ESA’s Joint Board of Appeal publishes its decision in the appeal by the credit rating agency Creditreform AG against the European Banking Authority

NEWS

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Today the ESA's Joint Board of Appeal publishes its decision in the appeal by the credit rating agency Creditreform AG against the European Banking Authority.

The German credit rating agency Creditreform AG appealed on 16 July 2019 challenging the adoption by the Joint Committee of the European Supervisory Authorities (“ESAs") of certain draft implementing technical standards proposed for endorsement by the European Commission.  It also made an application for suspension. The draft implementing technical standards propose to amend the correspondence (“mapping" in the CRR nomenclature) between certain of Creditreform's long-term corporate credit assessments and certain credit quality steps (“CQS") as set out in the Capital Requirements Regulation No. 575/2013. The appellant challenges the legality of this downgrade. The Board of Appeal dismissed the appeal as inadmissible, in accordance with settled case law of the CJEU finding that acts having a preparatory nature, like the draft implementing technical standards, are not subject to an autonomous judicial or quasi-judicial review but are subject to review through a check of the legitimacy of the final act adopted by the European Commission.