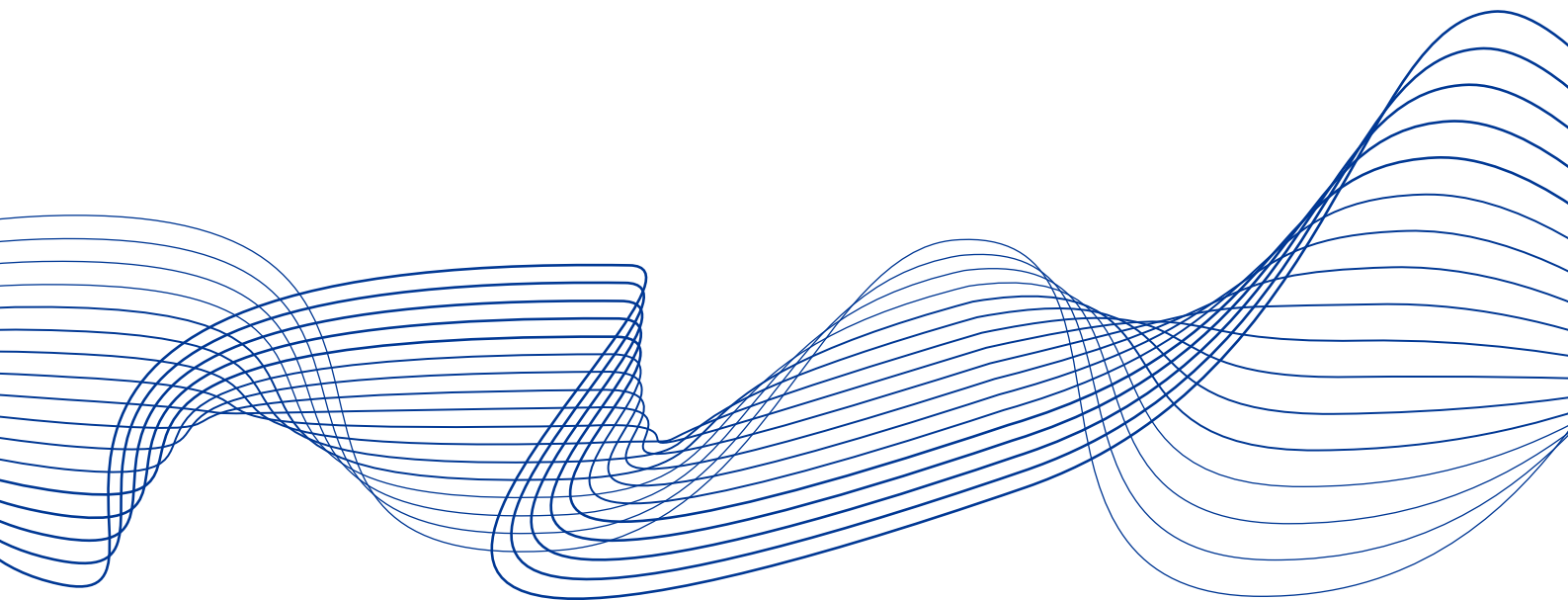


Summary Compliance Report

October 2021

Recommendation A of the
Recommendation of the European
Systemic Risk Board of 26
September 2019 on exchange and
collection of information for
macroprudential purposes on
branches of credit institutions
having their head office in another
Member State or in a third country
(ESRB/2019/18)



ESRB

European Systemic Risk Board

European System of Financial Supervision

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1 Introduction

Recommendation A of Recommendation ESRB/2019/18 on exchange and collection of information for macroprudential purposes on branches of credit institutions having their head office in another Member State or in a third country (hereinafter “the Recommendation”) is addressed to relevant authorities. Under Section 2(1)(h) of the Recommendation, relevant authorities are authorities entrusted with the adoption and/or activation of macroprudential policy measures, such as the designated authorities pursuant to Chapter 4 of Title VII of Directive 2013/36/EU (CRD)¹ or Article 458(1) of Regulation (EU) No 575/2013 (CRR)², the ECB under Article 9(1) of Regulation (EU) No 1024/2013³, and the macroprudential authorities with the objectives, arrangements, tasks, powers, instruments, accountability requirements and other characteristics set out in Recommendation ESRB/2011/3⁴, as well as competent authorities.

