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II

(Non-legislative acts)

REGULATIONS

COMMISSION IMPLEMENTING REGULATION (EU) 2019/911

of 24 May 2019

approving an amendment to the specification for a Protected Designation of Origin or a Protected Geographical Indication (Costers del Segre (PDO))

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 ⁽¹⁾, and in particular Article 99 thereof,

Whereas:

- (1) The Commission has examined the application for the approval of an amendment to the specification for the Protected Designation of Origin 'Costers del Segre', sent by Spain in accordance with Article 105 of Regulation (EU) No 1308/2013.
- (2) The Commission has published the application for the approval of an amendment to the specification in the *Official Journal of the European Union* ⁽²⁾, as required by Article 97(3) of Regulation (EU) No 1308/2013.
- (3) No statement of objection has been received by the Commission under Article 98 of Regulation (EU) No 1308/2013.
- (4) The amendment to the specification should therefore be approved in accordance with Article 99 of Regulation (EU) No 1308/2013.
- (5) The measures provided for in this Regulation are in accordance with the opinion of the Committee for the Common Organisation of the Agricultural Markets,

HAS ADOPTED THIS REGULATION:

Article 1

The amendment to the specification published in the *Official Journal of the European Union* regarding the name 'Costers del Segre' (PDO) is hereby approved.

Article 2

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

⁽¹⁾ OJ L 347, 20.12.2013, p. 671.

⁽²⁾ OJ C 38, 31.1.2019, p. 6.

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

Done at Brussels, 24 May 2019.

For the Commission

Phil HOGAN

Member of the Commission

COMMISSION IMPLEMENTING REGULATION (EU) 2019/912**of 28 May 2019****amending Implementing Regulation (EU) No 650/2014 laying down implementing technical standards with regard to the format, structure, contents list and annual publication date of the information to be disclosed by competent authorities in accordance with Directive 2013/36/EU of the European Parliament and of the Council****(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

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

Having regard to Directive 2013/36/EU 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 ⁽¹⁾, and in particular Article 143(3) thereof,

Whereas:

- (1) Commission Implementing Regulation (EU) No 650/2014 ⁽²⁾ specifies the format, structure, contents list and annual publication date of the information to be published by competent authorities in accordance with Article 143 of Directive 2013/36/EU. The information required to be published by competent authorities in accordance with that Implementing Regulation should now be updated to ensure consistency with changes that have been made to the framework for prudential supervision of institutions.
- (2) It is important that the information published by competent authorities is of high quality and easily comparable. Article 5 of Implementing Regulation (EU) No 650/2014 should therefore be amended to clarify that competent authorities should only compile aggregate statistical data from institutions that fall under their supervision, and to clarify for which period data should be reported.
- (3) Annex I to Implementing Regulation (EU) No 650/2014 sets out the templates for publishing information on the laws, regulations, administrative rules and general guidance adopted in each Member State. That Annex should be amended to provide more useful and relevant information on how competent authorities carry out supervision in their jurisdictions.
- (4) Annex II to Implementing Regulation (EU) No 650/2014 sets out the templates for publishing information on the options and discretions available in Union Law. That Annex should be amended to cover additional options and discretions stemming from Commission Delegated Regulation (EU) 2015/61 ⁽³⁾. It should also be amended to allow for the distinction between the transitional or permanent nature of those options and discretions, and to allow for the distinction between the application of those options and discretions to, on the one hand, credit institutions and, on the other hand, investment firms.
- (5) The implementation of the EBA Guidelines on the supervisory review and evaluation process (SREP) ⁽⁴⁾ should be more transparent. Annex III to Implementing Regulation (EU) No 650/2014 should therefore be amended to include a description of the supervisory approach to the internal liquidity adequacy assessment process (ILAAP).
- (6) Overlaps should be avoided and the comparability of the aggregate statistical data published by competent authorities should be improved. Annex IV to Implementing Regulation (EU) No 650/2014 should therefore be amended to take into account the level of prudential consolidation applied by institutions in accordance with Chapter 2 of Title II of Part One of Regulation (EU) No 575/2013 of the European Parliament and of the Council ⁽⁵⁾.

⁽¹⁾ OJ L 176, 27.6.2013, p. 338.

⁽²⁾ Commission Implementing Regulation (EU) No 650/2014 of 4 June 2014 laying down implementing technical standards with regard to the format, structure, contents list and annual publication date of the information to be disclosed by competent authorities in accordance with Directive 2013/36/EU of the European Parliament and of the Council (OJ L 185, 25.6.2014, p. 1).

⁽³⁾ Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions (OJ L 11, 17.1.2015, p. 1).

⁽⁴⁾ Guidelines on common procedures and methodologies for the supervisory review and evaluation process (SREP) of 19 December 2014, EBA/GL/2014/13.

⁽⁵⁾ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).

- (7) To improve the quality of the published information and to allow for a more meaningful comparison of that information, the templates in the Annexes to Implementing Regulation (EU) No 650/2014 should contain detailed guidance and instructions.
- (8) This Regulation is based on the draft implementing technical standards submitted by the European Banking Authority to the Commission.
- (9) EBA has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits, and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council ⁽¹⁾.
- (10) Implementing Regulation (EU) No 650/2014 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Implementing Regulation (EU) No 650/2014 is amended as follows:

- (1) in Article 5, the second and third paragraphs are replaced by the following:

‘Competent authorities shall update the information referred to in point (d) of Article 143(1) of that Directive by 31 July of each year. That information shall cover the preceding calendar year.

Competent authorities shall, for the institutions subject to their prudential supervision, update the information referred to in points (a) to (c) of Article 143(1) of that Directive on a regular basis, and in any event by 31 July of each year, unless there is no change in the information last published.’;

- (2) Annex I is replaced by the text in Annex I to this Regulation;
- (3) Annex II is replaced by the text in Annex II to this Regulation;
- (4) Annex III is replaced by the text in Annex III to this Regulation;
- (5) Annex IV is replaced by the text in Annex IV to this Regulation.

Article 2

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

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

Done at Brussels, 28 May 2019.

For the Commission
The President
Jean-Claude JUNCKER

⁽¹⁾ Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).

ANNEX I

RULES AND GUIDANCE

List of templates

Part 1	Transposition of Directive 2013/36/EU
Part 2	Model approval
Part 3	Specialised lending exposures
Part 4	Credit risk mitigation
Part 5	Specific disclosure requirements applied to institutions
Part 6	Waivers for the application of prudential requirements
Part 7	Qualifying holdings in a credit institution
Part 8	Regulatory and financial reporting

General remarks on filling in templates in Annex I

When publishing information on the general criteria and methodologies, competent authorities shall not disclose any supervisory measures directed at specific institutions, whether taken with respect to a single institution or to a group of institutions.

PART 1

Transposition of Directive 2013/36/EU

	Transposition of provisions of Directive 2013/36/EU	Provisions of Directive 2013/36/EU	Links to national text ⁽¹⁾	Reference(s) to national provisions ⁽²⁾	Available in EN (Y/N)
010	Date of the last update of information in this template		(dd/mm/yyyy)		
020	I. Subject matter, scope and definitions	Articles 1 to 3			
030	II. Competent authorities	Articles 4 to 7			
040	III. Requirements for access to the activity of credit institutions	Articles 8 to 27			
050	1. General requirements for access to the activity of credit institutions	Articles 8 to 21			
060	2. Qualifying holding in a credit institution	Articles 22 to 27			
070	IV. Initial capital of investment firms	Articles 28 to 32			
080	V. Provisions concerning the freedom of establishment and the freedom to provide services	Articles 33 to 46			
090	1. General principles	Articles 33 to 34			
100	2. The right of establishment of credit institutions	Articles 35 to 38			

	Transposition of provisions of Directive 2013/36/EU	Provisions of Directive 2013/36/EU	Links to national text ⁽¹⁾	Reference(s) to national provisions ⁽²⁾	Available in EN (Y/N)
110	3. Exercise of the freedom to provide services	Article 39			
120	4. Powers of the competent authorities of the host Member State	Articles 40 to 46			
130	VI. Relations with third countries	Articles 47 to 48			
140	VII. Prudential supervision	Articles 49 to 142			
150	1. Principles of prudential supervision	Articles 49 to 72			
160	1.1 Competence and duties of home and host Member States	Articles 49 to 52			
170	1.2 Exchange of information and professional secrecy	Articles 53 to 62			
180	1.3 Duty of persons responsible for the legal control of annual and consolidated accounts	Article 63			
190	1.4 Supervisory powers, powers to impose penalties and right of appeal	Articles 64 to 72			
200	2. Review processes	Articles 73 to 110			
210	2.1 Internal capital adequacy assessment process	Article 73			
220	2.2 Arrangements, processes and mechanisms of institutions	Articles 74 to 96			
230	2.3 Supervisory review and evaluation process	Articles 97 to 101			
240	2.4 Supervisory measures and powers	Articles 102 to 107			
250	2.5 Level of application	Articles 108 to 110			
260	3. Supervision on a consolidated basis	Articles 111 to 127			
270	3.1 Principles for conducting supervision on a consolidated basis	Articles 111 to 118			
280	3.2 Financial holding companies, mixed financial holding companies and mixed-activity holding companies	Articles 119 to 127			

	Transposition of provisions of Directive 2013/36/EU	Provisions of Directive 2013/36/EU	Links to national text ⁽¹⁾	Reference(s) to national provisions ⁽²⁾	Available in EN (Y/N)
290	4. Capital buffers	Articles 128 to 142			
300	4.1 Buffers	Articles 128 to 134			
310	4.2 Setting and calculating countercyclical capital buffers	Articles 135 to 140			
320	4.3 Capital conservation measures	Articles 141 to 142			
330	VIII. Disclosure by competent authorities	Articles 143 to 144			
340	IX. Amendments of Directive 2002/87/EC	Article 150			
350	X. Transitional and final provisions	Articles 151 to 165			
360	1. Transitional provisions on the supervision of institutions exercising the freedom of establishment and the freedom to provide services	Articles 151 to 159			
370	2. Transitional provisions for capital buffers	Article 160			
380	3. Final provisions	Articles 161 to 165			

⁽¹⁾ Hyperlink(s) to the website containing the national text transposing the Union provision in question.

⁽²⁾ Detailed references to the national provisions, such as relevant Title, Chapter, paragraph etc.

PART 2

Model approval

010	Date of the last update of information in this template	(dd/mm/yyyy)
		Description of the approach
	Supervisory approach for the approval of the use of Internal Ratings Based (IRB) Approach to calculate minimum capital requirements for credit risk	
020	Minimum documentation to be provided by the institutions applying for the use of IRB approach	[free text]
030	Description of the assessment process conducted by the competent authority (use of self assessment, reliance on external auditors and on-site-inspections) and main criteria of the assessment	[free text]
040	Form of the decisions taken by the competent authority and communication of the decisions to applicants	[free text]

	Supervisory approach for the approval of the use of Internal Model Approach (IMA) to calculate minimum capital requirements for market risk	
050	Minimum documentation to be provided by the institutions applying for the use of IMA approach	[free text]
060	Description of the assessment process conducted by the competent authority (use of self assessment, reliance on external auditors and on-site-inspections) and main criteria of the assessment	[free text]
070	Form of the decisions taken by the competent authority and communication of the decisions to applicants	[free text]
	Supervisory approach for the approval of the use of Internal Model Method (IMM) to calculate minimum capital requirements for counterparty credit risk	
080	Minimum documentation to be provided by the institutions applying for the use of IMM approach	[free text]
090	Description of the assessment process conducted by the competent authority (use of self assessment, reliance on external auditors and on-site-inspections) and main criteria of the assessment	[free text]
100	Form of the decisions taken by the competent authority and communication of the decisions to applicants	[free text]
	Supervisory approach for the approval of the use of Advanced Measurement Approach (AMA) to calculate minimum capital requirements for operational risk	
110	Minimum documentation to be provided by the institutions applying for the use of AMA approach	[free text]
120	Description of the assessment process conducted by the competent authority (use of self assessment, reliance on external auditors and on-site-inspections) and main criteria of the assessment	[free text]
130	Form of the decisions taken by the competent authority and communication of the decisions to applicants	[free text]

PART 3

Specialised lending exposures

	Regulation (EU) No 575/2013	Provisions	Information to be provided by the competent authority
010	Date of the last update of the information in this template		(dd/mm/yyyy)
020	Article 153(5)	Has the competent authority published guidance to specify how institutions should take into account the factors referred to in paragraph 5 of Article 153 when assigning risk weights to specialised lending exposures?	[Yes/No]
030		If so, please provide the reference to the national guidance	[reference to national text]
040		Is the national guidance available in English?	[Yes/No]

PART 4

Credit risk mitigation

	Regulation (EU) No 575/2013	Provisions	Description	Information to be provided by the competent authority	
010	Date of the last update of the information in this template				(dd/mm/yyyy)
020	Article 201(2)	Publication of the list of financial institutions that are eligible providers of unfunded credit protection or guiding criteria for identifying these financial institutions	Competent authorities shall publish and maintain the list of financial institutions that are eligible providers of unfunded credit protection under point (f) of Article 201(1) of Regulation (EU) No 575/2013 or the guiding criteria for identifying such eligible providers	List of the financial institutions or guiding criteria for their identification	<i>[free text - a hyper-link to such list or guiding criteria on the competent authority's website can be provided]</i>
030		Description of the applicable prudential requirements	Competent authorities shall publish a description of the applicable prudential requirements together with the list of the eligible financial institutions or the guiding criteria for identifying these financial institutions	Description of the prudential requirements applied by the competent authority	<i>[free text]</i>
040	Article 227(2)(e)	Condition for applying a 0 % volatility adjustment	Under the Financial collateral Comprehensive Method institutions may apply a 0 % volatility adjustment provided that the transaction is settled in a settlement system proven for that type of transaction	Detailed description on how the competent authority considers the settlement system as a proven system	<i>[free text]</i>
050	Article 227(2)(f)	Condition for applying a 0 % volatility adjustment	Under the Financial collateral Comprehensive Method institutions may apply a 0 % volatility adjustment provided that the documentation covering the agreement or transaction is standard market documentation for repurchase transactions or securities lending or borrowing transactions in the securities concerned	Specification of the documentation to be considered as standard market documentation	<i>[free text]</i>
060	Article 229(1)	Valuation principles for immovable property collateral under the IRB approach	The immovable property may be valued by an independent valuer at or at less than the mortgage lending value in the Member States that have laid down rigorous criteria for the assessment of this mortgage lending value in statutory or regulatory provisions	Criteria set out in the national legislation for the assessment of the mortgage lending value	<i>[free text]</i>

