

26/09/2014

European Banking Authority

Draft regulatory standards on disclosure of information in relation to the compliance of institutions with the requirement for a countercyclical capital buffer

General remarks

Article 440 (1) of the CRR requires that institutions disclose the geographical distribution of their credit exposures relevant for the calculation of their institution-specific countercyclical buffer and the amount of the institution specific countercyclical capital buffer. The EBA shall develop draft RTS specifying the disclosure requirements set out in the article.

The Swedish Bankers' Association is of the opinion the templates in the draft RTS are too detailed and requests more information than are required according to article 440 (1).

Table 1 requires institutions to disclose both exposure values and own funds requirements as well as breakdowns on credit, trading book and securitisation exposures. As we see it the EBA only has mandate to require institution to disclose REA, and also, not further breakdowns of risk types. Table 1 also require disclosure for the countercyclical buffer rate for each country, this is as well beyond the mandate. In addition, in the instruction it is stated that ESRB is required to publish the applicable buffer rates on their website, meaning that this information already is disclosed.

Table 2 requires institutions to disclose total risk exposure amount, institution-specific capital requirement and institution-specific countercyclical capital buffer. The EBA only has mandate for the amount of institutions-specific countercyclical buffer rate.

The EBA argues (p. 20) the information requested are needed to give the full picture of the credit exposures which are relevant for the calculation of the institution-specific countercyclical buffer. This indicates the EAB considers the scope of the provision not being accurate and that the scope intentionally has been broadened. This is not



Svenska
Bankföreningen
Swedish Bankers' Association

acceptable either from a principle or a legal certainty perspective.

EBA questions for consultation

Q01: Are the provisions included in these draft RTS sufficiently clear? Are there aspects which need to be expanded in more detail?

It is not perfectly clear when the first publication according to the RTS will occur. The CRR is in force since January 1, 2014, therefore, also the publication requirement according to article 440 in the CRR. Clarification regarding the first publication date according to the RTS would be beneficial.

SWEDISH BANKERS' ASSOCIATION

Johan Hansing

Maria Nilsson