

15 April 2025

EBF Response

EBA Consultation Paper on Draft Guidelines on ESG Scenario Analysis

The current efforts to simplify the regulatory framework and reduce the reporting obligations of EU companies must be fully reflected in the regulatory requirements for banks and supervisory expectations. We therefore believe that both the ESG Risk Management Guidelines and the Guidelines on ESG Scenario Analysis implementation date should be postponed, allowing their review against the final outcome of the Omnibus, taking into account the data availability (or lack of it) through public reporting.

Being that said, we welcome the EBA Guidelines on ESG Scenario Analysis in so far as they provide a helpful input for development of ESG stress testing and scenario analysis. We support the notion made by EBA that this is still an evolving field of risk management, where data is incomplete and large uncertainties regarding financial impact of certain ESG risks in the different scenarios exist. We therefore agree that for now, the focus should be on environmental and in particular climate stress testing, within supervisory and internal audit expectations

Key messages

- **Implementation timeline:** the EBF urges postponement of the application date of both ESG Risk Management and ESG Scenario Analysis Guidelines until the finalization of the Omnibus review. This would allow for the revision of the EBA Guidelines for consistency with the final versions of the CSRD/ESRS1 and CSDDD. Aligning the EBA Guidelines with the final versions of these frameworks would support greater consistency and ensure that the obligations for financial institutions fully reflect the availability of the data reported by companies.

The current timeline (January 2026) is considered too ambitious due to the uncertainty related to the review of the regulatory framework, the insufficient data availability and the significant additional effort needed for implementation.

- **Support for climate focus:** While welcoming these guidelines, EBF stresses that climate risk is still an evolving field. Hence, initial focus should remain on climate-related stress testing (CST), with a phased and proportionate approach for broader ESG factors.

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- **Proportionality and materiality:** A strong emphasis is placed on aligning expectations with institutions' size, complexity, and ESG materiality. Social (S) and Governance (G) factors should be included only where materially relevant.
- **Call for flexibility:** Guidelines should remain flexible in terms of scenario development, use of data proxies, and references to external organizations. Institutions should be allowed to tailor methodologies to their specific risk profiles.
- **CRA (Climate Resilience Analysis):** CRA should not be embedded in ICAAP, as it serves a distinct strategic function. Its implementation should be delayed and aligned with banks' strategic cycles (typically every 3–5 years).
- **Scenario alignment issues:** EBF calls for clearer distinctions between CST and CRA timeframes and scenario usage. It questions the feasibility of alignment with the Paris target given real-world counterparty emissions trajectories.
- **Data limitations:** Insufficient ESG data, especially for SMEs and non-EU entities and worsened by the cut to the CSRD scope, remains a key barrier. EBF highlights the need for regulatory support in data-sharing initiatives and calls for the creation of a shared data platform.

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Question 1: Do you have any comments on the interplay between these Guidelines and the Guidelines on the management of ESG risks?

Given that the EBA has also recently issued the ESG Risk Management Guidelines, the timeline left to implement both Guidelines is very challenging. One of the main challenges for conducting robust scenario testing is the insufficient data availability since only a limited number of companies are and will be reporting ESG-data. We therefore advocate for postponement of both, ESG Risk Management and ESG Scenario Analysis Guidelines and review both for consistency with the final outcome of the Omnibus.

Notwithstanding the Omnibus, the January 2026 deadline seems anyhow too ambitious. The Guidelines make explicit references to a ‘thorough gap analysis’ and ‘in depth overhaul’ (paragraph 57). An implementation date of less than a year does not allow for these assessments, design, implementation and execution. We therefore believe the deferral of the implementation deadline is justified.

Should that not be possible, we call for a phased implementation of the Guidelines:

- As a minimum, the implementation date of **CST** should be moved beyond the ICAAP/ILAAP cycle (March 2026). Substantial work will still be needed to mitigate the inherent uncertainty of such exercises.
- Additional time will be required to develop or adapt the necessary processes and frameworks to integrate **Climate Resilience Analysis (CRA)** into strategy and business models. The implementation of CRA should be delayed of at least for one year (after CST) to allow banks sufficient time to build the tool itself as well as the business model’s resilience framework and methodology.
- It could be further stressed in the Guidelines that the **availability of relevant data, the emergence of dedicated recognised scenarios and the development of methodologies are prerequisites** for performing Environmental risks scenario analysis beyond climate risk

We believe that the integration of S and G factors into scenario analysis should be more flexible, phased, and proportional to materiality. Banks should be expected to integrate these factors where S and G risks are deemed material, ensuring consistency with existing risk management expectations avoiding unnecessary burden for institutions. See also our comments on Question 9 regarding proportionality.