In accordance with Article 17 of the ESRB Regulation⁵ and Recommendation A, relevant authorities were requested to deliver to the ESRB, the Commission⁶, the Parliament and the Council, an interim report on the implementation of the relevant recommendation by 31 December 2020. The reports were submitted to the ESRB Secretariat.

The assessment takes into account the actions undertaken by the addressees between December 2019 (the publication date of Recommendation ESRB/2019/18) and **December 2020** (the deadline for submission of the reporting templates).

This compliance report presents the outcome of the assessment of the interim reports pertaining to the implementation of Recommendation A, submitted by relevant authorities.

The assessment of the interim reports was carried out by an Assessment Team consisting of four assessors, including one Chair, endorsed by the Advisory Technical Committee of the ESRB (ATC) (see Annex I of this note), and follows the methodology provided in the “Handbook on the assessment of compliance with ESRB recommendations” of April 2016 (hereinafter “the Handbook”⁷).

¹ Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 87/2002/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).

² Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).

³ Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (OJ L 287, 29.10.2013, p. 63).

⁴ ESRB Recommendation of 22 December 2011 on the macroprudential mandate of national authorities (ESRB No 3/2011) (OJ C 41, 14.2.2012, p. 1).

⁵ Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macroprudential oversight of the financial system and establishing a European Systemic Risk Board (OJ L 331, 15.12.2010, p. 1).

⁶ In the case of Iceland, Norway and Liechtenstein, to the EFTA Standing Committee.

⁷ **ESRB Handbook on the assessment of compliance with ESRB recommendations**, ESRB, April 2016.



Overall, the Assessment Team, when assessing the interim report, observed a high level of compliance with Recommendation A.

The report is structured as follows:

Part I recaps the policy objectives taken into account during the process of drafting the Recommendation. Part II summarises the methodology set out in the Handbook, which establishes the procedure for assessing compliance with ESRB recommendations and presents the implementation standards drafted by the Assessment Team and used to assess compliance by the addressees with Recommendation A. Part III includes the overall findings of the assessment. Part IV concludes the assessment of Recommendation A.

Annex I lists the members of the Assessment Team. Annex II contains the implementation standards. Annex III presents a detailed colour-coded table with the results for each sub-recommendation of Recommendation A obtained by all addressees.



2 Policy objectives

Content and Structure

Recommendation ESRB/2019/18 is divided into three recommendations (A, B and C): Recommendation A is addressed to relevant authorities, Recommendation B to the European Commission, and Recommendation C to the European Banking Authority. This analysis focuses on Recommendation A (A1-A2), for which the interim reporting obligation was due by the end of 2020. Relevant authorities are required to submit a final report on the implementation of Recommendation A to the ESRB and to the Council by 31 December 2024.

Recommendation A – Cooperation and exchange of information on a need-to-know basis

Relevant authorities are recommended to:

1. exchange information deemed necessary for the discharge of their tasks related to the adoption and/or activation of macroprudential policy measures or for other financial stability tasks, in an effective and efficient manner, as regards branches in a host Member State of credit institutions having their head office in another Member State or in a third country. The exchange of information should take place upon receipt of a reasoned request for information on such branches — taking into account the guidelines issued by the European Banking Authority in accordance with sub-recommendation C(1) — submitted by a relevant authority of the host Member State entrusted with the adoption and/or activation of macroprudential policy measures or with other financial stability tasks. The information to be exchanged should be proportionate to the relevance of the branches to financial stability in the host Member State;
2. establish memoranda of understanding or other forms of voluntary arrangements for cooperation and exchange of information among themselves — or with a relevant authority of a third country — regarding branches in the host Member State of credit institutions having their head office in another Member State or in a third country, where considered necessary and appropriate by all parties involved to facilitate the exchange of information.

The Recommendation aims to harmonise the scope and frequencies of exchange of information on branches available to relevant authorities across Member States. Union law does not provide a harmonised definition of branches relevant for financial stability. To that end, Recommendation ESRB/2019/18 in Section 2(1)(c) defines “branch relevant for financial stability” as a branch fulfilling the following criteria:

- (i) the branch is designated as being significant in accordance with Article 51 of Directive 2013/36/EU;
- (ii) the branch meets the criteria referred to in Article 131(3) of Directive 2013/36/EU for the identification of other systemically important institutions;



- (iii) the branch provides critical functions within the meaning of point 35 of Article 2(1) of Directive 2014/59/EU⁸;
- (iv) the branch has a market share exceeding 2% of any one or more of the categories of exposures set out in points (a) and (b) of Article 133(5) of Directives 2013/36/EU as amended by Directive (EU) 2019/878⁹.

