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EBF Response to the SRB PUBLIC CONSULTATION ON THE OPERATIONAL GUIDANCE FOR BANKS ON RESOLVABILITY SELF-ASSESSMENT

GENERAL REMARKS

Finding a reasonable balance

Overall, we recognise the SRB's efforts to put in place a clear and harmonised framework across the sector. Nevertheless, we would like to emphasise that the current proposal to better harmonise the way the resolvability self-assessment exercise is lead needs to be reviewed on several major aspects that are developed below. We would also like to stress that the introduction of such a new template could make it harder for the Internal Resolution Teams (IRT) to objectively assess the progress a bank has individually made on its resolvability (because of the change in the reference document that is namely at the basis of this assessment). As a first general remark though, we would like to stress the importance of finding a reasonable balance. Indeed, on the one hand, resolvability is and must remain an idiosyncratic matter, particularly for large groups; on the other hand, it should also be assessed objectively and similarly for all institutions. For this reason, in our view, very detailed, granular and mechanical approaches should be avoided as they could miss the objective of striking the right balance, by providing the illusion of precision while being hardly appropriate is many cases.

We noticed that the SRB has broken down the existing Expectations for Banks (EfB) Principles into approximately 250 'capabilities' that banks would need to maintain on an ongoing basis to demonstrate resolvability. In that sense, these capabilities give the opportunity to consolidate and refine all existing requirements, providing a comprehensive view of what the SRB currently regards as a 'steady state' of resolvability. But there are a lot of duplicates or near duplicates, we advocate to significantly reduce the number of points in the grid, taking into account proportionality and other remarks developed below. The assessment grid must be limited to what is strictly necessary for the purpose of resolving a bank and to what is prescribed by regulations, policies or operational guidance

RSA' capabilities go beyond Level 1 texts and Expectations for Banks, and the need for stable resolvability assessment criteria

There are new/changed requirements introduced that are not linked to Level 1 texts, EfB and related existing SRB guidance, and are neither easy to evidence nor to assess. The set of capabilities that banks are expected to meet for each of the seven resolvability dimensions and corresponding principles as outlined in the template are very detailed and, in some cases, significantly enhance the existing requirements of the EfB. Thereby this introduces new requirements relating to phase I rather than setting phase II expected capabilities for testing and

European Banking Federation aisbl
Brussels / Avenue des Arts 56, 1000 Brussels, Belgium / +32 2 508 3711 / info@ebf.eu
Frankfurt / Weißfrauenstraße 12-16, 60311 Frankfurt, Germany
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operationalisation. One example (out of many) would be ID 6.1.1.2 on communication. We understand that banks should focus on the implementation of phase II now and we expect the SRB to measure banks resolvability through the published, known and stable EfB standard for phase I coupled with reasonable testing expectations for phase II. As the intent of the SRB is not to revise the EfB, according to the SRB comments during the Technical Meeting of 14 January 2025, capabilities should be reframed accordingly. In the section 'specific remarks' within our answer to Question 1 we identify items seen as revising EfB and request them to be removed from the grid. Changing the resolvability assessment criteria in 2025 would be very confusing and detrimental for both the SRB and the industry, as progress towards resolvability over the years can only be assessed against stabilised requirements and with stable criteria.

Therefore, capabilities going beyond the EfB requirements (notably, all Level 4 capabilities) should not be a measuring stick for progress towards resolvability, and should not be introduced via the RSA template. In any case, the legal consequences of not meeting the capabilities, in particular regarding Level 4, should be clear. The draft describes the Level 4 capabilities as more advanced capabilities developed by banks beyond those current three levels of the Heatmap. It should therefore be made clear that not meeting the Level 4 capabilities may not be regarded as impediment and, in particular, may not trigger substantive impediments procedures. We would also like to avoid that updating Level 4 capabilities devalues the assessment of capabilities Levels 1 through 3 by making "best practices" of some banks (which go well beyond the EfB and may or may not be suited to other banks) part of the assessment of all banks. We are also of the opinion that the 'measures to be taken' should be 'not applicable' for Level 4 capabilities, if maintained. A fundamental concern is that regularly updating the Level 4 capabilities may unreasonably undermine resolvability assessments as it would continuously and excessively raise the bar to full compliance. Hence, we recommend that the SRB deletes this 4th level of assessment from the table and discuss the best practices with the banks through the IRT channel when relevant. In addition, it seems that the SRB already considers some quite granular requirements that will be the subject of future SRB Guidance for which banks were not consulted yet, notably on dimensions 1 (Governance), 5 (Information Systems and Data Requirements), 6 (Communication) and 7 (Separability). We kindly request the SRB to remain open to further adjustments based on the outcome of upcoming SRB Consultations on the mentioned dimensions and to avoid being excessively granular.

Capabilities requiring preliminary or further discussions with the industry

Some capabilities appear to derive from SRB operational guidance on which a consultation of the industry did not yet took place and have not yet been published; moreover, the wording of such capabilities is sometimes unclear and, in any case, far too granular complicating bank's ability to precisely comply with every single element. For example, Communication capabilities are much more detailed than others in average. This approach contrasts with the fact that other requirements/capabilities are based on SRB guidance for which no consultation of

the industry took place, and on which banks have already expressed doubts on their relevance and usefulness in terms of resolvability. For example, on estimation of liquidity needs in Resolution (3.1), financial simulations or Maximum Reorganization Capacity (MRC) in the BRP Analysis Report (7.3), or full separability analysis when transfer tools are only an option in the resolution strategy with the Bail-In as the main tool. In our opinion, EfB principles for which an operational guidance and a consultation have not yet taken place (1.4; 5.2; 6.1; 6.2; 7.3) or on which operational guidance needs to be reviewed (3.1; 7.1; 7.2), the wording of the capabilities in the self-assessment should remain generic at the level of the EfB. Once requirements have been clarified and discussed with the industry during the consultation phase and final operational guidance published, the related capabilities in the self-assessment template should be aligned accordingly to the operational guidance requirements.

Validation at bank level without board of directors involvement

We strongly suggest keeping the approval of the internal resolvability testing plan, in line with the resolvability self-assessment as proposed in this consultation by the SRB, at the senior executive responsible level. A regular involvement of the Board of Directors of banks for approval on such technical matters is not appropriate for a management body responsible for general strategy and policies, nor practically feasible, particularly for large groups.

Appropriate and clarified scoring methodology

A key point for us is the fact that it is not clear whether all banks should aim at full compliance regarding all points (other than those that are not applicable) or whether largely compliant is sufficient. There is an important proportionality issue here, combined with the number and depth of expectations mixing existing and new ones.

The template includes a bottom-up approach which does not grant a holistic overview of resolvability, but rather a focus on details that may not be very useful. We therefore argue against having a too mechanistic scoring system with a bottom-up bias, as this could lead to volatile and/or counterintuitive outcomes over the years. It would be very helpful if the SRB could kindly explain in the proposed SRB guidance what exact methodology it would implement behind the resolvability self-assessment grid and the difference and impact of the different levels of capabilities, e.g. when would banks be considered to be "sufficiently" compliant on a principle level? Does a certain level of capabilities (Level 1 for example) need to be fully met ("compliant") in order for the score on the principle level to reach a certain status?

Furthermore, the SRB's scoring of the various capabilities is not described, and further clarity would be appreciated i.e. what weight is assigned to respectively reasoning, tests performed, measures to be taken and accompanying documents. Likewise, the capability levels suggest that capabilities advance in a sequential manner, with each subsequent level building on the previous one. While this is often the case, various capabilities within the same Principle can be achieved independently of each other. For example, you might meet Level 3 requirements

while still having gaps at Level 1. If and how this would affect scoring by the SRB is not disclosed, as how the SRB decides when a bank is "resolvable".

A key issue for the members of the European Banking Federation (EBF), is that SRB questions in the current consultation relate mainly to the form of the resolvability self-assessment, leaving little room to comment on the content of the self-assessment, especially the split between Level 2 and Level 3, which is important to consider given the granularity of the self-assessment.

Consistent grading scale and testing

In our opinion, the fact that some principles are to be assessed on a two instead of four points scale introduces unnecessary complexity in the process. One consistent grading scale would be preferable. Although included in the proposed SRB guidance document, we feel that the usability of the Excel file for the end users could be enhanced by including the definitions of the four-point resolvability self-assessment grading scale there as well (i.e. 'compliant', 'largely compliant', 'materially non-compliant', and 'non-compliant').

Likewise, we would like to express our concern with the use of the term "non-compliant" as part of the self-resolvability assessment. This wording is, in our opinion, very strong with potential far reaching negative effects, including for potential legal disagreements between banks and the authorities. We would suggest replacing that category by an alternative that uses smoother language

Additionally, the resolvability self-assessment template describes a diverse range of capabilities that a bank should have in place in business as usual ('peacetime'). Sometimes this means being ready to take certain steps in resolution (e.g., MBDT, executing Bail-in Playbook). However, some capabilities are not meant to be 'actionable' in a resolution scenario. For instance, ensuring relevant contracts are resilient is done in peacetime; in resolution, no additional action is required. Having proper resolution planning governance in business as usual is not the same as having proper resolution execution governance. This also means that it does not make equal sense for all capabilities to be tested by simulating a resolution event. Furthermore, we would like to highlight that some capabilities can simply not be (fully) tested in peacetime.

It would be very helpful if the SRB could explain in the proposed SRB guidance what the exact methodology behind the resolvability self-assessment and what the difference and impact of the different levels of capabilities is, e.g. when would banks be considered to be "sufficiently" compliant on a principle level? Does a certain level of capabilities (Level 1 for example) need to be fully met ("compliant") in order for the score on the principle level to reach a certain status?

