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Joint Guidelines

on the convergence of supervisory practices relating to the consistency of supervisory coordination arrangements for financial conglomerates

Contents

1. Executive Summary

In accordance with Article 11 of Directive 2002/87/EC (the 'Financial Conglomerates Directive', 'FICOD') and the procedure set out in Article 56 of Regulation (EU) No 1093/2010, Regulation (EU) No 1094/2010 and Regulation (EU) No 1095/2010 (together the 'European Supervisory Authorities' (ESAs) Regulations'), the ESAs, through the Joint Committee, shall develop guidelines to achieve convergence of supervisory practices relating to the consistency of supervisory coordination arrangements in accordance with Article 116 of Directive 2013/36/EU and Article 248(4) of Directive 2009/138/EC.

These guidelines aim to clarify and enhance cooperation between the competent authorities on a cross-border and cross-sectoral basis and to supplement the functioning of sectoral colleges (if any) where a cross-border group has been identified as a financial conglomerate. The purpose of the guidelines is also to enhance the level playing field in the financial market and reduce administrative burdens for firms and supervisory authorities.

The guidelines cover the activities where close cooperation between supervisors is needed to achieve the objectives of supplementary supervision. The guidelines cover the following areas:

a) mapping of the conglomerate structure and written agreements;

b) coordination of information exchange in going concern and emergency situations;

c) supervisory assessment of financial conglomerates;

d) supervisory planning and coordination of supervisory activities in going concern and emergency situations; and

e) decision-making processes among the competent authorities.

The mapping process serves at determining the regulated entities of the financial conglomerate, which, in accordance with the mandate of Directive 2002/87/EC, must also be supervised on a supplementary basis, and more specifically at facilitating the tasks of the coordinator referred to in Article 11(1) of Directive 2002/87/EC, by ensuring that the coordinator and the relevant competent authorities have a comprehensive understanding of the structure of the regulated entities that belong to each financial conglomerate. The mapping exercise is also used for the identification process described in Article 4 of Directive 2002/87/EC. The identification process will benefit from the mapping exercise in each annual update.

The guidelines provide practical guidance for the coordinator and the competent authorities about how to provide each other with information. As indicated in Article 11 of Directive 2002/87/EC, the task to be carried out by the coordinator relating to supplementary supervision must include coordinating the gathering and dissemination of relevant or essential information in

going concern and emergency situations, including the dissemination of information which is of importance for a competent authority's supervisory task under sectoral rules.

The part of the guidelines covering the process of supervisory assessment of financial conglomerates set out the procedural arrangements for cooperation between the coordinator and the relevant competent authorities to fulfil the supervisory assessment of the financial conglomerate with a focus on the following areas: capital adequacy policies, intra-group transactions, risk concentration, internal control mechanisms and risk management processes.

The arrangements referred to in the part of the guidelines on supervisory assessment of financial conglomerates, should allow the coordinator to perform the following tasks:

a) overview and assess the financial situation of a financial conglomerate;

b) assess compliance of the financial conglomerate with the rules on capital adequacy and of risk concentration and intra-group transactions (Articles 6, 7 and 8 of Directive 2002/87/EC);

c) assess the financial conglomerate's structure, organisation and internal control system (Article 9 of Directive 2002/87/EC).

The planning and coordination of supervisory activities for the supervision of a financial conglomerate should, as far as possible, be incorporated by the coordinator into the colleges' process that have already been established pursuant to Article 116 of Directive 2013/36/EU or Article 248(2) of Directive 2009/138/EC.

Finally, these guidelines provide guidance on the procedures that the coordinator and the competent authorities should follow when requested under Directive 2002/87/EC to put in place: (i) consultation processes; (ii) common agreements, (iii) annual reassessment (of waivers), and (iv) the coordination of enforcement measures.

2. Background and rationale

Financial conglomerates are subject to supervision supplementary to sectoral supervision on a stand alone, consolidated or group basis. Supplementary supervision aims mainly at: (i) avoiding the double gearing or multiple use of capital, whilst ensuring it is appropriately allocated in the group according to sectoral rules; and (ii) monitoring group risks, which are those arising from the structure of a group as a financial conglomerate, i.e. risks of contagion, structure complexity, risk of concentration, and conflicts of interest.

The supervisory coordination arrangements pertaining to any financial conglomerate should:

a) ensure there is adequacy of capital at the level of the financial conglomerate itself, and in particular, that regulatory capital (i) is available across legal entities; and (ii) is at least equal to the supplementary capital adequacy requirements calculated pursuant to Annex I of Directive 2002/87/EC;

b) monitor risk concentration at the level of the financial conglomerate as well as the significant intra-group transactions between the regulated entities;

c) ensure that the financial conglomerate has adequate risk management processes and internal control mechanisms in place.

Where colleges are already in place for the monitoring of a banking group and/or an insurance group that are part of a financial conglomerate, a particular item may be added onto the agenda of the sectoral college's meeting; also, other procedural arrangements may be agreed among the coordinator and relevant competent authorities to ensure the accomplishment of the supplementary supervision tasks.

3. Joint Guidelines on the convergence of supervisory practices relating to the consistency of supervisory coordination arrangements for financial conglomerates

Status of these Guidelines

This document contains guidelines issued pursuant to Articles 16 and 56 subparagraph 1 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC; Regulation (EU) No 1094/2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority); and Regulation (EU) No 1095/2010 establishing a European Supervisory Authority (European Securities and Markets Authority)) - '*the ESAs' Regulations'*. In accordance with Article 16(3) of the ESAs' Regulations, competent authorities and financial institutions must make every effort to comply with the guidelines.

Guidelines set out the ESAs' view of appropriate supervisory practices within the European System of Financial Supervision or of how Union law should be applied in a particular area. Competent authorities to whom guidelines apply should comply by incorporating them into their supervisory practices as appropriate (e.g. by amending their legal framework or their supervisory processes), including where guidelines are directed primarily at institutions.

Reporting Requirements

In accordance with Article 16(3) of the ESAs' Regulations, competent authorities must notify the respective ESA whether they comply or intend to comply with these guidelines, or otherwise with reasons for non-compliance, by 23 February 2015. In the absence of any notification by this deadline, competent authorities will be considered by the respective ESA to be non-compliant. Notifications should be sent by submitting the form provided at Section 5 to compliance@eba.europa.eu, ficodguidelines.compliance@eiopa.europa.eu and compliance@esma.europa.eu with the reference 'JC/GL/2014/01'. Notifications should be submitted by persons with appropriate authority to report compliance on behalf of their competent authorities.

