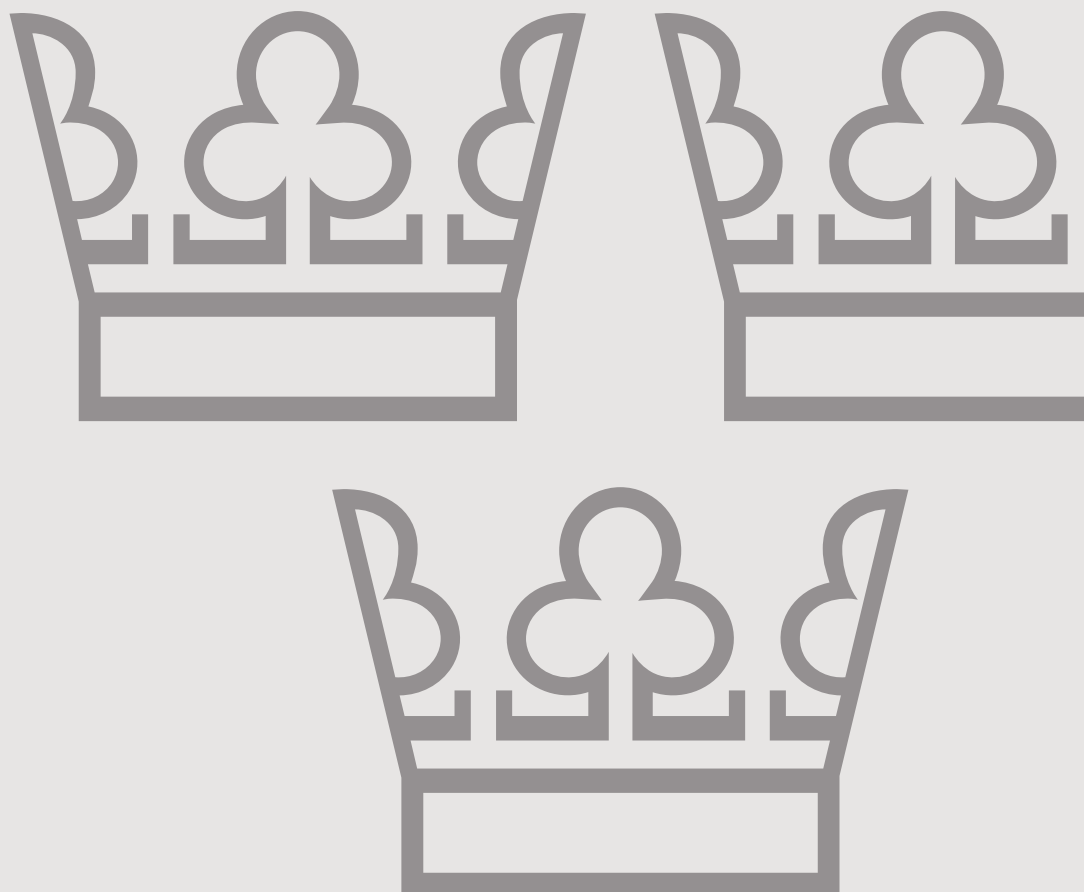


# Guidance on EBA guidelines on improving resolvability for institutions and resolution authorities

Version 2.2



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## 1. Introduction and basic premises

As the Swedish National Debt Office – Sweden’s resolution authority – has announced<sup>1</sup>, it intends to comply with the European Banking Authority’s (EBA) guidelines on improving resolvability for institutions and resolution authorities<sup>2</sup> (hereinafter referred to as the guidelines). The Swedish systemically important institutions should therefore follow the guidelines.

The purpose of this guidance is to specify how certain parts of the guidelines should be interpreted and implemented. The guidance also presents the information that the Debt Office will collect from the institutions until 1 January 2024 – the date on which the guidelines become effective. The Debt Office will separately notify each institution about how additional information will be obtained. The guidance will be continually updated as necessary (see the amendment log in Appendix 2).

