



## Notification template for Article 131 of the Capital Requirements Directive (CRD) – Other Systemically Important Institutions (O-SIIs)

Template for notifying the European Central Bank (ECB) and the European Systemic Risk Board (ESRB) of the setting or resetting of an O-SII buffer under Article 131(7) CRD and of the identity of O-SIIs under Article 131(12) CRD

Please send/upload this template to:

- [macropru.notifications@ecb.europa.eu](mailto:macropru.notifications@ecb.europa.eu) when notifying the ECB (under Article 5 of the Single Supervisory Mechanism (SSM) Regulation<sup>1</sup>);
- [DARWIN/ASTRA](#) when notifying the ESRB.

The ESRB will forward this notification to the European Commission, to the European Banking Authority (EBA) and to the competent and designated authorities of the Member States concerned without delay and will publicly disclose the names of the O-SIIs on its website. This notification will be made public by the ESRB once the relevant authorities have adopted and published the notified macroprudential measure<sup>2</sup>.

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			
1.1 Name of the notifying authority	Norwegian Ministry of Finance		
1.2 Country of the notifying authority	Norway		
2. Description of the measure			
2.1a Institution or group of institutions concerned	Name of institution	LEI	Consolidation level
	DNB ASA	5967007LIEEXZX78M803	All levels
	Kommunalbanken AS	I7ETN0QQO2AHZZGHJ389	All levels
	Nordea Eiendomsrett AS	549300TTWFTM3HRP0618	All levels

<sup>1</sup> 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).

<sup>2</sup> 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authority, it may be agreed with the Head of the ESRB Secretariat that this notification, or a part thereof, should not be published for reasons of confidentiality or financial stability.

<b>2.1b Changes to the list of institutions concerned</b>	The list is unchanged from our last notification.					
<b>2.2 Level of the buffer applied</b>	<b>Name of institution</b>	<b>New O-SII buffer</b>			<b>Previous O-SII buffer</b>	
	DNB Bank ASA	2.0 %			2.0 %	
	Kommunalbanken AS	1.0 %			1.0 %	
	Nordea Eiendoms kreditt AS	1.0 %			1.0 %	
<b>2.3 Name of the ultimate EU parent institution</b>	<b>Name of identified O-SII</b>	<b>Ultimate EU parent institution</b>		<b>LEI of ultimate parent institution</b>		
	DNB Bank ASA	DNB Bank ASA		5967007LIEEXZX78M803		
	Kommunalbanken AS	Kommunalbanken AS		I7ETN0QQO2AHZZGHJ389		
	Nordea Eiendoms kreditt AS	Nordea Bank Abp		529900ODI3047E2LIV03		
<b>2.4 Names of subsidiaries</b>	<b>Name of parent O-SII identified</b>	<b>Name of O-SII subsidiary</b>			<b>LEI of O-SII subsidiary</b>	
	DNB Bank ASA	DNB Boligkreditt AS			5967007LIEEXZX659K67	
	DNB Bank ASA	DNB Luxembourg S.A			213800JQ3ZED2VM5WX46	
	DNB Bank ASA	DNB Bank Polska S.A			259400CNE07XXF17VJ03	
	DNB Bank ASA	Sbanken ASA			5967007LIEEXZXB8WO76	
	DNB Bank ASA	Sbanken Boligkreditt AS			5967007LIEEXZXB8086	
	DNB Bank ASA	DNB Asset Management Holding AS				
	DNB Bank ASA	DNB Asset Management AS			549300MX4M35DP7FZQ31	
	DNB Bank ASA	DNB Asset Management SA			549300BCCWSPNVNZA32	
<b>3. Timing for the measure</b>						
<b>3.1 Timing for the decision</b>	The final decision will be made by the Ministry of Finance after the notification procedure has been completed.					
<b>3.2 Timing for publication</b>	The final decision will be announced as soon as it is made by the Ministry of Finance.					
<b>3.3 Disclosure</b>	The decision will be announced in a press release on the Ministry's website. Letters to the institutions concerned, as well as this notification, will be published together with the press release.					
<b>3.4 Timing for application</b>	In accordance with the notification submitted in June 2021, the buffer requirements already apply for all institutions.					
<b>3.5 Phasing in</b>	N/A					
	<b>Name of institution</b>	<b>Date1</b>	<b>Date2</b>	<b>Date3</b>	<b>Date4</b>	<b>Date5</b>
		%	%	%	%	%
		%	%	%	%	%
<b>3.6 Review of the measure</b>	Pursuant to Norwegian law, the measure is reviewed annually. The next revision will be undertaken in 2023.					
<b>4. Reason for O-SII identification and activation of the O-SII buffer</b>						

