

Feedback statement regarding the consultation on the Minimum Bail-in Data Template ('MBDT')

The SRB conducted a public consultation on the draft Minimum Bail-in Data Template ('MBDT') documents between 13 March 2024 and 15 May 2024. The MBDT provides a common taxonomy for implementing the SRB Bail-in Data Set¹.

The SRB welcomes the feedback received from the industry. A total of 13 responses were received from banks and banking associations.

This feedback statement includes a summary of the comments received during the consultation period, the SRB's analysis of the comments, and actions taken, when deemed appropriate, including changes in the MBDT documents.

Where respondents reiterated the same or a similar comment in different sections of the survey, those comments have been grouped together and included in the section of this statement considered most appropriate.

¹ See SRB Bail-in Data Set Instructions, https://www.srb.europa.eu/system/files/media/document/22-06-15%20SRB%20Bail-in%20data%20set%20instructions%20final_3.pdf

SUMMARY OF THE RESPONSES

Question ID	Text of the question	Summary of the responses	SRB analysis
Q01 - Q02	<p>Clarity: do you consider that the MBDT guidance is sufficiently clear?</p>	<p>The majority of the respondents confirmed that the MBDT guidance documents are clear and represent an improvement in comparison to the previous Bail-in Data Set. Some respondents requested a number of clarifications on the following aspects:</p> <ul style="list-style-type: none"> ▪ 'Tab B99 – Identification on the report', in particular for the reporting of the fields 'Country of incorporation' and 'Reference date of the report' (i.e. no need to report hours and minutes). ▪ 'Tab B02 – Main liabilities': to further clarify the MBDT's scope when it comes to the reporting of deposits, security interest provider, residual and non-financial liabilities. In addition, some respondents pointed out that liabilities may be subject to interests/coupons paid in advance, for which a specific data field should be added to the template. ▪ 'Tab B03 – Derivatives': to clarify the level of aggregation requested. ▪ 'Tab B05 – Guarantees provided to the non-resolution entity': some respondents stressed the need to allow a combination of multiple options for the reporting of the data point 'guarantee trigger'. ▪ 'Tab B06 - Liabilities issued by SPVs and guaranteed by the resolution entity': to clarify the definitions of two data points. <p>In addition, some respondents requested further alignment with the SRB's Liability Data Report ('LDR'), especially for the drop-down menu values (e.g. the field 'Nature of the liability').</p> <p>Some respondents considered that resolution authorities should provide more guidance on how the data capabilities requested should fit within the boundaries of the GDPR requirements.</p> <p>Finally, some respondents requested clarification on whether the MBDT could also be used by the bank to send internal bail-in instructions and whether bank-specific/internal data points could be added.</p>	<p>The SRB welcomes the suggestions to improve the overall clarity of the guidance document. In particular, it has enhanced the following aspects of the MBDT guidance:</p> <ul style="list-style-type: none"> ▪ 'B02 – Main liabilities': although the MBDT technical annex already envisages a reporting example clarifying that only the covered portion of bail-inable deposits should be reported, the MBDT guidance now clarifies that fully covered deposits are not in the scope of the MBDT. Concerning the issue raised on the type of security interest provider, the SRB has further clarified the drop-down menu definitions. Regarding residual and non-financial liabilities, the SRB confirms that both categories are in the MBDT's scope, as long as such liabilities represent a claim that the creditor could file under insolvency proceedings. ▪ 'B05 – Guarantees provided to the non-resolution entity': the SRB agrees with the comment raised and has amended the guidance accordingly. ▪ The necessary amendments were also made to correct the definitions in Tab B06. <p>As regards the other points raised:</p> <ul style="list-style-type: none"> ▪ The SRB disagrees with the comments on B99, as it deems that reporting the field 'Country of incorporation' by using ISO codes provides an increased level of standardisation. Regarding the 'Reference date' field, the SRB requires a time stamp in that field in order to have more precise details about the reporting entity's close of business. ▪ According to the MBDT guidance, derivatives should be reported on a contractual netting set basis; individual contracts must be reported if they are not subject to netting sets. ▪ The SRB will not integrate an additional data point for interests/coupons paid in advance, as it deems that such data field should not be prioritised for the purposes of the MBDT. <p>Concerning the comment on the alignment of some drop-down values with the LDR, the SRB points out that the MBDT (and the previous Bail-in Data Set) serves a different purpose from the LDR and has a different scope (please refer to section 1.1 of the guidance document). Nevertheless, the SRB will endeavour to align the two data collections, to the extent possible.</p> <p>Concerning the comment on compliance with the GDPR, the MBDT guidance document clarifies that 'the reporting institution must ensure that, where relevant, certain information is anonymised when the information is transmitted', and that 'corresponding data protection</p>

