RESOLVABILITY OF BANKING UNION BANKS: 2025

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Single Resolution Board

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Abbreviations

BRRD	Bank Recovery and Resolution Directive
CBR	Combined buffer requirement
ECB	European Central Bank
FMI	Financial market infrastructure
G-SIIs	Globally Systematic Important Institutions
MCC	Market confidence charge
MIS	Management information system
MPE	Multiple points of entry
MREL	Minimum requirement for own funds and eligible liabilities
NRA	National resolution authority
SAR	Separability Analysis Report
SPE	Single point of entry
SRB	Single Resolution Board
SRM	Single Resolution Mechanism
SRMR	Single Resolution Mechanism Regulation
TREA	Total Risk Exposure Amount

Key findings

In this fourth edition of the Resolvability Assessment Report, the Single Resolution Board (SRB) takes stock of the progress made by banks in building up their resolvability capabilities until December 2025, in line with the SRB Expectations for Banks (EfB) and ensuing guidance. Following the end of the EfB implementation phase and the transition towards a steady state, the focus in 2025 shifted to the full operationalisation and testing of resolvability capabilities. The following points are particularly noteworthy:

- **Progress made across all resolvability dimensions, although certain capabilities require further development.** Between 2023 and 2025, banks further strengthened their capabilities across all seven EfB dimensions. In particular, improvements were observed for SRB Banks in capabilities relating to liquidity and funding in resolution, management information systems and data provision, and separability and transferability. Less significant institutions made particular progress regarding capabilities related to data provision. These areas had been identified as priorities in previous resolution planning cycles to make resolution strategies more credible.

- **Most remaining gaps relate to recently issued guidance.** While the results of banks' self-assessments and the internal resolution teams' (IRTs) assessments broadly converge, divergences mostly concern areas where guidance has been recently enhanced and is under a phase-in period – i.e., valuation, separability and transferability, and communication. Banks are generally close to meeting expectations in many areas but still need to address outstanding shortcomings to ensure that capabilities are fully operational.

- **Enhanced assessment methodology and greater comparability.** The SRB has strengthened its resolvability assessment methodology by introducing a standardised self-assessment report and the enhanced heatmap tool, and by systematically integrating testing outcomes. These developments improve the consistency, transparency and comparability of assessments across the Banking Union and support a more risk-based and evidence-driven resolvability approach.

- **Transition towards a focus on operational readiness and testing.** The introduction of a comprehensive testing framework, including multi-annual testing programmes (MATPs) for 2026–2028, marks a key step in this transition. Testing is expected to become the primary means of assessing banks' resolvability.

- **Enhanced guidance in key areas.** The SRB has enhanced its operational guidance for valuation, separability and transferability, business reorganisation, and communication. This guidance translates expectations into concrete and proportionate capabilities, addresses gaps, and thus strengthens banks' resolution preparedness.

Looking ahead, the SRB will focus on the capacity to operationalise resolvability capabilities. Priorities for 2026 include the continued implementation of the multi-annual testing programmes and the effective implementation of targeted operational guidance.

Introduction

Assessing whether banks are resolvable is a core task of the Single Resolution Mechanism (**SRM**). To this end, in 2020 the Single Resolution Board (**SRB**) published its Expectations for Banks (**EfB**), a key reference document on resolvability, outlining the operational capabilities that banks are expected to demonstrate to ensure the effective execution of resolution in a crisis[1]. Supported by SRB policies and operational guidance, the EfB were gradually phased in so that banks could develop the necessary capabilities by the end of 2023.

The resolvability framework has been further reinforced by two other publications. The European Banking Authority (**EBA**) published the revised Guidelines on improving resolvability[2] and the SRB set out priorities in the SRM Vision 2028[3]. In this context, the SRB updated its methodology to assess banks' resolvability, with a greater focus on comparability across banks in the Banking Union (**BU**). This updated methodology builds on insights from crisis cases and banks' implementation of the EfB. It includes:

- introducing a standardised resolvability self-assessment report, as set out in the Operational Guidance for Banks on Resolvability Self-Assessment[4], promoting transparency and a level playing field across the BU;
- integrating the outcomes of systematic testing of banks' capabilities to ensure their effectiveness and adequate maintenance over time; and
- placing a stronger emphasis on variant strategies, in particular those involving transfer tools, to increase flexibility and preparedness across a wider range of crisis scenarios.

This publication marks the fourth edition of the SRM Resolvability Assessment Report, which has been published since 2022. It is structured thematically, starting with an overview of the progress made by banks in developing their resolvability in 2025 (Section 1). It then describes the SRB's enhanced approach to resolvability

(1) The EfB document is structured around seven resolvability dimensions: governance; loss-absorbing and recapitalisation capacity; liquidity and funding in resolution; operational continuity and access to financial market infrastructure services; information systems and data requirements; communication; and separability, transferability and restructuring: https://www.srb.europa.eu/system/files/media/document/efb_main_doc_final_web_0_0.pdf.

(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).

(3) SRM Vision 2028: https://www.srb.europa.eu/system/files/media/document/SRM%20Vision%202028%20strategy_FINAL.pdf.

(4) As outlined in the SRB Operational guidance for banks on resolvability self-assessment: https://www.srb.europa.eu/system/files/media/document/2025-08-07_Operational-Guidance-for-Banks-on-Resolvability-Self-Assessment.pdf.

assessment and provides a preliminary update on the status of resolvability under the enhanced resolvability assessment methodology (Section 2). Lastly, it outlines the SRB's approach to resolvability testing and the key testing priorities for 2025–2026 (Section 3). Annex 1 provides statistics on the main features of BU banks and resolution plans, while Annex 2 presents an overview of minimum requirements for own funds and eligible liabilities (**MREL**) monitoring information.

1 | Overview of the 2025 Resolvability Assessment

1.1. Scope

To ensure a consistent resolvability assessment across the BU, the SRB has developed a heatmap as a tool to monitor, benchmark, and communicate about banks' resolvability. The heatmap tool takes the form of a structured questionnaire covering the seven resolvability dimensions, set out in the EfB, each broken down into principles and further into the capabilities that banks are expected to have in place to effectively support the execution of resolution actions.

In line with the EBA Guidelines on improving resolvability for institutions and resolution authorities[5], the heatmap tool is used for the broad majority of SRM institutions earmarked for resolution as part of the resolvability assessment process. However, there are exceptions:

- The tool is not applied to significant institutions (**SI**s) and less significant institutions (**LSI**s) that are subsidiaries, that are not themselves resolution entities, of banking groups headquartered in non-participating Member States, namely Denmark, Hungary and Sweden, as the resolvability assessment is performed by the group-level resolution authority.

- A delayed phase-in period was envisaged for certain LSIs whose preferred resolution strategy changed from liquidation to resolution ('switch banks') during previous resolution planning cycles (**RPC**s). The same applies to newly authorised banks, and to banks that have moved from the national resolution authority's (NRA) direct remit to the SRB's direct remit.

Banking Union subsidiaries with a single-point-of-entry (**SPE**) resolution strategy are expected to implement the capabilities set out in the EfB, and any further applicable SRB guidance, either: (i) directly, with appropriate resolvability capabilities at subsidiary level, or (ii) indirectly, by providing evidence of group-wide arrangements delivering outcomes broadly equivalent to those expected for banking groups, for which the SRB is the resolution authority.

Table 1. Sample of SRM resolution groups[6] included in the analysis

Category	SRB bank resolution groups	LSIs	Notes
IRT- or NRA-led assessment according to the **SRB methodology**	78[7]	32	Results included in the following analysis

Source: SRB.

(5) 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).

(6) The elements of resolvability assessment, as described in this report, apply to resolution groups, which may differ in number from banks, considering multiple point of entry strategies.

(7) Compared to 82 resolution groups indicated in Annex 1, the difference stemming from recent M&A activity and restructuring among certain banks.

1.2. 2025 Resolvability assessment results

By 2025, banks had made significant progress in implementing the EfB and establishing the minimum set of capabilities required to demonstrate resolvability and preparedness for crisis management. This milestone marks a transition towards ensuring that resolution strategies can be effectively operationalised and rigorously tested, in line with the central objectives of the SRM Vision 2028 strategy.

