

Capital  
Requirements  
Directive/  
Regulation

## **Capital Requirements Directive/Regulation**

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## **Chapter 11**

# **Commission Delegated Regulation (EU) No 530/2014**

Preamble

THE EUROPEAN COMMISSION,  
.....

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

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 and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, and in particular the third subparagraph of Article 77(4) thereof,

01/01/2021

Whereas:

(1) Article 77(3) of Directive 2013/36/EU refers solely to "debt instruments", therefore equity instruments in the trading book should not be included in the assessment of materiality of specific risk.

(2) The materiality in absolute terms of exposures to specific risk should be measured by applying the standardised rules for the calculation of net positions of debt instruments. That assessment should consider both long and short net positions calculated in accordance with Article 327(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council, after having given an allowance for hedges provided by credit derivatives in accordance with Articles 346 and 347 of Regulation (EU) No 575/2013.

(3) The first subparagraph of Article 77(3) of Directive 2013/36/EU covering specific risk in the trading book refers to "a large number of material positions in debt instruments of different issuers". These rules therefore set out a materiality threshold for large numbers of material positions in debt instruments of different issuers, pursuant to Article 77(4) of that Directive.


(4) This Regulation is based on the draft regulatory technical standards submitted by the European Banking Authority to the Commission.

(5) The European Banking Authority has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder

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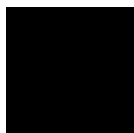
Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council,

HAS ADOPTED THIS REGULATION:



**Article 1 Definition of exposures to specific  
risk which are material in absolute terms  
according to Article 77(4) of Directive  
2013/36/EU**

An institution's exposure to specific risk of debt instruments shall be considered to be material in absolute terms where the sum of all net long and net short positions, as defined in Article 327 of Regulation (EU) No 575/2013, is greater than EUR 1000000000.



**Article 2 Definition of large number of  
material positions in debt instruments of  
different issuers according to Article 77(4)  
of Directive 2013/36/EU**

An institution's specific risk portfolio shall be considered to comprise a large number of material positions in debt instruments of different issuers where the portfolio includes more than 100 positions, each of which is greater than EUR 2500000, whether those positions are net long or net short, as defined in Article 327 of Regulation (EU) No 575/2013.



Article 3 Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.





Signature

01/01/2021

This Regulation shall be binding in its entirety and directly applicable in all Member States.

01/01/2021

Done at Brussels, 12 March 2014.

01/01/2021

*For the Commission*

01/01/2021

*The President*

01/01/2021

José Manuel BARROSO