EUROPEAN CENTRAL BANK

BANKING SUPERVISION

DG-HOL/NFR

Instructions for supervised entities completing an outsourcing notification form in the IMAS Portal

1.   Introduction

This document provides instructions on how to complete the outsourcing notification form in the IMAS Portal. The annexes explain how to create a new outsourcing notification process.

The outsourcing notification form is designed to cover <u>one</u> single outsourcing arrangement at a time. The outsourcing notification form should be used to notify:

- planned outsourcing arrangements;[1]

- material changes to existing outsourcing arrangements;[2]

- material changes and/or severe events in relation to their outsourcing arrangements that could have a material impact on the continuing provision of the institution's business activities.

The information request is based on Article 10(1) of Council Regulation (EU) No 1024/2013 (SSM Regulation) as well as paragraphs 57, 58 and 59 of the EBA Guidelines on outsourcing arrangements (EBA/GL/2019/02).

Mandatory fields in the notification form are marked with a red asterisk.

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[1]   The scope and timing for the notification of planned outsourcing arrangements depend primarily on national regulations or expectations. Where there are no national regulations/expectations, or national regulations/expectations are not communicated, the ECB separately informed supervised entities in an operational letter about its expectation that provide notification will be provided of planned critical or important outsourcing arrangements.

[2]   The scope and timing for the notification of material changes to outsourcing arrangements depend primarily on national regulations or expectations. Where there are no national regulations/expectations, or national regulations/expectations are not communicated, the ECB separately informed supervised entities in an operational letter about its expectation that notification will be provided of (a) changes to existing critical or important outsourcing arrangements; and (b) changes to existing outsourcing arrangements that will lead to the arrangement becoming critical or important .

2.   General overview of the outsourcing notification form

The exact requirements for the notification of planned critical or important outsourcing arrangements and material changes or severe events are laid out in the EBA Guidelines on outsourcing arrangements, national requirements and soft laws such as circulars. Such requirements have been communicated to significant institutions in an operational letter.

The notification form consists of four tabs: "1. General information", "2. Contact details", "3. Details of the arrangement", and "4. Documents".

Notification of critical or important outsourcing arrangements

1. General Information	2. Contact details	3. Details of the arrangement	4. Documents

The "1. General information" tab must be completed before proceeding to the other tabs. This is where the following basic information[3] is entered:

- the institution submitting the notification;

- the outsourcing entity signing the contract;

- the supervised entities covered by the services or making use of the services;

- the service provider(s), including identifiers, name, location and parent company;

- the outsourced function, including basic contractual information.

The details of the contact person for the Joint Supervisory Team (JST), such as the contract manager representing the outsourcing (supervised) entity, are entered in the tab "2. Contact details".

Additional information required under the EBA Guidelines[4] and national regulations is entered in the tab "3. Details of the arrangement". Submitters are requested to indicate areas of, and measures to ensure, compliance, and areas of non-compliance. This information should be accompanied by references to supporting documents such as document names and page numbers or paragraphs (see tab "4. Documents"). The details of the arrangements are only requested for a subset of notified outsourcing arrangements. There are cases in which no questions are displayed in the tab "3. Details of the arrangement".

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[3] Mainly reflecting the information required by paragraph 54 of the EBA Guidelines on outsourcing arrangements.

[4] The starting point is paragraph 55 of the EBA Guidelines on outsourcing arrangements, but the questions extend to cover other important expectations mainly laid out in Title IV of the EBA Guidelines.

However, the JST may decide, on a case-by-case basis, to request completion of tab "3. Details of the arrangement" or ask any additional questions they might have. In that case, the supervised entity will receive a notification in the IMAS Portal with the additional questions requiring input. The supervised entity then needs to reply with a new message to complete the initial submission. Additional questions contained in tab "3. Details of the arrangement" will be accessible on resubmission after ticking the check-box.

The following information is requested in the tab "3. Details of the arrangement":

- expectations regarding the risk assessment (covered risks and risk assessment governance);

- expectations regarding the assessment of due diligence and conflicts of interest (risks identified, processes applied, and measures implemented);

- expectations regarding the contractual arrangement (e.g., physical and data/system security, sub-outsourcing, access and audit privileges, monitoring and oversight, service provider substitutability, business continuity and exit).

