

**COMMISSION IMPLEMENTING REGULATION (EU) 2020/744****of 4 June 2020****on amending Implementing Regulation (EU) 2016/1800 laying down implementing technical standards with regard to the allocation of credit assessments of external credit assessment institutions to an objective scale of credit quality steps in accordance with Directive 2009/138/EC 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 Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) <sup>(1)</sup>, and in particular Article 109a(1) thereof,

Whereas:

- (1) Commission Implementing Regulation (EU) 2016/1800 <sup>(2)</sup> specifies, among others, in its Annex, 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 I of Title I of Commission Delegated Regulation (EU) 2015/35 <sup>(3)</sup> ('External credit assessments').
- (2) Following the latest amendments, by Commission Implementing Regulation (EU) 2018/633 <sup>(4)</sup>, to the Annex to Implementing Regulation (EU) 2016/1800 the quantitative and qualitative factors underpinning the credit assessments of some mappings in the Annex to Implementing Regulation (EU) 2016/1800 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) 2018/633, another credit rating agency has been registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council <sup>(5)</sup>. As Article 136(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council <sup>(6)</sup> 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 those applied by its parent company, a third country ECAI for which a mapping had already been established. 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 EBA), the European Securities and Markets Authority (ESMA) and the European Insurance and Occupational Pensions Authority (EIOPA) jointly (the European Supervisory Authorities) to the Commission.

<sup>(1)</sup> OJ L 335, 17.12.2009, p. 1.

<sup>(2)</sup> Commission Implementing Regulation (EU) 2016/1800 of 11 October 2016 laying down implementing technical standards with regard to the allocation of credit assessments of external credit assessment institutions to an objective scale of credit quality steps in accordance with Directive 2009/138/EC of the European Parliament and of the Council (OJ L 275, 12.10.2016, p. 19).

<sup>(3)</sup> Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 12, 17.1.2015, p. 1).

<sup>(4)</sup> Commission Implementing Regulation (EU) 2018/633 of 24 April 2018 amending Implementing Regulation (EU) 2016/1800 laying down implementing technical standards with regard to the allocation of credit assessments of external credit assessment institutions to an objective scale of credit quality steps in accordance with Directive 2009/138/EC of the European Parliament and of the Council (OJ L 105, 25.4.2018, p. 6).

<sup>(5)</sup> Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (OJ L 302, 17.11.2009, p. 1).

<sup>(6)</sup> 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 and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).

- (5) The European Supervisory Authorities have conducted open public consultations on the draft implementing technical standards on which this Regulation is based, 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 <sup>(7)</sup>; 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 <sup>(8)</sup>; 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 <sup>(9)</sup>.
- (6) Implementing Regulation (EU) 2016/1800 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

*Article 1*

**Amendment to Implementing Regulation (EU) 2016/1800**

The Annex to Implementing Regulation (EU) 2016/1800 is replaced by the text 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, 4 June 2020.

*For the Commission*  
*The President*  
Ursula VON DER LEYEN

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<sup>(7)</sup> Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).

<sup>(8)</sup> Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

<sup>(9)</sup> Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC (OJ L 331, 15.12.2010, p. 48).

## Allocation of credit assessments of external credit assessment institutions to an objective scale of credit quality steps in accordance with Directive 2009/138/EC

Credit quality step	0	1	2	3	4	5	6
<i>ACRA Europe a.s (formerly European Rating Agency a.s.)</i>							
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		
<i>AM Best Europe-Rating Services Ltd.</i>							
Long-term issuer credit ratings scale	aaa	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 ratings scale	aaa	aa, aa-	a+, a, a-	bbb+, bbb, bbb-	bb+, bb, bb-	b+, b, b-	ccc+, ccc, ccc-, cc, c, d, s
Financial strength ratings scale		A++, A+	A, A-	B++, B+	B, B-	C++, C+	C, C-, D, E, F, S
Short-term issuer ratings scale		AMB-1+	AMB-1-	AMB-2, AMB-3	AMB- 4, d, e, f, s		
Short-term issue ratings scale		AMB-1+	AMB-1-	AMB-2, AMB-3	AMB- 4, d, s		
<i>ARC Ratings S.A.</i>							
Medium and long-term issuers rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Medium and long-term issues rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Short-term issuers rating scale		A-1+	A-1	A-2, A-3	B, C, D		
Short-term issues rating scale		A-1+	A-1	A-2, A-3	B, C, D		
<i>ASSEKURATA Assekuranz Rating-Agentur GmbH</i>							
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		
<i>Axesor Risk Management SL</i>							

Global rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D, E
<i>Banque de France</i>							
Global long-term issuer credit ratings scale		3++	3+, 3	4+	4, 5+	5, 6	7, 8, 9, P
<i>BCRA – Credit Rating Agency AD</i>							
Global long-term ratings scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Global short-term ratings 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		
<i>Capital Intelligence Ratings Ltd</i>							
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 issue rating scale		A1+	A1	A2, A3	B, C, D		
International short-term insurer financial strength rating scale		A1+	A1	A2, A3	B, C, RS, SD, D		
<i>Cerved Rating Agency S.p.A.</i>							
Corporate long-term rating scale	A1.1	A1.2, A1.3	A2.1, A2.2, A3.1	B1.1, B1.2	B2.1, B2.2	C1.1	C1.2, C2.1
<i>Creditreform Rating AG</i>							
Long-term rating scale	AAA	AA	A		BBB	BB	B, C, SD, D
<i>CRIF Ratings S.r. l.</i>							