The guidance is divided into the different areas of resolvability set out in the EBA guidelines. A summary of the Debt Office’s expectations of the institutions for each area is provided in Appendix 1. Basic premises for application of the guidelines are as follows:

- Paragraphs 9 and 10 in Section 2 of the guidelines state the level at which the guidelines are to be applied. For resolution groups, the Debt Office expects the guidelines to be applied at the resolution group level unless otherwise specified. For resolution entities that are not part of a resolution group, the guidelines are applied at the institution level.
- Several parts of the guidelines stipulate or presume that institutions proceed on the basis of the preferred resolution strategy. Institutions should use the preferred resolution strategy outlined in the summary of the institution’s Resolution Plan. If the summary defines more than one preferred strategy, the institution should use the strategy of the sole implementation of the bail-in tool.

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<sup>1</sup> <https://www.rikskalden.se/en/press-and-publications/press-releases-and-news/news/2022/debt-office-plans-to-comply-with-guidelines-on-improving-resolvability/>

<sup>2</sup> [https://www.eba.europa.eu/sites/default/documents/files/document\\_library/Publications/Guidelines/2022/EBA-GL-2022-01%20Guidelines%20on%20resolvability/1025905/Final%20Report%20on%20Guidelines%20on%20improving%20resolvability%20for%20institutions%20and%20resolution%20authorities%20%282%29.pdf](https://www.eba.europa.eu/sites/default/documents/files/document_library/Publications/Guidelines/2022/EBA-GL-2022-01%20Guidelines%20on%20resolvability/1025905/Final%20Report%20on%20Guidelines%20on%20improving%20resolvability%20for%20institutions%20and%20resolution%20authorities%20%282%29.pdf)

- When applying the guidelines, institutions should use the assessment of critical functions defined in the summary of the institution's Resolution Plan. This applies to both critical functions in Sweden and abroad.

## 2. Operational continuity

Contingency planning for access to relevant<sup>3</sup> (critical and essential) services should be done in accordance with paragraphs 13–37 of the guidelines. It is up to each institution to decide the format of such contingency planning.

However, the planning is expected to describe how institutions comply with each paragraph and, where relevant, specifically describe operational and financial aspects. The objective is to describe the measures institutions can take to avoid disruptions or interruptions in relevant services leading up to and during resolution. Planning shall support the effective implementation of the preferred resolution strategy. Contingency planning should be reviewed annually, or more frequently if necessary, and be approved by the senior-level executive designated as responsible in accordance with paragraph 57 of the guidelines. In their planning, institutions are advised to refer to the Financial Stability Board's (FSB) "Guidance on Arrangements to Support Operational Continuity in Resolution", published 18 August 2016<sup>4</sup>. The FSB's guidance improves understanding of the objective of planning for operational continuity and explain a number of key concepts.

Regarding services, it is sufficient to limit the scope of the contingency planning to externally delivered services. Services provided within the resolution entity or within the resolution group can be excluded (however, this does not apply to paragraphs 15 and 16 – see below). Services provided by companies in the same group, but outside the resolution entity or resolution group (depending on what is applicable), are classified as external services.

In May 2023, the institutions shall perform self-assessments of their compliance with paragraphs 13–25 and 27–37 of the guidelines and share their contingency planning with the Debt Office. This version of the planning shall, at minimum, take account of paragraphs 15–16, 29–30, 31–32, and 35–37 of the guidelines.

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<sup>3</sup> Definition according to paragraph 13 of the EBA guidelines.

<sup>4</sup> <https://www.fsb.org/wp-content/uploads/Guidance-on-Arrangements-to-Support-Operational-Continuity-in-Resolution1.pdf>

## 2.1 Detailed guidance for certain paragraphs

**Paragraph 13:** In addition to what is described in the guidelines, operational arrangements should be described in the context of the FSB's definitions<sup>5</sup>, which include:

- a) contractual provisions,
- b) management information systems (MIS),
- c) financial resources,
- d) robust pricing structures,
- e) operational resilience and resourcing,
- f) governance and control, and
- g) rights of use and access.

**Paragraph 14:** Information regarding service delivery models can be found in the FSB's guidance on operational continuity. Resolution groups may use one or several of the models described.

