



Brussels, 25 March 2020
SRB/CM/01(2020)2020467

Name Surname
Organisation
Address
e-mail

By e-mail

Communication from the SRB on the potential COVID-19 outbreak relief measures

Dear Ms/Mr,

The Single Resolution Board, in close cooperation with national resolution authorities, the European supervisory authorities and the European Commission*, is carefully monitoring the situation related to the COVID-19 outbreak in the Euro Area countries, and its impact on financial markets and banks.

The SRB is fully aware that banks are working to ensure business continuity and services to their customers, focusing on core operations and critical functions, as well as on protecting their employees' health. The SRB joins the European and national competent authorities in their efforts to alleviate the immediate operational burden on banks.

The SRB is committed to working on the 2020 resolution plans and issuing 2020 MREL decisions according to the planned deadlines in early 2021. However, we, in close cooperation with the national resolution authorities, will apply a pragmatic and flexible approach in order to consider, where necessary, postponing less urgent information or data requests related to this upcoming 2020 resolution planning cycle.

The following reports are essential: the Liability Data Report, the Additional Liability Report and the MREL quarterly template. We trust that you and your

* Communication from the Commission on a Coordinated economic response to the COVID-19 Outbreak, 13 March 2020 (COM(2020) 112 final); and Communication from the Commission on a Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, 19 March 2020 (C(2020) 1863 final). 'ECB Banking Supervision provides temporary capital and operational relief in reaction to coronavirus', ECB Press Release, 12 March 2020 and 'ECB Banking Supervision provides further flexibility to banks in reaction to coronavirus', 20 March 2020.



team will make every effort to deliver these documents on time. The SRB will assess possible leeway in submission dates for other reports, such as those related to Critical Functions and Access to FMIs.

The banking industry has achieved a lot in resolution planning in recent years and it is in all of our interests that this work continues. At the same time, in light of the challenges posed by resource constraints and adverse market conditions, the IRTs will assess difficulties in achieving work programme updates and in submitting other deliverables on an individual basis. Needless to say, all banks are expected to substantiate their requests and identify mitigating actions in order to continue progress towards resolvability.

Finally, the SRB has taken good note of the measures adopted by the authorities to provide capital relief to banks in support of the economy. The SRB will carefully monitor the market conditions in the next months and analyse the potential impact on transition periods needed for the build-up of MREL. The SRB is ready to use its discretion and the flexibility given by the regulatory framework to adapt transition periods and interim targets applied to banking groups, as well as to adjust MREL targets in line with capital requirements, with particular reference to capital buffers.

We encourage you to stay in close contact with IRTs in this challenging period. Please do not hesitate to also get in touch with myself, or the SRB Board Member responsible for your institution, if you have questions or concerns.

Yours sincerely,

[signed]

Elke KÖNIG

Chair