Figure 1 provides an update on the resolvability status of SRM SIs in 2025 and the progress made since 2023[8] against the minimum set of capabilities expected during the EfB implementation phase. The comparison is based on the former resolvability assessment methodology, which was applied throughout the EfB implementation phase to assess banks' progress across the seven EfB resolvability dimensions. Figure 1 therefore provides an overview on a comparable basis and in a manner consistent with previous resolvability assessment reports. As described in Section 2, from the 2026 resolution planning cycle onwards the SRB has introduced an enhanced methodology based on a more granular assessment of individual capabilities using the heatmap tool. Consequently, the results presented in Figure 1 are not directly comparable with the outcomes under the enhanced methodology. Future reports will enable year-on-year comparisons using the new methodology.

Overall, between 2023 and 2025, banks showed progress across all seven EfB resolvability dimensions, particularly enhancing the capabilities related to liquidity and funding in resolution, information systems and data requirements, and separability, transferability and restructuring that had shown the least progress as of 2023. These dimensions were among those that banks were expected to develop during the later stage of the EfB implementation phase and, consequently, were among key SRB working priorities in 2024 and 2025.

In particular, banks have further strengthened their management information system (**MIS**) and data capabilities to support the effective execution of write-down and conversion and the bail-in tool, including through the continued development of bail-in playbooks, in line with Principle 2.3 of the EfB and the SRB Operational Guidance[9]. Enhancements in governance arrangements and processes have contributed to a more robust operational framework for the implementation of these tools in resolution. At the same time, banks have further developed their separability and transferability capabilities, improving their preparedness for the execution of transfer strategies, in line with Principle 7.2 of the EfB and the SRB Operational Guidance[10]. This includes more advanced separability analysis and the

(8) Against the reference date covered in the previous edition of this publication: SRB 2023 Resolvability Assessment report.

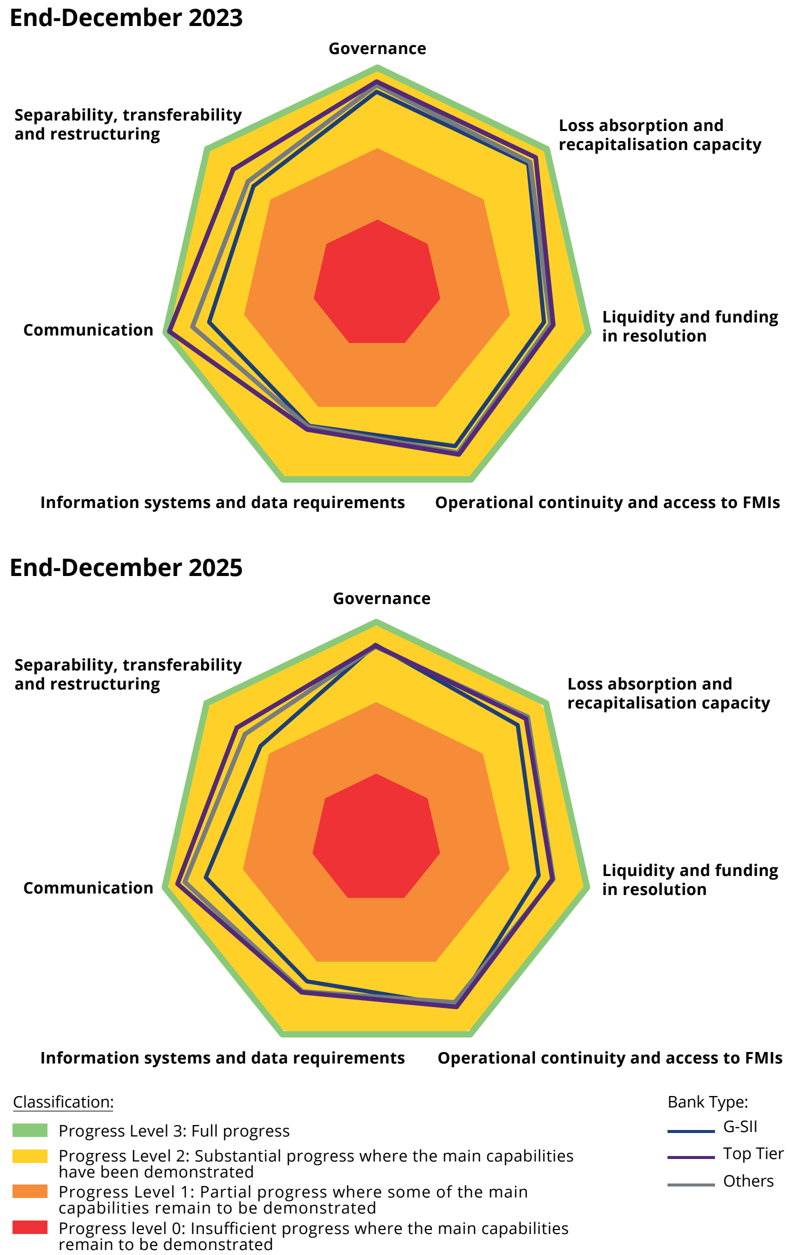
(9) SRB, 15 June 2022, SRB publishes updated guidance documents for bail-in operationalisation https://www.srb.europa.eu/en/content/srb-publishes-updated-guidance-documents-bail-operationalisation.

(10) SRB, 26 October 2021, Operational guidance for banks on separability and transferability for transfer tools https://www.srb.europa.eu/en/content/operational-guidance-banks-separability-transfer-tools.

establishment of dedicated transfer playbooks to support operational readiness. Collectively, these developments contribute to greater optionality in the execution of resolution strategies across a range of crisis scenarios.

While banks have made substantial progress towards meeting resolvability capabilities, further work remains in specific resolvability dimensions to ensure that resolution strategies can be effectively implemented. In particular, as highlighted in Figure 1, 'information systems and data requirements' and 'separability, transferability and restructuring' are dimensions where additional progress is expected, following the guidance enhancement recently published.

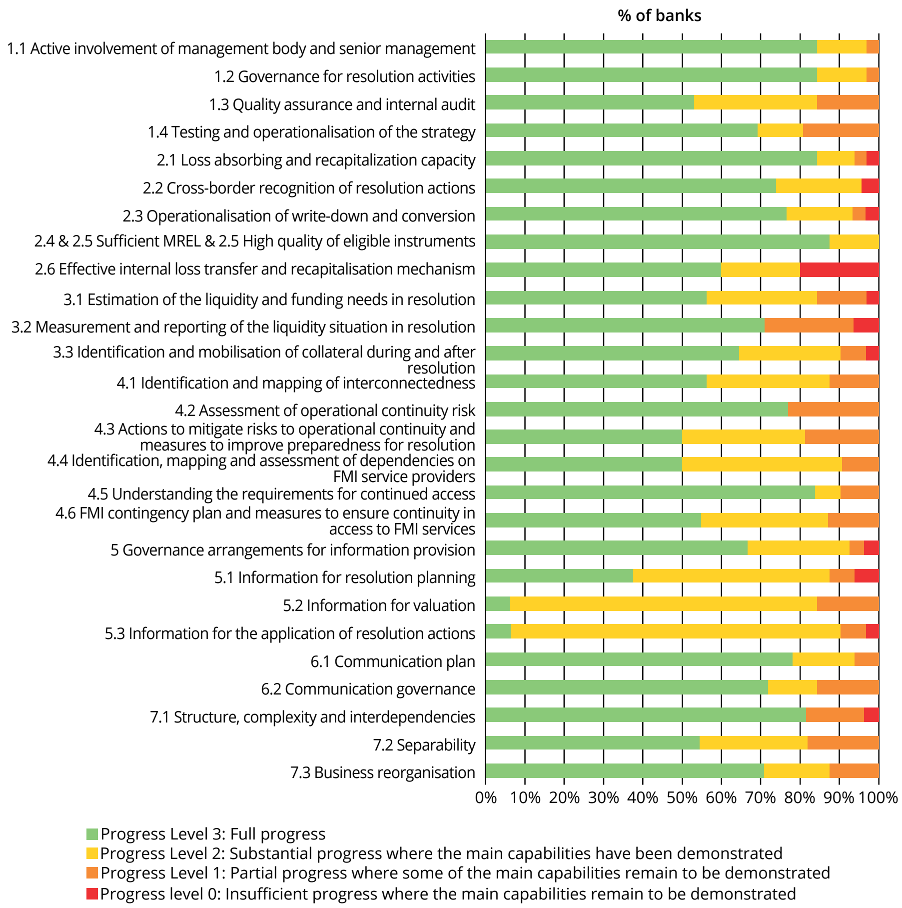
Figure 1. Update on SRB banks' resolvability status (former methodology)



Source: SRB.