Furthermore, the SRB's scoring of the various capabilities is not described, and further clarity would be appreciated i.e. what weight is assigned to respectively reasoning, tests performed, measures to be taken and accompanying documents. Likewise, the capability levels suggest that capabilities advance in a sequential

manner, with each subsequent level building on the previous one. While this is often the case, various capabilities within the same Principle can be achieved independently of each other. For example, you might meet Level 3 requirements while still having gaps at Level 1. During the SRB Technical Meeting of 14 January 2025, the SRB mentioned that weighing is bank-specific and is to be individually discussed between banks and their IRTs. However, it would be appreciated if the SRB could explain in the proposed guidance if and how this would affect scoring by the SRB, as how the SRB decides when a bank is resolvable.

Transparency
In the proposed SRB guidance, transparency is missing on the way the IRT will inform its assessment on the different capabilities IDs. It is unclear how the SRB will explain or substantiate if its scoring differs from that of the bank. Also, the sector would welcome more information on what the vision for benchmarking will be. We believe that this more detailed and standardised setup will also require SRB to provide more detailed feedback, for instance if the SRB wants banks to adjust certain scores.

Finally, and still connected to transparency, banks are requested to consider "*their understanding of the bank's role in the execution of the resolution strategy*" in the resolvability self-assessment. Until today banks have an incomplete understanding due to the lack of disclosure of the resolution plans by the SRB. To be able to fulfil this requirement among others, banks reiterate their long-standing request to full access to their own resolution plan prepared by the resolution authorities.

QUESTIONS LISTED IN THE SRB CONSULTATION PAPER

Question 1: Format of self-assessment template: Is the Excel format adequate for the bank to provide the information needed to assess the resolvability of the bank to provide justification? If not, please suggest alternatives.

- Yes
- No (please explain)

In general, we think that the Excel format is useful to provide a full vision / a visual connection between the elements in the various columns, i.e. *Assessment à Reasoning element; Assessment à Measure to be taken*. However, for some capabilities, the length of the comment in the Excel cell is not ideal for keeping this overarching view while reading at the same time details provided in the Excel template.

The text included in the SRG guidance mentions […] "*the self-assessment template should be accompanied by an executive summary describing the main conclusions of the self-assessment for each of the seven resolvability dimensions mentioned above*". We understand that no additional information is expected in this summary compared to the self-assessment template.

Please find below a list of specific remarks on the Resolvability Self-Assessment Template, which are not connected to the format *per se*:

GENERAL

- The **Column E** on "Assessment" should propose, in our view, the same four-point self-assessment grading scale (N/A left aside), while indicating (as need be) scoring criteria to be used, as developed in the accompanying draft guidance (page 17) on capability 5.3.2.1.
- The **Column G** on "*Test(s) performed as part of the multi-annual testing programme / communicated to the bank through priority letters / initiated independently by the bank / initiated by the resolution authority (i.e., deep-dives and on-site inspections)*" should, in our opinion, not be applicable to all capabilities – this should be assessed on a less granular level.
- The **Column H** on "*Measures to be taken and the timeframe, if not fully met*" should not, in our opinion, be included in the resolvability self-assessment, as they turn the resolvability self-assessment into a remedial action plan. In fact, this is clearly part of the annual Resolvability Work Programme that banks produce. The inclusion of this Column H may effectively entail double work for banks, unless the 'Resolvability Work Programme' is discontinued as an additional document.
- The **Column I** on "*Accompanying documents provided to support the assessment (name of document, version, date of submission, paragraphs/pages)*" currently requests versions, submission dates, paragraphs and pages. We find this request too far reaching, placing a disproportional administrative burden on banks. We also believe that this is not practical, because the same evidence may be used for compliance with multiple IDs. This will inevitably result in duplication of work for banks. Alternatively, a general category of the documentation could be indicated (e.g. "Reporting process documentation") and sent upon request by the IRT.

DIMENSION 1 - GOVERNANCE

- ID 1.1.2.2 : It is unclear to us whether this capability is linked with the Master Playbook. In case of linkage, the expected operational guidance's publication date (if any) remains unknown.
- ID 1.1.4.1 – This Level 4 does not contribute to advanced capabilities in being prepared for resolvability compared to the Level 3 capability.
    - An overall steering by a single body is not effective for large banks due to the wide range of topics in scope. Instead, it should be allowed to have multiple bodies to deal with specific resolution planning topics, such as MREL in ALCO.
    - The EfB mention that banks should appoint a member of the management body and appoint a senior-level executive. Creating and participating in a Resolution Steering Committee or similar

body is only required where needed. Making this an explicit part of the template goes beyond the EfB.

- ID 1.2.2.1 – Principles 5.1-5.3 are mentioned specifically in this capability. To avoid double penalisation/counting, any data governance related capabilities should be part of principles 5.1-5.3. This capability under principle 1.2 should therefore be deleted.
- ID 1.2.3.1 – The dedicated resolution planning team does not have different staffing needs during resolution or crisis event. The execution of the resolution strategy is done by departments in the bank (other than the resolution planning team). This is part of a crisis-governance of the bank. Therefore, in our opinion, subpoint **b)** Is not relevant and should be omitted.
    - The dedicated Resolution team is involved in Resolution planning but is not responsible to "perform" the crisis process. This capability needs to be clarified and/or rephrased to take into account BAU capabilities that will be used in Resolution situation.
- ID 1.2.4.1 – This is the same capability as the one in ID 1.1.4.1- to avoid double counting it should only be included once.
    - The EfB note that banks should appoint a member of the management body and appoint a senior-level executive. Creating and participating in a Resolution Steering Committee or similar is only required where needed. Making this an explicit part of the template goes beyond the EfB.
- ID 1.3.1.2 – The scope of the requirement remains unclear to us, as does whether it refers to the overall lines of defence. Banks have implemented solid BAU procedures to cater for the wide-ranging EfB requirements. These BAU procedures already include adequate checks and balances. Imposing a "one size fits all LoD-approach" does not seem fit for purpose. In our opinion, the capability should therefore be re-phrased in a way which requires banks to demonstrate the internal control systems they have implemented, rather than determining the exact model.
- ID 1.3.2.3 – The requirement to report audit findings to Board level is new in the RSA template and goes beyond the requirements in the EfB.. The resolvability self-assessment methodology should not introduce new resolution planning requirements. This capability should therefore be deleted.
- ID 1.3.4.1 – It remains uncertain what this capability entails and whether banks are required to have an Audit review of the annual resolvability self-assessment. In our opinion, a comprehensive review of the annual resolvability self-assessment would be inappropriate and disproportional. This capability should be modified or suppressed. This capability goes beyond the EfB.
- ID 1.4.1.1– The content of the internal testing governance framework is not yet defined (given the upcoming SRB Consultation on Testing, new guidance is expected in H1-2025) but we consider that the internal testing framework is not suitable for board approval; instead approval by the senior-level executive responsible would be sufficient and more

proportionate with (as this is consistent with the sign-off requirements proposed in this draft text for the Resolvability Self-Assessment itself). The same remark applies for 1.4.1.2 testing plan. Furthermore, the first sentence refers to an "internal testing governance framework" whereas the last one refers to an "internal testing framework". This inconsistency should be aligned to avoid confusions.

- ID 1.4.1.2 – The multi-annual testing programme is an obligation of the resolution authorities not of the banks per the EBA Guidelines. Therefore, any testing exercises/calendar can logically not be approved by the board as these are regulatory requirements. The text under subpoint **b)** should be taken out. The internal resolvability testing plan is part of the Annual Work Programme, which already receives approval. Therefore, no separate "annual testing plan deliverable" should be needed from banks. In addition, it is not clear what the internal Resolvability Testing Plan would add to the Multi-Annual Testing Plan and therefore an additional document would not be useful if the complete information is already included in the Multi-Annual Testing Programme prepared by the SRB.
- ID 1.4.2.1 – The requirements to have up-to-date playbooks are already covered under other principles (for example bail-in playbook is part of principles 2.1 and 2.3). To avoid double counting this capability should be omitted.
- ID 1.4.2.2 – In our opinion, the sentence '*The senior executive responsible for resolution regularly debriefs the board about the progress on the testing programme*' should be removed: this is not part of a board mandate to follow such technical details, and this would not be effective nor proportionate.
- ID 1.4.3.2 – In line with previous discussions, testing environments should only be required if no other testing tool can confirm the bank's resolution capabilities or where serious risks or obstacles to the bank's resolvability have been identified. To ensure proportionality, we suggest enhancing the expectation as follows: "*The bank has a MIS and, where necessary, testing environments, that allow the bank to perform simulations for the purposes of resolvability testing.*" In many cases, resolution capabilities have been built on BAU capabilities which are well established. The set-up of testing environments (especially interfaces between front, middle, and back office systems) is technically difficult and costly as we have flagged to the authorities already many times. Please also note, that "testing environment" has a specific meaning and is a fixed term for IT implementation. Concretely, banks have a MIS and testing environments that allow them to perform simulations for resolvability testing. Therefore, it remains unclear to us what this system should do in the context of this new requirement. As previously commented, testing environments should not be necessary in all cases, for instance, if the entity is able to provide evidence on the operationalisation of a step including the estimation of a time in a resolution scenario, it should not be necessary to have a testing environment.

- ID 1.4.4.1 – It remains uncertain to us what this capability entails. Furthermore, as the actual scope of tests being requested as part of the multi-annual testing programme is currently unclear, the expectation regarding the performance of additional internal tests should be proportionate.
    - The EfB do not explicitly require testing beyond the multi-annual testing programme. As we have not yet seen the testing programme, but the EBA Guidelines state "*Secondly, the guidelines require authorities to develop a multi-annual testing programme for each resolution entity so that institutions would demonstrate the adequacy of their resolvability capabilities as set out in the EBA Resolvability Guidelines and Transferability Guidelines*", requesting testing beyond this requirement goes beyond the EfB and the aim of resolution planning, i.e. being resolvable.
- ID 1.4.4.2 – In our view, it is not the role of the "internal audit function" to participate as an observer in the execution of testing exercise nor to issue an opinion on the compliance. An independent observer should not be required to observe every single test or dry run, as this does not have value and is overly burdensome. Overall, this level 4 capability is not proportionate and should be removed.
    - This capability goes beyond the EfB. The EfB note that the audit committee monitors "the effectiveness of the institution's internal quality control and receive and take into account audit reports and ensure that the audit committee or another body periodically reviews these arrangements". The EfB do not require audit to be a silent observer in testing exercises. The internal audit plan is risk based, which is not taken into account in this requirement, which unnecessarily burdens internal audit.