	Name of institution	Size	Substitutability	Complexity	Interconnectedness	Overall Score
<b>4.1 Scores of institutions or group of institutions concerned, as per EBA guidelines on the assessment of O-SIIs (Article 131.3 CRD)</b>	DNB Bank ASA	3074	3129	5322	3802	3832
	Kommunalbanken AS	564	9	484	1036	523
	Nordea Eiendomskreditt AS	348	176	12	142	170
<b>4.2 Methodology and indicators used for designation of the O-SII (Article 131.3)</b>	<p data-bbox="571 618 1249 645">Please see the enclosed Excel-file for other institutions' scores.</p> <p data-bbox="571 689 1425 745">An institution shall be designated as systemically important and required to hold an O-SII buffer of 2 % if it has:</p> <ul style="list-style-type: none"> <li data-bbox="571 786 1361 842">a) total assets corresponding to at least 20 per cent of Mainland Norway's GDP, or</li> <li data-bbox="571 853 1209 880">b) a share of total loans to the public of at least 10 per cent.</li> </ul> <p data-bbox="571 920 1361 976">Moreover, an institution shall be designated as systemically important and required to hold an O-SII buffer of 1 % if it has:</p> <ul style="list-style-type: none"> <li data-bbox="571 1016 1361 1072">a) total assets corresponding to at least 10 per cent of Mainland Norway's GDP, or</li> <li data-bbox="571 1084 1193 1111">b) a share of total loans to the public of at least 5 per cent.</li> </ul> <p data-bbox="571 1151 1409 1207">Both criteria are mentioned as optional indicators in the EBA guidelines on the assessment of O-SIIs.</p> <p data-bbox="571 1247 1441 1404">Pursuant to the Norwegian regulation, institutions may also be designated as systemically important on the basis of, inter alia, their size, scope of operations in Norway and other countries, complexity, role in the financial infrastructure and their interconnectedness with the rest of the financial system. The EBA guidelines on the assessment of O-SIIs are used to assess these matters.</p> <p data-bbox="571 1444 1385 1500">Per year-end 2021, the three institutions had the following scores on the two main criteria:</p> <p data-bbox="571 1541 1185 1637"> <b>DNB:</b>  Total assets as share of Mainland Norway's GDP: 89.4 %  Share of total loans to the public: 24.7 % </p> <p data-bbox="571 1677 1185 1774"> <b>Kommunalbanken:</b>  Total assets as share of Mainland Norway's GDP: 14.5 %  Share of total loans to the public: 5.4 % </p> <p data-bbox="571 1814 1169 1910"> <b>Nordea Eiendomskreditt:</b>  Total assets as share of Mainland Norway's GDP: 9.0 %  Share of total loans to the public: 5.2 % </p>					