In the tab "4. Documents", the relevant files that are referenced in the other three tabs should be uploaded. The uploaded files can be in any of the following formats: *.doc, *.docx, application/MS Word, *.pdf, *.csv, *.xls, *.xlsx and application/vnd.ms-excel. Relevant documents can include, but are not limited to:

- a risk assessment of the outsourcing arrangement;

- a due diligence assessment;

- an assessment of conflicts of interest;

- the (draft) contractual arrangement;

- service level agreements;

- approval documents.

The maximum file size for each document is 10MB. The form can be submitted once all the mandatory fields have been completed.

3. Processes and messages in the IMAS Portal

The notifications are created as messages and listed in the "My Processes" tab in the portal with the status "Draft", "Notified", "Completed" or "Cancelled". The status should be understood as follows:

- "Draft'' means that the notification has not yet been submitted to the ECB. The form can still be changed, and it cannot yet be viewed by the JST.

- "Notified" means that the notification has been submitted to the ECB. The form can no longer be changed and the JST can see it.

- "Completed" means that the JST has marked the corresponding internal task as complete. An automated message will appear when a process changes to "Completed". This does not reflect the assessment of the notification by the JST.

- "Cancelled" means that the notification is discarded. Cancelled messages are shown alongside completed ones in the dashboard.

In the "All Messages" tab, the message type "Outsourcing arrangements submission" can have the status "Draft" and "Notified". The message type "Process status update" has the status "Received".

The message type "Request for Information" serves as a channel for communication with the JST. It will be used by the JST to ask for additional details on the documentation, for instance where a relevant attachment is missing from the notification or where some of the information included in the form is insufficient. You can reply to each "Request for Information" message only once with an "Information" message and you can attach information to your answer. The status of the message will be "Received", and the status of your reply will be "Pending Confirmation", before changing to "Notified".

"Information" messages may also be received. These are one-way messages with no option to reply. There is, however, the option of creating a new, separate information message to the JST, linked to the same notification. The option "Update existing" within a process allows you to resubmit the initial notification with amended or additional information.

Please contact your JST if, exceptionally, you need to withdraw the notification and no longer plan to implement the outsourcing arrangement. The JST can delete the notification and change its status to "Cancelled".

Please see Annex 4 for further details.

Annex 1: List of validation rules applied in the outsourcing notification form

Please note that most of the validation checks are only performed after you have clicked on the "Submit" button or "Save" button.

Tab	Validation rule	Error message	Solution
Subject line	Checks whether a subject has been entered (mandatory).	Subject is required.	Enter a descriptive subject.
1	Checks whether one or more entities have been selected from the dropdown list (mandatory).	Please provide a list of all entities that sign the outsourcing contract.	Select entity/entities from a dropdown list.
1	Checks whether the field has been completed (contains more than one character) (mandatory).	Decision-making body is required.	Enter the decision-making body.
1	Checks whether one or more entities are selected from the dropdown list (mandatory).	Please provide a list of all supervised entities covered by the services.	Select entity/entities from a dropdown list.

Tab	Validation rule	Error message	Solution
1	Checks whether a service provider has been entered. (mandatory)	Service provider(s) is required.	Enter one or more service provider(s) in the pop-up dialogue.
1	Checks whether the field has been completed with valid characters. (mandatory)	Invalid Name	Enter the name of the service provider using numerals (0-9), letters (a-z, A-Z, Á-ž) and special characters.
1	Checks whether the field has been completed with valid characters. (mandatory)	Invalid Corporate registration number	Enter the name of the service provider using numerals (0-9), letters (a-z, A-Z, Á-ž) and special characters.
1	Checks whether Country of the service provider's headquarters has been selected. (mandatory)	Country of the service provider's headquarters is required.	Enter country from dropdown list.

Tab	Validation rule	Error message	Solution
1	Checks whether the Name of the competent authority supervising the service provider contains only valid characters.	Invalid Name	Enter name with valid characters: numerals (0-9), letters (a-z, A-Z, Á-ž), whitespace, comma, apostrophe, dash.
1	Checks whether the Ultimate parent name contains only valid characters.	Invalid Name	Enter name with valid characters: numerals (0-9), letters (a-z, A-Z, Á-ž), whitespace, comma, apostrophe, dash.
1	Checks whether a contract start date has been entered. (mandatory)	The starting date of the contract is required.	Enter the date in YYYY-MM-DD format.
1	Checks whether Scope of this notification has been selected. (mandatory)	The scope of the notification is required.	Select one of the options.

