Commission Implementing Regulation (EU) 2019/2028 of 29 November 2019 amending Implementing Regulation (EU) 2016/1799 as regards the mapping tables specifying the correspondence between the credit risk assessments of external credit assessment institutions and the credit quality steps set out in Regulation (EU) No 575/2013 of the European Parliament and of the Council (Text with EEA relevance)

COMMISSION IMPLEMENTING REGULATION (EU) 2019/2028

of 29 November 2019

amending Implementing Regulation (EU) 2016/1799 as regards the mapping tables specifying the correspondence between the credit risk assessments of external credit assessment institutions and the credit quality steps set out in Regulation (EU) No 575/2013 of the European Parliament and of the Council

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms[(1)], and in particular the third subparagraph of Article 136(1) thereof,

Whereas:

(1) Commission Implementing Regulation (EU) 2016/1799[(2)] specifies, in its Annex III, the correspondence of the relevant credit assessments issued by an external credit assessment institution ('ECAI') to the credit quality steps set out in Section 2 of Chapter 2 of Title II of Part Three of Regulation (EU) No 575/2013 ('mapping').

(2) Following the latest amendments, by Commission Implementing Regulation (EU) 2018/634[(3)], to Annex III to Implementing Regulation (EU) 2016/1799, the quantitative and qualitative factors underpinning the credit assessments of some mappings in Annex III to Implementing Regulation (EU) 2016/1799 have changed. In addition, some ECAIs have extended their credit assessments to new market segments, resulting in new rating scales and new credit rating types. It is therefore necessary to update the mappings of the ECAIs concerned.

(3) Since the adoption of Implementing Regulation (EU) 2018/634, another credit rating agency has been registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council[(4)]. As Article 136(1) of Regulation (EU) No 575/2013 requires the specification of mappings for all ECAIs, it is necessary to provide a mapping for that newly registered ECAI. The credit assessments applied by the newly registered ECAI are based on the same methodology as that applied by its parent company, a third country ECAI for which a mapping had already been established in Annex III to Implementing Regulation (EU) 2016/1799. It is therefore appropriate in

this specific case that the mapping for the newly registered ECAI mirrors the mapping established for that third country ECAI.

(4) This Regulation is based on the draft implementing technical standards submitted by the European Banking Authority, the European Securities and Markets Authority and the European Insurance and Occupational Pensions Authority jointly (the European Supervisory Authorities) to the Commission.

(5) The European Supervisory Authorities have conducted open public consultations on the draft implementing technical standards, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council[(5)]; the opinion of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council[(6)]; and the opinion of the Insurance and Reinsurance Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1094/2010 of the European Parliament and of the Council[(7)].

(6) Implementing Regulation (EU) 2016/1799 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Amendment to Implementing Regulation (EU) 2016/1799

Annex III to Implementing Regulation (EU) 2016/1799 is replaced by the text set out in the Annex to this Regulation.

Article 2

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 29 November 2019.

For the Commission

The President

Jean-Claude JUNCKER

***Changes to legislation:** There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2019/2028. (See end of Document for details)*

ANNEX

ANNEX III

Mapping tables for the purposes of Article 16

Credit quality step	**1**	**2**	**3**	**4**	**5**	**6**
ACRA Europe, a.s (formerly European Rating Agency, a.s.)						
Global long-term rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Global short-term rating scale	S1		S2	S3, S4, NS		
AM Best Europe Rating Services						
Long-term issuer credit rating scale	aaa, aa+, aa, aa-	a+, a, a-	bbb+, bbb, bbb-	bb+, bb, bb-	b+, b, b-	ccc+, ccc, ccc-, cc, c, d, e, f, s
Long-term issue rating scale	aaa, aa+, aa, aa-	a+, a, a-	bbb+, bbb, bbb-	bb+, bb, bb-	b+, b, b-	ccc+, ccc, ccc-, cc, c, d, s
Financial strength rating scale	A++, A+	A, A-	B++, B+	B, B-	C++, C+	C, C-, D, E, F, S
Short-term issuer rating scale	AMB-1+	AMB-1-	AMB-2, AMB-3	AMB- 4, d, e, f, s		
Short-term issue rating scale	AMB-1+	AMB-1-	AMB-2, AMB-3	AMB- 4, d, s		
ARC Ratings S.A.						

Changes to legislation: *There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2019/2028. (See end of Document for details)*

Medium- and long-term issuer rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Medium- and long-term issue rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Short-term issuer rating scale	A-1+	A-1	A-2, A-3	B, C, D		
Short-term issue rating scale	A-1+	A-1	A-2, A-3	B, C, D		
ASSEKURATA Assekuranz Rating-Agentur GmbH						
Long-term credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC/ C, D
Short-term corporate rating scale	A++	A		B, C, D		
Axesor Risk Management SL						
Global rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D, E
Banque de France						
Global long-term issuer credit rating scale	3++	3+, 3	4+	4, 5+	5, 6	7, 8, 9, P
BCRA — Credit Rating Agency AD						
Global long-term rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D

Global short-term rating scale	A-1+	A-1	A-2, A-3	B, C, D		
Pension-insurance company long-term scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Pension-insurance company short-term scale	A-1+	A-1	A-2, A-3	B, C, D		
Pension fund long-term scale	AAA pf, AA pf	A pf	BBB pf	BB pf	B pf	C pf
Guarantee fund long-term scale	AAA, AA	A	BBB	BB	B	C, D
Guarantee fund short-term scale	A-1+	A-1	A-2, A-3	B, C, D		
Capital Intelligence Ratings Ltd						
International long-term issuer rating scale	AAA, AA	A	BBB	BB	B	C, RS, SD, D
International long-term issue rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
International long-term insurer financial strength rating scale	AAA, AA	A	BBB	BB	B	C, RS, SD, D
International short-term issuer rating scale	A1+	A1	A2, A3	B, C, RS, SD, D		
International short-term	A1+	A1	A2, A3	B, C, D		