

Single Rulebook Q&A

Question ID	2013_270
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Liquidity risk
Article	8
Paragraph	1
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Not applicable
Article/Paragraph	N/a
Date of submission	24/09/2013
Published as Final Q&A	25/04/2014
Disclose name of institution / entity	Yes
Name of institution / submitter	Association for Financial Markets in Europe
Country of incorporation / residence	Europe
Type of submitter	Industry association
Subject matter	Continuation of current liquidity waivers
Question	Clarification is needed as to the interim arrangements pending the introduction of the waiver/group treatments provided for under Article 8 of Regulation (EU) No. 575/2013 (CRR).
Background on the question	It is not clear how and whether waivers currently granted for the management of group liquidity will continue to apply pending the introduction of the new requirements and decision making mechanisms. If waivers did not continue to apply pending the introduction of the new approach then solo liquidity and reporting requirements might suddenly apply to all regulated entities in a group, involving substantial cost and disruption for no regulatory benefit.
Final answer	Article 8 of Regulation (EU) No. 575/2013 (CRR) provides for a full or partial waiver to the individual application of liquidity requirements under Part Six

of the Regulation, provided supervision is carried out on the basis of a single liquidity sub-group (SLSG). The conditions for the grant of this waiver are set out in Article 8 of the CRR.

Where all the institutions in the SLSG are authorised within the same Member State, the waiver may be granted from 1 January 2014. Where the institutions in the SLSG are authorised in several Member States, the waiver may be granted from 1 January 2015 in accordance with Article 521(2)(a) of the CRR.

The CRR does not provide for transitional arrangements for the application of Article 8.

Pursuant to Article 412 (5) of the CRR, Member States may maintain or introduce provisions in the area of liquidity requirements before binding minimum standards for liquidity coverage requirements are specified and fully introduced in the Union in accordance with Article 460. The use by Member States of this national discretion should ultimately detail how national liquidity requirements and frameworks will apply, together with existing waivers to those national requirements if applicable, pending the full introduction of binding minimum standards for liquidity coverage requirements under Article 460 of the CRR.

DISCLAIMER:

This question goes beyond matters of consistent and effective application of the regulatory framework. A Directorate General of the Commission (Directorate General for Internal Market and Services) has prepared the answer, albeit that only the Court of Justice of the European Union can provide definitive interpretations of EU legislation. This is an unofficial opinion of that Directorate General, which the European Banking Authority publishes on its behalf. The answers are not binding on the European Commission as an institution. You should be aware that the European Commission could adopt a position different from the one expressed in such Q&As, for instance in infringement proceedings or after a detailed examination of a specific case or on the basis of any new legal or factual elements that may have been brought to its attention.

Link

https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_270