Any authority entrusted with the adoption and/or activation of macroprudential policy measures, or with other financial stability tasks, needs to be able to obtain certain basic information on all branches operating within its jurisdiction whose parent credit institutions have their head office in another Member State or in a third country. Branches of credit institutions having their head office in another Member State or in a third country vary in size and importance. Where those branches are considered as relevant for financial stability in the country in which they operate, there is a need to strengthen the collaboration between the relevant authorities of the host and home Member States. In such cases, the exchange of selected information on parent institutions and the groups of which these branches form part, is necessary to assess the potential amplifying impact that such branches might have during periods of excessive credit growth or in a crisis. The exchange of such selected information on those parent institutions and groups relates to own funds and leverage (including relevant buffer requirements), funding and liquidity risk, business strategy, and certain aspects of recovery plans.

For these reasons, Recommendation A of Recommendation ESRB/2019/18 recommends that relevant authorities cooperate and exchange information on a need-to-know basis for the discharge of their tasks related to the adoption and/or activation of macroprudential policy measures or for other financial stability tasks, in an effective and efficient manner. In addition, relevant authorities are recommended to establish memoranda of understanding or other forms of voluntary arrangements for cooperation and exchange of information among themselves — or with a relevant authority of a third country — in order to facilitate such exchange of information.

⁸ Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU and Regulations (EU) No 1093/2010 and (EU) No 648/2012 of the European Parliament and of the Council (OJ L 173, 12.6.2014, p. 190).

⁹ Directive (EU) No 878/2019 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures, PE/16/2019/REV/1 (OJ L 150, 7.6.2019, p. 253).



3 Assessment methodology

Recital (20) and Article 17 of the ESRB Regulation provides the ESRB with a mandate to monitor addressees' compliance with ESRB recommendations. To this effect, and pursuant to Article 20 of the ESRB Rules of Procedure¹⁰, the ESRB assesses the actions and justifications undertaken and communicated by the addressees of ESRB recommendations in accordance with the “act or explain” mechanism described in Article 17 of the ESRB Regulation, whereby the addressee of a recommendation can either (i) take action in response to a recommendation, or (ii) adequately justify any inaction. The ESRB thus analyses the information provided by addressees and assesses whether the action taken duly achieves the objectives of the Recommendation, or whether the justification provided for inaction is sufficient. This analysis results in a final compliance grade being assigned to each addressee, reflecting the level of implementation by the relevant addressee.

The assessment was based on the submissions made by the addressees by the reporting deadline specified in Section 2 of the Recommendation (i.e. 31 December 2020) and on a further dialogue between the Assessment Team and addressees during the assessment process.

The detailed procedure for the assessment of compliance is set out in the Handbook. The assessment of Recommendation A was carried out by an Assessment Team of four assessors, with one Chair, endorsed by the ATC (see Annex I of this report). The Assessment Team conducted a four-eyes review, which means that the compliance of each addressee was assessed by two assessors. In the first stage of the assessment, the assessors evaluated the compliance of a respective addressee with all recommendations/sub-recommendations (horizontal assessment). In the second stage of the assessment, the assessors evaluated the consistency of the assessments (vertical assessment). For objectivity reasons, the assessors were not involved in grading their respective authority's performance. Afterwards, the results of both assessors were cross-checked to prepare the final assessment.

To ensure equal treatment of the addressees and the highest degree of transparency and consistency, the Assessment Team conducted its work in accordance with the following six assessment principles mentioned in Section 4 of the ESRB Handbook:

- fairness, consistency and transparency – equal treatment of all addressees throughout the assessment process;
- efficiency and appropriateness of procedures with regard to available resources, while ensuring high-quality deliverables;

¹⁰ Decision of the European Systemic Risk Board of 20 January 2011 adopting the Rules of Procedure of the European Systemic Risk Board (ESRB/2011/1) (OJ C 58, 24.2.2011, p.4).



