

TRANSPOSITION TABLE

Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures

Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures (“CRDV”) is part of a package of EU measures to update rules on prudential requirements.

CRDV amends Directive (EU) 2013/36 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 (“CRDIV”).

CRDV, together with Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012, updates rules on prudential requirements and continues the EU’s implementation of further elements of the internationally agreed Basel framework set by the Basel Committee on Banking Supervision.

The UK Government is required to adopt and publish the measures necessary to comply with CRDV by 28 December 2020 and to apply those measures from 29 December 2020.

CRDV is transposed by the Financial Holding Companies (Approval etc.) and Capital Requirements (Capital Buffers and Macro-prudential Measures) (Amendment) (EU Exit) Regulations 2020 and by rules made by the Prudential Regulation Authority (“PRA”).

**HM Treasury
9 November 2020**

Article of CRDIV amended by CRDV	Subject matter	Implementation	Relevant provision in implementing SI ¹	Relevant rule in PRA Rulebook and number ²
Article 2	Updates to the list of institutions out of scope of CRDV	Article 6(1)(a) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001/544	Regulation 3	
Article 3	Updated definitions	Section 192O of the Financial Services and Markets Act 2000 c.8 ("FSMA")	Regulation 2	
Article 4	Designation and powers of the competent authorities	Part 12B FSMA and regulations 2 and 4 of the Capital Requirements Regulations 2013/3115 as well as existing provisions in the Banking Act 2009 c.1 and sections 64 and 65 of the Financial Services Act 2012 c.21	Regulations 2 and 4	
Article 8	Updates to requirements applicable to the EBA with regards to credit institutions authorisation	No implementation needed – requirements applicable to the EBA	Not applicable	
Article 9	Updates to prohibition against persons or undertakings other than credit institutions from carrying out the business of taking deposits or other repayable funds from the public	No implementation needed - UK law already provides for this	Not applicable	
Article 10	Programme of operations, structural organisation and governance arrangements	No implementation needed - UK law ³ already provides for this	Not applicable	
Article 14	Updates to requirements on shareholders and members	No implementation needed - UK law already provides for this	Not applicable	

¹ The Financial Holding Companies (Approval etc.) and Capital Requirements (Capital Buffers and Macro-prudential Measures) (Amendment) (EU Exit) Regulations 2020.

² As at 9 November 2020, these rules are still undergoing consultation and are therefore subject to change.

³ Here and elsewhere in this table references to "UK law" include references to rules contained in the PRA rulebook.

Article 18	Updates to withdrawal of authorisation	No implementation needed – UK law already provides for this (section 55J FSMA)	Not applicable	
Article 21a(1)	Requirement on holding companies to seek approval	Section 192P FSMA	Regulation 2	
Article 21a(2)	Information holding companies are required to provide competent authorities	Section 192Q FSMA	Regulation 2	
Article 21a(3)	Conditions required for approval	Sections 192Q and 192R FSMA	Regulation 2	
Article 21a(4)	Exemptions from approval	Section 192P FSMA	Regulation 2	
Article 21a(5)	Monitoring of compliance	Section 192S FSMA	Regulation 2	
Article 21a(6)	Sanctions available to the competent authority for holding companies that fail to gain approval/breach approval requirements	Section 192T FSMA	Regulation 2	
Article 21a(7)	Exemption under 21a(4) is no longer met	Sections 192P and 192Q FSMA	Regulation 2	
Article 21a(8,9)	Requirement for cooperation between consolidating supervisor and competent authority	No implementation needed – in the UK's case the PRA is both the consolidating supervisor and the competent authority	Not applicable	
Article 21a(10)	Timings for notification of approval/refusal of approval	Section 192R FSMA	Regulation 2	
Article 21b	Requirement for non-EU groups to set up an Intermediate EU parent undertaking	Requirements that apply before the end of the transition period (TP) to be implemented through PRA rulebook	Not applicable	Groups 1.2 and 4 but deleted for 2021
Article 23	Update to assessment criteria to ensure sound and prudent management of the credit institution	No implementation needed – UK law already provides for this	Not applicable	
Article 47	Updates to notification in relation to third-country branches and conditions of access for credit institutions with such branches	To be implemented through PRA rulebook	Not applicable	Regulatory Reporting 22.4 – 22.6
Article 56	Updates to exchange of information requirements with oversight bodies	Regulations 2(b), 9(c)(4A), 10C and Schedule 1 of the Financial Services and Markets Act 2000 (Disclosure of Confidential Information) Regulations 2001/2188	Regulation 6	