Notifications will be published on the ESAs' websites, in line with Article 16(3).

Title I - Subject matter and scope

1. These guidelines fulfil the requirement set out in Article 11(1) of Directive 2002/87/EC[1] (FICOD) for the ESAs, through the Joint Committee, to develop guidelines to achieve convergence of supervisory practices relating to the consistency of supervisory coordination arrangements in accordance with Article 116 of Directive 2013/36/EU[2] and Article 248(4) of Directive 2009/138/EC[3].

2. The guidelines aim to clarify and enhance cooperation between competent authorities on a cross-border and cross-sectoral basis and to supplement the functioning of sectoral colleges (if any) where a cross-border group has been identified as a financial conglomerate under Directive 2002/87/EC. These guidelines also aim at enhancing the level playing field in the internal market by ensuring that there is consistent supervisory coordination.

3. Article 11(1) of Directive 2002/87/EC sets out the tasks of the competent authority responsible for exercising supplementary supervision (the coordinator) and demands from that authority and from other relevant competent authorities and, where necessary, the other competent authorities concerned, to have coordination arrangements in place.

4. The guidelines are addressed to competent authorities as defined in Article 2(16) of Directive 2002/87/EC, and to the ECB in accordance with Article 4 of the Council Regulation 1024/2013/EU.

5. Unless otherwise stated, references in these guidelines concern the relevant provision of Directive 2002/87/EC.

Title II- Mapping procedure, cooperation structure and coordination arrangements

6. Mapping is a process of collecting and analysing the information needed to identify those entities constituting a financial conglomerate in accordance with Article 3 of Directive 2002/87/EC, and over which competent authorities are required to exercise supplementary supervision through the supervisory coordination arrangements under Article 11(1) of Directive 2002/87/EC.

[1] Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate (OJ L 35, 11.2.2003, p. 1).
2 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 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L176, 27.6.2013 p. 338)
3 Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L335, 17.12.2009, p.1)

Mapping procedure

7. The coordinator should carry out a mapping process in cooperation with the other competent authorities which have authorised regulated entities that are part of the financial conglomerate. Those competent authorities should use the outcome of the mapping process to determine the appropriate extent of supplementary supervision based on the organisation, scale and complexity of the financial conglomerate.

8. The mapping process should be performed taking due consideration of the identification process described in Article 4 of Directive 2002/87/EC. Similarly, the outcome of the mapping process should be used in annual updates of the financial conglomerate identification process.

9. The mapping process should involve collecting and analysing information needed to identify the competent authorities that, in accordance with Article 11(1) of Directive 2002/87/EC, need to have coordination arrangements in place.

10. The coordinator should ensure the performance of the mapping process on the basis of the following prerequisites:

    a) a financial conglomerate has been already identified in accordance with Article 4 of Directive 2002/87/EC and through cooperation of competent authorities;

    b) there is a sectoral college established pursuant to Article 116 of Directive 2013/36/EU or Article 248(2) of Directive 2009/138/EC; and the coordinator has been appointed in accordance with Article 10 of Directive 2002/87/EC.

11. The mapping process should:

    a) take into account the outcome of the mapping processes carried out at the sectoral level;

    b) focus on the cross-sectoral linkages, such as close links and participations, between the regulated entities in a financial conglomerate, the mixed financial holding company or the other entities of the financial conglomerate relevant for supervision.

12. To prepare the draft mapping and transmit it to the relevant competent authorities for their input, the coordinator should engage in dialogue with the regulated entity under its supervisory remit which is the head of the financial conglomerate; where the financial conglomerate is not headed by a regulated entity, the coordinator should, in addition to the head of the conglomerate, also engage in dialogue with the regulated entity under its supervisory remit referred to in Article 10 (2) (b) of Directive 2002/87/EC.

13. The mapping should be updated regularly, at least annually, taking into account changes in the financial conglomerate's structure. Any updates to the initial mapping should be circulated to all the relevant competent authorities.

14. The mapping should take into account all the entities relevant for supervision within the group, and it should indicate under which of the following financial sectors each regulated entity falls:

    a) insurance undertakings and reinsurance undertakings; or

    b) credit institutions and investment firms.

15. For the entities relevant for supervision mentioned in paragraph 14, the mapping should identify:

    a) all EEA subsidiaries;

    b) EEA branches that are either significant for the local market or important for the sectoral group, according to the definition of such branches provided for in the respective sectoral directives;

    c) non-EEA subsidiaries and branches relevant for the sectoral group; and

    d) the list of relevant intra-group participations in the meaning of Article 2 (11) and (12) of Directive 2002/87/EC

16. The coordinator should set out the mapping using the template in Annex 1.

Cooperation structure

17. The coordinator should decide, based on the results of the mapping exercise, whether, in order to fulfil its tasks and to achieve the necessary degree of cooperation between competent authorities, it is necessary to add a specific item to the agenda of its sectoral college established pursuant to Article 116 of Directive 2013/36/EU or Article 248(2) of Directive 2009/138/EC, or to establish other procedural arrangements such as separate meetings dedicated to the supplementary supervision of financial conglomerates, or other forms of regular communication between the relevant competent authorities. The coordinator should invite the ESAs to the relevant meetings and involve the ESAs in the other forms of regular communication between the relevant competent authorities.

18. The number of participants in meetings or activities related to supplementary supervision should be adequate for the objectives pursued. The coordinator should ensure that the other competent authorities are fully informed about the activities and the outcomes of the sectoral college in a timely manner.

Written coordination arrangements between the coordinator and the competent authorities

19. Written coordination arrangements established for sectoral supervision should be complemented with any additions needed to facilitate the effective supplementary supervision of a financial conglomerate.

20. The additions should be tailored to reflect the nature, size and complexity of the financial conglomerate. The additions to written arrangements should at least include the procedures to follow in emergency situations, where a higher frequency of contacts and a faster response should be established.

21. Alternatively, the coordinator and the competent authorities could agree on establishing new written coordination arrangements at the financial conglomerate level, which should include the scope and frequency of information exchange and refer to paragraphs 24 and 25 in relation to coordination and information exchange in going concern and emergency situations and paragraph 33 as regards the assessment of the financial situation of a conglomerate.