DIMENSION 2 - LOSS ABSORPTION AND RECAPITALISATION CAPACITY

- ID 2.1.1.1 – The "N/A" logic appears to be incorrect the word "not" seems to be missing in the sentence. Furthermore, accurate data provision is part of principle 5.1. To avoid double counting, any Liability Data Report (LDR) related capabilities should only be included under principle 5.1.
- ID 2.1.1.2 – The "N/A" logic appears to be incorrect the word "not" seems to be missing in the sentence. Furthermore, The Bail-in Playbook is part of principle 2.3. To avoid double counting any bail-in playbook related capabilities should only be included under principle 2.3.
- ID 2.1.1.3 – Accurate data provision is part of principle 5.1. To avoid double counting, any LDR related capabilities should only be included under principle 5.1
- ID 2.1.2.1 – Accurate data provision is part of principle 5.1. To avoid double counting, any LDR related capabilities should only be included under principle 5.1

- ID 2.1.2.2 – the Bail-in Playbook is part of principle 2.3. To avoid double counting any bail-in playbook capabilities should only be included under principle 2.3.
- ID 2.1.3.1 – Accurate data provision is part of principle 5.1. To avoid double counting, any LDR related capabilities should only be included under principle 5.1
- ID 2.1.3.2 – Accurate data provision is part of principle 5.1. To avoid double counting, any LDR related capabilities should only be included under principle 5.1
    - It will be up to the authorities to justify the compliance with regulatory provisions of their decision to discretionary exclude certain liabilities from the bail-in at their discretion, not up to banks. To support authorities in their decision banks may perform detailed operational assessments (i.e. not legal assessments).
- ID 2.1.4.1 – The Bail-in Playbook is part of principle 2.3. To avoid double counting any bail-in playbook capabilities should only be included under principle 2.3.
    - A bank that already has an operational capacity to bail-in well beyond its MREL requirements and has identified (and demonstrated) that certain liabilities meet the conditions for a possible discretionary exclusion by the authorities has no interest in developing a plan and undertaking costly works to try to make such liabilities bail-inable. Moreover, in the demonstration made by banks to explain that some liabilities should be excluded from the bail-in scope on a discretionary basis, there are external parameters related to the markets for instance, and not to the bank itself. In most of the cases (if not all the cases), banks have no means to remediate the operational constraints "causing the need for the exclusion". This requirement is not relevant and should, in our opinion, be removed.
- ID 2.2.2.2. – It is the adherence by counterparties to market standards and related resolution stay protocols which ensures such counterparties recognise that financial contracts concluded with the bank may be subject to the exercise of moratorium powers by resolution authorities and not the other way around.
- ID 2.2.3.2 – We propose to clarify in the text of item 2.2.3.2 which financial contracts should be considered relevant for the purpose of the resolvability assessment in the sense that the bail-in measure, the relevant financial contracts are the ones under which the bank has a payment obligation.
- ID 2.2.4.1 – This specific requirement is not applicable for banks whose MREL eligible liabilities in third country law have been issued in jurisdictions where recognition is not done through judicial means and/or have already obtained a contractual recognition and a legal opinion confirming the enforceability of resolution clauses. We would appreciate an explanation from the SRB about the expectations behind this Level 4 capability, together with link to the applicable EfB/guidance, if any.
- Principle 2.3 liability scope extension is heterogeneous across levels and execution capabilities (internal and external part I & II). It does not consider

the differences of balance sheet structure across resolution entities which could lead some banks to have to operationalize well beyond what is necessary to be resolvable, it also disregards the fact that some liabilities may be candidate for discretionary exclusions. For a more proportionate and level playing field liability scope extension L1 should cover CET1/AT1/T2, L2 liabilities enabling to meet MREL requirements, L3 all MREL eligible liabilities and L4 material non-eligible liabilities ranking pari passu with MREL except those identified by the bank as potential candidate for discretionary exclusions; such liability scope extension should also be aligned across execution capabilities within the same level.The banking industry will be available to propose and discuss some alternatives. Generally speaking, principle 2.3, the SRB should take into account the potential candidates for discretionary exclusions in the Level 3 (as it deals with the senior preferred layer) and not in the Level 4 which expectations are supposed to be on a "best effort" basis. It is important not to spend unnecessary energy and costs on operationalising the bail-in of liabilities that would be with a high probability excluded in the run-up to resolution. For the sake of proportionality, we also advocate for the introduction of some materiality in the identification of the liabilities to be operationalised on Level 2 for the third countries law instruments and in even more for all the liabilities targeted in the Level 3 and Level 4.

- ID 2.3.4.1 – This expectation of operationalisation of **all the liabilities** included in the bail-in scope is unrealistic and contrary to the proportionality principle that is guiding the SRB approach.
- ID 2.4.2.3 – We suggest replacing "within a reasonable *time*" by "*under conditions set in art 16(a) BRRD*" (9 months + possible grace period depending on the context).
- ID 2.4.4.3 – We would appreciate an explanation in the SRB guidance about how "significant concentration" should be understood i.e. from what % level does it begin & per country or globally.
- ID 2.4.4.4 – Except when required to do so by authorities under certain circumstances, it is up to banks to decide whether they intend to meet their total MREL requirement (including CBR) exclusively with subordinated instruments (i.e. not a requirement of BRRD/SRMR nor SRB's MREL policy); in our opinion, this capability should be therefore deleted.
- ID 2.4.4.5 – The EfB mention that "*banking groups subject to a Multiple Points of Entry strategy should not rely on issuances of eligible instruments purchased by other resolution groups of the same banking group (…) Contagion risk shall be deemed minimised insofar as the resolution groups subject to the MPE strategy can be resolved without causing immediate MREL shortfalls in other resolution group(s)*". Yet, capability 2.4.4.5 seems to extrapolate this idea to all banks, therefore broadening the scope and reaching beyond the requirements as stated in the EfB.
  With bearer bonds being the prevailing form of public funding in Europe, banks are, as a matter of principle, unable to determine how much of its MREL is held by other banks. Even global registered notes, as the prevailing format in US law governed and US offered securities, does not allow to unilaterally identify the holders of

outstanding instruments. Estimates can only be based on the single moment of the allocation of the primary order book – and will have changed virtually the following second. Such initial allocation will overstate the share of bank holdings since the banks' trading desks will have on-sold bonds they receive as participants in new issue distribution. Based on such inaccurate estimates, banks will tend to consider themselves "non-compliant" to be conservative – or, in the extreme, banks would have to assume that at any given moment all its bonds could be held by other banks - for lack of any information to the contrary.
Given that the European legislator has not given any basis of such de-recognition – and in the case of G-SIIs has decided to put focus on addressing the situation on side of the bank holding bonds (Art. 72e (c) CRR) - we would question whether the possible de-recognition of any such amounts for non-G-SIIs even for this assessment is within the perimeter defined by the legislator.

DIMENSION 3 - LIQUIDITY AND FUNDING IN RESOLUTION

- Estimation of liquidity and funding needs in resolution, we consider that the proposed description is not adequate as far as the SRB guidance issued in April 2021 (it was supposed to be updated in 2022) is expected to be reviewed, in particular on methodology and scenarios used to forecast liquidity needs in resolution.
- ID 3.1.3.2 – We would appreciate if the text of the SRB guidance could clarify whether this ID accounts for a real time forecasting or a stress testing tool. Some precisions on its requirements would also be highly appreciated.
- ID 3.1.4.1 – This capability goes beyond the EfB. Principle 3.1 does not require the bank to be able to recalibrate existing model parameters and assumptions within the day. This is thus an extension of the EfB.
- ID 3.2.1.2 – In our opinion, this requirement needs to be considered in a proportionate manner (for significant assets).
- ID 3.2.2.2 – We expect that the timeframe requested by the IRT corresponds to the timeframe set for the Joint Liquidity Template.
- ID 3.2.4.1 - Although being able to update the relevant data is of importance, we believe that the phrasing of "*all data points*" can place a disproportionate burden and goes beyond what the EfB requires.
- ID 3.3.3.1 – We would appreciate if the text of the SRB guidance could clarify the difference between sections 3.3.2.2 and 3.3.2.3. Additionally, the meaning of 'securitisation' in the context of SRF funding is uncertain, as well as "the information required for secured SRF funding".
- ID 3.3.4.1 - This capability goes beyond the requirements stated in the EfB. Principle 3.3 requires banks to have established processes and developed capabilities to identify and mobilise assets that can be used as collateral to obtain funding during and after resolution. It does not however, require banks to provide information to support the use of alternative funding in a resolution scenario.

