



REPUBLIC OF ALBANIA  
**BANK OF ALBANIA**  
SUPERVISORY COUNCIL

**DECISION**  
**No. 31, dated 4.4.2018**

**APPROVAL OF REGULATION “ON RESOLUTION PLANS”**

In accordance with Article 12(a), and Article 43(c), of the Law No. 8269, dated 23.12.1997 “On the Bank of Albania”, as amended; as well as Article 12, paragraphs 1 and 9, Article 13, Article 15 and Article 87 of the Law No. 133/2016, dated 22.12.2016 “On the recovery and resolution of banks in the Republic of Albania”, having regard to the proposal from the Resolution Department, the Supervisory Council of the Bank of Albania,

**DECIDED:**

1. To approve the Regulation “On Resolution plans”, according to the content following this decision.
2. The Resolution Department is responsible for the implementation of this Decision.
3. The Governor’s Office and Research Department are responsible for the publication of this Decision in the Official Journal of the Republic of Albania and in the Official Bulletin of the Bank of Albania, respectively.

This decision shall enter into force 15 (fifteen) days after its publication in the Official Journal of the Republic of Albania.

**SECRETARY**

**CHAIR**

**Elvis Çibuku**

**Gent Sejko**

## **CHAPTER I GENERAL PROVISIONS**

### **Article 1 Purpose**

This Regulation lays down the rules specifying:

- a. content of resolution plans;
- b. procedures on drafting resolution plans;
- c. resolvability assessment.

### **Article 2 Subjects**

This Regulation applies to all banks and branches of foreign banks licenced to exercise banking activity in Republic of Albania.

### **Article 3 Legal Ground**

This Regulation is issued pursuant to:

- a. Article 12(a) and Article 43(c) of the Law No.8269, dated 23.12.1997 "On the Bank of Albania", as amended;
- b. Article 12, paragraph 1 and 9, Article 13, Article 15 and Article 87 of the Law No. 133, dated 22.12.2016 "On the recovery and resolution of banks in the Republic of Albania" (hereinafter referred to as the Law "On the recovery and resolution of banks").

### **Article 4 Definitions**

1. For purposes of this Regulation, the definitions specified under Article 4 of the Law "On Banks in the Republic of Albania", Article 4 of the Law "On the recovery and resolution of banks in Republic of Albania" and Article 4 of the regulation No. 72 "On Recovery plans of banks", shall apply.
2. In addition to paragraph 1, for the purpose of this Regulation, the following definitions shall also apply:
  - a. **Resolution Strategy** is a set of resolution actions provided in a resolution plan;
  - b. **Preferred Resolution Strategy** is a resolution strategy capable of best achieving the resolution objectives set out in Article 20 of the Law "On the recovery and resolution of banks"

**Article 5**  
**General requirements**

1. The Resolution Authority shall draw up the Resolution Plan for each bank and banking group, pursuant to the provisions laid down in this Regulation.
2. The Resolution Plan shall provide for the resolution actions which the Resolution Authority may take where the conditions for resolution are met.

**CHAPTER II**  
**CONTENT OF RESOLUTION PLAN**

**Article 6**  
**Structure of the Resolution Plan**

The Resolution Plan shall contain at least the following elements:

- a. an executive summary of the plan, pursuant to Article 7 of this Regulation;
- b. a strategic analysis of the bank according to Article 8 of this Regulation;
- c. a description of the resolution strategy considered in the plan according to Article 9 of this Regulation;
- d. a description of minimum requirement for regulatory capital tools and eligible liabilities pursuant to Article 10 of this Regulation;
- e. financing requirements and financing sources necessary for the implementation of the resolution strategy foreseen in the plan pursuant to Article 11 of this Regulation;
- f. a description of arrangements to ensure operational continuity of access to critical functions during resolution according to Article 12 of this Regulation;
- g. a description of the information, and the arrangements for the provision of this information, necessary in order to effectively implement the resolution strategy pursuant to Article 13 of this Regulation;
- h. plans for communication with critical stakeholders according to Article 14 of this Regulation;
- i. the conclusions of the assessment of resolvability or assessment of liquidation, according to Article 15 of this Regulation;
- j. the periodic opinion expressed by the bank or the banking group in relation to the resolution plan, according to Article 16 of this Regulation.

**Article 7**  
**Executive Summary of Resolution Plan**

1. The executive summary of a resolution plan includes a description of the bank or the banking group and a summary of items referred to in points (b) to (i) of Article 6 of this Regulation.
2. This summary includes also a description of any material changes to the bank or banking group since the last resolution plan was drafted.

