

Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions (Text with EEA relevance)

TITLE II

THE LIQUIDITY BUFFER

CHAPTER 1

General provisions

Article 6

Composition of the liquidity buffer

In order to be eligible to form part of a credit institution's liquidity buffer, the liquid assets shall comply with each of the following requirements:

- (a) the general requirements laid down in Article 7;
- (b) the operational requirements laid down in Article 8;
- (c) the respective eligibility criteria for their classification as a level 1 or level 2 asset in accordance with Chapter 2.

Article 7

General requirements for liquid assets

1 In order to qualify as liquid assets, the assets of a credit institution shall comply with paragraphs 2 to 6.

^[F12] The assets shall be a property, right, entitlement, or interest, that is held by the credit institution, or included in a pool as referred to in point (a), and is free from any encumbrance. For those purposes, an asset shall be deemed to be unencumbered where it is not subject to any legal, contractual, regulatory or other restriction preventing the credit institution from liquidating, selling, transferring, assigning or, generally, disposing of the asset via an outright sale or a repurchase agreement within the following 30 calendar days. The following assets shall be deemed to be unencumbered:

- a assets included in a pool which are available for immediate use as collateral to obtain additional funding under committed but not yet funded credit lines available to the credit institution or, if the pool is operated by a central bank, under uncommitted and not yet funded credit lines available to the credit institution. This point shall include assets placed by a credit institution with the central institution in a cooperative network or institutional protection scheme. Credit institutions shall assume that assets in the pool are encumbered in order of increasing liquidity on the basis of the liquidity classification set out in Chapter 2, starting with assets ineligible for the liquidity buffer;

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- b assets that the credit institution has received as collateral for credit risk mitigation purposes in reverse repo or securities financing transactions and that the credit institution may dispose of.]

3 The assets shall not have been issued by the credit institution itself, its parent undertaking, other than a public sector entity that is not a credit institution, its subsidiary or another subsidiary of its parent undertaking or by a securitisation special purpose entity with which the credit institution has close links;

4 The assets shall not have been issued by any of the following:

- [^{F1}a another credit institution, unless one or more of the following conditions is met:
 - (i) the issuer is a public sector entity referred to in point (c) of Article 10(1) or in point (a) or (b) of Article 11(1);
 - (ii) the asset is a covered bond referred to in point (f) of Article 10(1) or in point (c) or (d) of Article 11(1) or in point (e) of Article 12(1);
 - (iii) the asset belongs to the category described in point (e) of Article 10(1);]
- b an investment firm;
- c an insurance undertaking;
- d a reinsurance undertaking;
- e a financial holding company;
- f a mixed financial holding company;
- [^{F1}g any other entity that performs one or more of the activities listed in Annex I to Directive 2013/36/EU as its main business. For the purposes of this Article, SSPEs shall be deemed not included within the entities referred to in this point.]

5 The value of the assets shall be capable of being determined on the basis of widely disseminated and easily available market prices. In the absence of market-based prices, the value of the assets must be capable of being determined on the basis of an easy-to-calculate formula that uses publicly available inputs and is not significantly dependent upon strong assumptions.

6 The assets shall be listed on a recognised exchange or tradable via active outright sale or via simple repurchase transaction on generally accepted repurchase markets. These criteria shall be assessed separately for each market. An asset admitted to trading in an organised venue which is not a recognised exchange, either in a Member State or in a third country, shall be deemed liquid only where the trading venue provides for an active and sizable market for outright sales of assets. The credit institution shall take into account the following as minimum criteria to assess whether a trading venue provides for an active and sizeable market for the purposes of this paragraph:

- a historical evidence of market breadth and depth as proven by low bid-ask spreads, high trading volume and a large and diverse number of market participants;
- b the presence of a robust market infrastructure.

7 The requirements laid down in paragraphs 5 and 6 shall not apply to:

- a banknotes and coins referred to in point (a) of Article 10(1);
- [^{F2}aa the exposures to central governments referred to in point (d) of Article 10(1);]
- b the exposures to central banks referred to in points (b) and (d) of Article 10(1) and in point (b) of Article 11(1);
- c the restricted-use committed liquidity facility referred to in point (d) of Article 12(1);
- d the deposits and other funding in cooperative networks and institutional protection schemes referred to in Article 16.

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Textual Amendments

- F1** Substituted by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (Text with EEA relevance).
- F2** Inserted by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (Text with EEA relevance).

Article 8

Operational requirements

1 Credit institutions shall have policies and limits in place to ensure that the holdings of liquid assets comprising their liquidity buffer remain appropriately diversified at all times. For those purposes, credit institutions shall take into account the extent of diversification between the various categories of liquid assets and within the same category of liquid assets referred to in Chapter 2 of this Title and any other relevant diversification factors, such as types of issuers, counterparties or the geographical location of those issuers and counterparties.

Competent authorities may impose specific restrictions or requirements on a credit institution's holdings of liquid assets to ensure compliance with the requirement set out in this paragraph. Any such restriction or requirement, however, shall not apply to:

- a the following categories of level 1 assets:
 - (i) banknotes and coins referred to in Article 10(1)(a);
 - (ii) [^{F1}the exposures to central banks referred to in points (b) and (d) of Article 10(1);]
 - (iii) assets representing claims on or guaranteed by the multilateral development banks and international organisations referred to in Article 10(1)(g);
- b the categories of level 1 assets representing claims on or guaranteed by the central or regional governments, local authorities or public sector entities referred to Article 10(1)(c) and (d), provided that the credit institution holds the relevant asset to cover stressed net liquidity outflows incurred in the currency of the Member State or third country or the asset is issued by the central or regional governments, local authorities or public sector entities of the credit institution's home Member State;
- c the restricted-use committed liquidity facility referred to in point (d) of Article 12(1).

2 Credit institutions shall have ready access to their holdings of liquid assets and be able to monetise them at any time during the 30 calendar day stress period via outright sale or repurchase agreement on generally accepted repurchase markets. A liquid asset shall be deemed readily accessible to a credit institution where there are no legal or practical impediments to the credit institution's ability to monetise such an asset in a timely fashion.

Assets used to provide credit enhancement in structured transactions or to cover operational costs of the credit institutions shall not be deemed as readily accessible to a credit institution.

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Assets held in a third country where there are restrictions to their free transferability shall be deemed readily accessible only insofar as the credit institution uses those assets to meet liquidity outflows in that third country. Assets held in a non-convertible currency shall be deemed readily accessible only insofar as the credit institution uses those assets to meet liquidity outflows in that currency.