- four-eyes review – compliance of each addressee is assessed by at least two assessors who have not been directly involved in assessing the performance of the national authorities they come from;
- effective dialogue – communication with the addressees is essential so as to fill in information gaps on compliance;
- principle of proportionality – actions to be taken by the addressees are country-specific and relative to the intensity of risks targeted by the recommendation in the specific Member State;
- the ultimate objective of prevention and mitigation of systemic risks to financial stability in the Union.

Furthermore, all the addressees were given the opportunity to provide further explanation and information. Thanks to the communication channels established between the Assessment Team and the addressees, the majority of these addressees provided further details during the assessment process, especially in the context of the remedial dialogue.¹¹ As a result, the Assessment Team reviewed the preliminary assessment in light of the additional information provided by the addressees. The results were subsequently cross-checked to prepare the final assessment.

3.1 Assessment criteria and implementation standards

The assessment criteria applied in this evaluation are based on best practices established in previous assessments of compliance with ESRB recommendations. The assessment criteria describe the actions that are required of the addressees to achieve the objectives of the recommendations. With this in mind, the Assessment Team took due account of the implementation criteria set out in Section 2(2) of the Recommendation. Grading was then guided by the relevant implementation standards, which specify how different actions or inaction for each sub-recommendation should be reflected in the final grade.

While conducting the assessment, the Assessment Team analysed the content/substance of the actions taken by each addressee to assess whether they had complied with all the elements of the Recommendation. In particular, the Assessment Team assessed sub-recommendation A1 from two perspectives: (i) of a home country authority, which could receive a reasoned request for information on branches, and (ii) of a host country authority, which could submit a reasoned request for information concerning a branch relevant for financial stability in its jurisdiction.

To ensure a consistent and fair analysis, the Assessment Team developed implementation standards for each sub-recommendation against which the responses submitted by the addressees

¹¹ The preliminary findings of the Assessment Team were shared and discussed with the addressees over the period 16-23 February 2021.



were assessed (see Annex II). The establishment of these implementation standards was based on the key elements of the respective recommendation and the principle of proportionality.

The Assessment Team agreed on the criteria to be applied in the assessment of each element of the recommendation and the weights allocated to those criteria. To that end, the Assessment Team decided to attribute a weight of two-thirds for sub-recommendation A1 and one-third for sub-recommendation A2, which reflects the greater importance of exchanging information on branches necessary for the conduct of macroprudential policy. Furthermore, if an addressee is assessed as both a home and host country authority, those two dimensions within sub-recommendation A should be weighted equally.

3.2 Grading methodology

To assign a single grade to each addressee regarding its compliance with the relevant sub-recommendation of the Recommendation, **the Assessment Team followed a three-step grading methodology**, in line with the ESRB Handbook. This methodology is necessary to ensure full transparency of the single overall compliance grade and a high level of objectivity in the entire assessment process, while still allowing room for high-quality expert judgement, which can easily be identified and reviewed to understand the rationale behind the allocation of particular overall grades.

Step I - When assessing compliance with the Recommendation, the implementation of each sub-recommendation is, in accordance with the established implementation standards (see Annex II), graded as either FC/LC/PC/MN/NC in the case of action, SE/IE in the case of inaction or N/A if the sub-recommendation is not applicable.

Step II - Compliance grades for every sub-recommendation are converted into a numerical grade (see Table 3.1). These numerical grades are then weighted and aggregated into a single numerical grade for the Recommendation.

Table 3.1

Conversion table: compliance grades to numerical grades

Compliance grade	Numerical grade
Fully compliant (FC)	1
Largely compliant (LC)	0.75
Partially compliant (PC)	0.5
Materially non-compliant (MN)	0.25
Non-compliant (NC)	0
Sufficiently explained (SE)	1
Insufficiently explained (IE)	0



In establishing the weights for each sub-recommendation, the Assessment Team took into consideration the relative importance of each sub-recommendation in relation to the achievement of the policy objectives of Recommendation A, as outlined in Section 1 of this report. To this effect, the Assessment Team determined a balanced set of weights to reflect the spirit of the Recommendation, while making sure that the overall assessment grade is not overly sensitive to changes in the weighting system.