**Article 8**

## **Strategic Analysis**

1. Strategic analysis in the resolution plan includes a summary and description of :
  - a. organizational, ownership and governance structure of the bank/ banking group;
  - b. assets, equity, income and risk structure;
  - c. business model and business lines;
  - d. critical functions, core business lines and their mapping to material entities;
  - e. internal and external interconnectedness, including legal, financial and operational;
  - f. critical systems and infrastructure.

## **Article 9 Resolution Strategy**

1. The resolution strategy includes a description of the assessment of feasibility and credibility of liquidation under normal insolvency proceedings, according to Article 18 of this regulation. If liquidation under normal insolvency proceedings is feasible and credible, the preferred resolution strategy is liquidation.
2. If liquidation under normal insolvency proceedings is not feasible and credible, resolution strategy contains the following elements:
  - a. identification of the preferred strategy and actions foreseen in the plan, pursuant to Article 17, paragraph 2 of this Regulation;
  - b. identification of any critical functions or core business lines which will be maintained and any which are expected to be separated from other functions;
  - c. an estimation of the timeframe for executing each material aspect of the plan;
  - d. a detailed description of any variants of the preferred resolution strategy considered to address circumstances in which the preferred strategy cannot be implemented;
  - e. a description of the decision-making process for implementing the resolution strategy, including the decision-making bodies and timeframe required for making the decisions;
  - f. for group resolution plans, arrangements for cooperation and coordination between national and other relevant authorities of member states or international institutions, responsible for the resolution of an institution part of a banking group operating in the Republic of Albania or vice-versa, in lines with the written arrangements and procedure as set out in Article 70 of the Law “On the recovery and resolution of banks”.

## **Article 10 Minimum requirements on capital instruments and eligible liabilities**

The resolution plan includes a description of the minimum requirements on capital instruments and eligible liabilities, pursuant to Article 32 paragraph 1, of the Law “On the recovery and resolution of banks”.

**Article 11**  
**Financing requirements and financing sources necessary for the implementation of the resolution strategy**

The resolution plan includes a description of the financing requirements necessary for the implementation of the resolution strategy foreseen in the plan, the financing model of the bank and liquidity contingency plan, including the following:

- a. a description of financing, funding and liquidity requirements implied by the resolution strategy;
- b. a description of potential sources of resolution funding, including the terms of financing, preconditions for their use, the timing of their availability, the entities that may provide financing, and the respective collateral requirements
- c. where relevant, a description and analysis of how and when the institution may apply, in the conditions addressed by the resolution plan, for the use of Bank of Albania financial instruments in resolution, including identification of available collateral;
- d. for groups, a description of any principles agreed for sharing responsibility for financing between sources of funding in different jurisdictions, including between sources of funding in different jurisdictions.

**Article 12**  
**Arrangements to ensure operational continuity**

The resolution plan includes a description of arrangements to ensure operational continuity of access to critical functions during bank resolution. This description includes:

- a. critical shared systems and operations which need to be continued to maintain continuity of critical functions and arrangements for ensuring the contractual and operational robustness of their provision in resolution;
- b. arrangements for ensuring any access to payment systems or other financial infrastructures necessary to maintain critical functions, including an assessment of the portability of client positions.

**Article 13**  
**Information and the arrangements for the provision of this information**

The Resolution Plan includes a description of the information, and the arrangements for the provision of this information, necessary in order to effectively implement the resolution strategy, including:

- a. a description of the information, and processes for ensuring availability in an appropriate timescale of that information required for the purposes of valuation in resolution, pursuant to Articles 24 and 36 of the Law “On the recovery and resolution of banks”, and marketability of assets, liabilities, equity and other ownership instruments of the bank, in particular pursuant to the marketing requirements for the sale of business and bridge bank tools;
- b. arrangements for sharing of information between national and other relevant authorities, including those in other countries or international organizations responsible for the resolution of a bank part of a banking group operating in the Republic of Albania or vice-versa, in accordance with Article 70 of the

- Law “On the recovery and resolution of banks”;
- c. arrangements for ensuring that information pursuant to Articles 12 and 13 of the Law “On the recovery and resolution of banks” is up to date and available to resolution authorities when required.

