

Notification template for Articles 133 and 134(5) of the Capital Requirements Directives (CRD) – Systemic risk buffer (SyRB)

Template for notifying the European Central Bank (ECB) and European Systemic Risk Board (ESRB) of the setting or resetting of one or more systemic risk buffer rates pursuant to Article 133(9) CRD and to request that the ESRB issue a recommendation to other Member States to reciprocate the measure under Article 134(5) CRD

Please send/upload this template to

- macropru.notifications@ecb.europa.eu when notifying the ECB (under Article 5 of the Single Supervisory Mechanism (SSM) Regulation¹);
- [DARWIN/ASTRA](#) when notifying the ESRB.

The ESRB will forward the notification to the European Commission, the European Banking Authority (EBA) and the competent and designated authorities of the Member States concerned without delay. This notification will be made public by the ESRB once the relevant authorities have adopted and published the notified macroprudential measure².

E-mailing/uploading this template to the above addresses constitutes official notification; no further official letter is required. To facilitate the work of the notified authorities, please send the notification template in a format that allows the information to be read electronically.

| 1. Notifying national authority and scope of the notification | |
|--|--|
| 1.1 Name of the notifying authority | Austrian Financial Market Authority |
| 1.2 Country of the notifying authority | Austria. |
| 1.3 Type of measure (also for reviews of existing measures) | Which SyRB measure do you intend to implement? <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Activate a new SyRB <input checked="" type="checkbox"/> Change the level of an existing SyRB <input type="checkbox"/> Change the scope of an existing SyRB (incl. changes to a subset of institutions or exposures) <input type="checkbox"/> De-activate an existing SyRB <input checked="" type="checkbox"/> Reset an existing SyRB (review) |

¹ Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (OJ L 287, 29.10.2013, p. 63).

² On request by the notifying authority, it may be agreed with the Head of the ESRB Secretariat that this notification, or a part thereof, should not be published for reasons of confidentiality or financial stability.

2. Description of the measure

2.1 Institutions covered by the intended SyRB

Please indicate whether the SyRB applies to:

- All institutions authorised in the Member State
- One or more subsets of credit institutions in the sector (please provide the names and identifiers (Legal Entity Identifier (LEI) code) of institutions covered)

Consolidated

| Name of institution | LEI code | Consolidation level |
|--|-----------------------|---|
| BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft | 529900ICA8XQYGIKR372 | consolidated |
| Erste Group Bank AG | PQOH26KWDF7CG10L6792 | consolidated |
| HYPO NOE Landesbank für Niederösterreich und Wien AG | 5493007BWYDPQZLZ0Y27 | consolidated |
| HYPO TIROL BANK AG | 0W5QHUNYV4W7GJO62R27 | consolidated |
| Oberösterreichische Landesbank Aktiengesellschaft | 529900BI5KIGX6Y LX375 | consolidated |
| Raiffeisen Bank International AG | 9ZHRYM6F437SQJ6OUG95 | consolidated |
| RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung | 529900SXEWPJ1MRRX537 | consolidated |
| Raiffeisenlandesbank Oberösterreich Aktiengesellschaft | I6SS27Q1Q3385V753S50 | consolidated |
| UniCredit Bank Austria AG | D1HEB8VEU6D9M8ZUXG17 | consolidated |
| Hypo Vorarlberg Bank AG | NS54DT27LJMDYN1YFP35 | consolidated |
| VOLKSBANK WIEN AG | 529900D4CD6DIB3CI904 | Consolidated level of the Volksbanken Verbund |
| Addiko Bank AG | 529900UKZBMDDBDZIXD62 | consolidated |

