

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 when notifying the ECB (under Article 5 of the Single Supervisory Mechanism (SSM) Regulation¹);
- notifications@esrb.europa.eu 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 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																
1.1 Name of the notifying authority	Bank of Greece (BoG)															
1.2 Country of the notifying authority	Greece															
2. Description of the measure																
2.1a Institution or group of institutions concerned	<table border="1"> <thead> <tr> <th>Name of Institution</th> <th>LEI</th> <th>Consolidation Level</th> </tr> </thead> <tbody> <tr> <td>National Bank of Greece S.A.</td> <td>5UMCZOEYKCVFAW8ZLO05</td> <td>Highest level of consolidation</td> </tr> <tr> <td>Piraeus Financial Holdings S.A.</td> <td>M6AD1Y1KW32H8THQ6F76</td> <td>Highest level of consolidation</td> </tr> <tr> <td>Alpha Services & Holdings S.A.</td> <td>5299009N55YRQC69CN08</td> <td>Highest level of consolidation</td> </tr> <tr> <td>Eurobank Ergasias Services & Holdings S.A.</td> <td>JEUVK5RWVJEN8W0C9M24</td> <td>Highest level of consolidation</td> </tr> </tbody> </table>	Name of Institution	LEI	Consolidation Level	National Bank of Greece S.A.	5UMCZOEYKCVFAW8ZLO05	Highest level of consolidation	Piraeus Financial Holdings S.A.	M6AD1Y1KW32H8THQ6F76	Highest level of consolidation	Alpha Services & Holdings S.A.	5299009N55YRQC69CN08	Highest level of consolidation	Eurobank Ergasias Services & Holdings S.A.	JEUVK5RWVJEN8W0C9M24	Highest level of consolidation
	Name of Institution	LEI	Consolidation Level													
	National Bank of Greece S.A.	5UMCZOEYKCVFAW8ZLO05	Highest level of consolidation													
	Piraeus Financial Holdings S.A.	M6AD1Y1KW32H8THQ6F76	Highest level of consolidation													
	Alpha Services & Holdings S.A.	5299009N55YRQC69CN08	Highest level of consolidation													
Eurobank Ergasias Services & Holdings S.A.	JEUVK5RWVJEN8W0C9M24	Highest level of consolidation														

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.

