

Consultation Response

EBA draft technical standards on prudentially material transactions under the Capital Requirements Directive

5 March 2026

The Association for Financial Markets in Europe (AFME) welcomes the opportunity to comment on **EBA draft technical standards on prudentially material transactions under the Capital Requirements Directive**. AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. We advocate stable, competitive, sustainable European financial markets that support economic growth and benefit society.

AFME is the European member of the Global Financial Markets Association (GFMA) a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) in Asia.

AFME is registered on the EU Transparency Register, registration number 65110063986-76. We summarise below our high-level response to the consultation, which is followed by answers to the individual questions raised.

General comments:

We appreciate EBA's efforts to introduce proportionality into the RTS but find the draft RTS not to be in line with the current aim of the European Commission to reduce unnecessary regulatory complexity. AFME invites EBA to act in line with the ongoing drive for less complex, more competitive regulation and ensure the RTS remain focused on the underlying intention to introduce prudentially relevant information requirements in the context of the transaction at hand.

The draft RTS risks undermining the core harmonization principles originally introduced by the Antonveneta Directive and now fully embedded in the CRD framework (in particular in relation to art. 22 to art. 27 of the CRD). These principles therefore remain directly relevant and binding for the design and interpretation of the RTS. Against this background, AFME has the following concerns regarding the draft RTS:

- EBA's interpretation of the new rules goes firmly against the objective, anchored in CRD following Antonveneta Directive of standardizing and increasing the transparency of the prudential assessment criteria and procedures for the acquisition of significant holdings in the financial sector across the EU. The RTS, if adopted as drafted, would lead to procedural intransparency and legal uncertainty in the context of restructurings and transactions, by granting competent authorities broad discretion to refuse approval on the basis that the information requested is insufficient or incomplete. This concern is particularly relevant given that certain information requested may, in many instances, not be available or reasonably knowable at the time of the transaction.
- While it is acknowledged that the Antonveneta framework aimed at achieving maximum harmonization for qualifying holdings and CRDVI introduces minimum harmonisation requirements for the other types of material transactions, AFME believes that ultimately the EBA should help foster a coherent and harmonised supervisory framework. This should be achieved by ensuring that supervisory assessments of all material transactions are conducted on the basis of objective, consistent and predictable criteria rather than divergent national practices.

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- The principles originating from Antonveneta and now reflected in CRD, incl. Art. 22(8) CRD (which provides that no requirements shall be imposed for notification to, or approval by, the competent authorities of direct or indirect acquisitions of voting rights or capital that are more stringent than those set out in CRD) should be duly taken into account when designing the RTS.
- More generally, where a transaction triggers both the qualifying holding regime (Art. 22-27 CRD) and one of the new regimes introduced by CRD VI (Art. 27a-27I CRD), such a transaction should in principle be subject to only one single notification and coordinated assessment and should follow the qualifying holding framework. Multiple parallel assessments for the same material transaction should always be avoided, as they are inconsistent with the harmonization and efficiency objectives embedded in CRD. Where the level 1 text does include multiple notifications for the same transaction, we propose that although more than one competent authority will be informed, the RTS still requires only one assessment by one competent authority.

For intragroup transactions, the draft RTS does not adequately take into account relevant case law of the EU Court of Justice. In particular, the following judgment is relevant:

- In its judgment of 19 September 2024 (*Fininvest/ECB- ECLI:EU:C:2024:774*) the ECJ concluded that the “*it is not the legal structure of a holding – whether it is direct or indirect – which determines the existence of a qualifying holding, but (...), whether that holding makes it possible to attain a particular level of control or influence over the credit institution*”. The alteration of the legal structure of a holding cannot be regarded as ‘an acquisition’ if the size or substance of the holding remains unchanged.
- In light of the *Fininvest* judgment, intragroup transactions that do not change the (material) level of control or influence exercised by the consolidating financial holding/bank, should not be subject to supervisory approval. In such cases, a simple unilateral notification to the competent authority should be sufficient.

Furthermore, the draft RTS introduces an excessive number of new information requirements that are neither meaningful nor practical. As a result, multiple supervisors may end up assessing the same transaction in parallel. A number of these requirements go beyond the initial conditions for authorisation of credit institutions and effectively introduce elements of ongoing supervision for incidental transactions. This will lead to more discretionary power for competent authorities and national variations in the assessment processes.

Questions:

Question 1. Do you agree with the methodology laid down in Article 1(2) on the determination of the materiality threshold?