3 Credit institutions shall ensure that their liquid assets are under the control of a specific liquidity management function within the credit institution. Compliance with this requirement shall be demonstrated to the competent authority either by:

- a placing the liquid assets in a separate pool under the direct management of the liquidity function and with the sole intent of using them as a source of contingent funds, including during stress periods;
- [^{F1}b putting in place internal systems and controls to give the liquidity management function effective operational control to monetise the holdings of liquid assets at any point in the 30 calendar day stress period and to access the contingent funds without directly conflicting with any existing business or risk management strategies. In particular, an asset shall not be included in the liquidity buffer where monetisation of the asset without replacement throughout the 30 calendar day stress period would remove a hedge that would create an open risk position in excess of the internal limits of the credit institution;]
- c a combination of options (a) and (b), provided that the competent authority has deemed such combination acceptable.

4 Credit institutions shall regularly, and at least once a year, monetise a sufficiently representative sample of their holdings of liquid assets by means of outright sale or simple repurchase agreement on a generally accepted repurchase market. Credit institutions shall develop strategies for disposing of samples of liquid assets which are adequate to:

- a test the access to the market for those assets and their usability;
- b check that the credit institution's processes for the timely monetisation of assets are effective;
- c minimise the risk of sending a negative signal to the market as a result of the credit institution's monetising its assets during stress periods.

The requirement laid down in the first subparagraph shall not apply to level 1 assets referred to in Article 10, other than extremely high quality covered bonds, to the restricted-use committed liquidity facility referred to in subparagraph (d) of Article 12(1) or to the deposits and other liquidity funding in cooperatives networks and institutional protection schemes referred to in Article 16.

5 The requirement set out in paragraph 2 shall not prevent credit institutions from hedging the market risk associated with their liquid assets provided that the following conditions are met:

- a the credit institution puts in place appropriate internal arrangements in accordance with paragraphs 2 and 3 to ensure that those assets continue to be readily available and under the control of the liquidity management function;
- b the net liquidity outflows and inflows that would result in the event of an early close-out of the hedge are taken into account in the valuation of the relevant asset in accordance with Article 9.

6 Credit institutions shall ensure that the currency denomination of their liquid assets is consistent with the distribution by currency of their net liquidity outflows. However, where appropriate, competent authorities may require credit institutions to restrict currency mismatch by setting limits on the proportion of net liquidity outflows in a currency that can be met during

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a stress period by holding liquid assets not denominated in that currency. That restriction may only be applied for the reporting currency or a currency that may be subject to separate reporting in accordance with Article 415(2) of Regulation (EU) No 575/2013. In determining the level of any restriction on currency mismatch that may be applied in accordance with this paragraph, competent authorities shall at least have regard to:

- a whether the credit institution has the ability to do any of the following:
 - (i) use the liquid assets to generate liquidity in the currency and jurisdiction in which the net liquidity outflows arise;
 - (ii) swap currencies and raise funds in foreign currency markets during stressed conditions consistent with the 30 calendar day stress period set out in Article 4;
 - (iii) transfer a liquidity surplus from one currency to another and across jurisdictions and legal entities within its group during stressed conditions consistent with the 30 calendar day stress period set out in Article 4;
- b the impact of sudden, adverse exchange rate movements on existing mismatched positions and on the effectiveness of any foreign exchange hedges in place.

Any restriction on currency mismatch imposed in accordance with this paragraph shall be deemed to constitute a specific liquidity requirement as referred to in Article 105 of Directive 2013/36/EU.

Textual Amendments

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Article 9

Valuation of Liquid Assets

For the purposes of calculating its liquidity coverage ratio, a credit institution shall use the market value of its liquid assets. The market value of liquid assets shall be reduced in accordance with the haircuts set out in Chapter 2 and with Article 8(5)(b), where applicable.

CHAPTER 2

Liquid Assets

Article 10

Level 1 assets

1 Level 1 assets shall only include assets falling under one or more of the following categories and meeting in each case the eligibility criteria laid down herein:

- a coins and banknotes;
- b the following exposures to central banks:

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- (i) assets representing claims on or guaranteed by the European Central Bank (ECB) or a Member State's central bank;
- (ii) assets representing claims on or guaranteed by central banks of third countries, provided that exposures to the central bank or its central government are assigned a credit assessment by a nominated external credit assessment institution (ECAI) which is at least credit quality step 1 in accordance with Article 114(2) of Regulation (EU) No 575/2013;
- (iii) ^[F1]reserves held by the credit institution in a central bank referred to in point (i) or (ii) provided that the credit institution is permitted to withdraw such reserves at any time during stress periods and that the conditions for such withdrawal have been specified in an agreement between the competent authority of the credit institution and the central bank in which the reserves are held, or in the applicable rules of the third country.

For the purposes of this point, the following shall apply:

- where the reserves are held by a subsidiary credit institution, the conditions for the withdrawal shall be specified in an agreement between the Member State or third country competent authority of the subsidiary credit institution and the central bank in which the reserves are held, or in the applicable rules of the third country, as applicable,
 - where the reserves are held by a branch, the conditions for the withdrawal shall be specified in an agreement between the competent authority of the Member State or third country where the branch is located and the central bank in which the reserves are held, or in the applicable rules of the third country, as applicable;]
- c assets representing claims on or guaranteed by the following central or regional governments, local authorities or public sector entities:
- (i) the central government of a Member State;
 - (ii) the central government of a third country, provided that it is assigned a credit assessment by a nominated ECAI which is at least credit quality step 1 in accordance with Article 114(2) of Regulation (EU) No 575/2013;
 - (iii) regional governments or local authorities in a Member State, provided that they are treated as exposures to the central government of the Member State in accordance with Article 115(2) of Regulation (EU) No 575/2013;
 - (iv) regional governments or local authorities in a third country of the type referred to in point (ii), provided that they are treated as exposures to the central government of the third country in accordance with Article 115(4) of Regulation (EU) No 575/2013;
 - (v) public sector entities provided that they are treated as exposures to the central government of a Member State or to one of the regional governments or local authorities referred to in point (iii) in accordance with paragraph 4 of Article 116 of Regulation (EU) No 575/2013;
- ^[F1]d the following assets:
- (i) assets representing claims on or guaranteed by the central government or central bank of a third country which is not assigned a credit assessment of

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credit quality step 1 by a nominated ECAI in accordance with Article 114(2) of Regulation (EU) No 575/2013;

- (ii) reserves held by the credit institution in a central bank referred to in point (i), provided that the credit institution is permitted to withdraw those reserves at any time during stress periods and provided that the conditions for such withdrawal have been specified either in an agreement between the competent authorities of that third country and the central bank in which the reserves are held or in the applicable rules of that third country.

For the purposes of point (ii), the following shall apply:

- where the reserves are held by a subsidiary credit institution, the conditions for the withdrawal shall be specified either in an agreement between the third country competent authority of the subsidiary credit institution and the central bank in which the reserves are held or in the applicable rules of the third country,
- where the reserves are held by a branch, the conditions for the withdrawal shall be specified either in an agreement between the competent authority of the third country where the branch is located and the central bank in which the reserves are held or in the applicable rules of the third country.

