

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council (Text with EEA relevance)

TITLE II

PREPARATION

CHAPTER II

Resolvability

Article 16

Assessment of resolvability for groups

1 Member States shall ensure that group-level resolution authorities, together with the resolution authorities of subsidiaries, after consulting the consolidating supervisor and the competent authorities of such subsidiaries, and the resolution authorities of the jurisdictions in which significant branches are located insofar as is relevant to the significant branch, assess the extent to which groups are resolvable without the assumption of any of the following:

- a any extraordinary public financial support besides the use of the financing arrangements established in accordance with Article 100;
- b any central bank emergency liquidity assistance;
- c any central bank liquidity assistance provided under non-standard collateralisation, tenor and interest rate terms.

[^{F1}A group shall be deemed to be resolvable if it is feasible and credible for the resolution authorities either to wind up group entities under normal insolvency proceedings or to resolve that group by applying resolution tools to, and exercising resolution powers with respect to, resolution entities of that group while avoiding, to the maximum extent possible, any significant adverse consequences for the financial systems of the Member States in which group entities or branches are located, or of other Member States or of the Union, including broader financial instability or system-wide events, with a view to ensuring the continuity of critical functions carried out by those group entities, where they can be easily separated in a timely manner, or by other means.

Group-level resolution authorities shall notify EBA in a timely manner whenever a group is deemed not to be resolvable.]

The assessment of group resolvability shall be taken into consideration by the resolution colleges referred to in Article 88.

2 For the purposes of the assessment of group resolvability, resolution authorities shall, as a minimum, examine the matters specified in Section C of the Annex.

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3 The assessment of group resolvability under this Article shall be made at the same time as, and for the purposes of drawing up and updating of the group resolution plans in accordance with Article 12. The assessment shall be made under the decision-making procedure laid down in Article 13.

[^{F24} Member States shall ensure that, where a group is composed of more than one resolution group, the authorities referred to in paragraph 1 shall assess the resolvability of each resolution group in accordance with this Article.

The assessment referred to in the first subparagraph of this paragraph shall be performed in addition to the assessment of the resolvability of the entire group and shall be made within the decision-making procedure laid down in Article 13.]

Textual Amendments

- F1** Substituted by [Directive \(EU\) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC](#).
- F2** Inserted by [Directive \(EU\) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC](#).