Individual Basis

| Name of institution | LEI code | Consolidation level |
|--|-----------------------|---------------------|
| Erste Group Bank AG | PQOH26KWDF7CG10L6792 | individual basis |
| Raiffeisen Bank International AG | 9ZHRYM6F437SQJ6OUG95 | individual basis |
| RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG | 529900GPOO9ISPD1EE83 | individual basis |
| Raiffeisenlandesbank Oberösterreich Aktiengesellschaft | I6SS27Q1Q3385V753S50 | individual basis |
| UniCredit Bank Austria AG | D1HEB8VEU6D9M8ZUXG17 | individual basis |
| BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft | 529900ICA8XQYGIKR372 | individual basis |
| HYPO NOE Landesbank für Niederösterreich und Wien AG | 5493007BWYDPQZLZ0Y27 | individual basis |
| Oberösterreichische Landesbank Aktiengesellschaft | 529900BI5KIGX6Y LX375 | individual basis |
| HYPO TIROL BANK AG | 0W5QHUNYV4W7GJO62R27 | individual basis |
| Hypo Vorarlberg Bank AG | NS54DT27LJMDYN1YFP35 | individual basis |

- A subsidiary whose parent is established in another Member State. (Please provide the names and identifiers (LEI code) of subsidiaries)

| Name of subsidiary | Name of the parent | LEI code of the subsidiary |
|--------------------|--------------------|----------------------------|
| | | |

| | | | |
|---|--|------------------|----------------------|
| | UniCredit Bank Austria AG | UniCredit S.p.a. | D1HEB8VEU6D9M8ZUXG17 |
| 2.2 Exposures covered by the SyRB (Article 133(5) CRD) | <p>Based on the characteristics of the Austrian banking system, two main risk channels have been identified for the Austrian banking system: (1) systemic vulnerability and (2) systemic cluster risk.</p> <p>The following indicators have been taken into account for the identification of the institutions in Austria:</p> <p>1) Regarding the component systemic vulnerability (SyRB of 0,50 %; SyRB of 0,50 % in the case of public ownership):</p> <ul style="list-style-type: none"> • Deposits secured DGS > 5 % of total secured deposits in AT and • Total assets institution > 2 % of Total Assets Banking Sector and • Vulnerability (Exposure / Position; in relation to its own capitalisation) in the AT banking network > 85 % <p>OR</p> <ul style="list-style-type: none"> • Public ownership <ul style="list-style-type: none"> ○ Public ownership > 50 % and ○ Total assets > 0,5 % <p>2) Regarding the component systemic cluster risk (SyRB of 0,50 %):</p> <ul style="list-style-type: none"> • CESEE Exposure / Banks' Total Assets > 30 % and • CESEE Earnings / Banks' Total Earnings > 30 % and • Banks'-CESEE-Exposure / AT-CESEE-Exposure > 2 % <p>Please indicate the exposures to which the SyRB applies:</p> <p><input checked="" type="checkbox"/> (a) all exposures located in the Member State that is setting the buffer;</p> <p><input type="checkbox"/> (b) the following sectoral exposures located in the Member State that is setting the buffer:</p> <ul style="list-style-type: none"> (i) <input type="checkbox"/> all retail exposures to natural persons that are secured by residential property; (ii) <input type="checkbox"/> all exposures to legal persons that are secured by mortgages on commercial immovable property; (iii) <input type="checkbox"/> all exposures to legal persons excluding those specified in point (ii); (iv) <input type="checkbox"/> all exposures to natural persons excluding those specified in point (i); <p><input type="checkbox"/> (c) subsets of any of the sectoral exposures identified in point (b). Please specify the subsets in Section 2.3;</p> <p><input checked="" type="checkbox"/> (d) all exposures located in other Member States;</p> <p><input checked="" type="checkbox"/> (e) exposures located in third countries.</p> | | |