Coordination arrangements with the supervisory authorities of third countries

22. Where a financial conglomerate has significant entities in third countries, the coordinator should involve the competent authorities of third countries in the cooperation arrangements for a financial conglomerate, subject to Article 19 of Directive 2002/87/EC and sectoral rules on the equivalent supervisory approach and comparable confidentiality arrangements.

Title III – Coordination of information exchange in going concern and emergency situations

Scope and frequency

23. The scope of information exchange between competent authorities should include all relevant or essential information needed for the tasks referred to in Article 11 of Directive 2002/87/EC. This should, when applicable, include information relevant for the stress testing of financial conglomerates as specified in Article 9(b) of Directive 2002/87/EC.

24. The exchange of information between the coordinator and the competent authorities should reflect the needs of the supervisors involved. While coordinating the information flows, the coordinator should take due account of the nature of the supervised entities in the financial conglomerate, their relevance within the conglomerate and the significance of their local markets.

25. Competent authorities should agree on the frequency, formats and templates for the regular exchange of information. Templates should be agreed on between coordinator and the competent authorities, in particular for the gathering of information on risk concentration and intra-group transactions.

26. If a competent authority receives a request for relevant information from another competent authority, it should provide the information without undue delay. Any other essential information that may affect the financial position of either the conglomerate as a whole or of any of its individual undertakings should be communicated to the coordinator or to the competent authority concerned as soon as practicable.

Collecting information

27. Competent authorities should gather the information from the entities under their supervision and provide it to the coordinator and to the other competent authorities, unless specific arrangements have been made for another competent authority to gather the information concerned from those entities.

28. The coordinator should lead the information requests on the financial conglomerate. The coordinator and the competent authorities should ensure that existing regulatory reporting is used to the greatest extent possible and that duplication of reporting is avoided.

Communication channels

29. Competent authorities and the coordinator should consider the use of the full range of communication channels (including college meetings, official letters, emails, phone/video calls/conferences, and website platforms) and should agree which communication channels should be used for gathering and disseminating information regarding the financial conglomerate. All confidential and sensitive information should be shared via a secured communication channel. In particular, competent authorities should make use of secure web-based communication platforms where available.

Communication with the financial conglomerate

30. The coordinator should be responsible for communication with the parent undertaking at the head of the group or, in the absence of a parent undertaking, with the regulated entity with the largest balance sheet total in the largest financial sector in the group. Competent

authorities should inform the coordinator before communicating directly with that parent undertaking or regulated entity. Should exceptional circumstances not permit prior notice, competent authorities should inform the coordinator without undue delay of the nature and outcome of the communication.

Communication in emergency situations

31. A competent authority that identifies an emergency situation affecting regulated entities in a financial conglomerate should alert the coordinator and the other competent authorities whose supervised entities might be affected by that situation. Competent authorities should cooperate closely whenever necessary and actively exchange relevant information. The coordinator should ensure that, where appropriate, the ESAs are informed of any relevant developments in accordance with Article 18(1) of the ESAs Regulations.

Title IV- Supervisory assessment of financial conglomerates

Assessment of a financial conglomerate's financial situation

32. The coordinator should engage in dialogue with the relevant competent authorities in order to perform the task of supervisory overview and assessment of the financial situation of the financial conglomerate. Considering the group's structure, as agreed during the mapping exercise, the coordinator should assess the overall risk profile of the financial conglomerate.

33. The coordinator should ensure that the dialogue identifies:

    a) the main vulnerabilities and deficiencies of the financial conglomerate's entities giving particular attention to their cross-sectoral links; and

    b) risk management and control issues in relation to compliance with capital requirements, risk concentrations and intra-group transactions.

Assessment of capital adequacy policies

34. The coordinator and the relevant competent authorities should review the policies on capital planning of regulated entities in a financial conglomerate. The review on a group-wide basis should have regard to and build on, similar analyses carried out at the sectoral level and the individual entity basis.

35. Such assessments are without prejudice to capital adequacy requirements as set out in the sectoral legislation and should not duplicate the calculation of the capital adequacy of the

financial conglomerate according to the delegated regulation of the European Commission supplementing Directive 2002/87/EC.[4]

36. The coordinator is responsible for the assessment of the conglomerate's capital adequacy policies. In order to prepare the assessment, the coordinator should take into account the assessments of such policies provided by the relevant competent authorities.

37. With respect to capital adequacy calculations, the coordinator should consult the relevant competent authorities on the exclusion of an entity from the calculation; see paragraph 58 point (a) of these guidelines.

Assessment of risk concentration

38. In order to perform supplementary supervision of the risk concentration of regulated entities in a financial conglomerate, the coordinator should coordinate with the relevant competent authorities in order to monitor how risk concentrations may create potential contagion effects within the financial conglomerate, conflicts of interests and circumvention of sectoral rules.

39. Taking into account the structure of the financial conglomerate, the coordinator and relevant competent authorities should agree whether in order to effectively assess risk concentration, it is necessary to request information from regulated entities within the financial conglomerate to supplement the information already available through reporting requirements.

40. Information exchanged between the coordinator and the competent authorities may include, if available, the following:

    a) how the regulated entities within the financial conglomerate manage risk exposures which interact across different risk categories;

    b) analysis and assessment by competent authorities of internal reporting and limits systems of sub-groups or of individual entities in the financial conglomerate;

    c) risk concentrations at cross-sectoral level, other than risk concentrations already being assessed at cross-border level within each sector.

41. The coordinator and the competent authorities should inform each other about any supervisory action or measures taken towards the entities within the financial conglomerate

[4] Commission delegated Regulation (EU) No 342/2014 of 21 January 2014 supplementing Directive 2002/87/EC of the European Parliament and of the Council and Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for the application of the calculation methods of capital adequacy requirements for financial conglomerates (OJ L100, 3.4.2014, p.1)

in relation to risk concentrations. The coordinator should stand ready to facilitate the identification of joint supervisory measures on the subject.

Assessment of intra-group transactions

42. In order to perform supplementary supervision of intra-group transactions of regulated entities in a financial conglomerate, the coordinator should, in cooperation with the relevant competent authorities, monitor how intra-group transactions may create potential contagion effects within the conglomerate, conflicts of interests and circumvention of sectoral rules.