The aggregate amount of assets falling within points (i) and (ii) of the first subparagraph and denominated in a given currency that the credit institution may recognise as level 1 assets shall not exceed the amount of the credit institution's stressed net liquidity outflows incurred in that same currency.

Moreover, where part or all of the assets falling within points (i) and (ii) of the first subparagraph are denominated in a currency which is not the domestic currency of the third country in question, the credit institution may only recognise those assets as level 1 assets up to an amount equal to the amount of the credit institution's stressed net liquidity outflows incurred in that foreign currency that corresponds to the credit institution's operations in the jurisdiction where the liquidity risk is being taken;]

- e assets issued by credit institutions which meet at least one of the following two requirements:
- (i) the issuer is a credit institution incorporated or established by the central government of a Member State or the regional government or local authority in a Member State, the government or local authority is under the legal obligation to protect the economic basis of the credit institution and maintain its financial viability throughout its life-time and any exposure to that regional government or local authority, as applicable, is treated as an exposure to the central government of the Member State in accordance with Article 115(2) of Regulation (EU) No 575/2013;
 - (ii) the credit institution is a promotional lender which, for the purposes of this Article, shall be understood as any credit institution whose purpose is to advance the public policy objectives of the Union or of the central or regional government or local authority in a Member State predominantly through the provision of promotional loans on a non-competitive, not for profit basis, provided that at least 90 % of the loans that it grants are directly or indirectly guaranteed by the central or regional government or local authority and that any exposure to that regional government or local authority, as applicable, is treated as an exposure to the central government of the Member State in accordance with Article 115(2) of Regulation (EU) No 575/2013;

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- f exposures in the form of extremely high quality covered bonds, which shall comply with all of the following requirements:
- (i) they are bonds as referred to in Article 52(4) of Directive 2009/65/EC or meet the requirements to be eligible for the treatment set out in Article 129(4) or (5) of Regulation (EU) No 575/2013;
 - (ii) ^[F1]the exposures to institutions in the cover pool meet the conditions laid down in Article 129(1)(c) of Regulation (EU) No 575/2013 or, where the competent authority has granted the partial waiver referred to in the last subparagraph of Article 129(1) of Regulation (EU) No 575/2013, the conditions referred to in that subparagraph;]
 - (iii) the credit institution investing in the covered bonds and the issuer meet the transparency requirement referred to in Article 129(7) of Regulation (EU) No 575/2013;
 - (iv) their issue size is at least EUR 500 million (or the equivalent amount in domestic currency);
 - (v) the covered bonds are assigned a credit assessment by a nominated ECAI which is at least credit quality step 1 in accordance with Article 129(4) of Regulation (EU) No 575/2013, the equivalent credit quality step in the event of a short term credit assessment or, in the absence of a credit assessment, they are assigned a 10 % risk weight in accordance with Article 129(5) of that Regulation;
 - (vi) the cover pool meets at all times an asset coverage requirement of at least 2 % in excess of the amount required to meet the claims attaching to the covered bonds;
- g assets representing claims on or guaranteed by the multilateral development banks and the international organisations referred to in Article 117(2) and Article 118, respectively, of Regulation (EU) No 575/2013.

^[F12] The market value of extremely high quality covered bonds referred to in point (f) of paragraph 1 shall be subject to a haircut of at least 7 %. Except as specified in relation to shares and units in CIUs in points (b) and (c) of Article 15(2), no haircut shall be required on the value of the remaining level 1 assets.]

Textual Amendments

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Article 11

Level 2A assets

1 Level 2A assets shall only include assets falling under one or more of the following categories and meeting in each case the eligibility criteria laid down herein:

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- a assets representing claims on or guaranteed by regional governments, local authorities or public sector entities in a Member State, where exposures to them are assigned a risk weight of 20 % in accordance with Article 115(1) and (5) and Article 116(1), (2) and (3) of Regulation (EU) No 575/2013, as applicable;
- b assets representing claims on or guaranteed by the central government or the central bank of a third country or by a regional government, local authority or public sector entity in a third country, provided that they are assigned a 20 % risk weight in accordance with Articles 114(2), 115 or 116 of Regulation (EU) No 575/2013, as applicable;
- c exposures in the form of high quality covered bonds, which shall comply with all of the following requirements:
 - (i) they are bonds as referred to in Article 52(4) of Directive 2009/65/EC or meet the requirements to be eligible for the treatment set out in Article 129(4) or (5) of Regulation (EU) No 575/2013;
 - (ii) ^{[F1}the exposures to institutions in the cover pool meet the conditions laid down in Article 129(1)(c) of Regulation (EU) No 575/2013 or, where the competent authority has granted the partial waiver referred to in the last subparagraph of Article 129(1) of Regulation (EU) No 575/2013, the conditions referred to in that subparagraph;]
 - (iii) the credit institution investing in the covered bonds and the issuer meet the transparency requirement laid down in Article 129(7) of Regulation (EU) No 575/2013;
 - (iv) their issue size is at least EUR 250 million (or the equivalent amount in domestic currency);
 - (v) the covered bonds are assigned a credit assessment by a nominated ECAI which is at least credit quality step 2 in accordance with Article 129(4) of Regulation (EU) No 575/2013, the equivalent credit quality step in the event of a short term credit assessment or, in the absence of a credit assessment, they are assigned a 20 % risk weight in accordance with Article 129(5) of that Regulation;
 - (vi) the cover pool meets at all times an asset coverage requirement of at least 7 % in excess of the amount required to meet the claims attaching to the covered bonds. However, where covered bonds with a credit quality step 1 credit assessment do not meet the minimum issue size for extremely high quality covered bonds in accordance with point (f)(iv) of Article 10(1) but meet the requirements for high quality covered bonds laid down in points (i), (ii), (iii) and (iv), they shall instead be subject to a minimum asset coverage requirement of 2 %;
- d exposures in the form of covered bonds issued by credit institutions in third countries, which shall comply with all of the following requirements:
 - (i) they are covered bonds in accordance with the national law of the third country which must define them as debt securities issued by credit institutions, or by a wholly owned subsidiary of a credit institution which guarantees the issue, and secured by a cover pool of assets, in respect of which bondholders shall have direct recourse for the repayment of principal and interest on a priority basis in the event of the issuer's default;
 - (ii) the issuer and the covered bonds are subject by the national law in the third country to special public supervision designed to protect bondholders and the

