



FEEDBACK STATEMENT ON THE PUBLIC CONSULTATION ON RESOLVABILITY SELF-ASSESSMENT

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1. Introduction

The Single Resolution Board (SRB) consulted stakeholders on the *Operational guidance for banks on resolvability self-assessment* (the guidance) between 3 December 2024 and 7 February 2025. The guidance is part of the SRB's strategic review to ensure that European banks are equipped for the future and crisis-ready, based on a revised methodology encompassing lessons learnt from crisis cases, best practices and the testing of banks' capabilities.

The SRB received 13 responses to the consultation paper from banking associations, banks and representatives of academia. This document summarises the main comments raised in the public consultation and sets out how they have been addressed.

2. Main remarks made in response to the consultation

Format of the self-assessment

Respondents generally considered that the Excel format is adequate. Notwithstanding, respondents suggested that the self-assessment template be supplemented with a separate Word/PDF document or additional columns/tabs. This suggestion was made on the basis that the template in its existing format might not be sufficient to capture all the necessary information.

The SRB maintains its general view that the self-assessment template should tie together different elements of crisis readiness and reflect the bank's view on its own resolvability. It should not be a duplication or aggregation of information provided in other operational documents/deliverables expected by the SRB. As outlined in Annex 1 of the guidance, the executive summary should be used by the bank to describe the main conclusions of the self-assessment, highlighting the most relevant findings and elements that, in the bank's view, contribute to its crisis preparedness.

Respondents proposed to report information requested under columns 'Test(s) performed' and 'Accompanying documents' at a less granular level. In addition, several respondents requested that the inclusion of the 'Measures to be taken' column be revisited, considering that similar information is provided in the annual Resolvability Work Programme.

Based on this feedback, the revised guidance now clarifies that the columns 'Reasoning' and 'Measures to be taken' may be completed by cross-referencing supporting documents submitted by the bank. In addition, it clarifies that the column on 'Accompanying documents' is optional depending on whether the bank chooses to provide additional supporting documentation (not mentioned in the column 'Reasoning') to justify the assessment. Finally, the SRB has revisited the reporting instructions related to the 'Test(s) performed' column where reporting is now requested at principle level, rather than at capability level.

Scope of the self-assessment

Some respondents queried whether entities with a liquidation strategy and less significant institutions (LSIs) are in scope of the guidance. As already clarified in the Chapter 3.2 of the consultation document, the guidance applies only to banks under the SRB's direct remit that are earmarked for resolution. It does not apply to liquidation entities¹ or directly to LSIs. The latter should follow the guidance received from the relevant national resolution authority.

Additional information on the scope, format and submission process was requested by certain respondents for cross-border groups and for banks under a multiple point of entry (MPE) strategy. To address this, the revised guidance now includes an overview of the reporting requirements considering the complexity of the group structure and the link with the resolution strategy.

Some respondents suggested that a gradual phase-in, akin to that applied for the development of the Expectations for Banks (EfB), be applied for the self-assessment report for 'switch banks' and newly authorised banks. The SRB maintains its view that the self-assessment report should be completed by switch and newly authorised banks against all applicable principles. This will allow for the identification of the EfB areas that have not yet been met by the bank, and so as to facilitate prioritisation. Notwithstanding, these banks will only be requested to provide a justification of their assessment regarding the capabilities that have been phased in. The guidance has been updated to reflect this clarification.

Two respondents suggested that non-resolution entities should not be included in the scope of the guidance on the grounds that most of the capabilities do not apply to them. The purpose of the self-assessment report is to assess the resolvability of the resolution group as whole hence also considering the roles played by non-resolution entities in the overall resolution planning. This is in accordance with the European Banking Authority (EBA) Guidelines on improving resolvability² which highlight the importance of completing the resolvability self-assessment also at the level of non-resolution entities, particularly outside of the home jurisdiction, in order to help ensure crisis readiness at the level of the whole group.

Several other respondents enquired about the role of non-resolution entities in preparing the self-assessment report. Chapter 3.4 of the consultation document clarifies that to ensure the coherence of the resolvability assessment at the level

¹ As referred to in Article 2(1), point 83aa, of Directive (EU) 2014/59/EU.