With respect to LSIs (see Figure 2), NRAs deemed several of the EfB principles inapplicable on a case-by-case basis[11]. For example, due to less complex structures, reflected by the absence of subsidiaries, and operating mainly in national markets, the EfB principles related to cross-border instruments and internal MREL compliance were deemed inapplicable to some LSIs and hence excluded from the horizontal analysis. In several cases, NRAs have reported material progress in many EfB principles with respect to the prior RPCs. The top three principles where material progress was achieved by banks all related to information provision, namely 5.1. (Information for resolution planning), 5.2. (Information for valuation) and 5.3. (Information for the application of resolution actions). Some gaps remain, primarily in relation to specific capabilities concerning liquidity (Principle 3.2), loss and capital transfer mechanisms (Principle 2.6) and operational continuity (Principle 4.2), for which additional effort will be made. Regarding testing (Principle 1.4), and as a general trend, the relevant expectations are likely to be met over the coming cycles, as testing exercises continue to develop following the publication of the testing guidance (see Section 3).

Figure 2. LSI resolvability assessment[12]



Source: SRB, on the basis of NRA data.

(11) Therefore, Figure 2 presents the status quo for each principle based on different scopes of entities.

(12) The number of banks considered for each principle may differ, as certain principles may be deemed inapplicable depending on bank-specific characteristics, such as the resolution tool (e.g. Principles 7.2 and 7.3) or the bank's business model, group structure and complexity (e.g. Principle 2.6).

The following sections of this report do not include data on LSIs that are not under the SRB's direct remit, as the updated resolvability assessment methodology has not yet been extended to these institutions to a sufficient extent, and related data could not be collected. As a result, the analysis presented hereafter focuses exclusively on SRB banks, ensuring consistency and comparability in the assessment. This will be reconsidered in future publications.

2 The SRB’s enhanced approach to resolvability assessment

2.1. Outline of the updated resolvability assessment methodology

2.1.1. Main pillars

As part of the annual RPC, the internal resolution team (**IRT**) assesses each bank's resolvability based on the legal framework and by taking into account:

- the objectives, principles and expectations set out in the EfB and further detailed in ensuing guidance;
- the bank's self-assessment report[13];
- the IRT's overall knowledge and assessment of each bank's features and the specifics of these features; and
- the bank's deliverables and testing activities – especially those related to the priorities set in the previous year –, and any supporting evidence, including outcomes of bank-led operational testing exercises, deep-dives and on-site inspections.

The bank's self-assessment report serves as the starting point for the resolvability assessment performed by the IRT and for calibrating the multi-annual testing programme (**MATP**), introduced by the Operational guidance on resolvability testing for banks[14].

The results of the IRT's assessment are discussed with the bank during dedicated workshops, and are subsequently validated and documented in the resolution plan. They are formally communicated through the summary of the resolution plan and the annual priority letter, which outlines specific priorities and actions expected from the bank.

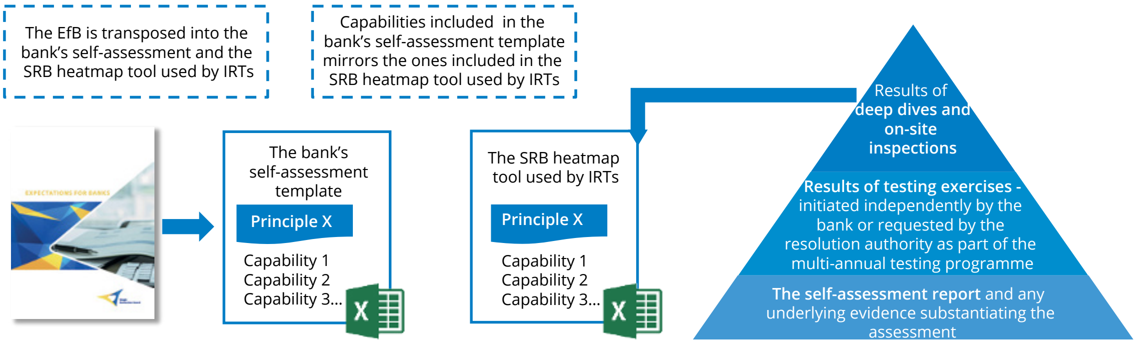
During the EfB implementation phase, the IRT's assessment was primarily based on the review of the evidence submitted by the bank to demonstrate the EfB implementation, while the use of results from testing exercises conducted by the bank was limited to selected areas. With effect from the 2026 RPC, with the implementation of the MATP, testing will become the primary means to ensure a bank's resolvability[15].

([13]) The self-assessment reports submitted by the banks is expected to be structured in line with the relevant template, which has been developed taking into account the EBA Resolvability Guidelines.

([14]) https://www.srb.europa.eu/system/files/media/document/2025-03-17_Operational-guidance-on-Resolvability-Testing-for-Banks.pdf.

([15]) Although the capabilities set out in the EfB were expected to have been developed by YE 2023, some principles remain under phase-in in the new resolution planning cycle to reflect the fact that additional guidance and updates have recently been published.

Figure 3. Illustration of the resolvability assessment methodology (1/2)



Source: SRB.

2.1.2. Heatmap tool

The SRB heatmap tool groups capabilities in three levels – Level 1 to Level 3 – representing the core capabilities necessary to support the execution of a bank's resolution strategy(-ies). It also illustrates the degree of progress achieved by the bank in relation to these capabilities, while taking into account the prioritisation of their implementation.

In line with one of the objectives of the SRM Vision 2028 – enhancing the transparency and predictability of SRB actions and decisions – the capabilities assessed by the IRT using the heatmap tool are also mirrored in the standardised resolvability self-assessment report completed by the bank.

The heatmap tool is designed to promote a level playing field among SRB banks by providing a consistent resolvability assessment process across institutions. First, the IRT evaluates the impact of each capability on the execution of the resolution strategy (low, medium, high or N/A), taking into account the bank's business model and complexity, and the specific features of its resolution strategy and tools. Capabilities assessed as having a medium or high impact receive particular attention. Second, the IRT assesses the degree of implementation using a four-point scale (compliant, largely compliant, materially non-compliant, non-compliant), unless instructed otherwise in limited cases[16], allowing for a granular assessment while reflecting the materiality of identified gaps.

Heatmap outcome. The outcome of the combined assessment of each capability's impact and the implementation status:

- indicates whether capabilities are operating effectively in the areas most critical to the execution of the resolution strategy;
- provides a consolidated view of the bank's resolvability status as regards the EfB principle, taking into account the underlying capabilities; and

([16]) For a limited set of capabilities, the choice is binary, i.e., compliant/non-compliant.

- supports the identification of shortcomings and the definition of follow-up actions, where necessary.

The possible heatmap outcomes – based on colour coding (green, yellow, light orange, dark orange and red) – are described in the table below, taking into account how insufficient progress under a given principle may affect the SRB's ability to execute the resolution strategy.

Table 2. Possible heatmap outcomes

Terminology	Meaning
'No material issues currently identified'	The principle is **sufficiently developed**, enabling the SRB to execute the resolution strategy. These outcomes should be regularly tested to ensure that the bank is correctly assessed as fully resolvable.
'Area to be further enhanced'	The lack of progress in the principle in question **does not impede** the SRB's ability to execute the resolution strategy, but should be further improved to ensure that the bank has no material issues in executing the resolution strategy. A set of actions is to be considered by the SRB to enhance this principle.
'Shortcoming'	The lack of progress in the principle in question **may impede** the SRB's ability to execute the resolution strategy. A set of actions is to be considered by the SRB to remove the shortcoming.
'Severe shortcoming'	The lack of progress in the principle in question is **likely to impede** the SRB's ability to execute the resolution strategy. A set of actions is to be considered by the SRB to remove the severe shortcoming.
'Impediment'	The lack of progress in the principle in question **impedes** the SRB's ability to execute one of the elements of the resolution strategy. A set of actions is to be considered by the SRB to remove the impediment.