Such a phased and proportionate implementation approach should be clearly outlined in the guidelines.

Question 2: Do you have comments on the proposed definition of scenario analysis and its various uses as presented in Figure 1?

‘Scenario analysis’ is already defined in the Guidelines on Institutions Stress Testing. The definitions should at least align or complement each other.

Climate Scenario Analysis is extremely sensitive to the calibration of scenarios, the underlying assumptions, the quality and the granularity of data. These factors can affect the soundness of the projections, the estimations of the expected impacts, which could bias the relevance of CSA for risk management and strategic decisions.

Figure 1 shows the uses of scenario analysis in the banking sector and uses the wording to ‘adapt risk management procedures. This is very strong wording. ‘Inform’ reflects better the implications it will have, especially given the data gaps that are currently present, and is supported by item 40 and 41, where the process is more important than the results.

The level of scrutiny from supervisors should recognize ESG risks are less mature than other established risks and that banks will undertake these exercises on a best-effort basis, recognizing that methodologies will change quickly.

Question 3: Do you have comments on the proposed distinction made between short-term scenario analysis (CST) and longer-term scenario analysis (CRA) as illustrated in Figure 3?

We understand that:

- Climate Stress Testing (CST) should be used for supervisory and internal stress testing performed over a 3-year horizon, focusing on the assessment of financial impacts and implications for capital and liquidity requirements. A 3-year timeframe is consistent with established capital planning cycles and risk management practices, and it allows for more reliable assumptions, better data availability, and greater relevance for decision-making and supervisory dialogue.
- Climate Resilience Analysis-CRA should be used as prudential transition planning stress testing on a 10-year horizon to assess robustness of business model i.e. the maintenance of satisfactory risk-adjusted profitability.

We want to highlight however that the Guidelines are presented as being compatible with the objective of Paris Agreement to hold “the increase in the global average temperature to well below 2°C above pre-industrial levels” whereas, (i) this is not our understanding of CRD 6 which requires banks to measure and manage the risk of misalignment with

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jurisdictional climate objectives and (ii) most counterparties have taken commitments on different trajectories (emissions abating).

Even if banks' counterparties would meet their trajectory of emissions abating by 2050, the latest projections point to the fact that this would still mean an increase of temperature of 3° C to 4° C, which is far from the 1.5°C.

Furthermore, the objective of prudential transition planning is to measure the distance from trajectories on which **local commitments** have been taken and to assess the climate risks stemming for banks from such a misalignment. However, it was not meant to be strictly aligned with the 1.5 °C.

We would therefore like to suggest that the guidelines should focus more on **trajectory emission per jurisdictions** considering the different transitioning pace in different jurisdictions.

Furthermore, we would welcome the EBA making a clearer **link with the CSRD**. The **CSRD is already including a resilience analysis, whereas the EBA proposes the Climate Resilience Analysis (CRA) as a new tool**. The link between the two is not clear, in particular how the two analyses of the resilience of the business model should be articulated. We see the CSRD as a reporting tool for investors, where the analysis needs to be performed on a very granular level per (sub)topic. Whereas, CRA is more a tool for the institution itself to determine whether their strategy and business model tested will enable satisfactory risk-adjusted profitability to be maintained over the long term following an unfavourable change in physical and transition risks

Additional considerations:

- The Consultation Paper introduces baseline scenario for CST and central scenario for CSA. However, there is no clarity on whether they are referring to 2 different scenarios, or both references are done to the same scenario. More clarity would be welcome.
- In addition, while the guidelines acknowledge that **CST and CRA should be 'interlinked'**, the mechanism for this linkage is not specified. How should the results of CST inform CRA and vice versa? Should short-term CST scenarios 'nest' within long-term CRA scenarios? Concrete examples would be very helpful.
- Also, reference is made to the SREP Business Model Analysis (BMA). While the outcome of the CRA is supposed to be a qualitative assessment based on qualitative and quantitative input, the BMA has a quantitative scoring system as an outcome. If the reference is made to the SREP BMA it would be preferable to have a more precise reference to which part of the multi-phase process served as a basis for the CRA.
- We would also like to see more clarification on the expectations regarding the medium-term horizon. The horizon is divided into short, medium and long term, this could be implied that there are three types of stresses/analysis required. In