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- supervisory and regulatory arrangements applied in the third country must be at least equivalent to those applied in the Union;
- (iii) the covered bonds are backed by a pool of assets of one or more of the types described in points (b), (d)(i), (f)(i) or (g) of Article 129(1) of Regulation (EU) No 575/2013. Where the pool comprises loans secured by immovable property, the requirements in Articles 208 and 229(1) of Regulation (EU) No 575/2013 must be met;
 - (iv) [^{F1}the exposures to institutions in the cover pool meet the conditions laid down in Article 129(1)(c) of Regulation (EU) No 575/2013 or, where the competent authority has granted the partial waiver referred to in the last subparagraph of Article 129(1) of Regulation (EU) No 575/2013, the conditions referred to in that subparagraph;]
 - (v) the credit institution investing in the covered bonds and the issuer meet the transparency requirement laid down in Article 129(7) of Regulation (EU) No 575/2013;
 - (vi) the covered bonds are assigned a credit assessment by a nominated ECAI which is at least credit quality step 1 in accordance with Article 129(4) of Regulation (EU) No 575/2013, the equivalent credit quality step in the event of a short term credit assessment or, in the absence of a credit assessment, they are assigned a 10 % risk weight in accordance with Article 129(5) of that Regulation; and
 - (vii) the cover pool meets at all times an asset coverage requirement of at least 7 % in excess of the amount required to meet the claims attaching to the covered bonds. However, where the issue size of the covered bonds is EUR 500 million (or the equivalent amount in domestic currency) or higher, they shall instead be subject to a minimum asset coverage requirement of 2 %;
- e corporate debt securities which meet all of the following requirements:
- (i) they are assigned a credit assessment by a nominated ECAI which is at least credit quality step 1 in accordance with Article 122 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short term credit assessment;
 - (ii) the securities issue size is at least EUR 250 million (or the equivalent in domestic currency);
 - (iii) the maximum time to maturity of the securities at the time of issuance is 10 years;

2 The market value of each of the level 2A assets shall be subject to a haircut of at least 15 %.

Textual Amendments

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Article 12

Level 2B assets

1 Level 2B assets shall only include assets falling under one or more of the following categories and meeting in each case the eligibility criteria laid down herein:

- a exposures in the form of asset-backed securities meeting the requirements laid down in Article 13;
- b corporate debt securities which meet all of the following requirements:
 - (i) they have received a credit assessment by a nominated ECAI which is at least credit quality step 3 in accordance with Article 122 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short term credit assessment;
 - (ii) the securities issue size is at least EUR 250 million (or the equivalent in domestic currency);
 - (iii) the maximum time to maturity of the securities at the time of issuance is 10 years;
- c shares, provided that they meet all of the following requirements:
 - (i) they form part of a major stock index in a Member State or in a third country, as identified as such for the purposes of this point by the competent authority of a Member State or the relevant public authority in a third country. In the absence of any decision from the competent authority or public authority in relation to major stock indexes, credit institutions shall regard as such a stock index composed of leading companies in the relevant jurisdiction;
 - (ii) they are denominated in the currency of the credit institution's home Member State or, where denominated in a different currency, they count as level 2B only up to the amount to cover stressed net liquidity outflows in that currency or in the jurisdiction where the liquidity risk is taken; and
 - (iii) they have a proven record as a reliable source of liquidity at all times, including during stress periods. This requirement shall be deemed met where the level of decline in the share's stock price or increase in its haircut during a 30 day calendar day market stress period did not exceed 40 % or 40 percentage points, respectively; and
- d restricted-use committed liquidity facilities that may be provided by the ECB, the central bank of a Member State or the central bank of a third country, provided that the requirements laid down in Article 14 are met;
- e exposures in the form of high quality covered bonds which shall comply with all of the following requirements:
 - (i) they are bonds as referred to in Article 52(4) of Directive 2009/65/EC or meet the requirements to be eligible for the treatment set out in Article 129(4) or (5) of Regulation (EU) No 575/2013;
 - (ii) the credit institution investing in the covered bonds meets the transparency requirement laid down in Article 129(7) of Regulation (EU) No 575/2013;

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- (iii) the issuer of the covered bonds makes the information referred to in Article 129(7)(a) of Regulation (EU) No 575/2013 available to investors on at least a quarterly basis;
 - (iv) their issue size is at least EUR 250 million (or the equivalent amount in domestic currency);
 - (v) the covered bonds are collateralised exclusively by the assets referred to in points (a), (d)(i) and (e) of Article 129(1) of Regulation (EU) No 575/2013.
 - (vi) the pool of underlying assets consists exclusively of exposures which qualify for a 35 % or lower risk weight under Article 125 of Regulation (EU) No 575/2013 for credit risk;
 - (vii) the cover pool meets at all times an asset coverage requirement of at least 10 % in excess of the amount required to meet the claims attaching to the covered bonds;
 - (viii) the issuing credit institution needs to publicly disclose on a monthly basis that the cover pool meets the 10 % asset coverage requirement;
- f for credit institutions which in accordance with their statutes of incorporation are unable for reasons of religious observance from holding interest bearing assets, non-interest bearing assets constituting a claim on or guaranteed by central banks or by the central government or the central bank of a third country or by a regional government, local authority or public sector entity in a third country, provided that those assets have a credit assessment by a nominated ECAI of at least credit quality step 5 in accordance with Article 114 of Regulation (EU) No 575/2013, or the equivalent credit-quality step in the event of a short-term credit assessment.

2 The market value of each of the level 2B assets shall be subject to the following minimum haircuts:

- a the applicable haircut set out in Article 13(14) for level 2B securitisations;
- b a 50 % haircut for corporate debt securities referred to in paragraph (1)(b);
- c a 50 % haircut for shares referred to in paragraph 1(c);
- d a 30 % haircut for covered bond programmes or issues referred to in paragraph (1)(e);
- e a 50 % haircut for non-interest bearing assets referred to in paragraph 1(f).

3 For credit institutions which in accordance with their statutes of incorporation are unable for reasons of religious observance to hold interest bearing assets, the competent authority may allow to derogate from points (ii) and (iii) of paragraph 1(b) of this Article, provided there is evidence of insufficient availability of non-interest bearing assets meeting these requirements and the non-interest bearing assets in question are adequately liquid in private markets.

In determining whether the non-interest bearing assets are adequately liquid for the purposes of the first subparagraph, the competent authority shall consider the following factors:

- a the available data in respect of their market liquidity, including trading volumes, observed bid-offer spreads, price volatility and price impact; and
- b other factors relevant to their liquidity, including the historical evidence of the breadth and depth of the market for those non-interest bearing assets, the number and diversity of market participants and the presence of a robust market infrastructure.

Changes to legislation: There are outstanding changes not yet made to Commission Delegated Regulation (EU) 2015/61. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Article 13

Level 2B securitisations

[^{F1} Exposures in the form of asset-backed securities as referred to in Article 12(1)(a) shall qualify as level 2B securitisations where the following conditions are satisfied:

- a the designation ‘STS’ or ‘simple, transparent and standardised’, or a designation that refers directly or indirectly to those terms, is permitted to be used for the securitisation in accordance with Regulation (EU) 2017/2402 of the European Parliament and of the Council⁽¹⁾ and is being so used;
- b the criteria laid down in paragraph 2 and paragraphs 10 to 13 of this Article are met.]