² EBA/GL/2022/01, as amended by EBA/GL/2023/05 ('Guidelines amending Guidelines EBA/GL/2022/01 on improving resolvability for institutions and resolution authorities under articles 15 and 16 of Directive 2014/59/EU (Resolvability Guidelines) to introduce a new section on resolvability testing').

of the resolution group, it is expected that the resolution entity coordinates the overall process and submits one resolvability self-assessment report on behalf of the resolution group to the SRB. Thus, the resolution entity may request that the necessary assessments be performed by non-resolution entities. The relevance of the capabilities for non-resolution entities are bank-specific and should be discussed with the corresponding internal resolution team (IRT).

Frequency of the self-assessment

A number of respondents suggested reducing the reporting frequency of the self-assessment report from once a year, to once every two years, at least for banks which already meet the EfB to a large extent. An annual submission of the self-assessment report ensures that the IRT's annual resolvability assessment of banks and setting of the testing programme are based on adequately updated information. However, the SRB acknowledges most banks have reached an advanced stage of implementation of the EfB. The SRB has therefore revised its approach and reporting of the self-assessment report will now be requested once every two years. Nevertheless, in line with the EBA Guidelines on improving resolvability, where necessary, the IRT may request an interim self-assessment report and/ or additional underlying evidence in the areas where work is expected to be completed.

Some respondents suggested to apply an earlier or later submission date for the self-assessment report compared to the one provided in the consultation document (i.e. by 31 January at the latest). The SRB maintains its view that the proposed submission date ensures the continuity with the current approach, ensuring that self-assessments are provided on a timely basis to ensure adequate planning of the testing exercises and prioritisation of bank deliverables as part of the overall resolution planning and resolvability assessment processes.

Granularity

Most respondents found the self-assessment template overly granular and suggested reducing the number of capabilities while improving differentiation between capability levels, particularly on management information systems (MIS). During the EfB implementation phase, the SRB received multiple requests to disclose the capabilities used to conduct its resolvability assessment of banks. The self-assessment template has been developed in such a way as to satisfy this request, providing full transparency regarding the capabilities the SRB uses in its resolvability assessment methodology. However, following the comments received, the revised self-assessment template has been reviewed to reduce the granularity of the capabilities by 20 %. Additionally, the extent to which more differentiation could be introduced across capability levels has been assessed. The main changes and their rationale are discussed in the relevant sections of this document.

Respondents emphasised the need for the self-assessment template to be tailored to each bank to ensure proportionality. Separately, it was queried whether the differing levels of granularity of capabilities across resolvability dimensions would result in different 'weights' assigned to capabilities in the SRB methodology. As already clarified in the operational guidance, the self-assessment template should

be tailored to each bank. IRTs, in collaboration with each bank, will evaluate the relevant capabilities and the extent to which they are expected to be met. Banks will also be informed of the 'impact' each EfB principle has in the overall self-assessment exercise, determined on the basis of the resolution strategy and bank-specific characteristics.

Several respondents enquired about the application date of some new capabilities, emphasising the need for sufficient time to implement them gradually as part of a multi-year work programme. The self-assessment template incorporates insights from new guidance the SRB intends to consult and publish in selected areas, such as valuation and communication. With this consultation, the SRB aimed to obtain early feedback on the guiding principles of these new guidance documents, which will undergo a more detailed consultation later this year. In these areas, the SRB will maintain a proportionate approach, ensuring gradual implementation that will be reflected in the annual priority letters for each bank.

Respondents also sought clarification on how the capabilities outlined in the self-assessment template align with the EfB and the EBA Guidelines on improving resolvability. The self-assessment template reflects the EfB and the corresponding set of capabilities required for their implementation. It is therefore more granular, since it incorporates the operational guidance documents published over the years across the key dimensions of the EfB as well as experience gained from the EfB implementation in various areas. As a result, the self-assessment template is consistent with the EfB, which in turn, are aligned with the EBA Guidelines on improving resolvability.

Advanced capabilities

Most respondents are not in favour of including 'advanced capabilities' in the self-assessment report, as they were regarded as 'best practices' going beyond the legal requirements and, in some cases, the scope of the EfB. Respondents were of the view they should not be requested to report their implementation status on these capabilities, nor should they trigger any remedial actions, such as adjustments to minimum requirement for own funds and eligible liabilities (MREL) or the identification of substantive impediments. Respondents also raised concerns about their relevance and proportionality for all institutions, particularly for smaller or medium-sized banks, as well as whether they would be applied on a case-by-case basis. Respondents suggested that if these capabilities were retained in the new methodology, they should be presented as 'best practices' for sharing insights on how banks have structured certain aspects of their resolution strategies, solely for informational purposes.