While we support the objective of a clear and harmonized methodology, we have concerns regarding the information requirements in cases of **indirect material transactions**, especially within large and complex group structures. Under the draft RTS, the proposed acquirer shall submit the information at consolidated level in case of an indirect proposed material acquisition, directly carried out by one or more of its subsidiaries. As already highlighted in our response to the EBA consultation regarding the minimum list of information to be provided to the competent authorities at the time of the notification under Article 23(6) of Directive 2013/36/EU, we emphasize that in large groups, when there is a chain of control, this should not result in multiple filings for notification or authorization along the entire chain of control. Requiring each entity in the control chain to file for notification or authorization introduces an unnecessary administrative layer which triggers significant costs for large groups without commensurate supervisory benefit. We therefore stress that a single filing at the level of the relevant group should be sufficient.

We note that Art. 1(2) of the draft RTS introduces an aggregation mechanism pursuant to which the materiality threshold is calculated by reference to the cumulative effect of distinct transactions carried out over a continuous 12-month period, including an “anti-circumvention clause”. Such an aggregation criterion does not appear to be expressly contemplated by the provisions of CRD VI. The Level 1 text is framed by reference to individual transactions and does not suggest that multiple non-material transactions should be aggregated for the purpose of determining whether the notification threshold is met. The introduction of an aggregation mechanism through Level 2 measures therefore risks extending the scope of the notification obligation beyond that envisaged in the Level 1 text, by capturing transactions which, when individually assessed, are non-material. This raises concerns as to whether the proposed approach remains within the mandate conferred on the EBA under CRD VI. The EBA

should therefore reconsider this approach or, at a minimum, clarify the legal basis for such aggregation to ensure full alignment with the mandate set out in CRD VI and to avoid creating additional notification obligations not expressly contemplated in CRD VI. If the aggregation criterion is maintained appropriate carve outs should be introduced for Business-As-Usual trading activity and client facilitation activities in addition to the carve outs already available for securitisations.

Question 2. Do you consider that proportionality is well embedded in this Chapter 1, in particular regarding the list of information laid down for specific cases of material acquisitions referred to in Article 7(3)?

We consider that proportionality is not yet sufficiently reflected in the scope of the RTS (including for specific cases under Art. 7(3)):

- As a general observation the information requirements are very broad and give the authorities ample discretion in the assessment and potential refusal of transactions.
- Proportionality should be explicitly applied to material holdings acquisitions in situations where the ability to obtain the information depends on the cooperation of a party that is not willing to collaborate, such as in a hostile or unsolicited takeover. There should be an explicit exemption to recognize the significant practical limitations that proposed acquirers face in these specific situations, given that without cooperation from the target entity, it is not feasible to provide some of the key information required.
- The information regarding the proposed transaction as set out in the draft RTS in respect of the minimum list of information to be provided to the competent authorities at the time of the notification under Article 23(6) of Directive 2013/36/EU (cf. in particular Art. 5 of those RTS), and in Art. 3 of the draft RTS, must be fully consistent and harmonized. Only one single set of information must be determined for each transaction and multiple assessments (for example, by the “consolidated supervisor” and by the relevant competent authority of the target entity) for the same transaction should always be avoided. This would not only be in contradiction with Art. 22(8) CRD but would also result in duplicative processes and assessments.
- The draft RTS requires the submission of information which, at the time of the filing, may not yet be available, finalised or reasonably ascertainable by the acquirer. In several cases, compliance would require a disproportionate level of effort and would not reflect the practical realities of transactions, particularly in the context of complex acquisitions involving large, internationally active groups. This concern arises in particular in relation to the following requirements set out in art. 3, including:
 - Art. 3(1)(h), which requires a detailed chart of the group structure;
 - and
 - Art. 3(1)(k), which requires confirmation that the target entity, the members of its management body or its beneficial owners are not subject to restrictive measures adopted under Union law; and
 - Art. 3(1)(l), which requires the provision of individual, consolidated or sub-consolidated information on AML/CFT checks, including the history of sanctions or criminal convictions over the preceding ten years.

In the context of large groups with multiple business lines operating across numerous jurisdictions, the information requirement under Article 3(1)(h) appears excessive. A more proportionate approach would be to limit this requirement to the identification of financial sector entities that are identical or similar to those of the target entity. The information referred to in Article 3(1)(k) cannot, in practice, be independently verified by the acquirer, and it is unclear what steps would be considered reasonable to verify such information. We therefore suggest that this provision is either removed or subject to a knowledge or “where available” qualification, in order to reflect the practical limits on the acquirer’s ability to confirm this information. With respect to Article 3(1)(l), the information requested similarly goes beyond what an acquirer can reasonably be expected to provide at the time of notification. In particular, the provision appears to assume a level of insight into matters that may depend on future developments or information held by third parties.

