

THE AUTHORITY'S PRUDENTIAL MEASURES

Article 104 of the [CRD](#) specifies the authority's supervisory powers which shall be transposed in the new Banking Act (Supervisory Review) Regulations. Until such time the said Regulations come into force, the provisions found in Article 104 of the [CRD](#) shall apply for the purposes of determining such supervisory powers.

The authority shall also be guided by **Chapter 4.2 'Guidelines on prudential measures'** of the [Guidelines on the Application of the Supervisory Review Process under Pillar 2](#) which were published by the Committee of European Banking Supervisors (CEBS) on 25 January 2006 and any reviews and/or updates that may be undertaken to such Guidelines from time to time.

Following the mandate under Article 107(3) of the [CRD](#), on the 19th of December 2014, the EBA issued [Guidelines for Common Procedures and Methodologies for the Supervisory Review and Evaluation Process \(SREP\)](#). Such Guidelines, which are addressed, *inter alia*, to the authority, specify, in a proportionate manner, the common procedures and methodologies for the supervisory review and evaluation process and the assessment of the organisation and the risks faced by credit institutions.