Step III - Finally, the overall compliance grade is determined by converting the single numerical grade for Recommendation A into a final grade for compliance using the conversion table below (see Table 3.2).

Table 3.2

Conversion table: numerical grades to compliance grades

Compliance grades	Numerical grades
Action	
FC	(0.9-1>-)
LC	(0.67-0.9>)
PC	(0.4-0.67>)
MN	(0.158-0.4>)
NC	(0-0.158>)

Where all sub-recommendations of Recommendation A were assessed as “inaction sufficiently explained”, the Assessment Team decided to grant the overall grade of “inaction sufficiently explained” as well.

Lastly, the level of compliance is expressed in a colour-coded form (see Table 3.3).

Table 3.3

Colour codes for levels of compliance

Positive grades	Mid-grade	Negative grades
Fully compliant (FC) – Actions taken fully implement the Recommendation		Materially non-compliant (MN) – Actions taken only implement a small part of the Recommendation
Largely compliant (LC) – Actions taken implement almost all of the Recommendation	Partially compliant (PC) – Actions taken only implement part of the Recommendation	Non-compliant (NC) – Actions taken are not in line with the nature of the Recommendation
Inaction sufficiently explained (SE) – No actions were taken but the addressee provided sufficient justification		Inaction insufficiently explained (IE) – No actions were taken and the addressee did not provide sufficient justification



3.3 Issues encountered during the assessment

In general, the assessment went smoothly and no major issues were encountered. One partial issue relates to the fact that the interim assessment of Recommendation A is conducted before the implementation and assessment of Recommendation C, which is linked to Recommendation A. Recommendation C recommends that the EBA issues guidelines in accordance with Recommendation A for the exchange of information between relevant authorities by 31 December 2023. The guidelines should also include a list of information to be exchanged, as a minimum, on a need-to-know basis. The list of minimum information items is categorised in Recommendation C. Thus, the guidelines would assist the effectiveness and efficiency of the exchange of information (i.e. Recommendation A). Some addressees pointed out that they will re-examine the data needed for branches in their jurisdiction once the guidelines are finalised.

While relevant authorities from the United Kingdom were addressees of the Recommendation at the time of issuance, the Assessment Team decided not to conduct an assessment of these addressees because of the effective withdrawal of the United Kingdom from the European Union on 31 January 2020.

Addressees of the Recommendation A are relevant authorities, as defined in Section 2(1)(h) of the Recommendation. They include authorities entrusted with the adoption and/or activation of macroprudential policy measures or with other financial stability tasks and competent authorities. Owing to the variety of macroprudential institutional arrangements, in several countries, Recommendation A encompassed multiple authorities as addressees. However, some addressees either did not provide a reporting template or did not indicate that they had decided to submit a joint reporting template with e.g. the competent authority. This led to time-consuming follow-up by the Assessment Team. In the future, it would be advisable to clearly communicate to which authorities the Recommendation is addressed (a list of relevant authorities by country could be made publicly available for such purpose). Furthermore, if several authorities from one Member State had decided to submit a joint reporting template, this should also be clearly indicated in the response provided. This could speed up the assessment process as the Assessment Team would not require additional time to clear up such issues.



4 Overall results

In general, the degree of compliance with Recommendation A is high. A total of 50 relevant authorities from 30 EEA countries¹², as well as the ECB, as a competent authority within the SSM, were assessed. Of these, 31 relevant authorities were found to be “fully compliant” (FC) with Recommendation A, while 20 addressees were assigned the “inaction sufficiently explained” (SE) grade.

While overall the grades point to a high degree of compliance with Recommendation A, it is worth noting that, as regards the first sub-recommendation of Recommendation A, only a few requests for information were sent or received within the assessment period, i.e. from December 2019 until December 2020. As sub-recommendation A(1) is addressed to both home and host relevant authorities, the assessment was conducted separately from a home and host perspective.

From a home authority perspective, the majority of addressees reported that they had not received any reasoned requests for information on branches of credit institutions having their head office in their jurisdiction. Accordingly, these authorities were assessed as “inaction sufficiently explained” (SE). Only two relevant home authorities (AT¹³, NO) reported that they had received a request for information. The exchange of information was conducted in an effective and efficient manner, despite the absence of EBA Guidelines for the exchange of information, which are due by 31 December 2023. Accordingly, these two authorities were assessed as “fully compliant” (FC) with the ESRB Recommendation.