**Paragraphs 15 and 16:** Regardless of the preferred resolution strategy, resolution groups are expected to identify internal (within resolution groups) and external dependencies in accordance with paragraphs 15 and 16. Dependencies within legal entities and within resolution entities may be excluded.

The description should at minimum include the information mentioned in the first sentence of paragraph 15. Note that it goes beyond the requirements of Commission Implementing Regulation (EU) 2018/1624.

**Paragraphs 17–20:** Institutions are expected to have included resolution-resilient terms in all their relevant contracts by 31 December 2025. The extended implementation period of paragraphs 17–20 provides ample opportunity for institutions to include these contractual provisions in connection with renegotiation.

**Paragraph 18:** Institutions should anticipate a minimum of six months. The selected period should be justified.

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<sup>5</sup> Guidance on Arrangements to Support Operational Continuity in Resolution (<https://www.fsb.org/wp-content/uploads/Guidance-on-Arrangements-to-Support-Operational-Continuity-in-Resolution1.pdf>)

**Paragraphs 21–26:** In addition to the stipulations of paragraphs 21–26, the information in accordance with Annex 3 (the repository of contracts) in the guidelines should be available to the institutions and to the Debt Office.

**Paragraphs 27 and 31:** The period referred to in the two paragraphs comprises both stabilisation and restructuring in resolution. Institutions should anticipate a minimum of six months. The selected period should be justified.

**Paragraphs 33–34:** See the FSB guidelines for context and information on operational assets. The paragraphs are only applicable to resolution groups for which the preferred resolution strategy is other than bail-in via the single point of entry (SPE) approach.

### **3. Access to financial market infrastructures (FMIs)**

All FMI services should be identified and reported in accordance with paragraphs 39 and 44 of the guidelines. This is done through the annual reporting on resolution planning<sup>6</sup>. Both direct and indirect (via intermediary) service delivery should be reported.

Data in accordance with paragraph 47 should be reported for relevant services, i.e. critical and essential FMI services. Own account activities should be separated from customer activity. Institutions are expected to respond to an updated data request by the Debt Office within two working days.

Contingency planning should cover direct and indirect (via an intermediary) access to critical and essential FMI services. Planning should have an operational focus taking into account paragraphs 38–43, 45–46, and 48–52. It is important that institutions assess each individual relationship to ensure an appropriate scope of contingency planning.

Institutions are not expected to include trade repositories as part of their FMI contingency planning (the FMI definition is in paragraph 38).

It is up to the institutions to determine the format of the planning and what is appropriate. Contingency planning shall support effective implementation of the preferred resolution strategy. Contingency planning should be reviewed

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<sup>6</sup> <https://www.riksdagen.se/sv/var-verksamhet/finansuell-stabilitet/inrapportering-resolution/rapportering---resolutionsplanering-och-mrel/>

annually, or more frequently if necessary, and be approved by the responsible senior-level executive in accordance with paragraph 57 of the guidelines.

In their planning, institutions are advised to refer to the FSB's "Guidance on Continuity of Access to Financial Market Infrastructures (FMIs) for a Firm in Resolution", published 6 July 2017<sup>7</sup>. This guidance provides a relevant context for the objective of planning and explains a number of key concepts.

The institutions will perform a self-assessment of compliance with paragraphs 38–52 of the guidelines in May 2023. At the same time, the institutions shall share full contingency planning with the Debt Office.

### **3.1 Detailed guidance for certain paragraphs**

**Paragraph 44:** Clarification of the footnote in paragraph 44 of the Swedish translation of the guidelines: Critical FMI service providers are necessary for critical functions and essential FMI service providers are necessary for core business lines. Together they are referred to as relevant FMI service providers.

**Paragraph 46:** The information should include both critical and essential FMI services.

**Paragraph 51:** The paragraph refers to relevant services and is applicable only if the institution is a direct member.

**Paragraph 52:** The paragraph refers to relevant services and is applicable both for direct members as well as for services received from an intermediary.

