions in a given country, that country should be left outside of the reporting scope.

**Question 10:** The reporting on Critical Services has evolved into reporting on Relevant Services. The primary objective is to improve the analysis of operational continuity and separability in resolution. The changes also seek to avoid excessive reporting by banks by incorporating certain key elements of the assessment of



operational continuity which are currently not included in the ITS and are requested ad-hoc from reporting entities.

This reporting will apply to resolution entities that are not part of a Group and at the Group level for institutions that are part of a group.

- i. Do you see any issue in identifying “relevant services” as defined in the revised ITS?
- ii. Do you think that that the data request on relevant services, as covered in the revised ITS, is sufficiently clear?
- iii. Do you see any overlap between this data request and related data requests on relevant/critical services raised by your Resolution Authority as part of the resolvability assessment?

NA

**Question 11:** The ITS introduces reporting on substitutability of CCP segments. The ITS also introduces data points on contracts identification, notional amount for derivatives and clarifies instructions of existing data fields.

- i. Is the definition of “substitutability” provided in the new reporting on Alternative CCP providers (Z09.04 c0030) sufficiently clear? If not, what clarifications do you think would be necessary?
- ii. Are there additional or modified data points that you propose to include in Z09.03 to adequately capture the activity of the reporting entity with FMI service providers?
- iii. Are the instructions across Z09.01-Z09.04 sufficiently clear and detailed, and if not, what clarifications do you think are necessary and where?

NA

**Question 12:** In order to harmonise reporting by institutions that are part of the Banking Union (for which granular liability data reporting was introduced several year ago) and non-Banking Union institutions, the ITS introduces granular reporting of liability data. In an effort to limit the overall reporting burden on banks, this reporting is limited to individual level, and, with the exception of the reporting of intragroup transactions which applies to all relevant legal entities, the scope of institutions required to report granular liabilities is limited to resolution entities.

The level of granularity required is as follows:

- Securities – granularity at the level of ISIN code issuances and potentially of the counterparty
- Deposits – All deposits at contract level, except Not-Covered Not-Preferred deposits with a residual maturity of less than 1 year and Covered deposits and Not Covered but Preferential deposits (regardless of their residual maturity), which should be grouped by counterparty type, by insolvency ranking, and the whether the deposit is secured or unsecured.
- Derivatives – granularity at the level of Master Agreement ID
- Secured Finance - granularity at the level of Master Agreement ID
- Other Financial and Non-Financial Liabilities – contract level granularity and potentially of the counterparty.



i. Are the data-point definitions provided for reporting of the Granular Liability Data sufficiently clear? If this is not the case, for which data points would you require additional clarifications?

NA