DIMENSION 4 - OPERATIONAL CONTINUITY IN RESOLUTION (OCIR) AND ACCESS TO FINANCIAL MARKET INFRASTRUCTURE (FMI) SERVICES

- ID 4.1.1.1. – The text reads: "The bank has developed its own service taxonomy in order to identify and map critical and essential services, operational assets and staff." 'Operational assets' is defined in the Glossary as being '[…] critical/essential/otherwise relevant'. It appears an obsolete definition is used here. The word 'otherwise' is incorrect. The 'other relevant' category (i.e. for 'successful implementation of the preferred resolution strategy') namely was explicitly removed from the OCiR scope by SRB, when moving from the consultation to the final version of EfB back in 2020.
- ID 4.1.4.1 – This Level 4 capability is unclear. We would appreciate if the text of the SRB guidance could clarify what "digitalisation" means, as it is very broad and generic, and is not in the EfB.
- ID 4.3.2.2 – The detailed documentation and/or contractualisation of intra-entity services and assets may not always be useful and it would be highly burdensome and costly to implement and maintain in going concern. Moreover, it is not possible to anticipate on all intra-entity services and assets which may be subject to a TSA in resolution. Therefore, in our opinion, such requirement should either be removed or set at Level 4.
- ID 4.3.3.3 – We would appreciate if the text of the SRB guidance could clarify the term "preliminary" vs "full-fledged" succession plans.
- ID 4.3.4.3 – This ID refers the same requirements as ID 4.3.3.2 but with 50%. We would appreciate if the text of the SRB guidance could clarify whether this is optional. Both items globally do not make sense as in a resolution situation all providers whether internal or external must be timely paid to ensure continuity of activity. Furthermore, it is, in practice, quite impossible to distinguish for a given provider critical services paid vs others, as the billing is global. Altogether ID 4.3.3.2 and 4.3.4.3 do not make sense as resolvability capabilities and should therefore be removed.
- ID 4.4.3.2 – Although useful at industry level, this requirement is not relevant to assess the bank's own resolvability. It should be deleted or set as Level 4 'nice to have'.
- ID. 4.4.4.1 – We would appreciate if the text of the SRB guidance could clarify this level 4 FMI capability and if the SRB could elaborate on the link with EfB.
- ID 4.5.2.1 – We would like to highlight that although liquidity stress testing models (intraday & beyond) consider FMI potential heightened requirements, it is not possible to predict the scope and the magnitude of such FMI requirement since FMI behaviours is/will be discretionary.
- ID 4.5.4.1 - The EfB require banks to have a clear understanding of the conditions for continued access to critical and essential FMI services, including the estimates of liquidity requirements under stress. We have experienced that FMIs are not willing to share explicit amounts or other requirements or impacts for the situation of a run up to resolution. That makes it impossible for banks to comply. Furthermore, it is unclear what is meant by an 'internal risk assessment framework'. The bank has a risk appetite for liquidity risk which covers liquidity risk in the broad sense, not

necessarily the event of unknown heightened requirements from FMIs in the run up to resolution.

- ID 4.6.2.1 **b)** "*the extent to which assumptions and arrangements supporting continuity of access have been reviewed and/or validated by the bank's FMI service providers*"– In our view, a requirement for assumptions and arrangements to ensure continuity in access to FMIs to be reviewed and / or verified by FMI service provides is not rightly placed with banks. The new requirement reintroduces a one-to many approach with responsibility for compliance being placed with banks who are much dependent on the FMIs willingness to provide such confirmation to individual banks. In this context it should be considered that the FSB questionnaire was *"designed to reduce the "many to one" nature of inquiries from FMI participants and authorities to FMIs for resolution planning and streamline the provision of this information from FMIs to firms and authorities through the use of a common template".* Therefore, such a requirement should be discussed and placed with the regulators of the FMI service providers to ensure compliance is feasible. Overall, it is unfeasible and not proportionate to do that with all FMIs and all banks requesting review.
- ID 4.6.3.1 – This is not in itself a capability and should be removed as enclosed in a liquidity capability (ID 3.1.2.1). Having the data mentioned in the FMI CP is not a capability, it is a modality.
- ID 4.6.3.2. – In our opinion, the notion of FMI substitutability in resolution does not make sense.
- ID 4.6.3.5. – The requirement on Post-resolution actions should be clarified.
- ID 4.6.4.1 – The capability requiring banks to have alternative arrangements for contracts that are already resolution-resilient goes beyond Principle 4.6 as described in the EFB. It imposes an administrative burden on banks, for unclear reasons. Moreover, and as outlined in Article 14 (2) b of the SRMR, ensuring the continuity to critical functions/core business lines and to avoid significant adverse effects on financial stability constitute key resolution objectives. Banks are required to map FMI service providers to critical functions and core business lines as part of the annual data collection exercise. Thereby FMI service providers are being identified which are critical and essential to support the continuity of critical functions and core business lines. A capability requiring banks to draft FMI CPs for other, non-critical or essential FMIs and other relevant stakeholders (e.g., card systems etc.) does not serve the resolution objectives, is not proportional and should therefore be removed.

DIMENSION 5 - INFORMATION SYSTEMS AND DATA REQUIREMENTS (MIS)

- ID 5.1.1.1 – The reference to the quarterly "MREL/TLAC report" can be misunderstood, because it is not part of the resolution planning reporting.
- ID 5.1.1.2 – This capability appears to be already covered by the capabilities under the Liquidity & Funding dimension, and therefore to avoid double penalisation/counting this capability should be omitted. If that is not the

case, we would appreciate if the text of the SRB guidance could clarify the distinction (if any).

- ID 5.1.2.1 – This capability appears to be already covered by the capabilities under the Operational Continuity in Resolution dimension. To avoid double penalisation/counting this capability should be omitted, and therefore to avoid double penalisation/counting this capability should be omitted. If that is not the case, we would appreciate if the text of the SRB guidance could clarify the distinction (if any).
- ID 5.1.2.2 – This capability strictly specifies the meaning of the word "timely", which can be retrieved in the related EfB principles; as such, banks should be allowed more flexibility in terms of timing for this kind of reporting.
- ID 5.1.3.1 – This capability is very similar to the capability with ID 5.1.2.1 – to avoid double counting it should only be included once – also see the comment for ID 5.1.2.1.
- ID 5.1.3.2 – We would appreciate if the text of the SRB guidance could add that "N/A" should be filled in when the bank has no significant trading activities.
- ID 5.1.4.1 – The aim of this capability is to comply with reporting requirements within timelines set and of sufficient quality. The SRB here imposes the 'how' which is beyond the scope of the EfB. While banks are pro automation, it is not a goal in itself and should always serve the purpose.ID 5.2.1.2 – This meta requirement is already part of the assessment and annual plan to remediate shortcomings.
- ID 5.2.2.1 – Banks will always have an open action plan with topics to be remediated following regular testing exercises. Therefore, they will never be in a position to have entirely completed the remedial actions at the time of the assessment. In our opinion, this requirement should be reworded towards the setting of a continuous improvement work programme. This meta requirement is already part of the assessment and annual plan to remediate shortcomings.
- ID 5.2.3.1 – We would appreciate if the text of the SRB guidance could clarify the difference between this capability and ID 5.2.2.2. Unless there is a clear difference for which we would welcome an explanation, to avoid double counting the capability should be included only once.
- ID 5.2.4.1 – Since the guidelines on the "Valuation Playbook" are not available yet (upcoming consultation), it is not possible for banks to assess this capability. Once the expectations regarding this deliverable are clear, we may have some comments.
- ID 5.3.1.1 – This should not be part of the Bail-In Playbook, but part of the descriptive deliverable describing MIS capabilities (Technical Note). Furthermore, it remains uncertain what the scope of MIS capabilities is, either MBD or LDR. The bail-in playbook is an operational guide describing the steps of the bail-in execution. Including the MIS capabilities of the bank in this document is not relevant and would undermine the playbook operationality.
- ID 5.3.4.1 – We would welcome from the SRB a pragmatic approach, even though the capability is on Level 4: as mentioned for Dimension 2, expecting the bank to operationalise the whole scope of bailinable liabilities is

unrealistic for large banks given the level of losses that would require a bail-in of this whole scope.

- ID 5.3.4.2 – We would appreciate if the text of the SRB guidance could clarify this Level 4 capability, as a proportionality issue is highly likely here. This goes above and beyond the EfB. Setting up and maintaining a "searchable repository" places a disproportionate burden and costs on banks. It is furthermore unclear why such a repository should permanently be in place for banks that have already shown they can timely deliver the required documents during a dry-run.

DIMENSION 6 – COMMUNICATION

- ID 6.1.1.5 – The capability is redundant as the communication plan for recovery and resolution purposes naturally covers the same critical stakeholders and communication channels. Where deviations appear, these are due to the specific objectives of both plans.
  ID 6.1.2.1 – In line with the requirements introduced in the EfB, banks already consider communication needs for relevant stakeholder groups and "*are expected to identify critical external and internal stakeholder groups, which need to be informed in the resolution process, including the stakeholder groups set out in Art. 22 (6) Commission DR (EU) 2016/1075 as well as relevant providers of services or operational assets*". The granularity of this capability in the RSA template goes beyond the requirements in the EfB, as it introduces granular requirements (especially regarding covered versus non-covered depositors and affected versus non-affected creditors) on the identification of stakeholders. It should therefore not be a formal capability concluded in the resolvability self-assessment.
- ID 6.1.4.1 – It is not clear why pre-populated documents should be approved by the bank's legal department; the involved functions (e.g. Identity & Communication, Investor Relations, Marketing etc) would be able and should revise and approve the content of pre-populated communications, not the legal department. We suggest deleting the reference to the legal department's approval. In alternative, we would expect the SRB to provide templates that are judicially sound, as the SRB/NRA is in command in the resolution process and hence responsible for communication. Banks would be available to recommend content. Furthermore, the *'general statement, communicating the resolution action(s) expected to be taken in a resolution event*' is something we would rather expect to be provided by the resolution authority itself given the benefits of harmonising such statements across the Banking Union and the advanced level of knowledge about what resolution actions will in fact be taken during a specific resolution case.
- ID 6.1.4.2 – Banks' communication processes are designed to facilitate targeted and appropriate communication in a variety of events. In a resolution scenario, swift communication is already ensured even if the speed of the crisis leads to a short-runway to FOLTF, even mid-week failure, for example, due to the availability of communication templates which can be adjusted to the specifics of an actual crisis in line with the generally

established communication process. These circumstances make this Level 4 capability obsolete.

- ID 6.2.1.2 – Communication in resolution is governed by banks' dedicated resolution governance. Expectations regarding the set-up of resolution governance procedures should be addressed in the governance dimension and not be duplicated.
- ID 6.2.1.3 – The execution of the communication plan is either monitored as part of well-established business as usual procedures or the resolution governance.
- ID 6.2.2.1 – We would appreciate if the text of the SRB guidance could identify in what EfB/guidance is this stipulated and clarify what would be the role of the call centre, explaining the reasoning for 24/7. This capability makes may lead to uncharted territories, with proportionality potential issues.

