

OPINION OF THE EUROPEAN SYSTEMIC RISK BOARD

of 28 July 2022

regarding the existing systemic risk buffer pursuant to Article 133 and the Belgian notification of the setting or resetting of O-SII buffer rates pursuant to Article 131 of Directive 2013/36/EU of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions

(ESRB/2022/5)

THE GENERAL BOARD OF THE EUROPEAN SYSTEMIC RISK BOARD,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board¹, and in particular Article 3(2)(j) thereof,

Having regard to Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC², and in particular Article 131(3), (5a) and (15) thereof,

Having regard to Decision ESRB/2015/4 of the European Systemic Risk Board of 16 December 2015 on a coordination framework for the notification of national macroprudential policy measures by relevant authorities, the issuing of opinions and recommendations by the ESRB, and repealing Decision ESRB/2014/2³,

Whereas:

- (1) The Nationale Bank van België/Banque Nationale de Belgique (NBB/BNB), acting as the designated authority for the purpose of Article 131 of Directive 2013/36/EU, notified the European Systemic Risk Board (ESRB) on 28 April 2022 of its decision requiring certain institutions to maintain a buffer relating to other systemically important institutions (O-SIIs) (hereinafter the 'O-SII buffer') of Common Equity Tier 1 capital, in accordance with Article 131 of that Directive.
- (2) The O-SII buffer will apply to eight domestic credit institutions or groups of credit institutions. The level of the O-SII buffer rate applicable to these eight credit institutions or groups of credit institutions will range between 0.75 % and 1.50 %. The list of institutions to which the O-SII buffer rate will apply now includes Crelan SA, following its takeover of AXA Bank Belgium SA. AXA Bank Belgium SA has

¹ OJ L 331, 15.12.2010, p. 1.

² OJ L 176, 27.6.2013, p. 338.

³ OJ C 97, 12.3.2016, p. 28.

already been identified as an O-SII before the takeover. In addition, Euroclear Holding has been identified as an O-SII for the first time as Euroclear Bank, a credit institution within the Euroclear Group previously identified as O-SII, is now consolidated at the Euroclear Holding level. The O-SII buffers for the other credit institutions that were previously identified as O-SIIs remain unchanged.

- (3) The O-SII buffer will be applied in combination with the existing sectoral systemic risk buffer (sSyRB) applicable in Belgium from 1 May 2022, and will be cumulative with the sSyRB rate applicable to a subset of exposures. The sum of the O-SII buffer rate and the sSyRB rate to which some of the institutions identified as O-SII will be subject will be higher than 5% for this subset of exposures and for each of the institutions falling within the scope of the O-SII buffer and the sSyRB measure. Both the O-SII buffer and the sSyRB will apply to six of the eight credit institutions or group of credit institutions identified as O-SIIs.
- (4) On 16 February 2022 the ESRB issued an opinion assessing that the setting of an sSyRB rate applicable in Belgium by the NBB/BNB was justified, proportionate, effective and efficient. In addition, the combination of the sSyRB rate, applicable from 1 May 2022, with the O-SII buffer rates in place at that time was assessed as proportionate and effective for all credit institutions falling within the scope of the two measures,

HAS ADOPTED THIS OPINION:

1. The setting or resetting of an O-SII buffer by the NBB/BNB, in combination with the existing sSyRB to which some of the institutions identified as O-SIIs are already subject, results in a sum of the O-SII buffer and sSyRB that is higher than 5% for a subset of exposures and for each of the O-SIIs that falls within the scope of the measure. The cumulative buffer rate is, under the current circumstances, assessed as appropriate and effective for each of the institutions that falls within the scope of the two measures. In particular, the combined O-SII buffer and sSyRB rates, under the current circumstances, are not expected to entail disproportionate adverse effects on the whole or parts of the financial system of other Member States or of the Union as a whole forming or creating an obstacle to the proper functioning of the internal market.
2. The attached assessment note entitled 'Background note on a measure taken in Belgium pursuant to Article 131 in combination with an existing measure pursuant to Article 133 of the Capital Requirements Directive' is an integral part of this Opinion.

Done at Frankfurt am Main, 28 July 2022.



Head of the ESRB Secretariat, on behalf of the General Board of the ESRB

Francesco MAZZAFERRO