PART 5

Specific disclosure requirements applied to institutions

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Provision	Information to be provided by the competent authority	
010	Date of the last update of information in this template				(dd/mm/yyyy)
020	Article 106(1)(a)		Competent authorities may require institutions to publish information referred to in Part Eight of Regulation (EU) No 575/2013 more than once per year, and to set deadlines for publication	Frequency and deadlines for publication applicable to institutions	[free text]
030	Article 106(1)(b)		Competent authorities may require institutions to use specific media and locations for publications other than the financial statements	Types of specific media to be used by institutions	[free text]
040		Article 13(1) and (2)	Significant subsidiaries and those which are of material significance for their local market shall disclose information specified in Part Eight of Regulation (EU) No 575/2013 on an individual or sub-consolidated basis.	Criteria applied by the competent authority to assess the significance of a subsidiary	[free text]

PART 6

Waivers for the application of prudential requirements

	Regulation (EU) No 575/2013	Provisions	Description	Information to be provided by the competent authority	
010	Date of the last update of the information in this template				(dd/mm/yyyy)
020	Article 7(1) and (2) (Individual waivers for subsidiaries)	Exemption from the application on an individual basis of prudential requirements set out in Parts Two to Five and Eight of Regulation (EU) No 575/2013	The waiver may be granted to any subsidiary provided that there is no current or foreseen material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities by its parent undertaking pursuant to point (a) of Article 7(1).	Criteria applied by the competent authority to assess that there is no obstacle to the prompt transfer of own funds or repayment of liabilities	[free text]
030	Article 7(3) (Individual waivers for parent institutions)	Exemption from the application on an individual basis of prudential requirements set out in Parts Two to Five and Eight of Regulation (EU) No 575/2013	The waiver may be granted to a parent institution provided that there is no current or foreseen material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities to the parent institution pursuant to point (a) of Article 7(3).	Criteria applied by the competent authority to assess that there is no obstacle to the prompt transfer of own funds or repayment of liabilities	[free text]

	Regulation (EU) No 575/2013	Provisions	Description	Information to be provided by the competent authority	
040	Article 8 (Liquidity waivers for subsidiaries)	Exemption from the application on an individual basis of liquidity requirements set out in Part Six of Regulation (EU) No 575/2013	The waiver may be granted to institutions within a sub-group provided that these institutions have entered into contracts that, to the satisfaction of the competent authorities, provide for the free movement of funds between them to enable them to meet their individual and joint obligations as they become due pursuant to point (c) of Article 8(1).	Criteria applied by the competent authority to assess whether the contracts provide for free movement of funds between the institutions in a liquidity sub-group	<i>[free text]</i>
050	Article 9(1) (Individual consolidation method)	Permission granted to parent institutions to incorporate subsidiaries in the calculation of their prudential requirements set out in Parts Two to Five and Eight of Regulation (EU) No 575/2013	The permission is granted only where the parent institution demonstrates fully to the competent authorities that there is no current or foreseen material practical or legal impediment to the prompt transfer of own funds, or repayment of liabilities when due by the subsidiary incorporated in the calculation of requirements to its parent institution pursuant to Article 9(2).	Criteria applied by the competent authority to assess that there is no obstacle to the prompt transfer of own funds or repayment of liabilities	<i>[free text]</i>
060	Article 10 (Credit institutions permanently affiliated to a central body)	Exemption from the application on an individual basis of prudential requirements set out in Parts Two to Eight of Regulation (EU) No 575/2013	Member States may maintain and make use of existing national legislation regarding the application of the waiver as long as it does not conflict with the Regulation (EU) No 575/2013 or Directive 2013/36/EU	Applicable national law / regulation regarding the application of the waiver	<i>[reference to national text]</i>

PART 7

Qualifying holdings in a credit institution

	Directive 2013/36/EU	Assessment criteria and information that is necessary for assessing the suitability of the proposed acquirer seeking to acquire a credit institution and the financial soundness of the proposed acquisition	Information to be provided by the competent authority	
010	Date of the last update of information in this template			<i>(dd/mm/yyyy)</i>
020	Article 23(1)(a)	Reputation of the proposed acquirer	Description on how the competent authority assesses the integrity of the proposed acquirer	<i>[free text]</i>
030			Description on how the competent authority assesses the professional competence of the proposed acquirer	<i>[free text]</i>
040			Practical details on the cooperation process between competent authorities pursuant to Article 24 of Directive 2013/36/EU	<i>[free text]</i>

	Directive 2013/36/EU	Assessment criteria and information that is necessary for assessing the suitability of the proposed acquirer seeking to acquire a credit institution and the financial soundness of the proposed acquisition	Information to be provided by the competent authority	
050	Article 23(1)(b)	Reputation, knowledge, skills and experience of any member of the management body or senior management who will direct the business of the credit institution	Description on how the competent authority assesses the reputation, knowledge, skills and experience of members of management body and senior managers	[free text]
060	Article 23(1)(c)	Financial soundness of the proposed acquirer	Description on how the competent authority assesses the financial soundness of the proposed acquirer	[free text]
070			Practical details on the cooperation process between competent authorities pursuant to Article 24 of Directive 2013/36/EU	[free text]
080	Article 23(1)(d)	Compliance of the credit institution with the prudential requirements	Description on how the competent authority assesses whether or not the credit institution will be able to comply with the prudential requirements	[free text]
090	Article 23(1)(e)	Suspicion of money laundering or terrorist financing	Description on how the competent authority assesses whether or not there are reasonable grounds to suspect money laundering or terrorist financing	[free text]
100			Practical details on the cooperation process between competent authorities pursuant to Article 24 of Directive 2013/36/EU	[free text]
110	Article 23(4)	List specifying the information to be provided to the competent authorities at the time of notification	List of information that must be provided by the proposed acquirer at the time of notification in order for the competent authority to carry out the assessment of the proposed acquirer and the proposed acquisition	[free text]

PART 8

Regulatory and financial reporting

010	Date of the last update of information in this template	(dd/mm/yyyy)
020	Implementation of the reporting on financial information in accordance with the Commission Implementing Regulation 680/2014	
030	Is the application of the requirement set out in Article 99(2) of Regulation (EU) No 575/2013 extended to institutions which do not apply international accounting standards as applicable under Regulation (EC) No 1606/2002?	[Yes/No]
040	<i>If so, what accounting frameworks apply to these institutions?</i>	[free text]
050	<i>If so, which is the level of application of the reporting? (solo/consolidated/sub-consolidated basis)</i>	[free text]

060	Is the application of requirements set out in Article 99(2) of Regulation (EU) No 575/2013 extended to financial entities other than credit institutions or investment firms?	[Yes/No]
070	<i>If so, what types of financial entities (e.g. financial firms) are subject to these reporting requirements?</i>	[free text]
080	<i>If so, what is the size of these financial entities in terms of total balance sheet (on a solo basis)?</i>	[free text]
090	Are XBRL standards used for submitting the reporting to the competent authority?	[Yes/No]
100	Implementation of the reporting on own funds and own funds requirements in accordance with the Commission Implementing Regulation 680/2014	
110	Is the application of requirements set out in Article 99(1) of Regulation (EU) No 575/2013 extended to financial entities other than credit institutions or investment firms?	[Yes/No]
120	<i>If so, what accounting frameworks apply to these financial entities?</i>	[free text]
130	<i>If so, what types of financial entities (e.g. financial firms) are subject to these reporting requirements?</i>	[free text]
140	<i>If so, what is the size of these financial entities in terms of total balance sheet (on a solo basis)?</i>	[free text]
150	Are XBRL standards used for submitting the reporting to the competent authority?	[Yes/No]

ANNEX II

OPTIONS AND DISCRETIONS**List of templates**

- Part 1 Options and discretions set out in Directive 2013/36/EU, Regulation (EU) No 575/2013 and LCR Delegated Regulation (EU) 2015/61
- Part 2 Transitional options and discretions set out in Directive 2013/36/EU and Regulation (EU) No 575/2013
- Part 3 Variable elements of remuneration (Article 94 of Directive 2013/36/EU)

Competent authorities shall not disclose supervisory actions or decisions directed at specific institutions. When publishing information on the general criteria and methodologies, competent authorities shall not disclose any supervisory measures directed at specific institutions, whether taken with respect to a single institution or to a group of institutions.

Options and discretions set out in Directive 2013/36/EU, Regulation (EU) No 575/2013 and LCR Delegated Regulation (EU) 2015/61