2.1.3. Corrective actions

The heatmap tool helps the IRT to identify shortcomings to resolvability and to define corrective actions, where needed, in a consistent way, considering the severity of the identified issues:

- More severe heatmap outcomes lead to more intrusive corrective actions. 'Impediments' (red outcomes) and 'severe shortcomings' (dark orange outcomes) may result in a formal procedure to remove or address substantive impediments to a bank's resolvability, in accordance with Article 10 SRMR[17]. These outcomes may also be associated with more intensive testing and requests to remediate shortcomings within shorter timeframes under close IRT monitoring.

- Less severe outcomes, ranging from 'shortcomings' (light orange) to 'area to be further enhanced' (yellow), are associated with less intrusive corrective actions. In such cases, the IRT may increase the frequency of banks' deliverables in

([17]) Regulation (EU) No 806/2014 and any amendments thereto.

areas where gaps have been identified, and plan additional testing exercises through the MATP.

The selection of corrective actions by the SRB always takes into account the principle of proportionality and the specific circumstances of each case. IRTs, on the basis of multiple inputs (including self-assessment reports, testing outcomes and banks' deliverables), perform an overall assessment of the bank's resolvability, balancing the impact of identified shortcomings on the feasibility of the resolution strategy; while they also determine possible corrective actions accordingly on a case-by-case basis. The SRB will generally not apply corrective actions related to capabilities under a phase-in period. If the bank fails to properly build up those capabilities during this period, the SRB may take appropriate corrective actions after the phase-in period.

2.1.4. How the resolvability assessment results are communicated

The IRTs maintain open communication channels with each bank to ensure mutual understanding of the expected implementation of the EfB capabilities and any identified gaps requiring further work. This is achieved through:

- at least one annual IRT workshop with the bank to explain identified shortcomings, the expected deliverables and the next steps to address remaining resolvability issues, including testing exercises;
- the key management summary of the resolution plan, which sets out the final heatmap outcomes and envisaged phase-in periods for each EfB principle; and
- common and bank-specific working and testing priorities, set annually for each bank through individual priority letters, which serve as a reference point for the workplan prepared by the bank to ensure alignment with SRB expectations.

Additional discussions or workshops may be organised by the IRTs during the RPC to follow up on the bank's workplan and related deliverables.

2.2. 2025 Preliminary resolvability analysis under the updated methodology

2.2.1. Status towards the enhanced approach to resolvability

Figures 4 and 5 below provide an indicative assessment of banks' progress towards full capacity to operationalise resolution-related capabilities, while also reflecting the strengthened resolvability assessment methodology. This indicative assessment will need to be confirmed in the course of 2026 based on the evaluation of additional deliverables and the outcomes of testing.

Figure 4 illustrates the outcomes for principles for which no targeted enhancements have been introduced following the end of the EfB implementation phase (as described in the section below) and for which banks are generally expected to demonstrate sufficient development – i.e., principles not under phase-in. Based on an indicative assessment, outcomes for the majority of SRB banks across these principles ranged from 'no material issues currently identified' to 'areas to be further enhanced'. In such cases, the SRB will consider a set of actions, including regular testing to ensure that the relevant capabilities are maintained, enhanced and fully operationalised.

Where additional deliverables, including testing outcome reports, confirm shortcomings identified in the indicative assessment, banks will be requested to address these through appropriate follow-up actions under IRT monitoring. Depending on the circumstances (e.g., the severity of shortcomings), more intrusive actions may be considered in the future, as described in Section 2.1.3 above.

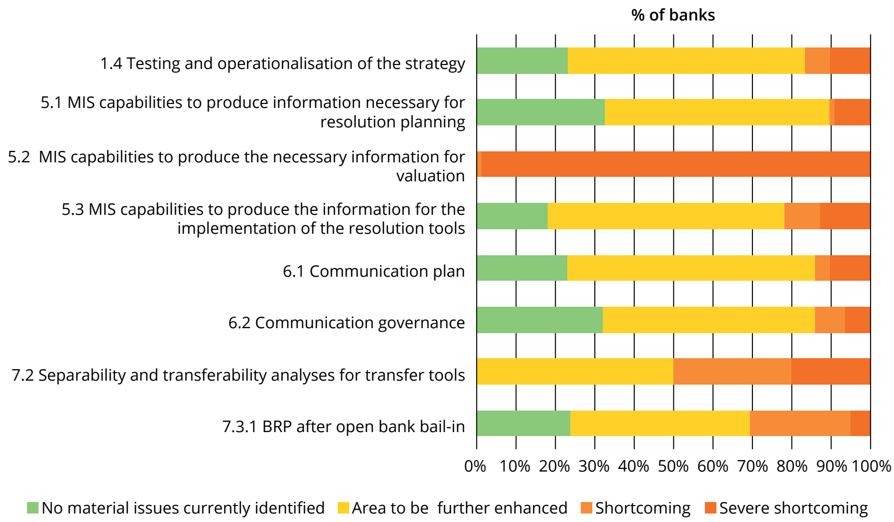
Figure 4. Update on resolvability status towards full operationalisation, as at end-December 2025 – principles not under phase-in[18]

Source: SRB.

Figure 5 illustrates the outcomes for principles where targeted enhancements have recently been introduced (as detailed below in Section 2.2.3), for which banks will be expected to demonstrate, through the (re)submission of deliverables and testing when applicable, that the relevant resolvability capabilities are effectively in place – i.e., principles under phase-in. For these principles, the SRB maintains a proportionate approach, ensuring gradual implementation similar to that applied during the development of the EfB. Banks will be granted sufficient time to demonstrate that the relevant capabilities are in place, and, generally, no intrusive corrective actions will be initiated during the phase-in period.

(18) The number of banks considered for each principle may differ, as certain principles may be deemed inapplicable depending on bank-specific characteristics, such as the bank's business model, group structure and complexity (e.g. Principles 2.6 and 7.3.2).

Figure 5. Update on resolvability status towards full operationalisation, as at end-December 2025 – principles currently under phase-in[19,20]



Source: SRB

2.2.2. Overview of banks' answers based on the first standardised resolvability self-assessment reports from banks

The self-assessment report has been one of the key supporting documents in the SRB's resolution planning since 2021, ensuring that a bank's own assessment of its resolvability is consolidated into a single document available to the resolution authorities. During the EfB implementation phase, banks were expected to report on progress at least annually, following a format agreed with their IRT[21].

To further foster convergence across the BU, the SRB developed a standardised resolvability self-assessment report[22]. As most SRB banks have made substantial progress in implementing the EfB, and in light of the transition to a steady state, they are now expected to submit their self-assessment report at least every two years, reflecting their position as at 31 December of the preceding year. The first report under the standardised format was expected by 31 January 2026.

Overall, the results of banks' self-assessments and the IRTs' assessments supported by the heatmap show a reasonable degree of alignment, indicating that the self-assessment is broadly meeting its objective of strengthening banks' contribution to the resolvability assessment process and supporting a shared understanding of

(19) The phase-in for Principle 5.1 is envisaged to ensure that banks have sufficient time to comply with the revised EBA Implementing Technical Standards on resolution planning reporting, as laid down in Commission Implementing Regulation (EU) 2025/2303. Phase-in periods are different depending on the principles and capabilities considered. For example, expectations of valuation capabilities are expected to be met by 2030.