DIMENSION 7 - SEPARABILITY & RESTRUCTURING

- Principle 7.1: overall, the capabilities for this principle do not make any reference to the resolution strategy of the bank and in this respect go well beyond the Expectations for Banks and what is needed for resolvability purpose, requesting an analysis that goes well beyond the "undue complexity in their structure, which pose a risk to the implementation of the resolution strategy" mentioned in the principle.
- ID 7.1.1.2 – It is unclear to us what is meant by "complex products" or by "business lines". These terms need to be clarified as this terminology is not part of the EfB requirements. It remains therefore uncertain whether L3 products can be assimilated to 'complex' products, and the same applies to L2 products. The concept of 'complexity' appears subjective, and we would appreciate if the text of the SRB guidance could clarify it. Moreover, the requested analysis is redundant with the task performed in SAR AST & SoB.
- ID 7.1.1.3 – The requested analysis is redundant with what is provided in the recovery plan.
- ID 7.1.1.4 – The requested assessment is redundant with the supervisory authority's assessment done in SREP. The analysis should be limited to point subjected to impediments.
- ID 7.1.3.1 – We would appreciate if the text of the SRB guidance could clarify this ID, especially regarding the part on non-banking operations.
- ID 7.1.3.2 – Points **a)** and **b)** would be better suited under principle 7.3, whereas point **c)** under principle 7.2.
- ID 7.1.3.3 – These requirements remain unclear for cooperatives, and we would appreciate if the text of the SRB guidance could clarify them. Capabilities 7.1.3.3 and 7.1.2.5 seem to contain the same requirement.
- ID 7.1.4.1 – This requirement is redundant with supervisory expectations.
- ID 7.1.4.2 – Expectations for resolution should be clarified as it is already done in BAU. Moreover, the carving out of assets, rights and/or liabilities and placing them under specialised legal entities is not stated in the EfB, thus reaching beyond principle 7.1. The template further stipulates 'entities',

where it is not a given that multiple entities must be in place to implement the resolution strategy.

- ID 7.1.4.3 – In our view, this requirement is neither relevant nor proportional.
- ID 7.1.4.5 – We would appreciate if the text of the SRB guidance could explain this Level 4 capability expectation including the "MLEs" definition.
- ID 7.2.1.1 – We would appreciate if the text of the SRB guidance could distinguish between the various tools, e.g. AST versus SoB => some capabilities are not applicable for one tool.
- ID 7.2.1.2 **a)** on "Assessment of market interest considering potential buyers" – Unclear how this can be evidenced and what scenarios need to be taken into account. Potential buyers are normally updated in the context of Recovery Planning. As such the list is updated every year considering recent transactions and market analysis. The list of potential buyers and their suitability would have to be re-assessed in the run-up to resolution or at the start of the transfer process depending on the scenario that would have led the Group into Resolution. Thus, it is disproportionate and unnecessary to detail the analysis in an exhaustive way, and even more if this was expected with a yearly update. Furthermore, in case of AST, point **a)** is only partially applicable: market interest is relevant only for a second step for AMV.
- ID 7.2.1.3 – This requirement should be applicable only when the SRB has clarified the necessary information and timeframe.
- ID 7.2.2.1 **a)** – This requirement would benefit from being clarified as in the current guidance there are no elements on liability holders: unclear how the articulation with the Bail-In works, and what other impacts may be at stake. In case of SOB, the requirement in point **c)** must be re-phrased to be limited to what is provided outside the transfer perimeter.
- ID 7.2.2.2 **a)** and **b)** – "N/A" for SoB for subsidiaries and for Open Bank Bail-In (OBBI) Preferred Resolution Strategy (PRS). The requirements **c)** and **d)** must be clarified and rephrased to take into account OBBI. For AST, we expect proportionality on point **d)** related to the assets to be transferred.
- ID 7.2.2.3 – This requirement should be applicable only when the SRB has clarified the necessary information and timeframe.
- ID 7.2.3.1:
    - This requirement is not proportional in case of OBBI.
    - It appears that point **d)** is not relevant for NPL (AST). Regarding point **e)**, it is unclear what kind of data is being referred to. As for point **f)**, we wonder whether this could fall under the responsibility of the AMV advisors. In our view, it seems unrealistic to consider performing and updating this type of analysis with the level of granularity described.
- ID 7.2.3.2 – This requirement is not proportional in case of OBBI.
- ID 7.2.3.3 – This requirement should be clarified with the distinction between tools and considering optionality in the resolution strategy.
- ID 7.2.3.4 – When the main tool is bail-in, requirement **c)** should be set in the Bail-In or Master Playbook (not in Transfer Playbook).
- ID 7.2.4.2 – The requirement needs to be clarified in the case of OBBI.

- Principle 7.2 of EfB does not require banks to foresee back-transfers and their underlying processes. Furthermore, an explanation about what exactly is understood with "back-transfers" is welcome.

- ID 7.3.1 "General remarks regarding Level 3 capabilities" – Level 3 capabilities do not refer to any binding regulatory text clarifying concepts and methodologies. In our view, discussions around these implied requirements in resolution planning shall take place before being subject to any assessment. Secondly, the implied requirements only make sense under specific scenarios whereas banks consider that resolution planning shall not be scenario - based as in recovery planning. Moreover, banks consider that they have to demonstrate their capabilities but not to produce and update the BRP on a yearly basis. Finally, detailed analysis based on quantitative information provision shall not be updated every year and shall not go beyond information and analysis provided in Recovery Planning. Updating such analysis every year would significantly increase workload, and information would be obsolete upon entry into resolution requiring for refresh.
- ID 7.3.1.1.2 – It concerns BRP deliverables describing a possible Core Bank. The actual resolution scenario will determine which activities will be viable. The text should be amended to reflect that distinction.
- ID 7.3.1.1.3 – Business Reorganisation measures depend on the crisis scenario which can be multiple. Therefore, this requirement is not relevant and, in our view, should be removed.
- ID 7.3.1.2 – The definition of "service delivery model" needs to be clarified.
- ID 7.3.1.2.4 to ID 7.3.1.2.8 – Those requirements are not relevant for what is already included in the Recovery Plan & SWD.
- ID 7.3.1.3.1 to ID 7.3.1.3.3 – Those requirements are not relevant as Maximum Reorganisation Capacity (MRC) depends on the crisis scenarios which are multiple. Furthermore, the concept of MRC is new, as it does not exist in the EfB. It is a new concept without a (legal) definition and sound methodology. The introduction of this concept via the RSA should be avoided.
- ID 7.3.1.3.2 – In our view, it is not appropriate nor reasonably feasible to propose an optimal combination since it would depend on the specific scenario that could lead the Group in Resolution. The optimal combination would also depend on the effectively implemented Resolution Strategy. Recovery options and Reorganisation measures should be viewed as a toolbox.ID 7.3.1.3.3 – We think that it is not feasible to propose for a likely order/roadmap, since it would depend on the scenario that led the Group to Resolution and whether the Group has gone through a Recovery phase prior to Resolution. The optimal combination would also depend on the decision on the Resolution Strategy.
- ID 7.3.1.3.4 – As this is redundant with recovery planning, we understand that this may be satisfied by mentioning a recovery plan reference. Principle 7.3 of EfB invites banks "*to consider the availability of documentation produced for other purposes, like recovery planning*". We would appreciate if the SRB could confirm our understanding. Furthermore, some ratios are not relevant, for example, LCR depends on balance sheet structure of the core bank which is too variable.

- ID 7.3.1.3.5 – We consider that it is unnecessary and disproportional to update these projections and estimations demonstrating the bank's viability on a yearly basis. They would almost certainly be obsolete at entry in resolution and would in any event have to be fully refreshed during the post-resolution reorganisation period.
- ID 7.3.1.4.1 – This concept is not mentioned so far in the regulation nor in the EfB. We would appreciate if the SRB could re-assess the need and expected added value of it and the basis on which banks could achieve such level of detail right away. This would allow to assess the proportionality of the capability. Moreover, as a quantitative sensitivity analysis in order to identify the maximum capacity in terms of relevant viability metrics is not mentioned in the EfB, this point goes beyond the requirements as set out in principle 7.3.
- ID 7.3.1.4.2 – This Level 4 capability looks like a tentative definition of 'MRC'. The precise expectation should be detailed, in order to assess the proportionality of the capability. Considering recovery options only, MRC is similar to the ORC computed for recovery planning purpose. If so, it overlaps with ID 7.3.1.3.5 to some extent, the capability to provide financial projections of the Core Bank post-resolution reaches the same objective as the MRC computation based on both recovery options and restructuring measures. In our opinion, this capability goes beyond the requirements as set out in principle 7.3 of the EfB.
- ID 7.3.2.2.1 Point **c)** – The rump portfolio depends on market/counterparties willingness to novate. Whereas it could be possible to identify the desks on which the rump will be located, it is not possible to detail the rump portfolio.
- ID 7.3.2.3.2 Point **b)** – This is not relevant, rather a quantification of resources needed for rump.

Question 2: If "No" is selected in the previous question, please suggest alternative format(s).

Excel is great for checklists, but really very difficult to control for text entries, commentary, versions, track changes, etc. As we are already seeing with the current Resolvability Assessment Excel. The proposed draft is very complex and will be very cumbersome to fill and then read, analyse and compare. 4 out of 5 attributes in the form are in a free text format – which will increase complexity.

A separate tab where each evidence is provided with an ID seems more helpful. In the individual tabs reference to this ID in Column **I** would suffice.

The information provided in the Excel template could be summarised with reference to an **additional note in Word/PdF format**, where needed, to provide the comprehensive information expected, in particular for capabilities with high impact that receive particular attention from the IRT.

- ⇨ ID document based on Capability addressed & Assessment period
- ⇨ Dedicated resolvability self-assessment solution interface in IRIS, provided that import/export functionalities are present and smooth enough.

