



**Mailing list Supervision/ Accounting/ Money Laundering**

Brussels, 28 July 2014

BL

Dear Madam or Sir,

**EBA consultation on the draft Regulatory Technical Standards on the content of resolution plans and on the assessment of resolvability**

The European Banking Authority (EBA) has published a consultation on the draft Regulatory Technical Standards (RTS) on the content of resolution plans and on the assessment of resolvability. Following its publication in the Official Journal of the European Union, the RTS shall be binding as a regulation in its entirety and directly applicable in all Member States.

Based on Article 9(10) of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (BRRD), EBA shall develop draft RTS further specifying the content of the resolution plans. The RTS shall be taken into account by the resolution authorities when drawing up the resolution plans for credit institutes and during its regular revision referred to in Articles 10 and 12 of the BRRD.

In order to comply with the principle of proportionality, the scope and the details of the resolution plan shall be adjusted to the profile of the credit institution. This should be relevant for credit institutions in context of their obligations to cooperate and to provide information referred to in Article 11. The information that can be required from credit institutions is listed in section B of the annex of the Directive.

EBA proposes to structure the resolution plan as follows:

- a summary of the resolution plan
- a description of the resolution strategy
- provisions to make sure that information for the execution of the resolution strategy are available
- provisions to guarantee the continuance of the operational business
- provisions as how to finance the resolution
- communication
- conclusions on the assessment of the resolvability
- opinion expressed by the institution/ group on the conclusions

Based on Article 10(7e) the resolution plan shall also include a description of the assessment of resolvability of a credit institute carried out in accordance with Article 15 of the BRRD. Firstly, the resolution authority shall investigate if the credit institution is to be liquidated under normal insolvency proceedings or to resolve it by applying the resolution tools laid down in this Directive. In this case a resolution strategy shall be developed that would need to be examined on its feasibility and accuracy, especially with regards to potential constraints (cf. annex C of the BRRD). Concerning the feasibility the focus shall be on the structure, the operative business, financial resources, information as well as cross-border and legal aspects of the resolution plan.

In its proposal the EBA made use of its experiences gained on national level and the requirements made by the Financial Stability Board on the resolution of systemically important banks.

Furthermore, we would like to inform you that the EBA has launched a consultation on technical standards on independent valuers and on measures to reduce or remove impediments to the resolvability of resolution plans.

If you have comments on the consultation we would be grateful if you would send your responses to the EFBS office by **2 October 2014**.

If you have further questions, please contact us at any time.

Yours sincerely,



Andreas J. Zehnder  
Managing Director  
European Federation of Building Societies

#### **Annex**

- EBA Consultation Paper on the draft Regulatory Technical Standards on the content of the resolution plans and on the assessment of resolvability