43. The coordinator and the competent authorities should decide whether or not to request from regulated entities within the financial conglomerate further information in addition to the information already collected through existing reporting in different jurisdictions and sectors, taking into account the structure of the financial conglomerate.

44. The coordinator and the competent authorities should agree on:

    a) the types of intra-group transactions to be monitored, taking into account the structure of the financial conglomerate, as well as the definition of intra-group transaction under Article 2(18) of Directive 2002/87/EC; and
    b) the reporting thresholds for intra-group transactions, based on regulatory capital and/or technical provisions.

45. The coordinator and the competent authorities should inform each other about any supervisory action or measures taken towards the entities within the financial conglomerate in relation to intra-group transactions. The coordinator should stand ready to facilitate the identification of joint supervisory measures on the subject.

Assessment of internal control mechanisms and risk management processes

46. For the purpose of assessing risk management processes and internal control mechanisms, the coordinator should coordinate with the relevant competent authorities.

47. The competent authorities should provide the coordinator with relevant information regarding their assessment of the risk management processes and internal control mechanisms of regulated entities (whether at individual or subconsolidated level), material deficiencies identified, and the methodologies used in performing their assessments.

48. The coordinator should discuss the individual assessments and the overall assessment with relevant competent authorities in order to:

a) assess the suitability of sectoral risk management and control mechanisms for mitigating the conglomerate's material risks and identifying potential contagion channels; and

b) reach a consistent view among the competent authorities involved on the financial conglomerate's risk management and controls systems.

Title V- Supervisory planning and coordination of supervisory activities in going concern and emergency situations

Planning and coordination of supervisory activities

49. Following the analysis performed in accordance with Title IV, the coordinator should incorporate the planning and coordination of supervisory activities for the supervision of a financial conglomerate into the established college process in cooperation with the relevant competent authorities.

50. Where there are specific procedural arrangements described in paragraph 17, the coordinator should organise at least one physical meeting of the college per year.

51. Where there is no specific item added to the agenda of the sectoral college for supplementary supervision, the coordinator, as chair of a sectoral college, should at least once a year invite the chair of the other sectoral college, or the competent authorities, in case there is no sectoral college, to attend a meeting of the college chaired by the coordinator. The coordinator should include items relevant to supplementary supervision in the agenda of that meeting. Invited competent authorities from the other financial sectors should be allowed to propose additional points for the agenda of the college meeting.

Coordinated action plan

52. Where only one sectoral college is established, supervisory activities related to the supervision of financial conglomerates should be included in the coordinated action plan of that college. Items related to supplementary supervision should be separately marked with reference to the supervisory activities under Directive 2002/87/EC.

53. Where there is a specific item added to the agenda of the sectoral college for the supervision of a financial conglomerate, the coordinator, in consultation with the relevant competent authorities, should decide whether to have a specific coordinated action plan for supplementary supervision activities. When the supervision of the financial conglomerate is part of a sectoral college, the coordinated action plan for the financial conglomerate should be a specific part of the college coordinated action plan.

Sharing and delegation of tasks

54. The coordinator should lead the discussion on whether and how — taking into account existing sectoral rules — tasks should be shared and delegated in order to perform the overview of the financial conglomerate's financial position and other tasks related to supplementary supervision. The discussion should take into account the manner in which supervised entities are organised and should be proportionate to the nature, scale and complexity of the financial conglomerate.

Emergency planning

55. Existing emergency plans developed at sectoral level for the cooperation of authorities in emergency situations[5] should be shared with all competent authorities responsible for the supervision of a regulated entity in a financial conglomerate under the coordination of the coordinator. If an emergency plan exists only in relation to one sector, it should be made available to the competent authorities responsible for the other sectors, and the contact details of those competent authorities should be included in that emergency plan. The coordinator should be responsible for maintenance of the emergency plan at the financial conglomerate level.

Title VI - Decision-making processes among competent authorities

56. Title VI specifies procedures that should be followed by competent authorities in various decision-making processes referred to in Directive 2002/87/EC. Following identification of such decision-making processes in the Directive, they are divided into four main categories: procedures in consultation processes; procedures in agreement processes; procedures in the annual reassessment of waivers; and procedures in the coordination of enforcement measures.

Procedures to be used in consultation processes

57. The consultation processes referred to in this Title are the following:

    a) consultation process carried out in accordance with the third subparagraph of Article 6(5) of Directive 2002/87/EC;

    b) consultation process carried out in accordance with the first paragraph of Article 12(2) of Directive 2002/87/EC;

[5] As referred to in Article 114(1) of Directive 2013/36/EU and in [Article 355 of Commission Delegated Regulation (EU) No …/… of XXX supplementing Directive 2009/138/EU]

c) consultation process carried out in accordance with the second subparagraph of Article 18(1) of Directive 2002/87/EC.

58. When performing consultations, competent authorities should follow the following steps:

a) the competent authority carrying out the consultation should clearly set out the subject matter of the consultation, the decision proposed, its reasoning and the nature of the response expected from the competent authorities consulted;

b) the minimum consultation period should be two weeks, which may be reduced by the coordinator in cases of urgency, unless it is specified otherwise in the coordination arrangements concluded in the sectoral college;

c) where the competent authority, which has been consulted, does not provide a response within the consultation period, the competent authority carrying out the consultation should consider that that competent authority has no objections to the decision proposed.

Procedures to be used in agreement processes

59. The agreement processes referred to in this Title are the following:

a) the agreement process in accordance with the third subparagraph of Article 3(6) of Directive 2002/87/EC;

b) the agreement process in accordance with Article 5(4) of Directive 2002/87/EC;

c) the agreement process in accordance with Article 10(3) of Directive 2002/87/EC;

d) the agreement process in accordance with Article 18(3) of Directive 2002/87/EC.

60. When reaching an agreement, competent authorities should take the following steps:

a) prior to the agreement, the coordinator should lead a discussion between the relevant competent authorities by organising one or more physical or distance meetings (teleconference).

b) once the agreement is reached, it should be reflected in a written document containing sufficient reasoning to support the agreement. The document should be signed on behalf of the coordinator and the other relevant competent authorities. In the event of disagreement, the coordinator should, at the request of any of the other competent authorities concerned or on its own initiative, consult the relevant ESA. Where an ESA is consulted, all the competent authorities should consider its advice in reaching the agreement. Where one or more competent authorities refuse to reach an agreement, the

other competent authorities may, nevertheless, reach an agreement between themselves and the coordinator should notify the relevant ESA of the failure to reach full agreement.

c) the coordinator may invite third-country supervisors to be part of the written agreement, where appropriate, subject to an assessment of the equivalence of the confidentiality requirements applicable to these third-country supervisors.

