
STATUTORY INSTRUMENTS

2014 No. 894

The Capital Requirements (Capital Buffers and Macro-prudential Measures) Regulations 2014

PART 1

Introductory provisions

Citation, commencement and cessation

1.—(1) These Regulations may be cited as the Capital Requirements (Capital Buffers and Macro-prudential Measures) Regulations 2014.

(2) Regulations 1 to 3, 7 to 13, 15 to 20, and 36 come into force on 1st May 2014.

(3) Regulations 4 to 6, 14, and 21 to 34 come into force on 1st January 2016.

(4) Regulation 35 comes into force on—

(a) 1st May 2014 so far as it relates to the institution-specific countercyclical capital buffer;
^{F1} ...

(b) 1st January 2016 so far as it relates to the capital conservation buffer and the G-SII buffer
[^{F2}; and]

[^{F3}(c) 1st January 2019 so far as it relates to the systemic risk buffer.]

(5) Regulations 13 and 19 cease to have effect on 1st January 2016.

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| F1 | Word in reg. 1(4)(a) omitted (31.5.2016) by virtue of The Capital Requirements (Capital Buffers and Macro-prudential Measures) (Amendment) Regulations 2015 (S.I. 2015/19) , regs. 1(4), 2(2)(a) |
| F2 | Word in reg. 1(4)(b) inserted (31.5.2016) by The Capital Requirements (Capital Buffers and Macro-prudential Measures) (Amendment) Regulations 2015 (S.I. 2015/19) , regs. 1(4), 2(2)(b) |
| F3 | Reg. 1(4)(c) inserted (31.5.2016) by The Capital Requirements (Capital Buffers and Macro-prudential Measures) (Amendment) Regulations 2015 (S.I. 2015/19) , regs. 1(4), 2(2)(c) |

Interpretation

2.—(1) In these Regulations—

^{F4} ...

“the Bank” means the Bank of England;

[^{F5}“capital conservation buffer” means—

- (a) in relation to a PRA-authorised person, the capital conservation buffer that the person must calculate in accordance with Chapter 2 of the Capital Buffers Part of the PRA rulebook;

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(aa) in relation to a parent financial holding company and a parent mixed financial holding company, a capital conservation buffer the holding company [^{F6}must calculate in accordance with Chapter 2 of the Capital Buffers Part of the PRA Rulebook];

(b) ^{F7} ...]

[^{F8}“the capital requirements regulation” means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as it forms part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018, and as amended from time to time thereafter;]

[^{F9}“combined buffer requirement” means the total Common Equity Tier 1 capital required to meet the requirements for the capital conservation buffer extended by the following, as applicable—

- (a) an institution-specific countercyclical capital buffer;
- (b) a G-SII buffer;
- (ba) an O-SII buffer;
- (c) a systemic risk buffer;]

“common equity tier 1 capital” has the same meaning as in Chapter 2 of Title 1 of Part 2 of the capital requirements regulation;

“countercyclical capital buffer” has the same meaning as in Articles 130, and 135 to 140, of the capital requirements directive;

^{F10} ...

^{F10} ...

^{F10} ...

^{F10} ...

“FPC” means the Financial Policy Committee of the Bank of England ^{M1};

“FSMA” means the Financial Services and Markets Act 2000 ^{M2};

“G-SII” means a global systemically important institution ^{M3};

[^{F11}“G-SII buffer” means the own funds that a G-SII is required to maintain in accordance with Part 4 of these Regulations, corresponding to the sub-category to which the G-SII is allocated and consisting of and supplementary to the Common Equity Tier 1 capital;]

[^{F12}“institution-specific countercyclical capital buffer” means—

- (a) in relation to a PRA-authorised person, the countercyclical capital buffer that the person must calculate in accordance with Chapter 3 of the Capital Buffers Part of the PRA rulebook;
- (aa) in relation to a parent financial holding company or a parent mixed financial holding company, a countercyclical capital buffer which the holding company [^{F13}must calculate in accordance with Chapter 3 of the Capital Buffers Part of the PRA Rulebook;]

(b) ^{F14} ...]

“O-SII” means other systemically important institution ^{M4};

[^{F15}“O-SII buffer” has the meaning given in regulation 34ZA.]