## **4. Governance in resolution planning**

According to paragraphs 55–62 of the guidelines, institutions should establish internal governance processes that support their resolution planning. These internal governance processes should ensure the accurate and timely provision of information to the Debt Office and other stakeholders. This applies to recurring as well as ad-hoc information requests.

Compliance with paragraphs 55–62 will be self-assessed in May 2023. At that time, contact information of the executives designated as responsible for resolution planning, in accordance with paragraphs 55 and 57 of the guidelines, is also provided to the Debt Office.

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<sup>7</sup> <https://www.fsb.org/wp-content/uploads/P060717-2.pdf>

## 4.1 Detailed guidance for certain paragraphs

**Paragraph 57:** The “experienced senior-level executive” in paragraph 57 of the guidelines refers to a person in a senior leadership position, i.e. a manager, who is a member of the institution’s senior management.

## 5. Funding and liquidity in resolution

Paragraphs 63–74 set out, among other aspects, that institutions should have capabilities to report on their liquidity position, be able to identify unencumbered assets, have routines for the transfer of collateral and liquidity within the group, and be able to forecast liquidity needs in resolution. These are all elements that may be key to ensuring the continuance of an institution’s critical functions and core business lines in resolution.

Compliance with paragraphs 63–74 will be self-assessed in May 2023. At this time, the institutions shall also share the results of the simulations referred to in paragraph 68 and the documentation referred to in paragraph 71.

### 5.1 Detailed guidance for certain paragraphs

#### Paragraph 65–69 and 72–73

The simulations referred to in paragraph 68 should be at the aggregate level for all currencies and at the individual level for the material currencies identified in paragraph 63. The simulations should be performed at the group level at minimum, or at the institution level if the resolution entity is not part of a resolution group. Institutions are expected to be able to share the results and underlying assumptions of the simulations with the Debt Office upon request. Where relevant, the obstacles, obligations, and requirements etc. listed in paragraph 69 are expected to be included in the simulations. In addition, the simulations should, where relevant, identify the liquidity drivers as in paragraph 65, consider need and ability as in paragraph 72, and take account of the outcome of the dialogue with relevant central banks as stated in the guidance in paragraph 73.

At minimum, the following two scenarios should be applied in the simulations:

#### Scenario 1 – slow-burn systemic crisis

The scenario begins in three years. In the period up to the start of the scenario, the state of the economy has severely deteriorated and corresponds to the progression in the adverse scenario in the EBA stress



test in 2021.<sup>8</sup> Apart from deteriorated credit quality and credit losses, the institutions' operations and balance sheet are initially the same as they are currently. At the beginning of the scenario, several of the resolution entity's largest counterparties default, resulting in significant credit losses for the institution. Although the resolution entity is still solvent, both the media and market participants speculate that credit losses will soon lead to the resolution entity being placed in resolution. Six months later, the resolution entity suddenly suffers such substantial credit losses that it is deemed failing or likely to fail and is placed in resolution. Following the losses, the group's or – where relevant – the institution's own funds amount to 4.5 per cent of the risk-weighted exposure amount. The Debt Office applies the preferred resolution strategy set out in the Resolution Plan. The scenario lasts for a total of 12 months – six months before the resolution decision and six months after the decision.

### **Scenario 2 – sudden idiosyncratic event**

Economic developments as well as the institution's operations and balance sheet are initially the same as they are currently. The resolution entity suffers unexpectedly and suddenly from losses linked to operational risks corresponding to the group's or – where relevant – the institution's capital requirement, including the buffer requirement. The Debt Office applies the preferred resolution strategy set out in the Resolution Plan. The scenario lasts for six months from the time the resolution entity is placed in resolution.

If institutions consider further assumptions necessary in Scenarios 1 and 2, these can be added. Such additions should be clearly stated in the information they share with the Debt Office.

**Paragraph 73:** Institutions are expected to hold a dialogue with relevant central banks concerning access to central bank facilities during resolution. The outcome of the dialogue or dialogues shall be documented and included in the institutions' assessments of potential liquidity sources in resolution.

