

Guidance concerning the thematic examination into outsourcing

In this section we provide you with additional guidance on the questionnaire that has to be completed for the thematic examination into outsourcing.

This additional guidance is primarily driven by questions from institutions. It also aims to address some ambiguity in the questionnaire. If need be, we will issue weekly updates.

Because of performance problems with the questionnaire, we have published a new release on the website ("updated" version). Also we have incorporated some earlier guidance in this updated version. Therefore we have indicated below if the guidance is only relevant for the questionnaire we published on 24 February 2017 ("old" version). We point out that institutions must submit either the old or the updated version of the questionnaire.

1. Explanation to part B (only "old" version)
"... and for 2017 - 2019 forecasted expenses in euros", should be read as "... and for 2017 - 2020 forecasted expenses in euros".
2. Question D13
In case your institution does not have activities that have been outsourced to providers outside the EEA, please do not tick the boxes. We kindly ask you to mention under D36 the absence of such activities and that therefore question D13 is not applicable.
3. Questions D14 and D20
These questions are identical. For D20 please provide the same answer (yes or no) as for D14.
4. Question F22 (only "old" version)
"Frequency of revision of the contract" should be read as "Frequency of review of the contract".
5. Question F26 (only "old" version)
Unfortunately, the dropdown menu for question 26 of part F of the questionnaire contains a mistake that causes confusion. The table below shows question F26, the intended possible answers and the answers that are included in the dropdown (DD) menu. With this e-mail we inform you that we will consider the answers filled out in the DD menu as follows:
 1. 'poor' in the DD menu will be regarded as 'very high'
 2. 'moderate' in the DD menu will be regarded as 'high'
 3. 'good' in the DD menu will be regarded as 'moderate'
 4. 'excellent' in the DD menu will be regarded as 'low'.

F26	Please assess your degree of overall dependency on the provider.	<i>Corresponding answers currently in the dropdown menu</i>
	<i>1. very high</i>	<i>1. poor</i>
	<i>2. high</i>	<i>2. moderate</i>
	<i>3. moderate</i>	<i>3. good</i>
	<i>4. low</i>	<i>4. excellent</i>

6. Question F28

“Is there an alternative provider for the outsourced service?” should be read as “Is there an alternative provider for the outsourced service in the market?”

Specific guidance for investment firms and AIFMD / UCITS managers

The questions under D refer to the outsourcing policy used by the institution. This question does not refer to a legal obligation. However, DNB expects institutions to have a thorough understanding of the risks they are exposed to and would thus expect an outsourcing policy to mitigate the risks of outsourcing.

The questions under D-2 (questions D10 to D14) ask if you have determined in your outsourcing policy that certain events would require you to inform your supervisor. DNB is aware that legal provisions might require you to inform the AFM instead of DNB. If that is the case, answering these questions with “no” does not indicate non-compliance.