[^{F16}“parent financial holding company” and “parent mixed financial holding company” have the meanings given in section 192O(2) of FSMA;]

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[^{F17} “systemic risk buffer” has the meaning set out in regulation 34C(1) of these Regulations;]

(2) Except as provided by paragraph (1)—

- (a) any expression used in these Regulations which is defined in Article 4 (definitions) of the capital requirements regulation or Article 3 (definitions) of the capital requirements directive has the meaning which it is given in that Article ^{M5};
- (b) any other expression used in these Regulations which is defined in section 417 (definitions) of the Financial Services and Markets Act 2000 ^{M6} has the meaning given by that section.

[^{F18}(2A) Any reference in these Regulations to any EU regulation, EU decision or EU tertiary legislation (within the meaning of section 20 of the European Union (Withdrawal) Act 2018) is, unless the contrary intention appears, to be treated as a reference to that EU regulation, EU decision or EU tertiary legislation as it [^{F19}forms part of retained EU law].]

[^{F20}[^{F21}(3A)] In these Regulations—

- (a) a reference to the PRA rulebook is to the rulebook published by the Prudential Regulation Authority containing rules made by that Authority under FSMA as the rulebook has effect on IP completion day;]

(b) ^{F22}

^{F23}(3)

^{F24}(4)

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| F4 | Words in reg. 2(1) omitted (1.1.2022) by virtue of The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021 (S.I. 2021/1376), regs. 1(3), 17(2)(a) |
| F5 | Words in reg. 2(1) substituted (31.12.2020) by The Capital Requirements (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1401), regs. 1(3), 35(2)(a) (as amended by S.I. 2020/1406, regs. 1(2), 13(a)(ii)) and with savings in S.I. 2019/680, reg. 11 ; 2020 c. 1, Sch. 5 para. 1(1) |
| F6 | Words in reg. 2(1) substituted (1.1.2022) by The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021 (S.I. 2021/1376), regs. 1(3), 17(2)(b)(i) |
| F7 | Words in reg. 2(1) omitted (1.1.2022) by virtue of The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021 (S.I. 2021/1376), regs. 1(3), 17(2)(b)(ii) |
| F8 | Words in reg. 2(1) inserted (31.12.2020) by The Capital Requirements (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1401), regs. 1(3), 35(2)(b) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1) |
| F9 | Words in reg. 2(1) substituted (29.12.2020) by The Capital Requirements (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1401), regs. 1(2A), 35(2)(c) (as amended by S.I. 2020/1406, regs. 10, 13(a)(iii)) and with savings in S.I. 2019/680, reg. 11 |
| F10 | Words in reg. 2(1) omitted (31.12.2020) by virtue of The Capital Requirements (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1401), regs. 1(3), 35(2)(g) (as amended by S.I. 2020/1406, regs. 1(2), 13(a)(vii)) and with savings in S.I. 2019/680, reg. 11 ; 2020 c. 1, Sch. 5 para. 1(1) |
| F11 | Words in reg. 2(1) substituted (31.12.2020) by The Capital Requirements (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1401), regs. 1(3), 35(2)(d) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1) |
| F12 | Words in reg. 2(1) substituted (31.12.2020) by The Capital Requirements (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1401), regs. 1(3), 35(2)(e) (as amended by S.I. 2020/1406, regs. 1(2), 13(a)(iv)) and with savings in S.I. 2019/680, reg. 11 ; 2020 c. 1, Sch. 5 para. 1(1) |

