

PRESS RELEASE

ESAs publish amended technical standards on the mapping of ECAIs

The Joint Committee of the three European Supervisory Authorities (EBA, EIOPA and ESMA - ESAs) published today two amended Implementing Technical Standards (ITS) on the mapping of credit assessments of External Credit Assessment Institutions (ECAIs) for credit risk. The amendments reflect the recognition of five new credit rating agencies (CRAs) and the deregistration of one CRA. The ITS are part of the EU Single Rulebook for banking and insurance aimed at creating a safe and sound regulatory framework consistently applicable across the European Union (EU).

The ITS, developed by the ESAs and adopted by the European Commission on 7 and 11 October 2016, aim at ensuring that only credit ratings issued by External Credit Assessment Institutions (ECAIs) – those credit rating agencies (CRAs) registered under Regulation (EC) No 1060/2009 or central banks issuing credit ratings exempt from the application of the same regulation - can be used for calculating capital requirements of financial institutions and insurance undertakings. To this aim, the three ESAs have specified an approach that establishes the correspondence -or *mapping*- between [credit assessments and the credit quality steps defined in the EU prudential regulation for banking \(Capital Requirements Regulation – CRR\)](#) and [EU insurance regulation \(Solvency II Directive\)](#).

Since the adoption of these ITS, ESMA has withdrawn the registration of one CRA and five additional CRAs have been recognised. The ITS have, therefore, been amended to reflect the allocation of appropriate risk weights to the newly established ECAIs and to remove the reference to the de-registered ECAI. The mappings for the other 25 ECAIs covered in the ITS remain unchanged.

The ESAs also published [individual mapping reports](#) illustrating how the methodology was applied to produce the five additional mappings under the Capital Requirements Regulation (CRR) mandate.

Legal basis

The proposed revised draft ITSs have been developed according to Article 136 (1) and (3) of Regulation 575/2013 (Capital Requirements Regulation) and of Article 109 (a) of Directive 2009/138/EC (Solvency II Directive), which state that revised draft ITS shall be submitted by the ESAs, where necessary.