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EBA-2026-D-5664

8 September 2026

Subject: Non-adoption of EBA's Draft Regulatory Technical Standards amending Commission Delegated Regulation (EU) No 241/2014 on the timing for prior permission application to reduce own funds and eligible liabilities instruments (Articles 78 and 78a of Regulation (EU) No 575/2013)

Dear Sean,

I am following up on your letter dated 20 July 2026 in which you informed me that the European Commission would not endorse the EBA's draft Regulatory Technical Standards submitted on 19 March 2026 to amend the above-mentioned regulation.

While we are mindful of the administrative burden of the amendment process, our targeted update was proposed in the light of our commitment to shorten the four-month timeframe in force since 2021 which is considered by supervisors and institutions as too long. Without the amendment, institutions will need to continue submitting their applications within the time limits of Delegated Regulation (EU) 241/2014, even if competent authorities and resolution authorities manage to process them faster.

The EBA will not resubmit a revised draft of the amending Regulatory Technical Standards. As suggested in your letter, it will pursue a more comprehensive review of Delegated Regulation 241/2014, with a view to delivering further efficiency gains including through the amendments proposed in the targeted review and has adopted relevant governance arrangements to ensure a structured involvement of competent and resolution authorities.

Your sincerely,

Digitally signed by:

FRANÇOIS LOUIS BERNARD MICHAUD

Date: 2026-09-09 08:09:05 UTC

François-Louis Michaud

CC: Aurore Lalucq, Chair of the Committee on Economic and Monetary Affairs, European Parliament
Monika Nogaj, Head of ECON Secretariat, European Parliament
Simon Harris, ECOFIN Chair, Ireland's Tánaiste and Minister for Finance, Presidency of the Council of the EU
Tuomas Saarenheimo, Chair of Economic and Finance Committee, Council of the European Union
Thérèse Blanchet, Secretary-General, Council of the European Union
Ugo Bassi, Director Dir D, Banking, Insurance and Financial Crime, DG FISMA
Almorò Rubin de Cervin, Head of Unit D1, Bank regulation and supervision, DG FISMA