

Newsletter



2 October 2026

EBA Consults on Reforms to Prudential Supervisory Decisions

On 25 September 2026, the European Banking Authority (EBA) launched a public consultation on proposed revisions to the implementing technical standards (ITS) governing the joint decision process for institution-specific prudential requirements under Article 113 of the Capital Requirements Directive (CRD).



The proposed changes aim to simplify supervisory processes, reduce administrative complexity and align the existing framework with significant regulatory developments since the adoption of the current ITS in 2014, including the amendments introduced by CRD V and the revised Supervisory Review and Evaluation Process (SREP) framework. The initiative forms part of the EBA's broader efforts to enhance the efficiency, consistency and proportionality of prudential supervision across the European Union.

From a legal and regulatory perspective, the most significant proposed amendment is the expansion of the scope of joint decisions to expressly cover Pillar 2 Guidance (P2G), as well as leverage ratio-related Pillar 2 requirements and guidance. While these elements were introduced into the prudential framework through CRD V, they are not fully reflected in the current ITS. The proposed revisions therefore seek to ensure that the procedural framework governing supervisory colleges is aligned with the substantive prudential regime.



The revised ITS also promote a more integrated approach to supervisory assessments. Competent authorities would be encouraged to assess capital requirements, capital guidance and liquidity requirements in a coordinated manner and, where appropriate, adopt them through a single joint decision supported by a consolidated risk assessment report. The proposal is intended to reduce duplication, streamline decision-making and foster greater consistency in supervisory outcomes across cross-border banking groups.

Another notable development is the formal incorporation of qualitative supervisory measures into the joint decision process. The revised framework acknowledges that supervisory colleges increasingly address matters relating to governance, risk management, internal controls and organisational arrangements alongside quantitative prudential requirements. By expressly integrating such measures into the assessment and decision-making process, the EBA aims to enhance transparency, legal certainty and supervisory convergence.

In addition, the proposal significantly simplifies existing documentation requirements by replacing separate capital and liquidity assessment templates with a single integrated risk assessment report. This reflects a broader regulatory trend towards proportionality and more efficient supervisory engagement.

The consultation, which will remain open until 4 January 2027, signals the EBA's continued focus on promoting a more coordinated, risk-based and streamlined supervisory framework for cross-border banking groups.

The proposed revisions are particularly relevant for Greek banking groups with operations in other Member States, as well as for foreign banking groups active in Greece through branches or subsidiaries, as, if adopted, they will have practical implications for supervisory engagement involving both the Bank of Greece and the country's systemic banking institutions.



Dimitra Kouroupi
Lawyer

dkouroupi@saranti-partners.com

T: +302120216569

*This publication is provided for general informational purposes only
and does not constitute legal or other professional advice.*