



2025/1496

19.9.2025

COMMISSION DELEGATED REGULATION (EU) 2025/1496

of 12 June 2025

amending Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to the date of application of the own funds requirements for market risk

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012⁽¹⁾, and in particular Article 461a(2) thereof,

Whereas:

- (1) Regulation (EU) 2019/876 of the European Parliament and of the Council⁽²⁾ amended Regulation (EU) No 575/2013, inter alia, to introduce as a reporting requirement into that Regulation the Fundamental Review of the Trading Book (FRTB) standards, which is a comprehensive set of own funds requirements for market risk exposures developed by the Basel Committee on Banking Supervision (BCBS). Regulation (EU) 2024/1623 of the European Parliament and of the Council⁽³⁾ amended Regulation (EU) No 575/2013 once more, inter alia, to transform the FRTB standards into binding requirements for the calculation of own funds requirements for market risk.
- (2) Given the highly competitive nature of international trading activities, the FRTB standards were adopted on the premise that their implementation across jurisdictions, both in terms of substance and timelines, would ensure an international level playing field for institutions' trading activities. The monitoring of the implementation of the FRTB standards in other BCBS member jurisdictions, and more specifically in those jurisdictions with many internationally active banks, during the last two years, has shown that, due to delays to the implementation of the FRTB standards in those jurisdictions, there is a significant risk of distortions to the international level playing field. To address that risk and to gather more information on other jurisdictions' implementation timeline and actual rules, in July 2024, the Commission used the empowerment in Article 461a(2) of Regulation (EU) No 575/2013 to adopt Commission Delegated Regulation (EU) 2024/2795⁽⁴⁾ to defer the application of the FRTB standards for the calculation of own funds requirements for market risk in the Union for 1 year, to 1 January 2026.

⁽¹⁾ OJ L 176, 27.6.2013, p. 1, ELI: <http://data.europa.eu/eli/reg/2013/575/oj>.

⁽²⁾ 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 (OJ L 150, 7.6.2019, p. 1, ELI: <http://data.europa.eu/eli/reg/2019/876/oj>).

⁽³⁾ Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor (OJ L, 2024/1623, 19.6.2024, ELI: <http://data.europa.eu/eli/reg/2024/1623/oj>).

⁽⁴⁾ Commission Delegated Regulation (EU) 2024/2795 of 24 July 2024 amending Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to the date of application of the own funds requirements for market risk (OJ L, 2024/2795, 31.10.2024, ELI: http://data.europa.eu/eli/reg_del/2024/2795/oj).

- (3) In recent months, the monitoring of the implementation of the FRTB standards has shown that while a small number of jurisdictions have indeed progressed with their implementation, the uncertainty around implementation timelines in the jurisdictions with many internationally active banks remains very high and further delays are expected or have been confirmed. It is therefore necessary to defer the application of the FRTB standards for the calculation of own funds requirements for market risk in the Union by one additional year.
- (4) The deferred application of the FRTB standards has as a consequence that until 1 January 2027, institutions should be required to continue to apply the market risk framework laid down in the version of Regulation (EU) No 575/2013 in force on 8 July 2024 (i.e. one day before Regulation (EU) 2024/1623 that amended Regulation (EU) No 575/2013 entered into force), while finalising the implementation of the FRTB approaches. To account for the operational complexities and costs that some institutions face for the maintenance of the current internal models for another year, in the uncertain international context of the FRTB implementation, and given the temporary short-dated nature of the deferral, competent authorities should use, in their ongoing assessment of the internal models during that one-year period, the necessary flexibility to avoid impacts on the own funds requirements that are not linked to increases in the underlying market risk.
- (5) Competent authorities need information to monitor the impact of the FRTB, identify potential issues, and facilitate the implementation-related exchanges between them and institutions. Therefore, in accordance with the existing requirements and the regulatory and supervisory expectations that were communicated following the adoption of the Delegated Regulation (EU) 2024/2795, institutions should be required to continue to report the information related to their own funds requirements calculation for market risk under pre-FRTB approaches until the date of application of the FRTB for the calculation of own funds requirements for market risk in the Union. At the same time, institutions should also continue to report to their competent authorities their own funds requirements in accordance with Article 430b of Regulation (EU) No 575/2013 in the version in force on 8 July 2024.
- (6) Regulation (EU) 2024/1623 introduces into Regulation (EU) No 575/2013 specific disclosure requirements for market risk, tailored to the requirements laid down in the FRTB for the calculation of own funds requirements for market risk. The date of application of the provisions in Regulation (EU) 2024/1623 concerning the calculation of own funds requirements for market risk is, however, to be deferred by one additional year. For reasons of consistency, the related specific disclosure requirements should also be deferred by one additional year. Given the importance of the disclosure of own funds requirements in preserving a robust market discipline and in informing the investment decisions of market participants, institutions should instead be required, during that period of deferral, to continue disclosing the information relevant for their exposure to market risk and related own funds requirements based on the pre-FRTB calculation approaches.
- (7) Regulation (EU) 575/2013 should therefore be amended accordingly.
- (8) Delegated Regulation (EU) 2024/2795 applies until 1 January 2026. It is therefore necessary to align the date of entry into force and date of application of this Regulation with that date to avoid conflicting requirements to institutions,

HAS ADOPTED THIS REGULATION:

Article 1

Amendment to Regulation (EU) No 575/2013

In Regulation (EU) No 575/2013, Article 520a is replaced by the following:

‘Article 520a

Application of own funds requirements for market risk

Until 1 January 2027, institutions shall continue to apply Part Three, Title IV, and the market risk requirements of Articles 430, 430b, 445 and 455 of this Regulation in the version in force on 8 July 2024.’.

Article 2

Entry into force and application

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall apply from 1 January 2026.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 12 June 2025.

For the Commission
The President
Ursula VON DER LEYEN