#### **Article 14**

##### **Communication plan**

1. The communication plan for purposes of resolution includes the communication with:
  - a. the executive managers, owners (shareholders) and staff of the bank including procedures for consultation with staff and, where applicable, dialogue with social partners in the resolution process, such as organizations representing employers and employees, syndications and an assessment of the impact of the plan on employees;
  - b. customers, media and the general public;
  - c. depositors, bondholders, counterparties, financial market infrastructures, and other affected market participants;
  - d. any administrative or judicial bodies from whom approval or authorisation critical to implementing the resolution strategy is required;
  - e. any advisors required to implement the resolution strategy.
2. The communication and content of information will reflect the materiality of each critical stakeholder for the process of resolution.

#### **Article 15**

##### **The conclusions of the assessment of resolvability**

1. The resolution plan contains the conclusions on the assessment of resolvability including:
  - a. a description of the assessment of resolvability in current conditions, according to Article 17 of this regulation;
  - b. a summary of the conclusions of the liquidation assessment required under Article 18 of this regulation;
  - c. a description of any impediments to resolvability identified, and of any measures proposed by the bank or required by the Resolution Authority to address or remove those impediments;
  - d. a quantified assessment of any change to minimum requirements for eligible liabilities, or the appropriate location of eligible liabilities, that is required to remove or address impediments to resolvability, taking into account the criteria specified in Article 32 (5) of the Law “On the recovery and resolution of banks”.
2. For banks where the Resolution Authority has assessed that liquidation procedures are credible and feasible, the resolution plan contains a summary of this assessment. For other banks, the resolution plan includes all the elements specified under Article 6 of this regulation.

#### **Article 16**

##### **Opinion on the resolution plan**

1. Resolution Plan contains the opinion of the bank regarding the periodic resolution

- plan. The Resolution Authority provides officially every bank a summary of the main elements of the resolution plan.
2. The bank sends an opinion on the resolution plan, not later than 30 days after receiving the summary from the Resolution Authority.

### **CHAPTER III**

#### **ASSESSMENT OF RESOLVABILITY**

##### **Article 17 Stages of assessment**

1. The Resolution Authority shall assess resolvability based on the following consecutive stages:
  - a. at first, assessment of the feasibility and credibility of the liquidation of the bank under normal insolvency proceedings is performed, in accordance with Article 18 of this regulation;
  - b. second, a selection of a preferred resolution strategy for assessment is performed, in accordance with Article 19 of this regulation;
  - c. third, assessment of the feasibility of the selected resolution strategy is performed, in accordance with Article 20 of this regulation;
  - d. fourth, the assessment of the credibility of the selected resolution strategy is performed, in accordance with Articles 21 to 26 of this regulation.
2. Where a Resolution Authority concludes that it may not be feasible or credible to wind up the institution or group entities under normal insolvency proceedings, or that resolution action may otherwise be necessary in the public interest, it shall identify a preferred resolution strategy which is appropriate for the bank on the basis of information provided by the bank pursuant to Article 12, paragraph 5 of the Law “On the recovery and resolution of banks” and the criteria set out in this regulation. To the extent necessary, the Resolution Authority shall identify variant strategies to address circumstances in which the strategy would not be feasible or credible.
3. The assessment of the feasibility and credibility of the preferred resolution strategy shall include assessment of any variant strategies proposed as part of that strategy.
4. In order to carry out the assessments of the preferred and variant strategies Resolution Authority shall request additional information from the bank in accordance with Article 12 of the Law “On the recovery and resolution of banks”. Where appropriate, the Resolution Authority shall revise the preferred resolution strategy or consider alternative strategies on the basis of a completed assessment of feasibility and of the credibility of a preferred resolution strategy referred to in paragraph 2 of this article.
5. Where the Resolution Authority revises the preferred resolution strategy it shall assess the feasibility and the credibility of that revised preferred resolution strategy in accordance with Articles 20 and 21 of this regulation respectively.

## **Article 18**

### **Feasibility and credibility of liquidation under normal insolvency proceedings**

1. Resolution authority shall assess the feasibility and credibility of liquidation of the bank under normal insolvency proceedings, by assuming that normal insolvency achieves to the same extent the resolution objectives.
2. When assessing the credibility of liquidation, the Resolution Authority shall consider the likely impact of the liquidation of the bank on the financial system, with a view to ensuring the continuity of access to critical functions carried out by the bank and achieving the resolution objectives of Article 20 of the Law “On the recovery and resolution of banks”. For this purpose, the Resolution Authority shall take into account the functions performed by the bank and assess whether liquidation would be likely to have a material adverse impact on any of the following:
  - a. real economy, in particular the availability of critical functions;
  - b. financial market functioning, their infrastructure and in particular the direct or indirect contagion to other financial institutions;
  - c. protection of public funds as well as bank customer’s funds and assets.
3. If the Resolution Authority concludes that liquidation is credible, it shall assess the feasibility of liquidation.
4. For the purpose of assessment of feasibility of liquidation, the Resolution Authority shall consider whether the bank’s systems are able to provide the information required by the relevant deposit guarantee schemes for the purposes of providing payment to covered deposits in the amounts and timeframes specified in the Law “On the recovery and resolution of banks” and the Law No. 53/2014 “On Deposit Insurance”, amended. The Resolution Authority shall also assess whether the bank has the capability required to support the deposit guarantee schemes’ operations, in particular by distinguishing between covered and non-covered balances on deposit accounts.