In the context of crisis preparedness, the SRB aims to further refine the principles for assessing banks' resolvability, ensuring they are robust, effective, and fit for purpose. To this end, it is committed to implementing the EfB as efficiently as possible, tailoring them to the specific characteristics of each bank and resolution strategy. As part of its strategy to enhance resolution readiness, the SRB has shared examples of the most advanced capabilities adopted by certain banks to strengthen their resolvability. These advanced capabilities are intended to support the broader banking sector while maintaining a flexible approach, avoiding a rigid, 'one-size-fits-all' model.

The SRB aims for an effective adoption of the bank-specific 'advanced capabilities' wherever they are deemed necessary to enhance the resolvability of the bank. Before requesting banks to implement any advanced capabilities at the resolution planning stage, the SRB will seek to ensure that they are both necessary and proportionate to support the resolvability of the banks concerned.

In the upcoming resolution cycle, the relevant capabilities will be set on a bank-specific basis by the IRT for monitoring purposes. Following the first cycle, the SRB will assess whether any bank-specific advanced capabilities should be included, e.g. in Level 3.

Variant strategies

Some respondents showed a preference for presenting the progress on the operationalisation of the variant resolution strategy (VRS) in a single column of the self-assessment template alongside the preferred resolution strategy (PRS). Respondents highlighted that the VRS complements the PRS and that presenting them together in a single column would provide a clearer and more efficient overview of their overall resolvability status.

Other respondents argued that two separate columns would provide greater clarity and more accurately reflect the progress made on each strategy. These respondents pointed out that while the VRS is often developed in conjunction with the PRS, it still constitutes a distinct strategy, and the varying levels of progress between the two could justify separate columns. A distinction between the two strategies would enable better tracking of each strategy's specific progress.

The SRB will design the representation of the progress on the operationalisation of the PRS and the VRS in two separate assessments within the self-assessment template. This will allow for a more detailed and accurate representation of progress on each strategy and provide stakeholders with a clearer understanding of where each strategy stands.

Respondents mainly considered the capabilities related to separability and reorganisation, testing, and MIS relevant for the assessment of the VRS.

The SRB has taken this into account in finalising the structure of the self-assessment report and the future heatmap.

Market transparency

Aggregated level

Benchmarking the results of resolvability assessments is widely regarded as an essential tool for fostering convergence among banks with similar business models and resolution strategies. The majority of respondents agreed that key dimensions such as business model, bank size and country-related/regional differences are critical for drawing meaningful conclusions. Additionally, some respondents suggested incorporating distinctions based on resolution strategy (e.g. single point of entry strategy vs MPE) to allow for more targeted benchmarking.

The SRB will take this feedback into account for future publications of the assessment of banks' resolvability across the banking union.

Individual level

Most of respondents do not envisage disclosing individual information on their resolvability progress and related activities and/or to make reference to potential authorities' publications. The main concerns on doing so relate to potential unlevel playing field and to possible misinterpretation of such disclosures, as well as pressure on the bank's reputation.

The SRB will take this feedback into account in considering the future approach to individual data disclosure.

Scenarios-based assessment

Most respondents questioned the necessity of incorporating scenario-based assessments in the resolvability self-assessment, arguing that the self-assessment is deemed to evaluate core capabilities applicable to any crisis and that the selection of resolution strategies (PRS and VRS) aims to address a wide range of scenarios. Additionally, respondents stressed that such an approach would unnecessarily complicate the process and increase banks' workload, given the vast array of potential crisis events that could be considered. They emphasised that resolvability primarily depends on how effectively these capabilities are operationalised, which is best assessed through testing. Furthermore, respondents noted that banks already account for various crisis scenarios in existing resolution planning activities, including bail-in playbooks, business reorganisation plans (BRP), separability analysis reports and liquidity in resolution.

Since banks already incorporate scenario-based analysis into their regular resolution planning activities – an effort set to expand with the systematic testing of their resolvability capabilities under a multi-annual testing programme – banks will not be expected to complete the self-assessment under crisis scenarios.