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
010	Date of the last update of information in this template							(dd/mm/yyyy)				
020	Article 9(2)			Member States	Credit Institutions	Exception to the prohibition against persons or undertakings other than credit institutions from taking deposits or other repayable funds from the public	The prohibition against persons or undertakings other than credit institutions from carrying out the business of taking deposits or other repayable funds from the public shall not apply to a Member State, a Member State's regional or local authorities, a public international bodies of which one or more Member States are members, or to cases expressly covered by national or union law, provided that those activities are subject to regulations and controls intended to protect depositors and investors.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
030	Article 12(3)			Member States	Credit Institutions	Initial capital	Member States may decide that credit institutions which do not fulfil the requirements to hold separate own funds and which were in existence on 15 December 1979 may continue to carry out their business.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
040	Article 12(3)			Member States	Credit Institutions	Initial capital	Credit Institutions for which Member States have decided that they can continue to carry out their business according to Article 12(3) of Directive 2013/36/EU may be exempted by MS from complying with the requirements contained in the first subparagraph of Article 13(1) of Directive 2013/36/EU.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
050	Article 12(4)			Member States	Credit Institutions	Initial capital	Member States may grant authorisation to particular categories of credit institutions the initial capital of which is less than EUR 5 million, provided that the initial capital is not less than EUR 1 million and the Member State concerned notifies the Commission and EBA of its reasons for exercising that option.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
060	Article 21(1)			Competent Authorities	Credit Institutions	Exemptions for credit institutions permanently affiliated to a central body	Competent authorities may exempt with regard to credit institutions permanently affiliated to a central body from the requirements set out in Articles 10, 12 and 13(1) of Directive 2013/36/EU.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
070	Article 29(3)			Member States	Investment Firms	Initial capital of particular types of investment firms	Member States may reduce the minimum amount of initial capital from EUR 125 000 to EUR 50 000 where a firm is not authorised to hold client money or securities, to deal for its own account, or to underwrite issues on a firm commitment basis.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
080	Article 32(1)			Member States	Investment Firms	Investment firms' initial capital grandfathering clause	Member States may continue authorising investment firm and firms covered by Article 30 of Directive 2013/36/EU which were in existence on or before 31 December 1995, the own funds of which are less than the initial capital levels specified for them in Article 28(2), Article 29(1) or (3) or Article 30 of that Directive.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
090	Article 40			Competent Authorities	Credit Institutions	Reporting requirements to host competent authorities	The competent authorities of host Member States may, for information, statistical or supervisory purposes, require that all credit institutions having branches within their territories shall report to them periodically on their activities in those host Member States, in particular to assess whether a branch is significant in accordance with Article 51(1) of Directive 2013/36/EU.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
100	Article 129(2)			Member States	Investment Firms	Exemption from the requirement to maintain a capital conservation buffer for small and medium-sized investment firms	By way of derogation from paragraph 1 of Article 129, a Member State may exempt small and medium-sized investment firms from the requirements set out in that paragraph if such an exemption does not threaten the stability of the financial system of that Member State.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
110	Article 130(2)			Member States	Investment Firms	Exemption from the requirement to maintain a countercyclical capital buffer for small and medium-sized investment firms	By way of derogation from paragraph 1 of Article 130, a Member State may exempt small and medium-sized investment firms from the requirements set out in that paragraph if such an exemption does not threaten the stability of the financial system of that Member State.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
120	Article 133(18)			Member States	Credit Institutions and Investment firms	Requirement to maintain a systemic risk buffer	Member States may apply a systemic risk buffer to all exposures.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
130	Article 134(1)			Member States	Credit Institutions and Investment firms	Recognition of a systemic risk buffer rate	Other Member States may recognise the systemic risk buffer rate set according to Article 133 and may apply that buffer rate to domestically authorised institutions for the exposures located in the Member State setting that buffer rate.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
140	Article 152 first paragraph			Member States	Credit Institutions	Reporting requirements to host competent authorities	The competent authorities of host Member States may, for statistical purposes, require that all credit institutions having branches within their territories shall report to them periodically on their activities in those host Member States.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
150	Article 152 second para- graph			Member States	Credit Institutions	Reporting require- ments to host compe- tent authorities	Host Member States may require that branches of credit institutions from other Member States provide the same information as they require from national credit institutions for that purpose.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
160	Article 160(6)			Member States	Credit Institutions and Investment firms	Transitional provisions for capital buffers	Member States may impose a shorter transitional period for capital buffers than that specified in paragraphs 1 to 4 of Article 160. Such a shorter transitional period may be recognised by other Member States.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
170		Article 4(2)		Member States or Competent Authorities	Credit Institutions and Investment firms	Treatment of indirect holdings in real estate	Member States or their competent authorities may allow shares constituting an equivalent indirect holding of immovable property to be treated as a direct holding of immovable property provided that such indirect holding is specifically regulated in the national law of the Member State and, when pledged as collateral, provides equivalent protection to creditors.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
180		Article 6(4)		Competent Authorities	Investment Firms	Application of require- ments on an indi- vidual basis	Pending the report from the Commission in accordance with Article 508(3), competent authorities may exempt investment firms from compliance with the obligations laid down in Part Six (liquidity) taking into account the nature, scale and complexity of the investment firms' activities.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
190		Article 24(2)				Reporting and the compulsory use of IFRS	Competent authorities may require that institutions effect the valuation of assets and off-balance sheet items and the determination of own funds in accordance with International Accounting Standards as applicable under Regulation (EC) No 1606/2002).	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
200		Article 89(3)		Competent Authorities	Credit Institutions and Investment firms	Risk weighting and prohibition of qualify- ing holdings outside the financial sector	Competent authorities apply the following requirements to qualifying holdings of institutions referred to in paragraphs 1 and 2: for the purpose of calculating the capital requirement in accordance with Part Three of this Regulation, institutions shall apply a risk weight of 1 250 % to the greater of the following: (i) the amount of qualifying holdings referred to in paragraph 1 in excess of 15 % of eligible capital; (ii) the total amount of qualifying holdings referred to in paragraph 2 that exceed 60 % of the eligible capital of the institution;	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
201		Article 89(3)		Competent Authorities	Credit Institutions and Investment firms	Risk weighting and prohibition of qualify- ing holdings outside the financial sector	Competent authorities apply the following require- ments to qualifying holdings of institutions referred to in paragraphs 1 and 2: the competent authorities shall prohibit institutions from having qualifying holdings referred to in para- graphs 1 and 2 the amount of which exceeds the percentages of eligible capital laid down in those paragraphs.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
210		Article 95(2)		Competent Authorities	Investment Firms	Requirements for in- vestment firms with limited authorisation to provide investment services	Competent authorities may set the own fund require- ments for investment firms with limited authoris- ation to provide investment services as the own fund requirements that would be binding on those firms according to the national transposition measures in force on 31 December 2013 for Directive 2006/49/EC and Directive 2006/48/EC.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
220		Article 99(3)		Competent Authorities	Credit Institutions	Reporting on own funds requirements and financial informa- tion	Competent authorities may require those credit insti- tutions applying international accounting standards as applicable under Regulation (EC) No 1606/2002 for the reporting of own funds on a consolidated ba- sis pursuant to Article 24(2) of this Regulation to also report financial information as laid down in paragraph 2 of this Article.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
230		Article 124(2)		Competent Authorities	Credit Institutions and Investment firms	Risk weights and cri- teria applied to expo- sures secured by mort- gages on immovable property	Competent authorities may set a higher risk weight or stricter criteria than those set out in Article 125(2) and Article 126(2), where appropriate, on the basis of financial stability considerations.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
240		Article 129(1)				Exposures in the form of covered bonds	The competent authorities may, after consulting EBA, partly waive the application of point (c) of the first subparagraph and allow credit quality step 2 for up to 10 % of the total exposure of the nominal amount of outstanding covered bonds of the issuing institution, provided that significant potential con- centration problems in the Member States concerned can be documented due to the application of the credit quality step 1 requirement referred to in that point.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
250		Article 164(5)		Competent Authorities	Credit Institutions and Investment firms	Minimum values of exposure weighted average Loss Given Default (LGD) for exposures secured by property	Based on the data collected under Article 101 and taking into account forward-looking immovable property market developments and any other relevant indicators, the competent authorities shall periodically, and at least annually, assess whether the minimum LGD values in paragraph 4 of this Article are appropriate for exposures secured by residential property or commercial immovable property located in their territory. Competent authorities may, where appropriate on the basis of financial stability considerations, set higher minimum values of exposure weighted average LGD for exposures secured by immovable property in their territory.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
260		Article 178(1)(b)		Competent Authorities	Credit Institutions and Investment firms	Default of an obligor	Competent authorities may replace the 90 days with 180 days for exposures secured by residential property or SME commercial immovable property in the retail exposure class, as well as exposures to public sector entities.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
270		Article 284(4)		Competent Authorities	Credit Institutions and Investment firms	Exposure value	Competent authorities may require an α higher than 1.4 or permit institutions to use their own estimates in accordance with Article 284 (9)	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
280		Article 284(9)		Competent Authorities	Credit Institutions and Investment firms	Exposure value	Competent authorities may permit institutions to use their own estimates of alpha	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
290		Article 327(2)		Competent Authorities	Credit Institutions and Investment firms	Netting between a convertible and an offsetting position in the underlying instrument	Competent authorities may adopt an approach under which the likelihood of a particular convertible's being converted is taken into account or require an own funds requirement to cover any loss which conversion might entail.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
300		Article 395(1)		Competent Authorities	Competent Authorities	Large exposure limits for exposures to institutions	Competent authorities may set a lower large exposure limit than EUR 150 000 000 for exposures to institutions.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
310		Article 400(2)(a) 493(3)(a)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt covered bonds falling within the terms of Article 129(1), (3) and (6).	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
320		Article 400(2)(b) 493(3)(b)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt asset items constituting claims on regional govern- ments or local authorities of Member States.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
330		Article 400(2)(c) 493(3)(c)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures incurred by an institution to its parent un- dertaking or subsidiaries.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
340		Article 400(2)(d) 493(3)(d)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to regional or central credit institutions with which the credit institution is associated in a network and which are responsible for cash-clear- ing operations within the network.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
350		Article 400(2)(e) 493(3)(e)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to credit institutions incurred by credit in- stitutions, one of which operates on a non-competi- tive basis and provides or guarantees loans under leg- islative programmes or its statutes, to promote specified sectors of the economy under some form of government oversight and restrictions on the use of the loans, provided that the respective exposures arise from such loans that are passed on to the ben- eficiaries via credit institutions or from the guaran- tees of these loans.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
360		Article 400(2)(f) 493(3)(f)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to institutions, provided that those expo- sures do not constitute such institutions' own funds, do not last longer than the following business day and are not denominated in a major trading cur- rency.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
370		Article 400(2)(g) 493(3)(g)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to central banks in the form of required minimum reserves held at those central banks which are denominated in their national currencies.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
380		Article 400(2)(h) 493(3)(h)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to central governments in the form of statutory liquidity requirements held in government securities which are denominated and funded in their national currencies provided that, at the discretion of the competent authority, the credit assessment of those central governments assigned by a nominated External Credit Assessment Institution is investment grade.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
390		Article 400(2)(i) 493(3)(i)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt 50 % of medium/low risk off-balance sheet documentary credits and of medium/low risk off-balance sheet undrawn credit facilities referred to in Annex I and subject to the competent authorities' agreement, 80 % of guarantees other than loan guarantees which have a legal or regulatory basis and are given for their members by mutual guarantee schemes possessing the status of credit institutions.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
400		Article 400(2)(j) 493(3)(j)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt legally required guarantees used when a mortgage loan financed by issuing mortgage bonds is paid to the mortgage borrower before the final registration of the mortgage in the land register, provided that the guarantee is not used as reducing the risk in calculating the risk-weighted exposure amounts.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
410		Article 400(2)(k) 493(3)(k)		Competent Authorities	Competent Authorities	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt assets items constituting claims on and other exposures to recognised exchanges.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
420		Article 412(5)		Member States	Credit Institutions	Liquidity coverage re- quirement	Member States may maintain or introduce national provisions in the area of liquidity requirements before binding minimum standards for liquidity coverage requirements are specified and fully introduced in the Union in accordance with Article 460.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
430		Article 412(5)		Member States or Competent Authorities	Credit Institutions	Liquidity coverage re- quirement	Member states or competent authorities may require domestically authorised institutions, or a subset of those institutions to maintain a higher liquidity coverage requirement up to 100 % until the binding minimum standard is fully introduced at a rate of 100 % in accordance with Article 460.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
440		Article 413(3)		Member States	Credit Institutions	Stable funding require- ment	Member States may maintain or introduce national provisions in the area of stable funding requirements before binding minimum standards for net stable funding requirements are specified and introduced in the Union in accordance with Article 510.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
450		Article 415(3)		Competent Authorities	Credit Institutions	Liquidity reporting re- quirements	Competent authorities may continue to collect information through monitoring tools for the purpose of monitoring compliance with existing national liquidity standards, until the full introduction of binding liquidity requirements.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
460		Article 420(2)		Competent Authorities	Credit Institutions	Liquidity outflow rate	The competent authorities may apply an outflow rate up to 5 % for trade finance off-balance sheet related products, as referred to in Article 429 and Annex 1.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
470		Article 467(2)		Competent Authorities	Credit Institutions and Investment firms	Transitional treatment of unrealised losses measured at fair value	By way of derogation from paragraph 1 of Article 467, the competent authorities may, in cases where such treatment was applied before 1 January 2014, allow institutions not to include in any element of own funds unrealised gains or losses on exposures to central governments classified in the 'Available for Sale' category of EU-endorsed IAS 39.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
480		Article 467(3) sec- ond sub- paragraph		Competent Authorities	Credit Institutions and Investment firms	Transitional treatment of unrealised losses measured at fair value	Competent authorities shall determine and publish the applicable percentage in the ranges specified in points (a) to (d) of paragraph 2 of Article 467.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
490		Article 468(2)		Competent Authorities	Credit Institutions and Investment firms	Transitional treatment of unrealised gains measured at fair value	Competent authorities may permit institutions to include in the calculation of their Common Equity Tier 1 capital 100 % of their unrealised gains at fair value where under Article 467 institutions are required to include their unrealised losses measured at fair value in the calculation of Common Equity Tier 1 capital.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
500		Article 468(3)		Competent Authorities	Credit Institutions and Investment firms	Transitional treatment of unrealised gains measured at fair value	Competent authorities shall determine and publish the applicable percentage of unrealised gains in the ranges specified in points (a) to (c) of paragraph 2 of Article 468 that is removed from Common Equity Tier 1 capital.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
510		Article 471(1)		Competent Authorities	Credit Institutions and Investment firms	Exemption from de- duction of equity holding in insurance companies from CET1 items	By way of derogation from Article 49(1), during the period from 1 January 2014 to 31 December 2022, competent authorities may permit institutions to not deduct equity holdings in insurance undertakings, re-insurance undertakings and insurance holding companies where the conditions set out in paragraph 1 of Article 471 are met.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
520		Article 473(1)		Competent Authorities	Credit Institutions and Investment firms	Introduction of amendments to IAS 19	By way of derogation from Article 481 during the period from 1 January 2014 until 31 December 2018, competent authorities may permit institutions that prepare their accounts in conformity with the international accounting standards adopted in accordance with the procedure laid down in Article 6(2) of Regulation (EC) No 1606/2002 to add to their Common Equity Tier 1 capital the applicable amount in accordance with paragraph 2 or 3 of Article 473, as applicable, multiplied by the factor applied in accordance with paragraph 4 of Article 473.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
530		Article 478(3)		Competent Authorities	Credit Institutions and Investment firms	Transitional deduc- tions from Common Equity Tier 1, Addi- tional Tier 1 and Tier 2 items	Competent authorities shall determine and publish an applicable percentage in the ranges specified in paragraphs 1 and 2 of Article 478 for each of the following deductions: (a) the individual deductions required pursuant to points (a) to (h) of Article 36(1), excluding deferred tax assets that rely on future profitability and arise from temporary differences; (b) the aggregate amount of deferred tax assets that rely on future profitability and arise from temporary differences and the items referred to in point (i) of Article 36(1) that is required to be deducted pursuant to Article 48; (c) each deduction required pursuant to points (b) to (d) of Article 56; (d) each deduction required pursuant to points (b) to (d) of Article 66.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
540		Article 479(4)		Competent Authorities	Credit Institutions and Investment firms	Transitional recognit- ion in consolidated Common Equity Tier 1 capital of instruments and items that do not qualify as minority in- terests	Competent authorities shall determine and publish the applicable percentage in the ranges specified in paragraph 3 of Article 479.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
550		Article 480(3)		Competent Authorities	Credit Institutions and Investment firms	Transitional recogni- tion of minority inter- ests and qualifying Additional Tier 1 and Tier 2 capital	Competent authorities shall determine and publish the value of the applicable factor in the ranges speci- fied in paragraph 2 of Article 480.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
560		Article 481(5)		Competent Authorities	Credit Institutions and Investment firms	Additional transitional filters and deductions	For each filter or deduction referred to in para- graphs 1 and 2 of Article 481, competent authorities shall determine and publish the applicable percen- tages in the ranges specified in paragraphs 3 and 4 of that Article	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
570		Article 486(6)		Competent Authorities	Credit Institutions and Investment firms	Limits for grandfather- ing of items within Common Equity Tier 1, Additional Tier 1 and Tier 2 items	Competent authorities shall determine and publish the applicable percentages in the ranges specified in paragraph 5 of Article 486.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
580		Article 495(1)		Competent Authorities	Credit Institutions and Investment firms	Transitional treatment of equity exposures under the IRB ap- proach	By way of derogation from Chapter 3 of Part Three, until 31 December 2017, the competent authorities may exempt from the IRB treatment certain cate- gories of equity exposures held by institutions and EU subsidiaries of institutions in that Member State as at 31 December 2007.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
590		Article 496(1)		Competent Authorities	Credit Institutions and Investment firms	Transitional provision on the calculation of own fund require- ments for exposures in the form of covered bonds	Until 31 December 2017, competent authorities may waive in full or in part the 10 % limit for senior units issued by French Fonds Communs de Créances or by securitisation entities which are equivalent to French Fonds Communs de Créances laid down in points (d) and (f) of Article 129(1), provided that conditions specified in points (a) and (b) of Article 496(1) are fulfilled.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
600			Article 10(1)(b)(iii)	Competent Authorities	Credit Institutions	LCR - Liquid assets	The liquidity reserve held by the credit institution in a central bank is recognisable as Level 1 asset pro- vided that it can be withdrawn in times of stress. The purposes under which central bank reserves may be withdrawn for the purposes of this Article must be specified in an agreement between the CA and the ECB or the central bank.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