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this document the CST with a short-term horizon (less than 5 years) and the CRA with a long-term horizon from now until at least 10 years. What is a medium-term stress/analysis requirement? (see also comment under question 7)

- Regarding figure 2: While the chart provides relevant transmission channels, we suggest that the institute is in a better position to decide upon what to include. Aspects like the business model and portfolio decomposition, along with maturity profiles and strategies should be guiding the transmission channels considered. We think the guidelines should only prescribe that both a microeconomic and a macroeconomic channel should be considered as that is a general guideline while the details are up to the institute.
- We do not agree with the request to integrate data, collaborate or integrate guidance from NGOs when defining ESG scenario analysis. Paragraph 18 should be softened in line with paragraph 28 when referring to monitor the activity of the various stakeholders not to leverage guidance from.
- Paragraph 27 of the ‘Background and rationale’ section could be read as preempting that institution’s alignment or commitment to Net Zero presupposes that institutions’ central scenario is a Net Zero scenario and in general this paragraph is not clear about how a bank should generate its central scenario. In particular, the EBA should specify that a global analysis must be conducted for the selection of the central scenario and clarify that this selection should focus on the scenario which seems most likely overall rather than one which corresponds to a bank’s specific "business environment".

Question 4: Do you have any comments on the interplay between these Guidelines and the Guidelines on institution’s stress testing?

Question 5: Do you have comments on the Climate Scenario Analysis framework as illustrated in Figure 4?

- In the CSA framework illustrated in figure 4, it is stated that CRA should be performed by using a central scenario and a set of distinct alternative scenarios. We would appreciate more **examples of such alternative scenarios**.
- In addition, it would be good to clarify regarding step 5 that data necessary for the longer-term climate resilience analysis will be less granular than data needed for the CST.
- Regarding block 3 and 4, we believe setting the transmission channels and understanding these before setting the scenarios should be considered.

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- Regarding block number 7, the management actions are termed in strong actionable wording: “adjust and adapt”. This should be more open: “inform/consider based on materiality.”

Question 6: While respecting the definitions provided in other parts of the regulation, is there any concept/s used in these guidelines that it would be useful to include in an annexed glossary?

- **Resilience analysis:** since this is a new usage of the term. It would be useful to further explain and define how such a (climate) resilience analysis relates to a resilience analysis as prescribed under the CSRD (see also question 3)

Question 7: Do you have comments on section 4.1 Purpose and governance?

- **On the use of proxies:**

As the **data gap is material and will increase after the Omnibus initiative**, we do agree that proxies (in-house or from clients or external providers) can be used as a complementary tool but cannot be considered as a solution as banks cannot manage risks based on proxies.

As mentioned in by the EBA in its recent report on P1 treatment, proxies have strong limitations: *“Existing data gaps can lead to high reliance by institutions on proxies and estimates, and particularly for exposure classes other than large corporates. This in turn raises the questions about the relevance, quality and comparability on these proxies and estimates the access to granular data, either through internal collection or external providers, remains costly for institutions”*.

- **On CRA**

We believe CRA should not be embedded in ICAAP as CRA and ICAAP do not have the same objective(see our response to Q 11 and 13)

Further, CRA tool results might but do not necessarily lead to (rather strategic) management actions due to the uncertainty around data inputs, models (transmission channels), time horizon and the inherent dependence on scenario.

The uncertainty around the CRA execution, results, and impacts calls for further clarifications on the intended structure and objectives of the tool (see Q13). Thus, we

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believe that for the time being it is important to adopt a stronger focus of the guidelines on CST and delay the implementation of the CRA as described under Q1.

- **On medium-long term horizons**

In addition to the short-term stress testing (performing under ICAAP/ILAAP) and long-term resilience analysis, it is not clear what EBA recommends institutions to do on the medium-long term (generally seen as 3 to 10 years in accordance with ICAAP or alternatively 5 to 10 years) horizon? This horizon could be a bit better defined compared to the 10+ long-term horizon, however not as much as the short-term horizon. given the remaining uncertainties for interest rate and other financial variables. However, this horizon could be assessed in terms of the impact of ESG (risks) on financing and profit forecasting.

- **On S&G considerations**

EBA acknowledges the exploratory nature of ESG scenario analysis/stress testing tools and focuses its requirements on climate-related risk in line with more advanced - though still at development stage - industry and supervisory practices and suggests in § 47 of the draft GL a gradual replication “in a more or less adapted way, on the other factors”.