Tab	Validation rule	Error message	Solution
1	Checks whether Intra-group outsourcing has been selected. (mandatory)	Intra-group outsourcing is required.	Select one of the options.
1	Checks whether the Internal reference number contains only valid characters. (mandatory)	Invalid Name	Enter Internal reference number with valid characters: numerals (0-9), letters (a-z, A-Z, Á-ž), whitespace, comma, apostrophe, dash.
1	Checks whether Notice period (in days) for supervised institution to exit contract is a non-negative integer.	The notice period (in days) for the supervised institution to exit the contract cannot be less than 0.	Enter an integer that is either zero or positive.
1	Checks whether Notice period (in days) for service provider to exit contract is a non-negative integer.	The notice period (in days) for the service provider to exit the contract cannot be less than 0.	Enter an integer that is either zero or positive.

Tab	Validation rule	Error message	Solution
1	Checks whether Category of the outsourced function has been provided. (mandatory)	The category of the outsourced function is required.	Enter the Category of the outsourced function.
1	Checks whether Description of the outsourced function has been provided. (mandatory)	A description of the outsourced function is required.	Enter the Description of the outsourced function.
1	Checks whether "Is the outsourced function considered critical or important?" has been answered. (mandatory)	Answer to "Is the outsourced function considered critical or important?" required	Choose from the options below (Yes or No).
1	Checks whether Reasons for assessment of criticality/importance has been provided. (mandatory)	The reasons for assessment of criticality/importance are required	Enter the reasons for assessment of criticality/importance.

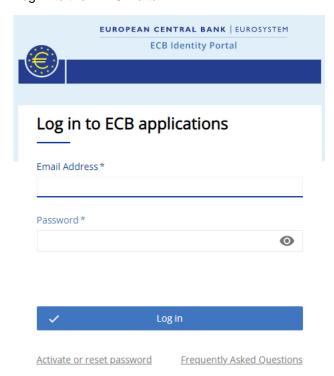| Tab	Validation rule	Error message	Solution
1	Checks whether Country/countries where the service is to be performed has been selected. (mandatory)	The country/countries where the service is to be performed is/are required.	Select Country/countries where the service is to be performed from options in dropdown list.
1	Checks if either "not applicable" has been selected without any other option, or combined with other options (SaaS, PaaS, IaaS, Other).	Invalid selection	Select valid combination of options.
1	Checks if either "not applicable" has been selected without any other option, or combined with other options (Private cloud, Community cloud, Public cloud, Hybrid cloud).	Invalid selection	Select valid combination of options.
1	Checks whether "The outsourced function pertains to a non-core support service as described in Article 1(17) of ECB Decision 2019/322." has been answered. (mandatory)	Answer to "The outsourced function pertains to a non-core support service as described in Article 1(17) of ECB Decision 2019/322." required.	Choose from the options below (Yes or No).

Tab	Validation rule	Error message	Solution
1	Checks whether "Confidential, personal or otherwise sensitive data will be transferred out of the premises of the outsourcing institution." has been answered. (mandatory)	Answer to "Confidential, personal or otherwise sensitive data will be transferred out of the premises of the outsourcing institution." required	Choose from the options below (Yes or No).
1	Checks whether "The outsourced function supports business operations that are time critical (e.g. they need to be permanently available)." has been answered. (mandatory)	Answer to "The outsourced function supports business operations that are time critical (e.g. they need to be permanently available)." required	Choose from the options below (Yes or No).
2	Checks whether the field for the contact person's full name includes only characters. (mandatory)	Invalid name	Enter only characters.
2	Checks whether the field for the job title includes only characters. (mandatory)	Invalid job title	Enter only characters.

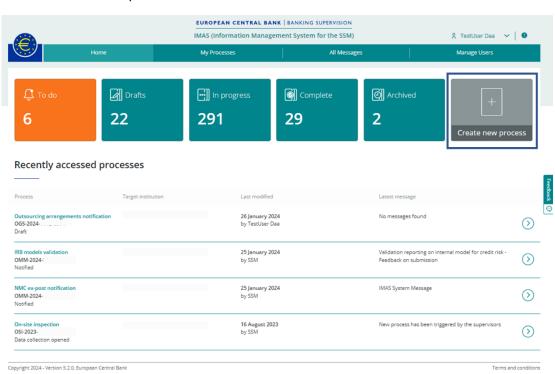| Tab	Validation rule	Error message	Solution
2	Checks whether the Business address contains only valid characters. (mandatory)	Invalid Business address	Enter Internal reference number with valid characters: numbers (0-9), letters (a-z, A-Z, Á-ž), whitespace, comma, apostrophe, dash.
2	Checks whether the international country dialling code has no more than four digits and contains only numeric values. (mandatory)	Invalid country dialling code	Enter the correct international country dialling code.
2	Checks whether a valid phone number has been entered. (mandatory)	Invalid telephone number	Enter only numerals; the phone number must not start with "0".
2	Checks whether a valid email address has been entered. (mandatory)	Invalid email address	Enter a valid email address.