Question 3: Scope/frequency: Are the envisaged scope of application (at the resolution group level, covering also non-resolution entities) and frequency (yearly) for the submission of the self-assessment report well calibrated? If not, please explain.

- Yes
- No (please explain)

We believe that updating the self-assessment every two years for banks that are widely (e.g. over 80%) compliant would suffice.

The SRB should clarify the scoping regarding non-resolution entities. We refer to the parts of the proposed SRB guidance detailed page 12, 1 and 59/60 (definitions) and consider that expectations for the Resolvability Assessment regarding non-resolution entities should be clarified, as in practice the resolution entity is where the resolution would occur. We would like to understand what criteria should be used to confirm the exact scoping of non-resolution entities to consider (by example, would a liquidation entity be in scope) and what is expected precisely regarding these entities by the SRB, with what rationale in mind. Also, the sentence '*The relevance of the specific resolvability dimension for non-resolution entities should be defined in agreement with the IRT.'* should be clarified, namely explaining what that specific resolvability dimension for such a non-resolvable entity is.

In our opinion, the scope is also unclear regarding home/host expectations. In page 12, the SRB states: "*This operational guidance does not cover non-resolution entities where the SRB acts as host resolution authority. In these cases, the SRB will rely on the assessment performed by the home resolution authority and the underlying self-assessment conducted by the bank according to the format of the home resolution authority*". In p.13, the SRB states: "*it is acknowledged that the host resolution authority of non-BU subsidiary of the bank under the SRB's direct remit may identify a need to request an individual self-assessment from such subsidiary. In this case, the host resolution authority will set the appropriate reporting format, and the results of such self-assessment should be considered by the resolution entity among other analysis requested to non-resolution entities while conducting the self-assessment for the resolution group*."

For **SPE Groups** EU Non-Banking Union (BU) subsidiaries (i.e. EU Non-resolution entities part of the same Resolution Group) we kindly ask the SRB and the EU Non-BU NRA to agree on the same format and methodology for the resolvability self-assessment within the same resolution group (i.e. the SRB one where the resolution entity is based in the BU). This is preferred since:

- SRB's resolvability self-assessment methodology is already in line with the EBA Guidelines (also the main reference for EU Non-Banking Union countries/NRAs);
- Different EU Non-BU NRAs local approaches i) trigger misalignments within the same Resolution Group; ii) increase the efforts for Group and local functions within the same bank; iii) is not coherent with the SPE/EU cross-

border group approach and reduces the possibility to ensure Group steering, particularly if the resolution entity follows SRB approach;

- We believe that the aim of both the EBA and the SRB should be to harmonise approaches across the EU and not to trigger additional standards and misalignments → based on the above, harmonisation is best achieved within an EU cross-border SPE Resolution Group by adopting the SRB's methodologies which already take into consideration the EBA;
- If needed, local EU Non-BU subsidiaries within the same Resolution Group could provide additional information/granularity at local level to satisfy the NRA's, expectations but based on the same Group format and not different formats and methodologies requested by the EU non-BU local NRAs; we should avoid overlaps of information with different formats and methodologies. On this point, we acknowledge the SRB stance during the SRB Technical Meeting (on 14 January 2025) to discuss and align such aspects also during the dedicated forums (e.g. Resolution Colleges) to ensure consistency at individual bank' levels. We believe this aspect should be also emphasised by the SRB in the final guidance.

One of the objectives of those templates should be to harmonise the results of the resolvability assessment for all banks but the inclusion of different criteria coming from other resolution authorities into the BU Resolution Group assessment could breach this principle as banks would be assessed differently. SRB assessment should therefore prevail. In our opinion, this text is not clear: "*For banks under an MPE strategy with the ultimate parent entity within the BU, in order to ensure there is a single point of contact and holistic view at the level of the ultimate parent entity, the self-assessment report should be centralised and submitted to the SRB by the ultimate parent entity*." (page 11) It is important to note that the preparation of self-assessment reports by resolution entities **under MPE strategy outside BU** for the purpose of providing them to SRB by ultimate parent entity within the BU would be excessive.

- Self-assessment reports are required from resolution entities outside BU by local resolution authorities. Preparation of two self-assessment reports of similar nature creates extra burden for the bank and seems to be not efficient.
- The SRB guidance document clearly states that the self-assessment should be conducted at the level of each resolution group within the Banking Union. This supports the approach that self-assessment reports should be provided only by resolution entities within the BU.
- If the MPE strategy is applied it allows the local resolution authorities to carry out the resolution of a separate resolution group identified in jurisdiction outside the BU. This indicates the importance of the self-assessment being provided to local resolution authorities.
- According to point 127 of the EBA Resolvability Guidelines "*In the context of cross-border resolution groups, the self-assessment report should either be reported by the resolution entity to the group-level resolution authority (or the relevant resolution authority in the case of an MPE strategy) or by the non-resolution entity to the local resolution authority*." This supports the

approach that self-assessment reports should be reported only to the local/relevant resolution authority in case of MPE strategy.

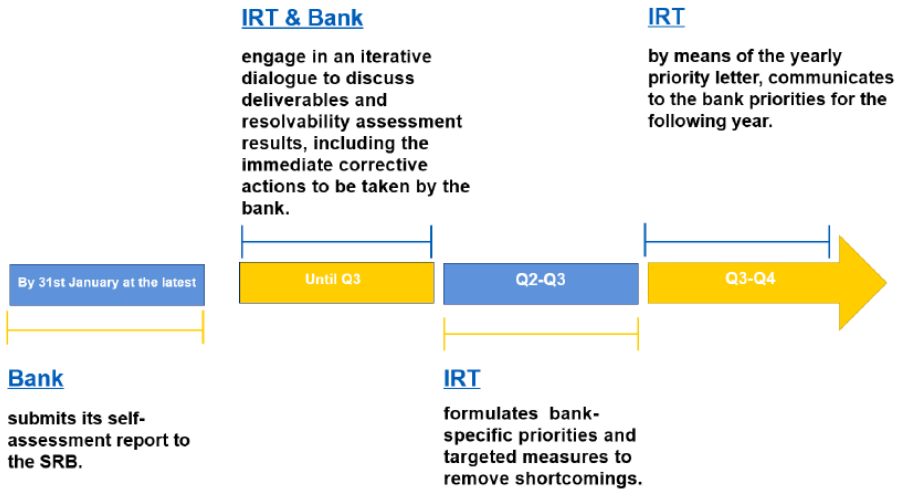
- According to point 129 of the EBA Resolvability Guidelines "*For the purpose of the self-assessment report referred to in paragraph 124, institutions should follow the format provided by their resolution authority*." Some countries like Poland have already issued binding formats. This reporting format is not fully coherent with the format intended for institutions under the SRB's remit, which makes the potential integration and ensuring holistic view at ultimate parent entity very challenging.
- The EBA Resolvability Guidelines as well as the SRB Guidelines refer to operationalisation of bail-in which is addressed in Bail-in Playbooks which are prepared locally, not centralised (for MPE groups).

Finally, more clarity would be welcome also for banks under **a single point of entry (SPE) strategy**. The SRB Operational Guidance "*focuses on the resolution entity*", but states that "*a resolution entity should reflect how the resolution group as a whole, including non-resolution entities, meet the EfB. The assessment related to non-resolution entities should therefore also cover all seven resolvability dimensions, to the extent relevant to the execution of the strategy. The relevance of the specific resolvability dimension for non-resolution entities should be defined in agreement with the IRT*". It is not clear how to include the results of the assessment of the non-resolution entities into the assessment of the Resolution Entity. We would like to highlight that clarity in the definition of the scope is especially needed for cross-border groups with BU resolution entities and non-BU non-resolution entities, particularly if some of the non-BU non-resolution entities are assessed in the Resolution College. We also believe that it could be appropriate to specify within the SRB Operational Guidance that non-resolution entities are defined as only subsidiaries with a resolution strategy assigned (thus excluding liquidation entities, as defined in EU Directive 2024/1174 Art.1). This definition could be integrated in the glossary at page 59.

In light of the above considerations on the scope of application at resolution Group level and/or SPE/MPE approaches, we suggest that SRB provides a clear scheme on the expectations for the implementation by considering the complexity of the group structure and the link with the preferred resolution strategy. A possible example is already part of the SRB Valuation data set Explanatory note – points 29-34 (pages 13-17):

Frequency / planning: Figure 1 Page 14

Figure 1. Simplified resolvability assessment process and timeline



This graph above seems to make a distinction between "immediate corrective actions" and "targeted measures to remove shortcomings". Both types of actions, except if they concern substantive impediments for which specific process and timeline are set by the SRB, should be defined in a proportionate manner and be defined enough in advance for the bank to remediate. We therefore do not see the purpose of "immediate actions".

Question 4: If "No" is selected in the previous question, please indicate how scope/frequency should be calibrated instead.

Firstly, as regular "resolvability self-assessment and work programme" submissions include large quantity of overlapping information, we propose to avoid this.

Secondly, the calendar should take into account the Banks' budgeting process (for some at the end of Q3) and the pluriannual testing programme to synchronise requirement for Year +1 before Year Q3. There should be the possibility for some heavy requests to be spread over 2 to 3 years.

Thirdly, the submission date of the self-assessment may be amended to allow for incorporating the experiences and results obtained from the resolution reporting (i.e., LDR, CFR, FMIR, CIR). For example, 31 May of each year as submission date would enable banks to incorporate the most up-to-date knowledge about (data) completeness and accuracy.

Moreover, the relevance of the requirements for non-resolution entities is unclear and may lead to unnecessary burden for banks.

For banks whose resolution strategy has just changed from liquidation to resolution, the resolvability self-assessment should only be required for those requirements that have to be met according to the gradual phase-in as tailored by the IRT. Only

after the respective bank has fully built up the required EfB capabilities, the total scope of the resolvability self-assessment should apply. As stated in the "Operational guidance for banks on resolvability self-assessment", targeted measures will only be formulated regarding principles for which the phase-in has already started in previous years. A phased-in resolvability self-assessment would allow banks to focus and allocate their resources on the items pursuant to the timeline determined by the IRT. Accordingly, this phase-in could apply not only to switch banks but also to newly authorised banks and banks with a change in remit.