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<sup>8</sup> [https://www.eba.europa.eu/sites/default/documents/files/document\\_library/Risk%20Analysis%20and%20Data/EU-wide%20Stress%20Testing/2021/Launch%20of%20the%20ST/962564/2021%20EU-wide%20stress%20test%20-%20Macroeconomic%20scenario.pdf](https://www.eba.europa.eu/sites/default/documents/files/document_library/Risk%20Analysis%20and%20Data/EU-wide%20Stress%20Testing/2021/Launch%20of%20the%20ST/962564/2021%20EU-wide%20stress%20test%20-%20Macroeconomic%20scenario.pdf)

## 6. Information systems testing

According to paragraph 76, institutions should organise dry runs to demonstrate that they have the capabilities mentioned in sections 4.1.1, 4.2.1, and 4.3.2 of the guidelines. The paragraph sets out that, as capacities are being built up, these dry runs should take place on a regular basis. At a later time, the Debt Office will provide further guidance on when and how these dry runs should be performed.

## 7. Information systems for valuation

According to paragraph 77 of the guidelines, institutions should have capabilities (including management information systems and technological infrastructure) to support the timely provision of valuation data at a sufficient level of granularity to enable valuations to be performed within a suitable timeframe. Those capabilities are set out in the MIS chapter of the EBA valuation handbook<sup>9</sup>.

However, neither paragraph 77 of the guidelines nor the EBA valuation handbook are sufficiently specific about what is expected of the institutions. The Debt Office has therefore prepared separate guidance to further specify what is expected of institutions for them to be considered resolvable with regard to valuation (see *Guidance on valuation capabilities*<sup>10</sup>).

## 8. Contractual recognition of bail-in and resolution stay powers

### 8.1 Detailed guidance for certain paragraphs

**Paragraph 78:** According to paragraph 78 of the guidelines, institutions should be able to provide a list of contracts concluded under third-country law. The guidelines set out that this list should identify the counterparty and the obligations for the institution under the contract. It should also be set out whether the contract is being exempted from contractual recognition of write-down or conversion (Article 55 of the Bank Recovery and Resolution Directive). The list should also identify whether the contract includes the

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<sup>9</sup> <https://www.eba.europa.eu/eba-highlights-importance-data-and-information-preparedness-perform-valuation-resolution>

<sup>10</sup> *Guidance on valuation capabilities* – [Guidance for resolvability – Riksgälden.se \(riksgalden.se\)](https://www.riksgalden.se/riksgalden/se)

contractual recognition terms for bail-in and stay powers (Article 71a of the Bank Recovery and Resolution Directive).

It follows from the guidelines that the list should only include contracts that establish eligible liabilities (according to Chapter 2, section 2 of the Resolution Act) and financial contracts (as defined in the Bank Recovery and Resolution Directive).

The list should indicate which country's law governs the various contracts in the list. In order for the requirement to enable provision of the list to be effective, the list needs to be updated regularly and be current.

In accordance with Chapter 28, section 1 of the Resolution Act, it shall be possible to provide the list and information from the list to the Debt Office upon request. Such a request may, for example, be made to test preparedness to provide information from the list.

**Paragraph 80:** The self-assessment mentioned in paragraph 80 is covered by the broader self-assessment that encompasses all areas of the guidelines and shall be submitted by the institutions to the Debt Office in May 2023.

Compliance with paragraphs 78 and 80 of the guidelines will be self-assessed in May 2023.

## 9. Resolution implementation

### 9.1 General information on playbooks

According to paragraph 83 of the guidelines, institutions should prepare operational playbooks that cover relevant parts of sections 4.5.1 Bail-in exchange mechanic, 4.5.2 Business reorganisation, 4.5.3 Governance in resolution execution and 4.5.4 Communication.

A playbook shall be an operational handbook for actions that institutions are required to take in resolution. The playbook should therefore describe processes, operational measures, escalation procedures, relevant regulations, responsibilities etc. necessary for the effective implementation of resolution under the preferred resolution strategy. All playbooks drawn up by the institution should be approved by the responsible executive as in paragraph 57 of the guidelines. The playbooks should be updated annually or more frequently if necessary.



should also contain such a description. Compliance with paragraphs 86 and 88–91 of the guidelines will be self-assessed in May 2023.

