



**EUROPEAN BANKING AUTHORITY
SINGLE PROGRAMMING DOCUMENT
YEARS 2024-2026**

EBA/Rep/2023/06

EBA

EUROPEAN
BANKING
AUTHORITY

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FOREWORD

While EBA's programming for the years 2024-2026 largely remains in the continuation of the previous cycle as far as traditional areas of prudential regulation development and risk analysis areas are concerned, the period will also mark important changes for the authority, with the handover to AMLA of the AML-CFT responsibilities it had received in 2020, and the start of new ones in the relation to the oversight of ICT-third-party service providers and the supervision of crypto asset issuers.

The EBA will continue to strive and deliver on the many mandates received from the EU legislators. Work has been prioritised and scheduled so as to best address the tasks stemming from its founding regulation and those reflecting ongoing and foreseen legislative and regulatory developments.

EBA's activities in the coming years are also likely to be affected by new challenges arising for the financial sector from a currently deteriorating outlook. The EBA will stand ready to best support its stakeholders in addressing those, adjusting to evolving needs and providing adequate responses.

The EBA will continue to intensify its cooperation with competent authorities and other European bodies, including in new areas like digital finance and climate.

The EBA should benefit from the new organisation introduced in 2021 to best deliver on its many responsibilities. It will keep enriching its HR strategy, to maintain staff motivation at a high level and offer attractive career development opportunities. It will continue to modernise its organisation, to reap all possible benefits from internal synergies and modern working tools.

François-Louis Michaud
EBA Executive Director

LIST OF ABBREVIATIONS

ACP	EBA Advisory Committee on Proportionality	IFD/R	Investment Firm Directive/Regulation
AML/CFT	Anti-money laundering/countering the financing of terrorism	IFRS	International Financial Reporting Standard
AMLA	Anti-money laundering authority	IMF	International Monetary Fund
AI	Artificial intelligence	IRB	Internal ratings-based
ART	Asset-referenced token	IRRBB	Interest rate risk in the banking book
AST	Assistant	IT	Information technology
BCBS	Basel Committee on Banking Supervision	ITS	Implementing technical standards
BoS	Board of Supervisors	JC	Joint Committee
BRRD	Banking Recovery and Resolution Directive	KPI	Key performance indicator
CA	Competent authority	LCR	Liquidity coverage ratio
CRD	Capital Requirements Directive	LFS	Legislative financial statement
CRR	Capital Requirements Regulation	MFF	Multi-annual financial framework
CSD	Credit Servicers and Credit Purchasers Directive	MiCA	Markets in Crypto-assets
DGSD	Deposit Guarantee Scheme Directive	MREL	Minimum requirement for own funds and eligible liabilities
DORA	Digital Operational Resilience Act	NCA	National competent authority
EBA	European Banking Authority	NPL	Non-performing loan
EC	European Commission	PSD2	Revised Payment Services Directive
ECA	European Court of Auditors	Q&A	Questions and answers
ECB	European Central Bank	RTS	Regulatory technical standards
EFIF	European Forum of Innovation Facilitators	SA	Standardised approach
EFTA	European Free Trade Association	SDFA	Supervisory Digital Finance Academy
EMAS	Eco-Management and Audit Scheme	SNE	Seconded national expert
EIOPA	European Insurance and Occupational Pensions Authority	SREP	Supervisory review and evaluation process
EP	European Parliament	STS	Simple, transparent, and standardised
ESA	European supervisory authority	SPD	Single Programming Document
ESMA	European Securities and Markets Authority	TA	Temporary agent
ESG	Environmental, social and governance	TBC	To be confirmed
ESRB	European Systemic Risk Board	TLAC	Total loss-absorbing capacity
EU	European Union	VAT	Value-added tax
EUCLID	European centralised infrastructure for supervisory data		
FinTech	Financial technology		
GL	Guidelines		
HR	Human resources		
ICT	Information and communication technology		

MISSION STATEMENT

1. The European Banking Authority (EBA) is an independent EU Authority accountable to the European Parliament (EP), the European Council of the EU and the EC. The role of the EBA is to improve the functioning of the internal market by ensuring appropriate, efficient, and harmonised supervision and regulation in the EU, and by contributing to an efficient functioning of the latter banking and financial system.
2. The EBA is part of the European System of Financial Supervision, together with two other supervisory authorities - ESMA and EIOPA – the ESRB, the JC of the ESAs, and the competent supervisory authorities.
3. Whilst supervisory authorities remain in charge of supervising individual financial institutions, the EBA develops technical standards and guidelines for banking and financial institutions and their supervisors throughout the EU. This single set of harmonised prudential rules – or European Single Rulebook – contributes to ensuring a level playing field and provides high protection to depositors, investors, and consumers.
4. Moreover, the EBA promotes convergence in supervisory practices to ensure a harmonised application of prudential rules. It investigates possible insufficient application of EU law by national authorities, take decisions in emergency situations, mediate disagreements between competent authorities.
5. It assesses risk and vulnerabilities in the EU banking sector through regular risk assessment reports and EU-wide stress tests.
6. Until AMLA is operational, the EBA will continue to contribute to the fight against financial crime in the EU's financial sector.
7. With the current finalisation of the DORA and MiCA legislations, it is expected to start exerting new policy and oversight responsibilities in the areas of ICT-third party service provision and crypto-asset issuance.

SECTION I – GENERAL CONTEXT

8. The EBA’s multi-annual work programme is prepared taking into account the agency’s missions stemming from its founding regulation, as well as the evolving tasks assigned to it by the co-legislators. It is presented following a standard template for EU decentralised agencies (Single Programming Document). It is endorsed first by the EBA’s Management Board and subsequently by the Board of Supervisors, and updated annually, with adjustments as necessary.
9. While a large part of the EBA’s mandates have a strict deadline, the agency’s organisation retains sufficient flexibility to adjust its work programme to unforeseen developments with its stakeholders. This can be done both as part of the annual workplan and multi-annual revisions and at any point in time if circumstances warrant it (as was done in recent years, especially when the global pandemic broke out in 2020).
10. The table below lists key developments at the time of planning, and describes how they are expected to affect EBA’s work.

KEY DEVELOPMENTS	DESCRIPTION / IMPACT
<p>EC 2019-2024 priorities (link)</p>	<p>The EBA priorities and related activities will contribute directly to two out of the six priorities set by the EC for 2019-2024:</p> <p>The European Green Deal; for Europe to become a modern, resource-efficient economy, and the first climate-neutral continent. This led the EBA to devise new disclosure. It will work on anchoring ESG risks into regulation, supervisory and risk management practices. This will include addressing climate change risks through EU-wide stress test initiatives, in close cooperation with all relevant stakeholders. As an organisation, the EBA will maintain its efforts which allowed it to be registered with the Eco-Management and Audit Scheme (EMAS) in 2022.</p> <p>A Europe fit for the digital age, to empower people with a new generation of technologies and the potential opportunities and transformative potential they offer for both EU customers and financial institutions. To overcome accompanying challenges for CAs in monitoring market developments and practices, and risks arising from interdependencies, the EBA will continue to encourage the sharing of supervisory knowledge and experience on a sectoral and multi-disciplinary basis to foster effective dialogue between all relevant and competent authorities.</p>
<p>DORA and MICA</p>	<p>The Digital Finance Package aims to increase the EU financial sectors’ operational resilience.</p> <p>DORA enters into force in January 2023 with two years for implementation and will strengthen the digital operational resilience of the EU financial sector by streamlining and upgrading</p>

existing rules and bringing in new requirements where gaps were identified. DORA also introduces an oversight framework for the critical ICT Third-Party providers (CTPPs) of the EU financial sector, a role assigned to ESAs. DORA requires the ESAs to deliver 13 legal mandates and to perform new tasks. For the development of the policy mandates, the ESAs will benefit from the input of the newly established Joint Committee's sub-committee on Digital Operational Resilience (JC SC DOR).

For MiCA, the EBA's policy mandates are required by end-Q2 2024 (expected), and from end-Q3 2024 (expected) the EBA will need to be ready to perform supervision tasks in relation to issuers of asset-referenced tokens and e-money tokens that are determined to be 'significant' in accordance with the criteria set out in MiCA. The EBA will also need to be ready to issue Opinions, at the request of national competent authorities, on the regulatory classification of crypto-assets, and to exercise product intervention powers.

EU's new Anti-Money Laundering Authority (AMLA)

In July 2021, the EC published legislative proposals to reform the EU's legal and institutional AML/CFT framework. A new EU-level AML Authority (AMLA) will be set up (expected in 2024) with responsibility for all obliged entities within the scope of the EU's AML/CFT regime and coordination powers in relation to Financial Intelligence Units. The EBA's AML/CFT mandate and powers and eight of its posts will be transferred to the AMLA by end-2024.

The EBA will continue to lead, coordinate and monitor the EU financial sector's fight against ML/TF until the transfer of mandates and powers takes place. Going forward, it will continue to ensure that ML/TF risks are adequately taken into account through prudential supervision and across all other areas of its competence. It will work closely with AMLA to safeguard the holistic approach to tackling ML/TF risks across all areas of supervision, and all stages of an institution's life cycle. .

Continued legislative files:

- **CRR3/CRD6**
- **CMU;**
- **Mortgage and consumer credit directives**

Basel implementation in the EU. Negotiations of the sixth Capital Requirements Directive and the third Capital Requirements Regulation are reaching final stages. The package intends to strengthen banks' resilience to shocks (implementing the final elements of the Basel III accord of December 2017, to contribute to the green transition and to provide stronger enforcement tools to supervisors. The EBA will be asked to deliver ca 100 new mandates for technical standards and GL within 12 to 18 months from adoption.

Capital Markets Union. The EC published its new action plan on the CMU in September 2020, announcing priorities for the next phase of the CMU. The EC is committed to 16 actions to achieve three key objectives: (1) to support a green, digital, inclusive and resilient economic recovery by making financing more accessible to European companies; (2) to make the EU an even safer place for

individuals to save and invest long term; and (3) to integrate national capital markets into a genuine single market.

The EBA will assist in delivering the Renewed Sustainable Finance Strategy and new EU regime for green bonds. Moreover, the review of securitisation regulation will aim to further strengthen the securitisation market and will build on the previous work of EBA in this area. Of particular importance will be the focus on ensuring that the green transition will also be supported through securitisation and on developing an integrated European framework for covered bonds, based on high-quality standards and best market practices. Work on the mandates has commenced at the end of 2022 with finalisation foreseen in 2024-2025, after necessary analysis of the current market operation.

Mortgage Credit Directive's review. The EU market for mortgage credit is fragmented, with obstacles to the cross-border provision of services. The financial crisis has also had a strong impact on EU citizens, affecting their confidence in the financial sector. These issues require action at European level. The EC is working to integrate the market for mortgage credit, promote common standards and protect consumers across the EU. The EBA will stand ready to respond to any potential requests for technical advice as a result of the EC's evaluation and review of the Mortgage Credit Directive.

The Consumer Credit Directive (CCD) was added to the EBA's scope of action in 2020. The EBA has already used this expanded mandate to link the work on harmonising approaches to a borrower creditworthiness assessment in the EBA GL on loan origination and monitoring (EBA/GL/2020/06), which also included requirements for the creditworthiness assessment of borrowers taking consumer loans under the CCD. The EBA monitors the progress of the Directive through the legislative process, provides advice to the EU Commission, Parliament and Council where requested and stands ready to deliver the mandates estimated to be conferred on the EBA.

Other EC strategies and proposals:

- **Retail and Payments**
- **Data**
- **Artificial intelligence**
- **Sustainable Finance**

The EC's **retail payments strategy**¹ which further develops the European payments market so Europe can benefit fully from innovation and the opportunities that come with digitalisation. In this context, the EC launched a review of the Payment Services Directive 2 (PSD2) in 2021 and which continued throughout 2022, to assess whether the legislation remains fit for purpose. The EBA responded in June 2022 to a [Call for advice](#) received from the EC, made more than 200 recommendations on how PSD2 could be improved. To that end, the EBA also monitors incoming data on retail payment fraud and on operational and security incidents to assess the extent to which the objectives under PSD2 have been met and whether additional recommendations should be articulated to the EU Commission, Council and Parliament. The EBA

¹ [EUR-Lex - 52020DC0592 - EN - EUR-Lex \(europa.eu\)](#)

will stand ready to deliver any mandates estimated to be conferred on the EBA under PSD3 and also to support the implementation of other new policies that may be introduced as a result of the Retail Payments Strategy, including a potential regulatory framework on Open Finance.

One of the EC priorities also resides in an **EU data strategy**, the main objectives of which are the governance of data and the creation of a single market for data. It aims to achieve a European financial data space to promote data-driven innovation. The EC builds on the supervisory data strategy², to improve supervisory data collection and make it fit for the future, and the European Single Access Point (ESAP) initiative which aims to create an EU-wide platform to facilitate investors' access to company data, including that of SMEs. The EBA continues to cooperate closely with the EC on both initiatives, with its EUCLID platform providing a key building block, which is complemented by ongoing work on a Pillar 3 data hub and by the implementation of the recommendations of the feasibility study on integrated reporting.

Artificial intelligence (AI): the EC wants to achieve a European approach underpinning a resilient Europe for the digital decade where people and businesses can enjoy the benefits of AI. It focuses on two areas: excellence in AI and trustworthy AI. The European approach to AI will ensure that any AI improvements are based on rules that safeguard the functioning of markets and the public sector, and people's safety and fundamental rights. The EC AI strategy proposed measures to streamline research, policy options for AI regulation. The EBA will need to take into account how AI impacts bank business and risk management approaches, financial stability, and consumer protection.

The renewed **Sustainable Finance Strategy** announced by the EC in July 2021 lays out the major policy orientations needed for Europe to achieve the ambitions of the Green Deal, the EU Climate Law and to ensure a sustainable social recovery from the pandemic. The Authority is actively contributing to this strategy by fulfilling mandates in the areas of inter alia disclosure, supervision and risk management, prudential treatment of exposures, standards and labels, stress testing, ESG risk monitoring and identification, and greenwashing.

Geopolitical and economic environment:

Still reeling from a global pandemic, the economic situation has taken a turn for the worse in the light of the deterioration of the geopolitical situation in early 2022 and the beginning of the war in Ukraine. The economic repercussions are beginning to be felt everywhere: the pick-up of inflation and high energy prices impact citizens in Europa and around the world and lead to lower, even negative, economic growth. At the same time, Europe has seen one of the hottest summer on record, which served as a strong

² [Strategy on supervisory data in EU financial services | European Commission \(europa.eu\)](#)

reminder that fast actions are required to transition towards net zero targets and a more sustainable economy.

Past regulatory and supervisory efforts have contributed to the resilience that the financial sectors and its actors have displayed throughout the pandemic and the war in Ukraine, with robust capital and long term funding ratios and ample liquidity buffers.

Yet, the increasingly negative macroeconomic outlook, with higher and more persistent inflation, as well as rising interest rates, will impact the sector, with early signs already visible in the form of weakening asset quality, worsening funding conditions, and continuing financial volatility, putting strain on citizens and the economy at large, and on banks and other financial actors as well.

The EBA will closely monitor these developments with a view to facilitate risk identification for its stakeholders, and propose relevant responses if warranted.

EU institutional calendar

EU Parliament elections will take place in 2024. This will naturally affect the timing of adoption of level 2 legislation. The EBA will work with Commission to see how work can be prioritised in order to minimise the risk that key policy developments be delayed (e.g. in the areas of DORA and MiCA).

Regulatory coordination

The EBA will continue to deepen its links and coordination with other European and institutional regulatory bodies to address common, cross-cutting challenges. Further coordination with other financial authorities, national competent authorities, and non-financial regulators will be needed in the areas of cyber risk, crime prevention, data protection, AML/CFT and competition.

It will continue and intensify its cooperation with the two other ESAs and the ESRB through their Joint Committee. It will also continue to actively contribute to the Basel Committee work, especially on emerging topics related to innovation and ESG. It will also further develop its links with other EU agencies, in particular with ENISA in the context of cyber risk.

Resource constraints / reprioritisation

Resource constraints are expected to become more acute with the MiCA and DORA mandates which only foresees (fee) funding for the oversight and supervisory related activities from 2025 onwards, but no funding for the heavy organisational preparations and for the development of a very large number of regulatory mandates in the years 2023 and 2024. Even for the funding envisaged there are uncertainties around the number of entities which can ultimately be charged fees and a risk that not all of the cost of staff working on MiCA and DORA can be charged to supervised entities. meaning that they would have to be covered out of the existing budget, at the expense of current -and expanding - activities.

In addition, the staffing of EBA's in certain critical policy or support areas (e.g. IT) as of the current establishment plans

appears to be stretched despite the constant efforts of the authority to increase efficiency and redeploy resources.

The redeployment and reprioritisation means of course that work in other areas had to be deprioritised, postponed or cancelled. An indication of areas that are likely to be affected has already been given in the Work programme for 2023, and was repeated for the draft 2024 work programme.

SECTION II - MULTI-ANNUAL PROGRAMMING (2024-2026)

1. MULTI-ANNUAL WORK PROGRAMME

11. In line with its founding regulation, the EBA defines its triennial work programme on the basis of its existing and foreseeable mandates, as well as the outlook for the financial services sector. This section describes medium term, strategic objectives and areas of work for the authority, the actions envisaged to achieve the objectives, and how the progress in the achievement of the objectives will be monitored.
12. Against that background, the EBA has identified five medium-term strategic objectives for the years 2024-2026:

The EBA's 2024-2026 priorities



13. These medium-term objectives will help structure the authority's work and keep sufficient focus internally over time. They will support its internal allocation of resources and sequencing of the work. While the EBA is committed to delivering in all its mandates, careful differentiation in how this will be done is also necessary. The fact that one mission does not specifically appear in one of these priorities does not imply that it won't be discharged or that it is less important, but simply that the need to specifically focus on it is or has become lesser. In particular, the authority does not mention convergence work or advice to Commission as those two roles are considered as sufficiently well established.
14. These objectives should also facilitate communication with external stakeholders, and engagement with them in delivering on the activities involved.

1.1. Five priorities for 2024-2026

P1 – Promote and implement an effective and proportionate Single Rulebook

15. The Single Rulebook and its effective and consistent application will remain at the heart of the EBA's activities. The EBA will contribute to the smooth implementation of the Basel III framework and of the planned additional review of the BRRD framework. The EU's draft amendments to the CRR /CRD legislative framework set out c. 100 new mandates for the EBA. This will allow to further complete the single rulebook, providing new opportunities to factor in proportionality considerations.
16. The implementation and reviews of prudential and other regulations will benefit from lessons learnt from the pandemic, and more recently from deteriorating economic conditions in the wake of the war in Ukraine, and related challenges faced by the financial sector.
17. Additional attention will be paid to possible ways to maintain and update the different parts of the rulebook. This will include considerations on how to rationalise, including ways to improve its accessibility and user-friendliness.
18. In 2024-2026 the EBA will continue incorporating ESG risks in the framework for the EU banking sector, by delivering on mandates included in a number of EU regulations and directives, and those stemming from the European Commission's renewed Sustainable Finance Strategy, announced in July 2021. The EBA will continue contributing to the European and international work on sustainable finance.
19. In the light of the renewed Sustainable Finance Strategy, and the ongoing legislative initiatives, in particular the review of the Banking Package, the EBA is expected to receive a number of regulatory ESG-related mandates on: ESG risks management and supervision, prudential treatment of exposures, disclosures, supervisory reporting, stress testing, standards and labels, including sustainable bonds, loans and securitisations, as well as development of a framework for systemic monitoring of ESG risks.
20. In accordance with the mandates, the EBA will enhance the Single Rulebook by developing standards and guidelines for institutions and competent authorities, as well as advising the Commission on specific aspects related to sustainable finance and the prudential treatment of exposures. The EBA will also contribute to fostering supervisory convergence dealing with ESG considerations.

KPIs

	Indicator (and type)	Weight	Short description
A	Number of technical standards, GL, reports delivered (Output ³)	80%	Number of technical standards, GL and reports delivered on time stemming from the implementation of the risk reduction package and the implementation of the CRD6 / CRR3 / BRRD3.
B	Number of technical standards, GL, reports delivered – ESG (Output)	20%	Number of ESG related technical standards, GL, reports and responses to CfA stemming from the mandates in the EU regulations and directives and from the renewed Sustainable Finance Strategy of the EC delivered on time. Source: Annual activity report?

	Target 2024 ⁴	Target 2025	Target 2026
A	80%	85%	90%
B	80%	85%	90%

P2 – Foster financial stability in a sustainable economy

21. For 2024-2026, the EBA will continue enhancing its framework for assessing financial risks in general, in order to be well equipped to identify and respond to evolving risks (especially if the outlook continues to deteriorate), and expand the scope to cover ESG risks in particular. This will also be reflected in the stress test framework with greater consideration given to tackling climate-change related risks through adequate methodologies, data and scenarios. Discussions will assess how to deal with the stress test results in both the supervisory process (in line with the mandate of Article 98 of the CRD), and in the priorities for supervisory convergence. The availability of (currently limited) resources will be key to ensure progress in this area.
22. The lessons learnt from the 2023 EU-wide stress test will help to shape the framework and methodology for the 2025 exercise. Together with stress test quality assurance by the EBA, in line with recommendations by the ECA, this will enhance the annual risk assessment report and regular risk assessment work. Different sequences are currently being envisaged and will be further discussed to best take into account available expertise and resources over the period 2024-2026.
23. Furthermore, the EBA will continue incorporating ESG risks into its risk analysis and stress testing frameworks. Together with the other ESAs, the ECB and the ESRB, it will be involved in a one-off joint climate stress test across the EU financial sector, focused on the preparedness of the

³ According to the Annex to the Communication from the Commission on the strengthening of the governance of Union Bodies under Article 70 of the Financial Regulation 2018/1046 and on the guidelines for the Single Programming Document and the Consolidated Annual Activity Report, KPIs can focus on:

- Inputs – are the human and financial resources used and the time required to produce outputs
- Actions – are the work carried out over a certain period of time, consuming resources and producing outputs in accordance with the objectives set,
- Outputs – are what is directly produced or supplied through the agency intervention and are identified based on its operational objectives.
- Results are the direct effects of interventions on the target groups
- Impacts are the indirect or long-term effects of an intervention on the EU or global society that are, at least partly, expected to be influenced by agency intervention.

⁴ Baseline to be determined upon conclusion of the legislative proposal.

financial system to the transition to the 2030 goals. Going forward, the EBA will develop with competent authorities an approach for regular EU-wide climate stress testing.

KPIs

	Indicators (and type)	Weight	Short description
A	A: Achievement of milestones ahead of the upgrade of ST methodology and development of a hybrid model (Output)	40%	1. Approval of the revised EU-wide stress test framework by Q1 2024 2. Design of the new ST methodology by end-2024 3. Implementation of the revised EU-wide stress test framework for the 2025 exercise. Source of data to monitor achievement?
B	Development and execution of one-off and regular climate stress test (Output)	40%	1. Development of one-off climate stress test and regular climate stress test 2. Implementation of one-off climate stress test 3. Implementation of regular climate stress test
C	Topical notes in the area of financial stability or ESG risks (Output / Results)	20%	Development of one topical note or deliverable per year on subjects of relevance in the area of financial stability or ESG risks (e.g. research piece, sensitivity analysis, ...)

	Target 2024	Target 2025	Target 2026
A	70%	100%	70% (preparation for 2027 exercise)
B:	70%	100% (of one-off climate stress test)	80% (of regular climate stress test)
C:	Topical note or deliverable	Topical note or deliverable	Topical note or deliverable

P3 – Enable an integrated regulatory reporting system for authorities and market discipline

24. The EBA’s data strategy aims to improve how regulatory data is compiled, to extend the range of data collected in areas requested by the legislators, to enhance the usability of its underlying systems, and to strengthen its analytical capabilities. Building on its data infrastructure (EUCLID), the EBA will continue developing data services and sharing data and insights with internal and external stakeholders. The EBA sets standards for timeliness and quality of data and aims to provide key information to all stakeholders without delays. This will further improve risk analysis and facilitate a greater dissemination and disclosure of bank data, including those covered by Pillar 3. The strategy enhances the EBA’s assessment of the impact of regulatory reforms, with a special focus on proportionality and the possibility of analysing the effects on specific business models while reducing significantly the need for ad hoc data collections. It will also facilitate evidence-based policy analysis in the context of EU-wide debates on regulatory and supervisory matters.

25. The EBA reporting framework integrates prudential, resolution, payments and AML/CFT reporting. Pillar 3 disclosure will also be integrated, in consistency with supervisory reporting data, to further increase efficiency for reporting firms. The EBA Pillar 3 data hub will be connected to the European Single Access Point (ESAP) of all company disclosures. The EBA continues to contribute to the EU Supervisory Data Strategy to modernise supervisory reporting by working on increasing efficiency of reporting processes and by maintaining the EBA data

dictionary (DataPointModel ReFit) jointly developed with EIOPA. The EBA will continue to work on integration of prudential, resolution and statistical reporting to further increase standardisation, ensuring common definitions and no redundancies, increasing data sharing all with the aim to increase efficiencies for public authorities and reporting institutions. The implementation and monitoring of the recommendations and measures that the EBA set out in the 2021 cost-of-compliance report for adoption over a five-year horizon will further promote efficient and proportionate reporting

26. The EBA will moreover continue promoting transparency and availability of ESG-related data. To that end, the EBA will continue developing the relevant metrics and disclosure standards. It is planned to collect the quantitative Pillar 3 disclosures on ESG risks from institutions subject to these requirements, before the regular supervisory reporting framework on ESG risks is developed and implemented at a later stage.
27. The enhancement of the EBA data infrastructure and the improvement of the EU-wide reporting framework will leverage on input from various stakeholders and, in particular from the competent authorities and the industry, with wide coverage in terms of size and business model. Moreover, the EBA will benefit from the latest technology innovations to support its work in those areas and to improve its regulatory landscape with a view to developing innovative RegTech solutions.