Given the EBA’s mandate and the direction of EU policy developments, we acknowledge the relevance of integrating S and G considerations into scenario analysis. However, we believe that a phased and proportionate approach would be more appropriate at this stage, with implementation guided by the principle of materiality. Specifically, banks should only be expected to incorporate S and G factors into their scenario analysis and broader risk management frameworks where these factors are deemed material to their risk profile or business model, according to a quantification based on ICAAP and capital impact. At the same time, where such materiality is established, institutions should be expected to address these risks in a manner consistent with other material risk types. This approach ensures both consistency with supervisory expectations and the avoidance of unnecessary burden where risk relevance has not been evidenced.

Question 8: Do you agree that the proposed proportionality approach is commensurate with both the maturity of the topic and the size, nature and complexity of the institution’s activities?

We agree that the proportionality approach is appropriate, requiring banks to differentiate between their EU-zone portfolios—where the CSRD will facilitate data collection on large corporates (as defined by the CSRD)—and non-EU portfolios, where the maturity of ESG considerations will vary, even for large counterparties.

However, while we support the current proportionality approach, particularly in accommodating geographic differences in ESG data maturity, we believe a more pronounced and consistent application is warranted—extending beyond small and non-complex institutions to also include Less Significant Institutions.

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In fact, we welcome the clarification in the EBA draft GL that the degree of sophistication, quantification, frequency, and scope of ESG scenario analysis should align with the institution's size, nature, complexity, and ESG materiality assessment, while also being proportionate to its capabilities, needs, or expected benefits, as specified in paragraphs 24 and 25. This reinforces the idea that proportionality is determined by the outcomes of an institution's materiality assessment.

Furthermore, we believe proportionality should extend beyond scenario analysis methods to encompass the inclusion and processing of data. We also suggest incorporating a dimension related to the materiality of (sub)portfolios. Certain portfolios—defined by sector-region combinations—are more exposed to physical and transition risks (e.g., due to geographical location or GHG emissions). Consequently, comprehensive CST and CRA may be particularly relevant for a specific subset of portfolios.

Question 9: Do you agree with the proposed references to organisations in paragraph 28? Would you suggest alternative or complementary references?

While we agree with the proposed references, we believe that the EBA should **leave more flexibility** on the choice of references, provided that the references are provided by scientific-based agencies.

For this reason, the Guidelines should not state which sources to use, but provide guidance on how to reconcile conflicting sources. For example, NGFS and IEA scenarios may have different assumptions and methodologies. How should institutions choose between them, or combine them in a consistent way?

Also, it should be clarified that the list included in paragraph 28 on the organizations that elaborate credible scenarios is a non-exhaustive list. It should also be clarified that the suggested organizations scenarios could be complemented in terms of geographies, granularity etc.

This would facilitate the integration of new science-based organizations which could provide in the future scenarios which could be more suitable to banks' needs (specially **on nature** risk where no NGFS scenarios are currently available).

Similarly, it is important for scenarios to be regionally/jurisdictionally sensitive to account for differences in local economies and policy frameworks, such as potential significant variations in the implementation of EU directives.

The guideline should reflect on the requirements for CST (specifically around granularity) versus the suggestion to use these sources. E.g., NGFS provides country emissions pathways but limited information on sector emissions pathways. Hence, banks are forced to make more assumptions or use other providers. NGFS also does not

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consider/model all sectors (the general trend is agriculture and energy intensive sectors).

The Guidelines should therefore provide more room for internally developed scenarios, using the in-house expertise on climate change and general expertise from the research department of the institute.

Question 10: Do you have additional comments on section 5.1 Setting climate scenarios?

