

Question ID	2013_130
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Market risk
Article	382
Paragraph	2
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Not applicable
Article/Paragraph	382
Date of submission	07/08/2013
Published as Final Q&A	15/11/2013
Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	Scope of calculation of own funds requirements for CVA risk
Question	Can you provide some details on what criteria and/or thresholds are likely to apply in order to determine that securities financing transactions are material in the context of article 382(2)?
Background on the question	Article 382(2) of Regulation 575/2013 states: An institution shall include securities financing transactions in the calculation of own funds required by paragraph 1 if the competent authority determines that the institution's CVA risk exposures arising from those transactions are material.
EBA answer	Whether an institution's CVA risk exposures arising from securities financing transactions are considered material is not subject to any EBA guidance at this stage, thus remaining the discretion of the competent authorities. Pursuant to Article 456(2) of Regulation (EU) No. 575/2013, the EBA is mandated to monitor the own fund requirements for credit valuation adjustment risk and produce a report in respect of the items contained in that section, with possible impacts on the issue in question.
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_130