KPIs

	Indicators (and type)	Weight	Short description
A	Timeliness of reporting (ratio) (Results / Impact)	25%%	From EUCLID: Accepted modules / Expected modules, by remittance date (T)+10 wd
B	Completeness of reporting (ratio, %) (Results/ Impact)	25%	From EUCLID: Not reported / Expected templates, by remittance date (T)+10 wd
C	Accuracy of reporting (ratio, %) (Results / Impact)	25%	From EUCLID: Failed error rules / Total of error rules executed against the received file, by remittance date (T)+15 wd
C	Time to publication of Quarterly Risk Dashboard (nr days) (Results / Impact)	25%	Working days from final remittance date of supervisory data (based on EBA's DC 404) to date of publication on EBA's webpage of RDB

	Target 2024	Target 2025	Target 2026
A	> 85%	> 85 %	> 85%
B	< 1%	< 1%%	< 1%%
C	< 0.25%	< 0.25%	< 0.25%
D	< 30	< 30	< 30

P4 – Set up and start DORA oversight and MiCA supervision

28. Following the adoption of the Digital Operational Resilience Act and Markets in Crypto-assets legislative proposals, the EBA will receive new tasks and responsibilities in areas such as the oversight of critical ICT third-party providers, along with the development of the respective Level 2 mandates, but also for the supervision of issuers of significant asset-referenced and e-money tokens. These new responsibilities will require setting up supervisory/oversight functions

involving highly technical skills in the areas of innovative technologies, ICT and security risks along with closer cooperation with the other ESAs.

29. Specifically, under MiCA, the EBA will be responsible for delivering by end-Q2 2024 (expected) 20 technical standards and guidelines (two of which are joint with ESMA, and one of which is joint with ESMA and EIOPA). Additionally, the EBA will need to be ready from end-Q3 2024 (expected) to supervise issuers of asset-referenced tokens and e-money tokens that are assessed as ‘significant’ in accordance with the criteria set out in MiCA, and to carry out other non-regulatory tasks such as issuing, at the request of NCAs, Opinions on the regulatory classification of crypto-assets. This will require significant preparatory actions to ensure the EBA has in place the appropriate policies, procedures, forms, template, human resource and IT capabilities. Additionally, the EBA is required to establish a new Standing Committee on Crypto-assets to facilitate the performance by the EBA of its supervision tasks by Q2 2024.
30. DORA will establish a new oversight framework for critical ICT third-party providers where each ESA will be assigned as Lead Overseer for specific CTPPs. The ESAs role will not amount to oversight of CTPPs across their full range of activities but will be limited to the ICT risks which CTPPs may pose to financial entities. The EBA will have to establish an oversight function, in preparation for the oversight tasks, which are expected to kick in by March 2025. The preparatory activities include the setup of a cross-ESAs oversight team, the development of an oversight framework (including policies and methodologies), recruitment of ICT supervisors, building necessary technical capacity, development of relevant IT system and establishment of processes/mechanism to charge and collect oversight fees. The conduct of the oversight tasks, including charging CTPPs oversight fees, will initiate after the official designation of TPPs as critical. These activities will be conducted jointly by the three ESAs, so to define a common oversight framework. A cross-unit team has been established at the EBA to that end. It will work with oversight experts at the other ESAs for the identification and implementation of these activities, to allow the creation of an ESA common oversight framework.
31. Preparations have been initiated in 2022 and efforts will continue throughout 2023, and over the 2024-2026 time horizon of the present programming.

KPIs

	Indicator (and type)	Weight	Short description
A	Delivery of policy mandates under DORA/MICA (Output)	50%	Delivery of policy mandates and consultation papers within the legally imposed timelines Source: Annual activity report
B	Operational readiness to take up new tasks under DORA and MiCA ⁵ (Output / Results)	50%	As part of the DORA and MICA proposals, EBA should be ready to take up new tasks (supervision/oversight and others)-preparatory work for implementation of new tasks in line with the timeline and milestones of the internal project. Source of data to monitor achievement: ?
	Target 2024	Target 2025	Target 2026
A	95%	100 %	N/A [Indicate KPI to be revised?]

⁵ This is subject to agreement by co-legislators.

B	Completion of preparatory work	Completion of preparatory work for DORA, and fully operational for MICA	Fully operational
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P5 – Increase focus on innovation and consumers, and ensure a smooth handover of AML-CFT

32. The EBA will evolve its focus on the conduct of financial institutions, on financial innovation and on consumers over the period, to find an appropriate balance between allowing financial institutions to seize opportunities arising from innovations and mitigating risks arising for consumers and market confidence.
33. The EBA will work on Artificial Intelligence (AI) and Machine Learning (ML), drawing on the outcome of industry workshops on AI / ML and creditworthiness assessment to be held in 2023 and will follow the legislative process on the forthcoming AI Act, with a view to seize opportunities and mitigate risk to consumers.
34. EBA will also continue to monitor industry developments and supervisory practices in financial innovation area, and foster knowledge sharing between supervisors via EBA committees and sub-groups, European Financial Innovation Forum and Supervisory Digital Finance Academy. Areas covered will include the use of innovative technologies for regulatory and supervisory purposes (RegTech, Suptech), artificial intelligence/ machine learning, tokenisation, decentralised finance and other. Deliverables in these areas will be also aligned with additional actions following the February 2021 Call for Advice on digital finance and joint ESA response (January 2022) and EBA report on non-banking lending (May 2022).
35. In relation to payment services, the EBA is expected to receive new security and wider consumer protection mandates conferred on the EBA under the forthcoming PSD3. The fulfilment of such mandates will take account of the increased uptake by consumers of instant payments, after the revision of the separate SEPA Regulation.
36. The EBA will fulfil the mandates conferred by MiCA, and will continue to monitor consumer and conduct of business issues arising from crypto-assets. The EBA will work with NCAs to promote convergence in the transition phase to the application of MiCA. As many potential consumer protection issues are also investor protection issues, the EBA will work closely with ESMA on these tasks.
37. In the area of consumer credit, the Authority will focus on the development of mandates likely to be conferred on the EBA in the Consumer Credit Directive towards the end of 2023 and to be fulfilled in 2024., This will be followed by supervisory convergence work in 2026, with a view to contributing to consistently high consumer outcomes in this market and to identifying opportunities for the collection of market data in order to enhance the understanding of trends, distribution channels, opportunities and risks..
38. In the area of depositor protection, the EBA will fulfil the mandates conferred on the EBA under the revised Deposit Guarantee Schemes Directive. This will likely include requirements with regard to the funding of deposit guarantee schemes, and information to be provided to

consumers, to ensure that they are promptly and reliably informed and reimbursed in case their credit institution becomes insolvent.

39. The EBA will also capitalise on its prudential work, by using prudential data to better fulfill consumer protection mandates, for example by merging the EBA's new Retail Risk Indicators, with the EBA's prudential risk assessment framework, thus establishing a single comprehensive EBA annual risk assessment exercise and resultant report (RAR).
40. The EBA will also seek to enhance the cooperation between NCAs, by addressing supervisory issues arising from financial institutions being authorised in one EU member state and providing services into other EU MS, which can lead to different degrees of protection for consumers in any given host Member State depending on whether the financial institution is supervised by the authority in the home or the host Member States. The work aims at setting up practical coordination fora, possibly on a firm-by-firm basis and will build on the legal assessment of cross border supervision previously published by the Joint Committee (JC/2019/22).
41. In the area of AML-CFT, work will continue in a first phase, until end-2024 and the beginning of 2025, with two objectives: finalise some of the ongoing initiatives (e.g. implementation reviews, EuRreCa) and facilitate capacity building of and transmission of the file to AMLA. In a second phase, when AMLA will be fully operational and some of the EBA's consumer and payment resources invested into DORA and MiCA policy in 2023-2024 will also be freed up, the EBA will be able to further enhance its work on the conduct supervision of financial institutions and on the access for citizens to financial services.
42. In the AML/CFT and financial sanctions compliance areas, the EBA will continue to promote the adoption of a holistic approach to tackling financial crime risk from a prudential perspective. It will also support AMLA as necessary.

KPIs

	Indicators (and type)	Weight	Short description
A	Delivery of consumer protection mandates conferred in sectoral legislation (Output)	40%	The EBA will deliver on an estimated 20+ consumer and depositor protection mandates conferred under the Markets in Crypto-Assets (MiCA), the Credit Servicers and Credit Purchasers Directive (CSD), the revised Consumer Credit Directive (CCD2), the revised Deposit Guarantee Schemes Directive (DGSD), the revised Payment Services Directive (PSD3), and the revised Mortgage Credit Directive (MCD), and potentially the Open Finance Directive/Regulation..
B	Effective retail conduct supervision to enhance protection of consumers (Result / Impact)	20%	The EBA will (i) carry out thematic reviews, (ii) coordinate national mystery shopping exercises, (iii) conduct peer reviews and (iv) take action in response to information provided through retail risk indicators and the EBA's Consumer Trend Reports; and/or (v) set up NCA supervisory cooperation fora..
C	Policy response and supervisory convergence in financial innovation (Result / impact)	20%	The EBA will deploy its mandate in monitoring innovation, contributing to a common approach towards new or innovative financial activities, and in providing advice to the co-legislators, by: i) issuing number of thematic publications, incl. opinions or report issued to EC and NCAs; ii) fostering knowledge sharing via various platforms (EBA structures, EFIF, SDFa); iii) reviewing and verifying training curriculum of the SDFa (iv) Number of events organised to facilitate the exchange of information between NCAs. Source of data: Annual activity report

D	Supporting the effective implementation of the new legal and institutional AML/CFT framework (Output / Result)	20%	The EBA will work closely with AMLA to ensure the smooth transition of powers and effective cooperation between prudential and AML/CFT regulators going forward.
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	Target 2024	Target 2025	Target 2026
A	70 % of mandates	80%	90%
B	1 initiative	1 initiative	1 initiative
C	Up to 3 initiatives 100 % reviewed materials for SDFA	Up to 3 initiatives 100 % reviewed materials for SDFA	Up to 3 initiatives
D	3 Workshops with AMLA/EC	3	N/A

2. HUMAN AND FINANCIAL RESOURCES – OUTLOOK 2024-2026

43. The outlook for human and financial resource needs for years 2024-2026 is based on the situation of the Agency at the end of 2022,, and takes into consideration the expected evolution of tasks for the period - with MiCA, DORA, and AMLA - and the multi-annual financial framework.

- **Digital Operational Resilience Act (DORA):** The staffing tables include 15 fee-funded AD posts and 3 - but only one fee-funded - ASTs posts to be shared between the EBA, EIOPA and ESMA foreseen in the Establishment Plans adopted by the Budgetary Authority from 2022. As the co-legislators had not adopted the legislation giving the EBA the mandate to conduct those tasks these posts cannot be filled until later in 2024. Out of the 3 AST positions, one is funded from Union/NCA contributions until end Q3 2025 (after which it will become fee-funded) and specifically assigned to the EBA. From 2025, the number of posts will go up to 18 ADs, 6 ASTs and 6 CAs posts, with all additional posts fee-funded⁶.
- **Markets in Crypto-Assets (MiCA):** The staffing tables include 15 fee-funded AD posts foreseen in the Establishment Plans adopted by the Budgetary Authority from 2022. As the co-legislators had not adopted the legislation giving EBA the mandate to conduct those tasks these cannot be filled until later in 2024. From 2024, a total of 20 AD posts have been assigned to the EBA, of which 18 are fee-funded and 2 funded from Union/NCA contributions. The fee-funded posts will go up to 20 in 2025, bringing the total AD posts to 22.

Furthermore, from 2024 there will be 2 CA posts for EBA funded from Union/NCA contributions for the implementation of indirect supervisory tasks for the MiCA implementation.

44. Despite the significant number of fee-funded posts being allocated for DORA and MICA, the income will only materialise at best in 2025 when the entities subject to oversight/supervision will have been identified and can be invoiced. Recruitments will therefore only be possible from 2024, and provided that other EBA resources can be temporarily redeployed to cover their salaries.

45. The actual number of recruited staff will be reassessed at the end of 2023 and in mid-2024 once the MICA supervisory framework has been completed, and taking account of market developments (including the number of issuers, if any, that are likely to fall under EBA's direct supervision from).

46. In addition, the transfer of eight AML/CFT posts to AMLA as envisaged in the draft LFS for AMLA published in July 2021 will need to be reflected when the text is finalised (the transfer is currently envisaged to happen in 2025, however the EBA is already losing funding for half of these posts in 2024).

⁶ At present resources for DORA have been assumed to be split evenly between ESAs. This will have to be further considered in due course.

47. Full tables of budgetary revenue and expenditure are provided in Annex II. All figures are in euros unless otherwise specified.

2.1. Overview of the past and current situation

Human resources

48. As shown in the table below, the occupation rate in 2022, for statutory staff, was 87% based on the authorised budget figures for 2022 (or 98% without the MiCA and DORA posts that cannot be filled) and, for the whole of the EBA, including contract agents and seconded national experts, 86% (or 94% without the MiCA and DORA posts that cannot be filled).

Staff	2022 Year N-1	2023 Year N		
ESTABLISHMENT PLAN POSTS	Authorised budget 2022	Actually filled as of 31/12/2022*	Occupancy rate %	Authorised staff
Administrators (AD)	151	148	98%	152
Assistants (AST)	11	11	100%	11
Assistants/Secretaries (AST/SC)	-	-		
MiCA	15**	-		15**
DORA	6**	-		6**
TOTAL EP POSTS	183	159	87% (98%)	184
EXTERNAL STAFF	FTE corresponding to the authorised budget	Actually FTE as of 31/12/2022 N-1	Execution rate %	Authorised positions
Contract Agents (CA)	50	44	88%	51
MiCA	-	-	-	-
DORA	-	-	-	-
Seconded National Experts (SNE)	19	13	68%	19
TOTAL EXTERNAL STAFF	69	57	83%	70
TOTAL STAFF	252	216	86% (94%)	254

* Filled posts are commonly understood as also including offer letters sent and accepted.

** The table for 2022-2023 includes posts for MiCA (15 AD fee-funded) and DORA (5 AD posts fee-funded, 1 AST post EU/CA funded until September 2025) foreseen in the LFS. For both legislations the posts foreseen in the Establishment Plan adopted by the Budgetary Authority for 2022 and 2023 cannot be filled as the legislation giving the EBA the mandate to conduct those tasks were not adopted by the co-legislators.

*** In addition, 6 cost free SNEs are hosted at EBA.

Financial resources

49. The execution of the EBA's **2022 budget** was impacted on the one hand by higher-than-expected inflation/indexation and, on the other adjustments to working and meeting arrangements due to the COVID-19 pandemic.

50. The **2023 budget** was prepared in line with 2022's initial and executed budgets, and by the funding provided to the EBA under the MFF. The BoS adopted the 2023 budget on 22 December 2022, for a total amount of EUR 52,667,553 including expenses funded by the French government contribution and by DG REFORM.

51. The table below shows the evolution of the EBA's expenditure by budgetary title and chapter. The 2022 figures include expenditure on projects and services (DRR, accounting services) subsequently recharged in part to other ESAs and commitments of assigned revenue, and exclude the execution on commitments carried over from 2021.

EXPENDITURE	Executed budget 2022	Budget 2023	Note: EBA requested budget 2022
Title 1 Staff expenditure	31,436,919	33,515,237	32,384,073
11 Salaries and allowances	27,865,247	29,575,823	28,337,020
- of which establishment plan posts	22,433,421	23,507,443	22,529,057
- of which external staff	5,431,826	6,068,380	5,807,962
12 Expenditure relating to staff recruitment	267,228	208,250	424,809
11.33 Employer's pension contribution	2,157,246	2,280,771	2,098,266
13 Mission expenses	17,298	34,518	28,165
14 Socio-medical infrastructures	671,600	819,737	763,232
15 Training	220,813	406,940	482,641
16 External services	180,545	179,698	142,690
17 Receptions and events	56,943	9,500	107,250
Title 2 Infrastructure & operating expenditure	11,085,733	12,319,866	10,269,824
20 Rental of buildings and associated costs ⁷	3,904,926	4,148,361	3,658,764
21 Information and communication technology	6,233,330	7,112,580	5,320,630
23 Current administrative expenditure	548,106	654,295	619,715
24 Postage/telecommunications	46,670	48,000	78,000
27 Information and publishing	352,701	356,630	592,715
Title 3 Operational expenditure	7,797,626	6,842,451	7,602,137
31 General operational expenditure	2,195,105	2,914,712	3,041,707
32 IT expenditure for operational purposes	5,602,521	3,927,739	4,560,430
TOTAL EXPENDITURE	50,320,278	52,677,553	50,256,034

2.2. Outlook for the years 2024-2026 (new and growth of existing tasks)

New or growth of existing tasks

TASKS	DESCRIPTION
Digital Finance package including MiCA/DORA	<p>The Digital Finance Strategy defines European priorities for the upcoming years in the digital area and translates to new mandates for the EBA in this regard.</p> <p>MiCA is intended to establish four schedules of regulation and supervision: crypto-asset service providers (other than issuers); issuers of systemic asset-backed or e-money tokens; issuers of other asset-backed or e-money tokens; and issuers of other crypto-assets. The proposal includes a significant number of new policy mandates for the EBA and supervision functions in relation to issuers of significant</p>

⁷ Includes expenditure funded by the French government contribution.

TASKS	DESCRIPTION
	<p>asset-backed and e-money tokens. DORA consists of a regulation applicable to a wide range of financial entities with the aim to deepen the management of the digital risk dimension of the Single Rulebook in particular by: enhancing and streamlining the financial entities' conduct of ICT risks management; mandating a thorough testing of ICT systems; increasing supervisors' awareness of cyber risks and ICT-related incidents faced by firms; and introducing powers for supervisors to oversee risks stemming from financial entities' dependency on ICT third-party service providers. The proposal also provides a new role of the EBA and other ESAs in oversight of critical third-party providers in an industry-funded model.</p>
<p>EU Supervisory Digital Finance Academy (SDFA)</p>	<p>The aim of the DG Reform-sponsored SDFA is to strengthen supervisory capacity in the area of innovative digital finance, thus supporting the objectives of the EU Digital Finance Strategy.</p> <p>The EU SDFA program⁸ is organised for an initial duration of three years: i) to disseminate knowledge on innovative applications of technology to financial activities to supervisors; and ii) to learn from supervisors' practical experience to inform the policy making process of the EC and the work of the ESAs.</p> <p>The three ESAs will design and deliver training, with funding from DG REFORM under a contribution agreement.</p>
<p>EU-wide stress test</p>	<p>Based on the EU-wide stress test carried out by the EBA in 2023 and the lessons learned, including from the introduction of top-down elements for Net Fee and Commission Income (NFCI), the EBA will be looking to assess its methodology for the 2025 exercise. As discussed further under 'Future ESG activities and mandates' hereafter, the EBA will also develop a climate stress test, including the one-off cross-sector climate stress test.</p>
<p>Future ESG activities and mandates</p>	<p>The renewed Sustainable Finance strategy by the EC is wide-ranging and ambitious. The EBA expects to contribute by facilitating disclosure on ESG to a broader group of banks and by incorporating ESG-related risks in the reporting ITS. Also, the ESAs will review E and S indicators via its RTS on ESG disclosure under SFDR to clarify indicators for both climate and environment-related principal adverse impacts and those in the field of social and employee matters, human rights, etc. The EBA sees potential follow-up work for the EC regarding the delegated act on Article 8 of the Taxonomy Regulation. The Pillar 3 disclosures on ESG risks will also offer a starting point for the development of supervisory reporting standards and templates in this area.</p> <p>To enhance risk management, the EBA expects to provide guidance on bank identification, measurements, management, and monitoring of ESG risks, as well as on risk-based transition plans. To foster supervisory convergence, the EBA will work on further guidance on incorporating ESG risks in the supervisory review and evaluation processes.</p>

⁸ [b5 - digital_finance_academy.pdf \(europa.eu\)](#)

TASKS	DESCRIPTION
	<p>After delivering the report on the prudential treatment of exposures subject to environmental and / or social risks and impacts planned for 2023, further work may be necessary on specific aspects of the prudential framework.</p> <p>As regards standards and labels, the EBA will be requested to provide an opinion on the definition and possible supporting tools for green retail loans and green mortgages. Moreover, the EBA may be required to assist the EC, alongside the ESAs, in developing standards for sustainable bonds and loans. Going forward, further work may be needed in the context of green and sustainable securitisation.</p> <p>In the area of stress testing, and in continuation to the first climate EU-wide pilot exercise on climate risk⁹, the EBA may perform such exercise in a regular fashion. What is more, the ESRB, ECB and the ESAs are currently preparing to conduct a one-off coordinated sectoral climate stress test. Moreover, the EBA may contribute to developing guidance on methods and scenarios for the climate stress testing to be used by supervisors and supervised entities in their specific sectors. The Authority will provide guidance on how institutions should test their resilience to climate change risk, and potentially also to broader ESG risks, and long-term negative impacts.</p> <p>With regard to ESG risk monitoring and identification, and in coordination with other EU entities and NCAs, a framework for systemic monitoring of climate-related financial stability risks including supervisory reporting may be sought.</p> <p>Last but not least, the ESAs were requested to assess the current supervisory and enforcement toolkit available to CA for monitoring, investigation and sanctioning greenwashing. The aim will be to evaluate if the framework is sufficiently efficient, consistent, and preventive across the EU and whether it is fit for purpose in identifying greenwashing risks throughout the product lifecycle.</p>
<p>Calls for advice</p>	<p>As in the past, the EBA stands ready to adjust its work to deal with urgent requests by the co-legislators whilst delivering its core mandates. For example, the EBA has managed to address a number of unplanned ad hoc consultations in recent years, including six calls for advice in 2020, three in 2021 and six in 2022. It is expected that such requests will continue to be received in the upcoming years.</p>

⁹ [EBA publishes results of EU-wide pilot exercise on climate risk | European Banking Authority \(europa.eu\)](https://www.eba.europa.eu/en/press-releases/2022/09/20220901)

2.3. Resource programme for the years 2024-2026

Financial and human resources

52. The EBA's **revenue projections** stemming from the EU subsidy are set in the Multi-annual Financial Framework (MFF), which also determines the NCA contributions (see calculation model in Annex III). The French government contribution was agreed as part of the French bid to host the EBA in Paris. Revenue from DG REFORM is to fund the EBA costs of the Supervisory Digital Finance Academy (SDFA) that the three ESAs will run together over a three-year period from 2022 to 2025. The MiCA and DORA proposals provide for a small number of additional posts and IT costs to be funded by the Union and NCAs, and a much larger number of posts to be covered by industry funding via fees levied on supervised entities. The figures in this document are in line with those proposed for those legislations.

53. The table below presents EBA revenues over the period 2022-2026.

Revenue	2022	2023	2024	2025	2026
EU subsidy	18,685,999	19,428,306	20,471,594	20,071,829	20,284,866
NCA contributions: EU	30,121,462	31,354,738	33,011,070	32,400,615	32,753,867
NCA contributions: EFTA	932,553	970,735	1,022,015	1,003,115	1,014,052
French government	575,000	575,000	575,000	575,000	575,000
DG REFORM	44,682	348,774	356,119	329,939	-
Fees (MiCA DORA)	-	-	-	3,322,333	8,275,333
Other revenue	736,351	-	-	-	-
Total revenue	51,096,047	52,677,553	55,435,798	57,702,832	62,903,118

54. **The EBA's cost projections** for 2024 to 2026 are shown in the table below, with explanatory text in the subsequent paragraphs.

EXPENDITURE	Budget 2024	Budget 2025	Budget 2026
Title 1 Staff expenditure	34,714,753	34,572,056	35,047,039
11 Salaries and allowances	30,564,469	30,461,666	30,903,718
- of which establishment plan posts	24,194,320	23,083,375	23,061,155
- of which external staff	6,370,149	6,502,114	6,311,078
11.33 Employer's pension contribution	187,690	187,690	187,690
12 Expenditure relating to staff recruitment	2,375,000	2,363,859	2,398,598
13 Mission expenses	39,194	39,978	40,778
14 Socio-medical infrastructure	865,511	833,433	827,316
15 Training	459,648	460,000	460,000
16 External services	171,990	175,430	178,938
17 Receptions and events	51,250	50,000	50,000

EXPENDITURE	Budget 2024	Budget 2025	Budget 2026
Title 2 Infrastructure & operating expenditure	10,652,835	10,938,869	11,148,446
20 Rental of buildings and associated costs	4,677,230	4,533,175	4,620,838
21 Information and communication technology	4,868,586	5,310,855	5,417,072
23 Current administrative expenditure	706,430	686,239	696,764
24 Postage/telecommunications	48,000	48,960	49,939
25 Information and publishing	352,589	359,641	363,833
Title 3 Operational expenditure	10,068,210	8,869,574	8,432,300
31 General operational expenditure	3,586,571	3,158,302	3,172,469
32 IT expenditure for operational purposes	6,481,639	5,711,272	5,259,831
TOTAL EXPENDITURE (excluding MiCA/DORA fee-funded)	55,435,798	54,380,499	54,627,785
MiCA fee-funded expenditure (per LFS)	-	2,629,000	5,722,000
DORA fee-funded expenditure (per LFS)	-	693,333	2,553,333
TOTAL EXPENDITURE	55,435,798	57,702,8332	62,903,118

Budget for year 2024

55. The draft budget 2024 for the EBA is composed:

- (1) the resources foreseen for the EBA in the Multi-annual Financial Framework;
- (2) the resources foreseen for the Supervisory Digital Finance Academy, to be run by the three ESAs and fully funded by DG REFORM;
- (3) the resources foreseen for the EBA in the revised legislative financial statements (LFS) for MiCA and DORA, funded by EU/NCA.

