SRB Publishes Second Part of 2018 MREL Policy

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**The Single Resolution Board (SRB) has today published the second part of its 2018 policy on the minimum requirement for own funds and eligible liabilities (MREL) pertaining to the second wave of resolution plans; i.e. the plans for the most complex banking groups.**

MREL represents one of the key tools in enhancing banks’ resolvability. The SRB continues to develop its MREL policy, step-by-step. This gives banks the clarity needed on the SRB’s requirements for them to build up MREL.

Concretely, in order to increase the quantity and quality of MREL, this second part of the 2018 MREL policy introduces a series of new features to strengthen banks’ resolvability within the Banking Union. Among them, the main new ones are: a refined approach for eligible instruments for consolidated MREL-targets, increased binding subordination requirements and, last but not least, the introduction of binding MREL targets at individual level.

The SRB will continue to develop its MREL policy going forward. After the adoption of the Banking Package, the SRB policy will need to be adapted to address in particular the TLAC implementation and the new internal MREL requirements.