Link to testing

Most respondents considered the self-assessment template adequate to identify the areas that have been tested and to be tested. However, three respondents noted that tests are usually conducted at a more aggregated level, that is, at the principle or dimension level of the EfB. Additionally, one respondent suggested that references to planned tests should be limited to banks' budgeted work programmes and that the template should exclude results from deep-dives and on-site inspections conducted by resolution authorities. One respondent asked to clarify whether testing outcomes should be reflected in the self-assessment template and whether they should be assigned a certain 'weight'.

Since testing exercises are usually conducted at a more aggregate level than the self-assessment template, the template has been revised to reflect testing at the principle level of the EfB. The operational guidance already specifies that the self-assessment template should take into consideration the results of the tests conducted, and

serve as a basis for calibrating banks' multi-annual testing programmes. As such, it is not intended to reflect future tests. The SRB confirms that the results should be considered in each bank's compliance assessment, although no specific weight is assigned to them. While deep dives and on-site inspections differ in nature from bank-led tests, any relevant findings from these exercises provide insights on the extent to which the bank meets every resolvability capability and, therefore, are also expected to be incorporated into the self-assessment report.

Resolvability capabilities

Governance and testing

Respondents proposed changes to the classification of capabilities across levels and dimensions to avoid overlap and to ensure better calibration of the assessment. Taking these suggested changes into consideration, the SRB has merged certain capabilities.

The capability relating to internal control systems was perceived as being overly restrictive as it referenced a specific internal control model. The capability has now been reformulated to allow more flexibility for banks to introduce models of their choice as long as they provide adequate checks and balances.

One respondent asked for greater clarity on the use of terms in relation to capabilities to demonstrate active involvement of management body and senior management (Principle 1.1) to ensure that they are understood correctly. The terminology used by the SRB is clarified in the glossary included at the end of the operational guidance.

One respondent has highlighted that testing environments should not be required by the SRB, unless it has been demonstrated that the capability cannot be tested without it. The wording of the capability has been modified accordingly to allow for sufficient flexibility.

Loss absorption and recapitalisation capacity

Overlaps across dimensions

Some respondents questioned the inclusion of capabilities for identifying and classifying bail-inable liabilities under loss absorbing capacity (Principle 2.1), suggesting they belong under MIS (Principle 5.1) or bail-in execution (Principle 2.3). The guidance has been amended to reflect the cross-cutting nature of bail-in operationalisation, covering governance, documentation, communication and MIS aspects. The SRB retained the original allocation of capabilities across principles but clarified definitions and questions raised on the goal of the capabilities.

Calibration of capabilities

Regarding bail-in execution (Principle 2.3), some respondents argued that the scope of the bail-in playbook may be too broad and should account for differences in balance sheet structures to prevent unnecessary work beyond what is required to ensure resolvability. To further ensure proportionality, respondents advocated

for introducing materiality for the operationalisation of instruments issued under third-country law.

When defining core capabilities for Principle 2.3, the revised guidance focuses on the liabilities ensuring compliance with the MREL requirement and on addressing the risk of breaching the 'no creditor worse off' principle. Therefore, the revised approach will factor in differences in balance-sheet structures and other bank-specific features. Banks should continue work on operationalising bail-in for all bail-inable liabilities, including beyond Level 3.

Scope of the bail-in playbook and discretionary exclusions

Some respondents asked for clarifications of certain concepts such as 'material liabilities'. In addition, respondents argued that the operationalisation of bail-in for liabilities which are likely to be discretionarily excluded (as well as those ranking above MREL requirements) would be costly and inefficient.

The SRB notes that recital 70 of the Bank Recovery and Resolution Directive (BRRD) emphasises the need for the bail-in tool to be applicable to the broadest possible range of unsecured liabilities to ensure its effectiveness. Additionally, recital 1 of Delegated Regulation (EEU) 2016/860 reinforces this objective, stating that no liabilities should be presumed exempt from bail-in unless explicitly listed under Article 44(3) BRRD. In resolution planning and when assessing resolvability, authorities should seek to minimise exclusions from bail-in to uphold the principle that shareholders and creditors bear the costs of resolution. Finally, it also follows from Article 27(5) of the Single Resolution Mechanism Regulation that discretionary exclusions can only be applied in exceptional circumstances and provided that the conditions set out therein are met.