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			<p>regulations, in particular the requirements of the GDPR, must be observed'. The guidance document has been updated to add further guidance for some data fields (e.g. counterparty name and identifier). However, the final assessment remains the responsibility of the reporting institution.</p> <p>Finally, the institutions are free to extend the MBDT for internal purposes, as long as the submission provided to the SRB follows the requested taxonomy and data point model (i.e. the internal fields should not be submitted to the SRB).</p>
Q03-Q04	<p>Comprehensiveness: do you consider that the improvements and instructions included in the Annex II (Technical instructions, mapping and reporting examples) would support the entity in the data provision process?</p>	<p>The majority of the respondents welcomed the efforts and appreciated the introduction of concise instructions and formats for generating the data points, as well as the introduction of mapping tables in Annex II. One respondent considered that further clarifications and exchanges would be required during implementation.</p> <p>Some respondents considered that Annex II partially addresses the need to clearly delineate changes from the previous version of the SRB Bail-in Data Set. Some added that Annex II fails to provide a full and accessible overview of the changes and appears to contain some inaccuracies upon an initial examination.</p> <p>Some respondents highlighted a potential typo in the mapping provided for tab B05.00 (Guarantees provided to the non-resolution entity), mentioning that it should refer to LDR T03.03 instead of T03.02.</p> <p>Some respondents remarked on the absence of mapping for tab B01.00. Some respondents mentioned that it would be appreciated if all data points in the previous data set and that are no longer in the MBDT were mapped.</p>	<p>The SRB welcomes the appreciation that respondents expressed for Annex II, and agrees that further clarifications might be required during the implementation phase. To address this, the SRB is working on developing a dedicated section of the Q&A portal, currently used to submit questions on annual reporting.</p> <p>The SRB has developed the mapping provided in Annex II to help institutions retrieve any data fields that are common with other collections from their information systems, highlighting any potential differences, in order to ease the MBDT production process.</p> <p>The mapping and technical annex have also been enhanced in light of the comments received (e.g. correction of a clerical error in reporting example 3.4.1). In addition:</p> <ul style="list-style-type: none"> ▪ The mapping reference for B05.00 (Guarantees provided to the non-resolution entity) is correct. As explained in section 1.2 of the guidance document, tab B05.00 is reported only by non-resolution entities and covers guarantees received by the non-resolution entity from any other entity within the accounting scope of consolidation of its ultimate parent company. Hence, it reconciles with the corresponding LDR tab T03.02 (Intragroup Guarantees – Received). ▪ Regarding the lack of mapping for B01.00, the SRB notes that the table is newer than the other publications and therefore no mapping can be provided (e.g. compared to LDR T01.00, B01.00 requires the relevant amount for bail-in as the value to be reported instead of the outstanding amount). ▪ Concerning the SRB Bail-in Data Set fields no longer included in the MBDT, please refer to the technical annex, section 2.8, which includes a list of the optional data fields from the SRB Bail-in Data Set that are no longer included in the MBDT and therefore will not be requested.
Q05	<p>Contractual subordination: could you please indicate whether the presence of contractual subordination clauses would be relevant for your</p>	<p>Most respondents focused on answering the question of whether or not contractual recognition had an impact on the insolvency ranking, as determined by the national legislative framework. Few respondents</p>	<p>The SRB notes that there are different practices between jurisdictions, which explains the diverging answers given either confirming they used or clearly indicating they did not use this data point.</p>

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	institution in order to identify the correct insolvency rank and bail-in cascade?	<p>responded to the question of whether or not contractual recognition had an impact on the sequence of the bail-in cascade for different instruments that rank <i>pari passu</i> in the insolvency ranking (e.g. accrued AT1 or accrued T2 interest).</p> <p>As for the insolvency ranking, a clear majority of respondents indicated that the presence of contractual subordination clauses is not relevant for their institution in identifying the correct rank in the insolvency ranking or in the bail-in cascade. However, some respondents confirmed that this information would be relevant for them.</p>	
Q06	Do you have any comments on the potential integration of data point c0161 into B02.00, aiming at capturing the contractual subordination?	<p>Respondents were generally in favour of integrating data point c0161 into B02.00.</p> <p>Some respondents observed that banks often maintain information on the insolvency ranking or bail-in cascade in their systems, without keeping this as a separate, static data point. Rather, banks are able to position the subordination level based on other characteristics. This is also the case for jurisdictions where the extent of the subordination is fully determined by contractual provisions. It was mentioned that in such jurisdictions it may be more difficult for smaller banks, or banks that maintain non-standard subordination clauses, to identify the correct subordination by way of the contractual clauses.</p> <p>It was also pointed out that for certain jurisdictions the contractual subordination is embedded in the definition of own funds. In such cases, standard subordination clauses are used as market practice. As such, some respondents consider that this data point has limited additional value. Another respondent provided a similar answer, but added that the data point is not difficult to retrieve.</p> <p>Another respondent indicated that data point c0161 was relevant for mapping the correct subordination, and that any integration into B02.00 would require close coordination with the relevant NRA.</p>	<p>The SRB acknowledges that this data point will be more important in certain jurisdictions than others. For jurisdictions where the level of subordination is predominantly determined by a statutory framework, rather than by means of contractual subordination, banks are likely to maintain the information on subordination of the liability via different data points in their systems.</p> <p>In order to ensure that the correct subordination ranking is covered for different banks, across jurisdictions, the SRB considers it appropriate to maintain this data point, taking into account that should it not be deemed applicable for a given institution, it would not need to be retrieved from the information systems.</p>
Q07- Q08	The SRB is considering enhancing the guidance on determining the data field 'Relevant amount for Bail-in/WDC' (data point c0130 in B02.00). Would you consider the approach outlined in the definition of data point c0130 (Relevant amount for bail-in/WDC) in B02.00 as appropriate and sufficiently clear?	<p>Most of the respondents believed that the approach outlined in the definition of data point c0130 (Relevant amount for bail-in/WDC) in B02.00 is appropriate and sufficiently clear.</p> <p>A few respondents stated that the reference to national transposition and the reference to the insolvency hierarchy is not fully clear and more product guidance is warranted that makes a clear reference to national rules.</p> <p>Another respondent considered that the basis for the harmonisation should be clarified, in terms of whether it is from the bank's point of view (bail-in) or the creditor's point of view (NCWO), since both are relevant for bail-in.</p>	<p>The SRB takes note of the comments raised by some respondents concerning the BRRD national transposition, the insolvency hierarchy and the request for more granular product guidance. However, the SRB considers that the enriched guidance is granular enough and provides all the elements that need to be taken into account and the order to be followed when the national transposition of Article 48 BRRD does not provide complete and clear guidance on determining the relevant amount for bail-in.</p> <p>The SRB does not deem it necessary to provide additional guidance on the point of view to be taken into consideration, as the current definition already clarifies that the filed 'relevant amount for bail-in' should be determined based on the outstanding amount of the liabilities. The carrying amount, which the SRB understands the respondent is referring to as the 'bank's point of view', is captured in another field.</p>