	Directive 2013/36/EU	Regulation (EU) No 575/2013	LCR delegated regulation (EU) 2015/61	Addressee	Scope	Denomination	Description of the option or discretion	Exercised (Y/N/NA) ⁽¹⁾	National text ⁽²⁾	Reference(s) ⁽³⁾	Available in EN (Y/N)	Details / Comments
610			Article 10(2)	Competent Authorities	Credit Institutions	LCR - Liquid assets	The market value of extremely high quality covered bonds referred to in paragraph 1(f) shall be subject to a haircut of at least 7 %. Except as specified in relation to shares and units in CIUs in points (a) and (b) of Article 15(2), no haircut shall be required on the value of the remaining level 1 assets. Those cases where the higher haircuts were set to an entire asset class (all assets subject to a specific and differentiated haircut in the LCR Delegated Regulation) (e.g. to all level 1 covered bonds, etc.).	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
620			Article 12(1)(c)(i)	Competent Authorities	Credit Institutions	LCR - Level 2B assets	Shares may constitute level 2B assets provided that they form part of a major stock index in a MS or in a third country, as identified as such by the CA of a MS or the relevant public authority in a third country.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
630			Article 12(3)	Competent Authorities	Credit Institutions	LCR - Level 2B assets	For credit institutions which in accordance with their statutes of incorporation are unable for reasons of religious observance to hold interest bearing assets, the competent authority may allow to derogate from points (ii) and (iii) of paragraph 1(b) of this Article, provided there is evidence of insufficient availability of non-interest bearing assets meeting these requirements and the non-interest bearing assets in question are adequately liquid in private markets.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		
640			Article 24(6)	Competent Authorities	Credit Institutions	LCR - Outflows from stable deposits in a third country quali- fying for the 3 % rate	Credit institutions may be authorised by their competent authority to multiply by 3 % the amount of the retail deposits covered by a deposit guarantee scheme in a third country equivalent to the scheme referred to in paragraph 1 if the third country allows this treatment.	[Y/N/NA]	Mandatory if Y	Mandatory if Y		

⁽¹⁾ 'Y' (Yes) indicates that the competent authority or Member State empowered to exercise the relevant option or discretion has exercised it.

'N' (No) Indicates that the competent authority or Member State empowered to exercise the relevant option or discretion has not exercised it.

'NA' (Not applicable) indicates that the exercise of the option is not possible or the discretion does not exist.

⁽²⁾ The text of the provision in the national legislation.

⁽³⁾ Reference in the national legislation and hyperlink(s) to the website containing the national text transposing the Union provision in question.

Transitional options and discretions set out in Directive 2013/36/EU and Regulation (EU) No 575/2013

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of applica- tion and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
010	<i>Date of the last update of information in this template</i>						<i>(dd/mm/yyyy)</i>					
011	Article 160(6)		Member States	Credit Institutions and Investment firms	Transitional provisions for capital buffers	Member States may impose a shorter transitional period for capital buffers than that specified in paragraphs 1 to 4 of Article 160. Such a shorter transitional period may be recognised by other Member States.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
012		Article 493(3)(a)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt covered bonds falling within the terms of Article 129(1), (3) and (6).	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
013		Article 493(3)(b)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt asset items constituting claims on regional governments or local authorities of Member States.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
014		Article 493(3)(c)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures incurred by an institution to its parent undertaking or subsidiaries.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
015		Article 493(3)(d)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to regional or central credit institutions with which the credit institution is associated in a network and which are responsible for cash-clearing operations within the network.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
016		Article 493(3)(e)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to credit institutions incurred by credit institutions, one of which operates on a non-competitive basis and provides or guarantees loans under legislative programmes or its statutes, to promote specified sectors of the economy under some form of government oversight and restrictions on the use of the loans, provided that the respective exposures arise from such loans that are passed on to the beneficiaries via credit institutions or from the guarantees of these loans.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
017		Article 493(3)(f)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to institutions, provided that those exposures do not constitute such institutions' own funds, do not last longer than the following business day and are not denominated in a major trading currency.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
018		Article 493(3)(g)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to central banks in the form of required minimum reserves held at those central banks which are denominated in their national currencies.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
019		Article 493(3)(h)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt exposures to central governments in the form of statutory liquidity requirements held in government securities which are denominated and funded in their national currencies provided that, at the discretion of the competent authority, the credit assessment of those central governments assigned by a nominated External Credit Assessment Institution is investment grade.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
020		Article 493(3)(i)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt 50 % of medium/low risk off-balance sheet documentary credits and of medium/low risk off-balance sheet undrawn credit facilities referred to in Annex I and subject to the competent authorities' agreement, 80 % of guarantees other than loan guarantees which have a legal or regulatory basis and are given for their members by mutual guarantee schemes possessing the status of credit institutions.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
021		Article 493(3)(j)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt legally required guarantees used when a mortgage loan financed by issuing mortgage bonds is paid to the mortgage borrower before the final registration of the mortgage in the land register, provided that the guarantee is not used as reducing the risk in calculating the risk-weighted exposure amounts.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
022		Article 493(3)(k)	Member States	Credit Institutions and Investment firms	Exemptions or partial exemptions to large exposures limits	Competent authorities may fully or partially exempt assets items constituting claims on and other exposures to recognised exchanges.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
023		Article 412(5)	Member States	Credit Institutions	Liquidity coverage requirement	Member States may maintain or introduce national provisions in the area of liquidity requirements before binding minimum standards for liquidity coverage requirements are specified and fully introduced in the Union in accordance with Article 460.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
024		Article 412(5)	Member States or Competent Authorities	Credit Institutions	Liquidity coverage requirement	Member states or competent authorities may require domestically authorised institutions, or a subset of those institutions to maintain a higher liquidity coverage requirement up to 100 % until the binding minimum standard is fully introduced at a rate of 100 % in accordance with Article 460.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
025		Article 413(3)	Member States	Credit Institutions	Stable funding requirement	Member States may maintain or introduce national provisions in the area of stable funding requirements before binding minimum standards for net stable funding requirements are specified and introduced in the Union in accordance with Article 510.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
026		Article 415(3)	Competent Authorities	Credit Institutions	Liquidity reporting requirements	Competent authorities may continue to collect information through monitoring tools for the purpose of monitoring compliance with existing national liquidity standards, until the full introduction of binding liquidity requirements.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
027		Article 467(2)	Competent Authorities	Credit Institutions and Investment firms	Transitional treatment of unrealised losses measured at fair value	By way of derogation from paragraph 1 of Article 467, the competent authorities may, in cases where such treatment was applied before 1 January 2014, allow institutions not to include in any element of own funds unrealised gains or losses on exposures to central governments classified in the 'Available for Sale' category of EU-endorsed IAS 39.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
028		Article 467(3)	Competent Authorities	Credit Institutions and Investment firms	Transitional treatment of unrealised losses measured at fair value	Applicable percentage of unrealised losses pursuant to Article 467(1) that are included in the calculation of Common Equity Tier 1 items (percentage in the ranges specified in paragraph 2 of that Article)	2014 (20 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
029							2015 (40 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
030							2016 (60 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
031							2017 (80 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
032		Article 468(2) 2nd sub- paragrap	Compe- tent Author- ities	Credit Institutions and Investment firms	Transitional treatment of unrealised gains measured at fair value	Competent authorities may permit institutions to include in the calculation of their Common Equity Tier 1 capital 100 % of their unrealised gains at fair value where under Article 467 institutions are required to include their unrealised losses measured at fair value in the calculation of Common Equity Tier 1 capital.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
033		Article 468(3)	Compe- tent Author- ities	Credit Institutions and Investment firms	Transitional treatment of unrealised gains measured at fair value	Competent authorities shall determine and publish the applicable percentage of unrealised gains in the ranges specified in points (a) to (c) of paragraph 2 of Article 468 that is removed from Common Equity Tier 1 capital.	2015 (60 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
034							2016 (40 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
035							2017 (20 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
036		Article 471(1)	Compe- tent Author- ities	Credit Institutions and Investment firms	Exemption from de- duction of equity holding in insurance companies from CET1 items	By way of derogation from Article 49(1), during the period from 1 January 2014 to 31 December 2022, competent authorities may permit institutions to not deduct equity holdings in insurance undertakings, re-insurance undertakings and insurance holding companies where the conditions set out in paragraph 1 of Article 471 are met.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
037		Article 473(1)	Compe- tent Author- ities	Credit Institutions and Investment firms	Introduction of amendments to IAS 19	By way of derogation from Article 481 during the period from 1 January 2014 until 31 December 2018, competent authorities may permit institutions that prepare their accounts in conformity with the international accounting standards adopted in accordance with the procedure laid down in Article 6(2) of Regulation (EC) No 1606/2002 to add to their Common Equity Tier 1 capital the applicable amount in accordance with paragraph 2 or 3 of Article 473, as applicable, multiplied by the factor applied in accordance with paragraph 4 of Article 473.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
038		Article 478(2)		Credit Institutions and Investment firms	Deduction from Com- mon Equity Tier 1 items for deferred tax assets that existed prior to 1 January 2014	Applicable percentage if the alternative applies (percentage in the ranges specified in paragraph 2 of Article 478)	2014 (0 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
039							2015 (10 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
040							2016 (20 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
041							2017 (30 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
042							2018 (40 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
043							2019 (50 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
044							2020 (60 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
045							2021 (70 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
046							2022 (80 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
047							2023 (90 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
048		Article 478(3)(a)		Credit Institutions and Investment firms	Transitional deductions from Common Equity Tier 1, Additional Tier 1 and Tier 2 items	Competent authorities shall determine and publish an applicable percentage in the ranges specified in paragraphs 1 and 2 of Article 478 for (a) the individual deductions required pursuant to points (a) to (h) of Article 36(1), excluding deferred tax assets that rely on future profitability and arise from temporary differences;	2014 (20 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
049							2015 (40 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
050							2016 (60 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
051							2017 (80 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
052		Article 478(3)(b)		Credit Institutions and Investment firms	Transitional deductions from Common Equity Tier 1, Additional Tier 1 and Tier 2 items	Competent authorities shall determine and publish an applicable percentage in the ranges specified in paragraphs 1 and 2 of Article 478 for (b) the aggregate amount of deferred tax assets that rely on future profitability and arise from temporary differences and the items referred to in point (i) of Article 36(1) that is required to be deducted pursuant to Article 48;	2014 (20 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
053							2015 (40 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
054							2016 (60 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
055							2017 (80 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
056		Article 478(3)(c)		Credit Institutions and Investment firms	Transitional deductions from Common Equity Tier 1, Additional Tier 1 and Tier 2 items	Competent authorities shall determine and publish an applicable percentage in the ranges specified in paragraphs 1 and 2 of Article 478 for (c) each deduction required pursuant to points (b) to (d) of Article 56;	2014 (20 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
057							2015 (40 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
058							2016 (60 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
059							2017 (80 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
060		Article 478(3)(d)		Credit Institutions and Investment firms	Transitional deductions from Common Equity Tier 1, Additional Tier 1 and Tier 2 items	Competent authorities shall determine and publish an applicable percentage in the ranges specified in paragraphs 1 and 2 of Article 478 for (d) each deduction required pursuant to points (b) to (d) of Article 66.	2014 (20 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
061							2015 (40 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
062							2016 (60 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
063							2017 (80 % to 100 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
064		Article 479(4)		Credit Institutions and Investment firms	Transitional recognition in consolidated Common Equity Tier 1 capital of instruments and items that do not qualify as minority interests	Competent authorities shall determine and publish the applicable percentage in the ranges specified in paragraph 3 of Article 479.	2014 (0 % to 80 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
065							2015 (0 % to 60 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
066							2016 (0 % to 40 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
067							2017 (0 % to 20 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
068		Article 480(3)		Credit Institutions and Investment firms	Transitional recognition of minority interests and qualifying Additional Tier 1 and Tier 2 capital	Competent authorities shall determine and publish the value of the applicable factor in the ranges specified in paragraph 2 of Article 480.	2014 (0,2 to 1,0)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
069							2015 (0,4 to 1,0)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
070							2016 (0,6 to 1,0)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
071							2017 (0,8 to 1,0)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
072		Article 481(1)		Credit Institutions and Investment firms		Applicable percentage if a single percentage applies (percentage in the ranges specified in paragraph 3 of Article 481)	2014 (0 % to 80 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
073							2015 (0 % to 60 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
074							2016 (0 % to 40 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
075							2017 (0 % to 20 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
076		Article 481(5)			Additional transitional filters and deductions	For each filter or deduction referred to in paragraphs 1 and 2 of Article 481, competent authorities shall determine and publish the applicable percentages in the ranges specified in paragraphs 3 and 4 of that Article	2014 (0 % to 80 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
077							2015 (0 % to 60 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
078							2016 (0 % to 40 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
079							2017 (0 % to 20 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
080		Article 486(6)		Credit Institutions and Investment firms	Limits for grandfathering of items within Common Equity Tier 1, Additional Tier 1 and Tier 2 items	Applicable percentage for determining the limits for grandfathering of items within Common Equity Tier 1 items pursuant to paragraph 2 of Article 486 (percentage in the ranges specified in paragraph 5 of that Article)	2014 (60 % to 80 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
081							2015 (40 % to 70 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
082							2016 (20 % to 60 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
083							2017 (0 % to 50 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
084							2018 (0 % to 40 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
085							2019 (0 % to 30 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
086							2020 (0 % to 20 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
087							2021 (0 % to 10 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
088						Applicable percentage for determining the limits for grandfathering of items within Additional Tier 1 items pursuant to paragraph 3 of Article 486 (percentage in the ranges specified in paragraph 5 of that Article)	2014 (60 % to 80 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
089							2015 (40 % to 70 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
090							2016 (20 % to 60 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
091							2017 (0 % to 50 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
092							2018 (0 % to 40 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
093							2019 (0 % to 30 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
094							2020 (0 % to 20 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
095							2021 (0 % to 10 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
096						Applicable percentage for determining the limits for grandfathering of items within Tier 2 items pursuant to paragraph 4 of Article 486 (percentage in the ranges specified in paragraph 5 of that Article)	2014 (60 % to 80 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
097							2015 (40 % to 70 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
098							2016 (20 % to 60 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