## **10.1 Detailed guidance for certain paragraphs**

**Paragraph 86:** According to paragraph 86 of the guidelines, institutions should, in the playbook, lay down a process for implementing bail-in. The paragraph does not explicitly stipulate that institutions should describe the transfer of existing shares to an account or custody account in which the shares are held on behalf of bailed-in creditors, or the issuance of resolution instruments. Since the Debt Office’s bail-in mechanism contains these elements, they are expected to be described in the institution’s playbook.

Paragraph 86g of the guidelines, which concerns the obligations of institutions to disclose information under the Market Abuse Regulation (EU) No 596/201420, shall be reported in the communication playbook.

Institutions should plan and prepare, in accordance with decisions and instructions from the Debt Office, to implement the measures required according to the implementation report. The playbook should document, for each type of instrument, how the measures will be implemented. It should include at minimum information on time and resource utilisation, affected actors (including any agents or advisors), and information flows between institutions and such actors.

As set out in the implementation report, the Debt Office intends to transfer existing shares from existing shareholders and hold them in an account or custody account on behalf of the bailed-in creditors for a certain period of time. The playbook is expected to describe how such custody of shares can most suitably be done according to the institution.

According to the implementation report, booking out resolution instruments and final allotment of shares are done at the custodian level, where applicable. Should an institution consider direct interaction with the underlying holders of the instruments to be preferable, the playbook should describe that process instead.

**Paragraph 89:** According to paragraph 89 of the guidelines, institutions should lay down in the playbook how they will be able to communicate to the Debt Office the necessary information for bail-in. In 2023, the Debt Office intends to clarify the information that the agency considers necessary for

implementation of the bail-in tool and how and when that information needs to be communicated.

In the playbook to be shared by the institutions with the Debt Office in May 2023, institutions should report the information that the institutions consider necessary for implementing bail-in in resolution. Institutions are also expected to explain how and when such information can be communicated to the Debt Office and/or other relevant actors.

## **11. Business reorganisation**

When the bail-in tool is used in accordance with Chapter 21, section 3, paragraph 1 of the Resolution Act, the board of directors of the institution, or the person(s) designated by the Debt Office, shall draw up a business reorganisation plan. The plan shall set out measures aiming to restore the long-term viability of the institution. The business reorganisation plan is comprehensive and shall normally be submitted to the Debt Office within one month of the decision to apply the bail-in tool. To enable providing the plan in due time, the institution should, among other aspects, have in place procedures and governance processes ensuring that relevant activities and functions within the institution are involved in drawing up the business reorganisation plan in accordance with paragraphs 92–103 of the guidelines. The institution should, in accordance with paragraph 83 of the guidelines, describe this in a playbook. In addition, the playbook should take account of relevant parts of the EBA guidelines on the minimum criteria to be met by a business reorganisation plan (EBA/GL/2015/21) and Commission Delegated Regulation (EU) 2016/1400.

The institutions shall evaluate their compliance with paragraphs 92–103 in May 2023. At that time, a first version of the playbook shall also be shared with the Debt Office.

## **12. Governance in resolution execution**

According to paragraph 83 of the guidelines, institutions should describe in playbooks the operational aspects and measures within, for example, governance in resolution execution. The area of governance in resolution execution (paragraph 106 of the guidelines) is however not expected to be addressed in a separate playbook. Rather, governance in resolution execution shall at minimum be included as part of the plans and playbooks to be drawn up under the following sections of this guidance document:

- Operational continuity (section 2),
- Access to financial market infrastructures (section 3),
- Information systems for valuation (section 7),
- Bail-in exchange mechanic (section 10),
- Business reorganisation (section 11), and
- Communication (section 13).

Compliance with paragraph 106 will be self-assessed in May 2023.