56. The EBA's assessment is that the resources envisaged by the MFF should allow it to deliver on its current and expected activities (i.e. excluding MiCA and DORA) in the years 2024-2026, taking account of internal redeployments, efficiency gains and the impact of COVID and the environmental management strategy. This may be reassessed in case of further inflation/indexation.

Staffing (Title 1)

57. The EBA has assumed that posts funded by DG REFORM and MiCA/DORA posts funded by EU/NCA will impact the budget in full in 2024.

58. The EBA has further assumed salary indexation of 2% for the year (in accordance with the 2024 budgetary circular issued by DG BUDG in December 2022), a salary correction coefficient for France of 116.8 in 2024, and a pension contribution percentage of 10.1 %.

59. The EBA foresees significant percentage increases in the following costs in 2024 compared to 2022:

- a. SNE costs: the EBA expects an increase in the number of non-cost-free SNE, while still remaining within the permitted number of SNE;
- b. Given the success of the trainee scheme to date, the EBA is expanding the scheme to increase the total number of trainees to 30;
- c. For much of 2022, the EBA did not have a framework contract in place for medical services in Paris and so fewer staff had an annual medical visit in 2022. A framework contract was signed in 2022 and Paris-based medical services have been available to EBA staff since September. The number of annual medicals being paid for is thus expected to return to normal levels from 2023 onwards;
- d. With staffing increases the EBA also sees increases in the number of children of EBA staff, which drives an increase in the education contribution cost;
- e. Post-COVID, the EBA expects an increase in staff training activity.

Administrative costs (Title 2)

60. The French government's contribution of EUR 575,000 will be used to pay for the costs of the Paris building. The EBA will receive the contribution as external assigned revenue.
61. In 2024, the EBA is budgeting for changes to its office layout, in line with the move to a hybrid working and the need to accommodate new staff. As a modern employer, and after the European Commission issued its decision on the implementation of working time and flexible working, the EBA will aim to adapt its current office space to create a dynamic, collaborative space to enhance interaction and collaboration where employees are able to perform at their best.
62. IT costs will continue to be driven, as envisaged in the EBA's IT strategy, by the continued implementation of the collaboration platform and security operations centre, ongoing cloudification, and modernisation of the EBA website.
63. The EBA has assumed a significant increase in energy costs and is taking steps to mitigate it through energy reduction initiatives in line with the guidelines and recommendations of the European Commission, French government, and Paris La Défense authorities. In particular, the EBA adjusted, among others, setpoint temperatures and schedules for heating and cooling and decreased the lightning brightness. Moreover, since 2021, the EBA procures 100% of its electricity from renewable energy sources.

Operational costs (Title 3)

64. The Chapter 31 general operating costs budget includes the costs of: developing and running training for external entities; EBA-hosted meetings (BoS and MB, Banking Stakeholder Group, standing committees, sub-groups and working groups); and EBA business travel. The EBA is budgeting for a higher level of physical meetings and travel in 2024, while taking account of the EMAS targets on reductions of missions and in-person meetings by half.

65. Chapter 31 includes the cost of translations of guidelines, which for the EBA has always been a significant cost. In 2024, the translation cost is inflated by the projected cost of translating MiCA and DORA guidelines, for which, in the opinion of EBA, the funding decided upon by the co-legislators and confirmed by the Budgetary Authority is insufficient..
66. Chapter 31 also includes subscriptions to data services - such as data on crypto-assets, ESG, and climate risk data - as well as ad-hoc data required for some consumer initiatives and FinTech work, and capital market data. Operational consulting is included in this chapter, and in 2024 is expected to include work on IFRS9, Pillar 3, DPM quality, and applications of AI/MLT.
67. The Chapter 32 information technology (IT) budget includes amounts for maintenance work on existing systems, EUCLID maintenance and new initiatives, support for integrated reporting, Pillar 3 disclosures work, data strategy initiatives, data analytics (SSBI), DRR, enterprise identity management, Colleges 2.0, EDAP dissemination platform, EuReCa, the collaboration platform, and cloudification. IT costs will also include ongoing support of these and other operational systems, and related software licenses.
68. In 2024, Chapter 32 costs include MiCA and DORA systems development costs, which are funded by EU/NCA contributions in 2024 and for DORA also in 2025.

2.4. Strategy for efficiency gains

69. The driver of the strategy for efficiency gains is to ensure organisational agility through internal structural adjustments when needed, increased alignment with higher-level strategies and goals, people development, increased shared services and digitalisation.

a) Internal structural adjustments

70. The 2021 reorganisation has increased EBA efficiency and effectiveness through a better alignment of the Agency's internal structure to the achievement of its key priorities and the EBA will continue to foster internal synergies in its wake. The Legal area has been reshuffled to cover all Legal and Compliance matters (including ethics, data protection, anti-fraud, risk management, etc). Reporting and statistics were placed under a new Data directorate dealing with all data-related issues, from acquisition to management and dissemination. Similarly, an ESG unit was created refocusing on economic and risk analysis. A revamped Innovation, Conduct and Consumers Department allowed the refocusing of Digital Finance unit working in close liaison with the unit dealing with consumer protection and payment services, and with a new dedicated AML/CFT unit reflecting the new tasks conferred on the EBA in the periods towards the creation of a new AML/CFT authority. Securitisation and authorisation were reallocated to the units dealing with credit risk and the supervisory review process.
71. Efforts have continued to streamline the activities portfolio with reductions to 19 activities (compared to 37 in 2021 and 25 in 2022) with a systematic analysis of all the tasks contributing to those activities. Further rationalisation is ongoing to reinforce EBA workforce planning approach based on 4 core principles (coherence, transparency, accountability and performance) through the development of a new post management procedure and the prioritisation of

selection procedures accordingly to the activities to be delivered. All ensuring that no unnecessary activity is carried out and that staffing use is maximised accordingly.

72. Additionally to the introduction of Team Leaders in 2021, **focus on staff career development** is being reinforced as one of the outcome of the Staff Engagement Survey of 2021-2022 with a new Internal Mobility Policy, a revamped external Mobility Policy, a new talent career framework including talent family structure, talent career path, competencies framework and tailored learning and development allowing to better attract, select, develop, engage and retain staff. Additionally, following the 2020-2021 360° Managerial Assessment, tailored development programs have been set up.
73. The EBA Standing Committees reorganisation helped to improve efficiency and to align their organisation with the EBA work programme objectives and the updated internal organisation. The reduced number of Standing Committees are focusing on EBA strategic activities, such as the development and monitoring of the Single Rulebook, risk monitoring, supervisory convergence, data collection and analysis, consumer protection and financial innovation, and AML/CFT and resolution.
74. Beyond organisational changes, the EBA's strategy for efficiency gains will remain driven by the implementation of **new technology** in line with its IT strategy and the objective therein of becoming a digital agency. While these changes represent a substantial effort for the EBA ex-ante, it is expected that these initial investment costs will be fully recouped and allow the EBA to reap positive efficiency gains over a multi-year horizon. For instance, the implementation of a collaboration platform has reduced reduce email exchanges by 30–50% and has created more efficient processes. Development of an e-recruitment tool (with implementation expected in Q2 or Q3 2023), discussions around an automation of the Interactive Single Rulebook, and the use of electronic workflow tools in the area of Finance and HR are other examples.
75. For 2024 budgeting purposes, the EBA assumes that the COVID-19 pandemic will have been brought under control, allowing staff to work at the Paris premises and participate in external meetings, **albeit under an adjusted modus operandi, hybrid working arrangements and taking into account lessons learned from COVID-19 for the implementation of its EMAS-related greenhouse gas emissions reduction targets as per its EMAS registration** (see also Annex VI). Compared to the 2019 situation, this 'new normal' assumes that the EBA will organise 50% fewer meetings with externals at the EBA premises (thus also benefiting its members' own environmental footprints) and 50% fewer staff missions to external meetings. This 50% reduction will be maintained in subsequent years.

b) Joint procurements and external synergies

76. In the area of procurement, the EBA systematically seeks to include other agencies in its procurement procedures. In 2022, the EBA was lead agency on three **inter-institutional procurement** procedures, with a total ceiling value estimated at EUR 17 200 000 in which a total of three other agencies participated. The EBA also participates in many inter-institutional procedures led by other EU entities, predominantly those run by the EC. Inter-institutional procurement is particularly strong with ESMA and the other Paris-based EU entities. In 2022, 86

% of the EBA's 174 framework contracts in force (resulting from 96 procurement procedures) were procured by other EU entities – see table below.

	EBA	COM	Other agencies	Other	Total
Procurement procedures	8	21	9	1	39
Framework contracts	24	85	45	10	174

77. The EBA will continue its **close cooperation with the other ESAs**. Cross-cutting work and issues of common interest are discussed in regular ESA meetings at senior management and technical levels, with a view to reaping all possible synergies. The EBA attends ESMA and EIOPA BoS meetings and cooperates in different workstreams and task forces at working level. The EBA's Directors and Heads of Units, especially in the area of Admin/Resources/Legal, have regular discussions with their peers at the other two ESAs and the SRB.
78. The **Joint Committee** of the EBA, EIOPA and ESMA with the EC and the ESRB is a key forum to discuss common regulatory issues and agree joint initiatives. Since its inception, the Joint Committee has successfully worked on numerous mandates. This will be taken to the next level with DORA.
79. A **shared accounting services** arrangement was established with ESMA in 2021 to enhance the synergies between the two Paris-based authorities. According to this arrangement, the EBA is providing 50% of the time of two accounting staff members to ESMA. A first assessment was performed in mid-2022. From 2023 Q1 it is expected that the EBA will only be providing half the time of the Accounting Officer to ESMA. This will mean a 25% FTE reduction between both entities.
80. EBA successfully collaborated with EIOPA to have a **shared Security Officer (SO)** during the period when the SO role was vacant at EBA. Banking on learnings from this experience, the 3 ESAs are currently deepening the collaboration of their Security functions, with increasing cross-border collaboration on Projects (i.e. Cloudification Program) and upcoming security framework changes (i.e. Cybersecurity regulation, SNC in the Cloud policies, etc.). The 3 ESAs are evaluating a **shared security services** approach to optimize resource usage and synergize investments.
81. Similarly, to the newly adopted internal mobility policy, the EBA is investing in career development opportunities with an external mobility policy. The objective is to foster the exchange of professional experience, to develop new competencies, to further enhance cooperation through staff swap between the EBA, the Competent Authorities and the EU Institutions/bodies (e.g.: the three ESAs, DG FISMA, etc).
82. Generally, synergies will continue to be reaped from the collaborative approach adopted within the EBA and the CAs that support its work. This is not least reflected in the size and diversity. It will be beneficial in the context of MiCA and DORA where challenges arising from new responsibilities and mandates pertaining to novel and complex topics can be easier overcome through collaboration and coordination that allows the EBA and CAs to leverage off each others' knowledge and experiences.

c) Other cross efficiencies

83. The EBA and EIOPA are currently working on a 'Data Point Model (DPM) Refit' and 'Digital Regulatory Reporting – tooling'. The authorities have found that they face similar problems and challenges with the expanding reporting framework and where both are already using very similar Data Point Models. These projects share resources and work together with the aim of improving technical tools to support supervisory reporting and address issues.
84. On the technology front, the EBA established in 2018 the **FinTech Knowledge Hub**. This forum brings together competent authorities in a common setting and enhances engagement with incumbent and new entrant institutions and other FinTech firms, technology providers and other relevant parties. Its aim is to enhance the monitoring of financial innovation, knowledge sharing about FinTech and to foster technological neutrality in regulatory and supervisory approaches on an ongoing basis. To date, the FinTech Knowledge Hub has hosted a series of events, leveraging on its registered contacts and wide spectrum of topics. The hub interacts with similar EU and national initiatives (e.g. the European Commission's FinTech Lab), covering the monitoring of the impact of FinTech on the whole financial ecosystem and supervisory knowledge sharing.
85. In the same vein, the ESAs established the **European Forum for Innovation Facilitators (EFIF)** further to the January 2019 Joint ESA report on regulatory sandboxes and innovation hubs which identified a need for action to promote greater coordination and cooperation between innovation facilitators to support the scaling up of FinTech across the single market. This forum provides a platform for supervisors to meet regularly to share experiences from engagement with firms through innovation facilitators (regulatory sandboxes and innovation hubs), to share technological expertise, and to reach common views on the regulatory treatment of innovative products, services and business models, overall boosting bilateral and multilateral coordination.
86. The **Supervisory Digital Finance Academy** is another upcoming cross-institutional initiative and a perfect example of how to maximise resources and avoid duplication. This initiative aims to strengthen supervisory capacity in the area of innovative digital finance by providing a systematic training program for the ESAs and for National Competent Authorities (NCAs).
87. Following the ESAs review, an **Advisory Committee on Proportionality (ACP)** was established to help identifying and achieving synergies. The ACP chairs and ESA staff convene regular meetings to discuss topics of common interest, such as environmental, social and corporate governance which is relevant to the three sectors.

d) Remaining uncertainties

88. As jointly stated in the [ESA Chair Letter](#) of 9 February 2021 to the EC and subsequent assessments, the original DORA proposal does not provide enough resources to carry out the tasks it envisages. Additionally, the fee-based funding model in the DORA proposal (i.e. fees collected by the critical third-party providers) covers only the ongoing costs of the oversight, not implementation costs.
89. Moreover, following the EBA's thorough assessment of the human resource requirements for MiCA and DORA, and given the level of specialisation required for some of the tasks, the EBA

sees a need to recruit staff at a range of grades and not only at AD5 level. The EBA supports the opening of opportunities for young and less senior staff for this new endeavour, but an overly strong focus on junior staff would not reflect the fact that the EBA will need to establish two new teams responsible for carrying out supervision and oversight functions, which will each need a team leader (AD7-9) and mix of staff with varying levels of experience and expertise, but certainly some experienced staff with highly specialist skills will be needed for the authority to be credible.

2.5. Negative priorities/ decrease of existing tasks

a) Reprioritisation / redeployment due to MiCA and DORA

90. As mentioned before, resource constraints are becoming more acute with the MiCA and DORA mandates, which only foresee (fee) funding for the oversight and supervisory related activities from 2025 onwards, without funding the organisational preparations and development of a substantial number of regulatory mandates in the years 2023 and 2024. Given uncertainties around the number of entities that can ultimately be charged fees there is a risk that cost of staff working on MiCA and DORA will not be fully matched, and may have to be covered out of the existing budget, cover current -but also expanding- activities.

91. Resources needs for MiCA and DORA for preparatory tasks, development of legislative and regulatory products, establishment of supervision/ oversight structures, IT infrastructure had to be covered by way of systematic internal redeployments and reprioritisation.

FTE	2023			2024			2025		
	Total need	Reallocated	Gap	Total need	Reallocated	Gap	Total need	Reallocated	Gap
DORA	16.3	13.3 (incl. 2 SNEs, 1 TA post reallocated to IT)	3	17.3	12.3	5	13	8	5
MICA	18.7	18.7 (incl. 2 cost-free SNEs, 1 TA, 1 CA posts re-allocated to DFU)	0	20.9	20.9	0	N/A	N/A	N/A

92. The redeployment and reprioritisation means of course that work in other areas had to be deprioritised, postponed or cancelled. An indication of areas that are likely to be affected by this has already been given in the Work programme for 2023. The same exercise has been repeated for the draft 2024 work programme.

93. In addition, the staffing of EBA's in certain critical policy or support areas (e.g. IT) as of the current establishment plans remains stretched despite the constant efforts of the authority to increase efficiency and redeploy resources.

b) Decrease of AML-related tasks due to AMLA

94. AMLA, once established, will take over those EBA powers that relate directly to AML/CFT supervisors and their sectors. Under the current proposal, the EBA will retain responsibility for

tackling ML/TF risk through prudential supervision and contribute to the broader EU AML/CFT framework.

95. According to the EC plans, the AMLA is to be established in 2023 and commence its activities in the following year. It is foreseen that 8 of the EBA's AML-CFT current 12 posts will be transferred to AMLA. Before AMLA is set up, the EBA will work to make sure that the proposed handover of AML/CFT-specific powers and competencies from the EBA to AMLA is executed smoothly, and that disruption is kept to a minimum for competent authorities and for financial institutions. In this regard, the EBA is currently liaising with the EC to understand, and provide advice on, the modalities of the transition.

c) COVID-19 activities

96. The aftermath of COVID-19 generated a substantial amount of work for the Authority. While few of the acquired tasks will still be valid in subsequent years, others will be discontinued or embedded in the ongoing policy and risk analysis work.

97. Concretely, the EBA expects work to continue in the area of i) risk analysis such as monitoring market analysis, e.g., following trends in asset quality and ii) consumer protection (follow-up on consumer trends report). The EBA will however continue to downsize its engagement in the area of credit risk and focus resources on Basel III -related mandates.

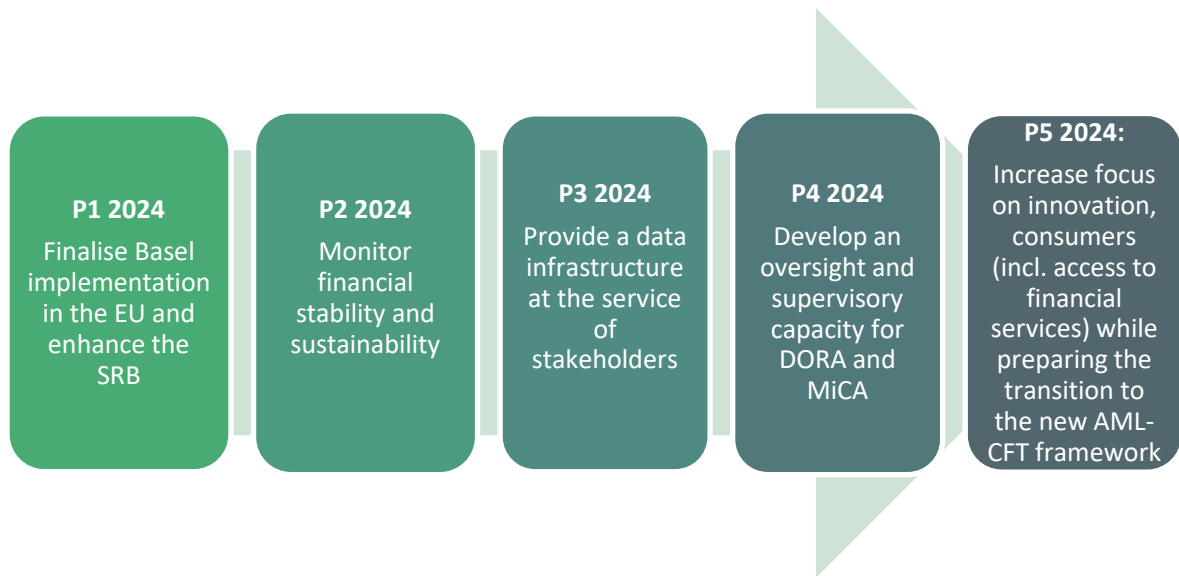
SECTION III - ANNUAL WORK PROGRAMME 2024

1. OVERVIEW

98. Following on from the multi-annual work programme for 2024-2026, the EBA has adapted its strategic priorities / objectives for its annual work programme for 2024
99. For 2024 much of the focus will substantially remain on the finalisation of the Basel implementation in the EU and on enhancing the Single Rulebook, as well as monitoring financial stability and sustainability by analysing risks and preparing for the 2025 stress test exercise. This will also be supported by the efforts to provide a data infrastructure that is at the service of stakeholders.
100. Then 2024 will be crucial to prepare to important changes affecting the EBA: the preparation for the taking up of new responsibilities for the oversight of ICT-third-party service providers and the supervision of crypto asset issuers, for which capacities need to be developed. Secondly, the authority will prepare the transition of AML-CFT related responsibilities to AMLA and at the same time increase focus on innovation, consumers (incl. access to financial services).
101. Striving to deliver on the many mandates conferred to it by the EU legislators, the EBA's work and deliverables have been priorities and scheduled, taking into account the tasks stemming from the EBA's founding regulation as well as those reflecting ongoing legislative and regulatory work.
102. The section section that follows gives a preliminary preview of the EBA's 2024 work programme. The work plan is derived from the multi-annual work programme and its strategic objectives / priorities. It takes into account the Peer Review work plan and the Union-wide strategic priorities. It will benefit also from input of the Advisory Committee on Proportionality
103. On this basis the Authority defines its annual priorities, organises its activities and deliverables and how to best allocate its resources. In doing so, the work programme also clarifies how activities contribute to strategic objectives / priorities, all the while providing transparency and accountability towards the EBA's stakeholder. The EBA annual work programme will submitted to the EU institutions by 30 September 2023 and published as an independent report, on the basis of a refined proposal from the MB to be endorsed by the EBA's BoS.

2. PRELIMINARY PRIORITIES FOR 2024

104. The multi-annual strategic priorities of the Single Programming Document for 2024-2026 will translate into the priorities for 2024. In the updated work programme, feedback from the Advisory Committee on Proportionality (ACP) will also be reflected in the respective priorities and in the activities that contribute to achieving them.



P1 2024 – Finalise the Basel implementation in the EU and enhance the Single Rulebook

105. The EBA will prioritise its contribution to the timely and faithful implementation of the outstanding Basel III reforms in the EU to ensure banks can withstand future crises and to preserve a proper functioning of the European and global financial systems. This reform will strengthen the regulatory framework by introducing more risk-sensitive approaches for determining capital requirements and also address shortcomings in the existing framework, including through an ‘output floor’ which will serve as a backstop for the use of internal models. At the same time, this will contribute to completing the Single Rulebook in banking.

106. At this juncture, it is expected that the Basel III reforms will be completed at EU level in the revised CRR/CRD package in the 2023, and that the EBA will receive around 100 mandates to develop regulatory standards and guidelines, many of which will be due by the end of 2024 (either in the form of consultation papers or even as final (draft) deliverables).

KPI

	Indicator (and type)	Weight	Short description	Target
A	Number of technical standards, guidelines, reports delivered (Output)	80%	Number of technical standards, guidelines and reports delivered on time stemming from implementation of the CRD6 / CRR3 / BRRD3	80%
B	Number of technical standards, guidelines, reports delivered – ESG (Output)	20%	Number of ESG-related technical standards, guidelines and responses to CfA stemming from the mandates in the EU regulations and directives and from the renewed Sustainable Finance Strategy of the EC delivered on time. Source: Annual activity report?	80%

P2 2024 – Monitor financial stability and sustainability

107. Based on the EU-wide stress test run in 2023, the EBA will continue to monitor financial / ESG risk with a view to informing supervisory priorities. Following the 2023 exercise and the

lessons learned, including from the introduction of top-down elements for Net Fee and Commission Income (NFCI), the EBA will assess the need for changes to its methodology for the 2025 exercise. As discussed further under 'Future ESG activities and mandates' hereafter, the EBA will also develop a climate stress test, including the one-off cross-sector climate stress test.

108. The EBA will continue building its ESG risk monitoring framework to be able to efficiently monitor ESG risks in the banking sector and development of the green financial market. This will include gradual increased use of external ESG risk relevant data with a focus on climate change-related risks.

109. The Authority will also continue to deliver on mandates included in the CRD, CRR, IFD, IFR and those stemming from the Commission's action plan and renewed Sustainable Finance Strategy, as well as pursue its contributions to the European and international work.

KPI

Indicator (and type)	Weight	Short description	Target
A Achievement of milestones ahead of the upgrade of ST methodology and development of a hybrid model (Output)	40%	1. Approval of the revised EU-wide stress test framework by Q1 20224 2. Design of the new ST methodology by end-20224 3. Implementation of the revised EU-wide stress test framework for the 2025 ³ exercise. Source of data to monitor achievement?	70%
B Development and execution of one-off and regular climate stress test (Output)	40%	1. Development of one-off climate stress test and regular climate stress test 2. Implementation of one-off climate stress test 3. Implementation of regular climate stress test	70%
C Topical notes in the area of financial stability or ESG risks (Output / Results)	20%	Development of one topical note or deliverable per year on subjects of relevance in the area of financial stability or ESG risks (e.g. research piece, sensitivity analysis, ...)	Topical note or deliverable

P3 2024 – Provide a data infrastructure at the service of stakeholders

110. The implementation of the EBA's Data Strategy will improve the way regulatory data is acquired, compiled, used, and disseminated to relevant stakeholders, and will strengthen the authority's analytical capabilities. The EBA will continue to leverage on its EUCLID platform to enable data flows between diverse endpoints and provide access to high-quality, curated data and insights to internal and external stakeholders by employing more advanced technical capabilities, with the objective to foster the ingestion and dissemination of critical data assets, insights and analytics policies as well as to implement the Pillar 3 data hub requested by the level 1 legislation. In 2024 the EBA will also finalise implementation of improved data point model and methodology (the DPM ReFit) to ensure the EBA data dictionary is fit for future challenges of reporting and digital processing. The EBA will start producing reporting frameworks, including the DPM releases, the full validation rules lifecycle, the support of data calculations and the creation of XBRL taxonomy packages with the Digital Regulatory Reporting (DRR) tools. Both the DPM ReFit and DRR tools were developed jointly with EIOPA. In the context of its work on

Reporting and Transparency the EBA will duly consider the proposals that the ACP deems critical from the perspective of proportionality and with a view to a reduction of the reporting burden.

