

Press release

29 January 2021

ECB to stress test 38 euro area banks as part of the 2021 EU-wide stress test led by EBA

- ECB to stress test 38 largest banks covering broadly 70% of euro area banking assets
- 2021 exercise replaces 2020 EBA stress test postponed due to COVID-19 pandemic
- ECB to conduct parallel stress test for 53 directly supervised banks not included in EBA sample

The European Central Bank (ECB) will examine 38 significant euro area banks as part of the 2021 EU-wide stress test coordinated by the [European Banking Authority \(EBA\)](#). In line with the EBA's selection criteria, these banks represent broadly 70% of total euro area banking assets.

The EU-wide exercise will take place in 2021, after the 2020 stress test was [postponed](#) due to the coronavirus pandemic to support banks in prioritising operational continuity. The EBA will coordinate the test in cooperation with the ECB and national authorities, and will apply [its methodology](#), templates and [scenarios](#).

The EBA plans to publish the results for the individual banks by the end of July 2021. The results will shed light on the impact of adverse shocks on banks' resilience under challenging macroeconomic conditions. The exercise will factor in public support measures, such as public guarantees, implemented to mitigate the impact of the pandemic.

In parallel, the ECB also plans to conduct its own stress test for 53 banks it directly supervises but that are not included in the EBA-led stress test sample. This exercise will be consistent with the EBA's methodology and apply the same scenarios, while also including proportionality elements as suggested by the overall smaller size and lower complexity of these banks.

The results of both stress tests will be used to assess each bank's Pillar 2 capital needs in the context of the Supervisory Review and Evaluation Process (SREP). Furthermore, they will support macroprudential tasks and the ECB will assess the macroprudential implications of the exercise for the euro area.

European Central Bank

Directorate General Communications, Global Media Relations Division
Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany
Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.bankingsupervision.europa.eu

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For media queries, please contact [Esther Tejedor](mailto:Esther.Tejedor@ecb.europa.eu), tel.: +49 69 1344 95596.

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