2.1b Changes to the list of institutions concerned	<p>The list of the institutions concerned is the same with the one of the previous year. However, in two of the identified OSII (Piraeus Financial Holdings S.A. and Alpha Services & Holdings S.A.) there were changes in the group structure with respect to the parent company (hive down of the banking activity). In particular, the parent company ceased to be a credit institution, was transformed to a holding company and maintained only activities, assets and liabilities not related to the main banking activities. All main banking activities were taken over by a new licensed banking entity directly and wholly owned by the parent company.</p>															
2.2 Level of the buffer applied	<table border="1" data-bbox="485 539 1469 909"> <thead> <tr> <th data-bbox="485 539 963 656">Name of Institution</th> <th data-bbox="963 539 1219 656">New O-SII buffer requirement (2023)</th> <th data-bbox="1219 539 1469 656">Previous O-SII buffer requirement (2023)</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 656 963 712">National Bank of Greece S.A.</td> <td data-bbox="963 656 1219 712">1.00%</td> <td data-bbox="1219 656 1469 712">1.00%</td> </tr> <tr> <td data-bbox="485 712 963 768">Piraeus Financial Holdings S.A.</td> <td data-bbox="963 712 1219 768">0.75%</td> <td data-bbox="1219 712 1469 768">0.75%</td> </tr> <tr> <td data-bbox="485 768 963 824">Alpha Services & Holdings S.A.</td> <td data-bbox="963 768 1219 824">1.00%</td> <td data-bbox="1219 768 1469 824">1.00%</td> </tr> <tr> <td data-bbox="485 824 963 909">Eurobank Ergasias Services & Holdings S.A.</td> <td data-bbox="963 824 1219 909">1.00%</td> <td data-bbox="1219 824 1469 909">1.00%</td> </tr> </tbody> </table> <p data-bbox="459 958 1283 987">Please note that there were not any changes in the OSII buffer requirements.</p>	Name of Institution	New O-SII buffer requirement (2023)	Previous O-SII buffer requirement (2023)	National Bank of Greece S.A.	1.00%	1.00%	Piraeus Financial Holdings S.A.	0.75%	0.75%	Alpha Services & Holdings S.A.	1.00%	1.00%	Eurobank Ergasias Services & Holdings S.A.	1.00%	1.00%
Name of Institution	New O-SII buffer requirement (2023)	Previous O-SII buffer requirement (2023)														
National Bank of Greece S.A.	1.00%	1.00%														
Piraeus Financial Holdings S.A.	0.75%	0.75%														
Alpha Services & Holdings S.A.	1.00%	1.00%														
Eurobank Ergasias Services & Holdings S.A.	1.00%	1.00%														
2.3 Name of the ultimate EU parent institution	<p>The concerned institutions are the EU ultimate parent institutions of the groups.</p>															
2.4 Names of subsidiaries	<p>The O-SII buffer applies to each individual credit institution of the designated O-SII as follows:</p> <table border="1" data-bbox="485 1160 1469 1637"> <thead> <tr> <th data-bbox="485 1160 804 1245">Name of parent O-SII identified</th> <th data-bbox="804 1160 1123 1245">Name of O-SII subsidiary</th> <th data-bbox="1123 1160 1469 1245">LEI of O-SII subsidiary</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 1245 804 1339">-</td> <td data-bbox="804 1245 1123 1339">National Bank of Greece S.A.</td> <td data-bbox="1123 1245 1469 1339">5UMCZOEYKCVFAW8ZLO05</td> </tr> <tr> <td data-bbox="485 1339 804 1424">Piraeus Financial Holdings S.A.</td> <td data-bbox="804 1339 1123 1424">Piraeus Bank Societe Anonyme</td> <td data-bbox="1123 1339 1469 1424">213800OYHR1MPQ5VJL60</td> </tr> <tr> <td data-bbox="485 1424 804 1509">Alpha Services & Holdings S.A.</td> <td data-bbox="804 1424 1123 1509">Alpha Bank S.A.</td> <td data-bbox="1123 1424 1469 1509">213800DBQIB6VBNU5C64</td> </tr> <tr> <td data-bbox="485 1509 804 1637">Eurobank Ergasias Services & Holdings S.A.</td> <td data-bbox="804 1509 1123 1637">Eurobank S.A.</td> <td data-bbox="1123 1509 1469 1637">213800KGF4EFNUQKAT69</td> </tr> </tbody> </table>	Name of parent O-SII identified	Name of O-SII subsidiary	LEI of O-SII subsidiary	-	National Bank of Greece S.A.	5UMCZOEYKCVFAW8ZLO05	Piraeus Financial Holdings S.A.	Piraeus Bank Societe Anonyme	213800OYHR1MPQ5VJL60	Alpha Services & Holdings S.A.	Alpha Bank S.A.	213800DBQIB6VBNU5C64	Eurobank Ergasias Services & Holdings S.A.	Eurobank S.A.	213800KGF4EFNUQKAT69
Name of parent O-SII identified	Name of O-SII subsidiary	LEI of O-SII subsidiary														
-	National Bank of Greece S.A.	5UMCZOEYKCVFAW8ZLO05														
Piraeus Financial Holdings S.A.	Piraeus Bank Societe Anonyme	213800OYHR1MPQ5VJL60														
Alpha Services & Holdings S.A.	Alpha Bank S.A.	213800DBQIB6VBNU5C64														
Eurobank Ergasias Services & Holdings S.A.	Eurobank S.A.	213800KGF4EFNUQKAT69														
3. Timing of the measure																
3.1 Timing for the decision	<p>The Bank of Greece is expected to take its final decision on 29/11/2021.</p>															
3.2 Timing for publication	<p>The intended date for publication of the final decision on the O-SII buffer is 15/12/2021.</p>															
3.3 Disclosure	<p>BoG shall notify the ECB and the ESRB.</p>															