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			Therefore, the definition of data point c0130 (Relevant amount for bail-in/WDC) in B02.00 is confirmed.
Q09 – Q10	Taking into account the approach outlined in question 7, in the case of zero-coupon bonds, which one of the following options would you consider applicable for reporting data point c0130 in B02.00 (Relevant amount for Bail-in/WDC), considering the relevant national framework in your jurisdiction?	<p>Nearly one-third of the respondents indicated that this was 'not applicable' to their situation.</p> <p>A significant part of the respondents that provided an answer indicated the 'amortised face value' for completing data point c0130 in B02.00. For respondents who selected 'other value', overall, it was noted that amortised face value should be the lead, but that specific exemptions and other considerations apply.</p> <p>For example, one respondent replied that the amortised face value is the leading option for completing the data point, but that for some specific cases, such as structured notes, the market value can apply.</p> <p>A different respondent agreed that 'amortised face value' would be the leading value for determining the amount payable in cases of insolvency or bail-in, but this respondent raised possible concerns about the validation rules for zero coupon bonds.</p>	<p>The SRB observes the high number of respondents that replied 'not applicable'. This response can largely be explained by the fact that some respondents do not issue zero-coupon bonds.</p> <p>In order to reflect the points made by the respondents, the definition data point c0130 in B02.00 (Relevant amount for Bail-in/WDC) was amended to provide further clarification on the value to be reported in principle (reference to the 'amortised face value' has been included in the guidance).</p> <p>The SRB also takes note of the concerns raised on the validation rules for zero-coupon bonds. It has amended the validation rules for these instruments where this is considered necessary.</p>
Q11 - Q12 - Q13	<p>Taking into account the approach outlined in question 7, in case of debt instruments with embedded derivatives (e.g. structured notes), the SRB is considering instructing banks to rely on data point c0270 in B02.00 (Fair value of the structured product) to report data point c0130 in B02.00 (Relevant amount for Bail-in/WDC). This is because in some jurisdictions the fair value would be considered an appropriate proxy of the value of the investors' claim in insolvency and resolution. Would you deem such an approach to be appropriate for reporting the MBDT?</p> <p>If you selected "No" to the above, could you indicate which option would you alternatively consider more suitable to be reported in data point c0130 (tab B02.00) in the case of debt instruments with embedded derivatives, taking into account the relevant national framework in your jurisdiction?</p>	<p>Several respondents confirmed that the fair value would represent an appropriate proxy for the value of the investors' claim in insolvency and resolution. However, most respondents highlighted that the assessment is highly dependent on the characteristics of the different structured products and should be differentiated by country, based on the national insolvency law. A few respondents found the proposed proxy to be appropriate only for some structured products (i.e. the ones without capital protection). One respondent suggested using the nominal amount as it is more practical to implement from a technical perspective, while another respondent suggested relying on the balance sheet value, including accrued interests.</p> <p>Lastly, some respondents asked the SRB to clarify how to report field c0270, 'fair value of the structured product', and how to treat products where the structured component only affects the accrued interest and not the principal amount.</p>	<p>The SRB agrees with the argument that the assessment should be considered to be highly dependent on the characteristics of the different structured products and on the treatment under national insolvency proceedings, which is in line with the spirit of the current guidance. Therefore, the instructions provided for reporting field c0270 are confirmed. As suggested, further clarifications on the reporting treatment of products where the structured component only affects the accrued interest and not the principal amount have been integrated into the definition.</p> <p>Lastly, the responses showed that the interplay of field c0270 with the 'Relevant amount for Bail-in' field depends on a case-by-case assessment and therefore cannot be harmonised via the MBDT instructions.</p>
Q14	If the fair value (data point c0270 in B02.00) of debt instruments with embedded derivative is	The respondents confirmed that the fair value of the structured products should not take into account the credit risk component.	The SRB welcomes the answers received and confirms that this is already reflected in the guidance.

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	deemed an appropriate proxy of the relevant amount for bail-in for such liabilities (data point c0130 in B02.00), would you consider that specific adjustments should be applied to that value (e.g. deduction of the own credit risk component as the entity would already be FOLTF, model risk, etc..) due to the relevant legal framework and the circumstances in the event of a crisis?		
Q15 – Q16	Considering the high heterogeneity and different features of debt instruments with embedded derivatives, is the list of items provided in the consultation considered exhaustive to further guide banks on how to report field c0130 in B02.00 'Relevant amount for Bail-in/WDC' for such liabilities?	All the respondents confirmed that the list was exhaustive.	The SRB takes note of the replies submitted and has integrated the additional guidance in the definition of 'c0130 Relevant amount for bail-in'.
Q17 – Q18	Do you consider that the integration of the data points aimed at collecting the information related to 'Net mark-to-market value' (c0060), 'Estimated close-out amount' (c0070) and 'Estimated early termination amount' (c0080) in B04.00 would be an appropriate approach for collecting information linked to the bail-in of the unsecured portion of Securities Financing Transactions (SFTs)? Please note that such data points should be collected only in case of negative Mark-to-Market.	<p>Some respondents questioned the reference to a negative mark-to-market, highlighting that netting sets need to be taken into consideration for its determination and that the impact of bail-in should be assessed on all exposures, including SFTs with a positive mark-to-market.</p> <p>In addition, some respondents argued that SFTs should be considered for the assessment of discretionary exclusions and stressed that in any case the portion potentially subject to bail-in is immaterial.</p> <p>Lastly, several respondents remarked that proxies and estimates are essential for reporting in these fields. Estimates depend on several assumptions and the different models used, and they might lead to negligible values being reported.</p>	<p>As for derivatives, the SRB confirms that, according to the MBDT guidance, SFTs should be reported on a contractual netting set basis. Single contracts are to be reported only if such contracts are not subject to netting sets.</p> <p>Regarding the arguments raised on materiality, the SRB points out that the MBDT scope for SFTs is limited to netting sets (or single contracts if not part of a netting set) with a negative mark-to-market value. This therefore limits the request to the 'uncollateralised' portion, with the objective of minimising the reporting burden.</p>
Q19-Q20	What is the optimal threshold related to the granular reporting of deposits in 'Submission A' that would facilitate the data provision process?	<p>The majority of respondents are in favour of a specific threshold within the options provided (e.g. EUR 1 million, EUR 500 000, or a bank-specific threshold). One respondent proposed a threshold of around EUR 100 000, and another considered the proposed thresholds to be high.</p> <p>One respondent thought that, at this stage, granular deposits eligible for bail-in should not be included in the MBDT, proposing that only Submission A with aggregated deposits detailed by counterparty type be provided.</p> <p>Some respondents expressed concerns about the partitioning of deposits by means of a threshold, as this would entail using a more complex calculation, especially considering the number of counterparties involved. This would result in a process that may prove to be incompatible with the short production timeframe envisaged (24 hours). The respondents suggested taking into account the likelihood of uncovered deposits being bailed-in, especially for banks that entirely meet their subordinated and</p>	<p>The SRB takes note of the heterogeneity of views concerning the potential threshold to be adopted in reporting granular deposits in Submission A. To address the concerns raised on the additional complexity due to the introduction of a reporting threshold in Submission A, the SRB supports the arguments in favour of reporting only aggregated deposits in Submission A. Consequently, the guidance document has been updated requiring Submission A to include only aggregated deposits by insolvency ranking/bail-in cascade.</p> <p>On the inclusion of deposits eligible for bail-in, the SRB notes that this request was already part of the requirements outlined in the SRB Bail-in Data Set Instructions published in 2020. Hence, institutions are expected to have the appropriate MIS capabilities to produce all the relevant and necessary information for such data fields at granular level. However, as clarified in the consultation survey, for testing activities related to bail-in operationalisation, the SRB will evaluate a proportionate approach. This might include, inter alia, prioritising the provision of data relating to certain</p>