Procedures to be used in the annual reassessment of waivers

61. When carrying out the annual reassessment of waivers applied for the implementation of supplementary supervision, and a review of the quantitative indicators set out in Article 3 of Directive 2002/87/EC and of the risk-based assessments applied to financial groups in accordance with Article 3(9) of Directive 2002/87/EC, competent authorities should take the following steps:

a) for the purposes of the performance of the reassessment and review, the competent authorities should act in accordance with a supervisory plan to be agreed sufficiently in advance;

b) the reassessment and process should be led by the coordinator, who should organise the necessary meetings to fulfil the mandate;

c) the coordinator should estimate the resources that will be needed and communicate them to the relevant competent authorities; the coordinator and the other relevant competent authorities should allocate resources in accordance with the coordinator's estimate;

d) where the reassessment and review indicate that it is appropriate to make changes to the waivers, quantitative indicators or risk-based assessments, competent authorities should apply the process set out in paragraph 60 in order to reach an agreement on those changes.

Procedures to be used in the coordination of enforcement measures

62. To coordinate enforcement measures and supervisory actions to be taken under Article 16 of Directive 2002/87/EC to rectify the situation where (i) the regulated entities in a financial conglomerate do not comply with the supplementary requirements referred to in Articles 6 to 9 of Directive 2002/87/EC; or (ii) the requirements are met but solvency may, nevertheless, be jeopardised; or (iii) the intra-group transactions or the risk concentrations are a threat to the regulated entities' financial position, competent authorities should take the following steps:

a) the coordination process should be led by the coordinator, who should organise as many meetings as necessary to fulfil the mandate;

b) the coordinator should estimate the resources that will be needed and inform the relevant competent authorities; the coordinator and the other relevant competent authorities should allocate sufficient resources in accordance with the coordinator's estimate.

63. When coordinating enforcement measures, the information exchange processes described in Title III should be applied.

Title VII- Final provisions and implementation

64. These Guidelines apply as from the date of the reporting requirement referred to on the page 7.

4. Accompanying documents

4.1 Cost- Benefit Analysis / Impact Assessment

Introduction

65. This section evaluates the impact of the draft guidelines developed by the Joint Committee of the ESAs in accordance with Article 11(1) of Directive 2002/87/EC, which are to achieve convergence of supervisory practices relating to the consistency of supervisory coordination arrangements in accordance with Article 116 of Directive 2013/36/EU and Article 248(4) of Directive 2009/138/EC.

Scope and nature of the issue

66. In the report accompanying the legislative proposal to amend Directive 2002/87/EC6, the Commission noted that cross-border cooperation and convergence of the supplementary supervision was important, and that the lack of convergence in the interpretations of coordination provisions by various supervisors could reduce the effectiveness of supplementary supervision and hamper the achievement of Directive 2002/87/EC's objectives.

67. The guidelines developed by the Joint Committee aim to clarify and enhance cooperation between the competent authorities on a cross-border and cross-sectoral basis, and to supplement the functioning of sectoral colleges (if any) where a cross-border group has been identified as a financial conglomerate. These guidelines help meet the objectives of Directive 2002/87/EC of enhancing the level playing field in the financial market, reducing administrative burdens for firms and supervisory authorities, and strengthening supervisory cooperation and convergence of supervisory practices.

Technical options considered

68. In order to comply with the mandate, the guidelines focus on procedural aspects, i.e. they seek to specify procedures to be followed by the coordinator and the competent authorities in order to achieve convergence of supervisory practices and consistency of supervisory arrangements. They are drafted in a concise, clear and pragmatic way to ensure that they are effectively used in practice.

69. The guidelines follow the guidance provided under recital 4 of the FICOD I (Directive 2011/89/EU), in accordance with which the colleges of financial conglomerates

[6] http://ec.europa.eu/internal_market/financial-conglomerates/docs/com-2010-433_impact_assessment_en.pdf

should not duplicate or replicate the activities of existing colleges, but should rather provide a framework for supplementary and comprehensive cooperation and coordination between the entities of the financial conglomerates. They also follow the guidance given in Article 11(4) of Directive 2002/87/EC, in accordance with which the coordination arrangements referred to in the second subparagraph of paragraph 1 shall be separately reflected in the written coordination arrangements in place pursuant to Article 131 of Directive 2006/48/EC (currently Article 116 of Directive 2013/36/EU) or Article 248 of Directive 2009/138/EC. The coordinator, as Chair of a college established pursuant to Article 116 of Directive 2013/36/EU or Article 248(2) of Directive 2009/138/EC, shall decide which other competent authorities participate in a meeting or in any activity of that college'.

70. The guidelines cover the following five areas, where they are deemed to add value by enhancing convergence of supervisory practices:

a) mapping procedure, cooperation structure and coordination agreements;

b) coordination of information exchange in going concern and emergency situations;

c) supervisory assessment of financial conglomerates;

d) supervisory planning and coordination of supervisory activities in going concern and emergency situations;

e) decision-making processes among the competent authorities.

71. To ensure there is maximum transparency and consistency of supervisory practices, the guidelines cover procedures relating to all the tasks that the coordinator carries out with regard to supplementary supervision, in coordination with competent authorities, which are specified in Article 11(1) (a)-(f) of Directive 2002/87/EC.

72. This impact assessment considered the following policy options as being those most relevant for the guidelines, under each of the following five areas:

Mapping of the conglomerate structure and written agreements

73. The policy option selected was to specify the procedures to follow for the mapping exercise, as well as procedures for communication between the coordinator and the competent authorities. The guidelines also suggest where the results of the mapping exercise could be used.

74. The procedures to follow as part of the mapping exercise cover not only procedures under Article 3 of Directive 2002/87/EC (Thresholds for identifying a financial conglomerate) and Article 5 (Scope of supplementary supervision of regulated entities referred to in Article 1), but also procedures for identifying financial conglomerates (Article 4 of Directive 2002/87/EC). In this context, the results of the mapping exercise should provide a valuable

input for the list of financial conglomerates, which is being complied and updated by the Joint Committee on an annual basis.