| <p>2.3 Subsets of sectoral exposures</p> | <p>N/A</p> <table border="1" data-bbox="632 277 1461 562"> <thead> <tr> <th>Dimensions/subdimensions</th> <th>Elements</th> </tr> </thead> <tbody> <tr> <td>1. Type of debtor or counterparty sector</td> <td></td> </tr> <tr> <td><i>1.a Economic activity</i></td> <td></td> </tr> <tr> <td>2. Type of exposure</td> <td></td> </tr> <tr> <td><i>2.a Risk profile</i></td> <td></td> </tr> <tr> <td>3. Type of collateral</td> <td></td> </tr> <tr> <td><i>3.a Geographical area</i></td> <td></td> </tr> </tbody> </table> <p style="text-align: center;">-</p> | Dimensions/subdimensions | Elements | 1. Type of debtor or counterparty sector | | <i>1.a Economic activity</i> | | 2. Type of exposure | | <i>2.a Risk profile</i> | | 3. Type of collateral | | <i>3.a Geographical area</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|------------------------------|---|--------------------|------------------------------|------------------------------|---|------------------------------|---|--|-----------------------|-----------------|------------------------------|-----------------|---|--|--|--|--|--|---|-------|--|--|--|---|-------|--|--|--|---|-------|--|--|--|---|-------|--|--|--|---|-----------------|--|-----------------|--|---|-----------------|--|-----------------|--|--|--|--|--|---|---|-------|--|--|
| Dimensions/subdimensions | Elements | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Type of debtor or counterparty sector | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>1.a Economic activity</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Type of exposure | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>2.a Risk profile</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Type of collateral | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>3.a Geographical area</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>2.4 Exposures located in other Member States and in third countries</p> | <p>All exposures.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>2.5 Buffer rate (Article 133(9)(e) CRD)</p> | <p>Specify the intended SyRB rate. If different buffer requirements apply to different exposures or subsets of exposures, please specify for each exposure indicated under 2.2.</p> <p>Please indicate any changes to the list in 2.1 of institutions concerned and in the buffer rates given in point 2.5 as compared to the last notification, and provide an explanation, if applicable.</p> <table border="1" data-bbox="632 1021 1474 1964"> <thead> <tr> <th rowspan="2">Exposures</th> <th colspan="2">New SyRB rate</th> <th colspan="2">Previous SyRB rate</th> </tr> <tr> <th>All institutions (SyRB rate)</th> <th>Set of institutions (range of SyRB rates)</th> <th>All institutions (SyRB rate)</th> <th>Set of institutions (range of SyRB rates)</th> </tr> </thead> <tbody> <tr> <td>(a) All exposures located in the Member State that is setting the buffer</td> <td style="text-align: center;">%</td> <td style="text-align: center;">0,50 % - 1,00 %</td> <td></td> <td style="text-align: center;">0,50 % - 1,00 %</td> </tr> <tr> <td colspan="5"><i>(b) The following sectoral exposures located in the Member State that is setting the buffer:</i></td> </tr> <tr> <td>(i) All retail exposures to natural persons that are secured by residential property</td> <td style="text-align: center;">%</td> <td style="text-align: center;">% - %</td> <td></td> <td></td> </tr> <tr> <td>(ii) All exposures to legal persons that are secured by mortgages on commercial immovable property</td> <td style="text-align: center;">%</td> <td style="text-align: center;">% - %</td> <td></td> <td></td> </tr> <tr> <td>(iii) All exposures to legal persons excluding those specified in point (ii)</td> <td style="text-align: center;">%</td> <td style="text-align: center;">% - %</td> <td></td> <td></td> </tr> <tr> <td>(iv) All exposures to natural persons excluding those specified in point (i)</td> <td style="text-align: center;">%</td> <td style="text-align: center;">% - %</td> <td></td> <td></td> </tr> <tr> <td>(c) All exposures located in other Member States</td> <td style="text-align: center;">%</td> <td style="text-align: center;">0,50 % - 1,00 %</td> <td></td> <td style="text-align: center;">0,50 % - 1,00 %</td> </tr> <tr> <td>(e) Exposures located in third countries</td> <td style="text-align: center;">%</td> <td style="text-align: center;">0,50 % - 1,00 %</td> <td></td> <td style="text-align: center;">0,50 % - 1,00 %</td> </tr> <tr> <td colspan="5"><i>(f) Subsets of any of the sectoral exposures identified in point (b):</i></td> </tr> <tr> <td>(i) Please specify the subset [Dimension/subdimensions]</td> <td style="text-align: center;">%</td> <td style="text-align: center;">% - %</td> <td></td> <td></td> </tr> </tbody> </table> | Exposures | New SyRB rate | | Previous SyRB rate | | All institutions (SyRB rate) | Set of institutions (range of SyRB rates) | All institutions (SyRB rate) | Set of institutions (range of SyRB rates) | (a) All exposures located in the Member State that is setting the buffer | % | 0,50 % - 1,00 % | | 0,50 % - 1,00 % | <i>(b) The following sectoral exposures located in the Member State that is setting the buffer:</i> | | | | | (i) All retail exposures to natural persons that are secured by residential property | % | % - % | | | (ii) All exposures to legal persons that are secured by mortgages on commercial immovable property | % | % - % | | | (iii) All exposures to legal persons excluding those specified in point (ii) | % | % - % | | | (iv) All exposures to natural persons excluding those specified in point (i) | % | % - % | | | (c) All exposures located in other Member States | % | 0,50 % - 1,00 % | | 0,50 % - 1,00 % | (e) Exposures located in third countries | % | 0,50 % - 1,00 % | | 0,50 % - 1,00 % | <i>(f) Subsets of any of the sectoral exposures identified in point (b):</i> | | | | | (i) Please specify the subset [Dimension/subdimensions] | % | % - % | | |
| Exposures | New SyRB rate | | Previous SyRB rate | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | All institutions (SyRB rate) | Set of institutions (range of SyRB rates) | All institutions (SyRB rate) | Set of institutions (range of SyRB rates) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) All exposures located in the Member State that is setting the buffer | % | 0,50 % - 1,00 % | | 0,50 % - 1,00 % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>(b) The following sectoral exposures located in the Member State that is setting the buffer:</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) All retail exposures to natural persons that are secured by residential property | % | % - % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) All exposures to legal persons that are secured by mortgages on commercial immovable property | % | % - % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iii) All exposures to legal persons excluding those specified in point (ii) | % | % - % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iv) All exposures to natural persons excluding those specified in point (i) | % | % - % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) All exposures located in other Member States | % | 0,50 % - 1,00 % | | 0,50 % - 1,00 % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (e) Exposures located in third countries | % | 0,50 % - 1,00 % | | 0,50 % - 1,00 % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| (i) Please specify the subset [Dimension/subdimensions] | % | % - % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