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		<p>total MREL requirements on a fully subordinated basis, or in jurisdictions in which all uncovered deposits are senior to ordinary unsecured claims. The respondents suggested providing Submission A containing only aggregated bail-inable deposits, and Submission B with an optional granular extraction, according to a certain threshold to highlight the large potential contributors. Respondents asked the SRB to clarify the conditions under which Submission B is requested. Finally, respondents commented that the expectation on the provision of deposit data should be deemed to be completed with the provision of full granular information only once, without the split between Submission A and B.</p>	<p>categories of instruments and liabilities, subject to the bank-specific funding structure and without hampering the bank's resolvability. On the request to clarify when Submission B is expected to be reported, the guidance document specifies that, depending on the business model, size and specific characteristics of the reporting entity, the IRT might deem it sufficient to require only Submission A (e.g. entities with virtually no deposits). However, notwithstanding the potential request of the IRT for the provision of Submission A only, reporting entities are expected to have the capabilities to produce both Submission A and Submission B.</p>
Q21	<p>The SRB, in cooperation with the NRAs, would see the benefit of including the B01.00 tab, to collect an aggregated view of the liability structure of the reporting entity. Such an overview would provide additional information for determining total liabilities and own funds (TLOF) and inform the computation of conversion rates in accordance with Article 50 BRRD and EBA/GL/2017/03. Do you have any comments on such integration?</p>	<p>Most respondents stated that the additional integration of the B01.00 tab would represent a significant effort for banks, as the inclusion of aggregated values would unnecessarily increase the complexity of a template that needs to be processed within a very short and ambitious timeframe, requiring further technical implementation and an additional processing effort.</p> <p>In this regard, it was also pointed out that this additional data would require adapting the main reporting infrastructure for the MBDT, which has already been set up by banks for reporting LDR and MREL-related information.</p> <p>In relation to the scope of the B01.00 tab, it is also argued that there are no daily processes or data for some of the categories of mandatorily excluded liabilities under Article 44(3) BRRD (information not available on demand and thus potentially requiring the use of proxies), as well as for some categories of bail-inable liabilities. Some banks added that no granular information on liabilities excluded from bail-in (other than collateralised liabilities) is provided in other templates, and as this information should not be relevant for bail-in purposes, these items should be excluded from template B01.00.</p> <p>In relation to the data point on the TLOF, some respondents challenged the need for this information, arguing that the TLOF is only relevant for determining the MREL subordination requirement, and that this information is already required as part of the regular resolution reporting cycle. In addition, some respondents mentioned the risk that the computation of the TLOF might be either wrong (potentially mixing daily and monthly/quarterly data, which would also require complex and expensive MIS developments) or impossible for the above-mentioned reasons.</p> <p>Moreover, some respondents considered that the explanation in the guidance to justify the inclusion of these data points was unclear, as the focus for bail-in execution should be the granular-item level data.</p> <p>Against this backdrop, almost half of the respondents either did not express any comment on this integration or explicitly welcomed the inclusion of the B01.00 tab to collect an aggregated view of the liability structure of the reporting entity, pointing out its similarity to the LDR</p>	<p>The SRB welcomes the messages received in support during the consultation regarding the synergies identified between the LDR reporting procedures and the proposed template, as well as the time efficiencies pointed out by some banks.</p> <p>As pointed out in the consultation, one of the main drivers of requesting aggregated information on the liability structure of the reporting entity is to determine the total liabilities and own funds (TLOF) of the institution, as well as to inform a preliminary NCWO assessment and the computation of conversion rates in accordance with Article 50 BRRD and EBA/GL/2017/03.</p> <p>The SRB notes that although respondents do not directly challenge the need to gather this information to calculate conversion rates, the concerns expressed in the consultation focus on the following aspects:</p> <p>1. Mandatorily excluded liabilities</p> <p>When requesting (aggregated) information on the mandatory exclusions in B01.00, the SRB has endeavoured to ease the reporting burden by:</p> <ul style="list-style-type: none"> adopting the taxonomy already in place for the Liability Data Report (i.e. using the same liability categories); not requesting the granular data on mandatorily exclusions; and requesting only a subset of the mandatorily excluded liabilities (i.e. those ranking <i>pari passu</i> with bail-inable liabilities). <p>The SRB notes that over the past years institutions have worked on the implementation of the Bail-in Data Set, and are now well-positioned to accurately identify the requested data concerning bail-inable liabilities.</p> <p>The identification of such liabilities is complementary to the correct identification of the liabilities excluded from the bail-in. For the latter, the SRB highlights that firstly the Expectations for Banks, and then the SRB Operational Guidance on Bail-in Playbooks, already required banks to identify and quantify, in a timely and reliable manner, the amount of liabilities which are mandatorily excluded from write-down and conversion.</p> <p>It should be noted, in this regard, that contrary to some of the comments received during the consultation, the LDR already requires very granular detail on the liabilities mandatorily excluded from bail-in, beyond</p>