75. Beyond providing input to the annual update of the list of financial conglomerates, the guidelines suggest that the results of the mapping exercise can be reflected in the cooperation structure of the conglomerate, in addition to existing written arrangements, as well as in the coordination arrangements with the supervisory authorities of third countries.

76. The policy option chosen is to ensure there is consistency in executing the mapping of the structure of the financial conglomerate, facilitating the tasks to be carried out by the coordinator under Article 11 of Directive 2002/87/EC, and enhancing the level of convergence of supervisory practices in the mapping process.

Coordination of information exchange in going concern and emergency situations

77. The policy option selected was to specify the procedures to follow and provide practical guidance for the coordinator and the competent authorities in all the processes of exchange of information as envisaged by Directive 2002/87/EC. The scope of information exchange between the coordinator and the competent authorities has been interpreted in a broad sense, that is, it includes all essential and relevant information needed for the tasks referred to in Article 11 of Directive 2002/87/EC, and may also include information relevant to the stress testing of financial conglomerate as specified in Article 9(b) of Directive 2002/87/EC. The procedures specified cover the scope and frequency of the information exchange, the information collection process, the communication channels used, communication with the financial conglomerate, and communication in emergency situations. The policy option selected is considered most suitable for the purpose of ensuring maximum convergence in supervisory practices in the area of information exchange.

Supervisory assessment of financial conglomerates

78. The policy option selected was to specify the procedures to be followed by the coordinator and the competent authorities when performing various types of assessments of financial conglomerates covered by Directive 2002/87/EC. Such assessments include: assessment of the financial situation of the conglomerate, assessment of capital adequacy, assessment of risk concentration, assessment of intra-group transactions, and assessment of internal control mechanisms and risk management processes. To ensure there is an appropriate balance between convergence and flexibility in the performance of supervisory practices, all the procedures specified have some common features, while also reflecting the particular features of each type of assessment.

Supervisory planning and coordination of supervisory activities in going concern and emergency situations

79. The policy option selected was to specify the procedures to be followed by the coordinator and the competent authorities in specific selected areas which could benefit from enhanced consistency and convergence of supervisory practices. The procedures are specified in the following areas: activities of college, reflection of supervisory activities in the coordinated action plan, sharing and delegation of tasks, and planning in emergency situations. As regards the coordinated action plan, it is suggested that the relationship of supervisory activities to the supervision of financial conglomerates should be marked separately in college coordination action plans that already exist, to ensure that there is consistency and to avoid duplication of activities of sectoral colleges.

Decision-making processes among competent authorities

80. The policy option selected was to specify the procedures to be followed for decision-making processes between the coordinator and competent authorities that are mandated in Directive 2002/87/EC, as specified in Article 11(1)(f) of Directive 2002/87/EC, to ensure that there is maximum consistency.

81. Following identification of such decision-making processes in the Directive, they are divided into four main categories: procedures in consultation processes; procedures in agreement processes; procedures in the annual reassessment of waivers; and procedures in the coordination of enforcement measures.

Benefits

82. These guidelines will enhance supervisory cooperation and convergence and consistency of supervisory practices. The additional clarity about the procedures to be followed by the coordinator and the relevant competent authorities will help make supplementary supervision of large and complex groups in the EU more effective.

Costs

83. **Costs for the individual competent authorities –** The main direct cost for competent authorities will relate to establishing processes for compliance with the proposals of these guidelines. Such costs for the competent authorities will be driven mainly by the need to adapt existing processes, or implement new processes for coordination, communication and information exchange with other competent authorities, and monitoring compliance with these guidelines. Further costs might include costs for training existing staff, hiring additional staff, if necessary, and related travel and reimbursement costs.

84. **Costs for institutions –** No significant costs for institutions are expected. There may however be costs related to setting up processes for the disclosure of necessary information and evidence to the competent authorities, and costs resulting from requests for information made by the coordinator and competent authorities.

4.2 Views of the stakeholder groups

Views of the Banking Stakeholder Group

The BSG considers the ESAs' guidelines make for a significant step towards the cross-sectoral and cross-border convergence of supervisory arrangements applicable to financial conglomerates.

The BSG recommends to update the guidelines accordingly to reflect the future European supervisory system, and to clarify the cooperation between the Single Supervisory Mechanism, the supervisory colleges and national supervisory authorities if a bank-led conglomerate is deemed "significant".

The BSG emphasises that reporting requirements applicable to financial conglomerates should lie first and foremost on regulatory reportings already required under the sectoral regulations and under the Directive 2002/87/EC. The BSG considers that existing regulatory requirements should be used to the greatest extent possible, especially those on intra-group transactions and on concentrations. The BSG recommends to systematically consult with financial conglomerates on regular exchanges of information.

The BSG suggests to clarify the text on the assessment with respect to a financial conglomerate's capital adequacy policies. The BSG deems that the last sentence of Article 37 (now deleted) goes beyond the mandate provided at Article 11 of the 2002/87/EC which does not require a supplementary capital adequacy test or assessment on top of the supplementary supervision, and suggest to either clarify or delete it. The BSG considers that Article 35 (now amended) pertains to sectoral regulation and may possibly lead to level-playing field issues. Besides, transferability and availability of capital at the financial conglomerate level are already dealt with at a Commission's delegated act. The BSG suggest to delete the paragraph.

The BSG deems that the guidelines should reflect the future recovery and resolution provisions, which require involved competent /resolution authorities to share information on various processes.

The BSG suggests to clarify that regulatory capital instruments issued by an institution and subscribed to by policyholders as part of a life-insurance entity's activities included in the scope of the supervision of financial conglomerates, do not need to be deducted to the extent that the related risks are unconditionally transferred to policyholders and that they are not subject to any guarantee nor any arrangement that enhances the seniority of the claim.

The BSG suggests clarifying the notions of "emergency planning / emergency plans", i.e. whether they refer to recovery and resolutions plans, to liquidity contingency planning, or to business contingency planning.

The BSG considers the minimum number of meetings described in paragraphs 49 and 50 as appropriate.

4.3 Feedback on the public consultation

The ESAs publicly consulted on the draft proposal contained in this paper.

