

Single Rulebook Q&A

Question ID	2013_382
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Own funds
Article	18
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Not applicable
Article/Paragraph	N/A
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Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	Inclusion of ancillary services undertakings in prudential consolidation
Question	Should the ancillary services undertakings be included in prudential consolidation according to Article 18 and 19 of Regulation (EU) No 575/2013 (CRR)?
Background on the question	According to Article 18(1) of CRR only "institutions and financial institutions" should be included in prudential consolidation. But in Article 19(1) of CRR is mentioned, that "an institution, financial institution or an ancillary services undertaking which is a subsidiary or an undertaking in which a participation is held, need not to be included in the consolidation" in some circumstances, which means that also ancillary services undertakings should be included in prudential consolidation if they do not meet the conditions mentioned in Article 19(1).
Final answer	Where consolidated supervision is required pursuant to Article 111 of Directive 2013/36/EU, Article 18(8) of Regulation (EU) No. 575/2013 requires the inclusion of ancillary services undertakings within the scope of prudential consolidation in accordance with the methods laid down in Article 18.

	<p>Disclaimer:</p> <p>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.</p>
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