## **Article 19**

### **Identification of a resolution strategy**

1. Where resolution action is necessary to protect public interest, in accordance with paragraph 4 of Article 21 and Article 65 of the Law “On the recovery and resolution of banks”, the Resolution Authority identifies the candidate resolution strategy and tools that are appropriate to achieve the resolution objectives, given the structure and business model of the bank.
2. A resolution action may be taken in the public interest if it is necessary for the achievement of and is proportionate to one or more of the resolution objectives and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

## **Article 20**

### **Assessment of credibility of a resolution strategy**

1. The Resolution Authority shall assess the credibility of the resolution strategy by taking into consideration the likely impacts of the banks’ resolution on the

- financial system and real economy, with a view to ensuring the continuity of critical functions carried out by the bank.
2. In conducting this assessment, the Resolution Authority takes into consideration the matters addressed in points 20 to 27 of Annex 1.

**Article 21**  
**Assessment of feasibility of a resolution strategy**

1. The Resolution Authority shall assess whether the resolution strategy is effectively feasible in an appropriate timeframe and shall consider impediments to its application.
2. The Resolution Authority shall consider impediments to the short-term stabilisation of the bank. The Resolution Authority shall also consider any foreseeable impediments to a business reorganization plan which is required pursuant to Article 39 of Law “On the recovery and resolution of banks” or otherwise likely to be required if the resolution strategy envisages all or part of the bank being restored to long-term viability.
3. Resolution Authority shall identify impediments in at least the following categories :
  - a. structure and operations;
  - b. financial resources;
  - c. information;
  - d. cross-border issues;
  - e. legal issues.

**Article 22**  
**Assessment of feasibility: structure and operations**

When assessing whether there are potential impediments to resolution related to the structure and operations of the bank, the Resolution Authority shall consider at least the following issues:

- a. matters addressed in points 1 to 7, as well as point 16 and 18 of Annex 1.
- b. dependencies of material entities and core business lines on infrastructure, IT, treasury or finance functions, employees or other critical shared services;
- c. whether governance, control, and risk management arrangements are consistent with any planned changes to the structure of the bank;
- d. whether the legal and franchise structure of the bank is consistent with any planned changes to the business structure of the bank;
- e. whether appropriate resolution tools are available with respect to each legal entity as required to deliver the resolution strategy

**Article 23**  
**Assessment of feasibility: financial resources**

When assessing whether there are potential impediments to resolution related to the financial resources of the bank, the Resolution Authority shall consider the following issues:

- a. matters addressed in points 13, 14, 15 and 17 of Annex 1;

- b. identification of quantity of liabilities, which are likely under the preferred resolution strategy not contributing to loss absorption or recapitalization, considering at a minimum the following factors:
  - i. maturity;
  - ii. subordination ranking;
  - iii. the types of holders of the instrument, or the instrument's transferability;
  - iv. legal impediments to loss absorbency such as lack of recognition of resolution tools under foreign law or existence of set-off rights;
  - v. other factors creating risk that the liabilities would be exempted from absorbing losses in resolution;
  - vi. the amount and issuing legal entities of qualifying eligible liabilities or other liabilities which would absorb losses.
- c. the size of funding needs in the run-up to and during resolution, the availability of sources of funding, and impediments to the transfer of funds as required within the bank or banking group;
- d. whether appropriate arrangements are specified for losses to be transferred to legal entities of the banking group to which resolution tools would be applied from other group companies, including where relevant an assessment of the amount and loss-absorbency of intragroup funding.

#### **Article 24**

##### **Assessment of feasibility: information**

When assessing whether there are potential impediments to resolution related to information, the Resolution Authority shall consider the following:

- a. matters addressed in points 8 to 12 of Annex 1;
- b. the capability of the bank to provide information on the amount and location within the banking group of assets which would be expected to qualify as collateral for central bank facilities;
- c. the capability of the bank to provide information to carry out a valuation to determine the amount of write-down or recapitalisation required.