2 The securitisation position and the exposures underlying the position shall meet all the following requirements:

- [^{F1}a the position has been assigned a credit assessment of credit quality step 1 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment;
- b the position is in the most senior tranche or tranches of the securitisation and possesses the highest level of seniority at all times during the ongoing life of the transaction. For these purposes, a tranche shall be deemed to be the most senior where after the delivery of an enforcement notice and where applicable an acceleration notice, the tranche is not subordinated to other tranches of the same securitisation transaction or scheme in respect of receiving principal and interest payments, without taking into account amounts due under interest rate or currency derivative contracts, fees or other similar payments in accordance with Article 242(6) of Regulation (EU) No 575/2013;]
- [^{F3}c the underlying exposures have been acquired by the SSPE within the meaning of Article 4(1)(66) of Regulation (EU) No 575/2013 in a manner that is enforceable against any third party and are beyond the reach of the seller (originator, sponsor or original lender) and its creditors including in the event of the seller's insolvency;
- d the transfer of the underlying exposures to the SSPE may not be subject to any severe clawback provisions in the jurisdiction where the seller (originator, sponsor or original lender) is incorporated. This includes but is not limited to provisions under which the sale of the underlying exposures can be invalidated by the liquidator of the seller (originator, sponsor or original lender) solely on the basis that it was concluded within a certain period before the declaration of the seller's insolvency or provisions where the SSPE can prevent such invalidation only if it can prove that it was not aware of the insolvency of the seller at the time of sale;
- e the underlying exposures have their administration governed by a servicing agreement which includes servicing continuity provisions that ensure, at a minimum, that a default or insolvency of the servicer does not result in a termination of servicing;
- f the documentation governing the securitisation includes continuity provisions that ensure, at a minimum, the replacement of derivative counterparties and of liquidity providers upon their default or insolvency, where applicable;]
- g [^{F1}the securitisation position is backed by a pool of underlying exposures and those underlying exposures either all belong to only one of the following subcategories or else they consist of a combination of residential loans referred to in point (i) and residential loans referred to in point (ii):]

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- (i) residential loans secured with a first-ranking mortgage granted to individuals for the acquisition of their main residence, provided that one of the two following conditions is met:
 - the loans in the pool meet on average the loan-to-value requirement laid down in point (i) of Article 129(1)(d) of Regulation (EU) No 575/2013;
 - the national law of the Member State where the loans were originated provides for a loan-to-income limit on the amount that an obligor may borrow in a residential loan, and that Member State has notified this law to the Commission and EBA. The loan-to-income limit is calculated on the gross annual income of the obligor, taking into account the tax obligations and other commitments of the obligor and the risk of changes in the interest rates over the term of the loan. For each residential loan in the pool, the percentage of the obligor's gross income that may be spent to service the loan, including interest, principal and fee payments, does not exceed 45 %;
 - (ii) fully guaranteed residential loans referred to in Article 129(1)(e) of Regulation (EU) No 575/2013, provided that the loans meet the collateralisation requirements laid down in that paragraph and the average loan-to-value requirement laid down in point (i) of Article 129(1)(d) of Regulation (EU) No 575/2013
 - (iii) commercial loans, leases and credit facilities to undertakings established in a Member State to finance capital expenditures or business operations other than the acquisition or development of commercial real estate, provided that at least 80 % of the borrowers in the pool in terms of portfolio balance are small and medium-sized enterprises at the time of issuance of the securitisation, and none of the borrowers is an institution as defined in Article 4(1)(3) of Regulation (EU) No 575/2013;
 - (iv) [^{F1}auto loans and leases to borrowers or lessees established or resident in a Member State. For these purposes, auto loans and leases shall include loans or leases for the financing of motor vehicles or trailers as defined in points (11) and (12) of Article 3 of Directive 2007/46/EC of the European Parliament and of the Council⁽²⁾, agricultural or forestry tractors as referred to in Regulation (EU) No 167/2013 of the European Parliament and of the Council⁽³⁾, two-wheel motorcycles or powered tricycles as referred to in Regulation (EU) No 168/2013 of the European Parliament and of the Council⁽⁴⁾ or tracked vehicles as referred to in point (c) of Article 2(2) of Directive 2007/46/EC. Such loans or leases may include ancillary insurance and service products or additional vehicle parts, and in the case of leases, the residual value of leased vehicles. All loans and leases in the pool shall be secured with a first-ranking charge or security over the vehicle or an appropriate guarantee in favour of the SSPE, such as a retention of title provision;]
 - (v) loans and credit facilities to individuals resident in a Member State for personal, family or household consumption purposes.
- [^{F3}h the position is not in a rescuritisation or a synthetic securitisation as referred to in Articles 4(63) and 242(11), respectively, of Regulation (EU) No 575/2013;
- i the underlying exposures do not include transferable financial instruments or derivatives, except financial instruments issued by the SSPE itself or other parties

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within the securitisation structure and derivatives used to hedge currency risk and interest rate risk;

- j at the time of issuance of the securitisation or when incorporated in the pool of underlying exposures at any time after issuance, the underlying exposures do not include exposures to credit-impaired obligors (or where applicable, credit-impaired guarantors), where a credit-impaired obligor (or credit-impaired guarantor) is a borrower (or guarantor) who:

- (i) [F3]

- (ii)

- (iii)]

- k at the time of issuance of the securitisation or when incorporated in the pool of underlying exposures at any time after issuance, the underlying exposures do not include exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013.]

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10 The underlying exposures shall not have been originated by the credit institution holding the securitisation position in its liquidity buffer, its subsidiary, its parent undertaking, a subsidiary of its parent undertaking or any other undertaking closely linked with that credit institution.

11 The issue size of the tranche shall be at least EUR 100 million (or the equivalent amount in domestic currency).

12 The remaining weighted average life of the tranche shall be 5 years or less, which shall be calculated using the lower of either the transaction's pricing prepayment assumption or a 20 % constant prepayment rate, for which the credit institution shall assume that the call is exercised on the first permitted call date.

13 The originator of the exposures underlying the securitisation shall be an institution as defined in Article 4(3) of Regulation (EU) No 575/2013 or an undertaking whose principal activity is to pursue one or more of the activities listed in points 2 to 12 and point 15 of Annex I to Directive 2013/36/EU.

14 The market value of level 2B securitisations shall be subject to the following minimum haircuts:

- a 25 % for securitisations backed by the subcategories of assets referred to in points (g) (i), (ii) and (iv) of paragraph 2;
- b 35 % for securitisations backed by the subcategories of assets referred to in points (g) (iii) and (v) of paragraph 2.

Changes to legislation: There are outstanding changes not yet made to Commission Delegated Regulation (EU) 2015/61. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Textual Amendments

- F1** Substituted by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (Text with EEA relevance).
- F3** Deleted by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (Text with EEA relevance).

