

Capital Requirements Directive 2013/36/EU (CRD4)

Transposition table for capital buffers

This table sets out legally binding rules implementing the capital buffer provisions of CRD4. It does not include requirements which have been imposed on an individual basis.

Abbreviations used in this table:

CA	Competent Authority
CCB	Capital Conservation Buffer
CCCB	Countercyclical Capital Buffer
CRR 2014	The Capital Requirements (Capital Buffers and Macro-prudential Measures) Regulations 2014
EBA	European Banking Authority
ESFS	European System of Financial Supervision
FCA	Financial Conduct Authority
FSMA	Financial Services and Markets Act 2000
HMT	Treasury
IFPRU	The FCA's Prudential sourcebook for Investment Firms
MS	Member State
PRA	Prudential Regulation Authority

Article	Description	Legislation
Chapter 4	Capital Buffers	

Section 1	Buffers	
128	Definitions	
	Definitions	Glossary and CRR 2014 (reg 2).
129	Requirement to maintain a capital conservation buffer	
(1)	MS to require institutions to maintain a CCB	PRA Capital Buffer Rules (draft 2.1, 5.1-5.6), IFPRU 10.2.1R, IFPRU 10.6 and CRR 2014 (reg 35).
(2)	Power for MS to exempt SME investment firms	IFPRU 10.7.1R and CRR 2014 (reg 6).
(3)	MS to designate authority in charge of application of Art 129	CRR 2014 (reg 35).
(4)	SME investment firms to be categorised in accordance with Commission Recommendation	IFPRU 10.7.2R and CRR 2014 (reg 2(4)).
(5)	Institutions not to use CET1 to meet requirements imposed under Art 104	IFPRU 10.4.1R and CRR 2014 (reg 35).
(6)	Restrictions on distributions to be applied in case of failure to meet buffer requirement	PRA Capital Buffer Rules (draft 4.2 to 4.5) and IFPRU 10.4.3R.
130	Requirement to maintain an institution-specific countercyclical buffer	
(1)	MS to require institutions to maintain a CCCB	PRA Capital Buffer Rules (draft 3.1, 5.1 to 5.6), IFPRU 10.3.1R, IFPRU 10.6 and CRR 2014 (reg 35).
(2)	Power for MS to exempt SME investment firms	IFPRU 10.7.1R and CRR 2014 (reg 20).
(3)	MS to designate authority in charge of application of Art 130	CRR 2014 (reg 7).

(4)	SME investment firms to be categorised in accordance with Commission Recommendation	IFPRU 10.7.2R and CRR 2014 (reg 2(4)).
(5)	Institutions not to use CET1 to meet requirements imposed under Art 92, 129 and 104	PRA Capital Buffer Rules (draft 4.1), IFPRU 10.4.1R and CRR 2014 (reg 35).
(6)	Restrictions on distributions to be applied in case of failure to meet buffer requirement	IFPRU 10.4.3R and PRA Capital Buffer Rules (draft 4.2 to 4.5).
131	Global and other systemically important institutions	
(1)	MS to designate authority to identify GSII and OSII	CRR 2014 (regs 21, 22, 29 and 30).
(2)	Criteria for identifying GSII	CRR 2014 (reg 23).
(3)	Criteria for identifying OSII; EBA guidelines	CRR 2014 (reg 31).
(4)	Requirement on GSII to maintain CET1 buffer	CRR 2014 (reg 35).
(5)	Power to require OSII to maintain CET1 buffer	N/a
(6)	Conditions for imposition of OSII buffer	N/a
(7)	Requirement to notify before imposing OSII buffer	N/a
(8)	Limits to level of buffer where OSII is subsidiary of GSII or OSII	N/a
(9)	GSII subcategories	CRR 2014 (reg 24).
(10)	Power of DA to reallocate GSII	CRR 2014 (reg 25).
(11)	Requirement on DA to notify EBA	CRR 2014 (reg 26).
(12)	Notification and disclosure requirements	CRR 2014 (regs 26 and 32).
(13)	Requirements not to use CET1 which counts for other purposes	CRR 2014 (reg 35).
(14)	Application of multiple buffers	N/a