	Directive 2013/36/EU	Regulation (EU) No 575/2013	Addressee	Scope	Denomination	Description of the option or discretion	Year(s) of application and the value in % (if applicable)	Exercised (Y/N/NA)	National text	References	Available in EN (Y/N)	Details / Comments
099							2017 (0 % to 50 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
100							2018 (0 % to 40 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
101							2019 (0 % to 30 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
102							2020 (0 % to 20 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
103							2021 (0 % to 10 %)	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
104		Article 495(1)		Credit Institutions and Investment firms	Transitional treatment of equity exposures under the IRB ap- proach	By way of derogation from Chapter 3 of Part Three, until 31 December 2017, the competent authorities may exempt from the IRB treatment certain cat- egories of equity exposures held by institutions and EU subsidiaries of institutions in that Member State as at 31 December 2007.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	
105		Article 496(1)		Credit Institutions and Investment firms	Transitional provision on the calculation of own fund require- ments for exposures in the form of covered bonds	Until 31 December 2017, competent authorities may waive in full or in part the 10 % limit for senior units issued by French Fonds Communs de Créances or by securitisation entities which are equivalent to French Fonds Communs de Créances laid down in points (d) and (f) of Article 129(1), provided that conditions specified in points (a) and (b) of Article 496(1) are fulfilled.	[Year]	[Y/N/NA]	Mandatory if Y	Mandatory if Y	Mandatory if Y	

Variable elements of remuneration (Article 94 of Directive 2013/36 EU)

	Directive 2013/36/EU	Addressee	Scope	Provisions	Information to disclose	Exercised (Y/N/NA)	References	Available in EN (Y/N)	Details / Comments
010	<i>Date of the last update of information in this template</i>				<i>(dd/mm/yyyy)</i>				
020	Article 94(1)(g)(i)	Member States or Competent Authorities	Credit Institu- tions and Investment firms	Maximum ratio between the variable and fixed components of remuneration (% set in national law calculated as vari- able component divided by fixed com- ponent of remuneration)	[Value in %]	[Y/N]	Mandatory if Y	Mandatory if Y	
030	Article 94(1)(g)(ii)	Member States or Competent Authorities	Credit Institu- tions and Investment firms	Maximum level of the ratio between the variable and fixed components of remuneration which may be approved by shareholders or owners or members of the institution (% set in national law calculated as variable component divided by fixed component of remuneration)	[Value in %]	[Y/N]	Mandatory if Y	Mandatory if Y	
040	Article 94(1)(g)(iii)	Member States or Competent Authorities	Credit Institu- tions and Investment firms	Maximum part of the total variable remuneration to which the discount rate may be applied (% of the total variable remuneration)	[Value in %]	[Y/N]	Mandatory if Y	Mandatory if Y	
050	Article 94(1)(l)	Member States or Competent Authorities	Credit Institu- tions and Investment firms	Description of any restriction on the types and designs or prohibitions of in- struments that can be used for the pur- poses of awarding variable remuneration	[Free text/value]	[Y/N]	Mandatory if Y	Mandatory if Y	

ANNEX III

Supervisory review and evaluation process (SREP) ⁽¹⁾

010	Date of the last update of information in this template		(dd/mm/yyyy)
020	Scope of application of SREP (Articles 108 to 110 of CRD)	Description of the approach of the competent authority to the scope of application of SREP including: — what types of institutions are covered by/excluded from SREP, especially if the scope is different from those specified in Regulation (EU) No 575/2013 and Directive 2013/36/EU; — a high-level overview of how the competent authority takes into account the principle of proportionality when considering the scope of SREP and frequency of assessment of various SREP elements ⁽²⁾ .	<i>[free text or reference or hyperlink to such guidance]</i>
030	Assessment of SREP elements (Articles 74 to 96 of CRD)	Description of the approach of the competent authority to the assessment of individual SREP elements (as referred to in EBA Guidelines on common procedures and methodologies for SREP- EBA/GL/2014/13) including: — a high-level overview of the assessment process and methodologies applied to the assessment of SREP elements, including: (1) business model analysis, (2) assessment of internal governance and institution-wide controls, (3) assessment of risks to capital, and (4) assessment of risks to liquidity and funding; — a high-level overview of how the competent authority takes into account the principle of proportionality when assessing individual SREP elements, including how the categorisation of institutions have been applied ⁽³⁾ .	<i>[free text or reference or hyperlink to such guidance]</i>
040	Review and evaluation of ICAAP and ILAAP (Articles 73, 86, 97, 98 and 103 of CRD)	Description of the approach of the competent authority to the review and evaluation of the internal capital adequacy assessment process (ICAAP) and internal liquidity adequacy assessment process (ILAAP) as part of the SREP, and, in particular, for assessing the reliability of the ICAAP and ILAAP capital and liquidity calculations for the purposes of determining additional own funds and quantitative liquidity requirements including ⁽⁴⁾ : — an overview of the methodology applied by the competent authority to review the ICAAP and ILAAP of institutions; — Information/reference to the competent authority requirements for submission of ICAAP and ILAAP related information, in particular covering what information need to be submitted; — information on whether an independent review of the ICAAP and ILAAP is required from the institution.	<i>[free text or reference or hyperlink to such guidance]</i>

050	Overall SREP assessment and supervisory measures (Articles 102 and 104 of CRD)	Description of the approach of the competent authority to the overall SREP assessment (summary) and application of supervisory measures on the basis of the overall SREP assessment ⁽⁵⁾ . Description of how SREP outcomes are linked to the application of early intervention measures according to Article 27 of Directive 2014/59/EU and determination of conditions whether the institution can be considered failing or likely to fail according to Article 32 of that Directive ⁽⁶⁾ .	<i>[free text or reference or hyperlink to such guidance]</i>
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⁽¹⁾ Competent authorities shall disclose the criteria and methodologies used in rows 020 to 040 and in row 050 for the overall assessment. The type of information that shall be disclosed in form of an explanatory note is described in the second column.

⁽²⁾ The scope of SREP to be considered both at a level of an institution and in respect of its own resources.

A competent authority shall explain the approach used to classify institutions into different categories for SREP purposes, describing the use of quantitative and qualitative criteria, and how financial stability or other overall supervisory objectives are affected by such categorisation.

A competent authority shall also explain how categorisation is put in practice for the purposes of ensuring at least a minimum engagement in SREP assessments, including the description of the frequencies for the assessment of all SREP elements for different categories of institutions.

⁽³⁾ Including working tools e.g. on-site inspections and off-site examinations, qualitative and quantitative criteria, statistical data used in the assessments. Hyperlinks to any guidance on the website are recommended.

⁽⁴⁾ Competent authorities shall also explain how the assessment of ICAAP and ILAAP is covered by the minimum engagement models applied for proportionality purposes based on SREP categories as well as how proportionality is applied for the purposes of specifying supervisory expectations to ICAAP and ILAAP, and in particular, any guidelines or minimum requirements for the ICAAP and ILAAP the competent authorities have issued.

⁽⁵⁾ The approach competent authorities apply to arrive to the overall SREP assessment and its communication to the institutions. The overall assessment by competent authorities is based on a review of all the elements referred to in row 020 to 040, along with any other relevant information about the institution that the competent authority may obtain.

⁽⁶⁾ Competent authorities may also disclose the policies that guide their decisions for taking supervisory measures (within the meaning of Articles 102 and 104 of the CRD) and early intervention measures (within the meaning of Article 27 of the Bank Recovery and Resolution Directive (BRRD)) whenever their assessment of an institution identifies weaknesses or inadequacies that call for supervisory intervention. Such disclosures might include the publication of internal guidelines or other documents describing general supervisory practices. However, no disclosure is required regarding decisions on individual institutions, to respect the confidentiality principle.

Furthermore, competent authorities may provide information regarding the implications if an institution violates relevant legal provisions or does not comply with the supervisory or early intervention measures imposed based on the SREP outcomes, e.g. it shall list enforcement procedures that are in place (where applicable).

ANNEX IV

AGGREGATE STATISTICAL DATA

List of templates

- Part 1 Consolidated data per Competent Authority
- Part 2 Data on credit risk
- Part 3 Data on market risk
- Part 4 Data on operational risk
- Part 5 Data on supervisory measures and administrative penalties
- Part 6 Data on waivers

General remarks on filling in templates in Annex IV

- Competent authorities shall not disclose supervisory actions or decisions directed at specific institutions. When publishing information on the general criteria and methodologies, competent authorities shall not disclose any supervisory measures directed at specific institutions, whether taken with respect to a single institution or to a group of institutions.
- Numerical cells shall include only numbers. There shall be no references to national currencies. The currency used is euros and non-euro area Member States shall convert their national currencies into euros using the ECB exchange rates (at the common reference date, i.e. the last day of the year under review), with one decimal place when disclosing amounts in millions.
- Unit of disclosure shall be in millions of euro for the reported monetary amounts (hereafter – MEUR).
- Percentages shall be disclosed with two decimals.
- If data is not being disclosed, the reason for non-disclosure shall be provided using the EBA nomenclature, i.e. N/A (for not available) or C (for confidential).
- The data shall be disclosed on an aggregated basis without identifying individual either credit institutions or investment firms.
- The references to COREP templates pursuant to the Commission implementing regulation (EU) No 680/2014 are provided in Parts 1 to 4, where available.
- Competent authorities shall collect data relating to XXXX year onwards on consolidated basis. This will ensure the consistency of the information collected.
- The templates of this Annex shall be read in conjunction with the reporting scope of consolidation hereby defined. To ensure efficient data collection, the information for credit institutions and investment firms shall be reported separately, but the same level of consolidation shall be applied in both cases.
- In order to ensure the coherence and comparability of reported data, the ECB shall publish only aggregate statistical data for supervised entities for which it conducts and exercises direct supervision at the reference date of the disclosure, while national competent authorities shall publish aggregate statistical data only for credit institutions not directly supervised by the ECB.
- Data shall be compiled only for investment firms subject to CRD. Investment firms which are not subject to CRD regime are excluded from the data collection exercise.

PART 1

Consolidated data per Competent Authority (year XXXX)

			Reference to COREP template	Data
	Number and size of credit institutions			
010	Number of credit institutions			[Value]
020	Total assets of the jurisdiction (in MEUR) ⁽¹⁾			[Value]
030	Total assets of the jurisdiction ⁽¹⁾ as % of GDP ⁽²⁾			[Value]
	Number and size of foreign credit institutions ⁽³⁾			
040	From third countries	Number of branches ⁽⁴⁾		[Value]
050		Total assets of branches (in MEUR)		[Value]
060		Number of subsidiarie ⁽⁵⁾		[Value]
070		Total assets of subsidiaries (in MEUR)		[Value]
	Total capital and capital requirements of credit institutions			
080	Total Common Equity Tier 1 capital as % of total capital ⁽⁶⁾		CA1 (row 020 / row 010)	[Value]
090	Total Additional Tier 1 capital as % of total capital ⁽⁷⁾		CA1 (row 530 / row 010)	[Value]
100	Total Tier 2 capital as % of total capital ⁽⁸⁾		CA1 (row 750 / row 010)	[Value]
110	Total capital requirements (in MEUR) ⁽⁹⁾		CA2 (row 010) * 8 %	[Value]
120	Total capital ratio (%) ⁽¹⁰⁾		CA3 (row 050)	[Value]
	Number and size of investment firms			
130	Number of investment firms			[Value]
140	Total assets (in MEUR) ⁽¹⁾			[Value]
150	Total assets as % of GDP			[Value]
	Total capital and capital requirements of investment firms			
160	Total Common Equity Tier 1 capital as % of total capital ⁽⁶⁾		CA1 (row 020 / row 010)	[Value]
170	Total Additional Tier 1 capital as % of total capital ⁽⁷⁾		CA1 (row 530 / row 010)	[Value]

		Reference to COREP template	Data
180	Total Tier 2 capital as % of total capital ⁽⁸⁾	CA1 (row 750 / row 010)	[Value]
190	Total capital requirements (in MEUR) ⁽⁹⁾	CA2 (row 010) *8 %	[Value]
200	Total capital ratio (%) ⁽¹⁰⁾	CA3 (row 050)	[Value]

⁽¹⁾ The total assets figure shall be the total assets value of the country for the national competent authorities, only for rows 020 and 030, and for the ECB the total assets value of Significant Institutions for the whole SSM.

⁽²⁾ GDP at market price; suggested source – Eurostat/ECB.

⁽³⁾ EEA countries shall not be included.

⁽⁴⁾ Number of branches as defined in point (1) of Article 4(1) of CRR. Any number of places of business set up in the same country by a credit institution with headquarters in a third country should be counted as a single branch.

⁽⁵⁾ Number of subsidiaries as defined in point (16) of Article 4(1) of CRR. Any subsidiary of a subsidiary undertaking shall be regarded as a subsidiary of the parent undertaking, which is at the head of those undertakings.

⁽⁶⁾ Ratio of Common Equity Tier 1 capital as defined in Article 50 of CRR to the own funds as defined in point (118) of Article 4(1) and Article 72 of CRR, expressed in percentage (%).