Whereas, for banks that have just switched their resolution strategy from liquidation to resolution, it should be avoided that the regular resolvability self-assessment cycle shortly starts after the initial submission of the first full resolvability self-assessment. E.g., if a bank is required to submit its first resolvability self-assessment report by year-end, this bank should not be required to renew the resolvability self-assessment by 31 January of the subsequent year as it is not expected that new information is available that would materially alter the initial resolvability self-assessment.

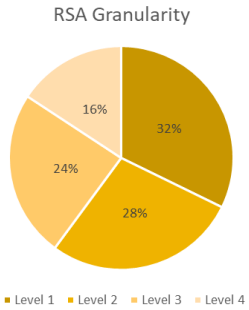
Question 5: Granularity: Is the overall content and the number of capabilities described in the self-assessment template sufficiently detailed and comprehensive to cover the spectrum of progress made by banks? If not, please propose some concrete examples of new capabilities you would suggest introducing.

- Yes
- No (please explain)

The resolvability self-assessment template is overly granular. This level or granularity risks taking the form of a checklist (which is advised against in the guidance itself, p. 18) instead of a living document that can, at times, be tailored to the specificities of the bank.

The overall content and number of capabilities does not seem proportionate and should be reduced for some dimensions, as evidenced by the table below: for example, capabilities on dimensions 6 and 7 seem too granular.

EfB Dimension	#Principle	#Capabilities	Text Volum		Capabilities per Principle	Text lengh per Principle	Text lengh Capability
Dim 1	4	28	7999		7,0	2 000	286
Dim 2	6	43	15173		7,2	2 529	353
Dim 3	3	26	7600		8,7	2 533	292
Dim 4	6	42	11825		7,0	1 971	282
Dim 5	3	25	6447		8,3	2 149	258
Dim 6	2	26	9000		13,0	4 500	346
Dim 7	3	58	21833		19,3	7 278	376
Total	**27**	**248**	**79877**		**9,2**	**2 958**	**322**



Furthermore, we propose to significantly reduce duplicates or near duplicates in the capabilities, sticking with the ones in line with the EfB and a stable resolvability assessment criteria.

In our opinion, in terms of level of granularity, the SRB RSA operational guidance (on 4.1 Four-point self-assessment grading scale) exceeds the EBA guidelines (EBA/GL/2022/1) on point 4.6 Self-assessment report, Paragraph 124. The target to be "compliant" for all detailed core capabilities means to comply exhaustively, with all granular expectations. It is much more demanding than having a "high degree" in the way capabilities are met. There is no room for a proportionate approach. Besides, in the Self-assessment template illustrative example.xls, 18% of the capabilities have to be assessed with a binary grading (compliant / not-compliant) with no apparent rational to limit the grading (not based on yes/no answer to the capability) and a high dispersion among EfB dimensions (from no limited grading in Dimension 6 to 5% for Dimensions 3 & 4 and up to 43% for Dimension 1 Governance 43% to …). As a way of suggestions, we suggest keeping EBA grades "High"; "Medium"; "Low" and split, if needed, the medium grade in "Medium-High" and "Medium-Low" for all capabilities (instead of binary approaches), as follows:

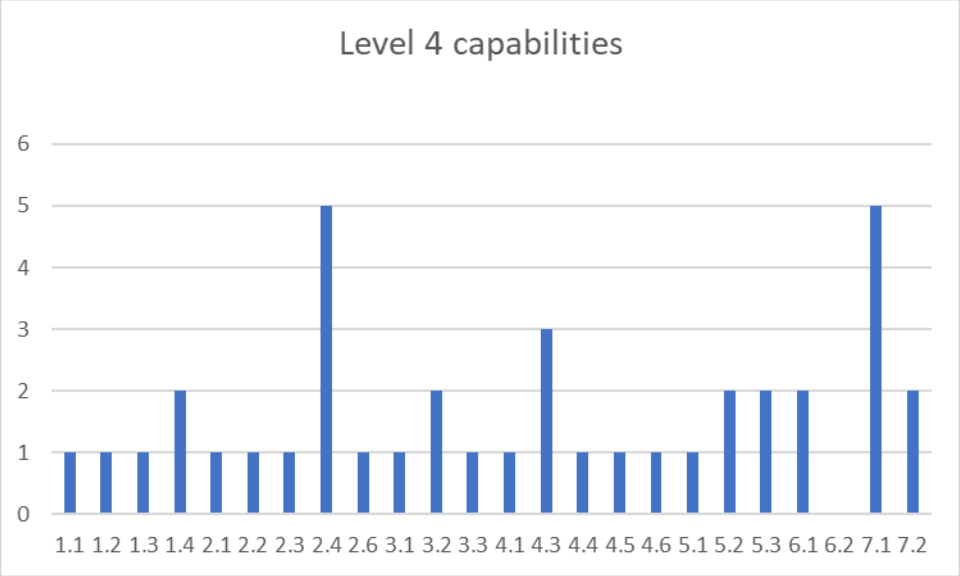
- **High**: The bank should assess itself as high when the capability is highly met.
- **Medium-High**: The bank should assess itself as medium-high with the capability, whenever shortcomings identified are limited or have a low impact on the practical implementation of the capability.
- **Medium-Low**: The bank should assess itself as Medium-Low with the capability where the practical implementation of the capability is still weak. While this grade acknowledges the bank's initial steps towards meeting the capability, it should still be considered as the closer to the Low grade. Consequently, the gap between "Medium-High" and "Medium-Low" is wider, with the aim of differentiating in which capabilities substantial work remains to be completed or not.
- **Low**: The bank should assess itself as Low with the capability, whenever there are substantial implementation issues or the capability is not implemented.

Question 6: If "No" is selected in the previous question, please indicate areas that have not been captured by the self-assessment template.

Question 7: Advanced capabilities: Level 4 represents advanced capabilities providing more granularity on the extent to which certain banks demonstrate their crisis preparedness. How can these capabilities be set out best to support banks' work on ensuring resolvability? Would you recommend that additional capabilities be added to Level 4? If yes, please detail.

We understand Level 4 capabilities go beyond the formal requirements. We therefore believe these should not require a mandatory resolvability self-assessment or the implementation of remedial measures.

If retained (and as expressed in the introduction the industry does not support this),the capabilities in level 4 should be used as a way to share knowledge on how banks have organised certain parts of their resolution strategies beyond the expectations for banks. The SRB could bundle those in a report for information purposes. The addition of level 4 capabilities, however, should not translate the best practices of some banks to an integral part of the assessment of all banks.



It remains unclear whether levels 1 to 3 need to be fulfilled before completing level 4 capabilities. Additionally, the rationale for including level 4 in this context is uncertain. We would appreciate an explanation in the SRB guidance about the possible impact of a bank meeting level 4 requirements without being fully compliant with level 3 requirements and possibly receiving an overall better assessment.

The status of the Level 4 capabilities is unclear. Will they apply to all banks, or will the applicability be decided on a case-by-case basis? We see it as problematic that a new category is introduced which at least partially goes beyond the requirements of the law (see especially MREL-related Level 4 capabilities). According to the

Guidelines, the failure to meet Level 4 capabilities will not "in principle" trigger the identification of substantive impediments. Especially if a requirement goes beyond the law, it should be stated clearly that the substantive impediments procedure cannot be initiated.

Question 8: Variant strategies (I): In order to assess progress on the operationalisation on the variant strategy, would you prefer to reflect such progress in one single column of the self-assessment template covering both Preferred Resolution Strategy (PRS) and Variant Resolution Strategy (VRS) (if applicable) or in two separate columns of the same template? Please explain.

A single column may be sufficient, especially as the variant strategy is most often to be seen in combination with the preferred one.

Question 9: Variant strategies (II): In your view, which resolvability capabilities included in the self-assessment template are the most relevant for assessing the operationalisation of the VRS as compared to the PRS?

We believe that all the resolvability capabilities pertaining to dimension 7 of the self-assessment template are the most relevant for this matter.

Question 10: Market transparency - aggregated level: What level of detail would you consider useful for benchmarking (e.g. by business model or bank size or by country)?

It would be nicer to have some more differentiated benchmarking, as currently this simply shows all large banks under SRB's mandate (and separately the LSIs). Given that there are 100+ large institutions everything converges to a mean, i.e. the better performance of some banks is brought down by others, hence it is really difficult to get a detailed picture. Instead, it would be good to have multiple levels organised per country or groups of countries. A separate heatmap split into pots based on bank size or business model may be useful as well, e.g. how does a bank compare against other Universal Banks of a certain size?

It depends on what the benchmarking is used for. In terms of the SRB providing information, slicing and dicing based on business models, bank sizes and national particularities is welcome. Distinction between G-SIB vs non-GSIB and by country/group of countries would also be welcome.

Question 11: Market transparency - individual level: Banks remain free, at their discretion, to disclose information on their resolvability progress and related activities and/or to make reference to potential authorities' publications. Would you envisage such disclosures, if applicable, for your bank? If not, what considerations/concerns do you have in this regard?

A voluntary disclosure on resolvability assessment would entail a level playing field issue.

Question 12: Scenarios-based assessment: Do you agree that the self-assessment could be completed under different scenarios or crisis events (e.g. defined by the resolution authority) to achieve better preparedness? Please comment.

We would strongly advise against scenario-based assessment, and we do not see the need of it in the resolvability self-assessment. We are assessing capabilities that should be available in crisis scenario and that is the very purpose of resolution planning.