In addition, the lookback period for AML/CFT-related information under Art. 3(1)(l) and 21(1)(a) appears excessive. We suggest reducing the reference period from ten years to five years, in line with Directive (EU) 2015/849, which requires obliged entities to retain AML/CFT-related documentation for at least five years. A ten-year lookback period may create practical difficulties

in collecting relevant information and documentation, without a clear corresponding supervisory benefit.

Finally, the information requirements concerning the financing of the transaction under Art. 3(3) of the draft RTS do not appear to be fully aligned with market practice. In many cases, only high-level information will be available at the time of notification, while more detailed elements of the financing structure are determined at a later stage.

- Art. 3(4)(c) of the draft RTS requires the proposed acquirer to provide a summary of the principal terms of the acquisition agreement that may affect its prudential situation. This requirement appears duplicative, as the capital and prudential impacts of the transaction should already be reflected in the financial projections and related quantitative information submitted as part of the notification. We therefore suggest deleting this requirement or, alternatively, clarifying more precisely the intended scope and level of detail expected.
- Art. 3(5) of the draft RTS provides that, in the cases referred to in Article 27c(2), first and second subparagraphs of CRDVI where the competent authorities involved are not the same, the proposed acquirer is required to submit a summary notice containing the main terms of the proposed acquisition. However, Article 27c(2) of CRD places the obligation to notify the consolidating supervisor on the competent authority, rather than on the institution or proposed acquirer. Against this background, it would be helpful to clarify the allocation of responsibilities under Art. 3(5) of the draft RTS, to ensure consistency with CRD and avoid placing procedural obligations on notifying parties that are not foreseen in the Level 1 text. We therefore suggest amending Art. 3(5) to clarify that the preparation and transmission of the summary notice is to be carried out by the relevant competent authority, or otherwise specifying the respective roles of the proposed acquirer and the competent authorities involved.
- The financial information requested on the proposed acquirer under Art. 4 seems excessive where the acquirer is a regulated credit institution.

We suggest deleting the reference in Article 4(a) to “any other document registered with the registry or in possession of the competent authority where different from the consolidating supervisor to which the notification is submitted “. This requirement is overly broad and can compass all kinds of information that is irrelevant for the transaction.

- In addition, on security interest, guarantees or indemnities (Art. 4(c)) does not seem realistic where the proposed acquirer is an active bank – we suggest the EBA consider a carve-out or a limitation be added to exclude extraneous information relating to other transactions.
- The information referred to in Articles 5 (Information on the business plan, including the internal governance) and 6 (Forecast financial and prudential information on the business plan) are not aligned with the proportionate approach of Articles 8 to 10. We consider that the requirement to submit a business plan if the proposed acquisition does not result in control of the target entity is not feasible nor proportionate. Without control of the target, an acquirer can logically not enforce changes to the business model of the target.
- The provision in Article 5.1 (b) should be qualified, as there may be no changes to the business model in all cases:“(b) **if applicable**, the material changes to the business model and risk profile after the proposed acquisition”.
- Article 5(1)(f) and 5(2) appear to require the inclusion in the business plan of detailed changes to AML/CFT systems and controls, internal governance, internal control functions, risk management frameworks, and contractual arrangements with third-party providers. In our view, this goes beyond the level of detail currently provided at the notification stage and may delay the filing if the assessment period does not commence until such elements are fully developed. Many of these matters are typically refined between signing and closing and may evolve following supervisory feedback.

We suggest clarifying that, at the time of notification, a high-level description of the intended approach should be sufficient, with detailed implementation measures to be developed in the post-signing phase. This would ensure proportionality and avoid unnecessary delays in initiating the assessment process.