⁽⁷⁾ Ratio of Additional Tier 1 Capital as defined in Article 61 of CRR to the own funds as defined in point (118) of Article 4(1) and Article 72 of CRR, expressed in percentage (%).

⁽⁸⁾ Ratio of Tier 2 Capital as defined in Article 71 of CRR to the own funds as defined in point (118) of Article 4(1) and Article 72 of CRR, expressed in percentage (%).

⁽⁹⁾ The 8 % of total risk exposure amount as defined in Articles 92(3), 95, 96 and 98 of CRR.

⁽¹⁰⁾ The ratio of the own funds to the total risk exposure amount as defined in point (c) of Article 92(2) of CRR, expressed in percentage (%).

Data on credit risk (year XXXX)

	Credit risk data		Reference to COREP template	data
	Credit institutions: Own funds requirements for credit risk			
010	Credit institutions: own funds requirements for credit risk	% of total own funds requirements ⁽¹⁾	CA2 (row 040) / (row 010)	[Value]
020	Credit institutions: breakdown by approach	% based on the total number of credit institutions ⁽²⁾	Standardised Approach (SA)	[Value]
030			IRB approach when neither own estimates of Loss Given Default nor conversion factors are used	[Value]
040			IRB approach when own estimates of Loss Given Default and/or conversion factors are used	[Value]
050		% based on total own funds requirements for credit risk	SA	CA2 (row 050) / (row 040)
060			IRB approach when neither own estimates of Loss Given Default nor conversion factors are used	[Value]
070			IRB approach when own estimates of Loss Given Default and/or conversion factors are used	[Value]
080	Credit institutions: breakdown by IRB exposure class	% based on total IRB risk weighted exposure amount	IRB approach when neither own estimates of Loss Given Default nor conversion factors are used	CA2 (row 250 / row 240)
090			Central governments and central banks	CA2 (row 260 / row 240)
100			Institutions	CA2 (row 270 / row 240)
110			Corporates - SME	CA2 (row 280 / row 240)
120			Corporates - Specialised Lending	CA2 (row 290 / row 240)
130			Corporates - Other	CA2 (row 300 / row 240)

	Credit risk data			Reference to COREP template	data
140			IRB approach when own estimates of Loss Given Default and/or conversion factors are used	CA2 (row 310 / row 240)	[Value]
150			Central governments and central banks	CA2 (row 320 / row 240)	[Value]
160			Institutions	CA2 (row 330 / row 240)	[Value]
170			Corporates - SME	CA2 (row 340 / row 240)	[Value]
180			Corporates - Specialised Lending	CA2 (row 350 / row 240)	[Value]
190			Corporates - Other	CA2 (row 360 / row 240)	[Value]
200			Retail - Secured by real estate SME	CA2 (row 370 / row 240)	[Value]
210			Retail - Secured by real estate non-SME	CA2 (row 380 / row 240)	[Value]
220			Retail - Qualifying revolving	CA2 (row 390 / row 240)	[Value]
230			Retail - Other SME	CA2 (row 400 / row 240)	[Value]
240			Retail - Other non-SME	CA2 (row 410 / row 240)	[Value]
250			Equity IRB	CA2 (row 420 / row 240)	[Value]
260			Securitisation positions IRB	CA2 (row 430 / row 240)	[Value]
270			Other non credit-obligation assets	CA2 (row 450 / row 240)	[Value]
	Credit risk data			Reference to COREP template	data
280	Credit institutions: Own funds requirements for credit risk				
290	Credit institutions: breakdown by SA exposure class*	% based on total SA risk weighted exposure amount	Central governments or central banks	CA2 (row 070 / row 050)	[Value]
300			Regional governments or local authorities	CA2 (row 080 / row 050)	[Value]
310			Public sector entities	CA2 (row 090 / row 050)	[Value]

	Credit risk data			Reference to COREP template	data
320			Multilateral Development Banks	CA2 (row 100 / row 050)	[Value]
330			International Organisations	CA2 (row 110 / row 050)	[Value]
340			Institutions	CA2 (row 120 / row 050)	[Value]
350			Corporates	CA2 (row 130 / row 050)	[Value]
360			Retail	CA2 (row 140 / row 050)	[Value]
370			Secured by mortgages on immovable property	CA2 (row 150 / row 050)	[Value]
380			Exposures in default	CA2 (row 160 / row 050)	[Value]
390			Items associated with particular high risk	CA2 (row 170 / row 050)	[Value]
400			Covered bonds	CA2 (row 180 / row 050)	[Value]
410			Claims on institutions and corporates with a short-term credit assessment	CA2 (row 190 / row 050)	[Value]
420			Collective investment undertakings	CA2 (row 200 / row 050)	[Value]
430			Equity	CA2 (row 210 / row 050)	[Value]
440			Other items	CA2 (row 211 / row 050)	[Value]
450			Securitisation positions SA	CA2 (row 220 / row 050)	[Value]
460	Credit institutions: breakdown by credit risk mitigation (CRM) approach	% based on the total number of credit institutions ⁽³⁾	Financial collateral simple method		[Value]
470			Financial collateral comprehensive method		[Value]
	Investment firms: Own funds requirements for credit risk				
480	Investment firms: own funds requirements for credit risk	% of total own funds requirements ⁽⁴⁾		CA2 (row 040) / (row 010)	[Value]

	Credit risk data			Reference to COREP template	data
490	Investment firms: breakdown by approach	% based on the total number of investment firms ⁽²⁾	SA		[Value]
500			IRB		[Value]
510		% based on total own funds requirements for credit risk ⁽⁵⁾	SA	(CA2 (row 050) / (row 040)	[Value]
520			IRB	(CA2 (row 240) / row 040)	[Value]

	Additional information on securitisation (in MEUR)			Reference to COREP template	data
	Credit institutions: originator				
530	Total amount of securitisation exposures originated on balance sheet and off-balance sheet			CR SEC SA (row 030, col 010) + CR SEC IRB (row 030, col 010)	[Value]
540	Total amount of securitisation positions retained (securitisation positions - original exposure pre conversion factors) on balance sheet and off-balance sheet			CR SEC SA (row 030, col 050) + CR SEC IRB (row 030, col 050)	[Value]

	Exposures and losses from lending collateralised by immovable property (MEUR) ⁽⁶⁾			Reference to COREP template	data
550	Use of residential property as collateral	Sum of exposures secured by residential property ⁽⁷⁾		CR IP Losses (row 010, col 050)	[Value]
560		Sum of losses stemming from lending up to the reference percentages ⁽⁸⁾		CR IP Losses (row 010, col 010)	[Value]
570		Of which: immovable property valued with mortgage lending value ⁽⁹⁾		CR IP Losses (row 010, col 020)	[Value]
580		Sum of overall losses ⁽¹⁰⁾		CR IP Losses (row 010, col 030)	[Value]
590		Of which: immovable property valued with mortgage lending value ⁽⁹⁾		CR IP Losses (row 010, col 040)	[Value]

	Exposures and losses from lending collateralised by immovable property (MEUR) ⁽⁶⁾		Reference to COREP template	data
600	Use of commercial immovable property as collateral	Sum of exposures secured by immovable commercial property ⁽⁷⁾	CR IP Losses (row 020, col 050)	[Value]
610		Sum of losses stemming from lending up to the reference percentages ⁽⁸⁾	CR IP Losses (row 020, col 010)	[Value]
620		Of which: immovable property valued with mortgage lending value ⁽⁹⁾	CR IP Losses (row 020, col 020)	[Value]
630		Sum of overall losses ⁽¹⁰⁾	CR IP Losses (row 020, col 030)	[Value]
640		Of which: immovable property valued with mortgage lending value ⁽⁹⁾	CR IP Losses (row 020, col 040)	[Value]

⁽¹⁾ Ratio of the own fund requirements for credit risk as defined in points (a) and (f) of Article 92(3) of CRR to the total own funds as defined in Articles 92(3), 95, 96 and 98 of CRR.

⁽²⁾ If an institution uses more than one approach, it shall be counted in each of these approaches. Hence, the sum of the percentages reported for the three approaches may be higher than 100 %.

⁽³⁾ In the exceptional cases, where an institution uses more than one approach, it shall be counted in each of these approaches. Hence, the sum of the percentages reported may be higher than 100 %.

⁽⁴⁾ Ratio of the own fund requirements for credit risk as defined in points (a) and (f) of Article 92(3) of CRR to the total own funds as defined in Articles 92(3), 95, 96 and 98 of CRR.

⁽⁵⁾ The percentage of the own fund requirements of investment firms that apply the SA and IRB approach respectively in relation to the total own fund requirements for credit risk as defined in points (a) and (f) of Article 92(3) of CRR.

⁽⁶⁾ The amount of the estimated losses shall be reported at the reporting reference date.

⁽⁷⁾ As defined in points (c) and (f) of Article 101(1) of CRR, respectively; the market value and mortgage lending value according to points (74) and (76) of Article 4 (1); only for the part of exposure treated as fully and completely secured according to Article 124 (1) of CRR;

⁽⁸⁾ As defined in points (a) and (d) of Article 101(1) of CRR, respectively; the market value and mortgage lending value according to points (74) and (76) of Article 4 (1).

⁽⁹⁾ When the value of the collateral has been calculated as mortgage lending value.

⁽¹⁰⁾ As defined in points (b) and (e) of Article 101(1) of CRR, respectively; the market value and mortgage lending value according to points (74) and (76) of Article 4 (1).

Data on market risk ⁽¹⁾ (year XXXX)

	Market risk data			Reference to COREP template	data
	Credit institutions: Own funds requirements for market risk				
010	Credit institutions: own funds requirements for market risk	% of total own funds requirements ⁽²⁾		CA2 (row 520) / (row 010)	[Value]
020	Credit institutions: breakdown by approach	% based on the total number of credit institutions ⁽³⁾	Standardised approach		[Value]
030			Internal models		[Value]
040		% based on total own funds requirements for market risk	Standardised approach	CA2 (row 530) / (row 520)	[Value]
050			Internal models	CA2 (row 580) / (row 520)	[Value]
	Investment firms: Own funds requirements for market risk				
060	Investment firms: own funds requirements for market risk	% of total own funds requirements ⁽²⁾		CA2 (row 520) / (row 010)	[Value]
070	Investment firms: breakdown by approach	% based on the total number of investment firms ⁽³⁾	Standardised approach		[Value]
080			Internal models		[Value]
090		% based on total own funds requirements for market risk	Standardised approach	CA2 (row 530) / (row 520)	[Value]
100			Internal models	CA2 (row 580) / (row 520)	[Value]

⁽¹⁾ The template shall include information on all institutions and not only on those with market risk positions.

⁽²⁾ Ratio of the total risk exposure amount for position, foreign exchange and commodities risks as defined in point (i) of point (b), points (i) and (iii) of point (c) of Articles 92(3) of CRR and point (b) of Article 92(4) of CRR to the total risk exposure amount as defined in Articles 92(3), 95, 96 and 98 of CRR (in %).

⁽³⁾ If an institution uses more than one approach, it shall be counted in each of these approaches. Hence, the sum of the percentages reported may be higher than 100 %, but also lower than 100 % as entities with small trading portfolio are not obliged to determine market risk.

Data on operational risk (year XXXX)

	Operational risk data			Reference to COREP template	data
	Credit institutions: Own funds requirements for operational risk				
010	Credit institutions: own funds requirements for operational risk	% of total own funds requirements ⁽¹⁾		CA2 (row 590) / (row 010)	[Value]
020	Credit institutions: breakdown by approach	% based on the total number of credit institutions ⁽²⁾	Basic Indicator Approach (BIA)		[Value]
030			Standardised Approach (TSA) / Alternative Standardised Approach (ASA)		[Value]
040			Advanced Measurement Approach (AMA)		[Value]
050		% based on total own funds requirements for operational risk	BIA	CA2 (row 600) / (row 590)	[Value]
060			TSA/ASA	CA2 (row 610) / (row 590)	[Value]
070			AMA	CA2 (row 620) / (row 590)	[Value]
	Credit institutions: Losses due to operational risk				
080	Credit institutions: total gross loss	Total gross loss as % of total gross income ⁽³⁾		OPR Details (row 920, col 080) / OPR ((sum (row 010 to row 130), col 030)	[Value]
	Investment firms: Own funds requirements for operational risk				
090	Investment firms: own funds requirements for operational risk	% of total own funds requirements ⁽¹⁾		CA2 (row 590) / (row 010)	[Value]
100	Investment firms: breakdown by approach	% based on the total number of investment firms ⁽²⁾	BIA		[Value]
110			TSA/ASA		[Value]
120			AMA		[Value]
130		% based on total own funds requirements for operational risk	BIA	CA2 (row 600) / (row 590)	[Value]
140			TSA/ASA	CA2 (row 610) / (row 590)	[Value]
150			AMA	CA2 (row 620) / (row 590)	[Value]

	Operational risk data		Reference to COREP template	data
	Investment firms: Losses due to operational risk			
160	Investment firms: total gross loss	Total gross loss as % of total gross income ⁽³⁾	OPR Details (row 920, col 080) / OPR (sum (row 010 to row 130), col 030)	[Value]

(¹) Ratio of the total risk exposure amount for operational risk as defined in Article 92(3) of CRR to the total risk exposure amount as defined in Articles 92(3), 95, 96 and 98 of CRR (in %).

(²) If an institution uses more than one approach, it shall be counted in each of these approaches. Hence, the sum of the percentages reported may be higher than 100 %, but also lower than 100 % as some investment firms are not obliged to count operational risk capital charges.

(³) Only with respect to entities, which use AMA or TSA/ASA approach; ratio of the total loss amount for all business lines to the sum of the relevant indicator for banking activities subject to TSA/ASA and AMA for the last year (in %).