From a host authority perspective, branches relevant for financial stability were identified in 18 countries. Nevertheless, only two relevant host authorities (from SE and SI¹⁴) requested more information on such branches. These authorities submitted an information request in accordance with the need-to-know and proportionality principles and, on that basis, were assessed as “fully compliant” (FC) with the ESRB Recommendation. However, in the majority of cases, host authorities stated that they already have access to the information they need to assess systemic risks related to branches relevant for financial stability, which justified their inaction in that regard (SE). In the remaining 12 jurisdictions, no branches relevant for financial stability were identified and therefore there was no need to submit a request for additional information. Consequently, the relevant host authorities from these countries were assigned the “inaction sufficiently explained” (SE) grade.

With regard to sub-recommendation A(2), which encourages relevant authorities to establish memoranda of understanding (MoUs) for the cooperation and exchange of information, no new MoUs had been concluded solely for the exchange of information on branches for macroprudential purposes. Nevertheless, 31 relevant authorities were assessed as “fully compliant” (FC), as they

¹² 27 Member States of the EU plus Liechtenstein, Iceland and Norway.

¹³ In the case of Austria, both the Financial Market Authority and the Financial Market Stability Board were assessed jointly, as they submitted one reporting template.

¹⁴ In the case of Slovenia, both Banka Slovenije and the Financial Stability Board were assessed jointly, as they submitted one reporting template.



stated that they have powers to freely exchange the information pursuant to sub-recommendation A(1) without establishing such voluntary arrangements, or based on existing MoUs. The remaining 20 relevant authorities were assessed as “inaction sufficiently explained” (SE) because they either (i) provided evidence that there are no branches relevant for financial stability in their jurisdictions, (ii) stated that they already have access to all the information necessary for carrying out their macroprudential tasks, or (iii) explained that they had not received/made any requests for information.



5 Conclusions

The Assessment Team assessed the compliance of the 51 authorities in 30 EEA countries with Recommendation A of Recommendation ESRB/2019/18 on exchange and collection of information for macroprudential purposes on branches of credit institutions having their head office in another Member State or in a third country. The assessment shows all addressees to be in compliance with Recommendation A, which recommends that home and host authorities exchange information on a need-to-know basis, i.e. the host authority should submit a reasoned request to the home authority for information regarding a branch that is relevant for financial stability. Furthermore, it is recommended that relevant authorities enter into memoranda of understanding (MoUs) for the exchange of such information, where considered necessary.

Overall, 31 addressees were found to be “fully compliant” (FC) while 20 addressees were graded “inaction sufficiently explained” (SE).

Only two home authorities reported that they had received a request for information, and only two host authorities had requested information during the assessment period. Most addressees stated that they already had access to the necessary information. The low numbers of actual information exchanges have to be considered against the short assessment period, i.e. 31 December 2019 to 31 December 2020. Furthermore, the guidelines for this information exchange to be worked out by the EBA are only due by 31 December 2023 (Recommendation C), and some addressees pointed out that they will re-examine the data need for branches in their jurisdiction once the guidelines are finalised.

As for memoranda of understanding, 31 authorities were regarded as fully compliant since either they had already entered into MoUs or the authorities stated that they have powers to freely exchange the necessary information without such arrangements.



Annex I: Composition of the Assessment Team

(Approved by the ATC via Written Procedure ATC/WP/2021/005)

Chairperson	Institutions
Anna Dobrzańska	Narodowy Bank Polski
Assessment Team	
Bent Vale	Norges Bank
Alessia Hoffmann	BaFIN
Jan Klacso	Národná banka Slovenska
Secretariat	
Ridha Sahli	ESRB Secretariat
Federico Pistelli	ESRB Secretariat
Eugenio Toschetti	ESRB Secretariat