Long-term issuer rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D1S, D
Long-term issue rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, DS
Short-term issuer rating scale		IG-1		IG-2	SIG-1, SIG-2, SIG-3, SIG-4		
Short-term issue rating scale		IG-1		IG-2	SIG-1, SIG-2, SIG-3, SIG-4		
<i>Dagong Europe Credit Rating</i>							
Long-term credit rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Short-term credit rating scale		A-1		A-2, A-3	B, C, D		
<i>DBRS Ratings Limited</i>							
Long-term obligations rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Commercial paper and short-term debt rating scale		R-1 H, R-1 M	R-1 L	R-2, R-3	R-4, R-5, D		
Financial Strength rating scale		AAA, AA	A	BBB	BB	B	CCC, CC, C, R
<i>Egan-Jones Ratings Co.</i>							
Long-term credit rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Short-term credit rating scale		A-1+	A-1	A-2	A-3, B, C, D		
<i>Euler Hermes Rating GmbH</i>							
Global long-term rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, SD, D
<i>EuroRating Sp. z o.o.</i>							
Global long-term rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
<i>Fitch Ratings</i>							
Long-term issuer default ratings scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, RD, D
Corporate finance obligations – Long-term ratings scale	AAA	AA	A	BBB	BB	B	CCC, CC, C
Long-term international IFS ratings scale	AAA	AA	A	BBB	BB	B	CCC, CC, C

Derivative counterparty ratings scale		AAA dcr, AA dcr	A dcr	BBB dcr	BB dcr	B dcr	CCC dcr, CC dcr, C dcr	
Short-term rating scale		F1+	F1	F2, F3	B, C, RD, D			
Short-term IFS ratings scale		F1+	F1	F2, F3	B, C			
<i>GBB-Rating Gesellschaft für Bonitätsbeurteilung mbH</i>								
Global long-term rating scale		AAA	AA	A, BBB	BB	B	CCC, CC, C, D	
<i>HR Ratings de México, S.A. de C. V.</i>								
Global long-term rating scale		HRAAA (G)	HR AA (G)	HR A(G)	HR BBB(G)	HR BB(G)	HR B(G) HR C(G)/HR D(G)	
Global short-term rating scale		HR+1 (G)	HR1(G)	HR2(G)	HR3(G)	HR4(G), HR5 (G), HR D(G)		
<i>ICAP Group S.A</i>								
Global long-term rating scale			AA, A	BB, B	C, D	E, F	G, H	
<i>INC Rating Sp. z o.o.</i>								
Long-term issuer credit rating scale			AA	A	BBB	BB	B	CCC, CC, C, D
<i>Japan Credit Rating Agency Ltd</i>								
Long-term issuer ratings scale		AAA	AA	A	BBB	BB	B	CCC, CC, C, LD, D
Long-term issue ratings scale		AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Short-term issuer ratings scale			J-1+	J-1	J-2	J-3, NJ, LD, D		
Short-term issue credit ratings scale			J-1+	J-1	J-2	J-3, NJ, D		
<i>Kroll Bond Rating Agency</i>								
Long-term credit rating scale		AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Short-term credit rating scale			K1+	K1	K2, K3	B, C, D		
<i>Kroll Bond Rating Agency Europe</i>								

Long-term credit rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Short-term credit rating scale		K1+	K1	K2, K3	B, C, D		
<i>modeFinance S.r.l.</i>							
Global long-term rating scale	A1	A2	A3	B1	B2	B3	C1, C2, C3, D
<i>Moody's Investors Service</i>							
Global long-term rating scale	Aaa	Aa	A	Baa	Ba	B	Caa, Ca, C
Global short-term rating scale		P-1	P-2	P-3	NP		
<i>QIVALIO SAS (formerly Spread Research)</i>							
Global long-term rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Global short-term rating scale		SR0		SR1, SR2	SR3, SR4, SR5, SRD		
<i>Rating-Agentur Expert RA GmbH</i>							
International credit rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D, E
International reliability rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D, E
<i>Scope Ratings AG</i>							
Long-term rating scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Short-term rating scale		S-1+	S-1	S-2	S-3, S-4		
<i>S&amp;P Global Ratings</i>							
Long-term issuer credit ratings scale	AAA	AA	A	BBB	BB	B	CCC, CC, R, SD/D
Long-term issue credit ratings scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
Insurer financial strength ratings scale	AAA	AA	A	BBB	BB	B	CCC, CC, SD/D, R
Mid-Market Evaluation ratings scale			MM1	MM2	MM3, MM4	MM5, MM6	MM7, MM8, MMD
Short-term issuer credit ratings scale		A-1+	A-1	A-2, A-3	B, C, R, SD/D		
Short-term issue credit ratings scale		A-1+	A-1	A-2, A-3	B, C, D		
<i>The Economist Intelligence Unit Ltd</i>							
Sovereign rating band scale	AAA	AA	A	BBB	BB	B	CCC, CC, C, D'