Article 57	Updates to exchange of information with oversight bodies	No implementation needed - UK law already provides for this (sections 169, 348 and 349 and Part 11 of FSMA)	Not applicable	
Article 58a	Transmission of information to international bodies	Regulations 2(b), 9(c)(4A), 10C and Schedule 1 of the Financial Services and Markets Act 2000 (Disclosure of Confidential Information) Regulations 2001	Regulation 6	
Article 63	Duty of persons responsible for the legal control of annual and consolidated accounts	No implementation needed – UK law already provides for this (S.I. 2001/2587 regulation 2), section 345A FSMA and PRA rulebook (Auditors 2.1(1) and 2.2))	Not applicable	
Article 64	Updates to supervisory powers and powers to impose penalties	Sections 192T, 192V, 192U and 192Y FSMA	Regulation 2	
Article 66	Updates to administrative penalties and other administrative measures for breaches of authorisation requirements and requirements for acquisitions of qualifying holdings	Sections 192T and 192Y FSMA	Regulation 2	
Article 67	Updates to other provisions relating to penalties	Section 192Y FSMA	Regulation 2	
Article 74	Internal governance and recovery and resolution plans	No implementation needed – UK law already provides for this	Not applicable	
Article 75	Updates to benchmarking, bringing the gender pay gap into scope	No implementation needed – UK law already provides for this	Not applicable	
Article 84	Interest risk arising from non-trading book activities	No implementation needed – applies after the end of the TP	Not applicable	
Article 85	Updates to operational risk	To be implemented through PRA rulebook	Not applicable	Internal Capital Adequacy Assessment 10
Article 88	Updates to governance arrangements	To be implemented through PRA rulebook	Not applicable	Related Party Transaction Risk 1.2 and 2.5
Article 89	Updates to country-by-country reporting	No implementation needed – UK law already provides for this (Capital Requirements (Capital Buffers and Macro-prudential Measures)	Not applicable	

		Regulations 2014/894, as amended by the Capital Requirements (Capital Buffers and Macro-prudential Measures) (Amendment) Regulations 2015/19)		
Article 91	Updates to management body requirements	Section 71B(3) and 71D(4A) FSMA and through the PRA rulebook	Regulation 2	General Organisational Requirements 5.2, 7.1 and 7.1A.
Article 92	Updates to material risk taker remuneration policies	To be implemented through PRA rulebook	Not applicable	Remuneration 3.1, 5.1 and the deletion of 3.2, 4.1
Article 94	Updates to variable elements of remuneration	To be implemented through PRA rulebook	Not applicable	Remuneration 5.3, 12.1 and 12.2, 15.1, 15.15, 15.17, 15.20, 15.20A, 15.22
Article 97	Updates to supervisory review and evaluation	Amendment of regulation 21 of the Capital Requirements (Amendment) EU Exit Regulations 2018, in turn amending new regulation 34A of the Capital Requirements Regulations 2013	Regulation 11	
Article 98	Updates to technical criteria for the supervisory review and evaluation	No implementation needed – Articles 5 and 5a apply after the end of the TP. The requirements in article 8 are only applicable to the EBA.	Not applicable	
Article 99	Updates to technical criteria for the supervisory review and evaluation	Regulations 2 and 4 of the Capital Requirements Regulations 2013 – in exercising its functions as competent authority the PRA will reflect the changes to this article in its supervisory practice	Regulation 4	
Article 103	Article deleted	Amendment of regulation 23 of the Capital Requirements (Amendment) (EU Exit) Regulations 2018 amending regulation 35A of Capital Requirements Regulations 2013 and through the PRA rulebook	Regulation 12	Reporting Pillar 2 4.7
Article 104	Supervisory powers	Amendment of regulation 34 of the Capital Requirements Regulations 2013 and through the PRA rulebook	Regulation 7	Reporting Pillar 2 4.7
Article 104a	Additional own funds requirement	Amendment of regulations 2, 4 and 7 of the Capital	Regulations 4 and 7	

		Requirements Regulations 2013 – in exercising its functions as competent authority the PRA will reflect the changes to this article in its supervisory practice		
Article 104b	Guidance on additional own funds	To be implemented through PRA rulebook and PRA supervisory practice	Not applicable	Internal Capital Adequacy Assessment 3.1
Article 104c	Cooperation with resolution authorities	No implementation needed - UK law already provides for this in the period before the end of the TP	Not applicable	
Article 105	Updates to specific liquidity requirements	Amendment of regulation 34 of the Capital Requirements Regulations 2013	Regulation 7(a)(iii)	
Article 108	Updates to internal capital adequacy assessment process	To be implemented through PRA rulebook	Not applicable	Internal Capital Adequacy Assessment 14.4A, 14.4B, 14.5
Article 109	Updates to Institutions' arrangements, processes and mechanisms	To be implemented through PRA rulebook	Not applicable	General Organisational Requirements 7; Group Risk Systems 1.1, 1.3, 2.3; Internal Capital Adequacy Assessment 14.4A – 14.10, 14.12, 14.12A, 14.13, 14.15-14.16; Internal Liquidity Adequacy Assessment 14.2, 14.2A, 14.3, 14.6, 14.6A, 14.7, 14.8; Remuneration 4.2, 4.3; Risk Control 4; Skills, Knowledge and Expertise 6
Article 111	Determination of the consolidating supervisor	Amendment of regulation 4 of the Capital Requirements Regulations 2013	Regulation 4	
Article 113	Joint decisions on institution-specific prudential requirements	No implementation needed – The PRA in exercising its functions as a competent authority can, where necessary fulfil these requirements until the end of the TP	Not applicable	
Article 115	Updates to coordination and	No implementation needed – Amended provisions	Not applicable	