- The guidelines should acknowledge data gaps, particularly on Scope 3 emissions for SMEs and going forward all companies that will fall outside of the scope of the CSRD – approximately 80 % of all companies.
- Encouraging collaboration with regulatory bodies and industry groups on data-sharing initiatives would enhance implementation feasibility.
- EBA should take into account the difficulties to design scenarios which combined transition & physical risks or integrate dependencies of customers throughout their value chain, in addition to the difficulties to customize scenarios elaborated by widely recognized organizations based on the outcome of ESG materiality assessment as also discussed under question 3.
- Considering bank's size, complexity and risk profile, limiting the number of adverse scenarios for CST purposes (2-3) could enhance the manageability and effectiveness of the stress test exercise.
- It is **unclear how institutions should account for short-term acute effects** when NGFS scenarios do not include such shocks (paragraph 29). Should institutions assume that negative short-term scenarios, such as floods or droughts, occur with 100% probability? If not, how does the EBA expect these effects to be integrated, given that projections are typically based on expected probability and severity?
- Paragraph 32 states that both transition and physical risks should be considered in scenario analysis, which seems to suggest that acute risks are included. However, **official scenarios so far have not incorporated acute risks.**
- Paragraph 40 appears to suggest that the **central scenario** of the Climate Resilience Analysis should align with the **baseline scenario** of Climate Stress Testing, which assumes that all adopted or committed policies will be met. Does this imply that the central scenario is considered the most probable outcome? The **relationship between a "baseline" and a "central scenario" is unclear.** We are skeptical about the suggestion of a central scenario, for the entire act of "extending" the baseline, existent scenario to a horizon of 10+ years, in and of itself is already a matter of assumption. We would like to request the EBA to further explain 1) what the use of a central scenario is; 2) how to determine one.

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- Paragraph 41 requires institutions to **be consistent in their scenarios** over the different time horizons. While this seems relevant for the baseline / central scenario it might restrict adverse scenarios too much. The purpose of stress testing and resilience scenarios are different, therefore the scenarios will also vary in severity, scope and variables covered. It is not clear how they should be consistent.
- In addition, the EBA expects banks to adopt **plausible scenarios**. However, with environmental, a lot of uncertainty exists. Especially in the policy arena for the longer term. More guidance on how banks should go about this would be welcome.
- We welcome the introduction of paragraph 29 recognizing that a **significant increase of granularity** will not necessarily lead to a better analysis.
- We welcome paragraph 40 when specifying that **scenario analysis are designed to inform but not dictate decisions**. It is flagged that part of the benefits of a scenario analysis comes through undertaking the process, rather than from the final result.

Question 11: Do you have comments on the description of the climate transmission channels?

We would welcome clarity on whether the integration of transmission channels apply in the same way to the scenarios used for CRA and CST and in particular whether paragraph 51 applies to the CRA or CST in terms of considering mitigation/amplifications factors. The section ‘defining climate transmission channels’ is not clear in this respect and we consider the requirements should be less stringent for CRA than for the CST.

The issue of required **data granularity** raises questions about **relevance and feasibility**. Integrating microeconomic data, especially regarding **physical risks**, into scenario analyses—particularly concerning **transmission channels**—is highly complex. We also doubt whether a **direct, material link can be established between such granular data and financial risks**.

We would also like to highlight practical **difficulties of gathering microeconomic transmission channel data**, such as:

- Household health related data
- Insurance coverage data
- Data related to indirect climate risks faced by banks’ counterparties, including those related to their supply chains

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Therefore, it is **crucial to clarify the level of data granularity required and assess the feasibility of effectively integrating microeconomic aspects into scenario analyses**. EBA should also ensure that **the proportionality principle applies to both micro and macroeconomic data collection**.

In light of the Guideline 51 requesting banks to consider information on private and **public insurance coverage** (we acknowledge the importance of this type of information), we would like to understand to which **extent banks can make use of proxies or assumptions**, given the difficulties of obtaining such data (at most banks can be sure that the insurance coverage is there for the first year of exposure, afterwards the insurance policy can be cancelled and sharing databases between insurance and banking is challenging for GDPR purposes).

In addition, we would be interested to understand EBA's view on the conflict of privacy considerations with the obligation to request detailed questions from banks' customers.

Finally, we acknowledge that enhancements are still needed to better size and model how ESG factors could plausibly materialize through traditional financial risks in the different time horizons.

We would like to ask EBA to clearly specify in this section that proportionality approach is to be applied when collecting and selecting both micro and the macro transmission channels.

Finally, we would like to point out that transmission channels data stated in figure 2 were not integrated in the comprehensive and prescriptive set of data listed in EBA Guidelines on ESG risks management. EBA has to take into account that **most of those data could be unavailable as of the date of enforcement of the finalized version of the guidelines**.

Question 12: Do you have comments on climate stress test (CST) tool and its use to test an institution's financial resilience?