KPI

Indicator (and type)	Weight	Short description	Target
A Timeliness of reporting (ratio %) (Results / Impact)	25%	From EUCLID: Accepted modules / Expected modules, by remittance date (T)+10 wd	>85%
B Completeness of reporting (ratio %) (Results / Impact)	25%	From EUCLID: Not reported / Expected templates, by remittance date (T)+10 wd	<1%
C Accuracy of reporting (ratio %) (Results / Impact)	25%	From EUCLID: Failed error rules / Total of error rules executed against the received file, by remittance date (T)+15 wd	< 0.25%
D Time to publication of Quarterly Risk Dashboard (nr days) (Results / Impact)	25%	Working days from final remittance date of supervisory data (based on EBA's DC 404) to date of publication on EBA's webpage of RDB	< 30

P4 2024 –Develop an oversight and supervisory capacity for DORA and MiCA

111. MiCA and DORA are expected to enter into force in 2023, while the date of application ranges from 12-18 months following entry into force, and for DORA is anticipated for 1 January 2025. In 2024, the EBA, together with the other ESAs (where necessary), will continue to deliver the policy mandates included in MiCA and DORA, thereby contributing to the digital risk management dimension of the Single Rulebook and to a consistent framework for the regulation and supervision of crypto-asset activities.
112. As mentioned in the previous sections, the ESAs will be responsible collectively to deliver 13 legal mandates by 2024-2025 under DORA and subsequently take up their new roles and tasks. In particular, the EBA will need to be ready by Q4 2025 to oversee critical ICT TPPs for which the EBA will be assigned as Lead Overseer. This includes the establishment of the Oversight Forum (a new Joint-Committee sub-committee) and the Joint Oversight Network (ESAs only), the development of oversight framework (including policies and methodologies) and the recruitment of ICT experts to equip the cross-ESAs oversight team. IT system will need to be developed to support the EBA's oversight function. A joint-ESAs implementation plan has been drawn up covering oversight preparation which will be executed jointly by the ESAs given the collective role assigned by DORA. During 2024, the cross-ESAs oversight team will focus on the establishment of relevant oversight processes along with the definition of core methodologies. To build operational and ICT risk capacities internally during the execution phase of the implementation plan, the EBA will offer in-house trainings, leverage the EU Supervisory Digital Finance Academy and other available trainings to build competences to manage DORA related activities for ESAs and CAs. The EBA will also seek to offer training for staff on oversight techniques, policies and procedures.
113. As set out in earlier sections of this document, the EBA will be responsible for delivering 20 technical standards and guidelines in 2024 (two of which are joint with ESMA, and one is joint with ESMA and EIOPA) under MiCA. The policy mandates under MiCA will expand on the common single rulebook for crypto-asset issuance and service provision in the EU established by MiCA, for example by further specifying capital requirements for issuers of asset-referenced

tokens. Importantly, the EBA will need to be ready from end-Q3 2024 to supervise issuers of significant asset-referenced and e-money tokens, for which the EBA will need to develop in 2023 and Qs 1-3 2024 supervisory policies and procedures and forms, as well as templates for the exchange of information between all relevant parties (including supervised issuers, national competent authorities, the ECB and other relevant central banks). IT capabilities will need to be developed to support the EBA's supervision function and a new Standing Committee will need to be established to facilitate the EBA in the performance of its supervision tasks. In 2024 the EBA will also place special emphasis on strengthening supervisory capacity-building, in particular by further extending training for staff, and by organising workshops with NCAs on supervisory techniques for crypto-asset issuer supervision.

114. In 2024, the EBA together with ESMA, EIOPA and the European Commission, will continue to support the activities of EU Supervisory Digital Finance Academy, with a view to strengthening supervisory capacity in innovative digital finance, and supporting the objectives of the EU Digital Finance Strategy.

KPIs

	Indicator (and type)	Weight	Short description	Target
A	Delivery of policy mandates under DORA/MICA (Output)	50%	Delivery of policy mandates and consultation papers within the legally imposed timeline (95%
B	Operational readiness to take up new tasks (Output / Result)	50 %	As part of the DORA and MICA proposals, EBA should be ready to take up tasks (supervision/oversight and others)	Completion of preparatory work

P5 2024 – Increase focus on innovation, consumers (including access to financial services) while preparing the transition to the new AML/CFT framework

115. In 2024, will further enhance the conduct supervision of financial institutions across its regulatory and supervisory remit and further contribute to ensuring that citizens have access to financial and banking services. The Authority will also focus on consumer protection mandates.
116. The EBA will continue to monitor financial innovation and identify areas where further regulatory or supervisory response may be needed. Crypto assets, tokenisation in relation to new financial products and services and decentralised finance and the application of AI/ML in financial sector, as well as digital identities management, digital platforms, supervisory and regulatory technologies (SupTech and RegTech) are examples of innovations that are currently on the EBA's innovation monitoring radar. By keeping a close eye on recent developments via targeted industry and competent authorities' surveys, information exchanged with industry, competent authorities and other EU and international organisations helps to identify emerging risks and provide guidance on areas where further work by the EBA may be needed.
117. The EBA will continue to lead, coordinate, and monitor the EU financial sector's fight against ML/TF in line with its legal mandate until the transfer of its standalone AML/CFT mandate to AMLA is complete. The EBA will include supporting the implementation of robust approaches to AML/CFT supervision across the EU; contributing to the implementation of a holistic approach

to tackling ML/TF, sanctions and other financial crimes; and contributing to the effective implementation of the EU's new institutional AML/CFT framework.

118. The transfer of the EBA's standalone AML/CFT powers to AMLA is currently expected to take place in 2024. The EBA will adjust its work programme as necessary once the date of the transfer is known.

KPIs

	Indicator (and type)	Weight	Short description	Target
A	Delivery of consumer protection mandates conferred in sectoral legislation (Output)	40%	The EBA will deliver on an estimated 20+ consumer and depositor protection mandates conferred under the Markets in Crypto-Assets (MiCA), the Credit Servicers and Credit Purchasers Directive (CSD), the revised Consumer Credit Directive (CCD2), the revised Deposit Guarantee Schemes Directive (DGSD), the revised Payment Services Directive (PSD3), the revised Mortgage Credit Directive (MCD), and potentially the Open Finance Directive/Regulation	70%
B	Effective retail conduct supervision to enhance protection of consumers (Result / Impact)	20%	The EBA will (i) carry out thematic reviews, (ii) coordinate national mystery shopping exercises, (iii) conduct peer reviews and (iv) take action in response to information provided through retail risk indicators and the EBA's Consumer Trend Reports; and/or (v) set up NCA supervisory cooperation fora.	1 initiative
C	Policy response and supervisory convergence in financial innovation (Result / Impact)	20%	The EBA will deploy its mandate in monitoring innovation, contributing to a common approach towards new or innovative financial activities, and in providing advice to the co-legislators, by: i) issuing number of thematic publications, incl. opinions or report issued to EC and NCAs; ii) fostering knowledge sharing via various platforms (EBA structures, EFIF, SDFA); iii) reviewing and verifying training curriculum of the SDFA	Up to 3 initiatives 100 % reviewed materials for SDFA
D	Supporting the effective implementation of the new legal and institutional AML/CFT framework (Output / Result)	20%	The EBA will work closely with AMLA to ensure the smooth transition of powers and effective cooperation between prudential and AML/CFT regulators going forward.	3 Workshops with AMLA/EC

3. ACTIVITIES IN 2024

119. In the following, the EBA sets out its activities and deliverables for the year 2024 in order to accomplish the aforementioned objectives.

120. The activities are presented under a streamlined approach, which is aimed to better deliver its objectives and to foster synergies across teams.

3.1. Policy and convergence work

Activity 1 – Capital, loss absorbency, and accounting

Contributing to priority	P1	Lead Directorate: Prudential Regulation and Supervisory Policy (PRSP)
Description	<p>Robust quality of capital for the EU institutions and consistent implementation of the regulatory provisions stemming from the CRR and the regulatory technical standards developed by the EBA are the main objectives. The EBA will continue monitoring Common Equity Tier 1 (CET1) issuances and maintaining a public list of CET1 instruments. In addition, in order to monitor financial innovation and to keep the terms and conditions of issuances as simple as possible, the EBA will regularly engage in dialogue with numerous stakeholders to follow developments and provide guidance in the area of capital and capital issuances (AT1, Tier 2 and TLAC/MREL instruments in particular).</p> <p>Total loss-absorbing capacity (TLAC)/MREL is a requirement for a given bank to hold a sufficient amount of own funds and debt instruments of a certain quality in order to absorb losses and recapitalise the institution to ensure that it can continue to perform critical functions in the event of failure. This requirement is to be set for each bank at the parent and relevant subsidiary levels by the relevant resolution authorities, in line with both the BRRD and the regulatory standards developed by the EBA. In the context of the policy work on MREL, the EBA will perform a number of tasks.</p> <p>To support high-quality accounting and auditing standards. To monitor and contribute to regulatory developments at EU and international levels in the field of accounting and auditing standard setting, including developing guidelines and recommendations in areas where accounting may impinge on the prudential framework; more generally assess interactions between the accounting and prudential frameworks, including prudential consolidation. Finally, the EBA aims to facilitate the dialogue between (i) the CAs supervising credit institutions and (ii) the statutory auditors and the audit firms carrying out the statutory audits of those institutions.</p>	
Main outputs	<p><i>Capital and loss absorbency</i></p> <ul style="list-style-type: none"> • Maintenance of the EBA CET1 list and update of the CET1 report under article 80 CRR • Finalisation and conclusion of the review of pre-CRR capital instruments under Article 26 (3) CRR – including review of bank specific instruments - ends Q1 2023 • Monitoring of – and report on – CET 1, AT 1 and T2 issuances • Update of the AT1 report under article 80 CRR • Analysis of interactions within loss absorbency requirements • Support on Q&A on capital and eligible liabilities instruments • Monitor of – and report on– TLAC/MREL eligible liabilities issuances under Article 80 CRR, as well as for ESG purposes • Follow up implementation of the EBA Opinion on legacy instruments (in particular in the context of the CRR2 grandfathering provisions) <p style="text-align: right;">Ongoing</p>	

Activity 1 – Capital, loss absorbency, and accounting

- Follow-up implementation of RTS on own funds and eligible liabilities
- Monitor the impact of the interest rate environment on own funds and eligible liabilities aspects (e.g. on the valuation of non-equity instruments)

Accounting and audit

- Monitor and promote consistent application of IFRS 9 and work on the interaction with prudential requirements
- Continue work on the modelling aspects of IFRS 9 and their related impact on capital, using a benchmarking exercise, as per the roadmap¹⁰ (extension to high default portfolios in particular)
- Monitor the quantitative impact of the application of IFRS 9 through selected indicators
- Continue working on / monitoring consolidation aspects –
- Monitor accounting standards and comment letters to the International Accounting Standards Board, where needed
- Deliver regulatory products and technical advice requested by the Commission
- Monitor the impact of the changes of the interest rate environment on accounting related aspects
- Support on QA on accounting and consolidation

Capital and loss absorbency

- Updated monitoring reports (CET1, AT1, TLAC/MREL) as far as needed, also depending on market developments

Accounting and audit

- Preparation of the report to the EU Commission on completeness and appropriateness of provisions on consolidation
- Update RTS on methods of consolidation, where needed
- GLs specifying the activities that are a direct extension of banking, activities ancillary to banking, and similar activities

TBC

Accounting and audit

- Integration of the HDP in the IFRS9 benchmarking – data analysis from 3rd ad hoc exercise and possible report report

+ Delivery of tasks marked with a + may be subject to review in light of redeployment of resources and reprioritisation that is required in order to address DORA and MiCA mandates. Tasks may be postponed, cancelled or undertaken with less intensive resource input.

Activity 2 – Liquidity, leverage, and interest rate risk

Contributing to priority

P1

Lead Directorate: Prudential Regulation and Supervisory Policy (PRSP)

Description

In the area of liquidity (also encompassing asset encumbrance-related matters), the EBA keeps the ITS on reporting up-to-date, following changes to the Level 1 texts in particular. In terms of implementation, the EBA is scrutinising the ways in which institutions and CAs have implemented the CRR and RTS provisions, for example in terms of notifications and the use of national options and discretions, using ongoing monitoring of the practical implementation and providing guidance where necessary.

¹⁰ <https://eba.europa.eu/sites/default/documents/files/documents/10180/2551996/ccbf23ae-4b1a-4af7-bb5e-44d51ae58dfb/Roadmap%20for%20IFRS%209%20deliverables.pdf?retry=1>

The leverage ratio allows CAs to assess the risk of excessive leverage in their respective institutions. The EBA is working on regular updates of technical standards on reporting and disclosure of the leverage ratio.

In terms of interest rate risk in the banking book (IRRBB) the EBA will monitor the implementation of the products delivered in 2022 (one Guidelines and two RTS) and launch a close scrutiny on the impact of the new interest rate environment on IRRBB management and modelling underlying assumptions.

Main outputs	<i>Liquidity risk</i>		
	<ul style="list-style-type: none"> • Deliver regulatory products and update liquidity requirements • Monitor national practices on liquidity and national options and discretion, in particular monitoring the concrete implementation of the liquidity coverage ratio (LCR) rules and definitions • Monitoring of – and report on - LCR implementation • Monitoring of interdependent assets and liabilities for the net stable funding ratio (NSFR) under Art. 428f of the CRR • Monitoring of interdependent assets and liabilities for the LCR under Art. 26 LCR DA • Monitoring of notifications related to liquidity and follow-up actions • Update the list of credit institutions exempted from the 75% inflow cap under Article 33(5) of the LCR Delegated Act • <i>Opinion on DGS conditions for the 3% outflow rate in stable retail deposits – currently on hold +.</i> • Support Q&A on liquidity risk 		Ongoing
	<i>Leverage ratio</i>		
	<ul style="list-style-type: none"> • Monitor/promote consistent application (incl. notifications and follow-up actions), update requirements as needed • Support Q&A on leverage ratio 		
	<i>Interest rate risk in the banking book</i>		
	<ul style="list-style-type: none"> • Monitoring of the implementation of the RTS and GLs related to IRRBB • Support on Q&A on IRRBB 		
	<i>Liquidity risk</i>		
	<ul style="list-style-type: none"> • Report on the monitoring of interdependent assets and liabilities in the NSFR 		Q2/Q3
	<i>Liquidity risk</i>		
	<ul style="list-style-type: none"> • Report on the monitoring of interdependent assets and liabilities in the LCR 		Q2/Q3
<i>Liquidity risk</i>			
<ul style="list-style-type: none"> • <i>Updated report on the LCR implementation monitoring +</i> • <i>Publication of a methodology to assess 3% run-off evidence under article 24(5) of LCR DA – currently on hold +</i> 		Q1/Q2 (TBC)	
+ Delivery of tasks marked with a + may be subject to review in light of redeployment of resources and reprioritisation that is required in order to address DORA and MiCA mandates. Tasks may be postponed, cancelled or undertaken with less intensive resource input.			

Activity 3 – Credit risk (incl. large exposures, loan origination, NPL, securitisation)

Contributing to priority

P1

Lead Directorate: Prudential Regulation and Supervisory Policy (PRSP)

Activity 3 – Credit risk (incl. large exposures, loan origination, NPL, securitisation)

	<p>The EBA’s work on credit risk will focus on preparing the development of technical standards, GL and reports regarding the calculation of capital requirements under the SA and the internal ratings-based (IRB) approach for credit risk (excluding the trading book business) under CRD VI/CRR III, once approved by European co-legislators. In addition, it will continue its monitoring efforts on credit risk related issues, in particular through the EBA benchmarking exercise of internal models and the mapping of ratings from external rating agencies. On large exposures, the EBA will monitor the implementation of the regulatory products developed under the amended CRR II provisions.</p>
<p>Description</p>	<p>The EBA will continue to support strengthened loan origination and NPL management practices by contributing to implementation of the European Commission action plan for tackling non-performing loans (NPLs) and supporting the implementation of the directive on credit servicers and credit purchasers.</p> <p>Regarding securitisation and covered bonds, the emphasis will increasingly be on the prudential rules for the treatment of origination and holding of securitisation positions, in addition to monitoring the implementation of the covered bonds directive. In addition, legislative work may also be given to EBA, as part of the ongoing review of the securitisation framework.</p>
<p>Main outputs</p>	<ul style="list-style-type: none"> • Support the implementation of the Basel III credit risk framework in EU and deliver Basel III-related and other CRR/CRD mandates¹¹ A separate roadmap is envisaged, once clarity on the mandates given to EBA as part of the CRRIII/CRD IV legislative process exists. <p><i>Credit risk</i></p> <ul style="list-style-type: none"> • Maintain credit risk-related lists, including lists identifying the eligibility of public-sector enterprises and regional governments for the credit risk framework, and the mapping of ECAIs • Monitor and promote the consistent application of credit risk and credit risk modelling, including the implementation of the IRB roadmap and possible revisions due to CRR III / CRD V <p><i>Loan origination</i> Ongoing</p> <ul style="list-style-type: none"> • Monitor the implementation of the EBA’s loan origination GL <p><i>NPL</i></p> <ul style="list-style-type: none"> • Follow up on the work and mandates in the NPL directive + • Follow up on the EU action plan for tackling NPLs in Europe <p><i>Securitisation and covered bonds</i></p> <ul style="list-style-type: none"> • Monitor market development and promote the consistent application of frameworks on securitisation and covered bonds • Implement the Covered Bonds Directive, including monitoring reports • Support on Q&A on credit risk, large exposures, and securitisation and covered bonds <hr/> <p><i>Credit risk</i></p> <ul style="list-style-type: none"> • 2023 benchmarking report on IRB models <p><i>Securitisation</i> Q1</p> <ul style="list-style-type: none"> • Monitoring report on capital treatment of STS synthetics • Monitoring report on collateralisation practices

¹¹ More details to be added once the negotiations are finalised.

Activity 3 – Credit risk (incl. large exposures, loan origination, NPL, securitisation)

<i>Credit risk</i>		
<ul style="list-style-type: none"> • GL on calculation of K IRB for dilution and credit risk 		Q2
<i>Credit risk</i>		
<ul style="list-style-type: none"> • Preparation of 2025 benchmarking portfolios – update of ITS (including aspects related to IFRS9) 		Q4

+ Delivery of tasks marked with a + may be subject to review in light of redeployment of resources and reprioritisation that is required in order to address DORA and MiCA mandates. Tasks may be postponed, cancelled or undertaken with less intensive resource input.

Activity 4 – Market, investment firms and services, and operational risk

Contributing to priority	P1	Lead Directorate: Prudential Regulation and Supervisory Policy (PRSP)
Description	<p>The work on market risk focuses on the development of technical standards, GL and reports regarding the calculation of capital requirements for market risk, credit valuation adjustment and counterparty credit risk (CCR). Market risk can be defined as the risk of losses in on- and off-balance-sheet positions that arise from adverse movements in market prices. From a regulatory perspective, market risk stems from all the positions included in banks' trading books, as well as from commodity and foreign exchange risk positions in the whole balance sheet.</p> <p>Introduction of the new market risk regime, as part of CRR III/ CRD VI, builds on the previous implementation in CRR II and CRD V of the regime as an EU reporting requirement. Consequently, the EBA roadmap on the implementation of the FRTB¹² in EU continues to set out the EBA priorities in this area. It is, however, clear that further mandates may be given to the EBA during the legislative process in implementing the Basel standards in EU and the EBA will continue to carefully monitor developments.</p> <p>The work on investment firms will focus on the finalisation of the remaining mandates stemming from the new regulatory regime for investment firms (IFR/IFD).</p> <p>In addition, the EBA's work in relation to operational risk focuses on the monitoring of regulatory operational risk requirements and preparatory work for the implementation of the new operational risk framework, the Standardised Measurement Approach, which is part of the final Basel III framework.</p>	
Main outputs	<ul style="list-style-type: none"> • Regular updates to the list of diversified stock indices, including any additional relevant indices and applying the ITS quantitative methodology • Monitor and promote consistent application of market risk requirements, including the finalisation of phase IV in the EBA roadmap on the implementation of FRTB in EU • Support the implementation of the Basel III market risk, CVA and CCR framework, and operational risk in the EU • Delivery of Basel III-related and CRR/CRD mandates as regards FRTB, CVA, CCR and securities financing transactions • Monitor and promote the consistent application of operational risk and investment firms' requirements • Support on Q&A on market risk, market infrastructure and CCR, operational risk, and investment firms 	Ongoing

¹² [EBA publishes its roadmap for the new market and counterparty credit risk approaches and launches consultation on technical standards on the IMA under the FRTB along with a data collection on non-modellable risk factors | European Banking Authority \(europa.eu\)](#)

Activity 4 – Market, investment firms and services, and operational risk

<i>Market risk</i>	
<ul style="list-style-type: none"> • 2023 benchmarking report on market risk models 	Q1
<i>Market risk</i>	
<ul style="list-style-type: none"> • Preparation of the 2025 benchmarking portfolios – update of ITS 	Q2
<i>Market risk</i>	
<ul style="list-style-type: none"> • RTS on the assessment methodology for the IMA (final deliverable (FD)) • RTS on extraordinary circumstances for being permitted to continue using the IMA (FD) • RTS on material extensions and changes under the IMA (FD) • RTS on extraordinary circumstances for being permitted to limit the backtesting add-on (FD) • GL on the meaning of exceptional circumstances for the reclassification of a position (FD) 	Q4

Activity 5 – Market access, governance, supervisory review and convergence

Contributing to priority

P1

Lead Directorate: Prudential Regulation and Supervisory Policy (PRSP)

Description

In terms of market access, the EBA will monitor the regulatory perimeter and authorisation practices and reports on the establishment of third-country branches and the Intermediate Parent Undertaking (IPU) framework in view of facilitating cross-border cooperation between CAs supervising subsidiaries and branches of third-country groups. Within this context, the EBA will also examine the sectoral acts setting out requirements for the access of third-country financial institutions to the EU market to achieve a comprehensive view of the requirements imposed on various typologies of market players and their interaction and will stand ready to contribute to the implementation of the new 3rd country branches regime set out by the new CRD proposal tabled by the European Commission.

With regard to the authorisation of credit institutions and qualifying holdings, it will consider how to enhance the existing joint ESAs on qualifying holdings and will also continue monitoring the current framework of prudential waivers.

In the areas of governance and remuneration, Directive 2013/36/EU requires that institutions have robust governance arrangements, including a clear organisational structure; well-defined lines of responsibility; and effective risk management processes, control mechanisms and gender neutral remuneration policies, that includes specific requirements for risk takers (identified staff). Similar requirements apply to investment firms under Directive (EU) 2019/2034. The internal governance should be appropriate for the nature, scale and complexity of the institution or the investment firm. In the area of remuneration, the EBA is required in this context to monitor and benchmark remuneration trends and practices. The EBA is also asked to monitor and benchmark diversity practices at EU level.

The EBA will start monitoring the implementation of the GL for the supervisory review and evaluation process (SREP) and with consideration, on the one hand to the recommendations made by the ACP in this respect, and on the other to the role of the ICAAP in the determination of the capital add-ons. This will also rely on the EBA's ongoing assessment of supervisory practices through the setting of the European Supervisory Examination Program (ESEP) and the monitoring of its implementation. The EBA will also update the regulatory products governing the functioning of Supervisory Colleges.

Activity 5 – Market access, governance, supervisory review and convergence

The EBA will also do preparatory works for future updates of the SREP GLs to ensure more articulated and proportional consideration of ESG and ICT risks, further clarifications related to IRRBB and CSRBB, possible update of the market risk section in view of FRTB, better coordination with the recovery plan. Where appropriate, efforts towards streamlining of the Guidelines will be made.

	<p><i>Market access</i></p> <ul style="list-style-type: none"> • Monitor regulatory perimeter and new financial activities across the EU • Monitoring of current application of prudential waivers+ <p><i>Internal governance and remuneration</i></p> <ul style="list-style-type: none"> • Support to Basel and FSB work • Monitor and promote consistent application of internal governance and remuneration requirements under CRD and IFD (including the application of gender neutral remuneration policies) • <i>Regular Benchmarking Reports (including diversity aspects) on remuneration trends and practices, high earners, higher approved ratios and gender pay gap +</i> • Support on Q&A on internal governance and remuneration • Together with the other European Supervisory Authorities, establishment of a system for exchange of information regarding fit & proper assessments (Article 31a ESAs Regulation) 	Ongoing
Main outputs	<p><i>Internal governance and remuneration</i></p> <ul style="list-style-type: none"> • <i>Report on the appropriateness of remuneration provisions in IFD</i> 	Q1
	<p><i>SREP and supervisory convergence</i></p> <ul style="list-style-type: none"> • <i>Report on Convergence of Supervisory Practice and on colleges in 2023 +</i> • Update of RTS and ITS on Supervisory Colleges <p><i>Internal governance and remuneration</i></p> <ul style="list-style-type: none"> • Guidelines on the assessment of adequate knowledge and experience of the management or administrative organ of credit servicers under the CSD • <i>Report on the application of waivers for remuneration requirements (CRD) +</i> 	Q2
	<p><i>Internal governance and remuneration</i></p> <ul style="list-style-type: none"> • Report on gender pay gap (Article 75 CRD) 	Q3
	<p><i>SREP and supervisory convergence</i></p> <ul style="list-style-type: none"> • 2025 European Supervisory Examination Programme <p><i>Internal governance and remuneration</i></p> <ul style="list-style-type: none"> • <i>Report on High earners (CRD and IFD) +</i> 	Q4

+ Delivery of tasks marked with a + may be subject to review in the light of the redeployment of resources and reprioritisation that is required in order to address DORA and MiCA mandates. Tasks may be postponed, cancelled or undertaken with less intensive resource input.

