

Regulatory Landscape - Retail Banking

This section lists out the regulations and directives that apply to the retail banking sector.

Title	Key dates	Key Information
<p><u>Regulation (EU) No. 806/2014</u> (Single Resolution Mechanism Regulation – SSMR)</p>	<p>Publication date: July 30, 2014</p> <p>Effective date: August 19, 2014</p> <p>Applicable date: January 1, 2016</p>	<p>The SSMR establishes uniform rules and a uniform procedure for resolution entities that are established in participating member states. The regulation applies to:</p> <ul style="list-style-type: none"> ● Credit institutions. ● Parent undertakings. ● Investment firms and financial institutions. <p>The regulation provides rules on:</p> <ul style="list-style-type: none"> ● The division of tasks within the single resolution mechanism (SRM). ● Functions of the SRM and procedural rules. ● Early intervention by the ECB or national competent authorities. <p>The regulation amends <u>Regulation (EU) No. 1093/2010</u>.</p>
<p><u>Regulation (EU) No. 575/2013</u> (Capital Requirements Regulation – CRR)</p>	<p>Publication date: June 27, 2013</p> <p>Effective date: June 28, 2013</p> <p>Application date: January 1, 2014; January 1, 2015; and January 1, 2016</p>	<p>The CRR lays down uniform rules concerning general prudential requirements that institutions supervised under the CRD, namely credit institutions, must comply with in relation to the following:</p> <ul style="list-style-type: none"> ● Own funds requirements relating to entirely quantifiable, uniform and standardised elements of credit risk, market risk, operational risk and settlement risk. ● Requirements limiting large exposures. ● Liquidity requirements relating to entirely quantifiable uniform and standardised elements of liquidity risk. ● Reporting requirements related to the above and to leverage. ● Public disclosure requirements. <p>In doing so, the regulation specifies:</p> <ul style="list-style-type: none"> ● The level of application of requirements. This includes application on an individual basis and prudential consolidation. ● Own funds requirements. This includes the elements of own funds, minority interest and additional tier 1 and tier 2 instruments issued by subsidiaries and qualifying holdings outside the financial sector.

		<ul style="list-style-type: none"> ● Capital requirements. This includes general requirements, valuation and reporting, capital requirements for credit risk, own funds for operational risk, own funds requirements for market risk, own funds requirement for settlement risk, own funds requirements for credit valuation and adjustment risk. ● Large exposures related requirements. ● Exposure to transferred credit risk, including general provisions, requirements for investor institutions and requirements for sponsor and originator institutions. ● Liquidity related requirements, including the definition and liquidity coverage requirements, liquidity reporting and reporting on stable funding. ● Disclosures by institutions, including general principles, the technical criteria on transparency and disclosure and qualifying requirements for the use of particular instruments or methodologies. ● Transitional provisions. <p>This regulation amends Regulation (EU) No. 648/2012.</p>
<p>Regulation (EU) 2019/876 (Capital Requirements Regulation 2 – CRR2)</p>	<p>Publication date: June 7, 2019</p> <p>Effective date: June 27, 2019</p> <p>Applicable date: June 28, 2021</p>	<p>This regulation amends Regulation (EU) No. 575/2013 to lay down uniform rules concerning general prudential requirements that institutions, financial holding companies and mixed financial holding companies supervised under Directive 2013/36/EU shall comply with in relation to the following items:</p> <ul style="list-style-type: none"> ● Own funds requirements relating to entirely quantifiable, uniform and standardised elements of credit risk, market risk, operational risk, settlement risk and leverage. ● Requirements limiting large exposures. ● Liquidity requirements relating to entirely quantifiable, uniform and standardised elements of liquidity risk. ● Reporting requirements. ● Public disclosure requirements. <p>Additionally, the regulation lays down uniform rules concerning the own funds and eligible liabilities requirements that resolution entities that are global systemically important institutions (G-SIIs) or part of G-SIIs and material subsidiaries of non-EU G-SIIs shall comply with.</p>