Annex II: Implementation Standards for Recommendation ESRB/2019/18

	Recommendation B		
	Positive grades		
	Fully compliant (FC) - Actions taken fully implement the recommendation	Largely compliant (LC) - Actions taken implement almost all of the recommendation	Sufficiently explained (SE) - No actions were taken but the addressee provided sufficient justification
A1. For assessment of home countries	Relevant home authority, following a reasoned request from a host authority, has exchanged and/or (if necessary) collected the requested information in an effective and efficient manner in line with all guiding principles defined in point 4 of the Annex.	Relevant home authority, following a reasoned request from a host authority, has exchanged the requested information in an effective and efficient manner in line with most of the guiding principles defined in point 4 of the Annex. (optional) Relevant home authority reported issues encountered during the exchange of information to the ESRB and to the EBA.	Relevant home authority (i) has received a reasoned request from a host authority but has not provided the requested information as it lacks a mandate to exchange information, or (ii) has not received a reasoned request from a host authority.
A1. For assessment of host countries	Relevant host authority has submitted a reasoned request, taking into account the applicable guiding principles defined in point 4 of the Annex (i. e. need-to-know and proportionality principles) and the information already available to it.	Relevant host authority has submitted a reasoned request, taking into account the need-to-know and proportionality principles as well as most of the guiding principles defined in point 4 of the Annex. (optional) Relevant host authority reported issues encountered during the exchange of information to the ESRB and to the EBA.	Relevant host authority has not submitted a reasoned request but (i) has provided evidence that there are no branches relevant for financial stability in its jurisdiction, or (ii) has stated that it has all the necessary information to carry out its tasks (thus no request for data necessary).
A2. For assessment of home and host countries	Relevant authority (i) provided evidence that it has concluded voluntary arrangements (MoUs) that establish a general principle of mutual exchange of information in line with the principles on cooperation between relevant authorities and the standards for the exchange of information upon request set out in sub-recommendation A(1) or (ii) stated that it has powers to freely exchange the information pursuant to sub-recommendation A(1) without establishing such voluntary arrangements.	Relevant authorities are working on establishing voluntary arrangements, but the process is still ongoing.	Relevant authority has not established voluntary arrangements but (i) provided evidence that there are no branches relevant for financial stability in its jurisdiction, or (ii) stated that it already has access to all the information necessary for carrying out its tasks, or (iii) stated that no reasoned requests for information had been made or received.



	Recommendation B			
	Mid grades		Negative grades	
	Partially compliant (PC) - Actions taken only implement part of the recommendation	Materially non-compliant (MN) - Actions taken only implement a small part of the recommendation	Non-compliant (NC) - Actions taken are not in line with the nature of the recommendation	Inaction insufficiently explained (IE) - No actions were taken and the addressee did not provide sufficient justification
A1. For assessment of home countries	Relevant home authority, following a reasoned request from a host authority, has provided the requested information in line with <u>some</u> guiding principles defined in point 4 of the Annex. (optional) Relevant home authority reported issues encountered during the exchange of information to the ESRB and to the EBA.	Relevant home authority, following a reasoned request from a host authority, has provided <u>some</u> of the requested information in line with <u>some</u> guiding principles defined in point 4 of the Annex. (optional) Relevant home authority reported issues encountered during the exchange of information to the ESRB and to the EBA.	Relevant home authority has received a reasoned request from host authority but has failed to provide the requested information.	Relevant home authority (i) has not provided any answers to the ESRB reporting template, or (ii) did not state that it had not received a reasoned request from a host authority.
A1. For assessment of host countries	Relevant host authority has submitted a reasoned request, taking into account the need-to-know principle as well as <u>some</u> guiding principles defined in point 4 of the Annex (optional) Relevant host authority reported issues encountered during the exchange of information to the ESRB and to the EBA.	Not applicable (optional) Relevant host authority reported issues encountered during the exchange of information to the ESRB and to the EBA.	Relevant host authority has not submitted a reasoned request even though there are branches relevant for financial stability and did not state that it has all the necessary information for carrying out its tasks.	Relevant host authority has not provided (i) any answers to the ESRB reporting template, or (ii) evidence that there are no branches relevant for financial stability in its jurisdiction.
A2. For assessment of home and host countries	Not applicable	Not applicable	Relevant authorities have refused to conclude voluntary arrangements at the request of another relevant authority, even if it was considered necessary and appropriate.	Relevant authority (i) has not provided any answers to the ESRB reporting template or (ii) stated that it has not concluded voluntary arrangements but failed to provide the justification mentioned in point (i), (ii) or (iii) for SE grade.