While near-term CST could conceptually serve as an input to capital and liquidity adequacy assessment, it is currently challenging for many banks or supervisors to use it in a rigorous and consistent way given that some of the necessary foundations are not in place with respect to knowledge, data and modelling. Similarly, data quality and model validation approaches constitute headwinds to considering CST in an Internal Capital Adequacy Assessment Process (ICAAP), Internal Liquidity Adequacy Assessment Process (ILAAP) or broader Pillar 2 context. This is for example acknowledged in paragraph 65 of the draft Guidelines which states that back testing requirements of Guidelines on institutions' stress testing may not be fully met. **Thus, it would be important to ensure, e.g. as part of the forthcoming review of the SREP GL, that the integration of these analyses into ICAAP and ILAAP does not lead as such to**

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supervisory quantitative measures in light of their insufficient level of maturity and lack of robustness, compared to usual ICAAP/ILAAP processes.

In addition, more guidance would be welcome on how expert judgment can be used, without making the overall exercise qualitative. What level of expert judgement is allowed or warranted for while ensuring a sufficient amount of quantification? While it seems preferred to include climate-related variables into the existing stress testing framework and a ‘thorough gap analysis’ and ‘in-depth overhaul’ are probably required for that, this does not match with the short timelines mentioned as date of application in P.10 (i.e. 11 January 2026).

Question 13: Do you have comments on the Climate Resilience Analysis (CRA) tool and its use to challenge an institution’s business model resilience?

On the Climate Resilience Analysis tool – banks wish to better understand the expected usage of CRA along and within the transition planning (CRD + CSRD) process.

Further, clarity should be provided on how these guidelines are impacting the ICAAP package that institutions are required to submit. It should be flagged the CRA time horizon goes beyond ICAAP horizon, and CRA and ICAAP don’t have the same objective; therefore, **CRA should not be part of the ICAAP.**

Banks would also appreciate **further clarification on the articulation between CRA and stress tests (CST).** In particular:

- We are concerned about **EBA’s classification of business model risk as a CRR Pillar 1 risk**, which would **go beyond Basel standards**. This classification requires reconsideration to align with global regulatory expectations.
- The challenge of **projecting a balance sheet over ten years** to build a CRA is significant and requires **clearer methodological guidance**.
- More details are needed on how **CRA should be integrated into banks’ transition planning frameworks**.

Ensuring a **consistent application of ESG Scenario Analysis Guidelines** across supervisory expectations will be crucial to avoid regulatory fragmentation and inefficiencies.

In addition, we would like to share our concern regarding the frequency with which the CRA (Climate Resilience Analysis) should be performed. The EBA proposes that this is done on a yearly basis. This would be for banks that have a strategy cycle every year, but most larger banks only re-assess their bank’s strategy every three to five years.

Considering that the GL on ESG risks management requires carrying out a materiality assessment of ESG risks on an annual basis (paragraph 11), incorporating ESG risks into

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the ICAAP and ILAAP exercise on an annual basis (paragraphs 60-66), monitoring risk on a regular basis through the metrics of the risk appetite framework and other risk indicators (paragraph 81), it is suggested that the Climate Resilience Analysis (to check robustness of the business model) be carried out on a periodic basis in line with the preparation of strategic plans by the institutions (3 to 5 years).

Question 14: Do you have any additional comments on the draft Guidelines on ESG Scenario Analysis?

- In light of the progress of the Omnibus initiative for the simplification of the regulatory framework for sustainability to foster European competitiveness, **the financial sector ESG-related regulatory and supervisory framework needs to be reviewed to ensure consistency, the reduction of regulatory burden, and that the obligations for financial institutions fully reflect the availability of the data reported by companies.**
- We would appreciate more **guidance regarding physical risk in these Guidelines.**
Integrating more precise data on this type of risk is essential for a comprehensive assessment of climate impacts on financial institutions. However, how should institutions reconcile the need to assess short-term impacts and specify relevant hazards with the long-term perspective of the Climate Resilience Analysis (CRA)? Additionally, how should the materiality of risks be evaluated in this context?
- A shared platform with comprehensive climate and environmental data from reputable data sources, calculations approaches and estimations made available by the regulator could:
 - ensure a consistent implementation of the requirements;
 - accelerate the implementation of these guidelines;
 - reduce the costs for European banks

We believe this will enhance **the quality, coherence, and effectiveness** of the guidelines while facilitating an orderly transition toward a more sustainable financial system.

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The European Banking Federation is the voice of the European banking sector, bringing together national banking associations from across Europe. The federation is committed to a thriving European economy that is underpinned by a stable, secure, and inclusive financial ecosystem, and to a flourishing society where financing is available to fund the dreams of citizens, businesses and innovators everywhere.

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