If different buffer requirements apply to different subsets of institutions, please specify for each institution mentioned under 2.1.

Consolidated

| Set of institutions | | | | |
|---------------------|---|----------------------|--|--------------------|
| Exposures | Name of institution | LEI code | New SyRB rate | Previous SyRB rate |
| All exposures | BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft | 529900ICA8XQYGIKR372 | 0,50% | 0,50% |
| All exposures | Erste Group Bank AG | PQOH26KWDF7CG10L6792 | 1,00% | 1,00% |
| All exposures | HYPO NOE Landesbank für Niederösterreich und Wien AG | 5493007BWYDPQZLZ0Y27 | 0,50% | 0,50% |
| All exposures | HYPO TIROL BANK AG | 0W5QHUNYV4W7GJO62R27 | 0,50% | 0,50% |
| All exposures | Oberösterreichische Landesbank Aktiengesellschaft | 529900BI5KIGX6YLX375 | 0,50% | 0,50% |
| All exposures | Raiffeisen Bank International AG | 9ZHRYM6F437SQJ6OUG95 | 1,00% | 1,00% |
| All exposures | RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung | 529900SXEWJP1MRRX537 | 0,50% | 0,50% |
| All exposures | Raiffeisenlandesbank Oberösterreich Aktiengesellschaft | I6SS27Q1Q3385V753S50 | 0,50% | 0,50% |
| All exposures | UniCredit Bank Austria AG | D1HEB8VEU6D9M8ZUXG17 | 0,50% | 1,00% |
| All exposures | Hypo Vorarlberg Bank AG | NS54DT27LJMDYN1YFP35 | 0,50% | 0,50% |
| All exposures | VOLKSBANK WIEN AG | 529900D4CD6IB3CI904 | 0,50% | 0,50% |
| All exposures | Addiko Bank AG | 529900UKZBMDBDZIXD62 | 0,25% (as of year end 2022) 0,50% (as of year end 2023) | 0,00% |

Individual Basis

| Set of institutions | | | | |
|---------------------|----------------------------|----------------------|---------------|--------------------|
| Exposures | Name of institution | LEI code | New SyRB rate | Previous SyRB rate |
| All exposures | Erste Group Bank AG | PQOH26KWDF7CG10L6792 | 0,50% | 1,00% |