- We propose to strike the sentence “materially exceeds the materiality threshold” included in Art. 5(2). It is generally not possible to provide the information requested under Art. 5(2) if no control is acquired over the target entity.
- Articles 6(7), 10(e) and 10(g) require a highly detailed business plan. We suggest including more proportionality in the number of details asked and refraining from asking for information that in general will only become available after the transaction. We consider that the RTS should only focus on risks that are relevant in relation to the transaction and are not the subject of separate supervisory processes such as changes to IRB models. The assessment of an ad hoc transaction should not result in the assessment of processes that are part of ongoing supervisory processes.
- The scope of the provisions set out in Article 7 (Reduced information requirements) should be extended to acquisitions where the proposed acquisition does not result in control over the target entity. In addition, taking into account the obligation of competent authorities to cooperate with each other as included in Art. 117 of the Directive, we think the RTS could impose greater responsibility on the relevant competent authorities to exchange relevant information instead of requesting information that is already available with them. This pertains in particular to the essential information mentioned in art. 117 of the Directive as well as information on the propriety of board members of regulated entities. Institutions should not be required in principle to resubmit that information. We would generally welcome greater flexibility with regard to the authorization procedures applicable to intra-group transactions.
- Timelines for competent authorities should be more specific not just phrases like “reasonable time” (see Article 13).
- In cases where no assessment will take place, it is not clear why a business plan should be required. A rationale for the operation should be sufficient.
- Articles 22(2)(b) and 22(3) require detailed information on planned changes to governance, internal control functions, risk management, AML/CFT systems and outsourcing arrangements in the context of mergers.

The comments made in relation to Articles 5(1)(f) and 5(2) apply *mutatis mutandis*. In particular, requiring fully developed integration measures at the notification stage may go beyond current practice and could delay the filing process, as these elements are typically further refined between signing and closing. A high-level description of the intended approach should therefore be sufficient at the time of notification, in line with the principle of proportionality.

- The term “group” is used throughout the text, but greater precision should be sought as to whether it means the entire group of the target or just the target entity and the companies for which it is parent. A more expansive reading could require a large amount of information to be provided that is unnecessary for the assessment (see e.g. Art 3(1)(f)), 3(3)(d).

Proportionality should also be considered with regard to information requirements about unregulated entities and could be limited to the extent that the person filing the notice is in possession of the information (e.g. Art 18(2)(e)).

- More consideration could be given to avoidance of duplication of applications and information in relation to the qualifying holding procedure under Art 22 CRD; it is noted that an application might be required under both Art 22 CRD and also Art 27a. while concurrence with other qualifying holding regimes such as under the Payments Services Directive or Markets in Financial Instruments Directive is expected to occur frequently without there being a clear prudential rationale for these overlapping regimes.

Question 3. Does Article 13 on process sufficiently encompass the different use-cases on material acquisitions?

- We request more clarity in respect of Art. 27a(7) that states that where the proposed acquisition of a material holding is conducted intragroup, the competent authority shall not be required to carry out the assessment provided for in Article 27b(1). As the starting point of CRD is that no assessment of intragroup transactions takes place, we suggest the RTS clarify in which exceptional cases an assessment can be expected.

- In addition, we suggest including a timeline after notification of an intragroup transaction that determines the deadline for the competent authority to inform the acquirer that no assessment will be carried out. This will give the institutions the legal certainty that they can proceed with the transaction. We would expect EBA to provide the same clarity for intragroup mergers which by default will also not be subject to an assessment (Art. 27i(2)).
- We note that in many instances after having informally liaised with the competent authorities on a proposed transaction including after having informally filed a draft notification, the competent authority requests additional information after the final notification is submitted. This practice leads to unnecessary delays. We therefore request EBA to clarify that the acknowledgement of receipt of a notification also includes the list of information the competent authority requires additionally.

Question 4. Do you agree with the list of information to be submitted in case of a material transfer of assets or liabilities, in particular the differentiation between transferee and transferor?

- AFME does not consider the approach set out in Art. 17 (*Proportionality and reduced information*) to be fully coherent. Art. 17 currently provides that only art. 7(1) and 7(2) apply *mutatis mutandis*, while Art. 7(3) is excluded. In the context of intra-group transactions, it is not appropriate to exclude the application of Art. 7(3).
- In certain scenarios, the same transaction may simultaneously fall within the scope of Art. 27a CRD (*material holding*) and Art. 27f CRD (*material transfer of assets and liabilities*) from the perspective of the transferee. In such cases, excluding Art. 7(3) requires the transferee to submit multiple notifications and information packages for the same transaction, under different legal bases. We therefore recommend clarifying that Art. 7(3) should apply *mutatis mutandis* to intra-group transactions, in order to avoid duplicative notifications and ensure a coherent and proportionate supervisory treatment of transactions that fall under multiple CRD provisions.
- Further, Article 27f CRD establishes a notification regime for material transfers of assets or liabilities, rather than a prior approval or full prudential assessment framework. In this context, the requirement under the draft RTS to provide extensive forward-looking financial and prudential information — including three-year forecasts and stress scenarios — appears disproportionate and goes beyond the level 1 text. For large EU banking groups subject to ongoing and comprehensive supervision, such information is already available to competent authorities through regular supervisory processes (e.g. ICAAP, ILAAP and prudential reporting), and its duplication in a notification context may create unnecessary operational burden. We therefore suggest limiting the notification requirements to factual and transaction-specific information and reserve forward-looking prudential projections for cases where the transfer results in a clear material impact on the institution's prudential position.