(15)	Application of multiple buffers where SRB only applies in respect of domestic exposures	N/a
(16)	Application of multiple buffers on individual basis where (14) applies	N/a
(17)	Application of multiple buffers on individual basis where (15) applies	N/a
(18)	EBA RTS	N/a
132	Reporting	
(1)	Commission to report to EP and Council on extending GSII framework	N/a
(2)	Commission to report to EP and Council on amending the GSII framework	N/a
133	Requirement to maintain a systemic risk buffer	
(1)	Power for MS to introduce a SRB	N/a
(2)	MS to designate authority	N/a
(3)	Power to require institution to maintain buffer of CET1	N/a
(4)	Institutions not to use CET1 to meet requirements imposed under Art 92, 129, 130 and 104	N/a
(5)	Application of multiple buffers where SRB only applies in respect of domestic exposures	N/a
(6)	Application of multiple buffers on individual basis where (4) applies	N/a

(7)	Application of multiple buffers on individual basis where (5) applies	N/a
(8)	Scope of SRB (location of exposures)	N/a
(9)	Scope of SRB (institutions)	N/a
(10)	Conditions for imposition of SRB	N/a
(11)	Notification requirements for SRB up to 3%	N/a
(12)	Notification requirements for SRB above 3%	N/a
(13)	Power to reset buffer up to 5% from Jan 2015	N/a
(14)	Procedures for resetting buffer under (13)	N/a
(15)	ESRB and Commission opinions on notifications under (12); power of Commission to adopt delegated act to approve SRB above 3%	N/a
(16)	Designated authority required to announce setting of SRB	N/a
(17)	Restrictions on distributions to be applied in case of failure to meet buffer requirement	N/a
(18)	Equal application of SRB to all MS	N/a
134	Recognition of SRB rate	
(1)	Power for other MS to recognise SRB rate set in another MS	N/a
(2)	Requirement to notify recognition of other SRB rates	N/a
(3)	Information to be taken into account in decision to recognise	N/a

(4)	Power to request ESRB to issue recommendation	N/a
Section II	Setting and calculating Countercyclical Capital Buffers	
135	ESRB Guidance on setting CCCB rates	
(1)	Power of ESRB to issue guidance	N/a
(2)	Differences between MS to be taken into account by ESRB	N/a
(3)	Recommendation to be reviewed	N/a
136	Setting CCCB rates	
(1)	MS to designate responsible authority	CRR 2014 (reg 7).
(2)	DA to calculate quarterly buffer guide	CRR 2014 (reg 9).
(3)	DA to set CCCB rate quarterly	CRR 2014 (reg 10).
(4)	CCCB rate to be up to 2.5%, or higher if justified	CRR 2014 (reg 10).
(5)	DAs to decide date of application of CCCB rate	CRR 2014 (reg 11).
(6)	DAs to give indicative periods during which no increase is expected	CRR 2014 (reg 11).
(7)	DA required to announce setting of CCCB rate and notify ESRB	CRR 2014 (reg 12).
137	Recognition of CCCB rates in excess of 2.5%	
(1)	Power for other DAs to recognise CCCB rates above 2.5 set by another DA	CRR 2014 (regs 14 and 15)
(2)	Requirement to announce recognition	CRR 2014 (regs 17 and 18)
138	ESRB recommendation on third country CCCB rates	
	Power of ESRB to issue recommendations	N/a