Activity 6 – Recovery and resolution

Contributing
to priority

P1

Lead Directorate: Prudential Regulation and Supervisory Policy (PRSP)

Activity 6 – Recovery and resolution

Description	<p>The Authority will focus on critical elements of the secondary legislation that may be in need of review on the basis of the practical experience gained as well as on completing the needed chapters of the Resolvability Guidelines and potentially expanding to transparency and disclosure topics, and will in this context also take into consideration the recommendations of the ACP on proportionality.</p> <p>The EBA will continue to monitor convergence in the implementation of identified topics of the resolution framework through the EREP (European Resolution Examination Program) exercise, developed in parallel to the similar exercise performed for the prudential framework. The EBA will continue to monitor the building up of MREL resources in the European banking sector.</p> <p>In the context of crisis preparedness, the EBA will continue to monitor evolving practices in relation to recovery planning, focusing in particular on improving the usability of the recovery plans, their content and the determination of the overall recovery capacity. It will maintain its focus on the crisis management continuum and on the quality of cooperation between supervisory and resolution authorities, with due consideration of proportionality as suggested by the ACP.</p>	
Main outputs	<ul style="list-style-type: none"> • Work on recovery and resolution planning (including review of plans, operationalisation of resolution tools, resolvability assessment...) • Monitoring convergence in the area of resolution • Report on convergence in the area of resolution • Review of the RTS on independent valuers • Quantitative report monitoring the build-up of MREL resources in the EU • 2025 European Resolution Examination Programme • Review of RTS on content of recovery plans – albeit not before BRRD proposal 	<p>Ongoing</p> <p>Q2</p> <p>Q4</p>

Activity 7 – ESG in supervision and regulation

Contributing to priority	<div style="display: flex; gap: 10px;"> <div style="border: 1px solid black; padding: 2px 5px;">P1</div> <div style="border: 1px solid black; padding: 2px 5px;">P2</div> </div>	Lead Directorate: Economic and Risk Analysis (ERA)
Description	<p>The EBA will continue to deliver on mandates included in the EU regulations and directives and those stemming from the Commission’s renewed Sustainable Finance Strategy, as well as pursue its contributions to international work (particularly via the Platform on sustainable finance, Basel Committee, Network for Greening the Financial System).</p> <p>The EBA will continue building its ESG risk assessment tools to enable efficient monitoring of ESG risks in the banking sector and development of the green financial market, with a primary focus on climate change-related risks.</p> <p>The EBA will pay particular attention to maintaining the principle of proportionality when delivering these mandates, taking into considerations the recommendations of the ACP.</p>	
Main outputs	<ul style="list-style-type: none"> • Fulfilling the sustainable finance-related mandates received in the EU regulations/directives (in particular review of Pillar 3 disclosure standards, supervisory reporting standards) • Responses to the Commission’s requests to provide reports and advice on sustainable finance-related topics 	Ongoing

Activity 7 – ESG in supervision and regulation

<ul style="list-style-type: none"> • Support for implementation of requirements, including through Q&As (in particular contributing to joint ESAs work on mandates under SFDR) • Building up ESG risk assessment and monitoring tools • Contributing to European and international activities in this area (including Platform on Sustainable Finance, BCBS Taskforce on Climate Related Risks, NGFS) 	
<ul style="list-style-type: none"> • Call for advice (CfA) on greenwashing - final report 	Q2
<ul style="list-style-type: none"> • Annual report under Article 18 SFDR 	Q3
<ul style="list-style-type: none"> • Guidelines on ESG risk management • Revised Guidelines on institutions’ stress testing • Revised SREP Guidelines 	TBC

Activity 8 – Innovation and Fintech

Contributing to priority	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; padding: 2px 5px; margin-right: 5px;">P4</div> <div style="border: 1px solid black; padding: 2px 5px; margin-right: 5px;">P5</div> </div> Lead Directorate: Innovation, Conduct and Consumers (ICC)
Description	<p>The EBA will continue to monitor financial innovation and identify areas where further regulatory or supervisory response may be needed in order to promote consistency in regulatory and supervisory expectations.</p> <p>The EBA will also continue engaging with industry, competent authorities and other EU and international organisations to identify emerging risks and areas where further work by the EBA may be needed.</p> <p>The EBA will conduct research and issue thematic publications to build knowledge, promote convergence, and identify regulatory gaps or obstacles relating to financial innovation. To strengthen supervisory capacity in innovative digital finance, the EBA together with ESMA and EIOPA will be partnering with the European Commission to the activities of EU Supervisory Digital Finance Academy.</p>
Main outputs	<ul style="list-style-type: none"> • Contribute to and foster common regulatory/supervisory approaches in digital finance topics (e.g. AI, supervisory technologies (SupTech), crypto-assets, distributed ledger technology (DLT))) through knowledge-sharing and awareness raising activities with EU and national competent authorities via the EBA FinTech Knowledge Hub (workshops, roundtables, seminars) and the European Forum for Innovation Facilitators • Activities based on work program of the European Forum for Innovation Facilitators (EFIF) for 2024 • Thematic publications related to financial innovation • Follow up activities related to the use cases of AI in finance, including by clarifying supervisory expectations on specific use cases, where deemed necessary • Activities related to the EU Supervisory Digital Finance Academy <p style="text-align: right;">Ongoing</p>

Activity 8 continued – DORA (contingent on final adoption of legal text)

Contributing to priority	P4	Lead Directorate: Innovation, Conduct and Consumers (ICC)
Description	Based on the joint-ESAs DORA implementation plan, in 2024 the main outputs will be the 12 legal mandates envisaged in DORA and part of the ESRB recommendation on EU-SCICF. Moreover, preparatory activities will be ongoing to get ready for the EBA/ESAs' new role (e.g. oversight tasks). The EBA will continue its work to ensure that the regulatory framework for ICT, security risk and cyber-resilience is well-implemented, including with consistent supervisory practices. The EBA will continue to provide inputs to the work of international standard-setters in the area of operational resilience.	
Main outputs	<ul style="list-style-type: none"> • Planning and preparatory activities for oversight and other tasks • RTS on specifying the elements and components of ICT risk management framework (Article 15) • RTS on simplified ICT risk management framework (Article 16) • RTS to specify the policy on ICT services (Article 29 (10)) • RTS on criteria for the classification of ICT-related incidents (Article 18 (3)) 	Ongoing
	<ul style="list-style-type: none"> • RTS to specify threat led penetration testing aspects (Article 26(11)) • RTS to specify elements when sub-contracting critical or important functions (Article 30 (5)) • RTS on specifying the reporting of major ICT-related incidents (Article 20a) • Guidelines on the estimation of aggregated annual costs/losses caused by major ICT incidents (Article 11(12)) • ESRB recommendation (A1) • GL on cooperation between ESAs and CAs regarding the structure of the oversight (Article 32(7)) • RTS to specify information on oversight conduct (Article 41) 	Q1
		Q3

Activity 8 continued – MiCA (contingent on final adoption of legal text)

Contributing to priority	P4	Lead Directorate: Innovation, Conduct and Consumers (ICC)
Description	The EC's Digital Finance Strategy was accompanied by a legislative proposal for a regulation on markets in crypto-assets (MiCA), on which technical trilogues concluded in September 2022, COREPER endorsed on 5 October 2022 and on which a EP vote is expected by end-January 2023. Pursuant to MiCA, the EBA is mandated to deliver a large number of policy mandates and to perform supervisory tasks in relation to issuers of significant asset-referenced tokens and e-money tokens and to perform other tasks such as issuing Opinions, at the request of NCAs, on the regulatory classification of crypto-assets. Looking beyond MiCA, the EBA will continue its monitoring of crypto-asset market developments, including decentralised finance (DeFi), with a view to continuing to promote consistency in regulatory and supervisory approaches across the EU via the EBA's Network on Crypto-assets. The EBA will also continue to provide inputs to the work of international standard-setters, including relevant workstreams of the BCBS, FATF and FSB	

Activity 8 continued – MiCA (contingent on final adoption of legal text)

	<ul style="list-style-type: none"> • Monitor crypto-asset (activities including via the Network on Crypto-assets) • Preparing for, and from end Q3 2024 (expected), performing supervision and other (non-regulatory) tasks under MiCA 	Ongoing
Main outputs	<ul style="list-style-type: none"> • RTS white paper Article 15a (final deliverable (FD)) • RTS on information to be submitted in an application for authorisation to issue Asset Referenced Tokens (ARTs) • ITS on information to be submitted in an application for authorisation to issue ARTs • GL suitability members of the management body and qualifying holdings (issuers of ARTs) • RTS on use of ARTs as a means of payment • ITS on use of ARTs as a means of payment • RTS complaints handling • RTS conflicts of interest • GL governance arrangements • RTS own funds • RTS liquidity (reserve assets ARTs) • RTS highly liquid financial instruments • RTS acquisitions of qualified holdings (QHs) • RTS supplemental requirements for issuers of significant ARTs • GL stress testing • GL on recovery plans • GL on redemption plans • GL classification of crypto-assets (joint ESA mandate) • RTS supervisory colleges • GL on suitability of members of the management body (CASPs) 	Q2
	<ul style="list-style-type: none"> • GL on classification of crypto-assets 	Q4

Activity 9 – Payment services, consumer and depositor protection

Contributing to priority	<div style="border: 1px solid black; display: inline-block; padding: 2px 5px;">P5</div> Lead Directorate: Innovation, Conduct and Consumers (ICC)
Description	<p>The EBA contributes to efficient, secure and easy retail payments across the EU, by continuing to contribute to the common interpretation and supervision of the relevant EU Directives and Regulations, in particular the revised Payment Services Directive (PSD2), and the 12 mandates the EBA had developed in support of the Directive. To that end, the EBA will also continue to assess the data it receives on retail payment fraud and operational and security incidents, with a view to assess the extent to which existing security requirements under PSD2 and relevant EBA instruments achieve the aim set out in the Directive. The EBA also supports the EU Commission, Council and Parliament in progressing a potential PSD3 and Open Finance Regulation through the legislative process and prepares for the delivery of the mandates expected to be conferred on the EBA therein.</p> <p>The EBA seeks to foster a consistent level of consumer protection in all EU Member States by identifying and addressing consumer detriment in the banking sector, monitoring and assessing the retail conduct of financial institutions in its regulatory remit, delivering the EU law mandates, and contributing to supervisory convergence and consistent consumer outcomes. More specifically, the EBA supports the EU Commission, Council and Parliament</p>

Activity 9 – Payment services, consumer and depositor protection

in progressing the revised Consumer Credit Directive (CCD) through the legislative process and prepares for the delivery of the estimated mandates conferred on the EBA therein. As indicated under activity 3, the EBA also continues to support the implementation of the Directive on credit servicers and credit purchasers, such as on complaints handling procedures and the maintenance of national registers..

Furthermore, the EBA contributes to enhanced depositor protection by supporting the EU Commission, Council and Parliament in progressing the revised Deposit Guarantee Scheme Directive (DGSD) through the legislative process and prepares for the delivery of the estimated mandates conferred on the EBA. The EBA also contributes to depositor protection in the event of a bank failure by completing, within the EU crisis management framework, the Single Rulebook, facilitating cross-border cooperation between deposit guarantee schemes (DGSs), acting as a hub for DGS data collection and analysis, monitoring the financing and resilience of DGSs, and contributing to the review of the existing Deposit Guarantee Schemes Directive (DGSD).

Payment services

- Continue to monitor the application of RTS on strong customer authentication and common and secure communication (SCA&CSC), including the amended 90-day SCA exemption
- Continue to monitor the consistent implementation of the EBA Guidelines on limited network exemptions (applying from end 2022)
- Assessment of fraud data received, to monitor the consistent and accurate implementation by CAs and financial institutions of the EBA GL on fraud reporting (EBA/GL/2018/05), to assess the extent to which the security-related provisions in PSD2 and the EBA's supporting instruments have achieved the objectives set out in the Directive
- Assessment of the reports received on operational and security incidents under PSD2 and the related Guidelines (EBA/GL/2019/04), to assess the extent to which the objectives of PSD2 have been achieved and to inform development of similar mandates under DORA
- Establish lessons learned from the revised EBA Guidelines under PSD2, to inform the fulfilment of the corresponding incident reporting mandates under DORA
- Support to the EU Commission, EU Council and EU Parliament in providing advice during the negotiations of PSD3 and of the Open Finance Framework and fulfil the mandates estimated to be conferred on the EBA therein
- Support on Q&A on the PSD2, EMD and IFR

Main outputs

Ongoing

Consumer protection

- Follow up to CTR 2022/23: thematic review on a selected topic identified in the CTR
- Publication of the Consumer Trends Report 2024/25
- Publication of the EBA Retail Risk Indicators 2024/25
- Guidelines on the content and maintenance of lists or national registers of credit servicers under the CSD
- Extension of existing JC Guidelines on complaints handling to credit service providers under the CSD
- Report on the peer review of the EBA Guidelines on arrears management under the MCD

Activity 9 – Payment services, consumer and depositor protection

- Advice to the EU Commission, Council and Parliament during the negotiation of the revised Consumer Credit Directive and fulfil the mandates estimated to be conferred on the EBA therein
- Coordination of phase 2 of mystery shopping activities of national competent authorities
- Support on Q&A on MCD, PAC, CCD and MiFID2 on SDs
- Deliver the Joint ESAs Consumer Protection Day 2024 as lead ESA

Depositor protection

- Publish data on uses of DGS funds, including in bank failures, and data on covered deposits and financial means available to DGSS
- *Monitor the liquidations that involved a DGS pay-out +*
- *Assess notifications received under the DGSD +*
- Support on Q&A on DGSD
- Assessment of individual DGSS against criteria in the LCR delegated regulation and publication of Opinions, as and when requested
- Supports to the EU Commission, Council and Parliament in progressing the revised Deposit Guarantee Scheme Directive (DGSD) through the legislative process and preparation for the delivery of the estimated mandates conferred on the EBA therein (including possibly technical Standards on Information sheet from credit institutions and DGS to consumers, Guidelines on the reporting of unavailability of funds)

+ Delivery of tasks marked with a + may be subject to review in light of redeployment of resources and reprioritisation that is required in order to address DORA and MiCA mandates. Tasks may be postponed, cancelled or undertaken with less intensive resource input.

Activity 10 – Anti-money laundering and countering the financing of terrorism

Contributing to priority

P5

Lead Directorate: Innovation, Conduct and Consumers (ICC)

Description

The EBA contributes to maintaining the integrity, transparency and orderly functioning of financial markets, including by preventing the use of the financial system for the purposes of money laundering and terrorist financing (ML/TF). It will continue to lead, coordinate and monitor the EU financial sector's fight against ML/TF in line with its legal mandate until the new AML/CFT Authority takes over that mandate. Until then, it will support the implementation of robust approaches to AML/CFT supervision across the EU, including in relation of crypto asset service providers (CASPs); contribute to the implementation of a holistic approach to tackling ML/TF, sanctions and other financial crimes across all areas of the EBA's work; and support the implementation of the EU's new institutional AML/CFT framework. The EBA may revisit its plan during the year and reprioritise workstreams and deliverables in light of the progress made with the establishment of AMLA.

Main outputs	<ul style="list-style-type: none"> • Identification and assessment of ML/TF risks, and dissemination of information about ML/TF risks based on, inter alia, information from EuReCA • <i>Monitoring of AML/CFT colleges and supporting their effective functioning. Publication of report on their functioning of AML/CFT colleges +</i> • <i>Staff-led assessments of CAs' approaches to AML/CFT supervision, with bilateral feedback and action points. Publication of report on competent authorities' approaches to AML/CFT supervision +</i> • Technical advice and input to support European and international AML/CFT objectives • Supporting the transition to a new institutional EU AML/CFT framework • Building supervisory capacity and promoting convergence of supervisory practices through bilateral support and training 	Ongoing
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+ Delivery of tasks marked with a + may be subject to review in light of redeployment of resources and reprioritisation that is required in order to address DORA and MiCA mandates. Tasks may be postponed, cancelled or undertaken with less intensive resource input.

3.2. Risk assessment and data

Activity 11 – Reporting and transparency framework

Contributing to priority	<div style="display: flex; gap: 10px;"> <div style="border: 1px solid black; padding: 2px 5px;">P1</div> <div style="border: 1px solid black; padding: 2px 5px;">P3</div> </div>	Lead Directorate: Data Analytics, Reporting and Transparency (DART)
Description	<p>In 2024, the EBA will continue to follow up on the feasibility study on integrated reporting and to contribute to a more consistent and integrated system for collecting statistical, resolution and prudential data, with a view to improving efficiency and reducing reporting costs for all relevant stakeholders. The EBA would work with all relevant authorities under the Joint Banking Reporting Committee [to be established in 2023] to integrate reporting definitions (semantic integration), build common data dictionary (syntactic integration) and discuss granularity of supervisory reporting. The EBA continues to maintain a high-quality and efficient supervisory reporting framework, including a data point model and validation rules continue to provide regular updates, to maintain the relevance of the reporting framework.. Moreover, revision of the CRR (CRR3) and CRD (CRDVI) is expected to result in amendments to the EBA reporting framework.</p> <p>The EBA will continue its work to improve the comparability and standardisation of Pillar 3 disclosures, including the extension of the ITS on Pillar 3 disclosures when relevant, to cover all ESG topics, to cater for the CRR3-led amendments and other relevant disclosures, the monitoring of institutions' Pillar 3 reports and the maintenance of the mapping tool with supervisory reporting. The EBA will continue to work on ESG disclosures in the context of the Pillar 3 ITS, and coordinate the work on non-financial reporting at the EU with our consultative role on CSRD standards and on disclosures under Article 8 of Taxonomy Regulation, and at international level with Basel.</p> <p>The CRR3 proposal includes a mandate for the EBA to establish a Pillar 3 data hub, anticipated also on our Pillar 3 roadmap published in 2019, which will centralise public prudential disclosures for all EU institutions, in order to further promote comparability of public prudential information and market discipline and facilitate compliance with Pillar 3 requirements by smaller institutions. Further, the EBA Pillar 3 hub is expected to connect to ESAP (European Single Access Point) which covers all company disclosures. The EBA work on the Pillar 3 data hub and on ESAP will be highly related.</p>	

Last but not least, as part of the EBA work on proportionality, the EBA will monitor the implementation of its recommendations in virtue of the study of the cost of compliance. The recommendations of the ACP will be helpful here to guide the EBA's work.

Main outputs	<ul style="list-style-type: none"> • Regular update and maintenance of the supervisory and resolution reporting framework (legal act, templates, instructions and technical package, versions 3.3 and 3.4 to be delivered in 2023) • Amendments to supervisory reporting framework in line with CRR3/CRD6, with major amendments expected in credit risk and operational risk, including new reporting on ESG risks and new reporting on third country branches • Follow-up actions on and implementation of recommendations identified in the cost of compliance study, including the regular review of proportionality in reporting framework • Maintain validation rules, the data point model and XBRL taxonomies. • Continue with the development of the new tool to improve development and maintenance of data dictionary, including data-modelling, validations, transformations and data exchange formats creation • Implementation and maintenance of an integrated reporting system, following on from the EBA feasibility study on integrated reporting • Contribute to implementation of EU Supervisory Data Strategy across financial sectors 	Ongoing
	<ul style="list-style-type: none"> • Maintain mapping tool between reporting and Pillar 3 • Opinions on sustainability reporting standards issued by EFRAG under CSRD (with EBA opinion to be issued two months after issuance) • Development of the Pillar 3 data hub • Preparatory work on European single access point (ESAP), in coordination with the Pillar 3 hub project and with ESMA and EIOPA • <i>Monitoring of Pillar 3 disclosures</i> +¹³ • Amendments to Pillar 3 ITS to update ESG risks related disclosure requirements • Amendments to Pillar 3 ITS in line with the CRR3/CRD6, with major amendments expected in credit risk, market risk and operational risk • Support on Q&A on reporting and transparency frameworks • Continue our involvement in EU and international organisations, including EFRAG non-financial reporting body, BCBS DIS (Disclosure Expert Group) and BCBS TFCR – Workstream on disclosures • Specification of disclosure requirements for investment firms 	
	<ul style="list-style-type: none"> • ITS to establish templates for the register of information (DORA) 	Q1
	<ul style="list-style-type: none"> • ITS on use of ARTs as a means of payment (MiCA). • ITS on incident reporting (DORA) 	Q2
	<ul style="list-style-type: none"> • ITS on reporting details for major ICT-related incidents (DORA) 	Q3
	<ul style="list-style-type: none"> • Amendments to FINREP reporting based on IFRS changes. 	Q4

+ Delivery of tasks marked with a + may be subject to review in light of redeployment of resources and reprioritisation that is required in order to address DORA and MiCA mandates. Tasks may be postponed, cancelled or undertaken with less intensive resource input.

¹³ Own initiative project.

Activity 12 – Risk analysis

Contributing to priority	P2	Lead Directorate: Economic and Risk Analysis (ERA)
Description	The EBA will continue the work of monitoring market trends and the main developments in the EU banking sector. The objective is to identify, in a forward-looking fashion, vulnerabilities and potential risks that may affect EU banks, and to identify possible policy actions to address them.. Finally, the EBA will support the implementation of the macroprudential framework in the EU.	
Main outputs	<ul style="list-style-type: none"> Quarterly EU risk dashboards Risk assessment questionnaires – two per year Internal updates on liquidity and market developments for the BoS and the BSG Work on macroprudential matters (including buffers) Opinions on macroprudential measures (Article 458 CRR) and systemic risk buffers) 	Ongoing
	<ul style="list-style-type: none"> Thematic and topical notes on various risk Contribution to ESRB work 	
	<ul style="list-style-type: none"> JC spring risk report 	Q1
	<ul style="list-style-type: none"> Funding plans report Asset encumbrance report JC autumn risk report 	Q2
	<ul style="list-style-type: none"> Risk assessment report (RAR) of the European banking system (annual) 	Q3

Activity 13 – Stress testing

Contributing to priority	P2	Lead Directorate: Economic and Risk Analysis (ERA)
Description	To support the analysis of potential risks and vulnerabilities in the EU, the EBA initiates and coordinates EU-wide stress tests in cooperation with the ESRB. These allow assessment of the resilience of financial institutions to adverse market developments and feed into the microprudential and macroprudential assessments and decisions of the relevant CAs. This area of work also includes climate stress test in line with the EBA mandates.	
	Based on the EU-wide stress test carried out by the EBA in 2023, the EBA will be applying changes to the methodology and also assessing further the centralisation of some risk areas by introducing top-down elements. This will be in addition to the introduction in the 2023 EU-wide stress test of top-down elements for Net Fee and Commission Income (NFCI). The EBA will also take into consideration the lessons learned from the 2023 EU-wide stress tests. The EBA will continue working on climate stress test, including the one-off climate stress test included in the Commission’s renewed sustainable finance strategy and regular climate stress tests according to the EBA Founding Regulation.	
Main outputs	<ul style="list-style-type: none"> Ongoing work on the improvement of the stress test methodology Work on the incorporation of climate risk into the stress test framework Design and implementation of internal top-down stress test capacity 	Ongoing
	<ul style="list-style-type: none"> GL stress testing (MICA) 	Q2
	<ul style="list-style-type: none"> Preparation and methodological work for 2025 EU-wide stress test exercise (incl. hybrid approach) 	Q3

Activity 13 – Stress testing

- | | |
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| <ul style="list-style-type: none"> Climate risk stress test preparation (Including GL on institutions' climate stress test) | TBC |
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Activity 14 – Regulatory impact assessments

Contributing to priority	<div style="border: 1px solid black; padding: 2px; display: inline-block;">ALL</div>	Lead Directorate: Economic and Risk Analysis (ERA)
Description	<p>Evidence-based and proportionate policymaking requires comprehensive impact assessments. In addition, the EBA Regulation requires that all EBA regulatory products are accompanied by explicit (analytical quantitative and/or qualitative impact assessments). Economic analysis and impact assessments support the development of the EBA's regulatory products and are necessary inputs for the EBA's advice to the Commission, and a key contribution to the debate on regulatory reforms. As part of the economic analysis work the EBA carries out its research function, which includes organising workshops, seminars and running the staff paper series. It furthermore actively contributes to the methodology development across the business areas, including stress testing models, ESG tools and models for resolution.</p>	
Main outputs	<ul style="list-style-type: none"> Impact assessment reports that accompany EBA's regulatory proposals and policy recommendations Analysis and research to support and enhance ongoing regular EBA economic and statistical methodology and analysis Maintenance and development of quantitative impact studies and the regular mandatory data collections for these, contacts to BCBS QIS TF and research TF Publication of EBA staff papers Contribution to work on ESG factors, financial innovation, payments, digital finance and AML/CFT Contribution to enhancing the stress test framework Contribution to the Task Force of Impact Studies and Advisory Committee on Proportionality Specific calls for advice and other larger regulatory initiatives Organisation of academic seminars and research workshops which benefit the quality of work in EBA products 	
	<ul style="list-style-type: none"> CRD V/CRR II Basel III monitoring report (annual report) 	Q3
	<ul style="list-style-type: none"> Annual report on the impact and phase in of the LCR] Annual report on the impact and phase in of the NSFR Policy research workshop 	Q4

Activity 15 – Data infrastructure and services, statistical tools

Contributing to priority	<div style="display: flex; gap: 5px;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;">P3</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">P4</div> </div>	Lead Directorate: Data Analytics, Reporting and Transparency (DART)
Description	<p>As a data-based and insight-driven institution, the EBA incorporates data and analytics as a key element in its strategic areas, with the objective of leveraging the enhanced technical capabilities for performing flexible and comprehensive analyses.</p>	

In 2021 the EBA finalised its multi-annual data strategy which will, inter alia, root all EBA policy work in data and support members and the public in their data needs. In implementing its data strategy, and as part of its multi-annual priorities, the EBA aims to improve how regulatory data is compiled, extend the range of data collected, enhance the usability of its underlying systems, and strengthen its analytical capabilities. Main actions will entail designing processes for more standardisation and harmonisation of data acquisition; digitalisation/automatisation of the reporting framework development process; developing new tools for data processing and analytics; designing processes and developing analyses and products with wide range of internal and external stakeholders.

