

CORRIGENDA

Corrigendum to Guideline (EU) 2017/697 of the European Central Bank of 4 April 2017 on the exercise of options and discretions available in Union law by national competent authorities in relation to less significant institutions (ECB/2017/9)

(Official Journal of the European Union L 101 of 13 April 2017)

On page 157, recital 7:

for: '(7) Options and discretions in relation to the exemption of exposures from the application of the large exposure limits set out in Article 395(1) of Regulation (EU) No 575/2013 should be consistently applied to both significant institutions and less significant institutions to establish a level playing field for credit institutions in the participating Member States, limit concentration risks arising from specific exposures, and ensure that the same minimum standards are applied across the SSM for the assessment of compliance with the conditions specified in Article 400(3) of the same Regulation. In particular, concentration risks arising from covered bonds falling within the terms of Article 129(1), (3) and (6) of Regulation (EU) No 575/2013 and exposures to or guaranteed by regional governments or local authorities of Member States, where those claims would be assigned a 20 % risk weight under Part Three, Title II, Chapter 2 of Regulation (EU) No 575/2013, should be limited. For intragroup exposures, including participations or other kinds of holdings, it needs to be ensured that the decision to fully exempt these exposures from the application of the large exposure limits is based on a thorough assessment as specified in Annex I to Regulation (EU) 2016/445 (ECB/2016/4). The application of common criteria for the assessment of whether an exposure, including participations or other kinds of holdings, to regional or central credit institutions with which the credit institution is associated in a network in accordance with legal or statutory provisions and which are responsible, under those provisions, for cash-clearing operations within the network, meets the conditions for an exemption from the large exposure limits as specified in Annex II to Regulation (EU) 2016/445 (ECB/2016/4) is warranted. Such application should ensure that significant and less significant institutions associated in the same network are treated in a consistent way. The exercise of the option provided for in Article 400(2) of Regulation (EU) No 575/2013 as set out in this Guideline should only apply if the relevant Member State has not exercised the option provided for in Article 493(3) of Regulation (EU) No 575/2013.'

read: '(7) Options and discretions in relation to the exemption of exposures from the application of the large exposure limits set out in Article 395(1) of Regulation (EU) No 575/2013 should be consistently applied to both significant institutions and less significant institutions to establish a level playing field for credit institutions in the participating Member States, limit concentration risks arising from specific exposures, and ensure that the same minimum standards are applied across the SSM for the assessment of compliance with the conditions specified in Article 400(3) of the same Regulation. In particular, concentration risks arising from covered bonds falling within the terms of Article 129(1), (3) and (6) of Regulation (EU) No 575/2013 and exposures to or guaranteed by regional governments or local authorities of Member States, where those claims would be assigned a 20 % risk weight under Part Three, Title II, Chapter 2 of Regulation (EU) No 575/2013, should be limited. The application of common criteria for the assessment of whether an exposure, including participations or other kinds of holdings, to regional or central credit institutions with which the credit institution is associated in a network in accordance with legal or statutory provisions and which are responsible, under those provisions, for cash-clearing operations within the network, meets the conditions for an exemption from the large exposure limits as specified in the Annex to this Guideline is warranted. Such application should ensure that significant and less significant institutions associated in the same network are treated in a consistent way. The exercise of the option provided for in Article 400(2) of Regulation (EU) No 575/2013 as set out in this Guideline should only apply if the relevant Member State has not exercised the option provided for in Article 493(3) of Regulation (EU) No 575/2013.'