139	Decision by designated authorities on third country CCCB rates	
(1)	Application of Article irrespective of ESRB recommendation	N/a
(2)	Power of DAs to set a rate which domestic institutions must apply, where third country has not set a rate	CRR 2014 (reg 15)
(3)	Power of DAs to set a different rate which domestic institutions must apply	CRR 2014 (reg 15)
(4)	Requirement for DA to decide date of application of rate	CRR 2014 (reg 17)
(5)	Requirement to publish CCCB rate	CRR 2014 (reg 18)
140	Calculation of institution-specific CCCB Rates	
(1)	Method of calculation	PRA Capital Buffer Rules (draft 3.1) and IFPRU 10.3.2R.
(2)	MS to ensure specified rates apply where another DA sets CCCB rate above 2.5%	PRA Capital Buffer Rules (draft 3.1) and IFPRU 10.3.2R.
(3)	MS to ensure specified rates apply where a third country DA sets CCCB rate above 2.5%	PRA Capital Buffer Rules (draft 3.1) and IFPRU 10.3.2R.
(4)	Relevant credit exposures to be included in calculation	PRA Capital Buffer Rules (draft 1.2) and Glossary.
(5)	Identification of geographic location of exposures	IFPRU 10.3.3G
(6)	Date of application of CCCB rate	PRA Capital Buffer Rules (draft 3.1)
(7)	EBA RTS	N/a.
Section III	Capital Conservation Buffer	
141	Restrictions on distributions	

(1)	Prohibition of distributions	PRA Capital Buffer Rules (draft 4.2) and IFPRU 10.4.2R.
(2)	MS to require institutions to calculate the MDA	PRA Capital Buffer Rules (draft 4.3) and IFPRU 10.4.3R.
(3)	MS to prohibit distributions in excess of MDA if combined buffer requirement not met	PRA Capital Buffer Rules (draft 4.3) and IFPRU 10.4.3R.
(4)	Method for calculating MDA	PRA Capital Buffer Rules (draft 4.3) and IFPRU 10.4.3R.
(5)	Sum to be multiplied	PRA Capital Buffer Rules (draft 4.3) and IFPRU 10.4.3R.
(6)	Determination of factor	PRA Capital Buffer Rules (draft 4.3) and IFPRU 10.4.3R.
(7)	Scope of application of restrictions	PRA Capital Buffer Rules (draft 4.3) and IFPRU 10.4.3R.
(8)	Requirement on institution to notify CA of distribution	PRA Capital Buffer Rules (draft 4.3) and IFPRU 10.4.3R.
(9)	Institutions to maintain arrangements to accurately calculate distributable profits	PRA Capital Buffer Rules (draft 4.3) and IFPRU 10.4.3R.
(10)	Meaning of “distribution”	PRA Capital Buffer Rules (draft 1.2) and Glossary.
142	Capital Conservation Plan	
(1)	Requirement to prepare capital conservation plan in case of failure to meet combined buffer requirement	PRA Capital Buffer Rules (draft 4.4) and IFPRU 10.5.
(2)	Matters to be included in plan	PRA Capital Buffer Rules (draft 4.5) and IFPRU 10.5.
(3)	CAs to assess plan	CRR 2014 (reg 35).
(4)	Requirement on CAs to impose measures in case of non-approval of plan	CRR 2014 (reg 35).
Chapter 2	Transitional provisions for capital buffers	

160	Transitional provisions for capital buffers		
(1)	Transitional period		N/a.
(2)	Transitional limit for CCB and CCCB to 31/12/16		CCB only: PRA Capital Buffer Rules (draft 2.2), IFPRU TP 7 and CRR 2014 (reg 5)
(3)	Transitional limit for CCB and CCCB to 31/12/17		CCB only: PRA Capital Buffer Rules (draft 2.2), IFPRU TP 7 and CRR 2014 (reg 5)
(4)	Transitional limit for CCB and CCCB to 31/12/18		CCB only: PRA Capital Buffer Rules (draft 2.2), IFPRU TP 7 and CRR 2014 (reg 5)
(5)	Application of requirements for capital conservation plan and restrictions on distributions during transitional period		CCB only: PRA Capital Buffer Rules (draft 4.2 to 4.5) and IFPRU 10.5.
(6)	MS power to impose shorter transitional period		CCCB only: PRA Capital Buffer Rules (draft 3.2), IFPRU TP 8 and CRR 2014 (Part 3)
(7)	Application of CCCB if shorter transitional period imposed		CCCB only: PRA Capital Buffer Rules (draft 3.2), IFPRU TP 8 and CRR 2014 (Parts 1 and 3).
Chapter 3	Final provisions		
162	Transposition		
(2)	Date of application of Title VII		CRR 2014
(5)	Date of application of Art 131		CRR 2014 (reg 28)
(6)	Date of application of Art 133		N/a