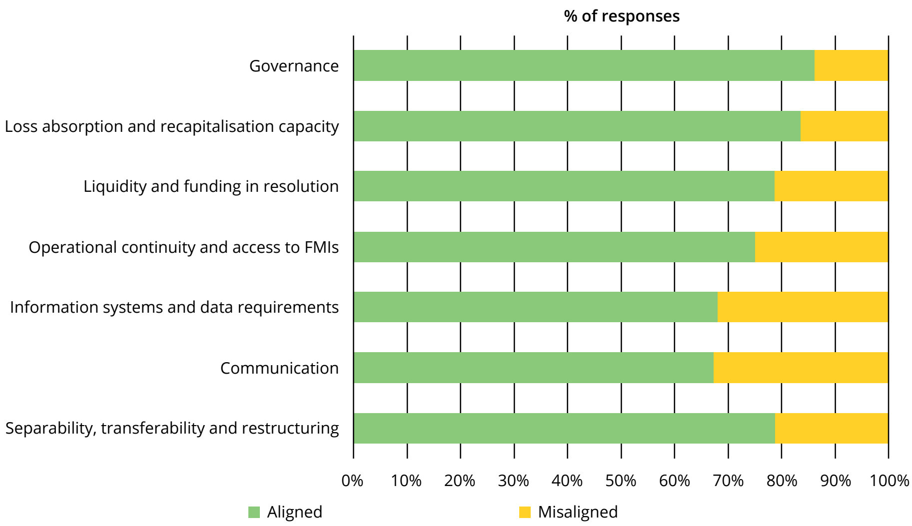
(20) The number of banks considered for each principle may differ, as certain principles may be deemed inapplicable depending on bank-specific characteristics, such as the resolution tool (e.g. Principles 7.2 and 7.3.1).

(21) Paragraph 4.2.3. Update on progress ('Resolvability Progress Report') of the EfB.

(22) Paragraph 129 of the EBA Resolvability Guidelines.

resolvability. Remaining divergences are most pronounced in principles – such as valuation, separability and transferability, and communication – where enhanced guidance has been recently introduced, and are expected to be further considered by banks for their self-assessment reports. For other principles, divergences mainly arise where banks assign a 'Compliant' grade while IRTs assess them as 'Largely compliant', suggesting that banks are generally close to meeting expectations but still need to address outstanding elements to achieve full compliance.

Figure 6. Degree of alignment between banks' self-assessments[23] and IRTs' assessment - by dimension



Source: SRB.

2.2.3. Recent developments in operationalising targeted expectations

In line with the core mission of the SRM Vision 2028 strategy – to ensure robust crisis-preparedness and make resolution strategies fully operational – the SRB has enhanced its operational guidance across key areas, including valuation, separability and transferability, business reorganisation, and communication, while embedding a comprehensive, multi-annual approach to holistic testing across all resolvability dimensions.

Valuation

The SRB has published its Expectations on Valuation Capabilities (**EoVC**)[24] in the context of developing tools for the operationalisation of resolution strategies as a key deliverable under the SRM Vision 2028. Building on the 2019 Valuation Framework and the 2020 Valuation Dataset (**VDS 2020**), as well as on experience in crisis cases and comprehensive market feedback, gaps were revealed in banks'

(23) Following the introduction of the self-assessment template in 2025, comparisons with previous years are difficult, as earlier self-assessments did not follow a consistent format.

(24) https://www.srb.europa.eu/system/files/media/document/2025-12-16_SRB_Expectations-on-Valuation-Capabilities_EoVC.pdf.

ability to ensure the timely availability, organisation and accessibility of data required for robust valuations in resolution. In particular, ad hoc or on-demand data collection proved insufficient in stressed situations, highlighting the need for more structured and permanent arrangements.

The EoVC improves the existing VDS 2020 by expanding it with additional information, and supersedes the previous 2020 dataset instructions and explanatory note introducing a permanent and regularly updated Data Repository for Resolution (**DRR**), a Valuation Data Index (**VDI**) – including unstructured data – and clarified expectations on valuation playbooks. At the same time, the revised package seeks to address burden concerns by streamlining the valuation dataset and tailoring requirements to the complexity and business model of individual institutions. Overall, the EoVC aims to close identified operational gaps, frontload preparatory work in resolution planning, and ensure that a minimum, reliable set of data is readily available to support timely, independent and robust valuations when needed.

Separability and transferability

The SRB has updated its operational guidance on separability and transferability[25] to support the SRM's shift from resolution planning to operationalisation, testing and crisis-readiness. Building on earlier guidance documents and practical experience from past resolution cases, the SRB identified gaps in the consistency, usability and operational depth of banks' Separability Analysis Reports (**SAR**s) and related transfer preparations, as well as a need to better align expectations with the revised resolvability self-assessment framework and Principle 7.2 of the EfB.

Following a public consultation in 2025, the update was therefore designed not to introduce new deliverables, but to consolidate and streamline existing ones into a coherent package: enhanced guidance on separability and transferability to clarify expectations for SARs, a dedicated operational framework for transfer playbooks to structure preparatory activities and reduce execution risk, and a new annex on testing to support the gradual demonstration of capabilities.

The package outlines how to address key uncertainties inherent in transfer tools – such as timing, the scope of the transfer perimeter and market conditions – by providing practical guidance, while explicitly embedding the principle of proportionality through case-by-case calibration by internal resolution teams. In doing so, it enhances comparability and operational readiness across institutions, promotes the efficient use of resources, and supports banks in demonstrating credible transfer capabilities by 2027, without creating additional regulatory burden.

(25) Operational guidance for banks on separability and transferability for transfer tools: https://www.srb.europa.eu/system/files/media/document/2026-02_Operational-guidance_Separability-transferability-transfer-tools.pdf; Operational guidance on transfer playbooks: https://www.srb.europa.eu/system/files/media/document/2026-02_Operational-guidance-Separability-transferability_Transfer-playbooks_1.pdf; Annex on testing separability and transfer strategies: https://www.srb.europa.eu/system/files/media/document/2026-02_Operational-guidance_Separability-transferability_Annex-testing-separability-transfer-strategies.pdf.

Business reorganisation

The recently published[26] Operational Guidance on Business Reorganisation Plan Analysis Report (**BRP AR**), along with the BRP AR quantitative template, strengthens the framework for enhancing the resolvability of banks for which the Open Bank Bail-In (**OBBI**) tool is designated as either the Preferred or Variant resolution tool. This initiative aligns with Principle 7.3 of the EfB, which requires institutions to pre-identify and evaluate measures that could restore long-term viability post-OBBI, thereby ensuring resolution readiness.

Leveraging existing recovery planning work to a large extent, the guidance provides a structured and proportionate approach to resolvability by compiling existing regulatory requirements while addressing gaps observed in previous submitted deliverables. It emphasises an iterative process, where institutions must define a sustainable post-reorganisation business model, assess relevant reorganisation measures, and evidence their ability to restore financial soundness in a structured and evidence-based manner.

Ultimately, the guidance enhances operational readiness, risk management and regulatory compliance while fostering greater consistency across the banking sector. By reducing uncertainty and reinforcing confidence in resolution processes, it supports a more resilient financial system. The final publication is expected in Q4 2026.

Communication

The SRB Operational Guidance on Banks' Communication, which underwent a public consultation in Q4 2025[27], further clarifies the expectations of communication set out in the EfB by specifying the capabilities expected to ensure effective communication in resolution. The guidance highlights that timely, accurate and coordinated communication is critical when a bank is failing or likely to fail. It therefore sets expectations for banks to establish robust communication plans and governance arrangements, already during the planning phase, to ensure coherent communication across group entities and jurisdictions, in coordination with resolution authorities.

The communication plan is expected to cover all relevant internal and external stakeholder groups, clarify roles and responsibilities, and set out accurate, consistent and easily understandable key messages aligned with the resolution strategy. Banks are also expected to ensure appropriate timing and sequencing in communication, taking into account legal constraints, to support the effective implementation of the resolution strategy.

In addition, the guidance places emphasis on testing communication capabilities as part of the resolvability testing framework, ensuring that banks can effectively execute and adapt communication strategies under stress. Overall, the guidance operationalises existing expectations into concrete and proportionate capabilities, thereby enhancing consistency and strengthening crisis-preparedness across institutions.

([26]) The operational guidance on the Business Reorganisation Plan Analysis Report (BRP AR), and the BRP AR quantitative template, underwent a public consultation in Q1 2026.

([27]) The final formal publication of the guidance is expected in Q3 2026.

3 | 2025-2026 resolvability testing

In 2025, the SRB further strengthened its approach to resolvability by establishing a comprehensive framework for bank-led testing, issuing Operational guidance on resolvability testing for banks[28]. The guidance sets out expectations for testing methods, governance and test environments, and the preparation, execution and reporting of tests.