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		<p>reporting taken as a reference for internal purposes, as well as the potential reduction of file-generation time thanks to the aggregation of liability items, without losing critical information. However, some banks that welcomed the proposed approach expressed doubts about the different scope (questioning why B01.00 does not include all liabilities — both bail-inable liabilities and excluded liabilities).</p> <p>Some suggestions received to address the abovementioned concerns include to require the 24-hour deadline only for the granular templates, as well as granting additional time for the aggregated view.</p>	<p>collateralised liabilities, with aggregation usually done at contract level or by the counterparty.</p> <p>Hence, the requirement for banks to perform this assessment and to set up procedures to identify and provide information on mandatory exclusions is a long-standing requirement, which does not arise only with the MBDT.</p> <p>2. Relevance of the TLOF value. The TLOF is a relevant data point in resolution, as it is needed to ensure compliance with the requirements of Article 27(7) SRMR in the event of use of the Single Resolution Fund.</p> <p>However, taking into consideration the arguments raised on the potential data quality issues related to the production of this field at non-standard reference date, the SRB considers it appropriate – at this stage – to exclude the attribute from the scope of the template.</p>
Q22	<p>Have you identified any country specificities in any of the MBDT data points, relevant to your jurisdiction, that would justify a country-specific deviation from the approach presented in the MBDT guidance?</p>	<p>The majority of respondents have either not identified country specificities or believe that this is an issue that needs to be addressed with the NRAs. Some respondents identified national specificities and questions regarding the reporting of instruments in the CET1 category.</p> <p>One respondent expressed concern that the incorporation of country specificities increases the complexity of the data production process.</p> <p>One respondent asked for further clarification regarding the interplay between the MBDT and currently applicable local guidance regarding bail-in data provision in one Member State.</p> <p>Some respondents remarked that the finalisation of the MBDT Country Annexes, to be published alongside the MBDT, may take some time, and this delay could pose challenges for banks in incorporating the full set of SRB and Member States' level bail-in data point requirements.</p>	<p>The SRB takes note of the concern that the incorporation of country specificities may increase the complexity, but would like to stress that the country annexes are essential in gathering specificities that are required for the successful implementation of the bail-in tool. Regarding national specificities in certain countries, the SRB notes that the aim of introducing the MBDT is also to standardise, among other aspects, the national-specific data fields so far required by the different Banking Union's NRAs.</p> <p>Section 1.3 of the guidance document clarifies how national-specific data fields are integrated into the MBDT, and a country annex is envisaged for providing instructions to institutions on how to report such fields. The country annexes will be published jointly with the core MBDT package on the SRB website. In the case of country annexes published after the MBDT guidance documents, there will be the same transition period already defined for the common package, which will start from the publication date of the specific country annex.</p> <p>Once introduced, the MBDT (including country annexes) will replace the currently applicable SRB Bail-in Data Set and related local guidance. Further questions regarding national specificities are best addressed to the relevant NRAs.</p>
Q23-Q24	<p>Do you consider the data point model suitable for collecting the information requested?</p>	<p>The majority of the respondents considered the proposed data point model to be suitable.</p> <p>Some respondents thought that Annex I and II were rather clear, and that the data points description has been simplified thanks to the links with the LDR and the Bail-in Data Set. However, respondents remarked that a gap analysis activity needs to be carried out with the introduction of new data points. In addition, respondents made some specific comments on B01.00, asking for more clarifications on the liabilities falling within the scope for this specific tab and how to reconcile it with B02.00.</p> <p>One respondent expressed concerns about the way accrued interests not ranking <i>pari passu</i> with the principal amount are represented in the MBDT</p>	<p>The SRB takes note of the general support expressed by respondents for the proposed data point model.</p> <p>The SRB has included a reporting example to further clarify the scope of B01, and how it reconciles with B02.</p> <p>The SRB considers it more appropriate to rely on the current approach for the reporting of accrued interest not ranking <i>pari passu</i> with the related principal, as the issue is applicable only in few jurisdictions. The inclusion of a new data point that is not applicable for the majority of the jurisdictions would impact all the entities under the SRB's remit.</p>

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		<p>(i.e. separate line items). In order to avoid duplication of rows, the respondent proposed including an additional field to capture the rank associated with the interest.</p> <p>Some respondents highlighted the importance of reusing the previous numbering.</p>	<p>Regarding the reuse of previous label codes in the template, mapping is specifically provided in order to allow the institution to link the data fields of the SRB Bail-in Data Set with those of the MBDT.</p>
Q25	<p>Do you have any comment on the split between different sheets (e.g. B01.00, B02.00, B03.00, etc.)?</p>	<p>Some respondents agreed that different liabilities should be represented in different tables, highlighting that tab B02.00 could be further split (as it contains deposits and debt securities issuances), and expressing a clear preference for reporting instruments in dedicated tabs. Respondents also expressed concerns about the costs associated with the new format, when compared to the free format of the SRB Bail-in Data Set, as this can lead to additional work.</p> <p>Furthermore, the respondents stated that the split is in line with the requirements of the national resolution authorities, with the exception of the newly introduced B01.00.</p>	<p>The SRB takes note of the general support expressed by the respondents for the proposed split of the tabs.</p> <p>Regarding the comment on a further split for tab B02.00, while recognising that this might align more closely with the concept of representing specific categories of liabilities in dedicated tables, the SRB considers the current format adequate, especially in light of the simplification introduced above (see the SRB's analysis of Q19-Q20). In particular, with the delivery of only aggregated deposits in Submission A, the amount of row items in B02.00 would significantly reduce, decreasing the amount of 'not applicable' values introduced for the deposits category.</p>
Q26-Q27	<p>Do you consider the CSV technical requirements adequate for such collection?</p>	<p>The majority of the respondents considered the CSV adequate for such collection.</p> <p>Some respondents raised concerns about the request to deliver the CSV files with two headers, proposing a single row of headers. In addition, one respondent mentioned that the CSV should not require comma separators, and noted that the SRB should ensure that the separators provided between data points in the same cell are different from a semicolon.</p>	<p>Regarding the concerns raised on the delivery of CSV files with a double header, the technical instructions have been amended to require only one header.</p> <p>The SRB notes that the technical annex already requires a semicolon (;) separator instead of a comma separator, to distinguish between the columns in the MBDT files, and when multiple entries are expected in the same field, the vertical bar () must be used as a separator.</p>
Q28	<p>Do you have any comment on the split between submission A and B, for collecting any granular information on deposits in a dedicated submission, if requested?</p>	<p>Some respondents mentioned that if the granular deposit data is preferred in a separate template/sheet/csv, a separate template would be the proper solution (i.e. B02.00A and B02.00B) for a clearer display.</p> <p>One respondent mentioned that if both submissions (A and B) are required, the deadline for submission within 24 hours will be very tight. The respondent thought the solution to aggregate the deposits was positive, as it would reduce file generation time and output without losing critical process information.</p> <p>Some respondents mentioned that this split represents a significant effort for the bank, and the inclusion of a reporting threshold would not facilitate the extraction of information, but rather add complexity to the overall workflow, which needs to be processed within a very ambitious timeframe. These respondents urged the SRB to take a pragmatic approach when it is unlikely that deposits will be bailed-in, and contested the need to carry out costly developments, asking for the possibility to report such deposits only in an aggregated manner.</p> <p>Lastly, respondents noted that having debt securities issuances (small sample) together with deposits (large sample) in the same table exponentially increases the size of the final table, as all debt securities predefined fields ('Not applicable' for example) are repeated for the millions of deposits. A potential solution proposed by the respondents is</p>	<p>Regarding the comment on a further split of B02.00, while recognising that this might align more closely with the concept of representing specific categories of liabilities in specific tables, the SRB considers the current structure adequate, especially in light of the simplification introduced above (see SRB reply to Q19-Q20). In particular, with the delivery of only aggregated deposits in Submission A, the amount of row items in B02.00 would significantly reduce, decreasing the amount of 'not applicable' values introduced for the deposits category.</p> <p>Regarding the comment on the non-inclusion of deposits in the SRB Bail-in Data Set and in the MBDT, please refer to the SRB's reply to Q19-Q20.</p>