	The decision is intended to be disclosed on the BoG's website on 15/12/2021, and circular letters will be sent to the O-SII institutions informing them of this decision.																														
3.4 Timing for application	<p>The intended date of activation (the date that the measure will be applicable) is 1 January 2022</p> <p>For the O-SIIs identified, the buffers will be fully implemented on 1 January 2023 according to the phase in scheme below.</p> <p>For 2022, the O-SII buffer is set at 0.75% for the O-SIIs identified.</p>																														
3.5 Phasing in	<p>The intended timeline for the phase-in of the measure is:</p> <table border="1"> <thead> <tr> <th>Name of Institution</th> <th>1/1/2019</th> <th>1/1/2020</th> <th>1/1/2021</th> <th>1/1/2022</th> <th>1/1/2023</th> </tr> </thead> <tbody> <tr> <td>National Bank of Greece S.A.</td> <td>0.25%</td> <td>0.50%</td> <td>0.50%</td> <td>0.75%</td> <td>1.00%</td> </tr> <tr> <td>Piraeus Financial Holdings S.A.</td> <td>0.25%</td> <td>0.50%</td> <td>0.50%</td> <td>0.75%</td> <td>0.75%</td> </tr> <tr> <td>Alpha Services & Holdings S.A.</td> <td>0.25%</td> <td>0.50%</td> <td>0.50%</td> <td>0.75%</td> <td>1.00%</td> </tr> <tr> <td>Eurobank Ergasias Services & Holdings S.A.</td> <td>0.25%</td> <td>0.50%</td> <td>0.50%</td> <td>0.75%</td> <td>1.00%</td> </tr> </tbody> </table> <p>Going forward, the intended timeline for the phase-in of the measure applies also to the subsidiaries mentioned in 2.4.</p>	Name of Institution	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	National Bank of Greece S.A.	0.25%	0.50%	0.50%	0.75%	1.00%	Piraeus Financial Holdings S.A.	0.25%	0.50%	0.50%	0.75%	0.75%	Alpha Services & Holdings S.A.	0.25%	0.50%	0.50%	0.75%	1.00%	Eurobank Ergasias Services & Holdings S.A.	0.25%	0.50%	0.50%	0.75%	1.00%
Name of Institution	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023																										
National Bank of Greece S.A.	0.25%	0.50%	0.50%	0.75%	1.00%																										
Piraeus Financial Holdings S.A.	0.25%	0.50%	0.50%	0.75%	0.75%																										
Alpha Services & Holdings S.A.	0.25%	0.50%	0.50%	0.75%	1.00%																										
Eurobank Ergasias Services & Holdings S.A.	0.25%	0.50%	0.50%	0.75%	1.00%																										
3.6 Review of the measure	The measure will be reviewed on an annual basis.																														
4. Reason for O-SII identification and activation of the O-SII buffer																															
4.1 Scores of institutions or group of institutions concerned, as per EBA guidelines on the assessment of O-SIIs (Article 131.3 CRD)	<table border="1"> <thead> <tr> <th>Name of Institution</th> <th>Size</th> <th>Substitutability</th> <th>Complexity</th> <th>Inter-connectedness</th> <th>Total Score</th> </tr> </thead> <tbody> <tr> <td>National Bank of Greece S.A.</td> <td>2.506</td> <td>2.418</td> <td>3.004</td> <td>2.271</td> <td>2.550</td> </tr> <tr> <td>Alpha Services & Holdings S.A.</td> <td>2.347</td> <td>2.329</td> <td>2.424</td> <td>1.901</td> <td>2.250</td> </tr> <tr> <td>Piraeus Financial Holdings S.A.</td> <td>2.418</td> <td>2.568</td> <td>1.189</td> <td>1.550</td> <td>1.931</td> </tr> <tr> <td>Eurobank Ergasias Services & Holdings S.A.</td> <td>2.288</td> <td>2.026</td> <td>3.343</td> <td>3.364</td> <td>2.755</td> </tr> </tbody> </table>	Name of Institution	Size	Substitutability	Complexity	Inter-connectedness	Total Score	National Bank of Greece S.A.	2.506	2.418	3.004	2.271	2.550	Alpha Services & Holdings S.A.	2.347	2.329	2.424	1.901	2.250	Piraeus Financial Holdings S.A.	2.418	2.568	1.189	1.550	1.931	Eurobank Ergasias Services & Holdings S.A.	2.288	2.026	3.343	3.364	2.755
Name of Institution	Size	Substitutability	Complexity	Inter-connectedness	Total Score																										
National Bank of Greece S.A.	2.506	2.418	3.004	2.271	2.550																										
Alpha Services & Holdings S.A.	2.347	2.329	2.424	1.901	2.250																										
Piraeus Financial Holdings S.A.	2.418	2.568	1.189	1.550	1.931																										
Eurobank Ergasias Services & Holdings S.A.	2.288	2.026	3.343	3.364	2.755																										
4.2 Methodology and indicators used for designation of the O-SII (Article 131.3)	<ul style="list-style-type: none"> - The identification has been carried out using the criteria outlined and defined in the methodology of the EBA Guidelines (EBA/GL/2014/10). - Institutions with a score equal or higher than 350 basis points were designated as an O-SII. - BoG applied the mandatory indicators as per the EBA relative GLs. BoG did not use any of the optional indicators presented in Annex 2 of the EBA GLs. - See table below for the name and scores of the entities that were included in the identification process but were not designated as OSIIs. - BoG's scoring process was conducted using consolidated FINREP/COREP data as of 31 December 2020 on a consolidated basis. When the FINREP variables were not available, proxies 																														

were used taken from solo accounts (dated December 2020) supplemented by additional data available to BoG.

