

Question ID	2013_293
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Liquidity risk
Article	412
Paragraph	1
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Not applicable
Article/Paragraph	na
Date of submission	30/09/2013
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Disclose name of institution / entity	Yes
Name of institution / submitter	European Banking Federation
Country of incorporation / residence	Belgium
Type of submitter	Industry association
Subject matter	Minimum reserve requirement
Question	What is the requirement to maintain the minimum reserve requirement within the LCR period, i.e. does the LCR have to be met for each of the 30 days in the stress horizon?
Background on the question	NA
Final answer	In accordance with Article 412(1) of Regulation (EU) No. 575/2013 (CRR) institutions shall hold liquid assets, the sum of the values of which covers the liquidity outflows less the liquidity inflows under stressed conditions so as to ensure that institutions maintain levels of liquidity buffers which are adequate to face any possible imbalance between liquidity inflows and outflows under gravely stressed conditions over a period of 30 days. As a consequence, the liquidity coverage requirement shall apply at all times.

	During times of stress, institutions may use their liquid assets to cover their liquidity outflows in accordance with the circumstances specified in Article 414 of the CRR.
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_293

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