<p><u>Regulation (EU) 2024/1623</u> (Capital Requirements Regulation 3 – CRR3)</p>	<p>Publication date: June 19, 2024</p> <p>Effective date: July 9, 2024</p> <p>Application date: January 1, 2025</p>	<p>This regulation amends <u>Regulation (EU) No. 575/2013</u> regarding the requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor. The amendments aim to implement the reforms contained in Basel III.</p> <p>Additionally, it also introduces several new provisions in the CRR, including:</p> <ul style="list-style-type: none"> ● Definitions specific to crypto-assets. ● The application of prudential requirements on a consolidated basis where investment firms are parent undertakings. ● Sub-consolidation in the case of entities in third countries. ● Additional value adjustments. ● Holdings of capital instruments issued by regulated financial sector entities that do not qualify as regulatory capital
<p><u>Directive 2013/36/EU</u> (Capital Requirements Directive 4 – CRD4)</p>	<p>Publication date: June 27, 2013</p> <p>Member state transposition deadline: December 31, 2013</p> <p>Application date: December 31, 2013, January 1, 2016</p>	<p>The CRD4 lays down rules concerning:</p> <ul style="list-style-type: none"> ● Access to the activity of credit institutions and investment firms. ● Supervisory powers and tools for the prudential supervision of institutions by competent authorities. ● The prudential supervision of institutions by competent authorities in a manner that is consistent with the rules set out in <u>Regulation (EU) No. 575/2013</u>. ● Publication requirements for competent authorities in the field of prudential regulation and supervision of institutions. <p>In doing so, the directive specifies:</p> <ul style="list-style-type: none"> ● Rules relating to competent authorities. This includes designation, powers and coordination. ● Requirements for access to the activity of credit institutions. This includes qualifying holdings in a credit institution. ● Initial capital of investment firms. ● Provisions concerning the freedom of establishment and the freedom to provide services. ● Provisions on relations with third countries. ● Provisions on prudential supervision. ● Requirements on disclosure by competent authorities. <p>This directive amends <u>Directive 2002/87/EC</u>.</p> <p>This directive repeals the following:</p> <ul style="list-style-type: none"> ● <u>Directive 2006/48/EC</u>. ● <u>Directive 2006/49/EC</u>.

<p><u>Directive (EU) 2019/878</u> (Capital Requirements Directive 5 – CRD5)</p>	<p>Publication date: June 7, 2019</p> <p>Effective date: June 27, 2019</p> <p>Member state transposition deadline: December 28, 2020</p> <p>Application date: December 29, 2020</p>	<p>This directive amends <u>Directive 2013/36/EU</u> regarding exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.</p> <p>In addition, the directive introduces several additional articles, including:</p> <ul style="list-style-type: none"> ● Programme of operations, structural organisation and governance arrangements. ● Approval of financial holding companies and mixed financial holding companies. ● Intermediate EU parent undertaking. ● Transmission of information to international bodies. ● Internal governance and recovery and resolution plans. ● Interest risk arising from non-trading book activities. ● Additional own funds requirement.
<p><u>Directive (EU) 2024/1619</u> (Capital Requirements Directive 6 – CRD6)</p>	<p>Publication date: June 19, 2024</p> <p>Effective date: July 9, 2024</p> <p>Member state transposition deadline: January 10, 2026</p> <p>Application date: January 11, 2026</p>	<p>This directive amends <u>Directive 2013/36/EU</u> regarding supervisory powers, sanctions, third-country branches, and environmental, social and governance risks.</p> <p>In addition, the directive introduces several new titles and chapters to CRD4. This includes:</p> <ul style="list-style-type: none"> ● Acquisition or divestiture of a material holding. ● Material transfers of assets and liabilities. ● Mergers and divisions. ● Prudential supervision of third-country branches and relations with third countries.
<p><u>Directive 2014/59/EU</u> (Bank Recovery and Resolution Directive – BRRD)</p>	<p>Publication date: June 12, 2014</p> <p>Effective date: June 22, 2014</p> <p>Member state transposition deadline: December 31, 2014</p> <p>Application date:</p>	<p>This directive establishes a framework for the recovery and resolution of credit institutions and investment firms. In doing so, it lays down rules and procedures relating to the recovery and resolution of the following entities:</p> <ul style="list-style-type: none"> ● Institutions that are established in the Union. ● Financial institutions that are established in the Union when the financial institution is a subsidiary of a credit institution or investment firm. ● Financial holding companies, mixed financial holding companies and mixed-activity holding companies that are established in the Union. ● Parent financial holding companies in a member state, Union parent financial holding companies, parent mixed financial holding companies in a member state, Union parent mixed financial holding companies. ● Branches of institutions that are established outside the Union.