As part of its data strategy, the EBA will capitalise on EUCLID, the European Centralised Infrastructure of Data, which became operational in 2020 and provides a reliable, secure and efficient platform to collect and process micro and aggregated data for all financial institutions. EUCLID includes data on smaller institutions and specialised business models, which will allow more proportionality in the EBA’s work, resulting in more comprehensive analyses and better impact assessments. The EBA aims to reduce the burden for banks and competent authorities by maximising already reported supervisory data when supporting ad hoc data collections.

The upgraded data infrastructure and broader data set will support the implementation of the EBA’s data strategy, allowing to provide access, via a dissemination portal, to high-quality data and insights to internal and external stakeholders, by employing more advanced technical capabilities. It will provide analytical tools for risk analysis and develop and maintain its risk dashboards, interactive tools, and a list of EBA risk indicators. It will promote the use of reported data by providing tools and training for data users. This will involve ensuring the consistent application of reporting requirements through the application of validation rules and quality checks. The EBA will provide high-quality data at aggregate and bank-by-bank levels, on a need-to-know basis, to a wide range of stakeholders (investors, analysts, academics and the general public), and improve banks’ own disclosures within and beyond Pillar 3.

Main outputs	<ul style="list-style-type: none"> • Support regulatory work with quantitative analysis and analytical tools • Provide data-based support for work on regulatory products and technical advice requested by the Commission • Support and maintain the EBA’s data infrastructure: master data and fact data for supervisory, resolution, IFs and payments purposes; setting reporting requirements; monitoring submissions • Interact with the CAs to ensure smooth data flow and quality • Train CA and EBA users on data and analysis tools • Implement validation rules and quality checks for statistical analysis • Develop interactive and visualisation tools for data dissemination • Manage the data workflow (including through pre-populated templates) • Implementation of multi-year data strategy, building on EUCLID to improve data processing and analytical capabilities and to provide access, via a dissemination portal, to high-quality data and insights to stakeholders • EUCLID upgrade for supporting DORA and MICA mandates 	Ongoing
	<ul style="list-style-type: none"> • Risk dashboards and other tools for internal and external data users • Update of macro- and bank-specific risk dashboards 	Quarterly
	<ul style="list-style-type: none"> • 2024 EU-wide Transparency exercise • Supervisory disclosure exercise 	Q4

3.3. Governance, coordination and support

Activity 16 – EBA governance, international affairs, communication

Contributing to priority	All	Lead Unit: Governance and External Affairs
Description	<p>The activity supports the EBA’s governing bodies (BoS and MB), the Banking Stakeholder Group, the ESAs’ JC and Board of Appeal; peer reviews with the CAs; the definition and execution of the EBA’s work programme; and the EBA’s interactions with the EU and international institutions (e.g. GHOS/BCBS, IMF).</p> <p>It furthermore contributes to the planning of the EBA priorities, work programme and the monitoring of its execution.</p> <p>The EBA will implement its communication strategy, deliver a new visual identity, and continue to revamp its website in order to support its mandates.</p> <p>To facilitate the competent authorities’ acquisition of the Single Rulebook, its understanding, and the convergence of supervisory practices, the activity furthermore extends its training offer in prudential and resolution areas and on emerging risks.</p> <p>With regard to equivalence, the EBA will assess the regulatory / supervisory and confidentiality frameworks of third countries and their equivalence with the EU framework, provide an opinion to the EC and monitor, together with the EC, the ongoing equivalence of countries covered by the EC’s equivalence decisions. The EBA will enter into cooperation agreements with the CAs of third countries, covering prudential, conduct and crisis-management cooperation.</p>	
Main outputs	<ul style="list-style-type: none"> • Support the EBA’s governing bodies, as well as the Banking Stakeholder group, the Advisory Committee on proportionality, the Board of Appeal and the ESAs Joint Committee work • Support the EBA’s contribution to EU and international fora • Develop internal policies/processes to support the EBA’s activities • Implement the EBA’s communication strategy and ensure external and internal communication • Monitor the implementation of the ESAs’ Review and possible follow-up to the Commission’s report on the experience acquired following the revised ESAs’ Regulation • Execution of the Union-wide Strategic Supervisory Priorities 2024-2025 plan • Prepare and monitor the execution of the annual and multi-annual work programme • Develop and maintain relations with EU and non-EU stakeholders] • Training for EU competent authorities • Prepare reports and opinions on regulatory and confidentiality equivalence assessment and/or monitoring 	
	• Single programming document (2025-2027 horizon)	Q1
	• Consolidated annual activity report 2023	Q2
	• Annual report 2023	Q2
	• 2025 Annual work programme	Q3

Activity 17 – Legal and compliance

Contributing to priority	All	Lead Unit: Legal and Compliance
Description	<p>Provision of legal analysis and support, and risk and compliance functions. This includes analysis and support on draft regulatory products, coordination of the Q&A process; carrying out peer reviews, investigations into potential breaches of EU law and dispute resolution between CAs, monitoring and fostering of supervisory independence; representing the EBA before the Board of Appeal and the Court of Justice; providing data protection officer, ethics, anti-fraud and risk management functions; and ensuring that the EBA operates in accordance with its founding regulation and with all other applicable laws.</p> <p>The EBA will continue to consolidate its risk and compliance functions including digitisation and implementation of an enterprise risk management system, develop the peer review process to focus on supervisory priorities and urgent ad hoc supervisory issues, enhance the Q&A process and Interactive Single Rulebook; support sound implementation of MiCA and DORA; and support prevention and countering of ML/TF.</p>	
Main outputs	<ul style="list-style-type: none"> • Legal advice to EBA staff and governing bodies • Sound internal processes for adopting EBA decisions • Represent the EBA before the Board of Appeal and the Court of Justice and in interactions with the European Ombudsman • Development and implementation of data protection, ethics and whistleblowing, risk management and anti-fraud frameworks • Handle access to documents requests • Identify potential breaches of EU law, investigate and act as appropriate • Settle CA disputes through mediation and binding decisions • Monitor and foster supervisory independence of CAs • Conduct peer reviews of the activities of competent authorities, including in 2024 on application of the definition of default, and the application of proportionality in the SREP process • Carry out follow-up peer reviews on supervision of non-performing exposures, supervision of ICT risk, authorisation under PSD2, application of CVA risk exemptions, supervision of arrears-handling under MCD, application of the definition of default, and the application of proportionality in the SREP process • Q&A: coordinate the internal preparation by the policy areas of the answers to external stakeholders on the Single Rulebook 	Ongoing

Activity 18 – Resources (HR and finance)

Contributing to priority	ALL	Lead Directorate: Operations
Description	<p>For HR, the focal point will be to further modernise the HR strategy helping to deliver more diverse and inclusive organisational excellence by putting the right people, in the right place, at the right time with the right skills, with a focus on talent attraction, engagement and retention. More particularly, in a challenging fast-moving global context with new ways of working and staff changed expectations around work, the objective will be to improve HR policies and processes for staff to optimally grow, thrive and deliver.</p>	

The finance activity will aim to enhance further budget acquisition, monitoring, and execution through electronic workflows for finance, procurement, and accounting processes, and through leveraging the implementation of the EBA collaboration platform. It will also continue the implementation of the systems and processes required to support fee-financing arising from the digital finance LFS, in coordination with ESMA and EIOPA. This will look, in particular, at activity-based budgeting/costing systems, where possible building on the work of other agencies in this area. The Finance team will also begin work on implementing SUMMA, which is the Commission's successor to the current ABAC budget and accounting system.

The EBA will benefit from the Public Procurement Management Tool (PPMT), developed by the Joint Research Centre with the Commission's Directorate-General for Informatics and for Budget, which the EBA implemented in 2022, and which now enables all procurement procedures to be run through the tool.

HR

- Maximised execution of the Establishment Plan (at least 95%)
- Ensured compliance to the SR/CEOS with Implementing Rules' adoption (Article 110 of the SR)
- Optimised talent identification, attraction and acquisition approach
- Revamped talent career development framework
- Increased HR digitalisation (with a new e-recruitment tool planned to be deployed end of 2023)

Finance

Main outputs	<ul style="list-style-type: none"> • Execution of the 2024 annual budget • Establishment and acquisition of the 2025 budget • Establishment of the 2026 budget • Implementation of the 2024 procurement plan • Production of the 2023 annual accounts • Development of a system(s) for budgeting and costing fees (MiCA/DORA) • Preparation for implementation of the Commission's SUMMA system (successor to the current ABAC accounting and budget system) • Support the annual ECA audit • Ongoing improvement projects (Finance & Procurement) 	Ongoing
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Activity 19 – Infrastructures (Information technology and Corporate Support)

Contributing to priority

ALL

Lead Directorate: Operations

Description

The EBA has adopted an IT strategy to become a Digital Agency by 2025, embarking on a bold and ambitious digital transformation journey for the entire organisation. The activity includes the transformation, delivery and adoption of IT solutions that are fit for purpose, easy to use, secure and effective, in line with the adopted Cloud Strategy. Furthermore, it will provide services and technology leadership to enable the EBA to achieve its mission and to support its everyday operations as a trusted business partner.

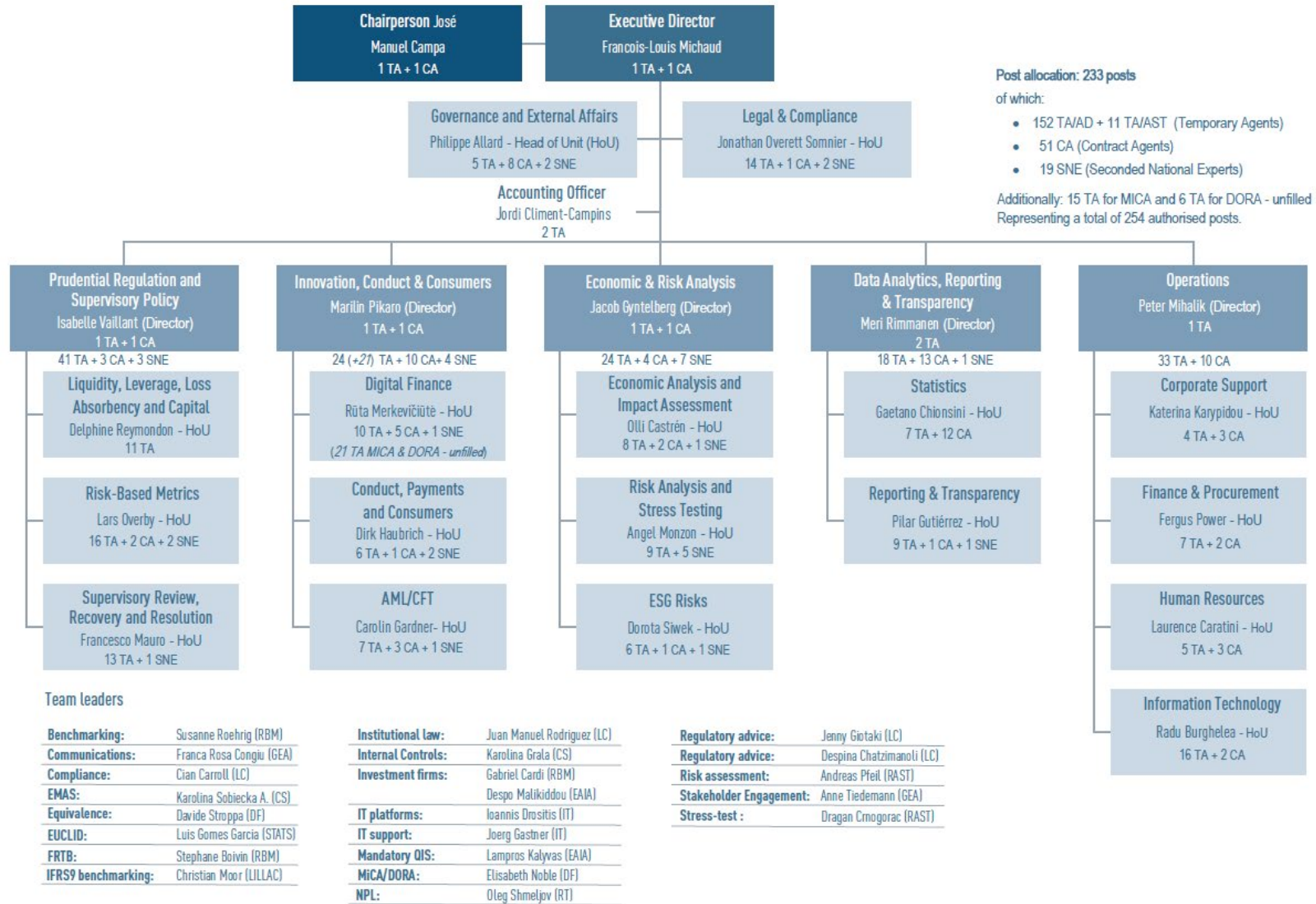
Digital services and solutions include operating and continuously enhancing an EU Data Hub of information based on the EUCLID Platform (further enhance master and data collection and implement dissemination capabilities); enhancing tools for developing and maintaining the reporting framework; enabling efficient collaboration with and support core business

processes. From an infrastructure and security perspective, the aim is to operate in a cloud infrastructure, with an enhanced risk management and response framework.

The Corporate Support activity further develops internal measures to ensure that the EBA's activities are subject to control, and to report to management on the achievement of the EBA's objectives. It will continue to support the EBA's core functions based on specialised knowledge and best practices to serve internal stakeholders and business partners.

	<p><i>IT</i></p> <ul style="list-style-type: none"> • Implement the EBA's IT strategy for 2020-2025 • Migrate the existing infrastructure to cloud, transform current IT Estate and join the Cloud II Framework of the EC • Master and reporting data collection via the EUCLID platform (including committed information rate, peak information rate, supervisory, resolution, investment firms (IFs), Covid-19 reporting, Pillar III disclosures) • Enhance EUCLID solution with data validation and dissemination capabilities. Implementation of a data dissemination solution in light of preparing for the Pillar II data hub. • Implement tools for the support of the EBA reporting framework • Support and enhancement of AML solution (EuReCA platform). • Support and enhance collaboration tools within EBA and external stakeholders • Replace legacy systems with cloud native solutions • Support and tools for the Single Rulebook/signposting/ Q&A • Access management and security enhancements • Implementation of solutions for the EBA's operational readiness to take up new tasks in relation to MiCA and DORA • Support the organisation of internal and external meetings 	Ongoing
<p>Main outputs</p>	<p><i>Corporate support</i></p> <ul style="list-style-type: none"> • Support the provision of catering and canteen services • Support the organisation of internal and external meetings (including reimbursements) • Support the organisation and reimbursement of missions • Manage the EBA premises, reception, postal services and office supplies • Projects related to premises (fit-out; design; furniture) • Adhere to security, health and safety requirements and supplies • Ensure that the use/disposal of EBA assets and inventory is compliant, safe, economic and environmentally friendly • Maintain EMAS registration • Coordinate the implementation of Sustainability Reporting standards • Contribute to the improvement and monitoring of an internal control system • Audits: European Court of Auditors (ECA) and EC Internal Audit Services (IAS) • Contribute to the EBA-wide annual risk assessment exercise and undertake corporate support related specific risk 	
	<p><u><i>Corporate support</i></u></p> <ul style="list-style-type: none"> • Manage the business continuity strategy and coordinate the annual business continuity exercise 	Q1

ANNEX I: ORGANISATION CHART



ANNEX II: RESOURCE ALLOCATION PER ACTIVITY 2024

The table below summarises the resource allocation per activity and details the type of resource: TA, CA or SNE. Management staff and their assistants are distributed over the activities within their respective remits, hence the staffing numbers per activity are not whole numbers. (Minor differences in totals are due to rounding.)

	Activity	TA	CA	SNE	Total	Cost (EUR)
	Policy and convergence work	77.4	16.7	7.9	102.0	23,918,581
P1	1 - Capital, loss absorbency, and accounting	9.1	0.2	-	9.2	2,089,722
P1	2 - Liquidity, leverage, and interest rate risk	2.3	0.2	-	2.5	620,674
P1	3 - Credit risk (incl. large exposures, loan origination, NPL, securitisation)	8.1	1.7	1.0	10.8	2,214,411
P1	4 - Market, investment firms and services, and operational risk	8.5	0.7	1.0	10.2	2,157,533
P1	5 - Market access, governance, supervisory review and convergence	6.3	0.2	1.6	8.1	1,759,942
P1	6 - Recovery and resolution	5.0	0.2	-	5.2	1,205,573
P1,2	7 - ESG in supervision and regulation	6.1	1.0	1.0	8.1	1,763,960
P4,5	8 - Innovation and FinTech*	19.9	7.7	2.2	29.8	8,001,612
P5	9 - Payment services, consumer and depositor protection	5.1	1.4	1.1	7.6	1,542,221
P5	10 - Anti-money laundering and countering the financing of terrorism	7.1	3.4	-	10.5	2,562,932
	Risk assessment and data	33.9	16.6	7.0	57.5	14,871,966
P1,3	11 - Reporting and transparency framework	9.1	1.0	1.0	11.1	2,546,949
P2	12 - Risk analysis	4.7	0.4	2.0	7.1	1,549,956
P2	13 - Stress testing	4.7	0.3	3.0	8.0	1,519,922
All	14 - Regulatory impact assessments	7.3	2.4	1.0	10.7	2,157,372
P3,4	15 - Data infrastructure and services, statistical tools	8.1	12.5	-	20.6	7,097,768
	Coordination and support	54.7	19.7	4.0	78.4	16,645,251
All	16 - EBA governance, international affairs, communication	5.1	8.3	2.0	15.4	2,756,364
All	17 - Legal and compliance	14.2	1.0	2.0	17.2	3,733,305
All	18 - Resources (HR and finance)	14.7	5.2	-	19.9	4,258,588
All	19 - Infrastructures (Information technology and corporate support)	20.7	5.2	-	25.9	5,896,994
	Sub-total for 2024	166	53	19	238	55,435,798
	MiCA fee funded posts (unfilled)	18	-	-	18.0	-
	DORA fee-funded posts (unfilled)	5	-	-	5.0	-
	Total for 2024	189	53	19	261	55,435,798

* Includes MiCA and DORA preparations (mostly through internal resource redeployments), posts foreseen for the EU Supervisory Digital Finance Academy, as well as 5 EU-funded posts foreseen in the Union budget. Fee-funded posts cannot be filled before fees are raised, which given the delayed adoption of the legislations is not expected before 2025.

A shared accounting services arrangement with ESMA was introduced in 2021 to exploit synergies of both authorities being now based in Paris. According to this arrangement, the EBA is providing 50% of the time of 2 accounting staff to ESMA. From early 2023 this sharing arrangement will be reduced to one staff member.

ANNEX III: FINANCIAL RESOURCES 2024-2026

Table 1 – Revenues

Revenues	2022 executed	2023 budget	2024 request	2025 envisaged	2026 envisaged
EU subsidy	18,685,999	19,428,306	20,471,594	20,071,829	20,284,866
EU NCA contribution	30,121,462	31,354,738	33,011,070	32,400,615	32,753,867
EFTA NCA contribution	932,553	970,735	1,022,015	1,003,115	1,014,052
French government contribution	575,000	575,000	575,000	575,000	575,000
DG REFORM subsidy	44,682	348,774	356,119	329,939	-
Industry fees		-	-	3,322,333	8,275,333
Other revenue	737,109	-	-	-	-
Total revenues	51,096,048	52,677,553	55,435,798	57,702,832	62,903,118

REVENUES	2022 executed budget	2023 budget	2024 requested budget	Envisaged 2025	Envisaged 2026
1 REVENUE FROM FEES AND CHARGES	-	-	-	3,322,333	8,275,333
2. EU CONTRIBUTION	18,685,999	19,428,306	20,471,594	20,071,829	20,284,866
of which assigned revenues deriving from previous years' surpluses	350,023	391,315	-	-	-
3 THIRD COUNTRIES CONTRIBUTION (incl. EFTA)	932,553	970,735	1,022,015	1,003,115	1,014,052
of which EFTA	932,553	970,735	1,022,015	1,003,115	1,014,052
4 OTHER CONTRIBUTIONS	30,741,144	32,278,513	33,942,189	33,305,555	33,328,867
of which delegation agreements, ad hoc grants	619,682	923,774	931,119	904,939	575,000
5 ADMINISTRATIVE OPERATIONS					
6 REVENUES FROM SERVICES RENDERED	736,351	-			
7 CORRECTION OF BUDGETARY IMBALANCES					
TOTAL REVENUES	50,096,048	52,677,553	55,435,798	57,702,832	62,903,118

Calculating NCA contributions

These are the inputs for the calculation:

	Inputs	2024 value	Source
A	Amount of the EU subsidy	20,471,594	Set by the budgetary authority
B	Ratio of the EU subsidy to Member State contributions	40:60	EBA founding regulation – recital
C	Budgeted amount of the employer’s pension contribution (NCA-funded only)	2,375,000	Calculated by EBA
D	Total NCA voting weight	333	Article 3(3) of Protocol (No 36) on transitional provisions
E	Total EU NCA voting weight	323	Article 3(3) of Protocol (No 36) on transitional provisions
F	Total EFTA NCA voting weight	10	Article 62(1)(a) of Annex IX (Financial services) to the EEA agreement ¹⁴

The calculation formulae are:

EU NCA contribution

$$= \left(EU \text{ subsidy} * \frac{60}{40} \right) + \left(Pension \text{ funded by NCA} * \frac{EU \text{ NCA voting weight}}{Total \text{ NCA voting weight}} \right)$$

$$EFTA \text{ NCA contribution} = EU \text{ NCA contribution} * \frac{EFTA \text{ NCA voting weight}}{EU \text{ NCA voting weight}}$$

¹⁴ <https://www.efta.int/media/documents/legal-texts/eea/the-eea-agreement/Annexes%20to%20the%20Agreement/annex9.pdf>

Table 2 – Expenditure

All figures below are in euros.

The EBA operates a system of non-differentiated appropriations, so commitment appropriations and payment appropriations are equal.

Expenditure	2023		2024	
	Commitment appropriations	Payment appropriations	Commitment appropriations	Payment appropriations
Title 1 - Staff expenditure	33,510,047	33,510,047	34,714,753	34,714,753
Title 2 - Infrastructure and operating expenditure	12,098,035	12,098,035	10,652,835	10,652,835
Title 3 - Operational expenditure	6,989,908	6,989,908	10,068,210	10,068,210
TOTAL EXPENDITURE	52,597,989	52,597,989	55,435,798	55,435,798

	Draft budget 2024					Envisaged 2025	Envisaged 2026
	Budget 2022 (actual)	Budget 2023	Budget request 2024	Budget forecast	VAR 2024 /2023		
Title 1 Staff expenditure	31,634,437	33,515,237	34,714,753			34,572,056	35,047,039
11 Salaries & allowances	28,074,571	29,575,823	30,564,469			30,461,666	30,903,718
- of which establishment plan posts	24,267,689	23,507,443	24,194,320			23,083,375	23,061,155
- of which external personnel	3,806,881	6,068,380	6,370,149			6,502,114	6,311,078
12 Expenditure relating to staff recruitment	285,573	208,250	187,690			187,690	187,690
11.33 Employer's pension contributions	2,115,139	2,280,771	2,375,000			2,363,859	2,398,598
13 Mission expenses	20,411	34,518	39,194			39,978	40,778
14 Socio-medical infrastructure	669,629	819,737	865,511			833,433	827,316
15 Training	251,576	406,940	459,648			460,000	460,000
16 External Services	201,647	179,698	171,990			175,430	178,938
17 Receptions and events	15,892	9,500	51,250			50,000	50,000
Title 2 Infrastructure and operating expenditure	11,010,830	12,319,866	10,652,835			10,938,869	11,148,446
20 Rental of buildings and associated costs	3,853,551	4,148,361	4,677,230			4,533,175	4,620,838
21 Information and communication technology	5,955,268	7,112,580	4,868,586			5,310,855	5,417,072
23 Current administrative expenditure	663,731	654,295	706,430			686,239	696,764
24 Postage / telecommunications	62,127	48,000	48,000			48,960	49,939
25 Information and publishing	476,152	356,630	352,589			359,641	363,833
Title 3 Operational expenditure	7,801,917	6,842,451	10,068,210			8,869,574	8,432,300
31 General operational expenditure	3,117,779	2,914,712	3,586,571			3,158,302	3,172,469
32 IT expenditure for operational purposes	4,684,138	3,927,739	6,481,639			5,711,272	5,259,831
TOTAL EXPENDITURE	50,447,184	52,677,553	55,435,798			54,380,499	54,627,785
MiCA and DORA expenditure (fee-funded)	-	-	-			3,322,333	8,275,333
TOTAL EXPENDITURE	50,447,184	52,677,553	55,435,798			57,702,832	62,903,118

Table 3 – Budget outturn and cancellation of appropriations

Budget outturn	2020	2021	2022
Reserve from the previous year's surplus (+)	153 633	312 404	467 880
Revenues actually received (+)	47 354 287	49 708 690	50 628 167
Payments made (-)	-44 557 876	-41 873 122	-43 982 571
Carry-over of appropriations (-)	-4 176 872	-7 298 331	-7 059 468
Cancellation of appropriations carried over (+)	360 807	86 867	124 390
Adjustment for carry-over of assigned revenue appropriations from previous year (+)	1 834 177	63 153	166 169
Exchange rate differences (+/-)	- 110 256	- 3 200	-2 961
Adjustment for negative balance from previous year (-)			
Total surplus	857 900	996 461	341 606

The 2022 budget outturn is a draft figure that may still require adjustment during the accounts closure. It resulted from a small underspend on the voted budget from the cancellation of appropriations carried over.