#### **Article 25**

##### **Assessment of feasibility: cross-border issues**

When assessing whether there are potential impediments to resolution related to cross-border issues, the Resolution Authority shall consider the following:

- a. matters addressed in point 19 of Annex 1;
- b. existence of adequate processes for coordination and communication and assurances on actions to be taken between home and host authorities, to enable delivery of the resolution strategy;
- c. differences in treatment by home and host jurisdictions for contractual termination rights in financial contracts, that are particularly related to failure or resolution of the bank.

#### **Article 26**

##### **Assessment of feasibility: legal issues**

When assessing whether there are potential impediments to resolution, the Resolution Authority shall consider the following legal issues, not already mentioned in other categories:

- a. whether requirements for regulatory approvals or authorisations necessary to deliver the resolution strategy can be met in a timely manner;
- b. whether significant contractual documentation permits termination of contracts on entry into resolution;
- c. whether contractual obligations which cannot be disappplied by the Resolution Authority prohibit any transfer of assets and liabilities envisaged in the resolution strategy.

#### **Article 27**

1. When the Resolution Authority after performing this assessment, results in impediments to resolvability, it requires the bank to take measures for removing these impediments according to Article 15 of the Law “On the recovery and resolution of banks”.
2. The order referred to in paragraph 1 of this Article is issued by the respective authority that is appointed through a special decision of the Supervisory Council.

### **SECTION IV REPORTING REQUIREMENTS**

#### **Article 28**

##### **Categories of information required for drafting resolution plans**

1. For the purpose of drafting the resolution plans, the Resolution Authority requires the subjects of this Regulation every information necessary, according to the paragraph 5 of Article 12 of the Law “On Recovery and Resolution of banks”. This information shall contain at least the following information:
  - a. **“Governance and Management”** includes the location, jurisdiction, licensing and key management procedures for the bank and banking group.
  - b. **“Core business lines”** including:
    - i. a mapping of institutions’ core business lines including material asset holdings and liabilities relating to each business line, by reference to the bank or the subjects of the banking group, including balance and off-balance sheet exposures.
    - ii. the member of the management body responsible for reporting the information necessary for drafting of resolution plans for the bank as well as those responsible (if different) for other subjects and core business lines of the group.
  - c. **“Structure of liabilities”** including:
    - i. components of the bank and banking group entities’ liabilities, separating, at a minimum by types and amounts of short term and long-term debt, secured, unsecured and subordinated liabilities.
    - ii. details of those liabilities of the institution that are eligible liabilities.

- d. **“Pledged Collateral”** including an identification of the processes necessary to identify third parties to whom the institution has pledged collateral, the holder of the collateral and the jurisdiction in which the collateral is located.
- e. **“FMI membership”** including:
  - i. systems on which the institution conducts a material number or value amount of trades, including a mapping to the institution’s legal persons, critical operations and core business lines.
  - ii. each payment, clearing or settlement system of which the institution is directly or indirectly a member, including a mapping to the institution’s legal persons, critical operations and core business lines
- f. **“Information Systems”** including:
  - i. inventory and detailed description of the key management information systems, including those for risk management, accounting and financial and regulatory reporting used by the bank including a mapping to the institution’s entities, critical operations and core business lines;
  - ii. an identification of the owners of the systems related to the service level agreements, any software, systems or licenses, including a mapping to their legal entities, critical operations and core business lines.
- g. **“Financial Interconnectedness”** including an identification and mapping of the legal persons and their interconnections and interdependencies:
  - i. common or shared personnel, facilities and systems,
  - ii. capital, funding or liquidity arrangements,
  - iii. existing or contingent credit exposures
  - iv. cross guarantee agreements, cross-collateral arrangements, cross-default provisions and cross-affiliate netting arrangements;
  - v. risk transfers and back-to-back trading arrangements, service level agreement.
- h. **“Contractual arrangements”** all the agreements entered into by the bank and other legal entities with third parties the termination of which may be triggered by a decision of the authorities to apply a resolution tool and whether the consequences of termination may affect the application of the resolution tool

For the purpose of drafting resolution plans, the Resolution Authority uses the information collected through recovery templates according to Regulation no. 72, dated 06.12.2017 “On recovery plans of banks” containing the following categories of information:

- a. **“Organisational Structure”** includes:
  - i. a detailed description of the bank/ banking group organizational structure, including a list of all legal entities;
  - ii. identification of the direct holders and the percentage of voting and non-voting rights of each legal entity of the banking group.