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|---------------|---|----------------------|--|-------|
| All exposures | Raiffeisen Bank International AG | 9ZHRYM6F437SQJ6OUG95 | 0,50% | 1,00% |
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| All exposures | Oberösterreichische Landesbank Aktiengesellschaft | 529900BI5KIGX6YLX375 | 0,25% (as of year end 2022) 0,50% (as of year end 2023) | 0,00% |
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| All exposures | Hypo Vorarlberg Bank AG | NS54DT27LJMDYN1YFP35 | 0,25% (as of year end 2022) 0,50% (as of year end 2023) | 0,00% |

3. Timing for the measure

3.1 Timing for the decision

20/12/2022

3.2 Timing for publication

The expected date of publication will be in December 2022.

| | |
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| | Click here to enter a date. |
| 3.3 Disclosure | The amended Capital Buffer Regulation will be published in the Federal Law Gazette and on the FMA website (including explanatory notes). |
| 3.4 Timing for application | What is the intended date of application of the measure? Year end 2022 = 01/01/2023 |
| 3.5 Phasing in | Phasing in of increase in SyRP over 1 year. Full application of increase in SyRP starting with 1.1.2024. |
| 3.6 Review/deactivation of the measure | Review in September 2024. |
| 4. Reasons for the notified SyRB | |
| 4.1 Description of the macroprudential or systemic risk in your Member State (Article 133(9)(a) of the CRD) | <p>Since it was first implemented on January 1 2016, the SyRB has been effective in reducing long-term systemic structural risks and strengthening banks' resilience to these risks by improving their capitalization. The SyRB provides for additional capital that banks can use to absorb losses in the event of a crisis. Risk-mitigating factors notwithstanding, the structural systemic risk in the Austrian banking sector continues to be elevated. Central risks for the Austrian banking system emanate above all from</p> <ul style="list-style-type: none"> - low structural profitability; - the large size of the Austrian banking system with its high level of exposure to emerging markets in Europe; - comparably low, though substantially improved, capitalization; and - banks' specific ownership structures, which would not fully ensure the adequate recapitalization of banks in the event of a crisis. |
| 4.2 Reasons why the dimension of the macroprudential or systemic risks threatens the stability of the financial system in your Member State (Article 133(9)(b) CRD) | The systemic risk buffer is intended to mitigate the vulnerability of the banking sector against risks emanating from the financial system as a whole or a part thereof by holding additional own funds in order to increase the loss-absorbing capacity and thus the resilience of the banking sector. The SyRB will be applicable for those institutions that are most vulnerable to the identified systemic risks and described above under 2.1. This is intended to reduce the future risk of a severe disruption to the financial system as a result of systemic or macroprudential risks with potential negative effects to the real economy. |
| 4.3 Indicators used for activation of the measure | See 2.1. |
| 4.4 Effectiveness and proportionality of the measure (Article 133(9)(c) CRD) | <p>The SyRB aims at increasing the risk-bearing capacity of the Austrian banking system and, in a medium- and long-term perspective, to minimize risks to the Austrian banking system.</p> <p>According to the quantitative analysis (1) applying banks' capital plans for the coming years, and (2) considering the prevalent uncertain economic outlook, all identified banks will be able to fulfil the elevated buffer requirements (also in combination with the elevated O-SII buffer). Therefore, the macroeconomic</p> |