Article 14

Restricted-use committed liquidity facilities

In order to qualify as level 2B assets, the restricted-use committed liquidity facilities that may be provided by a central bank as referred to in paragraph (1)(d) of Article 12 shall fulfil all of the following criteria:

- (a) during a non-stress period, the facility is subject to a commitment fee on the total committed amount which is at least the greater of the following:
- (i) 75 basis points per annum; or
 - (ii) at least 25 basis points per annum above the difference in yield on the assets used to back the facility and the yield on a representative portfolio of liquid assets, after adjusting for any material differences in credit risk;

During a stress period, the central bank may reduce the commitment fee described in the first subparagraph of this point, provided that the minimum requirements applicable to liquidity facilities under the alternative liquidity approaches in accordance with Article 19 are met;

- (b) the facility is backed by unencumbered assets of a type specified by the central bank. The assets provided as collateral shall fulfil all of the following criteria:
- (i) they are held in a form which facilitates their prompt transfer to the central bank in the event of the facility being called;
 - (ii) their value post-haircut as applied by the central bank is sufficient to cover the total amount of the facility;
 - (iii) they are not to be counted as liquid assets for the purposes of the credit institution's liquidity buffer;
- (c) the facility is compatible with the counterparty policy framework of the central bank;
- (d) the commitment term of the facility exceeds the 30 calendar day stress period referred to in Article 4;
- (e) the facility is not revoked by the central bank prior to its contractual maturity and no further credit decision is taken for as long as the credit institution concerned continues to be assessed as solvent;

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- (f) there is a formal policy published by the central bank stating its decision to grant restricted-use committed liquidity facilities, the conditions governing the facility and the types of credit institutions that are eligible to apply for those facilities.

Article 15

CIUs

1 Shares or units in CIUs shall qualify as liquid assets of the same level as the liquid assets underlying the relevant undertaking up to an absolute amount of EUR 500 million (or equivalent amount in domestic currency) for each credit institution on an individual basis, provided that:

- a the requirements in Article 132(3) of Regulation (EU) No 575/2013 are complied with;
- b the CIU invests only in liquid assets and derivatives, in the latter case only to the extent necessary to mitigate interest rate, currency or credit risk in the portfolio.

2 Credit institutions shall apply the following minimum haircuts to the value of their shares or units in CIUs depending on the category of underlying liquid assets:

- a 0 % for coins and banknotes and exposures to central banks referred to in Article 10(1)(b);
- b 5 % for level 1 assets other than extremely high quality covered bonds;
- c 12 % for extremely high quality covered bonds referred to in Article 10(1)(f);
- d 20 % for level 2A assets;
- e 30 % for level 2B securitisations backed by the subcategories of assets referred to in points (i), (ii) and (iv) of Article 13(2)(g);
- f 35 % for level 2B covered bonds referred to in Article 12(1)e;
- g 40 % for level 2B securitisations backed by the subcategories of assets referred to in points (iii) and (v) of Article 13(2)(g); and
- h 55 % for level 2B corporate debt securities referred to in Article 12(1)(b), shares referred to in Article 12(1)(c) and non-interest bearing assets referred to in Article 12(1)(f).

3 The approach referred to in paragraph 2 shall be applied as follows:

- a where the credit institution is aware of the exposures underlying the CIU, it may look-through to those underlying exposures to assign them the appropriate haircut in accordance with paragraph 2;

[^{F1}b where the credit institution is not aware of the exposures underlying the CIU, it shall assume, for the purposes of determining the liquidity level of the underlying assets and for the purposes of assigning the appropriate haircut to those assets, that the CIU invests in liquid assets, up to the maximum amount allowed under its mandate, in the same ascending order as liquid assets are classified for the purposes of paragraph 2, starting with the assets referred to in point (h) of paragraph 2 and ascending until the maximum total investment limit is reached.]

4 Credit institutions shall develop robust methodologies and processes to calculate and report the market value and haircuts for shares or units in CIUs. Where the exposure is not sufficiently material for a credit institution to develop its own methodologies and provided that, in each case, the competent authority is satisfied that this condition has been met, a credit institution may only rely on the following third parties to calculate and report the haircuts for shares or units in CIUs:

- a the depository institution of the CIU, provided that the CIU invests exclusively in securities and deposits all such securities at this depository institution; or

Changes to legislation: There are outstanding changes not yet made to Commission Delegated Regulation (EU) 2015/61. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- b for other CIUs, the CIU management company, provided that the CIU management company meets the requirements laid down in Article 132(3)(a) of Regulation (EU) No 575/2013.

[^{F2}The correctness of the calculations made by the depository institution or by the CIU management company when determining the market value and haircuts for shares or units in CIUs shall be confirmed by an external auditor on at least an annual basis.]

5 Where a credit institution fails to comply with the requirements laid down in paragraph 4 of this Article in relation to shares or units in a CIU, it shall cease to recognise them as liquid assets for the purposes of this Regulation in accordance with Article 18.

Textual Amendments

- F1** Substituted by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (Text with EEA relevance).
- F2** Inserted by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (Text with EEA relevance).

[^{F1}Article 16

Deposits and other funding in cooperative networks and institutional protection schemes

1 Where a credit institution belongs to an institutional protection scheme of the type referred to in Article 113(7) of Regulation (EU) No 575/2013, to a network that would be eligible for the waiver provided for in Article 10 of that Regulation or to a cooperative network in a Member State, the sight deposits that the credit institution maintains with the central institution may be treated as liquid assets unless the central institution receiving the deposits treats them as operational deposits. Where the deposits are treated as liquid assets, they shall be treated in accordance with one of the following provisions:

- a where, in accordance with the national law or the legally binding documents governing the scheme or network, the central institution is obliged to hold or invest the deposits in liquid assets of a specified level or category, the deposits shall be treated as liquid assets of that same level or category in accordance with this Regulation;
- b where the central institution is not obliged to hold or invest the deposits in liquid assets of a specified level or category, the deposits shall be treated as level 2B assets in accordance with this Regulation and their outstanding amount shall be subject to a minimum haircut of 25 %.

2 Where, under the law of a Member State or the legally binding documents governing one of the networks or schemes described in paragraph 1, the credit institution has access within 30 calendar days to undrawn liquidity funding from the central institution or from another institution within the same network or scheme, such funding shall be treated as a level 2B asset to the extent that it is not collateralised by liquid assets and that it is not being dealt with in accordance with the provisions of Article 34. A minimum haircut of 25 % shall be applied to the undrawn committed principal amount of the liquidity funding.]

Changes to legislation: There are outstanding changes not yet made to Commission Delegated Regulation (EU) 2015/61. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Textual Amendments

- F1** Substituted by [Commission Delegated Regulation \(EU\) 2018/1620 of 13 July 2018 amending Delegated Regulation \(EU\) 2015/61 to supplement Regulation \(EU\) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions \(Text with EEA relevance\)](#).