The introduction of a scenario-based assessment would over-complexify the exercise and would exceed any reasonable proportionality. The number of such scenarios would be infinite, and scenarios would significantly differ from one bank to another. That is why some capabilities assessment proposed in the resolvability self-assessment template should be clarified or reviewed. Indeed, many relate to requirements that have never been presented in guidance or any other regulatory binding documents nor discussed with the banking industry. The potential introduction of such new requirements must remain subject to thorough prior discussions with the banking industry in our view. Consistently with the EfB, banks are logically not and should not be expected to demonstrate more that their capabilities to produce a Business Reorganisation Plan within one or two months after bail-in execution. BAU experience (when banks have to adjust their financial projection due to external events – such as the start of the Russo-Ukrainian war – or internal events – such as the sale/purchase of a major subsidiary) provides for regular testing and shows that banks could rely on their existing capabilities for the preparation of the BRP.

As of today, only Recovery Planning must be scenario-based with Recovery scenarios designed in line with applicable EBA guidelines. It makes sense to have the scenarios for a recovery situation, as a bank may choose from a range of recovery options depending on the actual situation. In resolution, however, the options are limited to the resolution tools as determined by law. Therefore, there is probably very limited added value that may be drawn from a more scenario-based approach. How to handle a resolution does not depend on the scenario, but rather on the level of operationalisation of the applicable resolution tool.

While assessing scenario dependencies may be useful, it should be done in a much more targeted manner.

Question 13: Link to testing: Is the self-assessment template adequate to identify the areas that have been tested/to be tested? If not, please explain.
If "No" is selected as option, a new text box will open where you are invited

to indicate areas that have not been captured by the self-assessment report.

- Yes
- No (please explain)

Yes, there is sufficient room**.** There is a question on testing against every single capability – asking if this capability has been tested and why (SRB priority, self-initiated). This is a huge effort to check how our tests map back to each and every capability.

Question 14: If "No" is selected in the previous question, please indicate areas that have not been captured by the self-assessment template.

Question 15: Additional comment(s): If needed, please provide any additional comments on the Public consultation package.

Below, we provide a non-exhaustive list of examples (some of them included under Q1) of mismatches between the EfB and the RSA template, where the latter goes beyond the requirements included in the EfB:

1. ID 1.1.4.1 – The EfB mention that banks should appoint a member of the management body and appoint a senior-level executive. Creating and participating in a Resolution Steering Committee or similar body is only required where needed. Making this an explicit part of the template goes beyond the EfB.

2. ID 1.2.4.1 – The EfB note that banks should appoint a member of the management body and appoint a senior-level executive. Creating and participating in a Resolution Steering Committee or similar is only required where needed. Making this an explicit part of the template goes beyond the EfB.

3. ID 1.3.1.2 – This capability states that "[…] The bank has adequately incorporated the first and second lines of defence as part of its internal resolution planning procedures." The second line of defence involvement in resolution is not required in the EfB.

4. ID 1.3.2.3 – The requirement to report audit findings to Board level is new in the RSA template and goes beyond the requirements in the EfB.

5. ID 1.3.4.1 – This capability goes beyond the EfB. The EfB note that the audit committee monitors "[…] *the effectiveness of the institution's internal quality receive and take into account audit reports and ensure that the audit committee or another body periodically* reviews these arrangements". Capability ID 1.3.4.1 seems to require a review by the audit not on the process but on the RSA itself, which goes beyond the EfB. Moreover, the SRB stated in the Technical Meeting of 14/01/2025 that the Internal Audit plays

a role as an independent person, that it can provide view to the checks and the efforts the bank has been done but it is not a hard requirement from the SRB side. If that is the case, it should be removed from the ID.

6. IDs 1.4.1.1, 1.4.1.2 and 1.4.1.3 – The testing documents validation by Board of directors is not mandatory in the EfB.

7. ID 1.4.4.1 – The EfB do not explicitly require testing beyond the multi-annual testing programme. As we have not yet seen the testing programme, but the EBA Guidelines state "*Secondly, the guidelines require authorities to develop a multi-annual testing programme for each resolution entity so that institutions would demonstrate the adequacy of their resolvability capabilities as set out in the EBA Resolvability Guidelines and Transferability Guidelines*", requesting testing beyond this requirement goes beyond the EfB and the aim of resolution planning, i.e. being resolvable.

8. ID 1.4.4.2 – The EfB note that the audit committee monitors "*the effectiveness of the institution's internal quality control and receive and take into account audit reports and ensure that the audit committee or another body periodically reviews these arrangements*". The EfB do not require audit to be a silent observer in testing exercises. The internal audit plan is risk based, which is not taken into account in this requirement, which unnecessarily burdens internal audit. This capability goes beyond the EfB.

9. ID 2.1.4.1 – In the EfB, there is no request for improving operationalisation of bail-in instruments.

10. ID 2.2.4.1 – The requirement to "[…] *to expedite the process of obtaining a court ruling*" is not in the EfB.

11. IDs 2.4.3.1, 2.4.3.2, 2.4.3.3, 2.4.4.1, 2.4.4.2, and 2.4.4.5 – These requirements are not formally expressed in EfB nor in MREL policy, even if they are part of a sound management.

12. ID 2.4.4.5 – The EfB mention that "*banking groups subject to a Multiple Points of Entry strategy should not rely on issuances of eligible instruments purchased by other resolution groups of the same banking group (…) Contagion risk shall be deemed minimised insofar as the resolution groups subject to the MPE strategy can be resolved without causing immediate MREL shortfalls in other resolution group(s)*". Yet, capability 2.4.4.5 seems to extrapolate this idea to all banks, therefore broadening the scope and reaching beyond the requirements as stated in the EfB.

13. ID 3.1.4.1 – Principle 3.1 does not require the bank to be able to recalibrate existing model parameters and assumptions within the day. This capability is thus an extension of the EfB, which goes beyond it.

14. ID 3.2.4.1 – Although being able to update the relevant data is of importance, we believe that the phrasing of "*all data points*" can place a disproportionate burden and goes beyond what the EfB requires.

15. ID 3.3.4.1 – Principle 3.3 requires banks to have established processes and developed capabilities to identify and mobilise assets that can be used as collateral to obtain funding during and after resolution. It does not however, require banks to provide information to support the use of alternative funding in a resolution scenario. This capability goes beyond the requirements stated in the EfB.

16. ID 4.4.1.1 – The EfB limit the scope to critical and essential FMI service providers, whereas RSA do not.

17. ID 4.4.3.2 – The following case is not mentioned in the EfB and whenever it could be in operational guidance, it has never been discussed with banks.

18. ID 4.5.4.1 – The EfB require banks to have a clear understanding of the conditions for continued access to critical and essential FMI services, including the estimates of liquidity requirements under stress. Banks have experienced that FMIs are not willing to share explicit amounts or other requirements or impacts for the situation of a run up to resolution. That makes it impossible to comply. Further, it is unclear what is meant by an 'internal risk assessment framework'. The bank has a risk appetite for liquidity risk which covers liquidity risk in the broad sense, not necessarily the event of unknown heightened requirements from FMIs in the run up to resolution. This ID goes beyond EfB as it includes requirements for continued access, including amount and impact of heightened requirements for all FMIs at the same time, which have been factored into the bank internal risk assessment framework and other relevant internal processes of the bank.

19. ID 4.6.2.1 **b)** – The extended scope for the drafting of FMI contingency plans goes beyond what the EfB require. Moreover, the assumptions and arrangements to ensure continuity in access to FMIs to be reviewed and/or verified by FMI service provides required by this capability go beyond what the EfB require.

20. ID 4.6.4.1 – The requirement to have alternative arrangements for contracts that are already resolution-resilient goes beyond Principle 4.6 as described in the EfB. Not considering resolution resilient clauses as sufficient imposes an administrative burden on banks, for unclear reasons.

21. ID 5.1.4.1 – The aim of this capability is to comply with reporting requirements within timelines set and of sufficient quality. The SRB here imposes the 'how' which is beyond the scope of the EfB.

22. ID 5.3.4.2 – Setting up and maintaining a "searchable repository" places a disproportionate burden and costs on banks. It is furthermore unclear why such a repository should permanently be in place for banks that have already shown they can timely deliver the required documents during a dry-run. This capability goes beyond the requirements stated in the EfB.

23. ID 6.1.2.1 – The granularity of this capability goes beyond the requirements in the EfB, as it introduces granular requirements (especially regarding covered versus non-covered depositors and affected versus non-affected creditors) on the identification of stakeholders. It should therefore not be a formal capability concluded in the resolvability self-assessment. This new level of granularity should not be introduced via the back-door of the RSA, as it introduces a new format (i.e. individual communication objectives, processes, etc.) with increased granularity for the communication with individual stakeholder groups.

24. IDs 7.1.1.2, 7.1.1.3 and 7.1.1.4 – Whereas EfB introduce proportionality in complexity identification "[…] *Banks are expected, where necessary and proportionate in the specific cases*", the RSA requests for a full investigation on complexity on these capabilities (product lines, internal and external interlinkages, and third country activities).

25. ID 7.1.4.2 – The carving out of assets, rights and/or liabilities and placing them under specialised legal entities is not stated in principle 7.1 of EfB, thus reaching beyond it. The RSA template further stipulates 'entities', where it is not a given that multiple entities must be in place to implement the resolution strategy.

26. ID 7.2.4.2 – Principle 7.2 of EfB does not require banks to foresee back-transfers and their underlying processes.

27. IDs 7.3.1.3.1, 7.3.1.3.2, and 7.3.1.3.3: The concept of Maximum Reorganisation Capacity does not exist in the EfB. The RSA mentions it without a (legal) definition and sound methodology. It has to be clearly detailed and discussed in regard to its relevance for resolvability preparedness.

28. ID 7.3.1.4.1 – This concept is not mentioned so far in the regulation nor in the EfB. Moreover, as a quantitative sensitivity analysis in order to identify the maximum capacity in terms of relevant viability metrics is not mentioned in the EfB, this point goes beyond the requirements as set out in principle 7.3.

29. ID 7.3.1.4.2 – This Level 4 capability looks like a tentative definition of 'MRC'. In our opinion, this capability goes beyond the requirements as set out in principle 7.3 of the EfB.

2000 character(s) maximum

Question 16: If you would like to respond to this questionnaire in a separate pdf document, please upload your file here.