Subcontracting Deep Dive - V1.0

ID	Requirements	Reference
Subcon_01	Ensure a risk based subcontracting management when permitting subcontracting ICT services supporting a critical or important functions, taking into account the overall risk profile as well as the complexity of processes.	Art. 1 RTS Subcontracting
When applying subcontracting requirements, consider		
Subcon_02	the type of subcontracted ICT services.	Art. 1 (a), RTS Subcontracting
Subcon_03	the location of subcontractor	Art. 1 (b), RTS Subcontracting
Subcon_04	the length of subcontracting chain	Art. 1 (c), RTS Subcontracting
Subcon_05	the nature of data shared with subcontractors	Art. 1 (d), RTS Subcontracting
Subcon_06	the location of data processing and storage.	Art. 1 (e), RTS Subcontracting
Subcon_07	the group affiliation of subcontractor	Art. 1 (f), RTS Subcontracting
Subcon_08	the supervision or oversight status of the subcontractor	Art. 1 (g, h) RTS Subcontracting
Subcon_09	the number of involved subcontracting parties and the concentration risks associated with the subcontractor.	Art. 1 (i), RTS Subcontracting
Subcon_10	the impact of the subcontracted ICT services to the transferability of the primary ICT service to another ICT third-party service provider (3P-provider)	Art. 1 (j), RTS Subcontracting
Subcon_11	the subcontractors' potential impact on the continuity of the primary ICT service	Art. 1 (k), RTS Subcontracting
Subcon_12	Ensure that subcontracting conditions are implemented across all group entities.	Art. 2, RTS Subcontracting
Subcon_13	Have a subcontracting risk assessment (SRA) to determine whether subcontracting is permitted before signing an ICT contract.	Art. 3 (1) RTS Subcontracting
The subcontracting risk assessment (SRA) shall assess		
Subcon_14	whether the 3P-provider has a due diligence process for selecting appropriate ICT subcontractors.	Art. 3 (1a) RTS Subcontracting
Subcon_15	whether the 3P-provider can identify, notify, and inform the financial entity of any subcontractors and provide all relevant information needed for decision-making on the permissibility of subcontracting.	Art. 3 (1b) RTS Subcontracting
Subcon_16	whether the 3P-provider ensures that all necessary contractual components are agreed upon with subcontractors to guarantee the financial entity's compliance with its legal and regulatory requirements.	Art. 3 (1c) RTS Subcontracting
Subcon_17	whether the 3P-provider can effectively monitor its subcontractors.	Art. 3 (1d) RTS Subcontracting
Subcon_18	whether the financial entity can monitor and oversee the subcontracted ICT services and, where possible and appropriate, the subcontractors themselves	Art. 3 (1e) RTS Subcontracting
Subcon_19	the impact of a potential subcontractor failure on the financial entity's digital operational resilience and financial stability.	Art. 3 (1f) RTS Subcontracting
Subcon_20	the risks associated with the location of the subcontractors	Art. 3 (1g) RTS Subcontracting
Subcon_21	the ICT concentration risks	Art. 3 (1h) RTS Subcontracting
Subcon_22	any obstacles to the exercise of audit and access rights by the competent authorities or the financial entity itself.	Art. 3 (1i) RTS Subcontracting
Subcon_23	Ensure periodic re-assessment of the SRA, taking into account changes in the business environment, supported business functions, ICT threats, ICT concentration risks, and geopolitical risks.	Art. 3 (2) RTS Subcontracting
Subcon_24	The SRA shall consider additional information on contracts between 3P-provider and subcontractors, as well as relevant performance indicators.	Art. 3 (3), Art. 5 (4) RTS Subcontracting
Subcon_25	When specifying ICT contracts, ensure the identification of critical or important ICT services permitted for subcontracting and specify the subcontracting conditions.	Art. 4 (1) RTS Subcontracting
An ICT contract permitting subcontracting of ICT services supporting critical or important functions must:		
Subcon_26	state that the 3P-provider is responsible for the services delivered by its subcontractors.	Art. 4 (1a) RTS Subcontracting
Subcon_27	require the 3P-provider to continuously monitor subcontracted ICT services to ensure compliance with contractual obligations.	Art. 4 (1b) RTS Subcontracting
Subcon_28	define the 3P-providers' obligations to monitor and report on subcontractors.	Art. 4 (1c) RTS Subcontracting
Subcon_29	require the 3P-provider to assess risks associated with the subcontractors' locations and the location where the ICT service is provided from;	Art. 4 (1d) RTS Subcontracting
Subcon_30	specify the location of data processed or stored by the subcontractor	Art. 4 (1e) RTS Subcontracting
Subcon_31	must require that the 3P-provider outlines the subcontractor's monitoring and reporting obligations	Art. 4 (1f) RTS Subcontracting
Subcon_32	must ensure that the 3P-provider maintains service continuity through subcontractors and includes contingency plan requirements and service levels	Art. 4 (1g) RTS Subcontracting
Subcon_33	define the ICT security standards and any additional security requirements that subcontractors must meet.	Art. 4 (1h) RTS Subcontracting
Subcon_34	define the ICT security standards and any additional security requirements that subcontractors must meet.	Art. 4 (1i) RTS Subcontracting
Subcon_35	stipulate that the financial entity is notified of any material changes to subcontracting arrangements	Art. 4 (1j) RTS Subcontracting
Subcon_36	grant the financial entity termination rights in accordance with article 7 or in accordance with article 28(7) of DORA Regulation.	Art. 4 (1k) RTS Subcontracting
Subcon_37	Ensure a prompt implementation of changes to ICT contracts and maintain a documented timeline for this process.	Art. 4 (2) RTS Subcontracting
Ensure that ICT contracts permitting subcontracting		
Subcon_38	include a list of subcontractors and ensure this information is kept up-to-date	Art. 5 (1) RTS Subcontracting
Subcon_39	allow for effective monitoring of the services, including the ICT risks associated with subcontractors. Information from the 3P-provider may be utilized for this purpose.	Art. 5 (2) RTS Subcontracting
Subcon_40	include provisions allowing the financial entity to assess the impact of the subcontractor chain on monitoring and supervision	Art. 5 (3) RTS Subcontracting
Subcon_41	allow the financial entity to access contractual documentation and performance indicators from both the 3P-provider and subcontractors.	Art. 5 (4) RTS Subcontracting
Subcon_43	require the 3P-provider to promptly inform the financial entity of any significant changes to subcontracting arrangements.	Art. 6 (1) RTS Subcontracting
Subcon_44	Ensure that any material changes to subcontracting arrangements are communicated with sufficient notice to allow risk assessment. If the changes exceed the risk tolerance, inform the 3P-provider and request modifications before implementation.	Art. 6 (1, 3) 3 RTS Subcontracting
Subcon_45	Ensure that ICT contracts permitting subcontracting include provisions that changes can only be implemented after the financial entity has approved or not objected by the end of a notice period.	Art. 6 (2) RTS Subcontracting
Subcon_46	Ensure that ICT contracts permitting subcontracting include provisions allowing the financial entity to terminate the contract if subcontracting occurs despite objections, if it happens before the end of the notice period, or if unauthorized subcontracting is implemented.	Art. 7 (1) RTS Subcontracting