Single Resolution Board expectations to ensure resolvability of banks in the context of Brexit

The SRB has the mandate to ensure resolvability of all the banks under its remit. The SRB expects all banks active in the Banking Union to meet a specific set of resolvability conditions. This paper focuses on six main areas: MREL eligibility, internal loss absorbency, operational continuity, access to FMIs, governance and management information systems. The requirements apply to Banking Union banks, be it either banks with significant activities in third countries or Banking Union subsidiaries of third country banking groups.

As a result of the UK leaving the EU, some UK or third country banking groups have decided to relocate activities currently UK-based to the EU27 or to increase the extent or scope of existing activities therein. Also, some banks under the SRB’s remit may have significantly increased business or operational activities in third countries.