[ESAs publish amended technical standards on the mapping of ECAIs]

The amendments reflect:

- **the recognition of two new credit rating agencies (CRAs);**
- **the outcome of a monitoring exercise on the adequacy of existing mappings; and**
- **the deregistration of a number of CRAs.**

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).

Since the adoption in 2019 of the ITS on the mapping of credit assessments of ECAIs, two additional CRAs have been recognised and a number of CRAs have ben de-registered. 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 ECAIs. Furthermore, the amendments reflect the outcome of a monitoring exercise on the adequacy of the existing mappings, based on the additional quantitative and qualitative information collected after the original Implementing Regulation entered into force. In particular, the ESAs propose to change the Credit Quality Step (CQS) allocation for two ECAIs, and to introduce new credit rating scales for nine ECAIs.

The ESAs also published [individual draft mapping reports] illustrating how the methodology was applied to produce the amended mappings, in line with the mandate from the Capital Requirements Regulation (CRR).

Legal Basis and background

The proposed revised draft ITSs have been developed according to Article 136 (1) and (3) of Regulation 575/2013 (CRR) 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.

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).