The consultation period lasted for three months and ended on12 June 2014. 6 responses were received, including from the EBA's Banking Stakeholder Group. All 6 responses were published on the ESAs websites.

This paper presents a summary of the key points and other comments arising from the consultation.

In many cases several industry bodies made similar comments or the same body repeated its comments in the response to different questions. In such cases, the comments, and ESAs' analysis are included in the section of this paper where ESAs consider them most appropriate.

Changes to the draft guidelines have been incorporated as a result of the responses received during the public consultation.

Summary of key issues

In total, six responses were received during the public consultation; no respondent has requested its response to be considered confidential.

On the whole, the respondents welcomed the proposal and its efforts to contribute to convergence of supervisory arrangements applicable to financial conglomerates.

A number of respondents emphasised that reporting requirements should leverage as much as possible on existing reporting and multiple reporting/adding additional layer of reporting should be avoided.

A number of respondents argued that, as drafted at the time of consultation, paragraphs 34 and 36 may require a reassessment of capital adequacy at sectoral level when dealing with a financial conglomerate. Therefore such respondents recommended to delete/clarify the text since it pertains to sectoral regulation and may possibly lead to level-playing field issues.

Several respondents recommended that for banking-led conglomerates with the parent undertaking under the supervision of the Single Supervisory Mechanism (SSM), the guidelines should clarify how the cooperation will be carried out between the SSM, the joint supervisory team, the supervisory colleges (where they exist) and the national competent authorities.

Several respondents suggested that the financial conglomerate should be made promptly aware of and consulted on the information being exchanged between the coordinator and other competent authorities, so as to allow the financial conglomerate to assist in ensuring that such information is recent and relevant.

Several respondents pointed out that the guidelines should clarify the notions of “emergency planning / emergency plans” referred to in Para. 55.

Several respondents suggested that the guidelines should clarify that regulatory capital instruments issued by an institution and subscribed to by policyholders as part of a life-insurance entity’s activities included in the scope of the supervision of financial conglomerates do not need to be deducted to the extent that the related risks are unconditionally transferred to policyholders and that they are not subject to any guarantee nor any arrangement that enhance the seniority of the claim.

Several respondents claimed that the scope of the guidelines with respect to the mandate given is appropriate, and considered the suggested minimum number of meetings of colleges as appropriate.

Summary of responses to the consultation and the ESAs' analysis

Comments	Summary of responses received	ESAs' analysis	Amendments to the proposals
General comments			
Reporting requirements and collection of information	Several respondents emphasised that existing regulatory reporting should be used to the greatest extent possible and multiple reporting should be avoided. One respondent suggested to insert the following sentence in Para. 29: "*"When requesting information for supplementary supervision from an entity not under the supervision of the coordinator, the coordinator should confirm with the parent entity or lead entity whether this information can be provided centrally to reduce duplicative burden upon the financial conglomerate"*	The comment taken on board	Para. 28 added
Communication with the financial conglomerate	One respondent recommended that all communication on group relevant topics should be done via the holding company. In relation to Para. 30, one respondent suggested that the direct interaction between competent supervisory authorities and the head of the conglomerate should be limited to exceptional cases, such as emergency situations.	Although most of the communication may be done at the level of the holding company or the parent undertaking of the financial conglomerate, competent authorities will also gather information directly from the entities under their supervision and provide it to the coordinator and to the other competent authorities.	No changes
	One respondent suggested that the guidelines detail the requirements to interact with the financial conglomerate and suggested adding the following Para. in Title II: *"On an annual basis the coordinator will communicate to the financial conglomerate the supplementary supervisory plan for the year ahead; where material changes to the plan arise during the year this should be communicated as soon as possible.* *At a minimum this should include the time of the*	The level of detail of the suggested paragraph to be introduced would not fit with the overall level of flexibility provided to the competent authorities in the current guidelines when providing for convergence of supervisory practices with regard to the consistency of supervisory coordination arrangements.	No changes

Comments	Summary of responses received	ESAs' analysis	Amendments to the proposals
	relevant meeting on supplementary supervision and the timing of regular requests for information. Communication to the financial conglomerate on the outcomes from supplementary supervision assessment should be within 90 days of the relevant meeting on supplementary supervision, covering the key risks identified and any proposed actions for the group"		
	Several respondents suggested that the financial conglomerate should be made promptly aware of and consulted on the information being exchanged between the coordinator and other competent authorities, unless there is a requirement for confidentiality. This would allow the financial conglomerate to assist in ensuring that such information is recent and relevant.	The objective of the guidelines is to provide convergence of supervisory practices with regard to the consistency of supervisory coordination arrangements. However, this does not necessary imply to consult on the information being exchanged with the financial conglomerate subject to supervision.	No changes
	One respondent recommended the development of a minimum template for data requests, (especially around risk concentration and data requests), to provide flexibility to account for the differing nature of financial conglomerates, but still allow that the financial conglomerate can provide this information promptly and accurately.	The development of a minimum template for data requests subject to the comply or explain principle would go beyond the mandate of the guidelines.	No changes
	One respondent recommended that reports about the group, especially where some consolidation has been done, should be shared with the financial conglomerate and that supervised companies should be involved sufficiently and get to know the major findings. One respondent recommended that the work plan of the colleges should be	The objective of the guidelines is to provide convergence of supervisory practices with regard to the consistency of supervisory coordination arrangements. However, this does not necessary imply neither to share supervisory reports nor to share the supervisory work plan with the financial conglomerate under supervision.	No changes