<b>4.3 Supervisory judgement</b>	N/A
<b>4.4 Calibrating the O-SII buffer</b>	While institutions which meet the previous criteria (general rule) are subject to an O-SII buffer of 1 %, the O-SII buffer is 2 % for institutions scoring at least twice as high on the same objective criteria.
<b>4.5 Effectiveness and proportionality of measure</b>	<p>Systemically important institutions have an especially significant role in Norwegian financial system, and for the Norwegian economy. The aim of higher capital requirements for such institutions is to increase their loss-bearing capacity, and thus reduce the risk of the institutions' running into difficulties that can have a severe impact on the financial system and the real economy.</p> <p>Proportionality is ensured through differentiation of the buffer requirement, based on the degree of systemic importance.</p>
<b>5. Sufficiency, consistency and non-overlap of the policy response</b>	
<b>5.1 Sufficiency of the policy response</b>	The differentiated O-SII buffer is deemed to significantly increase the loss-absorbing capacity of the most systemically important institutions in Norway. The differentiation, as described in section 4.4, is considered appropriate due to the fact that the largest institution is almost six times larger than the second largest institution.
<b>5.2 Consistency of application of the policy response</b>	The objective of the measure is to limit the systemic impact of potential difficulties in the most important institutions within the Norwegian financial system. Increasing the loss-absorbing capacity of these specific institutions is deemed consistent with the objective.
<b>5.3 Non-overlap of the policy response</b>	No other measures are used to address the particular risk posed by the identified O-SIIs.
<b>6. Cross-border and cross-sector impact of the measure</b>	
<b>6.1 Assessment of cross-border effects and the likely impact on the Internal Market</b>	The measure promotes domestic financial stability in Norway. The measure is not expected to have negative consequences on the functioning of the single market.