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- F13** Words in [reg. 2\(1\)](#) substituted (1.1.2022) by [The Financial Services Act 2021 \(Prudential Regulation of Credit Institutions and Investment Firms\) \(Consequential Amendments and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/1376\)](#), regs. 1(3), [17\(2\)\(c\)\(i\)](#)
- F14** Words in [reg. 2\(1\)](#) omitted (1.1.2022) by virtue of [The Financial Services Act 2021 \(Prudential Regulation of Credit Institutions and Investment Firms\) \(Consequential Amendments and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/1376\)](#), regs. 1(3), [17\(2\)\(c\)\(ii\)](#)
- F15** Words in [reg. 2\(1\)](#) substituted (29.12.2020) by [The Capital Requirements \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1401\)](#), regs. 1(2A), [35\(2A\)](#) (as inserted by S.I. 2020/1406, regs. 1(2), [13\(b\)](#))
- F16** Words in [reg. 2\(1\)](#) inserted (31.12.2020) by [The Capital Requirements \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1401\)](#), regs. 1(3), [35\(ea\)](#) (as inserted by S.I. 2020/1406, regs. 1(2), [13\(a\)](#) (v) and with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F17** Words in [reg. 2\(1\)](#) substituted (29.12.2020) by [The Capital Requirements \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1401\)](#), regs. 1(2A), [35\(2\)\(f\)](#) (as amended by S.I. 2020/1406, regs. 10, [13\(a\)\(vi\)](#) and with savings in S.I. 2019/680, [reg. 11](#))
- F18** [Reg. 2\(2A\)](#) inserted (20.12.2018) by [The Capital Requirements \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1401\)](#), regs. 1(2), [6](#)
- F19** Words in [reg. 2\(2A\)](#) substituted (31.12.2020 immediately before IP completion day) by [The Securities Financing Transactions, Securitisation and Miscellaneous Amendments \(EU Exit\) Regulations 2020 \(S.I. 2020/1385\)](#), reg. 1(4), [Sch. para. 1\(1\)\(2\)\(f\)](#)
- F20** [Reg. 2\(2A\)](#) inserted (31.12.2020) by [The Capital Requirements \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1401\)](#), regs. 1(3), [35\(3\)](#) (as amended by S.I. 2020/1301, regs. 1, 3, [Sch. para. 11\(b\)](#) and with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F21** [Reg. 2\(2A\)](#) renumbered as [reg. 2\(3A\)](#) (1.1.2022) by [The Financial Services Act 2021 \(Prudential Regulation of Credit Institutions and Investment Firms\) \(Consequential Amendments and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/1376\)](#), regs. 1(3), [17\(3\)\(a\)](#)
- F22** [Reg. 2\(3A\)\(b\)](#) omitted (1.1.2022) by virtue of [The Financial Services Act 2021 \(Prudential Regulation of Credit Institutions and Investment Firms\) \(Consequential Amendments and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/1376\)](#), regs. 1(3), [17\(3\)\(b\)](#)
- F23** [Reg. 2\(3\)](#) omitted (31.12.2020) by virtue of [The Capital Requirements \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1401\)](#), regs. 1(3), [35\(4\)](#) (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F24** [Reg. 2\(4\)](#) omitted (31.12.2020) by virtue of [The Capital Requirements \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1401\)](#), regs. 1(3), [35\(5\)](#) (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)

Marginal Citations

- M1** The Financial Policy Committee was established by section 9B of the [Bank of England Act 1998 \(c. 11\)](#), which was inserted by section 4(1) of the [Financial Services Act 2012 \(c. 21\)](#).
- M2** 2000 c. 8.
- M3** The terms “G-SII” and “global systemically important institution” are used in Article 131 of the capital requirements directive. “Systemically important institution” is defined in Article 3(30) of the capital requirements directive and applies here by virtue of regulation 2(2)(a).
- M4** The terms “O-SII” and “other systemically important institution” are used in Article 131 of the capital requirements directive. “Systemically important institution” is defined in Article 3(30) of the capital requirements directive and applies here by virtue of regulation 2(2)(a).
- M5** “authorisation”, “consolidated basis”, “financial holding company”, “institution”, “investment firm”, “mixed financial holding company”, “sub-consolidated basis” and “subsidiary” are all defined in these Articles.
- M6** 2000 c.8. Section 417 was amended by section 48(1) of the [Financial Services Act 2012 \(c. 21\)](#), [S.I. 2010/22](#), [S.I. 2012/916](#) and [S.I. 2013/3115](#). There are other amending enactments, but none is relevant

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to these Regulations. Section 417 includes definitions of “capital requirements directive”, “capital requirements regulation” and “Tribunal”.

Conferral of functions or discretion on the FPC

3. Where these Regulations confer a function or discretion on the FPC, the FPC must exercise that function or discretion.

Appeals: application of Part 9 of the Financial Services and Markets Act 2000

4. Part 9 of FSMA (hearings and appeals) applies to a reference to the Tribunal under these regulations as it applies to a reference to the Tribunal under an Act.

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Changes and effects yet to be applied to :

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)