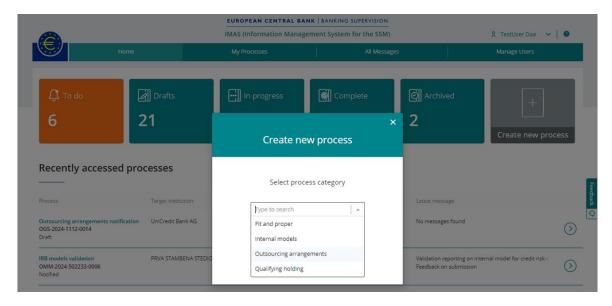| Tab	Validation rule	Error message	Solution
4	Checks that the uploaded documents are PDF, Word or Excel files and do not exceed the maximum file size.	The uploaded documents do not meet the specifications.	Upload only documents that meet the specifications.
4	Checks whether any document has been uploaded.	The list of relevant documents in Section 4 cannot be empty.	Upload the relevant document(s).

Annex 2:   Creating a new process for an outsourcing notification
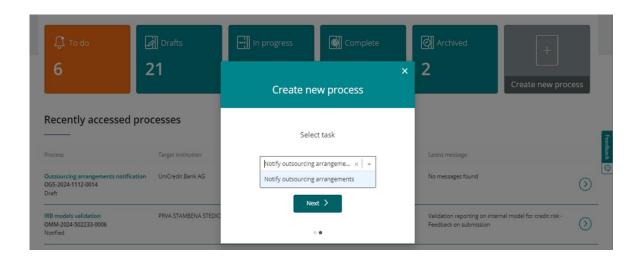
Log in to the IMAS Portal.

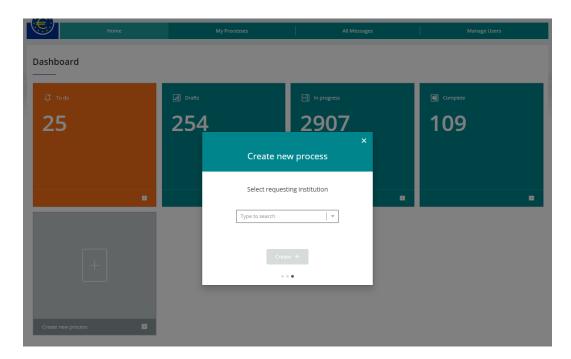Click on "Create new process".

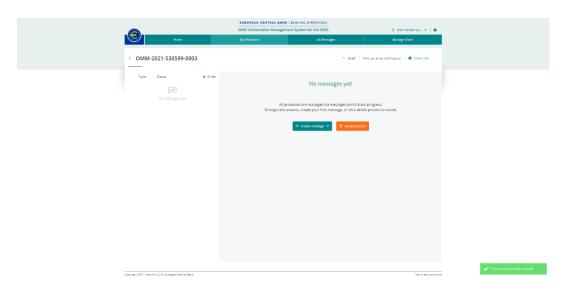Select "Outsourcing arrangements" for the process category and click on "Next".

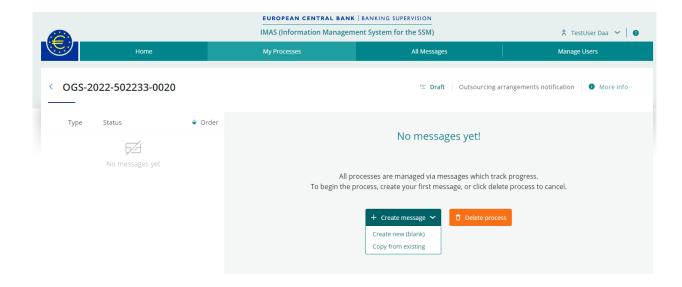Select "Notify outsourcing arrangements" for the type of task, then click on "Next".