Institution Name	Size	Substitutability	Complexity	Inter-connectedness	Total Score
ATTICA BANK S.A.	121	163	1	103	97
OPTIMA BANK SA.	34	72	7	16	32
AEGEAN BALTIC BANK S.A.	20	41	30	22	29
VIVA WALLET HOLDINGS - SOFTWARE DEVELOPMENT S.A.	7	5	2	16	7
COOPERATIVE BANK OF CHANIA COOP L.L.	24	80	-	18	30
COOPERATIVE BANK OF EPIRUS LTD.	10	19	-	4	8
PANCRETAN BANK SA	72	94	-	54	55
COOPERATIVE BANK OF KARDITSA COOP. L.L.	5	10	-	0	4
COOPERATIVE BANK OF THESSALY COOP. L.L.	9	14	-	6	7
COOPERATIVE BANK OF DRAMA	3	5	-	0	2
COOPERATIVE BANK OF CENTRAL MACEDONIA LTD	7	11	-	4	5
Virtual Entity (branches)	129	143	0	671	236

4.3 Supervisory judgement

No institutions were identified through supervisory judgement

4.4 Calibrating the O-SII buffer

For the calibration of buffer, the Bank of Greece relies on a rather simple methodology. It consists of a proportional mapping of the scores based on the EBA guidelines to buffer requirements using the highest score as a benchmark/reference.

Banks were sorted into eight buckets according to their O-SII scores, where the O-SII buffer rate is determined by the bucket in which the respective bank finds itself (steps of 0.25 percentage points: 0.25%, 0.50%, 0.75%, 1.00%, 1.25%, 1.50% and 2.00% rounded to the next step). The rates applicable to the eight buckets are 0.25%, 0.50%, 0.75%, 1.00%, 1.25%, 1.50%, 2.00% and 3.00% respectively.

4.5 Effectiveness and proportionality of measure

The build-up of the O-SII buffer will increase resilience of institutions and reduce moral hazard arising from the “too big to fail” issue.

In the case of Greece, the four identified institutions represent 95.6% of the domestic market in terms of total assets and therefore it is necessary to introduce positive O-SII capital buffers for all of them.

5. Sufficiency, consistency and non-overlap of the policy response

5.1 Sufficiency of the policy response	<p>The proposed O-SII buffer aims to strengthen the resilience of these institutions avoiding any unintended consequences on the general economy or on the risk-taking behaviour of these banks. The proposed calibration is considered sufficient and appropriate. After reducing significantly their cross border presence, the identified O-SIIs are in the middle of further decreasing their risk exposures by executing a sizable NPL deleveraging strategy, while maintaining a conservative stance on their credit expansion. Concurrently the institutions have been enhancing their capital base by capital increases and the issuance of other capital instruments.</p>
5.2 Consistency of application of the policy response	<p>The O-SII buffer aims to reduce moral hazard and to strengthen the resilience of systemically important credit institutions by limiting the systemic impact of misaligned incentives. The identification of the OSIIIs and the OSII buffer determination are described in 4.2, 4.3 and 4.4 and have been conducted in accordance with the ESRB framework.</p>
5.3 Non-overlap of the policy response	<p>There is non-overlap given that there are no other policy instruments used to address the same systemic risk.</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 (Recommendation ESRB/2015/2³)	<p>The Greek banking system is rather concentrated (4 domestic institutions holding about 95.6% of the market) whereas is mostly oriented/focused in domestic activities/market. Therefore, we do not expect material negative spill-overs for the internal market.</p>
6.2 Assessment of leakages and regulatory arbitrage within the notifying Member State	<p>Regulatory arbitrage and leakages within Greece are not likely since the four institutions hold about 95.6% of the market share and the remaining institutions have much smaller size.</p>
7. Combinations and interactions with other measures	
7.1 Combinations between G-SII and O-SII buffers (Article 131.14)	<p>Not applicable</p>
7.2 Combinations with systemic risk buffers (SyRBs) (Article 131.15 CRD)	<p>No institution is subject to a systemic risk buffer.</p>
7.3 O-SII requirement for a subsidiary (Article 131.8 CRD)	<p>Not applicable</p>

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).

8. Miscellaneous

8.1 Contact person(s)/mailbox at notifying authority	Ioannis Tsikripis E-Mail : itsikripis@bankofgreece.gr Phone Contact: 0030 210 3205031 Ekaterini Korbi E-Mail : akorbi@bankofgreece.gr Phone Contact: 0030 210 3205167
8.2 Any other relevant information	-
8.3 Date of the notification	15/11/2021