Building on this foundation, the SRB introduced the MATP, prepared in close cooperation with banks and relevant authorities and communicated to banks through the 2026 Priority Letters. These programmes, covering the 2026-2028 period, combine common priorities and bank-specific elements, thereby enhancing transparency and predictability. The MATPs are expected to cover all principles set out in the EfB, aligned with the EBA Resolvability and Transferability Guidelines[29], for each resolution group under the SRB's remit. It will be updated annually, on a rolling basis.

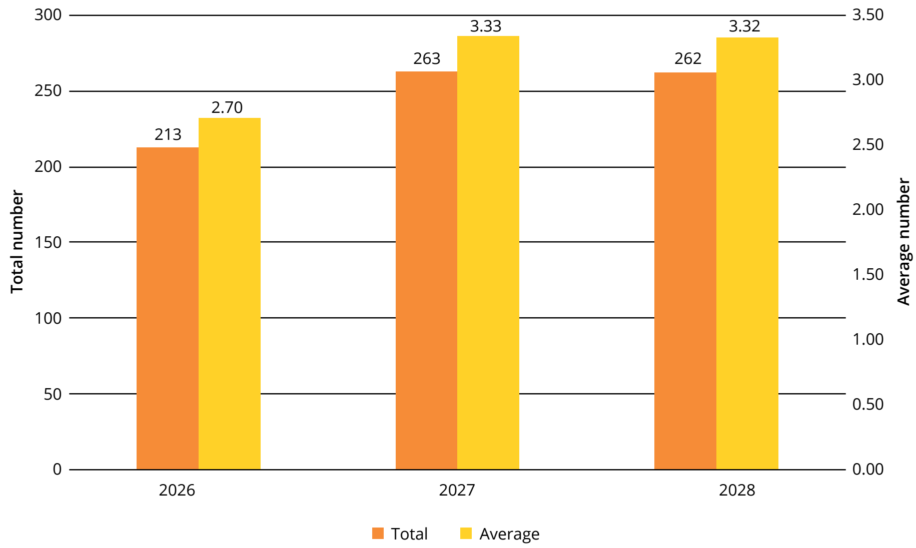
IRTs define MATPs covering all relevant principles and calibrate proportionately to banks' size, complexity and progress towards resolvability. As part of quality assurance, a benchmarking exercise was conducted in 2025 to ensure consistency across institutions.

For 2026, a total of 214 tests are planned across 78 banks, with a focus on key areas such as bail-in and operational continuity, and a predominance of operational simulations (dry runs), which remain the primary testing method chosen by IRTs. The framework follows a progressive approach, with testing increasing in scope and sophistication over time while maintaining proportionality.

(28) https://www.srb.europa.eu/system/files/media/document/2025-09-26_SRB_Operational-guidance-on-resolvability-testing-for-banks.pdf.

(29) 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), and EBA/GL/2022/11 (Guidelines for institutions and resolution authorities to complement the resolvability assessment for transfer strategies (Transferability Guidelines)).

Figure 7. Expected number of tests – total and average per resolution group



Source: SRB.

The use of independent observers, although not mandatory, is encouraged where appropriate to provide additional assurance on the robustness of testing procedures. In practice, banks indicated a strong intention to appoint independent observers in most cases.

The common testing priorities identified for the 2026 RPC are set out below:

Table 3. Common testing priorities for 2026 RPC

Year	Common testing priorities
2026	Operational simulation on MIS for operational continuity in resolution (including cyber resilience); or Operational simulation on bail-in, including external execution and communication (and internal execution, including submission of the Minimum Bail-in Data Template for selected banks)

This framework supports a structured, forward-looking and proportionate approach to testing, enabling banks to progressively enhance their operational readiness for resolution.

2025 served as a transition year, during which banks carried out a combination of common and institution-specific tests, notably in key areas: access to financial market infrastructures (**FMI**s), and liquidity and funding. The following sub-sections provide further detail on these key areas, as well as on bail-in data capabilities (including the Minimum Bail-in Data Template – **MBDT**) identified as key testing areas for 2026.

FMIs

According to the SRB's EfB, institutions are to develop capabilities to identify, map and assess dependencies on FMI service providers (Principle 4.4) and to establish contingency plans ensuring continuity of access (Principles 4.5 and 4.6). In this context, clear expectations are set for banks to demonstrate operational readiness to maintain access to relevant FMI services – covering both critical and essential FMI service providers – in resolution. In 2025, banks were expected to perform two tests: a) a dry run to identify and map FMI providers and intermediaries across all relevant entities, and b) a comprehensive walkthrough of contingency plans. These exercises covered both business-as-usual and stress scenarios, and required the timely production of up-to-date information on FMI dependencies, linked to legal entities, critical functions and core business lines.

Looking ahead, banks are expected to ensure that all relevant entities involved in FMI access and contingency planning are within scope, with a focus on critical and complex relationships, including cross-border providers and intermediaries. Testing is expected to continue to combine operational simulations and walkthroughs. Future testing cycles will further deepen the sophistication and scope of exercises, supporting a proportionate yet comprehensive approach to ensuring the continuity of relevant FMI services in resolution scenarios.

Liquidity

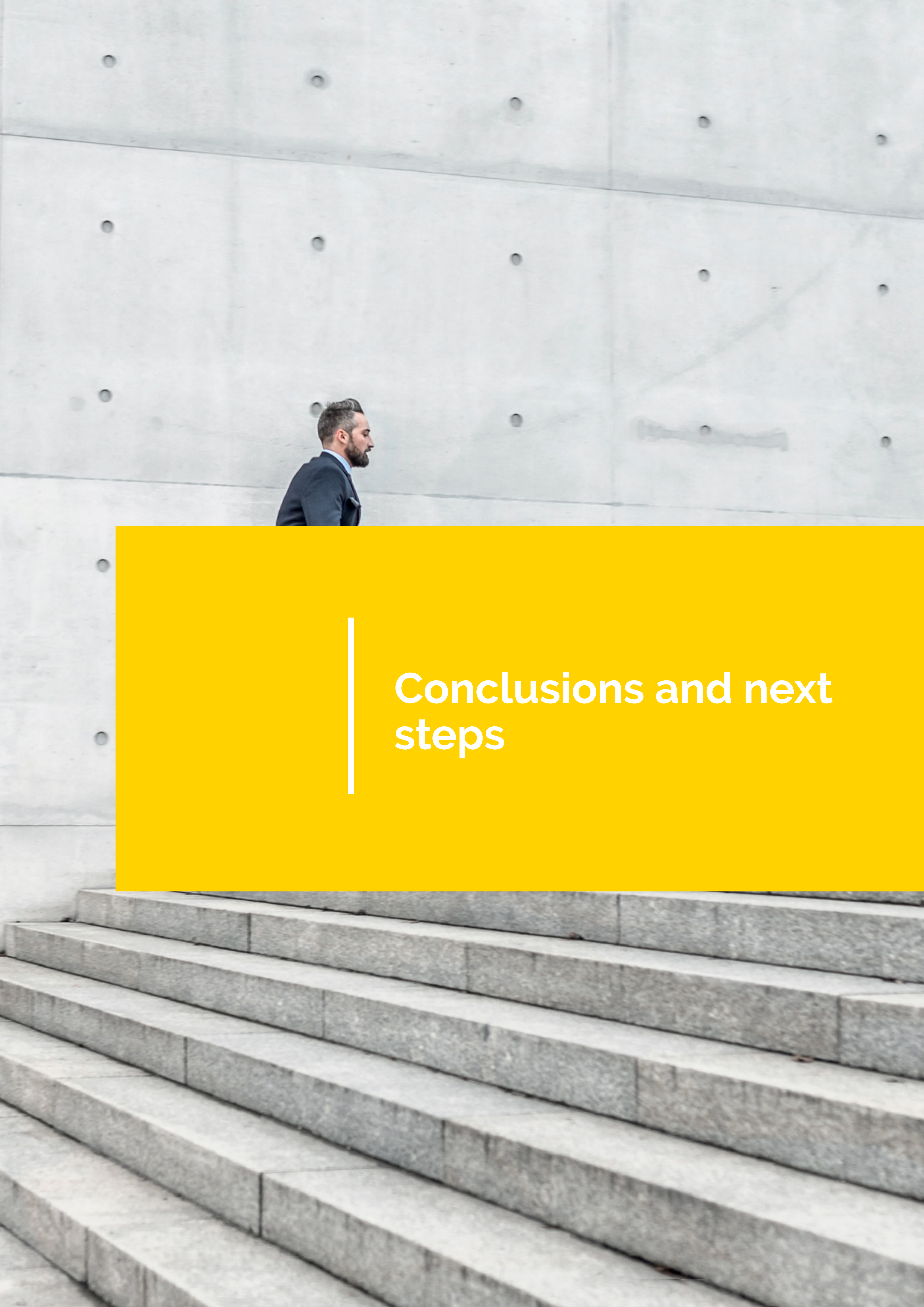
According to the SRB's EfB, institutions are expected to establish capabilities to estimate liquidity and funding needs in resolution (Principle 3.1), to measure and report their liquidity situation in resolution (Principle 3.2), and to identify and mobilise collateral during and after resolution (Principle 3.3). Building on the progress achieved during previous resolution planning cycles – particularly a joint liquidity exercise organised with the European Central Bank (**ECB**), where banks reported the Joint Liquidity Template (**JLT**) at resolution group and key liquidity entity level – banks were expected to test their operational readiness in 2025 through a dry-run exercise. This involved the producing, validating and submitting the JLT every day for five consecutive business days, covering the resolution group, key liquidity entities and significant currencies. In addition, a subset of banks were expected to submit a subset of datapoints of the JLT with a higher frequency. The exercise built on earlier work and aimed to demonstrate the accuracy, completeness, timeliness and consistency of liquidity reporting, while integrating relevant entities as defined by IRTs.