Article 17

Composition of the liquidity buffer by asset level

1 Credit institutions shall comply at all times with the following requirements on the composition of their liquidity buffer:

- a a minimum of 60 % of the liquidity buffer is to be composed of level 1 assets;
- b a minimum of 30 % of the liquidity buffer is to be composed of level 1 assets excluding extremely high quality covered bonds referred to in Article 10(1)(f);
- c a maximum of 15 % of the liquidity buffer may be held in level 2B assets.

[^{F12} The requirements set out in paragraph 1 shall be applied after adjusting for the impact on the stock of liquid assets of secured funding, secured lending or collateral swap transactions using liquid assets on at least one leg of the transaction where the transactions mature within 30 calendar days, after deducting any applicable haircuts and provided that the credit institution complies with the operational requirements laid down in Article 8.]

3 Credit institutions shall determine the composition of their liquidity buffer in accordance with the formulae laid down in Annex I to this Regulation.

[^{F24} The competent authority may, on a case-by-case basis, waive the application of paragraphs 2 and 3 in full or in part with respect to one or more secured funding, secured lending or collateral swap transactions using liquid assets on at least one leg of the transaction and maturing within 30 calendar days, provided that all of the following conditions are met:

- a the counterparty to the transaction or transactions is the ECB or the central bank of a Member State;
- b exceptional circumstances exist which pose a systemic risk affecting the banking sector of one or more Member States;
- c the competent authority has consulted with the central bank that is the counterparty to the transaction or transactions, and also with the ECB where that central bank is an Eurosystem central bank, before granting the waiver.]

[^{F25} EBA shall, by 19 November 2020, report to the Commission on the technical suitability of the unwind mechanism set out in paragraphs 2 to 4 and on whether it is likely to have a detrimental impact on the business and risk profile of credit institutions established in the Union, on the stability and orderly functioning of financial markets, on the economy or on the transmission of monetary policy to the economy. This report shall assess the opportunity to change the unwind mechanism set out in paragraphs 2 to 4 and, where EBA finds either that the current unwind mechanism is technically not suitable or that it has a detrimental impact, it should recommend alternative solutions and evaluate their impact.

The Commission shall take into account the EBA report referred to in the preceding subparagraph when preparing any further delegated act pursuant to the empowerment in Article 460 of Regulation (EU) No 575/2013.]

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Textual Amendments

- F1** Substituted by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (Text with EEA relevance).
- F2** Inserted by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (Text with EEA relevance).

Article 18

Breach of requirements

1 Where a liquid asset ceases to comply with any applicable general requirements laid down in Article 7, the operational requirements laid down in Article 8(2) or any applicable eligibility criteria laid down in this Chapter, the credit institution shall cease to recognise it as a liquid asset no later than 30 calendar days from the date when the breach of requirements occurred.

2 Paragraph 1 shall apply to shares or units in a CIU ceasing to meet eligibility requirements only where they do not exceed 10 % of the CIU's overall assets.

Article 19

Alternative liquidity approaches

1 Where there are insufficient liquid assets in a given currency for credit institutions to meet the liquidity coverage ratio laid down in Article 4, one or more of the following provisions shall apply:

- a the requirement on currency consistency set out in Article 8(6) shall not apply in relation to that currency;
- b the credit institution may cover the deficit of liquid assets in a currency with credit facilities from the central bank in a Member State or third country of that currency, provided that the facility complies with all the following requirements:
 - (i) it is contractually irrevocably committed for the next 30 calendar days;
 - (ii) it is priced with a fee which is payable regardless of the amount, if any, drawn down against that facility;
 - (iii) the fee is set in an amount such that the net yield on the assets used to secure the facility must not be higher than the net yield on a representative portfolio of liquidity assets, after adjusting for any material differences in credit risk.
- c where there is a deficit of level 1 assets but there are sufficient level 2A assets, the credit institution may hold additional level 2A assets in the liquidity buffer and the caps by asset level set out in Article 17 shall be deemed amended accordingly. These additional level 2A assets shall be subject to a minimum haircut equal to 20 %. Any level 2B assets held by the credit institution shall remain subject to the haircuts applicable in each case in accordance with this Chapter.

Changes to legislation: *There are outstanding changes not yet made to Commission Delegated Regulation (EU) 2015/61. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

2 Credit institutions shall apply the derogations provided for in paragraph 1 on an inversely proportional basis with regard to the availability of the relevant liquid assets. Credit institutions shall assess their liquidity needs for the application of this Article taking into account their ability to reduce, by sound liquidity management, the need for those liquid assets and the holdings of those assets by other market participants.

3 The currencies which may benefit from the derogations laid down in paragraph 1 and the extent to which one or more derogations may be available in total for a given currency shall be determined by the implementing regulation to be adopted by the Commission in accordance with Article 419(4) of Regulation (EU) No 575/2013.

4 The detailed conditions applicable to the use of the derogations laid down in paragraph 1(a) and (b) shall be determined by the delegated act to be adopted by the Commission in accordance with Article 419(5) of Regulation (EU) No 575/2013.

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- (1) [^{F1}Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 ([OJ L 347, 28.12.2017, p. 35](#)).]
- (2) [^{F1}Directive 2007/46/EC of the European Parliament and of the Council of 5 September 2007 establishing a framework for the approval of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles (Framework Directive) ([OJ L 263, 9.10.2007, p. 1](#)).]
- (3) [^{F1}Regulation (EU) No 167/2013 of the European Parliament and of the Council of 5 February 2013 on the approval and market surveillance of agricultural and forestry vehicles ([OJ L 60, 2.3.2013, p. 1](#)).]
- (4) [^{F1}Regulation (EU) No 168/2013 of the European Parliament and of the Council of 15 January 2013 on the approval and market surveillance of two- or three-wheel vehicles and quadricycles ([OJ L 60, 2.3.2013, p. 52](#)).]

Textual Amendments

- F1** Substituted by [Commission Delegated Regulation \(EU\) 2018/1620 of 13 July 2018 amending Delegated Regulation \(EU\) 2015/61 to supplement Regulation \(EU\) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions \(Text with EEA relevance\)](#).