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		<p>to split these types of liabilities into different tabs. Respondents also highlighted that the reconciliation between Submission A and B could be a source of additional work.</p> <p>One respondent mentioned that deposits are not covered in the current SRB Bail-in Data Set and would not be included in the MBDT in a consistent manner.</p>	
Q29	<p>Could you please clarify for which type of securities your bank would be in a position to retrieve the information related to counterparties? In addition, could you please provide the source of the information used by your institution's MIS?</p>	<p>Respondents indicated that they are able to retrieve information pertaining to internal counterparties (trading/clearing agents and counterparties having securities located in the bank). For external counterparties the responses were more mixed.</p> <p>One respondent stated that it could identify external counterparties when given additional time, while the other respondents stated that there are limits to being able to identify final bondholders as this information is only available when delivered by the CSDs and that the only information pertaining to bondholders available in the Bank's MISs is the first holder of the security. Respondents also said that it would not be possible to provide information on securities that are under a bearer format.</p> <p>One respondent indicated that it is only able to retrieve information on counterparties for the following type of securities: (a) shareholders of CET1 instruments higher than 5%; (b) intragroup held securities; (c) security deposit accounts within the same entity, higher than a predefined threshold; (d) ad-hoc report within credit institution entities.</p> <p>Another respondent indicated that it is able to provide information on counterparties depending on the specific register.</p>	<p>The SRB takes note of the limits indicated concerning the provision of data on the final holders of the securities. Institutions should leverage on the data available within their own information systems to provide the required information.</p>
Q30	<p>The current data point model envisages the reporting of multiple rows for the same liability in the case of multiple counterparties. This entails repeating the same information in different rows (ISIN, governing law, bail-in recognition clause, CSDs, etc. are repeated in each row for every counterparty). The SRB is considering to implement a solution to reduce this type of redundancy in the reporting, by introducing a tab dedicated to the collection of multiple counterparties liabilities (please refer to the images below). Would you have any comment on such approach?</p>	<p>Some respondents are in favour of the current approach. The bail-in data production process of some banks is currently not set up to handle relational databases. They express concern that a move towards the proposed option would entail additional effort and costs.</p> <p>Other respondents are in favour of the approach based on relational databases. They highlight in particular the benefits of having smaller file sizes, simplified reporting, reduced redundancy and a higher quality MIS.</p> <p>One respondent suggested the compromise of allowing banks to be able to choose one of the options.</p>	<p>The SRB takes note of some banks' concerns, associated with the necessity to make improvements in their systems and processes in order to implement a solution based on relational databases. At the same time, the SRB acknowledges the large number of arguments in favour of the new approach by respondents that believe that the proposed solution will lead to simplified and more efficient reporting.</p> <p>The option to allow banks to choose their preferred option is not desirable as this would be contrary to a unified way of reporting and hinder the consistent analysis and validation of the datasets reported by banks.</p>
Q31	<p>Which one of the two options presented in the consultation survey would you prefer?</p>	<p>The majority of respondents prefer Option B (i.e. relational database).</p>	<p>Due to this result and the significant advantages associated with Option B, the latter will be implemented.</p>
Q32 - Q33	<p>Do you see any challenges in reporting certain categories of liabilities that might hamper the data provision process?</p>	<p>The majority of respondents indicated there are challenges in reporting certain categories of liabilities, which might hamper the data provision process.</p> <p>This concerns some liabilities that are not available on demand, namely:</p>	<p>The SRB acknowledges the challenges indicated by the respondents in reporting certain categories of liabilities.</p> <p>Accordingly, the MBDT guidance specifically reflects the possibility to rely on proxies and estimates for reporting prudential and accounting data.</p>