	<p>January 1, 2015</p>	<p>The directive provides for the following requirements:</p> <ul style="list-style-type: none"> ● Preparation, including recovery and resolution planning, resolvability and intra-group financial support. ● Early intervention, including early intervention measures. ● Resolution, including objectives, conditions and general principles. <p>The directive also amends several pieces of legislation:</p> <ul style="list-style-type: none"> ● Council Directive 82/891/EEC. ● Directive 2001/24/EC. ● Directive 2002/47/EC. ● Directive 2004/25/EC. ● Directive 2005/56/EC. ● Directive 2007/36/EC. ● Directive 2011/35/EU. ● Directive 2012/30/EU. ● Directive 2013/36/EU. ● Regulation (EU) No. 1093/2010. ● Regulation (EU) No. 648/2012.
<p>Directive (EU) 2019/879 (Bank Recovery and Resolution Directive 2 – BRRD2)</p>	<p>Publication date: June 7, 2019</p> <p>Effective date: June 27, 2019</p> <p>Member state transposition deadline: December 28, 2020</p> <p>Application date: December 28, 2020</p>	<p>This directive amends Directive 2014/59/EU on the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. In doing so, it introduces several new articles, including:</p> <ul style="list-style-type: none"> ● The power to prohibit certain distributions. ● Conditions for resolution with regard to a central body and credit institutions permanently affiliated to a central body. ● Insolvency proceedings in respect of institutions and entities that are not subject to resolution action. ● Power to suspend certain obligations. ● Selling of subordinated eligible liabilities to retail clients. ● Application and calculation of the minimum requirement for own funds and eligible liabilities ● Exemption from the minimum requirement for own funds and eligible liabilities.

<p><u>Directive</u> <u>2014/49/EU</u> (Deposit Guarantee Scheme Directive – DGSD)</p>	<p>Publication date: June 12, 2014</p> <p>Effective date: June 22, 2014</p> <p>Member state transposition deadline: July 3, 2015; May 31, 2016</p> <p>Application date: July 3, 2015; May 31, 2016</p>	<p>This directive lays down rules and procedures relating to the establishment and functioning of deposit guarantee schemes (DGSs). In doing so, it provides requirements on:</p> <ul style="list-style-type: none"> ● Relevant administrative authorities. ● Official recognition, membership and supervision. ● The eligibility of deposits. ● Coverage level. ● The determination of the repayable amount. ● Repayments. ● Claims against DGSs. ● Financing of DGSs.
<p><u>Directive</u> <u>2002/47/EC</u> (Financial Collateral Directive – FCD)</p>	<p>Publication date: June 27, 2002</p> <p>Effective date: June 27, 2002</p> <p>Member state transposition deadline: December 27, 2003</p> <p>Application date: December 27, 2003</p>	<p>The directive lays down a community regime applicable to financial collateral arrangements. The collateral taker and collateral provider must each belong to one of the following categories:</p> <ul style="list-style-type: none"> ● A public authority. ● Public sector bodies of member states charged with or intervening in the management of public debt. ● Public sector bodies of member states authorised to hold account for customers. <p>In doing so, the directive provides rules on:</p> <ul style="list-style-type: none"> ● Formal requirements. ● The enforcement of financial collateral arrangements. ● Right of use of financial collateral under securities financial collateral arrangements. ● Recognition of title transfer financial collateral arrangements. ● Recognition of close-out netting provisions.
<p><u>Directive</u> <u>2001/24/EC</u> (Credit Institution Reorganisation and Winding Up Directive – CIRWD)</p>	<p>Publication date: May 5, 2001</p> <p>Effective date: May 5, 2001</p> <p>Member state transposition</p>	<p>This directive lays down rules concerning the recognition and winding up of credit institutions. It provides rules on:</p> <ul style="list-style-type: none"> ● Reorganisation measures. ● Winding-up proceedings. ● Withdrawal of a credit institution's authorisation. ● Provisions common to reorganisation measures and winding-up proceedings.



	<p>deadline: May 5, 2004</p> <p>Application date: May 5, 2004</p>	
--	---	--