Annex III: Colour-coded table

	Recommendation A (interim compliance)			Overall interim compliance grade for Recommendation A
	A(1) Exchange (and collection) of information - HOME	A(1) Exchange of information - HOST	A(2) Memoranda of understanding and voluntary arrangements for cooperation	
AT FMA	FC	SE	FC	FC
AT FMSB	FC	SE	FC	FC
BE	SE	SE	SE	SE
BG	SE	SE	FC	FC
CY	SE	SE	FC	FC
CZ	SE	SE	SE	SE
DE FSC	SE	SE	FC	FC
DE BAFIN	SE	SE	FC	FC
DK FSA	SE	SE	FC	FC
DK SRC	SE	SE	FC	FC
EE FSA	SE	SE	FC	FC
EE CB	SE	SE	FC	FC
ES CB	SE	SE	FC	FC
ES AMCESFI	SE	SE	FC	FC
FI FSA	SE	SE	FC	FC
FI CB	SE	SE	FC	FC
FR HCFS	SE	SE	SE	SE
FR ACPR	SE	SE	SE	SE
GR	SE	SE	SE	SE
HR CNB	SE	SE	SE	SE
HR FSC	SE	SE	SE	SE
HU	SE	SE	FC	FC
IE	SE	SE	FC	FC
IS	SE	SE	SE	SE



	Recommendation A (interim compliance)			Overall interim compliance grade for Recommendation A
	A(1) Exchange (and collection) of information - HOME	A(1) Exchange of information - HOST	A(2) Memoranda of understanding and voluntary arrangements for cooperation	
IT	SE	SE	SE	SE
LI FSC	SE	SE	SE	SE
LI FMA	SE	SE	SE	SE
LI MF	SE	SE	SE	SE
LT	SE	SE	FC	FC
LU BCL	SE	SE	FC	FC
LU CSSF	SE	SE	FC	FC
LU CRS	SE	SE	FC	FC
MT CB	SE	SE	FC	FC
MT FSA	SE	SE	FC	FC
LV FCMC	SE	SE	FC	FC
LV CB	SE	SE	FC	FC
NL CB	SE	SE	SE	SE
NL FSC	SE	SE	SE	SE
NO FSA	FC	SE	FC	FC
NO CB	SE	SE	FC	FC
NO MoF	SE	SE	FC	FC
PL FSC	SE	SE	SE	SE
PL FSA	SE	SE	SE	SE
PT	SE	SE	SE	SE
SE	SE	FC	FC	FC
RO NCMO	SE	SE	SE	SE
RO CB	SE	SE	SE	SE
SI CB	SE	FC	FC	FC
SI FSB	SE	FC	FC	FC
SK	SE	SE	SE	SE
ECB	SE	SE	FC	FC



Recommendation A of the Recommendation of the European Systemic Risk Board of 26 September 2019 on exchange and collection of information for macroprudential purposes on branches of credit institutions having their head office in another Member State or i October 2021
Annex III: Colour-coded table

Abbreviations

I. Compliance grades

FC	Fully compliant
LC	Largely compliant
PC	Partially compliant
MN	Materially non-compliant
NC	Non-compliant
IE	Inaction insufficiently explained
SE	Inaction sufficiently explained

II. Countries/Addressees

AT	Austria	LV	Latvia
BE	Belgium	LT	Lithuania
BG	Bulgaria	LU	Luxembourg
CZ	Czech Republic	HU	Hungary
DK	Denmark	MT	Malta
DE	Germany	NL	Netherlands
EE	Estonia	PL	Poland
IE	Ireland	PT	Portugal
GR	Greece	RO	Romania
ES	Spain	SI	Slovenia
FR	France	SK	Slovakia
HR	Croatia	FI	Finland
IT	Italy	SE	Sweden
CY	Cyprus	UK	United Kingdom



III. Other abbreviations

ECB	European Central Bank
EEA	European Economic Area
ESAs	European Supervisory Authorities
ESRB	European Systemic Risk Board
ESRB Regulation	Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macroprudential oversight of the financial system and establishing a European Systemic Risk Board
EU/Union	European Union
Handbook	Handbook on the assessment of compliance with ESRB recommendations (April 2016)
MoUs	Memorandum of Understanding
NMA	National macroprudential authority, as defined in Recommendation ESRB/2011/3



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For specific terminology please refer to the [ESRB glossary](#) (available in English only).

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