Banks were further expected to update existing collateral deliverables, with a particular focus on assets not eligible for central bank operations. In this context, banks were expected to report how long it would take them to mobilise their unencumbered assets by asset classes. These elements reflect an increased emphasis on the usability of collateral in a resolution context. Building on the results of the 2025 tests, expectations will continue to focus on refining these capabilities, ensuring that they are sufficiently robust and operationally effective to support the execution of resolution actions.

Bail-in / MBDT

In line with the SRB's EfB, the availability of accurate and timely data remains a key enabler for the effective application of bail-in. Following the finalisation of the MBDT, banks were granted a transitional period to implement the required reporting framework, with a view to ensuring harmonised and standardised data provision across institutions. In 2025, selected banks were expected to conduct a dry-run exercise to demonstrate their ability to produce and submit bail-in data in accordance with the MBDT specifications, including the completion of core data tables and the implementation of validation rules within their management information systems to ensure data quality and consistency.

For 2026 and beyond, banks are expected to further embed these capabilities, ensuring that all relevant entities and liabilities within scope are adequately captured, including capital instruments and eligible liabilities subject to write-down and conversion powers. Particular attention should be paid to the robustness, completeness and usability of data, and to the integration of national specificities where applicable. Building on the initial implementation phase, future efforts will focus on enhancing the reliability and operational readiness of data production processes, thereby supporting the timely and effective execution of bail-in in resolution scenarios.



Conclusions and next steps

In 2025, SRM banks have made progress in implementing the EfB and establishing the core capabilities required to support the effective execution of resolution strategies, although further work remains in certain areas. This marks an important milestone in the transition from the EfB implementation phase towards a steady state focused on operationalising, testing and continually improving resolvability. Across all resolvability dimensions, SRB banks have strengthened their capabilities, in particular in areas such as liquidity and funding in resolution, management information systems and data provision, and separability and transferability, while LSIs have made noticeable progress, especially regarding capabilities related to information provision. These developments have contributed to a more robust and credible foundation for resolution planning within the Banking Union.

The 2025 resolvability assessment confirms that resolvability remains a dynamic objective, with additional effort expected in areas where enhanced guidance has been recently introduced or is forthcoming. This is particularly relevant for principles where differences between banks' and IRTs' assessments persist, and for areas where banks are transitioning from the development of capabilities to their sustained operational use under stress. Continued efforts are therefore necessary to ensure that the understanding of expectations regarding capabilities and compliance is aligned between banks and IRTs so that capabilities can be effectively developed, tested and fully embedded in banks' operational frameworks. Notwithstanding the resolvability assessment methodology update, certain gaps reflect the enhancements to the updated guidance, e.g., on valuation, separability and transferability.

The progressive shift towards systematic testing as the primary means of assessing operational readiness represents a key development in the enhanced resolvability assessment methodology. Its introduction, encompassing the heatmap tool, the standardised self-assessment report and the multi-annual testing programme (MATP), has strengthened the consistency, transparency and comparability of the SRB's assessment approach. The MATPs for 2026–2028 provide a structured and forward-looking basis for this transition, enabling a more rigorous assessment of banks' capabilities and their ability to support the execution of resolution strategies in practice.

Building on the 2025 results, the SRB's priorities for 2026 focus on strengthening capabilities while ensuring the overall operationalisation of resolution strategies. The continued execution and refinement of testing activities under the MATP framework will be expected. The 2026 priorities focus on critical areas such as bail-in execution, operational continuity and management information systems, while operational continuity, liquidity reporting and access to financial market infrastructures remain key points of attention. The expected tests will play a central role in validating whether capabilities are effectively operational under real or simulated stress conditions. The operationalisation of variant resolution strategies and transfer tools will rank high in the future SRB agenda to enhance the credibility and feasibility of resolution strategies across a range of scenarios.

Finally, the SRB will ensure that corrective actions are taken following a proportionate and risk-based approach. This approach makes it possible to maintain a strong focus on consistency and comparability across banks.

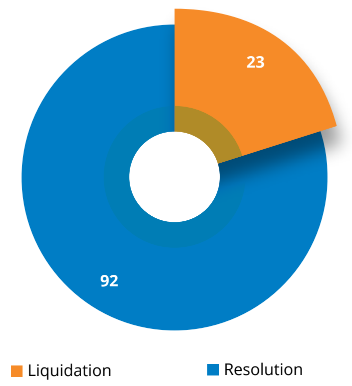
1 Annex

Preferred and variant resolution strategies in the Banking Union

The main features of preferred resolution strategies in the 2025 resolution plans remained broadly stable, with the SPE approach and the bail-in tool continuing to be the most widely adopted by the SRB. However, in line with the SRM Vision 2028, transfer strategies are increasingly considered variant options, thereby enhancing the credibility and flexibility of resolution planning.

In 2025, of the 115 banks under the SRB's remit, 92 were earmarked for resolution (Figure 8). The remaining 23 banks for which a liquidation strategy was planned, were mostly smaller institutions or had specific business models, in line with earlier resolution cycles.

Figure 8. Banks earmarked for resolution or liquidation at the planning stage



Source: SRB.

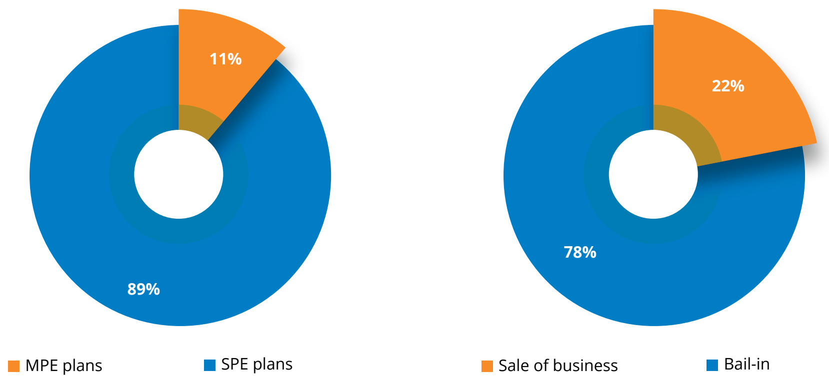
The SRB banks earmarked for resolution are seven institutions – BNP Paribas, Groupe BPCE, Groupe Crédit Agricole, ING, Deutsche Bank, Santander, and Société Générale – designated by the Financial Stability Board as Global Systemically Important Institutions (**G-SIIs**). In addition, 72 institutions are classified by the relevant national authorities as Other Systemically Important Institutions[30] (**O-SIIs**).

Most of the resolution plans (89%) follow a single-point-of-entry (**SPE**) strategy (Figure 9).