- b. **“Critical Functions”** including a:
- i. mapping of the institution’s critical functions to core business lines including material asset holdings and liabilities relating to such function, by reference to legal entities, including balance and off-balance exposures.
  - ii. the members of the management body responsible for the resolution plan of the bank as well as those responsible (if different) for the other group entities and critical functions.
- c. **“Material Entities”** includes legal entities identified as material and the analysis on the impact that insolvency has on the financial position of the bank.

**Article 29**  
**Final dispositions**

1. For the year 2018, banks shall report the information required under Article 28 of this regulation not later than the third trimester of this year.
2. The Resolution Authority shall draft the resolution plans, within four years of this Regulation entering into force.

**Chair of the Supervisory Council**

**Gent Sejko**

## ANNEX 1

### **Matters that the Resolution Authority is to consider when assessing the resolvability of a bank or banking group.**

When assessing the resolvability of a bank or banking group, the Resolution Authority shall consider the following:

- (1) the extent to which the bank is able to map core business lines and critical operations to legal entities;
- (2) the extent to which legal and corporate structures are aligned with core business lines and critical operations;
- (3) the extent to which there are arrangements in place to provide for essential staff, infrastructure, funding, liquidity and capital to support and maintain the core business lines and the critical operations;
- (4) the extent to which the service agreements that the bank maintains are fully enforceable in the event of resolution;
- (5) the extent to which the governance structure of the bank is adequate for managing and ensuring compliance with the bank's internal policies with respect to its service level agreements;
- (6) the extent to which the bank has a process for transitioning the services provided under service level agreements to third parties in the event of the separation of critical functions or of core business lines;
- (7) the extent to which there are contingency plans and measures in place to ensure continuity in access to payment and settlement systems;
- (8) the adequacy of the management information systems in ensuring that the Resolution Authority is able to gather accurate and complete information regarding the core business lines and critical operations so as to facilitate rapid decision making;
- (9) the capacity of the management information systems to provide the information essential for the effective resolution of the bank at all times even under rapidly changing conditions;
- (10) the extent to which the bank has tested its management information systems under stress scenarios as defined by the Resolution Authority;
- (11) the extent to which the bank can ensure the continuity of its management information systems both for the affected bank and the new institution in the case that the critical operations and core business lines are separated from the rest of the operations and business lines;
- (12) the extent to which the bank has established adequate processes to ensure that it provides the Bank of Albania with the information necessary to identify depositors and the amounts covered by the deposit guarantee scheme;

- (13) where the group uses intra-group guarantees, the extent to which those guarantees are provided at market conditions and the risk management systems concerning those guarantees are robust;
- (14) where the group engages in back-to-back transactions, the extent to which those transactions are performed at market conditions and the risk management systems concerning those transactions practices are robust;
- (15) the extent to which the use of intra-group guarantees or back-to-back booking transactions increases contagion across the group;
- (16) the extent to which the legal structure of the group inhibits the application of the resolution tools as a result of the number of legal entities, the complexity of the group structure or the difficulty in aligning business lines to group entities;
- (17) the amount and type of eligible liabilities of the bank;
- (18) the existence and robustness of service level agreements;
- (19) whether the Resolution Authority has the resolution tools necessary to support resolution actions by foreign resolution authorities, and the scope for coordinated action between foreign and home Resolution Authority;
- (20) the feasibility of using resolution tools in such a way which meets the resolution objectives, given the tools available and the bank's structure ;
- (21) the extent to which the group structure allows Bank of Albania to resolve one or more group entities without causing a significant direct or indirect adverse effect on the financial system, market confidence or the economy and with a view to maximising the value of the group as a whole;
- (22) the arrangements and means through which resolution could be facilitated in the cases of banking groups that have subsidiaries established in different jurisdictions;
- (23) the credibility of using resolution tools in such a way which meets the resolution objectives, given possible impacts on creditors, counterparties, customers and employees and possible actions that respective authorities may take;
- (24) the extent to which the impact of the bank's resolution on the financial system and on financial market's confidence can be adequately evaluated;
- (25) the extent to which the resolution of the institution could have a significant direct or indirect adverse effect on the financial system, market confidence or the economy;
- (26) the extent to which contagion to other institutions or to the financial markets could be contained through the application of the resolution tools and powers;
- (27) the extent to which the resolution of the bank could have a significant effect on the operation of payment and settlement systems.