Consequently, the SRB is not in a position to exclude certain categories of bail-inable liabilities from the scope of the bail-in playbook, even when a resolution plan identifies some liabilities as likely to be discretionarily excluded. Furthermore, any conclusion on an eventual discretionary exclusion rests with the SRB. The recalibration of bail-in execution (Principle 2.3) discussed above, together with the approach taken on advanced capabilities, intends to increase proportionality in this area in terms of prioritisation of work to operationalise bail-in. As aforementioned, banks are expected to continue operationalising the full scope of bail-inable liabilities.

Cross-border recognition of resolution action

In order to support cross-border recognition of resolution action and compliance with Articles 69 to 71a BRRD, banks are expected to amend relevant financial contracts governed by third-country law by adhering to available market standards (e.g. International Swaps and Derivatives Association Resolution Stay Protocols) or through other agreements.

Respondents argued that compliance with Article 69 to 71a BRRD depends on the counterparties' adherence to market standards and resolution stay protocols, not on the adherence by the bank in resolution. Respondents also suggested clarifying that only financial contracts governed by third-country law that create a liability should be considered relevant under this principle.

The SRB has not introduced any amendments. Since banks have limited control regarding the adherence of counterparties to the standards, the principle focuses on the adherence of the bank itself to such standards – which is considered to be a pre-condition for reciprocity by the relevant counterparty. Regarding the requirements under Article 69 to 71a BRRD, relevant financial contracts may extend beyond those under which the bank has a payment or delivery obligation.

MREL-eligible liabilities issued under third-country law

In relation to the capability to demonstrate an understanding of how to support the process of obtaining a court ruling (advanced capability under Principle 2.2), one respondent requested clarification that this specific expectation is not applicable for banks whose MREL eligible liabilities under third-country law have been issued in jurisdictions where recognition is not obtained through judicial means and/or where a contractual recognition and a legal opinion confirming the enforceability of resolution clauses have already been secured. The SRB was also requested to explain the expectations behind this capability, with reference to the relevant guidance.

To address this, the wording of the capability has been modified. It now clarifies that demonstration is only of potential relevance in jurisdictions where legal recognition is achieved through judicial means and the amount issued under that third-country law is material (> 10 % of the MREL capacity). Regarding the legal opinion confirming the enforceability of resolution clauses, banks are expected to engage with their non-EU counsels to: (i) assess whether the conditions for requesting a court ruling are met and, if so; (ii) describe the process and the expected timeline; (iii) identify the necessary documents to submit; (iv) outline potential issues that may arise around such request, and; (v) the effect of the court ruling on the execution of the bail-in.

MREL

Respondents raised concerns about meeting the MREL requirement solely with subordinated instruments (the advanced capability under Principles 2.4 & 2.5), arguing that this might negatively affect banks' financial flexibility and exercise cost pressure. In this context, the SRB would like to clarify that this capability does not introduce a new subordination requirement or articulate any expectation that banks should meet the MREL requirement exclusively with own funds or subordinated eligible liabilities. Rather, it seeks to recognise the fact that a larger layer of subordinated instruments facilitates resolution. The capability does not create any new obligation for banks to increase current levels of subordination or even an expectation to increase subordination beyond the levels mandated under the MREL decision.

Respondents also asked for further clarifications in relation to the capabilities related to the monitoring of the concentration in retail holdings and contagion risk through interbank holdings (the advanced capability under Principles 2.4 & 2.5). In particular, respondents identified difficulties in quantifying retail and interbank holdings notably due to secondary market transactions. The SRB acknowledges the challenge involved in measuring holdings built through secondary market purchases. To address this, the reporting of interbank holdings will only be expected from banks where specified by IRTs based on bank-specific risk profiles. Regarding the assessment of the concentration of retail holdings in the self-assessment, banks

are expected to consider the aggregate amounts of securities with a denomination below EUR 50 000 as a benchmark for the retail investor base³.

Liquidity and funding in resolution

Several respondents provided comments and suggestions on capabilities related to liquidity and funding in resolution. Respondents remarked that certain capabilities appeared to go beyond the resolvability expectations laid down in the SRB's Efb document. For example, the capability whereby banks are expected to report updated daily data for all datapoints in a standardised format, is an advanced capability and should be appreciated in accordance with the relevant explanation provided in the SRB Operational guidance. Respondents also suggested to reorder or merge some capabilities/Efb principles to improve consistency and to avoid some potential redundancies. On that point, it is important to emphasise that the three Efb principles relating to Liquidity and funding in resolution have laid down expectations that are complementary but that are different in terms of nature and contents. Thus, some parts related to collateral cannot be disentangled from the Principles 3.1 and 3.2. Notwithstanding, two capabilities related to the estimation of the liquidity needs at the moment of the failing-or-likely-to-fail declaration, and in all resolution phases, have been merged due to similar expectations. Similarly, two Level 2 capabilities related to the provision of information and the ability to mobilise sources of collateral have also been merged.