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| | <p>costs would be very low. This even under the conservative assumption employed in the impact assessment that banks will fully transfer the costs of holding additional CET1 on to borrowers.</p> <p>Due to the UA/RU war, accompanied by high inflation and an unclear economic outlook the increase in SyRP is subject to a phase-in over a period of two years. So the increase by 0.5 pp is split up into two steps of 0.25 pp.</p> |
| <p>4.5 Reason why the systemic risk buffer is not duplicating the functioning of the O-SII buffer provided for in Article 131 CRD (Article 133(9)(f) CRD)</p> | <p>The EU Capital Requirements Directive (CRD V) foresees additivity of the other systemically important institutions buffer (OSII buffer, Article 131 CRD V) and the systemic risk buffer (SyRB, Article 133 CRD V). The application of the two buffers has previously been complementary in Austria, given that they address different risks. The SyRB addresses systemic risks arising from the structural characteristics of the Austrian banking system, i.e. risks that are concentrated in a number of banks that are too risk-ex-posed in case of a systemic event. These systemic risks concern systemic vulnerability and systemic concentration risk. Addressing the too-big-to-fail problem, the OSII buffer aims to reduce the probability of large, systemically important credit institutions to malfunction or fail as well as to limit any related damage for the financial system and the real economy.</p> <p>In light of the interaction between the two buffers, the buffer requirements should not simply be added together. A purely mechanical approach and precise quantification of any overlap also appear inappropriate given the complexity of systemic risk. AT uses two complementary approaches to conservatively estimate the magnitude of potential overlap, namely</p> <p>(1) a structural approach – (Construction of AT-interbank network. Quantification according to the volume of edges where a SyRB bank lends to an OSII bank.</p> <p>Ratio: no double counting of risks from the surrounding system onto the surrounding system.); and</p> <p>(2) a network approach (Estimation of the reduction of risks, which are addressed by the OSII and the SyRB, by considering the „activation“ of the respective other buffers. Based in regards to the OSII on - Reduction of the sLGDs by improved absorption capacity of the system – and in regards to the SyRB on - Estimation of the decrease in crisis probability.)</p> <p>The structural approach is used to estimate the reduction in structural systemic risks addressed by the OSII buffer or the SyRB by considering the effect of the other buffer. Based on this approach, the overlap comes to 12.5% for the OSII buffer and 25% for the SyRB. According to the network approach, the combined overlap amounts to around 40%. This value, which has to be attributed to both buffers – so each about 20% –, roughly corresponds to the outcome of the structural approach.</p> <p>After overlap, the SyRB further needs to be rounded due to legal restrictions to steps of 50bps.</p> |
| <p>5. Sufficiency, consistency and non-overlap of the policy response</p> | |
| <p>5.1 Sufficiency of the policy response</p> | <p>The SyRB aims at increasing the risk-bearing capacity of the Austrian banking system and, in a medium- and long-term perspective, to minimize risks to the Austrian banking system. The macroeconomic costs are deemed to be very low. This even under the conservative assumption employed in the impact assessment that banks will fully transfer the costs of holding additional CET1 on to borrowers.(see 4.4)</p> |

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| 5.2 Consistency of application of the policy response | See 4.2. |
| 5.3 Non-overlap of the policy response | <p>There is no other policy instrument used to address the same systemic risk.</p> <p>O-SII Buffer: Addresses risks stemming from banks, which in the event of their failure present a significant risk for the stability of the financial system and therefore does not address other structural, systemic risks. (regarding the overlap with the O-SIIB see 4.5)</p> <p>Countercyclical capital buffer: Due to its limited scope and focus on cyclical risks, the countercyclical capital buffer is not suitable to address structural systemic risks.</p> <p>Pillar 2: The Pillar 2 framework does not foresee addressing structural systemic risks.</p> |
| 6. Cross-border and cross-sector impact of the measure | |
| 6.1 Assessment of cross-border effects and the likely impact on the Internal Market (Article 133(9)(d) of the CRD and Recommendation ESRB/2015/2³) | <p>In line with the findings regarding the economic impact of the SyRB at the national level, no significant cross-border effects and no impact on the Internal Market are expected.</p> <ul style="list-style-type: none"> ○ The exposure in CESEE is of particular importance as it is very large both in relation to the total assets of Austrian banks and in relation to the size of the respective foreign markets. It is not expected that the application of the SyRB on a consolidated basis will result in higher capital requirements on a subsidiary level in the individual countries. |
| 6.2 Assessment of leakages and regulatory arbitrage within the notifying Member State | N/A |
| 6.3 Request for reciprocity by other Member States (Article 134(5) CRD and Recommendation ESRB/2015/2) | No. |
| | N/A |

³ Recommendation of the European Systemic Risk Board of 15 December 2015 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures (ESRB/2015/3) (OJ C 97, 12.3.2016, p. 9).

