



Notification template for Article 131 CRD – Other Systemically Important Institutions (O-SII)

Please send this template to

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Emailing this template to the above-mentioned addresses constitutes an official notification, no further official letter is required. In order to facilitate the work of the notified authorities, please send the notification template in a format that allows electronically copying the information.

1. Notifying national authority	
1.1 Name of the notifying authority	FIN-FSA - Please note that no formal decision regarding the OSII-buffers has been taken by the FINFSA during 2016. The Finnish legislation requires the buffers to be reviewed yearly (on staff level), but since no changes were prevailing no (formal) decisions regarding the buffers have been made during 2016.
2. Description of the measure	
2.1 Concerned institution or group of institutions	Danske Bank Finland Plc 3BAUHUB4IZR54J3EPO08, Municipality Finance Plc 529900HEKOENJHPNN480, Nordea Bank Finland PlcCXW2O4H2U3MBVXMY1773 and OP-Group I7437003B5WFBOIEFY714 The measures are applied on a consolidated level.
2.2 Level of the buffer applied	0.5, 0.5, 2.0 and 2.0% respectively.
2.3 Name of the EU ultimate parent institution	Danske Bank A/S MAES062Z21O4RZ2U7M96 and Nordea Bank AB 6SCPQ280AIY8EP3XFW53
2.4 Names of subsidiaries	Please see previous notification.
3. Timing of the measure	
3.1 Timing of the Decision	Please see previous notification, no formal decision regarding OSII-buffers have been made in 2016. OSII-buffers were reviewed by FIN-FSA staff in June 2016.
3.2 Timing of the Publication	Please see above.
3.3 Disclosure	Please see above.
3.4 Timing of Application	Please see above.

3.5 Phasing in	Please see above.
3.6 Review of the measure	The Finnish OSII-buffers will be reviewed in 2017.
4. Reason for O-SII identification and activation of the O-SII buffer	
4.1 Scores of concerned institution or group of institutions, as per EBA guidelines on the assessment of O-SIIs (Article 131.3)	<p>Danske Bank Finland Plc, Municipality Finance Plc, Nordea Bank Finland and OP-Group.</p> <p>Overall scores 4.34, 5.43, 61.03 and 16.51, respectively.</p> <p>Category scores: Size 5.54, 6.19, 55.09 and 19.66. Importance .6.76, 2.52, 31.99 and 26.42. Complexity 1.74, 2.86, 88.35 and 5.88. Interconnectedness 3.34, 10.15, 68.69 and 14.09.</p> <p>Please see enclosed Excel-file.</p>
4.2 Methodology and indicators used for designation of the O-SII (Article 131.3)	<p>Please provide information on:</p> <ul style="list-style-type: none"> a. whether you followed the EBA guidelines on the assessment of O-SIIs Yes. b. which threshold score has been set to identify O-SIIs The 3.5 % threshold score has been applied. c. which of the optional indicators have been used to justify supervisory assessment decisions, if any, and what are the scores <i>No optional indicators have been used.</i> d. why these optional indicators are relevant for the Member State <i>See above</i> e. why the bank is systemically important in terms of those particular optional indicators <i>N.a.</i> f. whether relevant entities with relative total assets not in excess of 0.02% have been excluded from the identification process <i>No, all entities are included.</i> g. names and scores of all relevant entities not excluded from the identification process (could be sent in a separate excel file, see 4.1) <i>O-SII excel file.</i> h. whether non-bank institutions have been included in the calculations <i>All Finnish credit institutions and branches operating in Finland are included in the calculations.</i>
4.3 Supervisory judgement	Not used.

4.4 Calibrating the O-SII buffer	Please see previous notification.
4.5 Effectiveness and proportionality of measure	Please see previous notification.
5. Cross-border and cross-sector impact of the measure	
5.1 Assessment of cross-border effects and the likely impact on the internal market (Recommendation ESRB/2015/2)	Since no changes to the OSII-buffers have been made in 2016, the cross-border impact is seen as neutral, both in terms of potential inward and outward spillovers.
5.2 Assessment of leakages and regulatory arbitrage within the notifying Member State	Since no changes to the OSII-buffers have been made in 2016, the impact on domestic markets is seen as neutral.
6. Combinations and interactions with other measures	
6.1 Combinations between G-SII and O-SII buffers (Article 131.14)	n.a.
6.2 Combinations with SRB buffers (Article 131.14 + Article 133.5)	The Finnish Ministry of Finance has publicly announced its intention to provide a Government proposal regarding the systemic risk buffer to the Parliament mid-2017. Home country systemic risk buffers apply to Danske Bank A/S and Nordea Bank AB.
6.3 O-SII requirement for a subsidiary (Article 131.8)	IA G-SII-buffer of 1,0% applies to Nordea Bank AB (Sweden). Home country OSII-buffers apply to Danske Bank A/S and Nordea Bank AB.
6.4 Interaction with other measures	Capital conservation buffer introduced in Finland 1.1.2015 without phasing in.

7. Miscellaneous	
7.1 Contact person(s) at notifying authority	Peik Granlund, +358505217277, peik.granlund@fiva.fi

7.2 Any other relevant information	
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