Changes to legislation:

There are outstanding changes not yet made to Commission Delegated Regulation (EU) 2015/61. Any changes that have already been made to the legislation appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to :

- Regulation revoked by [2023 c. 29 Sch. 1 Pt. 13](#)
- Regulation revoked by [S.I. 2021/1078 reg. 13\(1\)\(a\)](#)

Changes and effects yet to be applied to the whole legislation item and associated provisions

- Signature words omitted by [S.I. 2018/1401 reg. 251](#)
- Art. 2(3)(d) words substituted by [S.I. 2018/1401 reg. 227\(4\)\(d\)](#)
- Art. 3(1) words substituted by [S.I. 2018/1401 reg. 228\(a\)](#)
- Art. 3(2) words substituted by [S.I. 2018/1401 reg. 228\(b\)](#)
- Art. 3(5) words substituted by [S.I. 2018/1401 reg. 228\(c\)](#)
- Art. 3(6) omitted by [S.I. 2018/1401 reg. 228\(d\)](#)
- Art. 3(9) words substituted by [S.I. 2018/1401 reg. 228\(e\)](#)
- Art. 3(9A) inserted by [S.I. 2018/1401 reg. 228\(f\)](#)
- Art. 3(13)-(16) inserted by [S.I. 2018/1401 reg. 228\(g\)](#)
- Art. 3(13)(14) words substituted in earlier amending provision [S.I. 2018/1401, reg. 228\(g\)](#) by [S.I. 2020/1301 reg. 3Sch. para. 11\(j\)](#)
- Art. 7(2)(a) words omitted by [S.I. 2018/1401 reg. 230\(a\)](#)
- Art. 7(4)(g) words substituted by [S.I. 2018/1401 reg. 230\(b\)](#)
- Art. 7(7)(d) omitted by [S.I. 2018/1401 reg. 230\(d\)](#)
- Art. 8(1)(b) words substituted by [S.I. 2018/1401 reg. 231\(a\)\(i\)](#)
- Art. 8(1)(b) words substituted by [S.I. 2018/1401 reg. 231\(a\)\(ii\)](#)
- Art. 10(1)(b)(i) words substituted by [S.I. 2018/1401 reg. 232\(a\)](#)
- Art. 10(1)(b)(iii) words omitted by [S.I. 2018/1401 reg. 232\(c\)](#)
- Art. 10(1)(b)(ii) words inserted by [S.I. 2018/1401 reg. 232\(b\)\(i\)](#)
- Art. 10(1)(b)(ii) words inserted by [S.I. 2018/1401 reg. 232\(b\)\(ii\)](#)
- Art. 10(1)(c)(i) words substituted by [S.I. 2018/1401 reg. 232\(d\)](#)
- Art. 10(1)(c)(v) words substituted by [S.I. 2018/1401 reg. 232\(f\)](#)
- Art. 10(1)(c)(iii) words substituted by [S.I. 2018/1401 reg. 232\(e\)\(i\)](#)
- Art. 10(1)(c)(iii) words substituted by [S.I. 2018/1401 reg. 232\(e\)\(ii\)](#)
- Art. 10(1)(e)(i) words substituted by [S.I. 2018/1401 reg. 232\(e\)\(i\)](#)
- Art. 10(1)(e)(i) words substituted by [S.I. 2018/1401 reg. 232\(e\)\(ii\)](#)
- Art. 10(1)(e)(ii) words substituted by [S.I. 2018/1401 reg. 232\(g\)\(i\)](#)
- Art. 10(1)(e)(ii) words substituted by [S.I. 2018/1401 reg. 232\(g\)\(ii\)](#)
- Art. 10(1)(f)(i) words substituted by [S.I. 2018/1401 reg. 232\(h\)](#)
- Art. 11(1)(a) words substituted by [S.I. 2018/1401 reg. 233\(a\)](#)
- Art. 11(1)(c)(i) words substituted by [S.I. 2018/1401 reg. 233\(b\)](#)
- Art. 11(1)(d)(ii) words substituted by [S.I. 2018/1401 reg. 233\(c\)](#)
- Art. 12(1)(c)(i) words substituted by [S.I. 2018/1401 reg. 234\(a\)](#)
- Art. 12(1)(c)(ii) words substituted by [S.I. 2018/1401 reg. 234\(b\)](#)
- Art. 12(1)(d) words substituted by [S.I. 2018/1401 reg. 234\(c\)](#)
- Art. 12(1)(e)(i) words substituted by [S.I. 2018/1401 reg. 234\(d\)](#)
- Art. 12(1)(e)(v) words substituted by [S.I. 2018/1401 reg. 234\(e\)](#)
- Art. 13(2)(g) words substituted by [S.I. 2019/660 reg. 55\(2\)\(a\)](#)
- Art. 13(2)(g)(i) words substituted by [S.I. 2019/660 reg. 55\(2\)\(b\)](#)
- Art. 13(2)(g)(v) words substituted by [S.I. 2019/660 reg. 55\(2\)\(f\)](#)
- Art. 13(2)(g)(iii) words substituted by [S.I. 2019/660 reg. 55\(2\)\(d\)](#)
- Art. 13(2)(g)(ii) omitted by [S.I. 2019/660 reg. 55\(2\)\(c\)](#)
- Art. 13(2)(g)(iv) words substituted by [S.I. 2019/660 reg. 55\(2\)\(e\)\(i\)](#)

- Art. 13(2)(g)(iv) words substituted by S.I. 2019/660 reg. 55(2)(e)(ii)
- Art. 13(2)(g)(iv) words substituted in earlier amending provision S.I. 2019/660, reg. 55(2)(e)(ii) by S.I. 2020/1301 reg. 3Sch. para. 35(h)(i)
- Art. 13(14)(a) words substituted by S.I. 2019/660 reg. 55(7)
- Art. 19(1)(b) words substituted by S.I. 2018/1401 reg. 236(a)
- Art. 25(2)(e) words substituted by S.I. 2018/1401 reg. 239(a)
- Art. 25(2)(e) words substituted by S.I. 2018/1401 reg. 239(b)
- Art. 26(c)(ii) words substituted by S.I. 2018/1401 reg. 240
- Art. 27(1)(b) omitted by S.I. 2018/1401 reg. 241(a)
- Art. 28(3)(d)(ii) words substituted by S.I. 2018/1401 reg. 242(b)
- Art. 29(1)(b) words omitted by S.I. 2018/1401 reg. 243(c)
- Art. 29(1)(b) words substituted by S.I. 2018/1401 reg. 243(b)
- Art. 29(1)(d) words substituted by S.I. 2018/1401 reg. 243(d)
- Art. 32(3)(d) words omitted by S.I. 2018/1401 reg. 246
- Art. 33(2)(a) words substituted by S.I. 2018/1401 reg. 247(a)
- Art. 33(2)(b) words omitted by S.I. 2018/1401 reg. 247(b)
- Art. 33(4)(b) substituted by S.I. 2018/1401 reg. 247(c)
- Art. 33(4)(b) words substituted in earlier amending provision S.I. 2018/1401, reg. 247(c) by S.I. 2020/1301 reg. 3Sch. para. 11(k)
- Art. 34(1)(b) words omitted by S.I. 2018/1401 reg. 248(c)
- Art. 34(1)(b) words substituted by S.I. 2018/1401 reg. 248(b)
- Art. 34(1)(d) words substituted by S.I. 2018/1401 reg. 248(d)