Question 5. Do you consider that proportionality is sufficiently reflected in the threshold and cases covered by Article 24(2) and (3) as regards the requested set of reduced information and the related proportionate assessment set out in Articles 25 to 27?

- We consider that the requirement to submit the due diligence report in Art. 19 is too prescriptive as many parts of the report are of no prudential value and the relevant parts will anyhow already be included in the notification. We suggest deleting the reference to the due diligence report.
- The requirement to submit a detailed communication plan in Article 22 appears disproportionate and of limited prudential relevance. We would suggest reconsidering or deleting this requirement.
- Article 23 requires a highly granular business plan, including detailed comparative forecasts with and without the proposed merger, covering revenues, cost components, synergies, intra-group transactions and underlying assumptions. While we acknowledge the need to assess the prudential impact of a merger, the level of prescription appears disproportionate for a prudential assessment. Such detailed forward-looking projections rely on numerous assumptions, particularly at early stages of integration, which may limit their reliability while significantly increasing operational burden. We would therefore encourage the EBA to focus the requirement on key prudential metrics and material assumptions relevant to capital, liquidity and risk profile.
- We also propose for intragroup mergers that the simplified regime be applied also in cases where one of the entities participating in the merger is not a supervised entity. Indeed, for Article 24(reduced information requirements): only Articles 7(1) and (2) apply *mutatis mutandis*, and it would also make sense that Article 7(3) applies *mutatis mutandis* in respect of intra-group transactions as per earlier comments.

Question 6. Do you agree with the flexibility developed under Articles 23 and 27 in relation to badwill, Pillar 2 requirements and the assessment of systemic importance?

The RTS indicates that the competent authorities may attach conditions to the approval of a transaction so that prudential requirements can continue to be met after the transaction. We note that case law of the ECJ determines that conditions may be only attached to an approval in the situation where, had there been no conditions, the competent authority would have had to reject the application (Atradius/Dutch Central Bank - ECLI:EU:C:2015:419).

In addition, we note that where any of the prudentially relevant operations concur with the qualifying holding requirements of Art. 22-27 of the Directive, no requirements for the approval may be imposed that are more stringent than those set out in these articles.

We consider that in general the existence of badwill and any impact on Pillar 2 requirements or on the institution's systemic importance after a transaction are not per se relevant in the context of an ad hoc transaction and are subject to separate, in-depth processes such as the SREP process and the international and national measurement of systemic importance. These elements should only be part of ongoing supervision of the competent authority after the relevant transaction. We consider these elements only important in extraordinary cases so involvement e.g. of the macroprudential authority should be an exception. **We request EBA clarifies that an assessment and/or the imposition of conditions in regards of bad will, Pillar 2 requirements and systemic importance will only take place in exceptional circumstances.**

Question 7. Do you think the draft RTS is sufficiently clear, comprehensive and suitable for each material operation / adequate for a smooth proceeding?

While the draft RTS provides a useful framework for the assessment of material operations, we do not consider them to be sufficiently clear or operationally adequate in all cases:

- Divisions: With respect to divisions, Art. 32(2) of the draft RTS provides that Art. 24(1) to 24(4) shall apply *mutatis mutandis*. In this regard, the same concern arises as already noted in relation to Art. 24 (see our response to question 5). In particular, it would also be appropriate for Art. 7(3) (*reduced information requirements*) to apply to intra-group divisions, in order to ensure proportionality and consistency with the treatment of other intra-group material operations. In the absence of such clarification, the RTS risk imposing information and assessment requirements that are not commensurate with the risk profile of intra-group divisions.
- Mergers: More fundamentally, the draft RTS and ITS do not provide sufficient clarity on the applicable timelines for mergers involving external / third parties. The current framework does not set out a clear, predictable timeline for this. This lack of clarity is difficult to reconcile with the core harmonisation principles from the Antonveneta framework, which aim to ensure transparent, objective and predictable supervisory processes for significant transactions. The absence of clearly defined timelines creates legal and operational uncertainty for the institutions involved, and risks leading to lengthy supervisory processes that are incompatible with transaction planning, market expectations and legal certainty.

