


Chapter 1

Commission Delegated Regulation (EU) 2018/959



Article 35 Consistency of the operational risk measurement system

Competent authorities shall assess an institution's standards relating to the internal consistency of the operational risk measurement system, as referred to in point (e) of Article 322(2) of Regulation (EU) No 575/2013, by confirming at least the following:

- (a) that the institution's capital allocation mechanism is consistent with the institution's risk profile and with the overall design of the operational risk measurement system;
- (b) that allocation of the AMA own funds requirements takes into account potential internal differences in risk and quality of operational risk management and internal control between the parts of the group to which the AMA own funds requirements are allocated;
- (c) that there is no observable current or foreseen practical or legal impediment to the prompt transfer of own funds or repayment of liabilities;
- (d) that the allocation of the AMA own funds requirements from the consolidated group level downwards to the parts of the group involved in the operational risk measurement system relies on sound and to, the maximum extent, risk sensitive methodologies.