Operational continuity in resolution (OCIR) and access to financial market infrastructure (FMI) services

In respect of OCIR, two respondents noted potential duplication and a lack of differentiation across levels of capabilities. The SRB has addressed this feedback by updating the self-assessment template to ensure greater distinction between capabilities. Regarding the perceived lack of differentiation between levels, it should be noted that the capabilities have been developed in a progressive manner. For example, regarding risks to OCIR, at Level 2 the bank is expected to describe only a preliminary list of risks while at Level 3 a comprehensive risk assessment is requested. Another example relates to the financial resilience of service providers, where the amount of liquidity resources to be segregated by banks have been graded by capability level. This means that banks are only requested to segregate 20 % of annual fixed overheads in order to achieve the Level 3 capability, and 50 % so as to achieve the advanced capability.

Respondents also requested clarifications in respect of certain definitions which the SRB has now updated. For example, further clarification has now been provided that digitalisation is linked to the Digital Operational Resilience Act (DORA), aligning with the explanation in the updated Operational guidance on OCIR.

Three respondents provided feedback on the FMI-related capabilities. The feedback can be categorised into requests for clarification, and concerns on proportionality and feasibility of certain capabilities. On the requests for clarification, the SRB has provided further explanations to banks to ensure a consistent implementation of the capabilities. In respect of respondents' concerns regarding proportionality

³ By reference to the option of Member States in paragraph 5 of Article 44a BRRD to set a minimum denomination amount of at least EUR 50 000 for the selling of subordinated eligible liabilities to retail clients.

and feasibility, the SRB has made the necessary adjustments to take the feedback into account where relevant. To this end, the SRB has revisited some capabilities, either via adjusted wording or by removing certain elements from the template. In a similar vein, the SRB has re-classified certain capabilities to better reflect the advancement expected to operationalise the aforementioned capabilities.

Information systems and data requirements

Some respondents commented on perceived duplication between the different resolvability conditions and the MIS dimension. The SRB MIS capabilities focus on the automation of the information in respective areas, whereas the principles related to FMIs, OCIR, BRP and liquidity focus on the bank's ability to produce the related information, whether automated or not. Therefore, the SRB has not changed the classification of MIS capabilities.

MIS capabilities to produce the information for valuation

Some respondents noted that the capabilities do not provide sufficient differentiation across levels. As already communicated in the technical meeting with the industry, the MIS capabilities to produce the necessary information for valuation has been aligned to the new SRB Expectations on Valuation Capabilities, which is planned to be published at the end of 2025. The capability relating to banks' ability to produce information to support a valuation based on the scope defined by the IRT has remained the same. Capabilities on valuation playbooks and data repositories that were originally reflected as advanced capabilities have now been refined and moved to lower levels to reflect their phase-in, in line with the SRB Expectations on Valuation Capabilities. Additionally, the capability relating to the valuation data index has been included. Instead, the advanced level now reflects the ability to produce the information necessary to ensure a fair, prudent and realistic valuation. Consequently, the comments raised concerning better differentiation between two levels has been addressed.

MIS capabilities to produce the information for the implementation of the resolution tools

Respondents found that providing the information for all bail-inable liabilities is unrealistic for large banks, given the level of losses that would need to be incurred to mobilise the entire scope of bail-inable liabilities. Additionally, one respondent noted that the description of MIS capabilities should not form part of the bail-in playbook.

Similarly to the approach followed for Principle 2.3, the scope of the different principles has been adjusted to reflect the likelihood of bail-in, taking MREL requirements as a reference. As for the description of MIS capabilities, the SRB notes that bail-in playbooks are internal documents of the banks, aimed at allowing the operationalisation of the tool. As such, the bank can structure the information in separate documents, as long as the combination of these documents meets the requirements of the Operational guidance on bail-in playbooks.