	cooperation arrangements	unlikely to be engaged before the end of the TP		
Article 116	Updates to college of supervisors	No implementation needed - UK law already provides for this (Capital Requirements Regulations 2013)	Not applicable	
Article 117	Updates to cooperation obligations	No implementation needed – UK law already provides for this	Not applicable	
Article 119	Updates to inclusion of holding companies in consolidated supervision	Section 192 FSMA	Regulation 2	
Article 120	Updates to supervision of mixed financial holding companies	No implementation needed – minor technical change	Not applicable	
Article 125	Updates to cooperation requirements	No implementation needed – PRA is both consolidating supervisor and the coordinator	Not applicable	
Article 128	Updates to definitions	To be implemented through PRA rulebook	Not applicable	Capital Buffers 4 in the PRA Rulebook and Capital Buffers and Pillar 2A Model Voluntary Requirement (VREQ)
Article 129	Requirement to maintain a capital conservation buffer	Regulation 35 of the Capital Requirements (Amendment) (EU Exit) Regulations 2018 – which amends regulation 2 of the Capital Requirements (Capital Buffers and Macro-prudential Measures) Regulations 2014	Regulation 13	Capital Buffers 2
Article 130	Requirement to maintain an institution-specific countercyclical capital buffer	Regulations 35, 38 and 47 of the Capital Requirements (Amendment) (EU Exit) Regulations 2018 – which amend regulations 2, 7 and 19 of the Capital Requirements (Capital Buffers and Macro-prudential Measures) Regulations 2014	Regulations 13 to 15	Capital Buffers 3
Article 131	Global and other systemically important institutions	Articles 2(1) and 4(1) of the Bank of England Act 1998 (Macro-prudential Measures) (No 2) Order 2015 Regulations 1, 35, 50, 51, 52, 53, 53, 56, 57, 58, 58 and 59 of the Capital Requirements (Amendment) (EU Exit) Regulations 2018 –	Regulations 8 to 10, 13, 16 to 18	Implemented by PRA using the Capital Buffers and Pillar 2A Voluntary Requirement (VREQ) under section 55M FSMA

		which amend regulations 2, 22, 23, 24, 25, 27, 30, 31, 32, 34 and 35 of the Capital Requirements (Capital Buffers and Macro-prudential Measures) Regulations 2014		
Article 132	Deletes Article 132	No implementation needed – was not transposed for the purpose of CRDIV	Not applicable	
Article 133	Requirement to maintain a systemic risk buffer	Regulations 35 and 60 of the Capital Requirements (Amendment) (EU Exit) Regulations 2018 – which amends regulation 2 and inserts new Part 5A into the Capital Requirements (Capital Buffers and Macro-prudential Measures) Regulations 2014	Regulations 13 and 19	
Article 134	Recognition of a systemic risk buffer rate	Regulation 60 of the Capital Requirements (Amendment) (EU Exit) Regulations 2018 – inserting new Part 5A into the Capital Requirements (Capital Buffers and Macro-prudential Measures) (Amended) Regulations 2014	Regulation 19	
Article 136	Setting countercyclical buffer rates	No implementation needed -The FPC assesses the Counter Cyclical Capital Buffer rate on a quarterly and would continue to be able to do so	Not applicable	
Article 141	Restrictions on distributions	To be implemented through PRA rulebook	Not applicable	Capital Buffers 4 in the PRA Rulebook and Capital Buffers and Pillar 2A Model Voluntary Requirement (VREQ)
Article 141a	Failure to meet the combined buffer requirement	To be implemented through PRA rulebook	Not applicable	Capital Buffers 4 in the PRA Rulebook and Capital Buffers and Pillar 2A Model Voluntary Requirement (VREQ)
Article 141b	Restrictions on distributions in case of failure to meet the leverage ratio buffer requirement	No implementation needed - these requirements only apply after the end of the TP	Not applicable	

Article 141c	Failure to meet the leverage ratio buffer requirement	No implementation needed - these requirements only apply after the end of the TP	Not applicable	
Article 146	Implementing acts	No implementation needed – requirements applicable to EU institutions	Not applicable	
Article 159a	Transitional provisions on approval of financial holding companies and mixed financial holding companies	Regulation 5 of the Financial Holding Companies (Approval etc.) and Capital Requirements (Capital Buffers and Macro-prudential Measures) (Amendment) (EU Exit) Regulations 2020	Regulation 5	
Article 161	Updates to commission requirements to review and report	No implementation needed – requirements applicable to the EU commission	Not applicable	