



Single Rulebook Q&A

Question ID	2020_5235
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - COREP (incl. IP Losses)
Article	99
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
Article/Paragraph	Annex II
Date of submission	08/05/2020
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Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	National regulation contradicts with Directive 2013/36 - v8714
Question	According to Fin-FSA and based on national regulation (Sijoituspalvelulaki 747/2012) the capital conservation buffer should not be applied to investment firms with personnel under 250 and balance sheet amount under 43 million. Validation rule v8714_m requires that this row (CA4_r750) is reported. How should the capital conservation buffer be reported in this case?
Background on the	According to Fin-FSA and based on national regulation (Sijoituspalvelulaki

question	747/2012) the capital conservation buffer should not be applied to investment firms with personnel under 250 and balance sheet amount under 43 million. Validation rule v8714_m requires that this row (CA4_r750) is reported.
EBA answer	<p>According to article 129 (2) of Directive 2013/36/EU (CRD), a Member State may exempt small and medium-sized investment firms from the requirements set out in that paragraph if such an exemption does not threaten the stability of the financial system of that Member State.</p> <p>As notified by the FIN-FSA (Finland national competent authority) to EBA, this exemption has been exercised via the Act on Investment Firms 747/2012, and therefore, VR v8714_m shall not apply to Finnish investment firms classified as SMEs following article 129 (4) of CRD.</p> <p>VR v8714_m has a “warning” type of severity and will therefore remain as such to allow for the cases described in this Q&A.</p>
Link	https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2020_5235

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