PART 5

Data on supervisory measures and administrative penalties ⁽¹⁾ (year XXXX)

	Supervisory measures	data
	Credit institutions	
010	Supervisory measures taken in accordance with Article 102(1)(a)	Total number of supervisory measures taken in accordance with Article 104(1) of Directive 2013/36/EU: [Value]
011		to hold own funds in excess of the minimum capital requirements [Article 104(1)(a)] [Value]
012		to reinforce governance arrangements and internal capital management [Article 104(1)(b)] [Value]
013		to present a plan to restore compliance with supervisory requirements [Article 104(1)(c)] [Value]
014		to apply a specific provisioning policy or treatment of assets [Article 104(1)(d)] [Value]
015		to restrict/limit business or activities [Article 104(1)(e)] [Value]
016		to reduce the risk inherent in the activities, products and systems [Article 104(1)(f)] [Value]
017		to limit variable remuneration [Article 104(1)(g)] [Value]
018		to strengthen own funds by using net profits [Article 104(1)(h)] [Value]
019		to restrict/prohibit distributions or interest payments [Article 104(1)(i)] [Value]
020		to impose additional or more frequent reporting requirements [Article 104(1)(j)] [Value]
021		to impose specific liquidity requirements [Article 104(1)(k)] [Value]
022		to impose additional disclosure requirements [Article 104(1)(l)] [Value]
023		Number and nature of other supervisory measures taken (not listed in Article 104(1) of Directive 2013/36/EU) [Value]
024	Supervisory measures taken in accordance with Article 102(1)(b) and other provisions of Directive 2013/36/EU or Regulation (EU) No 575/2013	Total number of supervisory measures taken in accordance with Article 104(1) of Directive 2013/36/EU: [Value]
025		to hold own funds in excess of the minimum capital requirements [Article 104(1)(a)] [Value]

	Supervisory measures	data
026	to reinforce governance arrangements and internal capital management [Article 104(1)(b)]	[Value]
027	to present a plan to restore compliance with supervisory requirements [Article 104(1)(c)]	[Value]
028	to apply a specific provisioning policy or treatment of assets [Article 104(1)(d)]	[Value]
029	to restrict/limit business or activities [Article 104(1)(e)]	[Value]
030	to reduce the risk inherent in the activities, products and systems [Article 104(1)(f)]	[Value]
031	to limit variable remuneration [Article 104(1)(g)]	[Value]
032	to strengthen own funds by using net profits [Article 104(1)(h)]	[Value]
033	to restrict/prohibit distributions or interest payments [Article 104(1)(i)]	[Value]
034	to impose additional or more frequent reporting requirements [Article 104(1)(j)]	[Value]
035	to impose specific liquidity requirements [Article 104(1)(k)]	[Value]
036	to impose additional disclosure requirements [Article 104(1)(l)]	[Value]
037	Number and nature of other supervisory measures taken (not listed in Article 104(1) of Directive 2013/36/EU)	[Value]

	Supervisory measures	data
	Investment firms	
037	Supervisory measures taken in accordance with Article 102(1)(a)	Total number of supervisory measures taken in accordance with Article 104(1) of Directive 2013/36/EU: [Value]
038		to hold own funds in excess of the minimum capital requirements [Article 104(1)(a)] [Value]
039		to reinforce governance arrangements and internal capital management [Article 104(1)(b)] [Value]
040		to present a plan to restore compliance with supervisory requirements [Article 104(1)(c)] [Value]

	Supervisory measures		data
041		to apply a specific provisioning policy or treatment of assets [Article 104(1)(d)]	[Value]
042		to restrict/limit business or activities [Article 104(1)(e)]	[Value]
043		to reduce the risk inherent in the activities, products and systems [Article 104(1)(f)]	[Value]
044		to limit variable remuneration [Article 104(1)(g)]	[Value]
045		to strengthen own funds by using net profits [Article 104(1)(h)]	[Value]
046		to restrict/prohibit distributions or interest payments [Article 104(1)(i)]	[Value]
047		to impose additional or more frequent reporting requirements [Article 104(1)(j)]	[Value]
048		to impose specific liquidity requirements [Article 104(1)(k)]	[Value]
049		to impose additional disclosure requirements [Article 104(1)(l)]	[Value]
050		Number and nature of other supervisory measures taken (not listed in Article 104(1) of Directive 2013/36/EU)	[Value]
051	Supervisory measures taken in accordance with Article 102(1)(b) and other provisions of Directive 2013/36/EU or Regulation (EU) No 575/2013	Total number of supervisory measures taken in accordance with Article 104(1) of Directive 2013/36/EU:	[Value]
052		to hold own funds in excess of the minimum capital requirements [Article 104(1)(a)]	[Value]
053		to reinforce governance arrangements and internal capital management [Article 104(1)(b)]	[Value]
054		to present a plan to restore compliance with supervisory requirements [Article 104(1)(c)]	[Value]
055		to apply a specific provisioning policy or treatment of assets [Article 104(1)(d)]	[Value]
056		to restrict/limit business or activities [Article 104(1)(e)]	[Value]
057		to reduce the risk inherent in the activities, products and systems [Article 104(1)(f)]	[Value]
058		to limit variable remuneration [Article 104(1)(g)]	[Value]

	Supervisory measures	data
059	to strengthen own funds by using net profits [Article 104(1)(h)]	[Value]
060	to restrict/prohibit distributions or interest payments [Article 104(1)(i)]	[Value]
061	to impose additional or more frequent reporting requirements [Article 104(1)(j)]	[Value]
062	to impose specific liquidity requirements [Article 104(1)(k)]	[Value]
063	to impose additional disclosure requirements [Article 104(1)(l)]	[Value]
064	Number and nature of other supervisory measures taken (not listed in Article 104(1) of Directive 2013/36/EU)	[Value]

	Administrative penalties ⁽²⁾		data
	Credit institutions		
065	Administrative penalties (for breaches of authorisation/ acquisitions of qualifying holding requirements)	Total number of administrative penalties from Article 66(2) of Directive 2013/36/EU applied:	[Value]
066		public statements identifying the natural/legal person responsible and the nature of the breach [Article 66(2)(a)]	[Value]
067		orders requiring the natural/legal person responsible to cease the conduct and to desist from a repetition of that conduct [Article 66(2)(b)]	[Value]
068		administrative pecuniary penalties imposed on legal/natural person [points (c) to (e) of Article 66(2)]	[Value]
069		suspensions of the voting rights of shareholders [Article 66(2)(f)]	[Value]
070		Number and nature of other administrative penalties applied (not specified in Article 66(2) of Directive 2013/36/EU)	[free text]
071	Administrative penalties (for other breaches of requirements imposed by Directive 2013/36/EU or Regulation (EU) No 575/2013)	Total number of administrative penalties from Article 67(2) of Directive 2013/36/EU applied:	[Value]
072		public statements identifying the natural/legal person responsible and the nature of the breach [Article 67(2)(a)]	[Value]
073		orders requiring the natural/legal person responsible to cease the conduct and to desist from a repetition of that conduct [Article 67(2)(b)]	[Value]

	Supervisory measures		data
074		withdrawals of authorisation of credit institution [Article 67(2)(c)]	[Value]
075		temporary bans against natural person from exercising functions in credit institutions [Article 67(2)(d)]	[Value]
076		administrative pecuniary penalties imposed on legal/natural person [points (e) to (g) of Article 67(2)]	[Value]
077		Number and nature of other administrative penalties applied (not specified in Article 67(2) of Directive 2013/36/EU)	[free text]
	Investment firms		
078	Administrative penalties (for breaches of authorisation/ acquisitions of qualifying holding requirements)	Total number of administrative penalties from Article 66(2) of Directive 2013/36/EU applied:	[Value]
079		public statements identifying the natural/legal person responsible and the nature of the breach [Article 66(2)(a)]	[Value]
080		orders requiring the natural/legal person responsible to cease the conduct and to desist from a repetition of that conduct [Article 66(2)(b)]	[Value]
081		administrative pecuniary penalties imposed on a legal person [points (c) to (e) of Article 66(2)]	[Value]
082		suspensions of the voting rights of shareholders [Article 66(2)(f)]	[Value]
083		Number and nature of other administrative penalties applied (not specified in Article 66(2) of Directive 2013/36/EU)	[Value]
084	Administrative penalties (for other breaches of requirements imposed by Directive 2013/36/EU or Regulation (EU) No 575/2013)	Total number of administrative penalties from Article 66(2) of Directive 2013/36/EU applied:	[Value]
085		public statements identifying the natural/legal person responsible and the nature of the breach [Article 67(2)(a)]	[Value]
086		orders requiring the natural/legal person responsible to cease the conduct and to desist from a repetition of that conduct [Article 67(2)(b)]	[Value]
087		withdrawals of authorisation of investment firms [Article 67(2)(c)]	[Value]

	Supervisory measures	data
088	temporary bans against natural person from exercising functions in investment firms [Article 67(2)(d)]	[Value]
089	administrative pecuniary penalties imposed on legal/natural person [points (e) to (g) of Article 67(2)]	[Value]
090	Number and nature of other administrative penalties applied (not specified in Article 67(2) of Directive 2013/36/EU)	[free text]

Competent authorities shall not disclose supervisory actions or decisions directed at specific institutions. When publishing information on the general criteria and methodologies, competent authorities shall not disclose any supervisory measures directed at specific institutions, whether taken with respect to a single institution or to a group of institutions.

(¹) Information shall be reported based on the date of decision.

Due to differences in national regulations as well as in supervisory practices and approaches across the competent authorities the figures provided in this table might not allow for a meaningful comparison between jurisdictions. Any conclusions without carefully considering these differences can be misleading.

(²) The administrative penalties imposed by competent authorities. Competent authorities shall report all administrative penalties against which there is no appeal available in their jurisdiction by the reference date of the disclosure. Competent authorities of Member States where it is permitted to publish administrative penalties subject to an appeal, shall also report those administrative penalties unless the appeal annulling the administrative penalty is issued.

PART 6

Data on waivers (¹) (year XXXX)

Exemption from the application on an individual basis of prudential requirements set out in Parts Two to Five, Seven and Eight of Regulation (EU) No 575/2013			
	Legal reference in Regulation (EU) No 575/2013	Article 7(1) and (2) (waivers for subsidiaries) (²)	Article 7(3) (waivers for parent institutions)
010	Total number of waivers granted	[Value]	[Value]
011	Number of waivers granted to parent institutions which have or hold participations in subsidiaries established in third countries	N/A	[Value]
012	Total amount of consolidated own funds held in the subsidiaries established in third countries (in MEUR)	N/A	[Value]
013	Percentage of the total consolidated own funds held in subsidiaries established in third countries (%)	N/A	[Value]
014	Percentage of the consolidated own funds requirements allocated to subsidiaries established in third countries (%)	N/A	[Value]
Permission granted to parent institutions to incorporate subsidiaries in the calculation of their prudential requirements set out in Parts Two to Five and Eight of Regulation (EU) No 575/2013			
	Legal reference in Regulation (EU) No 575/2013	Article 9(1) (Individual consolidation method)	
015	Total number of permissions granted	[Value]	

016	Number of permissions granted to parent institutions to incorporate subsidiaries established in third countries in the calculation of their requirement	[Value]
017	Total amount of consolidated own funds held in the subsidiaries established in third countries (in MEUR)	[Value]
018	Percentage of the total consolidated own funds held in subsidiaries established in third countries (%)	[Value]
019	Percentage of the consolidated own funds requirements allocated to subsidiaries established in third countries (%)	[Value]
Exemption from the application on an individual basis of liquidity requirements set out in Part Six of Regulation (EU) No 575/2013		
	Legal reference in Regulation (EU) No 575/2013	Article 8 (Liquidity waivers for subsidiaries)
020	Total number of waivers granted	[Value]
021	Number of waivers granted pursuant to Article 8(2) where all institutions within a single liquidity sub-group are authorised in the same Member State	[Value]
022	Number of waivers granted pursuant to Article 8(1) where all institutions within a single liquidity sub-group are authorised in several Member States	[Value]
023	Number of waivers granted pursuant to Article 8(3) to institutions which are members of the same Institutional Protection Scheme	[Value]
Exemption from the application on an individual basis of prudential requirements set out in Parts Two to Eight of Regulation (EU) No 575/2013		
	Legal reference in Regulation (EU) No 575/2013	Article 10 (Credit institutions permanently affiliated to a central body)
024	Total number of waivers granted	[Value]
025	Number of waivers granted to credit institutions permanently affiliated to a central body	[Value]
026	Number of waivers granted to central bodies	[Value]

(¹) Competent authorities shall report Information on waiver practices based on the total number of waivers by the competent authority, which are still effective or in force. The information to be reported is limited to those entities granted a waiver. Where the information is not available, i.e. not part of the regular reporting, it shall be reported as 'N/A'.

(²) The number of institutions which have been granted the waiver shall be used as a basis for counting the waivers.