<b>(Recommendation ESRB/2015/2<sup>3</sup>)</b>																																					
<b>6.2 Assessment of leakages and regulatory arbitrage within the notifying Member State</b>	The measure is not expected to contribute to leakages or regulatory arbitrage within the Norwegian financial system.																																				
<b>7. Combinations and interactions with other measures</b>																																					
<b>7.1 Combinations between G-SII and O-SII buffers (Article 131.14)</b>	None of the identified O-SIIs are subject to a G-SII buffer. <table border="1" data-bbox="571 689 1441 835"> <thead> <tr> <th data-bbox="571 689 927 730">Name of institution</th> <th data-bbox="927 689 1214 730">O-SII buffer</th> <th data-bbox="1214 689 1441 730">G-SII buffer</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 730 927 770"></td> <td data-bbox="927 730 1214 770" style="text-align: center;">%</td> <td data-bbox="1214 730 1441 770" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 770 927 810"></td> <td data-bbox="927 770 1214 810" style="text-align: center;">%</td> <td data-bbox="1214 770 1441 810" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 810 927 835"></td> <td data-bbox="927 810 1214 835" style="text-align: center;">%</td> <td data-bbox="1214 810 1441 835" style="text-align: center;">%</td> </tr> </tbody> </table>	Name of institution	O-SII buffer	G-SII buffer		%	%		%	%		%	%																								
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<b>7.2 Combinations with systemic risk buffers (SyRBs) (Article 131.15 CRD)</b>	<table border="1" data-bbox="571 846 1441 1223"> <thead> <tr> <th data-bbox="571 846 890 887">Name of institution</th> <th data-bbox="890 846 1098 887">SyRB rate</th> <th data-bbox="1098 846 1257 936">SyRB application level</th> <th data-bbox="1257 846 1441 936">Sum of G-SII/O-SII and SyRB rates</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 936 890 976">DNB Bank ASA</td> <td data-bbox="890 936 1098 976" style="text-align: center;">4.5 %</td> <td data-bbox="1098 936 1257 976" style="text-align: center;">All levels</td> <td data-bbox="1257 936 1441 976" style="text-align: center;">6.5%</td> </tr> <tr> <td data-bbox="571 976 890 1016">Kommunalbanken AS</td> <td data-bbox="890 976 1098 1016" style="text-align: center;">4.5%</td> <td data-bbox="1098 976 1257 1016" style="text-align: center;">All levels</td> <td data-bbox="1257 976 1441 1016" style="text-align: center;">5.5%</td> </tr> <tr> <td data-bbox="571 1016 890 1057">Nordea Eiendoms kreditt AS</td> <td data-bbox="890 1016 1098 1057" style="text-align: center;">4.5%</td> <td data-bbox="1098 1016 1257 1057" style="text-align: center;">All levels</td> <td data-bbox="1257 1016 1441 1057" style="text-align: center;">5.5%</td> </tr> <tr> <td data-bbox="571 1057 890 1097"></td> <td data-bbox="890 1057 1098 1097" style="text-align: center;">%</td> <td data-bbox="1098 1057 1257 1097"></td> <td data-bbox="1257 1057 1441 1097" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 1097 890 1137"></td> <td data-bbox="890 1097 1098 1137" style="text-align: center;">%</td> <td data-bbox="1098 1097 1257 1137"></td> <td data-bbox="1257 1097 1441 1137" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 1137 890 1178"></td> <td data-bbox="890 1137 1098 1178" style="text-align: center;">%</td> <td data-bbox="1098 1137 1257 1178"></td> <td data-bbox="1257 1137 1441 1178" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 1178 890 1218"></td> <td data-bbox="890 1178 1098 1218" style="text-align: center;">%</td> <td data-bbox="1098 1178 1257 1218"></td> <td data-bbox="1257 1178 1441 1218" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 1218 890 1234"></td> <td data-bbox="890 1218 1098 1234" style="text-align: center;">%</td> <td data-bbox="1098 1218 1257 1234"></td> <td data-bbox="1257 1218 1441 1234" style="text-align: center;">%</td> </tr> </tbody> </table>	Name of institution	SyRB rate	SyRB application level	Sum of G-SII/O-SII and SyRB rates	DNB Bank ASA	4.5 %	All levels	6.5%	Kommunalbanken AS	4.5%	All levels	5.5%	Nordea Eiendoms kreditt AS	4.5%	All levels	5.5%		%		%		%		%		%		%		%		%		%		%
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<b>7.3 O-SII requirement for a subsidiary (Article 131.8 CRD)</b>	<table border="1" data-bbox="571 1234 1441 1424"> <thead> <tr> <th data-bbox="571 1234 890 1301">Name of O-SII subsidiary</th> <th data-bbox="890 1234 1257 1301">Name of the EU parent of the O-SII subsidiary</th> <th data-bbox="1257 1234 1441 1301">Buffer applicable to O-SII EU parent</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 1301 890 1364">Nordea Eiendoms kreditt AS</td> <td data-bbox="890 1301 1257 1364" style="text-align: center;">Nordea Bank Abp</td> <td data-bbox="1257 1301 1441 1364" style="text-align: center;">2.0%</td> </tr> <tr> <td data-bbox="571 1364 890 1404"></td> <td data-bbox="890 1364 1257 1404"></td> <td data-bbox="1257 1364 1441 1404" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 1404 890 1435"></td> <td data-bbox="890 1404 1257 1435"></td> <td data-bbox="1257 1404 1441 1435" style="text-align: center;">%</td> </tr> </tbody> </table>	Name of O-SII subsidiary	Name of the EU parent of the O-SII subsidiary	Buffer applicable to O-SII EU parent	Nordea Eiendoms kreditt AS	Nordea Bank Abp	2.0%			%			%																								
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<b>8. Miscellaneous</b>																																					
<b>8.1 Contact person(s)/mailbox at notifying authority</b>	Tormod Fauske Tho Phone: +47 22 24 45 11 / +47 22 24 45 21 E-mail: <a href="mailto:tho@fin.dep.no">tho@fin.dep.no</a>																																				
<b>8.2 Any other relevant information</b>	N/A																																				
<b>8.3 Date of the notification</b>	Please provide the date on which this notification was uploaded/sent. 30/09/2022																																				

<sup>3</sup> 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).