Bail-in remained the preferred resolution tool for the majority of plans (78%). In over a fifth of plans (22%), the sale of business was selected as the preferred resolution tool (Figure 10).

(30) As identified by national competent authorities and notified to the EBA pursuant to Article 131 of Directive 2013/36/EU.

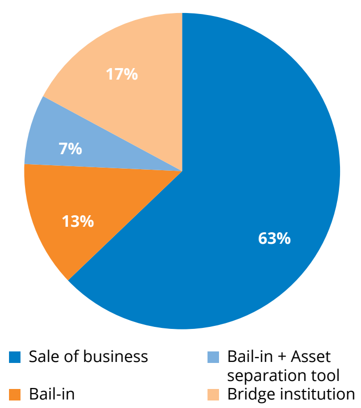
Figure 9. and 10. Singe-point and multiple-point-of-entry strategies and Preferred resolution tools



Source: SRB.

To address circumstances in which the preferred resolution strategy would not be feasible or credible, **the SRB also assesses whether one or more variant tools should be considered**. Variant strategies were formally established for 70 banks in 2025, thereby enhancing the credibility and flexibility of resolution planning in line with the SRM Vision 2028. These strategies rely mainly on transfer transactions (Figure 11). **Sale of business is the most frequent tool envisaged as a variant to open bank bail-in, whereas a bridge institution is often used as a variant to the sale of business.**

Figure 11. Variant resolution tools



Source: SRB.

Due to the specific features of resolution planning – including contributions to group resolution plans for non-Banking Union groups, plans relating to non-EU groups, and the presence of MPE banks – the number of resolution groups for SRB banks established within the Banking Union amounts to 82. For MREL-setting purposes, these groups are classified into four categories, as set out in Table 4.

Table 4. Categories of SRB resolution groups

Category	SRB banks
G-SIIs	7
Top Tier: banks with total assets exceeding EUR 100 bn	27
Other Pillar 1: banks likely to pose a systemic risk in the event of failure	11
Non-Pillar 1: banks not covered by the above categories	37
Total	**82**

Source: SRB.

Annex 2

MREL dashboard

This annex provides an overview of MREL setting under the 2025 RPC for SRM institutions earmarked for resolution and their liability structure.

Overview of MREL Setting SRM-wide

The SRB and NRAs set MREL targets for all groups earmarked for resolution in accordance with the SRB MREL Policy.[31] In the 2025 RPC, the targets set in the previous RPCs were updated and will become binding after the respective MREL decisions and resolution plans are adopted.

Table 5. MREL targets SRM-wide

MREL targets	SRB banks	LSIs	SRM Institutions earmarked for resolution – total number
External MREL targets	**82**	**59**	**141**
Internal MREL targets, *of which*	**128**	**11**	**139**
For non-BU subsidiaries	*7*	*2*	*9*
For non-EU subsidiaries	*13*	*0*	*13*
For non-resolution entities within BU resolution groups	*108*	*9*	*117*
All MREL targets	**210**	**70**	**280**

Source: SRB.

External MREL targets are set at resolution group level. Internal MREL targets are set for three different categories of entities: 1) SRM institutions that are subsidiaries of non-BU groups, 2) SRM institutions that are subsidiaries on non-EU groups, and 3) set internally within the SPE and MPE banks headquartered in the Banking Union.

Overview of external targets

The table below presents the weighted average MREL targets set in the 2025 RPC for SRM resolution entities. Aggregated external MREL targets (% TREA) are the weighted average of targets of resolution entities under the same category.

Table 7. External MREL targets per category, %

Category	GSIBs (7)	Top Tier (27)	Other Pillar 1 (11)	Non-Pillar 1 (37 SIs)	Non-Pillar 1 (59 LSIs)
$\mathbf{MREL}_{\mathbf{TREA}}$ (without CBR)	23.86%	22.58%	24.33%	21.45%	21.33%
$\mathbf{MREL}_{\mathbf{LRE}}$	7.14%	7.09%	8.20%	5.81%	5.82%

Source: SRB computations.

(31) SRB, 13 May 2024, *SRB MREL Policy* https://www.srb.europa.eu/en/content/srb-mrel-policy.

The table below represents aggregated external MREL targets (% TREA) as the weighted average of targets of resolution entities under the same PRS.

Table 8. External MREL targets per PRS, %

Resolution strategy	SRB banks		LSIs	
	Open bank bail-in	Transfer strategy*	Open bank bail-in	Transfer strategy
$MREL_{TREA}$ (without CBR)	23.26%	19.31%	23.71%	19.18%
$MREL_{LRE}$	7.09%	6.16%	6.51%	5.33%

Source: SRB computations. Note: * Where the PRT is a combination of tools, only the entities for which the MREL adjustment due to the transfer strategy is applied are considered under the 'Transfer strategy' column.

The table below presents aggregated MREL subordination targets (% TREA and % LRE) considering only the SRB banks with an MREL subordination target set. No LSIs are included, as there are no such entities with subordination requirements.

Table 9. External subordinated MREL targets for SRB banks per category and per PRS, %

Category and strategy	Category			PRS	
	GSIIs (7)	Top Tier (27)	Other Pillar 1 (11)	Open bank bail-in (39)	Transfer strategy (5)
$MREL_{TREA}$ (without CBR)	16.04%	14.99%	18.96%	15.55%	18.24%
$MREL_{LRE}$	6.29%	6.63%	7.83%	6.47%	7.61%

Source: SRB computations.

MREL resources composition

The MREL resources for SRB banks – where external MREL targets were set in the 2025 RPC – comprised on average around 60% own funds and 40% eligible liabilities. Furthermore, own funds and subordinated liabilities account for more than 80% of the total MREL resources. In terms of the composition of eligible liabilities, almost their entire amount is made up of senior unsecured and senior non-preferred liabilities.

For most LSIs, the categories of own funds and senior secured liabilities are the main sources of MREL-eligible instruments used to comply with their MRELs.

Table 10. MREL resources composition by bank category for the SRM resolution groups, %

Breakdown of MREL capacity	GSIBs (7)	Top Tier (27)	Other pillar 1 (11)	Non-Pillar 1 (37 SIs)	Non-Pillar 1 (LSIs)
Own funds	**57.5**	**57.7**	**55.1**	**70.6**	**68.7**
Common Equity Tier 1	*44.4*	*45.3*	*42.2*	*60.7*	*64.4*
Additional Tier 1	*5.5*	*4.7*	*5.1*	*2.7*	*1.1*
Tier 2	*7.7*	*7.7*	*7.9*	*7.2*	*3.2*
Eligible liabilities	**42.5**	**42.3**	**44.9**	**29.4**	**31.3**
Senior non-preferred liabilities	*23.2*	*20.0*	*23.5*	*2.4*	*2.3*
Senior unsecured liabilities	*17.3*	*17.5*	*20.0*	*22.9*	*18.3*
Subordinated liabilities (not recognised as own funds)	*1.4*	*1.7*	*0.6*	*0.3*	*0.6*
Structured notes	*0.6*	*2.8*	*0.3*	*0.1*	*0.1*
Deposits not covered and not preferential	*0.0*	*0.3*	*0.4*	*3.5*	*8.9*
Other MREL-eligible liabilities	*0.0*	*0.0*	*0.0*	*0.0*	*1.1*
Uncollateralised secured liabilities	*0.0*	*0.0*	*0.0*	*0.1*	*0.0*
Total	**100**	**100**	**100**	**100**	**100**

Source: MREL-TLAC reports and SRB computations. Note: individual numbers may not add up to 100 due to rounding effects.

Structural challenges, linked to size, ratings and investor base, remain for smaller banks to diversify their funding bases, even though market access has improved, as presented in the EBA's Second MREL Impact Assessment Report.[32]

As presented in the SRB MREL Dashboard, around 14% of MREL-eligible instruments for SIs are issued under third-country law. The majority of these instruments (61%) fall under US law, while 33% are under UK law. Over 97% of these instruments include contractual recognition of resolution.

(32) EBA, 24 March 2026, *The EBA publishes its second MREL impact assessment Report*, https://www.eba.europa.eu/publications-and-media/press-releases/eba-publishes-its-second-mrel-impact-assessment-report.

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