Capital Requirements Regulation (CRR): requirements for securities financing transactions under the net stable funding ratio

2025/0077(COD) - 22/05/2025 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 436 votes to 149, with 11 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions as regards requirements for securities financing transactions under the net stable funding ratio.

Parliament adopted at first reading the Commission's proposal to amend Regulation (EU) No 575/2013 on capital requirements or ‘CRR Regulation’ in order to maintain the current transitional approach to the Net Stable Funding Ratio (NSFR) requirement.

The CRR currently provides for the stable funding factors for monies due from financing transactions with financial customers, where those transactions have a residual maturity of less than six months. These funding factors are, depending on the financing transaction concerned, 0%, 5% or 10%. An increase of these requirements to 10%, 15% and 15% is planned for 28 June 2025.

To avoid possible unintended consequences on capital markets liquidity and considering the safeguards provided by the current framework for banks, the proposal amends the CRR Regulation to **maintain the current transitional treatment** for monies due from securities financing transactions and for unsecured transactions with a residual maturity of less than six months, with financial customers.

The EBA will report to the Commission on the appropriateness of this stable funding requirement by 31 January 2029 and every five years thereafter.

To ensure the continuity of that prudential treatment, this amending Regulation should apply from 29 June 2025.