

Milano, 29 gennaio 2021

Risposta Assosim a EBA: Consultation Paper on Draft Guidelines on sound remuneration policies under Directive 2013/36/EU

Question 1: Are the amendments to the subject matter, scope and definitions appropriate and sufficiently clear?:

26 June 2021 is the date on which the guidelines are expected to come into force, but we believe it is necessary to consider that by that date most banks will have already completed the development of their remuneration policies and will have already submitted them to the shareholders' meeting for approval. Furthermore, we believe it is worth mentioning that in some Member States the implementation process of CRD V did not take place within the timeframe prescribed by the Directive and will most likely not be completed in time for the implementation of the 2021 remuneration policies.

Question 3: Are the guidelines on the application of the requirements in a group context sufficiently clear?:

With reference to the application of the provisions in a group context, we believe it is important to draw attention to Fintechs and advisory and corporate finance companies which, since they are not subject to specific remuneration regulations, will be required - if they are part of a banking group - to apply the CRD. We call for an exemption from the application of the CRD for these companies in order to ensure a level playing field with respect to Fintechs and advisory and corporate finance companies that do not belong to banking groups and, therefore, to allow the proper development of banking services and to incentivise capital light advisory activities that do not involve the bank's capital and do not expose banking groups to market, credit or liquidity risks.

Question 4: Are the guidelines regarding the application of waivers within section 4 sufficiently clear?:

Article 94(3) CRD V (and accordingly the guidelines) provides that the additional requirements set out in points (l) and (m) and in the second paragraph of point (o) of paragraph 1, do not apply to the variable component of remuneration when (i) an institution is not a large institution and the value of the assets of which is on average and on an individual basis equal to or less than EUR 5 billion over the four-year period immediately preceding the current financial year and (ii) a staff member whose annual variable remuneration does not exceed EUR 50,000 and does not represent more than one third of the staff member's total annual remuneration. In our opinion, the threshold of EUR 50,000 is too low and, in order to comply with the principle of proportionality pursued by the Directive, should be revised according to the type of company and the staff to whom it applies (e.g. financial advisers, for whom the variable component is the main element of remuneration). Therefore we propose to introduce the option for individual Member States to raise this threshold to a maximum of EUR 100,000. Furthermore, it should be clarified that the presence of even one of the criteria set out in Article 94(4) of the Directive is sufficient for a Member State to lower or raise the threshold of EUR 5 billion referred to in point (i) of Article 94(3). We would also like to point out that many institutions belonging to significant banking groups are small, non-complex and, on an individual basis, could be exempted from the additional requirements referred to in Article 94(3); hence, in our opinion, it would be appropriate to extend the same exemption also to these institutions in order to allow a simplification of management duties and ensure equal treatment between similar sized companies operating in the same market. Finally, with a view to better applying the principle of proportionality, we request the possibility for the staff whose professional activities have a material impact on the institution's risk profile to disapply the minimum deferral period of four years provided for in Article 94(1)(m) where the institution considers that a shorter deferral period is consistent with the time horizon of the risks relating to such staff.