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	<p>If 'yes', could you please describe the type of challenges identified and indicate to which categories of liabilities the challenges would apply, where appropriate.</p>	<ul style="list-style-type: none"> • CET1 data; • non-financial liabilities; • residual liabilities; • employee liabilities; • tax and social security liabilities; and • critical services liabilities. <p>One respondent indicated that if proxies are required to estimate certain liabilities, the SRB should provide criteria to grant banks a level playing field. For non-bail-inable liabilities, the last month-end data is suggested as a proxy.</p> <p>Additionally, due to the critical volume of deposits in some activities, it is considered challenging to report them at T-1 with the granularity requested by the SRB (especially the contract level).</p> <p>This respondent mentioned that, in normal circumstances, the whole MIS (and not only the part dedicated to resolution capabilities) is not set to operate on Sundays (Sundays being usually dedicated to maintenance of the MIS infrastructure). Unless the institution adapts and/or prepares the MIS sufficiently in advance, a request to produce the MBDT which would reach the bank on a Sunday (T) would anyhow be based on Friday COB data (T-2), and could only be processed on a Monday (T+1), with the MBDT being delivered at best on the Monday evening. Such a scenario would require the bank's activities/operations to be completely suspended on the Monday, so as not to render the MBDT data obsolete.</p> <p>Although not limited to the provision of data during calendar days (weekends) or business days, the reporting of certain categories of liabilities outside a closing period (e.g. non-financial liabilities) and/or within short deadlines (e.g. retail/SMEs deposits or derivatives which not only require a massive amount of granular data to be collected but then run complex aggregation or netting engines and perform mandatory control steps) would be highly challenging in a 24h timeframe.</p> <p>Lastly, one respondent replied that the high volume of data involved in processing deposits could prove to be particularly problematic. Also, in the case of collateralised liabilities, additional systems need to be connected to provide market values of collateral.</p>	<p>The SRB notes that is the responsibility of the institutions to produce proxies/estimates using comprehensible, appropriate and prudent methodologies. Additionally, institutions must ensure that these methodologies have been thoroughly documented to the IRTs in the resolution planning phase.</p> <p>The aim of this approach is to maintain consistency and reliability in the reporting process, while allowing institutions the flexibility to tailor their methods to their specific contexts and operational frameworks.</p> <p>On the comment related to the challenges in reporting deposit data, please refer to the SRB's reply to Q19-Q20.</p>
Q34	<p>What are the major challenges that the industry would face in case the SRB were to require the delivery, in a short timeframe, of FINREP tab F01.03 and COREP tab C01.00? Please note that the two tabs would be requested on an ad-hoc basis, as simple excel files, and no formal submission of FINREP/COREP templates would be expected. As a "short timeframe", please consider a situation in which the delivery of the data is expected at time T, with a reference date T-1, where T and T-1 are calendar days (and not</p>	<p>Respondents indicated that there are major challenges in delivering FINREP tab F01.03 and COREP tab C01.00 at short notice, highlighting the difficulties in standardising such a process.</p> <p>Respondents stressed that any change impacting operating processes, the organisational structure and IT infrastructure leads to higher costs and more resources. The major challenges indicated for C01.00 refer to the prudential adjustments that can be deducted or added. Moreover, FINREP and COREP are quarter-end templates, which are not produced ad-hoc. The respondents indicated that it would be virtually impossible to produce such tabs on a daily basis.</p>	<p>The SRB acknowledges the challenges indicated by the respondents regarding the delivery, in a short timeframe, of data from FINREP F01.03 and COREP C01.00.</p> <p>To accommodate these concerns, the SRB will not require the production process to be automated for these tables at a non-standard reference date. Additionally, the full level of granularity of FINREP F01.03 and COREP C01.00 will not be expected pre-resolution, as the objective of the request is to capture the most relevant updates that materially impact the institution's own funds and equity, from the last quarterly submission up to the crisis. Furthermore, the SRB will allow the use of proxies and</p>

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	business days) that could also fall during a weekend.	<p>In order to determine the impairment and revaluation of assets, as well as tax and legal provisions, multiple teams from the institution are usually involved; a specific process/governance should be designed to involve them in this calculation/validation in a resolution context, which would be challenging in such a short timeframe.</p> <p>In line with the above, the production of FINREP F01.03 and COREP C01.00 in a short time is not possible at a consolidated level, as in some cases it requires significant data collection from multiple entities, and the T-1 production would not be compatible with the current FINREP/COREP processes. The blocking points are, among other things, the consolidation of the group accounting and prudential retreatments in COREP (e.g. goodwill, minority interests, AVA adjustments, intangible assets).</p> <p>In addition, some respondents expressed concerns that requesting these tabs would create additional workload during an already intensive and complex MDBT process.</p>	<p>estimates calculated in a comprehensible, appropriate and prudent manner to produce the information.</p> <p>The SRB will evaluate the possibility of including the request in the context of the testing guidelines for bail-in purposes.</p>
Q35 - Q36	<p>For the provision of some specific accounting/prudential data, institutions might consider the use of proxies to calculate the value of such items from the last available update up to the non-standard (resolution) reference date. Would you consider that the use of proxies would ease the reporting of the entire dataset, to comply with the 24-hours requirement? If the option "Yes" was selected above, could you describe for which items would you consider it appropriate to use proxies, and why?</p>	<p>The majority of the respondents welcome the proposal and confirmed that the use of proxies would ease the submission of the MDBT, in light of the 24-hour reporting requirement. However, a few respondents stressed that this would imply manual processes that cannot be fully automated.</p> <p>Several respondents stressed that providing information on regulatory own funds at the non-standard reference date is possible only by the use of proxies. In addition, some respondents provided a more detailed list, which included:</p> <ul style="list-style-type: none"> - reserves; - provisions; - DVA/CVA and other revaluation items; - national GAAP items. 	<p>The SRB takes note of the replies and has specifically reflected in the MDBT guidance document the possibility of relying on proxies and estimates for prudential and accounting data, under the condition that the estimates are determined in a comprehensible, appropriate and prudent manner and are properly documented to the IRTs in the resolution planning phase.</p>
Q37 - Q38	<p>The SRB plans to grant a period of up to 12 months for banks to adapt the MIS to the requirements outlined in the MDBT guidance documents, starting from the date of the final publication following the public consultation (e.g. assuming the MDBT is published in Q3-Q4 2024). Would you consider an earlier implementation as feasible?</p> <p>If an earlier implementation is considered feasible, how much time would you envisage for implementing the MDBT? Please indicate a best estimate</p>	<p>None of the respondents considered an earlier implementation to be feasible. Respondents therefore provided comments on how much time would be needed for an earlier implementation.</p>	<p>The SRB takes note.</p>
Q39	<p>Do you have any comments on the approach outlined in question Q37?</p>	<p>Some respondents asked for it to be taken into account that the publication of the new minimum bail-in data template will imply a change of direction in some cases, and credit institutions will need to adapt their information systems to the new instructions, which are much more concrete and</p>	<p>Regarding the request to take into account the need to adapt the institutions' information systems to the new instructions, the SRB notes that a specific question was asked in the consultation survey precisely to gather information on the implementation time envisaged by the industry,</p>