Select the requesting institution from the dropdown list; the selected institution will be used in the "Name of the institution submitting the notification" field in the form.
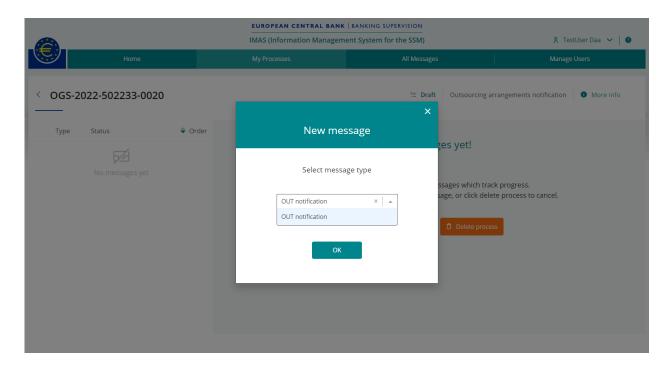

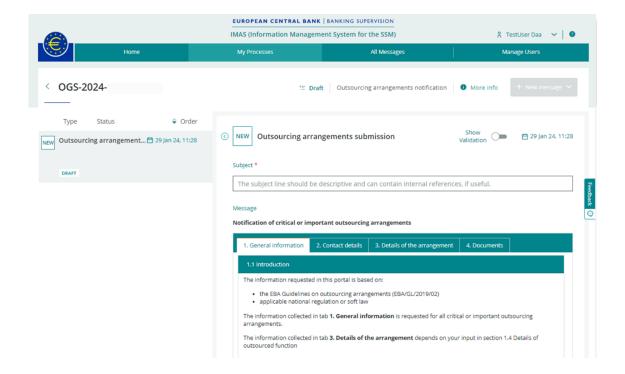Click on "+ Create message".

Select "Create new (blank)" or choose "Copy from existing" if you want to reuse the content of a former notification.
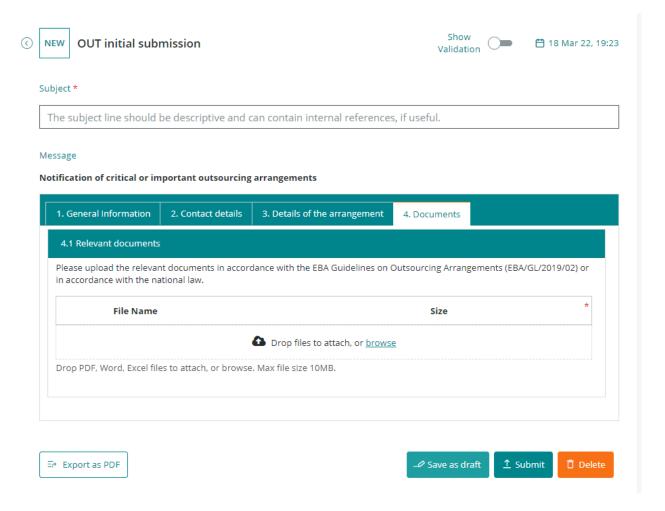

Select message type "OUT notification".

Enter a subject for your message, as this will enable you to save a draft and to submit the completed Outsourcing arrangements submission.

Annex 3: Submitting an outsourcing notification

To initiate submission of the outsourcing notification to your JST, click on the "Submit" button at the bottom of the page.

Submission is not possible when the message "Please fix the following errors before submitting." is visible. Click on an error to start the fixing process. You can toggle the "Show Validation" switch to check for errors before submitting.

Once submitted, the status of the message will be "Pending Confirmation".

Resubmission is possible using the option "Update existing" within a process.

You can choose to add to, or amend, the information for the initial notification or any of the subsequent notifications. A new submission will be created and sent to the JST, overwriting the previous one.