In particular we note that:

- One single notification/assessment per merger/division should be sufficient: Art. 27i (1) states that a notification should be filed with the competent authority which will be responsible for supervising the entities resulting from the proposed operation. For divisions, the competent authority in charge of the supervision of the entity carrying out the proposed operation shall be the competent authority to be notified. CRDVI does not include a requirement to also notify the competent authority of the absorbed entity. The notification will include information on both entities involved in the merger/division so a requirement that both entities should file is superfluous. Two notifications and assessments would be duplicative.
- We also request clarification that no obligations can be imposed on the absorbed entity, as Article 29 of the RTS appears to indicate that both entities participating in the merger/division must submit a notification. We reiterate– two notifications are not required under CRD VI.
- We reiterate that the ITS do not set a specific timeline for non-intragroup mergers or for divisions although Article 30(1) of the RTS does stipulate that the general notification and prudential assessment framework applies *mutatis mutandis* to mergers and divisions, which includes the time limits laid down in Article 27i of Directive 2013/36/EU. We request confirmation in Article

30 that the 60 working-day assessment period also applies to non-intragroup mergers and to divisions.

- There's no specific timeline set for the default situation that a merger will not be assessed in accordance with Article 27i(2). The EBA should clarify the deadline when entities are informed an assessment will **not** be carried out and the opinion shall thus be deemed positive. We consider the timeline within which this confirmation can be provided should be much shorter than the 60 working-days assessment period as no assessment will be carried out.

Question 8. Do you agree with the information requested in case of a merger or division requiring the authorization of a credit institution via the amendment to Commission Delegated Regulation (EU) No 2022/2580 under Article 35?

We understand that proceeding by way of an amendment to Commission Delegated Regulation (EU) No 2022/2580 enables a consistent approach within the EU of the information to be submitted with regards to the proposed merger or division.

Question 9. Do you think the draft RTS is sufficiently clear, comprehensive and suitable for each material operation / adequate for a smooth proceeding?

See comments above.

Question 10. Do you agree with the steps and the timeline for the consultation process between requesting and requested authorities in case of proposed material acquisitions or proposed mergers or divisions?

Generally, we support the overall objective of structured and timely cooperation between the requesting and requested authorities. However, the proposed steps and timelines do not sufficiently reflect the practical reality of transaction processes and risk leading to duplicative assessments and unnecessary delays (see also above our response to question 2).

In practice, it is a real and common scenario that not all information related to a proposed transaction is available at the time the proposed acquirer (Art. 27c CRD) or the relevant party in case of a merger (Art. 27k CRD) submits a notification. The draft RTS and ITS seem to assume that all relevant information must be available upfront and thus do not recognize that certain information may only become available at a later stage in the normal course of transaction, rather than as a result of deficiencies or lack of cooperation by the notifying party(ies).

In the absence of explicit safeguards, this approach could lead to unnecessary delays in the cooperation process between authorities, and ultimately, to extension of the assessment period, even if the initial notification was carried out on the basis of information reasonably available at that stage. Indeed, Article 6 sets out how the competent authorities shall cooperate and exchange information during the consultation process on a material acquisition in the financial sector. In particular, paragraph 3 of Article 6 "Procedures for consultation" is drafted in very general terms, merely requiring that: "[...] the requested authority shall communicate with the requesting authority in a timely manner [...] The requesting authority shall in turn respond promptly [...]". In our view, it would be useful to provide for response timelines on the part of the Authority. Introducing a rigid deadline, applicable to all interactions between authorities, would however be difficult to apply in practice. Nonetheless, it could be helpful to include indicative timeframes or reference time thresholds, in order to enhance predictability and provide operational guidance.

We would be supportive of introducing an escalation mechanism to the ECB when cooperation difficulties cannot be resolved. However, escalation to the ECB should remain exceptional and should not be triggered because of certain information becoming available at a later stage of the transaction. The draft RTS and ITS should make clear that the normal, phased provision of information does not constitute a failure of cooperation between authorities.

Question 11. Do you consider the processes set out in Chapters 2 and 3 in relation to material acquisitions sufficiently clear, comprehensive and adequate for smooth proceeding?

See the comments above.

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