## 13. Communication

According to paragraph 83 of the guidelines, institutions should describe in playbooks the operational aspects and measures within, for example, communication. For the area of communication in resolution, this playbook should take account of paragraphs 115–123 of the guidelines.

According to paragraph 116, institutions should develop a communication strategy for resolution. The strategy should be documented in the institution's communication playbook. Insofar as playbooks in other areas (such as bail-in) identify communication initiatives on the part of the institution, this should be specified in the communication playbook (by means of referencing or other appropriate method).

In the first version of the playbook, it suffices for the communication strategy to be adapted to the preferred resolution strategy. The playbook should, as far as possible, be based on the procedure and the different stages described in the report "Implementation of the bail-in tool".<sup>12</sup>

In resolution, and if necessary also in the preparatory stage, all communication from the institution concerning the resolution process shall be conducted in a coordinated manner and in agreement with the Debt Office. Ahead of the decision on resolution and resolution actions, the Debt Office will prepare the information that needs to be communicated when these decisions are made.<sup>13</sup>

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<sup>12</sup> *The Debt Office's implementation of the bail-in tool* – [Guidance for resolvability – Riksgalden.se \(riksgalden.se\)](https://www.riksgalden.se/guidance-for-resolvability)

<sup>13</sup> See section 3.2.1 of the report "Implementation of the bail-in tool".

The information shall, besides through the Debt Office's communication channels, also be conveyed through the institution's own channels.

During the period following the decision on resolution and resolution actions – that is, during the resolution period – communication initiatives by the institution should focus on explaining how the resolution actions will be enforced and their implications for the institution's internal and external stakeholders.

In May 2023, the institutions will assess compliance with paragraphs 115–123. At that time, a first version of the communication playbook shall also be shared with the Debt Office.

### **13.1 Detailed guidance for certain paragraphs**

**Paragraph 117:** The key stages to which the paragraph refer include all courses of events during the preparatory and resolution period<sup>14</sup>.

**Paragraph 120:** Here, a communication plan is equivalent to a communication strategy.

**Paragraph 121:** The timing, strategies, and procedures to be laid down according to the paragraph should be set out in the communication strategy.

**Paragraph 123:** The identification of communication needs according to the paragraph should include information obligations under all applicable disclosure regulations – that is, both national rules and directly applicable EU rules. Consequently, paragraph 86g of the guidelines, which concerns the obligations of institutions to disclose information under the Market Abuse Regulation (EU) No 596/2014, shall also be reported in the communication playbook.

Institutions should identify when, during the resolution process, each communication initiative as in paragraphs 123 and 86 needs to be carried out in order to comply with applicable rules. The identification process should show whether disclosure requirements for certain information could adversely affect the possibility of orderly resolution. The communication strategy should include a plan to inform the Debt Office in advance of when such disclosure might need to be made. Institutions are, for example, expected to consider and describe whether, and if so how, they could utilise the possibility of deferring

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<sup>14</sup> Ibid.



the disclosure of insider information under Article 17.5 of the Market Abuse Regulation to avoid disclosing information prior to publication of the resolution decision.

## Appendix 1 Summary of the Debt Office's expectations of institutions in 2023

Table 1 Summary of the Debt Office's expectations of institutions in 2023

Paragraph	Section of the guidelines	May 2023 Self-assessment	May 2023 Additional data collection	Notes:
13–37	4.1.1 Operational continuity	Paragraph 13–25 and 27–37	Contingency planning covering at minimum paragraphs 15–16, 29–32, and 35–37	Full contingency planning is shared with the Debt Office in the first half of 2024
38–54	4.1.2 Access to financial market infrastructures (FMIs)	Paragraphs 38–52	Full contingency planning	
55–62	4.1.3 Governance in resolution planning	Paragraphs 55–62	Contact details of responsible executives in accordance with paragraphs 55 and 57	
63–75	4.2.1 Funding and liquidity in resolution	Paragraphs 63–74	The documentation referred to in paragraph 71 and the results of the simulations referred to in paragraph 68	
76	4.3.1. Information systems testing	-	-	Expectations concerning dry runs will be communicated at a later date
77	4.3.2 Information systems for valuation	Paragraph 77	-	
78–82	4.4.1 Contractual recognition of bail-in and resolution stay powers	Paragraphs 78 and 80	-	
83–84	4.5 Resolution implementation	Paragraphs 83–84	-	
85–91	4.5.1 Bail-in exchange mechanic	Paragraphs 86 and 88–91	Playbook is shared with the Debt Office	
92–105	4.5.2 Business reorganisation	92–103	Playbook is shared with the Debt Office	
106–114	4.5.3 Governance in resolution execution	106	-	
115–123	4.5.4 Communication	115–123	Playbook is shared with the Debt Office	