Comments	Summary of responses received	ESAs' analysis	Amendments to the proposals
	available for the financial conglomerate.		
Assessment of the financial conglomerates' capital adequacy policies	Several respondents suggest that, as drafted at the time of consultation, Para. 34 may require a reassessment of capital adequacy at sectoral level when dealing with a financial conglomerate. Therefore such respondents recommend to delete it since it pertains to sectoral regulation, may possibly lead to level-playing field issues and goes beyond the mandate of Article 11 of FICOD.	The comment taken on board	Para. 34 amended and clarified; new para. 35 added; title of the section clarified
	Several respondents recommend that the second sentence of Para. 36 should be clarified or deleted as it goes beyond the requirements of the FICOD (the sentence reads as follows: "*In particular, the coordinator should assess the impact of the capital adequacy of each conglomerate's entity (be it a single entity or a subgroup) on the overall capital adequacy at the level of the financial conglomerate*").	The comment taken on board	Para. 36 amended (the respective sentence deleted)
Deduction of capital investments of insurers in banking entities	Several respondents suggested that the guidelines should clarify that regulatory capital instruments issued by an institution and subscribed to by policyholders as part of a life-insurance entity's activities included in the scope of the FICO supervision do not need to be deducted to the extent that the related risks are unconditionally transferred to policyholders and that they are not subject to any guarantee nor any arrangement that enhance the seniority of the claim.	This proposal goes beyond the mandate of the guidelines.	No changes
Interactions with the Single Supervisory Mechanism and the new European supervisory system	Several respondents recommend to amend Para. 4 in order to include the Single Supervisory Mechanism as a competent authority, since this paragraph only refers to "competent authorities as	We consider that the respective tasks of the ECB in its supervisory role and of the EBA are clearly defined in existing Level 1 legislation and are consistent with the ECB being a competent authority	Para. 4 amended

Comments	Summary of responses received	ESAs' analysis	Amendments to the proposals
	defined in Article 2(16) of the FICOD" which defines competent authorities as being national competent authorities. A few respondents suggested that the guidelines should include a general provision that sectoral guidelines take precedent. Several respondents suggest that the guidelines should clarify how the future cooperation between the ESAs and the ECB will be on the basis that Article 4 Section 1 (h) of Council Regulation 1024/2013/EU.	when acting in that role. In relation to the establishment of the SSM, Article 4(2)(a) of the EBA Founding Regulation has been amended by Regulation (EU) No 1022/2013 to include the ECB as a competent authority for the purposes of the EBA's tasks and powers as specified in the EBA Founding Regulation.	
	Several respondents recommend that for banking-led conglomerates with the parent undertaking under the supervision of the SSM, the guidelines should clarify how the cooperation will be carried out between the SSM, the joint supervisory team, the supervisory colleges (where they exist) and the national competent authorities. One respondent requested that the guidelines explicitly clarify that the decisions taken by the ECB, especially in its capacity of coordinator, must not affect the insurance entities belonging to the financial conglomerate. Several respondents signalled that the guidelines should reflect the current state-of-play of European Banking Regulation, with reference in this case to the SRM regulation (BRRD, SRMR), e.g. they should reflect the future recovery and resolution provisions, which require involved	These proposals go beyond the mandate of the guidelines.	No changes

Comments	Summary of responses received	ESAs' analysis	Amendments to the proposals
	competent/resolution authorities to share information on various processes.		
Responses to questions in Consultation Paper EBA/CP/2014/02			
Question 1 **Scope of the guidelines**	Several respondents claimed that the scope of the guidelines is appropriate.		
	One respondent claims that Article 11 of FICOD does not grant a legal mandate for the ESAs to specify written coordination agreements through guidelines, and that common guidelines are limited to risk-based assessments of financial conglomerates and supplementary supervision of mixed financial holding companies according to Article 12b.	Article 11 of the FICOD mandates that, in accordance with Article 8 and the procedure set out in Article 56 of Regulation (EU) No 1093/2010, of Regulation (EU) No 1094/2010 and of Regulation (EU) No 1095/2010 respectively, the ESA, through the Joint Committee, shall develop guidelines aimed at the convergence of supervisory practices with regard to the consistency of supervisory coordination arrangements in accordance with Article 131a of Directive 2006/48/EC and Article 248(4) of Directive 2009/138/EC.	No changes
	Several respondents pointed out that the guidelines should clarify the notions of "emergency planning / emergency plans" referred to in Para. 55.	Now emergency situations are specifically mentioned in order to make clear that emergency plans are created by competent authorities to deal with emergency situations, consistent with the Article 114(1) of Directive 36/2013/EU (CRDIV) and that they are not referring neither to recovery and resolutions plans, nor to contingency plans.	Para. 55 amended
	One respondent suggested that the guidelines are changed to align with the EIOPA's Guidelines on the Operational Functioning of Colleges of Supervisors, currently under consultation.		No changes
Question 2. **Mapping process**	One respondent suggested adding the following sentence to Para. 15. "According to the regulated		Para. 15 clarified

Comments	Summary of responses received	ESAs' analysis	Amendments to the proposals
	entities described in Para. 15, the mapping should identify…"		
	One respondent suggested that review of the conglomerate mapping is required following modifications to the group structure rather than on an annual basis (Para. 13), similarly as is the case of the EIOPA's Guidelines on Colleges currently under consultation	The current text is consistent with the requirements on the frequency of mapping as required by the draft Technical Standards on the functioning of colleges of supervisors, subject to public consultation (EBA/CP/2014/12)	No changes
Question 3. **Minimum number of meetings**	Several respondents considered the suggested minimum number of meetings as appropriate.		
	One respondent suggested to leave at the discretion of the competent authorities to decide the meeting frequency and format suitable to perform their tasks and supervision, on the basis that the correspondent insurance GL do not specify a minimum number of physical meetings. One respondent argued that yearly meetings may not be sufficient and proposed to consider semi-annual meetings at a minimum.	We consider that the establishment of a minimum physical year per meeting is the most appropriate target for the coordinator and the competent authorities given the answers received.	No changes
	One respondent suggest that a standardised agenda be prepared at least six weeks in advance of the meeting, and that there is a proportionate approach to regular and standardised information flows that will complement physical meetings.	The level of detail of the suggested paragraph to be introduced would not fit with the overall level of flexibility provided to the competent authorities in the current Guidelines when providing for convergence of supervisory practices with regard to the consistency of supervisory coordination arrangements.	No changes
Question 4. **Impact of the proposals**	Several respondents recommend to systematically consult with financial conglomerates on regular exchanges of information in case there is additional data to be provided on top of existing	Now a Para. 28 has been added in order to ensure that existing regulatory reporting is used to the greatest extent possible and that duplication of reporting is avoided. Furthermore, the Impact	New Para. 28 inserted. Para. 84 amended

Comments	Summary of responses received	ESAs' analysis	Amendments to the proposals
	sectoral regulatory reporting, in order to avoid additional burdens and costs related to information requirements.	Assessment section ("cost for institutions" part) now mentions the costs resulting from requests for information made by the coordinator and competent authorities.	