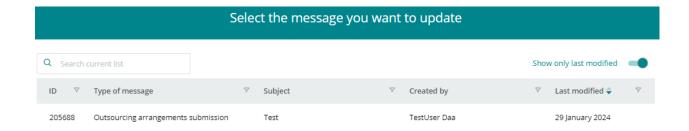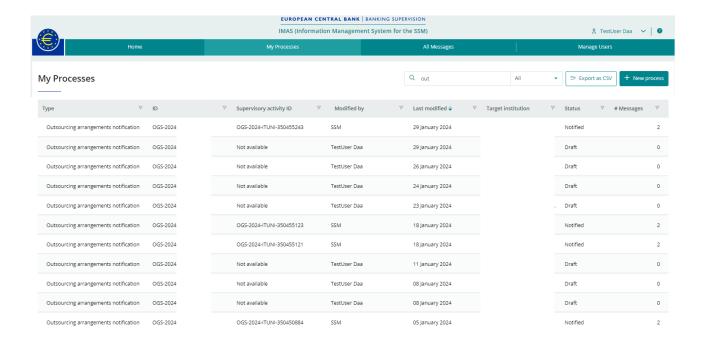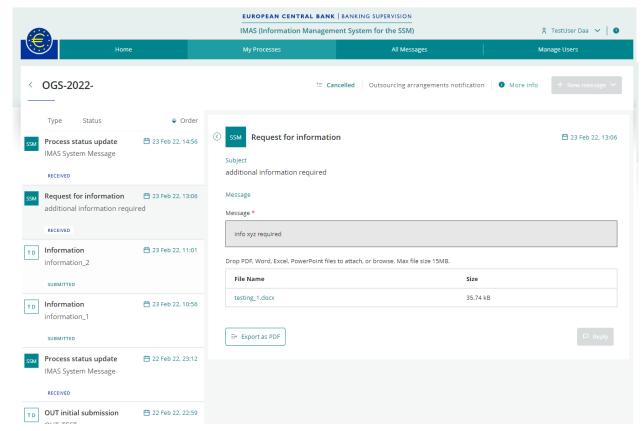### Annex 4: Details of processes and messages in the IMAS Portal

The status of each outsourcing notification is listed in the "My Processes" tab together with the number of messages and the "Target institution" that created the OUT.

The messages are created either by the IMAS Portal user or automatically, in which case the user is shown as "SSM".

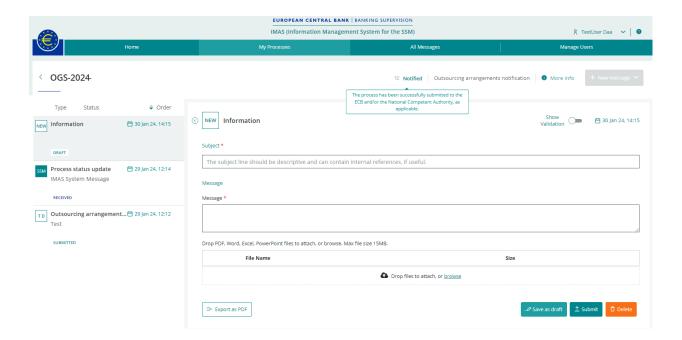| Type	ID	Supervisory activity ID	Modified by	Last modified ⬍	Target institution	Status	# Messages
Outsourcing arrangements notification	OGS-2024	OGS-2024-ITUNI-350455243	SSM	29 January 2024		Notified	2
Outsourcing arrangements notification	OGS-2024	Not available	TestUser Daa	29 January 2024		Draft	0
Outsourcing arrangements notification	OGS-2024	Not available	TestUser Daa	26 January 2024		Draft	0
Outsourcing arrangements notification	OGS-2024	Not available	TestUser Daa	24 January 2024		Draft	0
Outsourcing arrangements notification	OGS-2024	Not available	TestUser Daa	23 January 2024		Draft	0
Outsourcing arrangements notification	OGS-2024	OGS-2024-ITUNI-350455123	SSM	18 January 2024		Notified	2
Outsourcing arrangements notification	OGS-2024	OGS-2024-ITUNI-350455121	SSM	18 January 2024		Notified	2
Outsourcing arrangements notification	OGS-2024	Not available	TestUser Daa	11 January 2024		Draft	0
Outsourcing arrangements notification	OGS-2024	Not available	TestUser Daa	08 January 2024		Draft	0
Outsourcing arrangements notification	OGS-2024	Not available	TestUser Daa	08 January 2024		Draft	0
Outsourcing arrangements notification	OGS-2024	OGS-2024-ITUNI-350450884	SSM	05 January 2024		Notified	2

If you click on a process, you will see the related messages, as shown in the example below.

You will receive a message if the JST requests additional information on the outsourcing notification, as shown below.

In reply, you can send the requested information, including documents, as an Information message.

You can select the type of message in the "All Messages" tab.