## Appendix 2 Amendment log

The tables below specify the updates that the Debt Office has made to its guidance on the EBA's guidelines. Only material changes are shown in the tables. Other revisions of, for example, an editorial or linguistic nature are not included.

**Table 2 Updates in version 2.2 compared with version 2.1**

Section	Amendment/addition
3. Access to financial market infrastructures (FMIs)	Institutions are not expected to include trade repositories as part of their FMI contingency planning.

**Table 3 Updates in version 2.1 compared with version 2.0**

Section	Amendment/addition
2. Operational continuity	Clarification that the extended implementation period for contractual resolution provisions applies to, in addition to paragraph 17, paragraphs 18–20 of the guidelines.
10. Bail-in mechanism	Amendment entailing that the first version of the playbook for implementing the bail-in tool may be limited to capital instruments and eligible debt instruments. Previously, it was stated that the first version should cover all transferable securities.

**Table 4 Updates in version 2.0 compared with version 1.1**

Section	Amendment/addition
1. Introduction and basic premises	Clarification that the guidelines shall, as a basic premise, be applied at the resolution group level in cases where the resolution entity is part of such a group. If the resolution entity is not part of a resolution group, the guidelines shall be applied at institution level.  Amendment setting out that institutions shall proceed on the basis of the assessment of critical functions contained in the summary of the resolution plan. Previously, institutions were able to proceed on the basis of their own assessment within certain sub-areas.
2. Operational continuity	Extended implementation period of paragraph 17.
3. Access to financial market infrastructures (FMIs)	Added guidance on paragraphs (44, 51, and 52).

6. Information systems testing	New section.
7. Information systems for valuation	New section.
8. Contractual recognition of bail-in and resolution stay powers	New section.
9. Resolution implementation	New section.
10. Bail-in exchange mechanic	New section.
11. Business reorganisation	Updated with guidance on playbook.
12. Governance in resolution execution	Updated with a clarification that governance in resolution execution should at minimum be included as part of playbooks and plans in certain other areas.
13. Communication	Updated with guidance on playbook and new section with detailed guidance.

**Table 5 Updates in version 1.1 compared with version 1.0**

<b>Section</b>	<b>Amendment/addition</b>
Operational continuity	Added a clarification that, with respect to services, it suffices for contingency planning to only cover externally provided services.
Operational continuity – detailed guidance for certain paragraphs	Removal of an incorrect detailed guidance statement. The previous version incorrectly stated that the service catalogue is expected to be searchable using at least the parameters listed in Annex 3 of the guidelines and that the data should be kept up to date and made available at the request of the Debt Office.
Paragraphs 24–25	
Operational continuity – detailed guidance for certain paragraphs	Clarification that paragraphs 33–34 are currently only applicable to resolution groups for which the preferred resolution strategy is not a single point of entry (SPE) bail-in strategy.
Paragraphs 33–34	
Access to financial market infrastructures (FMIs)	Clarification that institutions should share full contingency planning with the Debt Office in May 2023.
Governance in resolution planning – detailed guidance	Addition of a new heading and section clarifying what is meant by “experienced senior-level executive” in paragraph 57 of the guidelines.
Paragraph 57	
Funding and liquidity in resolution – detailed guidance for certain paragraphs	Incorrect reference to paragraph 70 of the guidelines corrected to paragraph 69 of the guidelines.
Paragraphs 66–69	
Business reorganisation	Correction of a clerical error in citing a part of the Resolution Act.