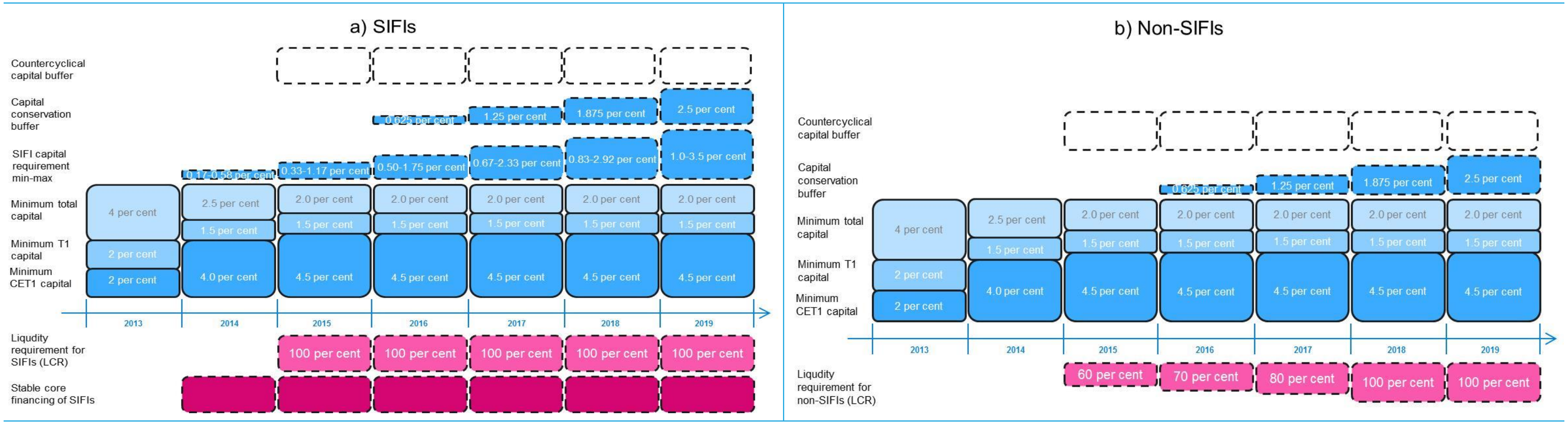
DET SYSTEMISKE RISIKORÅD

Annex

Overview of the Council's recommendation on the phasing-in of capital and liquidity requirements



Note: Blue indicates different types of capital requirements in percentage of risk-weighted assets. The liquidity requirement is a requirement that liquid assets are able to cover the liquidity need during 30 days of stressed market conditions. The solid lines indicate minimum requirements while the dashed lines indicate buffer requirements, which under certain circumstances may be exceeded. It is only the framework for the countercyclical capital buffer that will be implemented in full. This buffer can thus specifically be set to zero when it enters into force, unless credit growth and the broader economy develop in a way that would warrant its activation. The SIFI Committee has in addition to the recommended SIFI capital requirement recommended the establishment of a crisis management buffer at 5 per cent of the risk-weighted assets, to be phased-in from 2020 to 2022. For non-SIFIs the exiting liquidity requirements should be maintained in a transitional period as a complement to the LCR in the phasing-in period. In the figure, it is assumed that the implementation of CRR/CRD IV will enter into force in Denmark on January 1, 2014.