
STATUTORY INSTRUMENTS

2021 No. 1376

The Financial Services Act 2021 (Prudential Regulation of
Credit Institutions and Investment Firms) (Consequential
Amendments and Miscellaneous Provisions) Regulations 2021

PART 6

Amendment of the Capital Requirements Regulation (Amendment) Regulations 2021

Capital Requirements Regulation (Amendment) Regulations 2021

32.—(1) The Capital Requirements Regulation (Amendment) Regulations 2021(1) are amended as follows.

(2) In regulation 4 (Title II of Part One: level of application of requirements)—

(a) in paragraph (2)—

(i) in sub-paragraph (a), in the text to be substituted into Article 6(1) of the capital requirements regulation, omit “, Article 451”;

(ii) for sub-paragraphs (b) and (c) substitute—

“(b) omit paragraphs 3 to 5.”;

(b) in paragraph (5)—

(i) for sub-paragraph (a) substitute—

“(a) in paragraph 1, for “Parts Two, Three, Four, Seven and Seven A on the basis of their consolidated situation, with the exception of point (d) of Article 430(1)” substitute “Parts Two and Three on the basis of their consolidated situation””;

(ii) for sub-paragraph (c) substitute—

“(c) in paragraph 6, in point (a) of the third subparagraph, for “2, 3, 4, 6, 7, 7A and 8” substitute “Two and Three”.”;

(c) for paragraph (6) substitute—

“(6) Omit Article 13(2) (application of disclosure requirements on a consolidated basis).”.

(3) After regulation 8 (Part Six: liquidity) insert—

“**Part Seven: leverage**

8A. Omit Articles 429, 429a, 429b and 430(1)(3).”.

(1) [S.I. 2021/1078](#).

(2) Article 13 was amended by [S.I. 2019/1232](#).

(3) Article 429 was amended by [S.I. 2018/1401](#) and [2019/710](#); Article 430(1) was amended by [S.I. 2018/1401](#).

- (4) For regulation 10 (Part Eight: disclosure by institutions) substitute—
- “10. Omit Part Eight (disclosure by institutions: comprising Articles 431 to 455)(4).”
- (5) In regulation 11 (Part Nine: regulations, enhanced prudential measures and technical standards)—
- (a) for paragraph (2)(a)(iv) substitute—
- “(iv) omit points (i) and (j);”;
- (b) for paragraph (4)(a) substitute—
- “(a) in the definition of “relevant prudential area”, omit points (ii) to (iv);”;
- (c) for paragraph (5) substitute—
- “(5) In Article 459 (Treasury power to make regulations: prudential requirements)(5), omit points (b) and (c).”
- (6) In regulation 12 (Part Ten: transitional provisions, reports, reviews and amendments), after paragraph (5) insert—
- “(5A) Omit Articles 499 (leverage), 500b (temporary exclusion of certain exposures to central banks from the total exposure measure in view of the COVID-19 pandemic) and 500d (temporary calculation of the exposure value of regular-way purchases and sales awaiting settlement in view of the COVID-19 pandemic)(6).”
- (7) In regulation 13 (revocation and amendment of other retained direct EU legislation)—
- (a) in paragraph (2)—
- (i) after sub-paragraph (a) insert—
- “(aa) Commission Implementing [Regulation \(EU\) No 680/2014](#) of 16 April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to [Regulation \(EU\) No 575/2013](#) of the European Parliament and of the Council(7);”;
- (ii) after sub-paragraph (f) insert—
- “(fa) Commission Implementing Regulation (EU) 2016/200 of 15 February 2016 laying down implementing technical standards with regard to disclosure of the leverage ratio for institutions, according to [Regulation \(EU\) No 575/2013](#) of the European Parliament and of the Council(8);”;
- (b) omit paragraph (4).
- (8) After regulation 13 insert—

“Saving for amendment of existing technical standards instruments made by the Financial Conduct Authority

14. Notwithstanding the revocation of Articles 390(8), 394(4), 415(3a) and 419(5) of the Capital Requirements Regulation(9) made by regulations 7(a) and 8 of these Regulations,