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		<p>specific than those previously published. In some cases, a period of between 18-24 months is considered adequate for a robust implementation in the banks' systems and processes, also considering that the required changes have not been budgeted in the 2023 or 2024 work programmes. Although respondents understand that further insights may result in changes to the bail-in data requirements, they consider it desirable to minimise future changes, as this creates inefficiencies, additional work and increases costs.</p> <p>Some respondents suggested that testing exercises could be run while the development of the new formats progresses; these could be very positive for the institutions and the authority to analyse the progress made and potentially solve any issues and make improvements in terms of procedure and results. The respondents remarked that a period of 12 months between the final publication and implementation is generally tight, especially with the addition of the new tab B01.00, as the provision process may have to be significantly adapted. Lastly, respondents noted that a sufficient lead time must be allowed for commissioning the relevant service providers, as well as for implementation and testing by the institutions concerned.</p> <p>One respondent asked whether there will be a 'transitional' period or a gradual implementation for certain tabs or data fields.</p>	<p>with a view to providing appropriate transitional arrangements to adapt to the MBDT.</p> <p>After a thorough evaluation of the feedback received during the consultation, the SRB has decided to grant a 12-month period from the date of this publication for banks to adapt to the MBDT requirements, with an additional 6 months (total 18 months) provided for the following specific tables:</p> <ul style="list-style-type: none"> - B01.00, aggregate view; - B02.00, submission B only (please refer to the MBDT guidance, section 1.1, paragraph 16); - B03.00, derivatives; - B04.00, SFTs. <p>Finally, as indicated in the consultation survey, the SRB notes that in the future, when required, there may be further refinements to the MBDT – accompanied by the appropriate implementation timelines – as a result of changes in EU legislation, industry feedback and lessons learnt in the context of the SRB's regular review process.</p>
1. GENERAL	Testing in 2024	Some respondents questioned the rationale behind conducting extensive testing on the current SRB Bail-in Data Set in 2024, considering the future introduction of the MBDT and the resources needed to conduct testing exercises.	<p>The MBDT technically implements the SRB Bail-in data requirements published in 2020 and updated in June 2022. This data list provided the decisive basis for implementing the respective Efb principles, including MIS readiness to provide bail-in data by YE 2022 (Efb interim deadline).</p> <p>All previous bank testing exercises on bail-in data have targeted the capability of banks' MIS to identify this information. The 2022-2024 bank testing exercises required banks to show that they were able to identify this information in the dry-run. However, the data delivery to the SRB was subject to the discretion of the IRTs.</p> <p>Against this background, the SRB confirms the scheduled testing exercises.</p>
2. GENERAL	Interplay with bail-in playbooks	One respondent stated that there is no reference to how the bail-in data is connected to the data used for developing the bail-in playbooks.	<p>As specified in the SRB Operational Guidance on Bail-in Playbooks, the latter are operational documents owned by the banks, expected to address all internal and external actions that must be undertaken by or on behalf of banks to effectively apply the bail-in tool.</p> <p>As such, Bail-in Playbooks are expected to reflect the governance and operational steps required to provide the data points for the operationalisation of the bail-in tool (the SRB Bail-in Data Set documentation), which is envisaged to be replaced by the MBDT once published. However, the data provided in the bail-in playbooks themselves is not expected to be taken as a reference in resolution for the purposes of determining the relevant write-down or conversion amounts or for bail-in execution purposes.</p>

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3. GENERAL	Stability of the requirements	<p>One respondent highlighted that this type of development and publication should have been carried out earlier. In particular, the respondent stated that it would have been highly appreciated if this initiative – which includes a standard data point model for all SRB banks and provides instructions for completing each of the fields to be reported in the template, including instructions for delivering the data, mapping between the MBDT data points and other SRB collections, and reporting examples and a first set of validation rules – had taken place when the Bail-in Data Set was first published.</p> <p>Some respondents encouraged the SRB not to make any significant changes to the structure of the template in the future.</p> <p>One respondent mentioned that if the authority foresees any significant changes to the MBDT in the future, the MIS should not be required to be automated, as adapting banks' IT systems is expensive.</p>	<p>The SRB notes the majority of the respondents' appreciation for the MBDT's introduction of a specific template to report the data, together with additional supporting documents (e.g. mapping with other SRB collections, reporting examples).</p> <p>Regarding the concerns expressed on possible structural changes to the MBDT in the future, the SRB expects that the requirements will remain stable (particularly in terms of taxonomy and data model). However, further refinements – accompanied by the appropriate implementation timelines – cannot be excluded due to changes in EU legislation, industry feedback and lessons learnt in the context of the SRB's regular review process.</p> <p>In addition, the SRB notes that potential refinements of specific data fields should not prevent institutions from setting up sound internal processes, including automation processes, that are necessary to meet the relevant requirements.</p>
4. GENERAL	Scope of liabilities in the template	<p>Some respondents highlighted that the MBDT is very ambitious both in terms of the number of data points and the scope of liabilities to be covered, and that some institutions have limited themselves to providing data based on what was operationalised. For this reason, they suggest that the SRB adopts a somewhat pragmatic approach, especially with regard to information related to derivatives, SFTs and deposits.</p>	<p>The SRB deems that any potential bail-inable liability should remain in the MBDT scope. However, as already mentioned in the consultation paper, for testing activities related to bail-in operationalisation, the SRB will evaluate a proportionate approach. This might include, inter alia, prioritising the provision of data relating to certain categories of instruments and liabilities, subject to the bank-specific funding structure and without hampering the bank's resolvability. This topic will be further assessed during the planned public consultations on resolvability assessment policy and bank resolvability testing.</p> <p>For additional details on SFTs, please refer to the reply to Q17-Q18.</p>