Communication

Respondents noted that certain capabilities within this dimension appeared to go beyond the EfB and the SRB guidance documents, thus introducing detailed new requirements. Additionally, respondents generally found certain capabilities to be duplicative, redundant or too detailed. It is worth highlighting that this EfB dimension has been enhanced on two fronts: i) compilation of communication-related expectations from the EfB and other SRB guidance documents, and ii) instillation of lessons learnt from recent banking crises. Hence, the majority of the capabilities are existing expectations that have been refined to ensure the comprehensiveness and operationalisation of the communication strategy deployment. Based on the feedback from the public consultation, certain modifications have been made to the capabilities to re-calibrate their proportionality (such as allowing discretion at the IRT level for defining the list of critical stakeholders and removing the expectation for a call centre to be functioning 24-hours).

Separability, transferability and restructuring

Structure and complexity

Regarding banks' structure and complexity (Principle 7.1), respondents found the self-assessment template too granular. In order for the SRB to obtain an understanding of banks' complexity, it is necessary to conduct a detailed analysis. Therefore, the assessment criteria have not been revised, although it is recalled that certain capabilities only apply to a subgroup of banks (e.g. those with an MPE strategy, cooperatives, those with international presence, etc.).

Separability and transferability analyses for transfer tools

As regards separability (Principle 7.2), several respondents suggested that the SRB provides further clarification of the information to be included in separability analysis reports and transfer playbooks. The SRB is currently updating the Operational guidance on separability for transfer tools, which is planned for public consultation in Q3 2025. This document will elaborate on common capabilities that institutions need to have in place to support resolution authorities in the application of all transfer tools as well as specific capabilities that are more tool-specific. In parallel, the SRB intends to publish a transfer playbook guidance which will support banks in building their capabilities for operationalising the transfer process.

Business reorganisation

Regarding BRP (Principle 7.3.1), one respondent noted that some concepts, such as the maximum reorganisation capacity (MRC), are not legally defined and are scenario dependent, which they argued should not be the case in resolution planning. However, these concepts are not intended as additional requirements but rather as steps to operationalise the expectations. The core bank should remain stable while business lines may undergo reorganisation, since one of the pre-requisites for the analysis is that all business lines, both core and non-core, could be loss making in resolution. The selection of reorganisation measures and MRC quantification are innately scenario-dependent and are necessary in order to assess banks' capabilities to conduct the analysis.

One respondent also questioned the requirement to update the BRP analysis report, particularly the quantitative information, on an annual basis. An annual update may be expected until full compliance is achieved or if significant changes occur in the bank's activities.

Solvent wind-down (SWD) of trading books

Regarding the SWD (Principle 7.3.2), respondents highlighted that the forecast of the rump portfolio can be difficult to estimate and proposed focusing another capability on the quantification of resources needed to maintain the rump portfolio post-execution. Over the last three years of implementation, the SRB has observed that most banks that have been asked to submit SWD plans were able to produce this information forecast in a credible manner and detail the content of both the discretionary and structural rump at granular level (i.e. products/trades transactions). The capability related to the maintenance of the rump has been slightly modified to encompass quantification of resources.

Other comments

Grading system

Two respondents suggested replacing the grading system with the following four categories: 'High', 'Medium-High', 'Medium-Low' and 'Low'. Some respondents also suggested extending the four-point grading scale to a broader range of capabilities, noting that some still allowed only a binary response ('Compliant'/'Non-compliant').

The SRB considers it essential to retain the 'Compliant' category to recognise banks that have fully implemented certain resolvability capabilities. The other proposed categories are already reflected within the SRB grading system (e.g. the 'Largely compliant' grade encompasses banks included in the 'High' and 'Medium-High' categories etc.). As a result, the SRB has not revised the grading system. The SRB also assessed the capabilities where a four-point grading scale could be applied instead of a binary response. However, some capabilities still only warrant a binary response where relevant. The changes made are reflected in the revised self-assessment template.

Referring to the definition of 'Largely compliant' capabilities, one respondent asked whether a capability must always be classified as 'Materially non-compliant' if the impact of its missing elements is medium to high. The SRB confirms this approach is consistent with the definitions of the grading system.

Qualitative assessments

Respondents highlighted the need for further practical guidance to implement the four-point self-assessment grading scale. The SRB is of the view that, given the varying complexity of banks and resolution strategies, the ability to provide uniform definitions for these assessments is challenging and should consider bank specific features. Therefore, the SRB invites banks to liaise with their IRTs for further clarifications

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