The 2022 surplus will be offset against 2024 contributions.

One hundred and twenty five (125) commitments were carried over from 2021. The EBA decommitted 1.7 % of the value of commitments carried over i.e., EUR 124 390 from a total of EUR 7,132,162. This represents an improvement on the percentage execution on carry forward compared to the previous year, when 95 commitments were carried forward with a value of EUR 4,113,719 of which 2.1 % was decommitted by value.

ANNEX IV: HUMAN RESOURCES - QUANTITATIVE

A. Table 1 – 2024-2026 overview of staff by contract type

a. Overview of total EBA staff (with MiCA – DORA - AMLA)

Staff	2022 Year N-1			2023 Year N	2024 Year N+1	2025 Year N+2	2026 Year N+3
	Authorised Budget	Actually filled as of 31/12/2022	Occupancy rate %	Authorised staff	Envisaged staff	Envisaged staff	Envisaged staff
ESTABLISHMENT PLAN POSTS							
Administrators (AD)	151	148	98%	152 ^d	152	152	151
Assistants (AST)	11	11	100%	11	11	11	11
Assistants/Secretaries (AST/SC)	-	-	-	-	-	-	-
MiCA ^a	15	-	-	15	20	22	22
DORA ^b	6	-	-	6	6	8	8
AMLA	-	-	-	-	-	-4 ^c	-4
TOTAL ESTABLISHMENT PLAN POSTS	183	159	87% (98%)^d	184	189	189	188
EXTERNAL STAFF	FTE corres- ponding to authorised Budget	Executed FTE as of 31/12/2022	Execution rate %	Authorised staff	Envisaged staff	Envisaged staff	Envisaged staff
Contract Agents (CAs)	50	43	88%	51 ^d	51	51	50
MiCA	-	-	-	-	2 ^a	2	2
DORA	-	-	-	-	-	2	2
AMLA	-	-	-	-	-	-4 ^c	-4
Seconded National Experts (SNEs)	19	13	68%	19	19	19	19
TOTAL EXTERNAL STAFF	69	56	83%	70	72	70	69
TOTAL STAFF	252	212	86% (94%)^d	254	261	259	257

^a The staffing tables include 15 fee-funded TA posts foreseen under the Establishment Plan adopted by the Budgetary Authority (all fee-funded) from 2022. As the co-legislators had not adopted the legislation giving EBA the mandate to conduct those tasks – and as fees will only be collected from 2025 – these posts cannot be occupied before later in 2024. From 2024 the EBA will be assigned 18 TA/AD fee funded posts, 2 TA/AD posts and 2 CA FG IV EU/NCA funded posts. The number of fee-funded AD posts assigned to EBA will go up to 20 in 2025, bringing the total AD posts to 22. The actual number of staff to be recruited will be revisited at the end of 2023 and in mid-2024 once the MiCA supervisory framework has been completed and taking account of market developments (including the number of issuers, if any, that are likely to fall under EBA's direct supervision from).

^b: The staffing tables include a share of 15 fee-funded AD posts and 3 - but only one fee-funded - ASTs posts to be allocated between the EBA, EIOPA and ESMA foreseen from 2022 under the Establishment Plan adopted by the Budgetary Authority (all fee-funded) As the co-legislators had not adopted the legislation giving EBA the mandate to conduct those tasks they cannot be filled until later in 2024. It is currently assumed that allocated DORA posts are split equally between the three ESAs. From 2024, there will be 5 TA/AD (fee funded) posts and 1 additional AST (EU/NCA funded until end of 2025) post. From 2025 there will be 7 TA/AD (fee funded) posts and 1 AST (EU/NCA funded until end of 2025) post, plus 2 CA FG IV (fee funded) posts.

^c AMLA: total of 8 posts to be removed from 2025 given transfer of certain of responsibilities to AMLA: 4 TA/AD7 and 4 CA FG/IV posts.

^d Percentages in brackets are showing the real occupancy rate without the MiCA/ DORA posts that cannot be filled.

b. Additional external staff expected to be financed from grant, contribution or service-level agreements

Human Resources	Year N	Year N+1	Year N+2	Year N+3
	Envisaged FTE	Envisaged FTE	Envisaged FTE	Envisaged FTE
Contract Agents (Cas)	0	0	0	0
Seconded National Experts (SNEs)	0	0	0	0
TOTAL	0	0	0	0

*The TA and CA for the SDFa from the signed SLA with DG REFORM are included under the EBA tables above.

c. Other Human Resources

Structural service providers	FTE in place as of 31/12/2022
Security	0
IT	33
Other (specify) Corporate Support	5
Interim workers	Total FTEs in year 2022
	N-1
Number	1

B. Table 2 – 2024-2026 -overview of staff by grade

Overview of Temporary agents with SDFA, MICA, DORA and AMLA

Function group and grade	2022 Year N-1			2023 Year N		2024 Year N+1		2025 Year N+2		2026 Year N+3	
	Authorised budget		Actually filled as of 31/12/2022	Envisaged		Envisaged		Envisaged		Envisaged	
	Permanent posts	Temporary posts	Temporary posts	Permanent posts	Temporary posts	Permanent posts	Temporary posts	Permanent posts	Temporary posts	Permanent posts	Temporary posts
AD 16		1			1		1		1		1
AD 15		1			1		1		1		1
AD 14		5			5		5		5		6
AD 13		2			2		2		2		2
AD 12		8			8		8		8		8
AD 11		12			12		12		12		12
AD 10		12			13		13		13		13
AD 9		22			24		25		25		25
AD 8		26			27		28		28		28
AD 7		30			30		32		30		29
AD 6		20			19*		21		21		20
AD 5		32			30		29		30		30
AD TOTAL		171			172		177		176	0	175
AST 11											
AST 10											
AST 9											
AST 8											
AST 7											
AST 6		3			3		3		3		3
AST 5		4			4		4		4		4
AST 4		2			2		3		4		4
AST 3		1			1		1		1		1
AST 2		2			2		1		1		1
AST 1											
AST TOTAL		12			12		12		13		13
AST/SC TOTAL											
TOTAL		183	**		184		189		189		188

*1 TA/AD6 for SDFA / funded DG REFORM for 3 years (until end of 2025)

Overview of Contract agents (with SDFA – MICA – DORA – AMLA)

Contract agents	FTE corresponding to authorised budget 2022 N-1	Executed FTE as of 31/12/2022 N-1	Headcount as of 31/12/2022 N-1	FTE corresponding to authorised budget 2023 N	FTE corresponding to authorised budget 2024 N+1	FTE corresponding to authorised budget 2025 N+2	FTE corresponding to authorised budget 2026 N+3
Function group IV	32	36	36	33	35**	33***	32
Function group III	18	8	8	18	18	18	18
Function group II	-	-	-	-	-	-	-
Function group I	-	-	-	-	-	-	-
TOTAL	50	44	44	51*	53	51	50

*+ 1 CA/FG IV post for SDFA (funded by DG REFORM)

** + 2 CA/FG IV posts for MICA (EU/CA funded)

***+ 2 CA/FG IV posts for DORA (fee funded) and - 4 CA/FG IV posts for AMLA, as well as - 1 CA/FG IV post for SDFA (from 2026)

Overview Seconded National Experts (with SDFA – MICA – DORA – AMLA)

Seconded National Experts	FTE corresponding to authorised budget 2022 (N-1)	Executed FTE as of 31/12/2022 (N-1)	Headcount as of 31/12/2022 (N-1)	FTE corresponding to authorised budget 2023 (N)	FTE corresponding to authorised budget 2024 (N+1)	FTE corresponding to authorised budget 2025 (N+2)	FTE corresponding to authorised budget 2026 (N+3)
TOTAL	19	13	13%	19	19	19	19

C. Table 3 – 2024 recruitment forecasts following retirement/mobility or new requested posts

Job title in the Agency	Type of contract (Official, TA or CA)	TA/Official		CA Recruitment Function Group (I, II, III and IV)
		Function group/grade of internal (brackets) and external (single grade) recruitment foreseen for publication		
	Due to foreseen retirement/ mobility	Internal (brackets)	External (brackets)	
Head of Unit	TA	AD9 – AD12	AD9 - AD10	n/a
AD8 – title TBC	TA	AD7 – AD12	AD8	n/a
AD7 – title TBC	TA	AD5-AD7	AD7	n/a
AD6 – title TBC	TA	AD5-AD7	AD6	n/a
AD5 – title TBC	TA	AD5-AD7	AD5	n/a
AST2 – title TBC	TA	AST2 – AST6	AST2	n/a
FGIV – title TBC	CA			IV

Note: Recruitments to fill current vacancies and usual turn-over are planned till end of 2023. However, specific recruitments from 2024-2025 DORA/MICA posts allocation will be planned/carried out once the resources repartition are further clarified. These recruitments will be carried out accordingly to the entry grade as defined by the Staff Regulations.

ANNEX V: HUMAN RESOURCES QUALITATIVE

D. Recruitment policy

In compliance with Article 110 of the Staff Regulations, the EBA has adopted the following Implementing Rules:

Engagement of CAs	Model Decision C(2019)3016
Engagement of TAs	Model Decision C(2015)1509
Middle Management	Model Decision C(2018)2542
Type of posts	Model Decision C(2018)8800

The EBA is an equal opportunities employer. It selects staff without prejudice as to race, political, philosophical or religious beliefs, gender or sexual orientation, and without reference to their marital status or family situation. Talent selection at the EBA endeavour to employ personnel of the highest standards of ability, efficiency, and integrity, from the broadest possible geographical basis among nationals of the EU Member States and the countries in the European Economic Area.

The selection procedures comply with the relevant EU provisions, namely the Staff Regulations (SR/Annex III), the Conditions of Employment of Other Servants of the European Union (CEOS/Article 12) and the Implementing Rules (IRs/use of Temporary Agent and Contract Agent adopted by the EBA with the agreement of the European Commission pursuant to Article 110 of the SR). The number of positions published, and the grades reflect an internal staff planning assessment in accordance with the EBA Establishment Plan capacity and budget based on the objectives and activities to be delivered. The EBA is further developing initiatives to reinforce its place as an employer of choice with a strong Employee Value Proposition through the implementation of an integrated Talent Management, the digitalisation of HR processes with an e-recruitment tool, the development of competencies framework, etc.

The EBA employs Temporary Agents and Contracts Agents as statutory staff. The EBA also offer non-statutory positions as Seconded National Experts (SNEs) and Trainees.

Temporary Agents: the majority of staff in the Agency are Temporary Agents 2(f), except the Management Board Chair and the Executive Director who are Temporary Agents 2(a). Usually, Temporary Agents are recruited for permanent tasks to cover core operational and managerial functions at entry grade level (as per the SR) accordingly to the job profile and expertise. Recruitments are generally done at grades ranging from AST1 to AST4 for Assistants and from AD5 to AD8 for Administrators. Recruitment at higher grade is limited to filling managerial positions, such as TA/AD9 for Middle Manager (HoU) and TA/AD12 for Senior Manager (Head of Departments).

Contract Agents: usually Contract Agents are recruited for permanent tasks to cover junior and support functions, to provide secretarial and technical assistance with operational activities. Recruitments are generally done at grade FG IV for technical level of expertise and for Personal Assistant to the senior Management and at grade FG III for Administrative level of expertise.

Seconded national experts¹⁵: the objective is to foster the exchange of experience and knowledge and to widen the expertise network, given the specific expertise needed by the EBA that is difficult to find on the market. SNEs can be seconded for a period between 6 months and 24 months. The rules applicable to

¹⁵ SNEs are not employed by the agency.

seconded national experts can be found on the EBA's website: <https://eba.europa.eu/about-us/careers/national-experts-on-secondment>.

Trainees: the objective is to offer paid traineeships to talented young professionals early in their careers, in a field of their choice. The selection procedure is open and transparent, done through the publication of a call on the EBA website. Traineeship can last to a maximum of 18 months.

Structural service providers¹⁶: the EBA benefits from the services of external providers selected through public procurement procedures, mainly in ICT and Corporate Services. The EBA also holds a framework contract with an interim agency to purchase interim services use only under specific circumstances for limited period and in compliance with both the EU legal framework and French labour legislation.

Duration of employment: upon recruitment, Temporary Agents and Contract Agents engaged for permanent tasks are offered an initial contract period of three years with the possibility of renewal (first renewal for three years; second renewal for an indefinite period). The Chairman and Executive Director of the EBA have limited-term employment contracts. The EBA also hold the possibility to offer short-term contract to address time-bound tasks or temporary needs with the principle to renew the contract just once for a definite period.

Renewal of contract at the EBA follows a well-established procedure to ensure the transparent, consistent and fair treatment of all staff members when considering the potential renewal of an employment contract, and to safeguard a consistent decision-making process by the Appointing Authority. The renewal of a fixed-term contract is optional. The Executive Director, in his capacity as the Appointing Authority empowered to conclude contracts of employment, is under no obligation to offer a renewal of a fixed-term contract. The staff member is under no obligation to accept the offer of renewal.

Prior to a decision being made on the renewal of a fixed-term contract of indefinite duration, the following criteria are assessed: (i) the continuity of the post in the establishment plan of the EBA and in its organisational structure; (ii) the performance of the job holder; (iii) the competence(s) of the staff member in post and his/her suitability for the function as it is expected to evolve in the following years; and (iv) the needs of the EBA, paying particular attention to the possible evolution of the function (the potential increase or reduction in the activity) and the alignment of the competences of the staff member with the function as it is expected to evolve over the term of the contract. In addition to the above criteria, the availability of appropriations in the budget is also considered prior to issuing a final decision on the renewal of the contract.

E. Mobility

Mobility within the agency

The EBA Internal Mobility Policy serves the purpose of providing staff with career development opportunities, improving staff member's competencies, engagement and retention, as well as meeting the needs of the Authority in terms of performance of tasks and effective resources management, enabling the organisation to effectively adapt to an ever-changing environment. It also supports an open and transparent corporate culture, cross-functional collaboration and information flow between services, enhancing knowledge sharing and project-based culture at the EBA.

Internal mobility at the EBA is legally grounded in Article 7 of the SR and is based on openness, transparency and equal opportunities. It can take different forms: at staff level (staff can express their interest in internal

¹⁶ Structural service providers are not employed by the agency.

mobility to their line managers, either during the performance management or outside of it to HR); at management level (managers are responsible for identifying staff who might be considered for internal mobility in their teams. Once a year, after the closure of the appraisal exercise, HR convenes a dedicated Talent Review Meeting (TRM) at managerial level and chaired by the Executive Director with the objective to assess all staff's expression of interests for internal mobility vs the Authority's business needs); at organisational level (by means of internal publication on the organisation's intranet or internal transfer in the interest of the service as for instance a consequence of organisational change).

In 2022, 4 staff benefited from internal mobility at the EBA.

Mobility among agencies (inter-agency mobility)

The legal framework for inter-agency mobility is covered in the implementing rule governing the engagement and use of temporary agents under Article 2(f) of the Conditions of Employment of Other Servants of the European Union.

The EBA publishes vacancies externally; however, in its vacancy notices, the Authority states that the relevant provisions of the above-mentioned implementing rule will apply if the successful applicant from the external selection procedure is already a member of temporary staff pursuant to Article 2(f) in another EU agency. The successful candidate is therefore given the opportunity to move to the EBA while maintaining their grade and career.

Mobility between the agencies and the institutions

In line with the SR rules (Article 37 and 38 and by virtue Article 52 of the CEOS), the EBA is actively promoting mobility and staff exchange programme with other EU Institutions, Agencies and other EU bodies.

The EBA does not have any official posts in its establishment plan, and thus not able to transfer officials from the Institutions. Temporary agent positions at the EBA may be occupied by officials from other institutions or temporary agents from other agencies who take leave on personal grounds.

In 2022: 2 staff exchange took place between EBA and EIOPA, 2 staff went on-site inspections and 1 staff on secondment to ECB, 2 staff exchange took place between EBA and Bdl.

F. Performance appraisal and reclassification

Implementing rules in place:

		Yes	No	If no, other implementing rules in place
Reclassification of TA	Model Decision C(2015)9560	X		
Reclassification of CA	Model Decision C(2015)9561	X		

The EBA's Performance Management is built as a talent cycle with, in January-March the appraisal exercise; in May the Talent Review Meeting identifying high potential and internal mobility opportunities; in June the reclassification exercise rewarding talent's top performance and acknowledgment of their contributions to the EBA; in July an informal mid-year performance review dialogue; and in September a Learning and Development exercise with the identification, and the prioritisation of training needs.

The 2022 Performance Management cycle was conducted in line with the calendar and the outcome of the reclassification exercise resulted in 21 TAs reclassified representing 18.26% of the 115 initially eligible TAs

and 5 CAs reclassified representing 15.62% of the 32 eligible CAs. Out the total of 26 statutory staff reclassified, 14 were female (53.84%) and 12 were male (46.16%).

In 2022, as in 2021, the average seniority in the grade of staff reclassified was above the target averages set out in Decision C(2025/9563)

The EBA's reclassification rate will continue to be closely monitored for the coming years to strictly respect the rates indicated in Annex IB of the SR.

Table - Reclassification of TA

Grades	2018 (N-5)	2019 (N-4)	2020 (N-3)	2021 (N-2)	2022 (N-1)	2023 (N)*	Actual average over 5 years**	Average over 5 years (According to decision C(2015)9563)
AD05	2.6	2.0	5.2	3.1	3.8	TBA	3.3	2.8
AD06	2.4	2.6	2.3	3.5	3.7	TBA	2.9	2.8
AD07	2.5	2.5	2.6	6.7	3.4	TBA	3.5	2.8
AD08	2.6	2.3	3.4	5.0	3.6	TBA	3.4	3
AD09	2.4	5.6	2.0	6.8	4.2	TBA	4.2	4
AD10	2.5	2.8	-	4.0	4.4	TBA	3.4	4
AD11	2.3	2.4	-	-	4.0	TBA	2.9	4
AD12	6.9	-	-	-	-	TBA	6.9	6.7
AD13	5.3	-	-	-	-	TBA	5.3	6.7
AST1	-	-	-	-	-	TBA	-	3
AST2	-	-	-	-	-	TBA	-	3
AST3	-	-	-	-	-	TBA	-	3
AST4	-	2.0	-	-	-	TBA	2.0	3
AST5	-	-	6.6	-	-	TBA	6.6	4
AST6	-	-	-	-	-	TBA	-	4
AST7	-	-	-	-	-	TBA	-	4
AST8	-	-	-	-	-	TBA	-	4
AST9	-	-	-	-	-	TBA	-	N/A
AST10 (Senior assistant)	-	-	-	-	-	TBA	-	5
AST/SC1	-	-	-	-	-	TBA	-	4
AST/SC2	-	-	-	-	-	TBA	-	5
AST/SC3	-	-	-	-	-	TBA	-	5.9
AST/SC4	-	-	-	-	-	TBA	-	6.7
AST/SC5	-	-	-	-	-	TBA	-	8.3

* To be added when available.

** Until data for 2023 is available, the averages are based on years 2018 to 2022. While the averages overall, for a few grades, are still over the target averages, the latter were not exceeded in the last two years.

Table - Reclassification of contract staff

Function Group	Grade	Staff in activity at 1.01.2021 (N-2)	How many staff members were reclassified in 2022 (N-1)	Average number of years in grade of reclassified staff members	Average number of years in grade of reclassified staff members according to Decision C(2015)9561
CA IV	17		-	-	Between 6 and 10 years
	16		-	-	Between 5 and 7 years
	15		-	-	Between 4 and 6 years
	14		3	2.8	Between 3 and 5 years
	13		1	3.	Between 3 and 5 years
CA III	11		-	-	Between 6 and 10 years

Function Group	Grade	Staff in activity at 1.01.2021 (N-2)	How many staff members were reclassified in 2022 (N-1)	Average number of years in grade of reclassified staff members	Average number of years in grade of reclassified staff members according to Decision C(2015)9561
	10		1	8.5	Between 5 and 7 years
	9		-	-	Between 4 and 6 years
	8		-	-	Between 3 and 5 years
	6		-	-	Between 6 and 10 years
CA II	5		-	-	Between 5 and 7 years
	4		-	-	Between 3 and 5 years
CA I	2		-	-	Between 6 and 10 years
	1		-	-	Between 3 and 5 years

G. Gender representation

Promoting and supporting diversity and inclusion are core values embedded in the EBA's mission and organisation: EBA strives to value, ensure equal treatment and opportunities to everyone, irrespective who they are and what they believe in. While the EBA is focusing on an integrated approach from D&I (diversity and inclusion) to DEI&B (diversity, equity, inclusion and belonging), targeted actions are:

- Fostering an open and supportive culture: fighting discrimination (mandatory anti-harassment training), acknowledging and rewarding different leaderships, monitoring data/surveys with dedicated intranet/Teams' collaboration space, removing any gender-biased language and imagery in internal and external communications.
- Increasing managerial commitment with empowered champions in house and Staff Tool for managers to monitor and project gender and nationality staff evolution.
- Implementing Pool of talents diversification (gender balance in panels, advertise through diverse channels targeting female audience, train staff in panels to avoid bias, vacancy notice to be accompanied by video job ads with relevant focus on gender balance and inclusion, etc).
- Setting tone from the top and close steering with action plan (e.g.: meeting every week of the Gender Balance Working Group chaired by the Executive Director) and exchange with the Staff Committee.
- Providing work-life balance options (Hybrid working, childcare facilities, family disability support, return from maternity leave programme, etc.).
- Setting up clear career paths (in management roles for women).
- Offering development opportunities (organisation of conference, Mentoring programme, speed networking, female advocacy scheme, etc).
- Engaging closely with the European Institute for Gender Equality (EIGE) and key stakeholders (European Parliament FEMM committee, etc).