6.4 Justification for the request for reciprocity by other Member States

(Article 134(5) CRD and Recommendation ESRB/2015/2)

7. Combination of the SyRB with other buffers

7.1 Combination with G-SII and/or O-SII buffers
(Article 131(15) CRD)

Is the sum of the systemic risk buffer rate and the higher of the O-SII/G-SII buffer rates to which the same institution is subject above 5%? **NO**

Please provide a list of the institutions subject to a G-SII or an O-SII buffer, indicating the G-SII or O-SII buffer and the sum of the G-SII/O-SII and SyRB buffers (a combined buffer rate of over 5% requires authorisation by the Commission).

Consolidated

| Name of institution | G-SII/O-SII buffer rate | O-SII consolidation level | Sum of G-SII/O-SII and SyRB rates |
|--|--|---------------------------|--|
| Erste Group Bank AG | 1,25 % (as of year end 2022); 1,50 % (as of year end 2023) | Consolidated | 2,25 % (as of year end 2022); 2,50 % (as of year end 2023) |
| Raiffeisen Bank International AG | 1,25 % (as of year end 2022); 1,50 % (as of year end 2023) | Consolidated | 2,25 % (as of year end 2022); 2,50 % (as of year end 2023) |
| UniCredit Bank Austria AG | 1,75 % | Consolidated | 2,25 % |
| BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft | 0,75 % (as of year end 2022); 0,90 % (as of year end 2023) | Consolidated | 1,25 % (as of year end 2022); 1,40 % (as of year end 2023) |
| RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung | 0,75 % (as of year end 2022); 0,90 % (as of year end 2023) | Consolidated | 1,25 % (as of year end 2022); 1,40 % (as of year end 2023) |
| Raiffeisenlandesbank Oberösterreich Aktiengesellschaft | 0,75 % (as of year end 2022); 0,90 % (as of year end 2023) | Consolidated | 1,25 % (as of year end 2022); 1,40 % (as of year end 2023) |
| VOLKSBANK WIEN AG | 0,75 % (as of year end 2022); 0,90 % (as of year end 2023) | Consolidated | 1,25 % (as of year end 2022); 1,40 % (as of year end 2023) |

Individual Basis

| Name of institution | G-SII/O-SII buffer rate | O-SII consolidation level | Sum of G-SII/O-SII and SyRB rates |
|--|--|---------------------------|--|
| Erste Group Bank AG | 1,75 % | Individual basis | 2,25 % |
| Raiffeisen Bank International AG | 1,75 % | Individual basis | 2,25 % |
| UniCredit Bank Austria AG | 1,25 % (as of year end 2022); 1,50 % (as of year end 2023) | Individual basis | 1,75 % (as of year end 2022); 2,00 % (as of year end 2023) |
| BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft | 0,50 % | Individual basis | 0,75 % (as of year end 2022); 1,00 % (as of year end 2023) |

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|--|---|--|------------------|--|
| | RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG | 0,75 % (as of year end 2022); 0,90 % (as of year end 2023) | Individual basis | 1,25 % (as of year end 2022); 1,40 % (as of year end 2023) |
| | Raiffeisenlandesbank Oberösterreich Aktiengesellschaft | 0,75 % (as of year end 2022); 0,90 % (as of year end 2023) | Individual basis | 1,25 % (as of year end 2022); 1,40 % (as of year end 2023) |
| | Erste Bank der oesterreichischen Sparkassen AG | 0,75 % (as of year end 2022); 0,90 % (as of year end 2023) | Individual basis | 0,75 % (as of year end 2022); 0,90 % (as of year end 2023) |
| 7.2 Combination with other systemic risk buffers (Article 133(11) and (12) CRD) | N/A | | | |
| 8. Miscellaneous | | | | |
| 8.1 Contact person(s)/mailbox at notifying authority | Ursula Hauser-Rethaller (ursula.hauser-rethaller@fma.gv.at) Lucas Grafl (lucas.grafl@fma.gv.at) Simon Smrechnik (simon.smrechnik@fma.gv.at) | | | |
| 8.2 Any other relevant information | - | | | |
| 8.3 Date of the notification | - Click or tap to enter a date. | | | |