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- (4) Part Eight was amended by [S.I. 2018/1401](#) and [2019/1232](#) and is prospectively amended by paragraphs 40, 41 and 47 of Schedule 1 to the Financial Services Act 2021 (c. 22).
- (5) Article 459 was amended by [S.I. 2018/1401](#).
- (6) Article 500d was amended by paragraph 12 of Schedule 4 to the Financial Services Act 2021 (c. 22).
- (7) EUR 2014/680; this instrument was amended by the Technical Standards (Capital Requirements) (EU Exit) (No. 3) Instrument 2019 made by the Prudential Regulation Authority under [S.I. 2018/1115](#) on 9th April 2019.
- (8) EUR 2016/200; this instrument was amended by the Technical Standards (Capital Requirements) (EU Exit) (No. 3) Instrument 2019 made by the Prudential Regulation Authority under [S.I. 2018/1115](#) on 9th April 2019.
- (9) “the Capital Requirements Regulation” is defined in section 47 of the Financial Services Act 2021 (c. 22).

the Financial Conduct Authority (“FCA”) retains the power to modify, revoke or amend any technical standards in force immediately before 1 January 2022 which were—

- (a) adopted by the European Commission before IP completion day; or
- (b) made by the FCA after IP completion day;

under those Articles.

Saving for permissions granted under the Capital Requirements Regulation

15.—(1) Where the effect of these Regulations is to revoke Articles of the Capital Requirements Regulation listed in column 1 of Table 1, any permission granted under an Article listed in column 1 of that Table has effect as if granted under the rule of the PRA Rulebook listed in column 2 of the same row of that Table.

Table 1

| <i>Capital Requirements Regulation</i> | <i>PRA Rulebook</i> |
|--|---|
| Article 385 | Article 385 of Chapter 3 of the Credit Valuation Adjustment Risk (CRR) Part |
| Article 422(8) | Article 422(8) of Chapter 4 of the Liquidity (CRR) Part |
| Article 425(1) | Article 425(1) of Chapter 4 of the Liquidity (CRR) Part |
| Article 425(4) | Article 425(4) of Chapter 4 of the Liquidity (CRR) Part |
| Article 396(1), paragraph 1 | Article 396(1), paragraph 1 of Chapter 4 of the Large Exposures (CRR) Part |
| Article 396(1), paragraph 2 | Article 396(1), paragraph 2 of Chapter 4 of the Large Exposures (CRR) Part |
| Article 400(2)(c) | Article 400(2)(c) of Chapter 4 of the Large Exposures (CRR) Part |
| Article 400(2)(g) | Article 400(2)(g) of Chapter 4 of the Large Exposures (CRR) Part |
| Article 400(2)(h) | Article 400(2)(h) of Chapter 4 of the Large Exposures (CRR) Part |
| Article 429(7) | Article 429a(1)(c) of Chapter 3 of the Leverage Ratio (CRR) Part |
| Article 429(14) | Article 429a(1)(j) of Chapter 3 of the Leverage Ratio (CRR) Part |

(2) Where the effect of these Regulations is to revoke Articles of Commission Delegated Regulation (EU) 2015/61⁽¹⁰⁾ listed in column 1 of Table 2, any permission granted under an Article listed in column 1 of that Table has effect as if granted under the rule of the PRA Rulebook listed in column 2 of the same row of that Table.

⁽¹⁰⁾ 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.

Table 2

| <i>Commission Delegated Regulation (EU) 2015/61</i> | <i>PRA Rulebook</i> |
|---|---|
| Article 8(3) | Article 8(3) of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |
| Article 12(3) | Article 12(3) of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |
| Article 17 | Article 17 of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |
| Article 26 | Article 26 of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |
| Article 29 | Article 29 of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |
| Article 33(2) | Article 33(2) of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |
| Article 33(3) | Article 33(3) of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |
| Article 33(4) | Article 33(4) of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |
| Article 34(1) | Article 34(1) of Chapter 2 of the Liquidity Coverage Ratio (CRR) Part |

(3) In this regulation, “PRA Rulebook” means the rulebook published by the Prudential Regulation Authority containing rules made by that Authority under the Financial Services and Markets Act 2000⁽¹¹⁾ as that rulebook has effect on 1 January 2022.”.

⁽¹¹⁾ 2000 c. 8.