Table 1 - Data on 31/12/2022 of Statutory Staff (TAs and CAs)

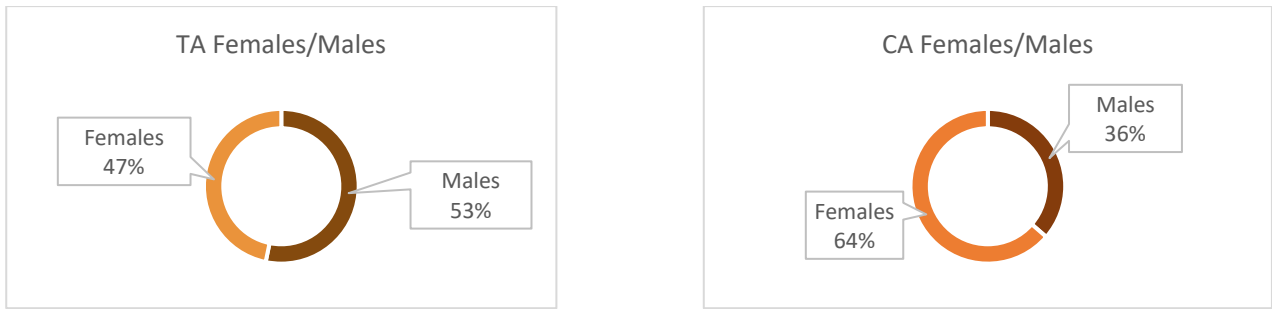
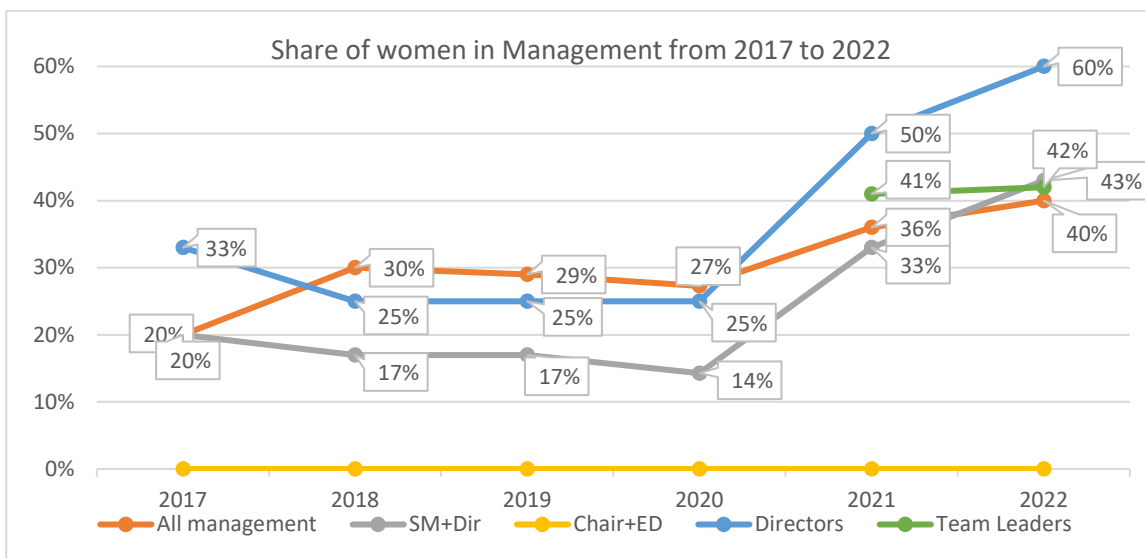


Table 2 - Data on gender evolution over five years of middle and senior management



H. Geographical balance

Table 1 - Data on 31/12/22 – statutory staff only (TAs and CAs)

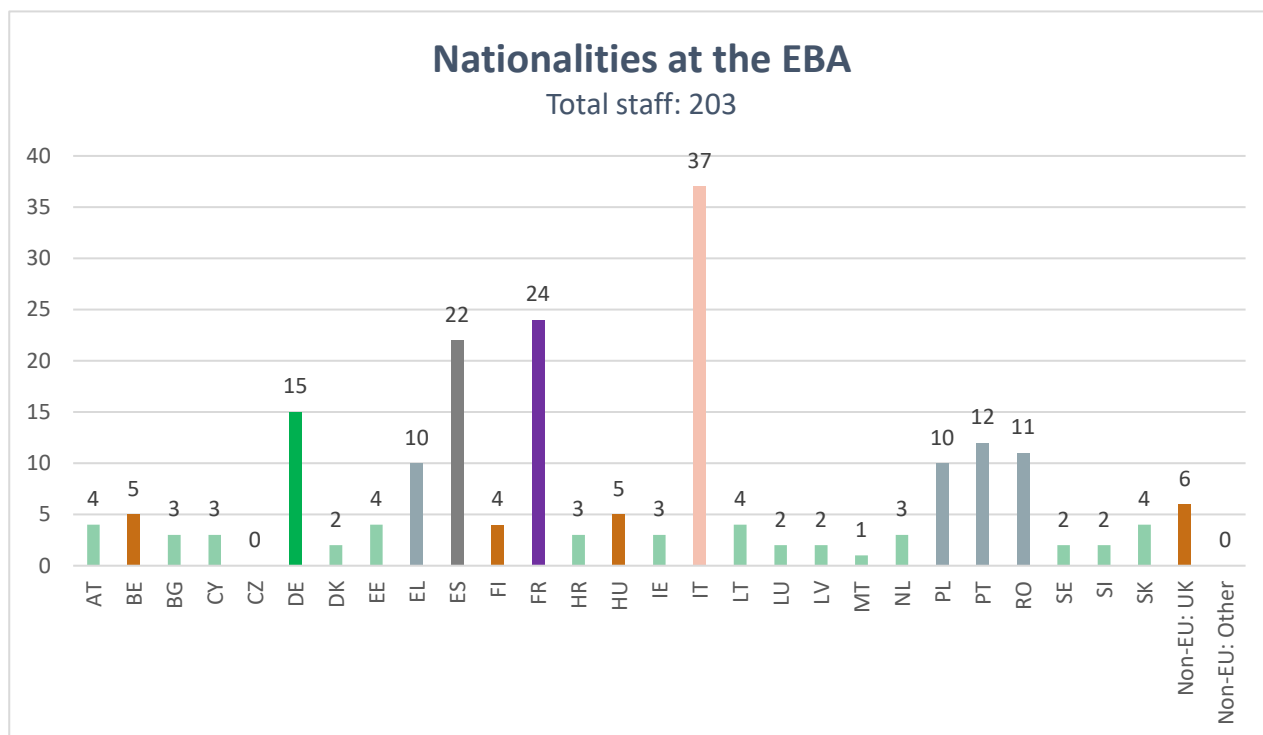


Table 2 - Evolution over five years of the most represented nationality in the Agency

Most represented nationality	2017 N-5		2022 N-1	
	Number	%	Number	%
Italian	27	15%	34	18%

I. Schooling

Agreement in place with the European School(s) of Paris ‘La Défense’

Contribution agreements signed with the EC on type I European schools	Yes	No
Contribution agreements signed with the EC on type II European schools	Yes	No
Number of service contracts in place with international schools:	Seven agreements for primary and secondary education 12 agreements with nurseries	

The EBA considers schooling to be an essential part of its staff policy. For this purpose, the “European School la Défense” has been granted accreditation for all levels from Maternelle to the European Bacallaureate. A full nursery, primary and secondary education cycle is available for the English section while beside a full nursery and primary, a secondary cycle is opening gradually for the French section. Hence, the EBA is

maintaining exceptionally its education contribution policy to certain staff members under certain conditions (e.g., if the child is in the final two years of the secondary cycle or the child attends a significant part of the school activities (equal to/more than 70%) in a language other than those offered by the European School in Paris.

The EBA continues to work on direct agreements with schools and nurseries in Paris. On the basis of these agreements, the EBA pays tuition fees up to the threshold directly to the nurseries/schools. The amounts exceeding the threshold will be borne by staff members.

School year 2022-2023:

Nursery: up to 4 years old	38
Maternelle: more than 4 years old and up to 6 years old	23
Primary: More than 6 years old and less than 11 years old	40
Secondary: More than 11 years old and less than 19 years old	62
Total	163

ANNEX VI: PROCUREMENT PLAN

The list below shows existing contracts with a value above EUR 15,000 that will expire in 2024 or the first half of 2025 and the EBA will need to replace. The possibility of joint procurement has been identified however it is not known at this point in which procedures other entities would participate. It is EBA procurement policy to open up procurement procedures to other EU entities to the greatest extent possible. To this end, the EBA regularly updates its procurement planning on the EBA website and in the procurement portal on the EU Agencies Network website. The estimated value is the EBA ceiling and does not take account of volumes that would be required by other participating entities.

Service/supply	Procedure	Contract type	Estimated value (EUR)	Joint procurement
<i>Existing contracts</i>				
Electricity from renewable sources	Open	Direct (32 months)	TBC	Yes
Data protection services	Open	Framework (4 years)	600 000	Yes
Proofreading and editing	Open	Framework (4 years)	300 000	Possible
Waste management	Negotiated	Framework (4 years)	60 000	Possible
Office plants and flowers	Negotiated	Framework (4 years)	60 000	Possible
Dealogic datasets and research tools	Exceptional negotiated	Direct (annual)	TBC	No
Insurance broking services	Negotiated	Framework (4 years)	60 000	Possible
<i>New contracts</i>				
Estate agent services	TBC	Direct	TBC	Possible

For contracts ending in 2024 or the first half of 2025 that were procured by other EU institutions, agencies, and bodies, it is assumed that the lead entity of the latest procurement will launch a procedure for successor contracts.

The EBA also estimates that it will run 21 negotiated procedures with a value in the range 1-15 KEUR.

ANNEX VII: ENVIRONMENT MANAGEMENT

Strategy

The EBA is committed to making a positive contribution to sustainable development. The Agency has received several mandates to assess how to include Environmental, Social and Governance (ESG) risks in the three pillars of the banking prudential framework and considers it its responsibility to reflect these in all its activities and its products.

Following its successful EMAS registration in 2022, the EBA pursues its efforts to continuously improve its environmental performance and to reduce the impact of its operations on the environment.

In its Environmental Policy, the EBA committed to developing knowledge, finding technical solutions, and adjusting its organisation and behaviours, focusing on the following:

- Minimising impact on greenhouse gas emissions, with a special focus on travel
- Building a strong relation with its landlord to improve energy consumption performance
- Improving its waste production, segregation and recycling as expected by the EBA's staff
- Maximising the use of electronic solutions and green public procurement to limit its material impact
- Implementing ESG considerations in policy making, risk assessment and supervisory convergence work in line with the EBA's tasks, and mandates in the area of sustainable finance.

The EBA set up key environmental indicators with concrete objectives to demonstrate the efficiency and effectiveness of its environmental management system. The Agency ensures compliance with all applicable local and European Union environmental regulations.

Environmental objectives and targets

Improvement areas	2024 environmental objectives
Horizontal	Environmental objectives are established for the management team Sustainability reporting standards are introduced at the EBA
Travel	Green transport options for home-office commuting are increased and promoted
Energy	Energy consumption in the building is reduced by 5% (baseline 2022)
IT	Sustainable policies for the reduction of environmental impact of IT&C equipment are implemented
Procurement & waste	All furniture and IT equipment is decommissioned in a sustainable manner
Core business/ ESG	At least 80% of the EBA's ESG-related mandates, including contributions to the Renewed Sustainable Finance Strategy of the European Commission, are delivered on time

ANNEX VIII: BUILDING POLICY

Following its physical relocation from London, the EBA occupies four floors (24, 25, 26 and 27) of the office space in Tour Europlaza (Paris, France) and has operated from those premises since 3 June 2019.

#	Building name and type	Location	Surface area (in m2)			Rental contract				Host country (grant or support)	
			Office space	Non-office	Total	Rent (EUR/year)	Duration of the contract	Type	Breakout clause Y/N		Conditions attached to the breakout clause (if applicable)
1	Tour Europlaza, High-rise, multi-tenancy building	Paris, France	3 995 ¹⁷ square metres	1 408 ¹⁸ square metres	Net office space: 5 403 square metres	EUR 480.40 ¹⁹ per square metre Annual cost = EUR2 595 618	9-year	Lease contract	Y	The EBA may terminate the rent at the end of the six-year lease term by giving the landlord no less than 12 months' notice to that effect if, at the time the notice is delivered, Article 7 of Regulation (EU) No 1093/2010 has been amended in the ordinary legislative process of co-decision by the EP and the European Council so that the EBA's seat is no longer in France. In this case, the EBA must pay the landlord a lump sum in compensation corresponding to (i) 22 months of the rental concessions and (ii) the dilapidation flat fee of EUR 200 per square metre, to be indexed to the <i>indice des loyers des activités tertiaires</i> (ILAT).	French government provided EUR 1.5 million of financial support for lease and fit-out costs. Moreover, it contributes to up to EUR 7 million of rental costs during the first nine years of the lease.

¹⁷ Reception / Lobby 184m2; Meeting rooms - Visitors 527m2; Internal meeting rooms 417m2; Storage / Print rooms/ Corridors 1,183m2; Break out area visitors 202m2; Break out area staff 65m2; Open Plan (including individual offices) 1,416m2

¹⁸ 1,341m2 shared areas including lift banks, 67m2 archives (al basement level minus 4)

¹⁹ Rent per sq. m including indexation (new rate at 4.3% applicable since May 2022), as specified in the Lease Agreement, including cost of car parking charges but the restaurant charges are not included.

ANNEX IX: PRIVILEGES AND IMMUNITIES

Agency privileges	Privileges granted to staff	
	Protocol of privileges and immunities/diplomatic status	Education/day care
Refunds of value added tax (VAT) for purchases of goods and services for the agency, including vehicles	<ul style="list-style-type: none"> ☐ Importation of personal effects including motor vehicles free of customs duty and VAT ☐ Special vehicle registration ☐ A special residence permit 	<p>An Accredited European School was created by the French State in La Défense, Paris. The Mandate and Service Agreement between the EBA and the Commission was concluded in November 2020, facilitating the payment of an EU financial contribution towards the Accredited European School Paris La Défense. The Accredited European School grants free-of-charge priority enrolment for the children of the EBA staff. The Accredited European School then grants free-of-charge priority enrolment for the children of EBA staff.</p> <p>For children who do not attend this school, education allowances are determined and paid when due.</p>

ANNEX X: EVALUATIONS

The EBA is subject to regular reviews by the EU institutions, in accordance with Article 81 of the EBA (and other two ESAs) Regulations. The most recent assessment report on the operation of the European Supervisory authorities (ESAs) was published on 23 May 2022²⁰.

In this report, the Commission concluded that: ‘ Since the last ESA review in 2019, the ESAs have continued to perform their tasks efficiently and effectively, including during the recent challenging circumstances caused by the COVID19 pandemic.’

The Commission also identified ‘some areas where improvements could be implemented with no need for legislative changes, and will cooperate with the ESAs to assess this further, mainly with the aim ‘to promote supervisory convergence and consistent supervision, which is a key building block in creating a genuine Capital Markets Union.’

In particular, the Commission underlined the increasing number of cross-sectoral tasks and topics that must be dealt with by the ESAs as part of the Joint Committee. As a consequence, the Commission invited the ESAs to reflect on desirable changes that could be made to the framework in the future to ensure sufficient resources and improve the decision-making process. The Commission also invited the ESAs to provide this advice to the Commission by the end of 2023.

Further accountability and evaluations are ensured via following institutions and channels:

- European Parliament, in its role as authority responsible for the discharge of the EBA’s financial statements, but also by way of the yearly hearing the EBA Chairman attends at the EPs ECON committee
- The European Court of Auditors and the European Commission’s Internal Audit Services and the yearly audits.
- Publication of the EBA’S Consolidated Annual Activity Report (and Annual Report) which provide(s) an overview of the execution of the work programme and more detail on the above external evaluations.

²⁰ https://finance.ec.europa.eu/system/files/2022-05/220523-esas-operations-report_en.pdf

ANNEX XI: ORGANISATIONAL MANAGEMENT AND INTERNAL CONTROLS

Organisation management

The EBA is represented by its Chairperson who is responsible for preparing the work of the BoS. This includes inter alia setting the agenda to be adopted by the BoS, convening meetings and tabling items for decisions, and chairing the meetings. The chairperson also proposes the agenda of the MB and chairs its meetings.

The Executive Director is in charge of the management of the Authority and prepares the work of the MB.

Since 1 June 2021, following an internal reorganisation, the EBA's management team consists of five directors and 17 heads of unit, as follows:

- Five directorates:
 - **Prudential Regulation and Supervisory Policy**, consisting of three units: *Liquidity, leverage, loss absorbency and capital; Risk-based metrics; and Supervisory review, recovery and resolution.*
 - **Innovation, Conduct and Consumers, consisting of three units:** *Digital Finance; Conduct, Payments and Consumers; and AML/CFT.*
 - **Economic and Risk Analysis**, consisting of three units: *Economic Analysis and Impact Assessment, Risk Analysis and Stress Testing; and ESG Risks.*
 - **Data Analytics, Reporting and Transparency**, consisting of two units: *Statistics; and Reporting and Transparency.*
 - **Operations**, consisting of four units: *Corporate support; Finance and procurement; Human resources; and Information technology.*
- Two additional units - *Legal and Compliance* and *Governance and External Affairs* - and the *Accounting Officer* report directly to the Executive Director.

The management team oversees the EBA's activities and ensures that control standards are met. It meets on a weekly basis in various formats. The EBA's management plays a key role in fostering the implementation of the anti-fraud strategy and policy. The Ethics officer supports the EBA's management in these tasks.

In January 2021, the EBA reorganised its internal control framework. Its Legal unit became the Legal and Compliance unit. Within the unit, a dedicated Risk and Compliance unit was created. It was tasked with new responsibilities in the risk and compliance areas, in particular ethics, data protection, risk management, and anti-fraud. The unit's staffing was increased and its head became the Ethics officer, thus bringing more seniority to the role.

Internal control

The EBA's internal control framework applies to all the agencies' activities, financial as well as non-financial. Its overall objective is to ensure that the organisation achieves its business, operational and financial objectives respecting rules and regulations. It supports sound decision-making, taking into account risks to the achievement of these objectives and reducing them to acceptable levels through cost-effective controls. The framework supplements the Financial Regulation and other applicable rules and regulations and is aligned on the EC's standards which are themselves based on the international standards set by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The internal control framework consists of five internal control components and 17 principles based on the COSO 2013 Internal Control-Integrated Framework. The five internal control **components** are: i) the control environment; ii) the risk assessment; iii) the control activities; iv) information and communication; and v) monitoring activities.

To facilitate the implementation of the internal control framework and management's assessment of whether or not each component is present and functioning, each component consists of several principles, which specify the actions required for internal control to be effective. For each principle, characteristics are defined to assist management in implementing internal control procedures and in assessing whether or not the principles are present and functioning. For each principle, baselines are set, expressed in terms of indicators, which are quantitative whenever it is possible and used to assess the EBA internal control system on an annual basis.

While compliance remains an important requirement, the future objectives are focused on assessment, monitoring of the activities and optimisation of controls.

Risk management

The EBA revamped its risk management (RM) framework in 2022 with the design and implementation of an enterprise risk management (ERM) system aligned with the COSO 2017 ERM framework, adopting a new risk management policy, a risk appetite framework incorporating a risk appetite statement, and the initial set of strategic risks identified under the updated framework.

In 2023, the EBA will complete the first cycle of its comprehensive RM assessment of its operations based on the new system, thus developing and implementing action plans where strategic risks fall outside the risk tolerances adopted, reviewing the strategic risk register and continuing to identify and evaluate additional potential risks that could materialise within the organisation. This should result in an overview of aggregated risks which in turn will allow management to focus on the areas that pose a greater risk (i.e., significant and/or material) to the EBA's Work Programme and wider operations. This will be carried out at the strategic level, while also looking at how the principles of risk management can be embedded in a proportionate way in local areas, including through consideration of the risks in individual Work Programme activities.

These processes will be continuously reviewed and updated through 2024 to 2026, putting the EBA in a better position to enhance the alignment, integration, and coordination of risks among its functions and business units, which should lead to it being embedded in the strategic planning process.

Anti-fraud & ethics

The EBA's Anti-Fraud Strategy, adopted in 2020, provides the foundation for all activities that the EBA carries out in respect of fraud risks. It is based on four main objectives, namely a) prevent, b) detect and investigate, c) recover, mitigate and respond, and d) exploit.

The main activity is the annual anti-fraud risk assessment, whereby the entire organisation engages in an exercise to identify activities and processes that could result in fraud and evaluate them to find out the level of fraud risk that they carry. In the case of identifying material or significant risks, the unit/team owning the risk needs to design and implement an action plan that feeds into the next anti-fraud risk assessment exercise. In 2023 some of the activities and processes that until now have been included in the anti-fraud risk assessment become an integral part of the RM assessment. This should in turn help the organisation focus on those risks that indeed pose fraud risk. This integration of anti-fraud risk with general

risk management will be reviewed in 2024 to ensure that anti-fraud considerations are effectively taken into account in the integrated framework.

Anti-fraud will benefit from a new, general framework of ethics training that will be deployed in 2023. This ethics training will be composed of several modules focusing on various areas and will allow staff to self-pace their participation in different training modules.

In 2023 the EBA also expects to adopt a new decision on ethics and conflicts of interests and will adopt guidance to supplement various aspects of that decision with a view to implementation in 2024. The ethics framework in the EBA will thus benefit from a greater integration and will reinforce areas where, by experience, they have been shown to require greater oversight. This framework will take into account the additional oversight and supervisory roles accorded to the EBA through DORA and MiCA and the particular ethical issues to which these new tasks may give rise as they are implemented in 2024-2026.

Data protection

The EBA will continue to ensure effective implementation of data protection requirements applicable to it through its system of delegated data controllers, data protection coordinators within business areas and Data Protection Officer supported by a Risk & Compliance team. The EBA will continue to develop and improve its internal arrangements for processing personal data and for reviewing those processing operations. Significant new or amended processing operations are likely to require analysis changes to the EBA's IT infrastructure and the implementation of DORA and MiCA.

ANNEX XII: PLAN FOR GRANT, CONTRIBUTION AND SERVICE-LEVEL AGREEMENTS

	General information ¹					Financial and HR impacts				
	Actual or expected date of signature	Total amount	Duration	Counterpart	Short description		N	N+1	N+2	N+3
Grant agreements										
1. XXX						Amount				
						Number of CA				
						Number of SNEs				
2. XXX						Amount				
						Number of CA				
						Number of SNEs				
....						Amount				
						Number of CA				
						Number of SNEs				
Total grant agreements						Amount	0	0	0	0
						Number of CA	0	0	0	0
						Number of SNEs	0	0	0	0
Contribution agreements										
1. XXX						Amount				
						Number of CA				
						Number of SNEs				
2. XXX						Amount				
						Number of CA				
						Number of SNEs				
....						Amount				
						Number of CA				
						Number of SNEs				
Total contribution agreements						Amount	0	0	0	0
						Number of CA	0	0	0	0
						Number of SNEs	0	0	0	0

	General information ¹					Financial and HR impacts				
	Actual or expected date of signature	Total amount	Duration	Counterpart	Short description		N	N+1	N+2	N+3
Service-level agreements										
1. EU Supervisory Digital Finance Academy	9/14/2022	1079515	Four years	DG REFORM	Providing support to 20 Member States to strengthen supervisory capacity in the area of innovative digital finance	Amount	44,682	348,774	356,119	329,939
						Number of TA		1	1	1
						Number of CA		1	1	1
						Number of SNEs				
2. XXX						Amount				
						Number of CA				
						Number of SNEs				
....						Amount				
						Number of CA				
						Number of SNEs				
Total contribution agreements						Amount	44,682	348,774	356,119	329,939
						Number of TA	-	1	1	1
						Number of CA	-	1	1	1
						Number of SNEs	-	-	-	-
TOTAL						Amount	44,682	348,774	356,119	329,939
						Number of TA	-	1	1	1
						Number of CA	-	1	1	1
						Number of SNEs	-	-	-	-

1. For on-going agreements, please provide the requested general information. For expected agreements, please provide the information available. When the information is not known, please put "not known".

ANNEX XIII: STRATEGY FOR COOPERATION WITH THIRD COUNTRIES AND INTERNATIONAL ORGANISATION

Strategy for cooperation with third countries

In recent years, the EBA has been active in the assessment of the equivalence of third countries, both with regard to the regulatory/supervisory framework for preferential treatment of certain exposures and for the confidentiality and professional secrecy regime of third-country authorities, to facilitate their attendance of EU supervisory colleges.

The last ESAs review has further strengthened the EBA's competences vis-a-vis third countries by i) entrusting the EBA with the task of continuously monitoring third-country regulatory and supervisory frameworks and ii) establishing a closer link between the work on equivalence and relevant cooperation agreements with supervisory authorities from non-EU countries.

The experience gained by the EBA in carrying out the equivalence assessment process has highlighted the importance of establishing arrangements with third countries, to facilitate effective cooperation and information exchange and to enable follow-up monitoring.

The EBA relies on an 'equivalence engagement model' to reach out to third countries and establish a close link between the equivalence assessment and the need to have cooperation arrangements in place. In this approach, a cooperation arrangement is the outcome of a positive equivalence assessment. In turn, having consistent cooperation arrangements in place with third countries helps to monitor countries that have already been assessed as equivalent, which is going to be the focus of the EBA's work on equivalence going forward. The monitoring activities will focus on relevant regulatory and supervisory developments and market developments in third countries and will take into account the implications for financial stability, market integrity, investor protection and the functioning of the internal market.

Strategy for cooperation with international organisations.

The ESAs review encouraged the EBA to intensify its cooperation with international organisations by representing 'the interest of the Union in the international fora'.

BASEL COMMITTEE ON BANKING SUPERVISION (BCBS)

The BCBS: The BCBS is the primary global standard-setter for the prudential regulation of banks and provides a forum for regular cooperation on banking supervisory matters.

The EBA at the BCBS: The EBA has an observer role at the Basel table. It participates in the BCBS meetings, as well as in relevant subgroups and working groups. In order to best represent the interest of the EU and its Member States, European participants at the Basel table coordinate beforehand to better voice the EU interest

The EBA's main objectives at the BCBS: To ensure a fair representation of EU interests in the shaping of global standards and to draw on best international practices and information for setting EU regulation.

FINANCIAL STABILITY BOARD (FSB)

The FSB: The Financial Stability Board (FSB) is an international body that monitors and makes recommendations about the global financial system.

The EBA at the FSB: The EBA is a member of the Resolution Steering Group of the FSB (ReSG). ReSG is the primary global forum for the development of standards and guidance for resolution regimes, and for recovery/resolution planning/execution for systemically important financial institutions (SIFIs), including banks, insurers and financial market infrastructures (FMIs). It seeks to develop, issue, and maintain standards and guidance, monitor resolvability and crisis preparedness, build trust between home and host authorities, and serve as a knowledge-sharing forum for resolution authorities and other authorities with a role in crisis management.

In addition to its role in the Steering Group, the EBA also participates in the Cross Border Crisis Management group (CBCM), one of the three main sub-groups of ReSG (alongside corresponding groups for financial market infrastructures and insurance).

The EBA's main objectives at the FSB: The EBA brings its knowledge of policy and practices in European recovery and resolution planning to the table of the FSB for the purpose of developing policy and monitoring compliance with international standards. It works closely with the EC in this respect and also coordinates with the Single Resolution Board. The core objective is to ensure that post-crisis reforms are developed and implemented to deliver high-quality crisis management structures with the objective of minimising disruption to the financial system and protecting taxpayers' interests.

INTERNATIONAL MONETARY FUND (IMF)

The IMF: The International Monetary Fund ensures the stability of the international monetary system, the system of exchange rates and international payments that enables countries to transact with each other.

The EBA's main objectives with the IMF: The EBA provides data on the euro area to the IMF for its annual Article IV consultation on the euro area, which assesses the financial health of the euro area, its current development and economic forecasts. As well as strong cooperation on the aforementioned publication, the EBA's top management holds recurrent bilateral meetings with the IMF's top management for European affairs to discuss EU policies and economic issues.



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