COMMISSION IMPLEMENTING REGULATION (EU) 2019/913**of 29 May 2019****concerning the renewal of the authorisation of lanthanum carbonate octahydrate as a feed additive for cats and repealing Regulation (EC) No 163/2008 (holder of authorisation Bayer HealthCare AG)****(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 1831/2003 of the European Parliament and of the Council of 22 September 2003 on additives for use in animal nutrition ⁽¹⁾, and in particular Article 9(2) thereof,

Whereas:

- (1) Regulation (EC) No 1831/2003 provides for the authorisation of additives for use in animal nutrition and for the grounds and procedures for granting and renewing such authorisation.
- (2) Lanthanum carbonate octahydrate was authorised for 10 years as a feed additive for cats by Commission Regulation (EC) No 163/2008 ⁽²⁾.
- (3) In accordance with Article 14 of Regulation (EC) No 1831/2003, an application was submitted by the holder of that authorisation for the renewal of the authorisation of lanthanum carbonate octahydrate as a feed additive for cats, requesting that additive to be classified in the additive category 'zootechnical additives'. That application was accompanied by the particulars and documents required under Article 14(2) of Regulation (EC) No 1831/2003.
- (4) The European Food Safety Authority ('the Authority') concluded in its opinion of 29 November 2018 ⁽³⁾ that the applicant has provided data demonstrating that the additive complies with the conditions of authorisation.
- (5) The assessment of lanthanum carbonate octahydrate shows that the conditions for authorisation, as provided for in Article 5 of Regulation (EC) No 1831/2003, are satisfied. Accordingly, the authorisation of that additive should be renewed as specified in the Annex to this Regulation.
- (6) As a consequence of the renewal of the authorisation of lanthanum carbonate octahydrate as a feed additive under the conditions laid down in the Annex to this Regulation, Regulation (EC) No 163/2008 should be repealed.
- (7) The measures provided for in this Regulation are in accordance with the opinion of the Standing Committee on Plants, Animals, Food and Feed,

HAS ADOPTED THIS REGULATION:

Article 1

The authorisation of the additive specified in the Annex, belonging to the additive category 'zootechnical additives' and to the functional group 'other zootechnical additives', is renewed subject to the conditions laid down in that Annex.

Article 2

Regulation (EC) No 163/2008 is repealed.

⁽¹⁾ OJ L 268, 18.10.2003, p. 29.

⁽²⁾ Commission Regulation (EC) No 163/2008 of 22 February 2008 concerning an authorisation of the preparation Lanthanum carbonate octahydrate (Lantharenol) as a feed additive (OJ L 50, 23.2.2008, p. 3).

⁽³⁾ EFSA Journal 2018;16(12):5542.

Article 3

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

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

Done at Brussels, 29 May 2019.

For the Commission

The President

Jean-Claude JUNKER

ANNEX

Identification number of the additive	Name of the holder of authorisation	Additive	Composition, chemical formula, description, analytical method	Species or category of animal	Minimum content	Maximum content	Other provisions	End of period of authorisation
					mg of additive/kg of complete feedingstuff with a moisture content of 12 %			
Category of zootechnical additives. Functional group: other zootechnical additives (decrease in phosphorous excretion via urine)								
4d1	Bayer HealthCare AG	Lanthanum carbonate octahydrate	<i>Additive composition:</i> Preparation of Lanthanum carbonate octahydrate At least 85 % Lanthanum carbonate octahydrate as active substance. <i>Characterisation of the active substance:</i> Lanthanum carbonate octahydrate $\text{La}_2(\text{CO}_3)_3 \cdot 8\text{H}_2\text{O}$ CAS number 6487-39-4 <i>Analytical method ⁽¹⁾</i> For the quantification of Carbonate in the feed additive: Community Method (Reg. (EC) No 152/2009 – Annex III-O) For the quantification of Lanthanum in the feed additive and feed-ingstuffs: Inductively Coupled Plasma Atomic Emission Spectrometry (ICP-AES)	Cats	1 500	7 500	1. In the directions for use of the additive and premixtures, the storage conditions and stability to heat treatment shall be indicated. 2. For users of the additive and premix-tures, feed business operators shall establish operational procedures and organisational measures to address potential risks resulting from its use. Where those risks cannot be eliminated or reduced to a minimum by such pro-cedures and measures, the additive and premixtures shall be used with personal protective equipment, including breath-ing protection. 3. In the directions for use of the additive, the following shall be indicated: ‘avoid simultaneous use of feeds with high level of phosphorus.’.	25 June 2029

⁽¹⁾ Details of the analytical methods are available at the following address of the Reference Laboratory: <https://ec.europa.eu/jrc/en/eurl/feed-additives/evaluation-reports>

COMMISSION IMPLEMENTING REGULATION (EU) 2019/914

of 29 May 2019

concerning the authorisation of a preparation of *Bacillus licheniformis* DSM 28710 as a feed additive for turkeys for fattening, turkeys reared for breeding and minor poultry species for fattening and reared for laying (holder of authorisation HuvePharma NV)

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 1831/2003 of the European Parliament and of the Council of 22 September 2003 on additives for use in animal nutrition ⁽¹⁾, and in particular Article 9(2) thereof,

Whereas:

- (1) Regulation (EC) No 1831/2003 provides for the authorisation of additives for use in animal nutrition and for the grounds and procedures for granting such authorisation.
- (2) In accordance with Article 7 of Regulation (EC) No 1831/2003 an application was submitted for the authorisation of a preparation of *Bacillus licheniformis* DSM 28710. That application was accompanied by the particulars and documents required under Article 7(3) of that Regulation.
- (3) That application concerns the authorisation of a preparation of *Bacillus licheniformis* DSM 28710 as a feed additive for turkeys for fattening, turkeys reared for breeding and minor poultry species for fattening and reared for laying, to be classified in the additive category 'zootechnical additives'.
- (4) The preparation of *Bacillus licheniformis* DSM 28710, belonging to the additive category of 'zootechnical additives', was authorised for 10 years as a feed additive for chickens for fattening and chickens reared for laying by Commission Implementing Regulation (EU) 2017/1904 ⁽²⁾.
- (5) The European Food Safety Authority ('the Authority') concluded in its opinion of 28 November 2018 ⁽³⁾ that, under the proposed conditions of use, the preparation of *Bacillus licheniformis* DSM 28710 does not have an adverse effect on animal health or the environment. It also concluded that the additive is considered as a potential respiratory sensitiser and that no conclusion could be drawn on skin or eyes sensitisation or irritation by the additive. Therefore, the Commission considers that appropriate protective measures should be taken to prevent adverse effects on human health, in particular as regards the users of the additive. The Authority also concluded that the additive has a potential to be efficacious in feed to gain ratio in turkeys for fattening at the recommended dose and that this conclusion can be extended to turkeys reared for breeding and to minor poultry species for fattening and those reared for laying. The Authority does not consider that there is a need for specific requirements of post-market monitoring. It also verified the report on the method of analysis of the feed additive in feed submitted by the Reference Laboratory set up by Regulation (EC) No 1831/2003.
- (6) The assessment of the preparation of *Bacillus licheniformis* DSM 28710 shows that the conditions for authorisation, as provided for in Article 5 of Regulation (EC) No 1831/2003, are satisfied. Accordingly, the use of that preparation should be authorised as specified in the Annex to this Regulation.
- (7) The measures provided for in this Regulation are in accordance with the opinion of the Standing Committee on Plants, Animals, Food and Feed,

⁽¹⁾ OJ L 268, 18.10.2003, p. 29.⁽²⁾ Commission Implementing Regulation (EU) 2017/1904 of 18 October 2017 concerning the authorisation of a preparation of *Bacillus licheniformis* DSM 28710 as a feed additive for chickens for fattening and chickens reared for laying (holder of authorisation Huvepharma NV) (OJ L 269, 19.10.2017, p. 27).⁽³⁾ EFSA Journal 2019;17(1):5536.

HAS ADOPTED THIS REGULATION:

Article 1

The preparation specified in the Annex, belonging to the additive category 'zootechnical additives' and to the functional group 'gut flora stabilisers', is authorised as an additive in animal nutrition, subject to the conditions laid down in that Annex.

Article 2

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

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

Done at Brussels, 29 May 2019.

For the Commission
The President
Jean-Claude JUNCKER

ANNEX

Identification number of the additive	Name of the holder of authorisation	Additive	Composition, chemical formula, description, analytical method	Species or category of animal	Maximum age	Minimum content	Maximum content	Other provisions	End of period of authorisation
						CFU/kg of complete feedingstuff with a moisture content of 12 %			
Category of zootechnical additives. Functional group: gut flora stabilisers									
4b1828	HuvePharma NV	<i>Bacillus licheniformis</i> DSM 28710	<i>Additive composition</i> Preparation of <i>Bacillus licheniformis</i> DSM 28710 containing a minimum of 3,2 × 10 ⁹ CFU/g of additive Solid form <i>Characterisation of the active substance</i> Viable spores of <i>Bacillus licheniformis</i> DSM 28710 <i>Analytical method</i> ⁽¹⁾ For the enumeration of <i>Bacillus licheniformis</i> DSM 28710 in additive, premixture and feeding-stuffs: — Spread plate method EN 15784 For the identification of <i>Bacillus licheniformis</i> DSM 28710: — Pulsed Field Gel Electrophoresis (PFGE)	Turkeys for fattening Turkeys reared for breeding Minor poultry species for fattening or reared for laying	—	1,6 × 10 ⁹	—	1. In the directions for use of the additive and premixture, the storage conditions and stability to heat treatment shall be indicated. 2. The use is permitted in feed for turkeys containing one of the following authorised coccidiostats: diclazuril, halofuginone, robenidine, lasalocid, maduramicin, or monensin. 3. The use is permitted in feed for minor poultry species for fattening or reared for laying containing one of the following authorised coccidiostats: diclazuril or lasalocid. 4. For users of the additive and premixtures, feed business operators shall establish operational procedures and appropriate organisational measures to address hazards by inhalation, dermal contact or eyes contact. Where the dermal, inhalator or eyes exposure cannot be eliminated or reduced to a minimum by such procedures and measures, the additive and premixtures shall be used with appropriate personal protective equipment.	25 June 2029

⁽¹⁾ Details of the analytical methods are available at the following address of the Reference Laboratory: <https://ec.europa.eu/jrc/en/eurl/feed-additives/evaluation-reports>

COMMISSION IMPLEMENTING REGULATION (EU) 2019/915**of 4 June 2019****imposing a definitive anti-dumping duty on imports of certain aluminium foil in rolls originating in the People's Republic of China following an expiry review under Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union ⁽¹⁾ ('the basic Regulation'), and in particular Article 11(2) thereof,

Whereas:

1. PROCEDURE**1.1. Measures in force**

- (1) In March 2013, following an anti-dumping investigation ('the original investigation'), the Council imposed by Implementing Regulation (EU) No 217/2013 ⁽²⁾ ('the definitive Regulation'), a definitive anti-dumping duty on imports of certain aluminium foils in rolls currently falling under CN codes ex 7607 11 11 and ex 7607 19 10 and originating in the People's Republic of China ('the PRC').
- (2) The definitive Regulation imposed an anti-dumping duty at rates ranging between 14,2 % and 15,6 % on imports from the sampled cooperating exporting producers, 14,6 % on the non-sampled cooperating companies and a duty rate of 35,6 % on all other exporting producers in the PRC.

1.2. Initiation of an expiry review

- (3) On 14 June 2017, the Commission published a notice of impending expiry of the anti-dumping measures in force on the imports of certain aluminium foil in rolls originating in the PRC in the *Official Journal of the European Union* ⁽³⁾.
- (4) On 14 December 2017, eight Union producers (ALEURO Converting Sp. Z o.o., CeDo Sp. z o.o., Cuki Cofresco SpA, Fora Folienfabrik GmbH, ITS BV, Rul-Let A/S, SPHERE SA and Wrapex Ltd) ('the applicants'), representing more than 40 % of the total production of certain aluminium foil in rolls in the European Union ('the Union'), lodged a request for review under Article 11(2) of the basic Regulation.
- (5) The applicants based their request on the grounds that the expiry of the measures would be likely to result in continuation or recurrence of dumping and injury to the Union industry.
- (6) Having determined that sufficient evidence existed for the initiation of an expiry review, on 13 March 2018 the Commission published a notice of initiation in the *Official Journal of the European Union* ⁽⁴⁾ ('the Notice of Initiation').

1.3. Review investigation period and period considered

- (7) The investigation of the likelihood of continuation or recurrence of dumping and injury covered the period from 1 January 2017 to 31 December 2017 ('the review investigation period' or 'RIP').

⁽¹⁾ OJ L 176, 30.6.2016, p. 21.

⁽²⁾ Council Implementing Regulation (EU) No 217/2013 of 11 March 2013 imposing a definitive antidumping duty and collecting definitively the provisional duty imposed on imports of certain aluminium foils in rolls originating in the People's Republic of China (OJ L 69, 13.3.2013, p. 11).

⁽³⁾ OJ C 188, 14.6.2017, p. 21.

⁽⁴⁾ Notice of initiation of an expiry review of the anti-dumping measures applicable to imports of certain aluminium foil in rolls originating in the People's Republic of China (OJ C 95, 13.3.2018, p. 8).

- (8) The examination of trends relevant for the assessment of the likelihood of a continuation or recurrence of injury covered the period from 1 January 2014 to the end of the review investigation period ('the period considered').

1.4. Interested parties

- (9) The Commission invited in the Notice of Initiation all interested parties to contact it in order to participate in the investigation. The Commission specifically informed the applicants, known Union producers and their associations; known importers of certain aluminium foil in rolls in the Union, the authorities in the PRC and known exporting producers in the PRC of the initiation of the expiry review and invited them to cooperate.
- (10) All interested parties had the opportunity to comment on the initiation of the investigation and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings. No interested party requested a hearing.

1.5. Sampling

- (11) In the Notice of Initiation, the Commission stated that it might sample the interested parties in accordance with Article 17 of the basic Regulation.

1.5.1. Sampling of Union producers

- (12) The Commission stated in the Notice of Initiation that it had provisionally selected a sample of Union producers.
- (13) In accordance with Article 17(1) of the basic Regulation, the Commission selected the sample on the basis of the largest representative volume of production of the like product, which could reasonably be investigated within the time available.
- (14) The provisionally selected sample consisted of three Union producers accounting for around 66 % of the total production volume of the cooperating Union producers. The Commission invited interested parties to comment on the provisional sample and received comments only from Sphere SA, which sought confirmation that only its production company Sphere France SAS would be included in the sample. The sample was thus found to be representative of the Union Industry.

1.5.2. Sampling of unrelated importers

- (15) The Commission invited in the Notice of Initiation importers and their representative associations to make themselves known and to provide specific information necessary to decide whether sampling was necessary and, if so, to select a sample.
- (16) No unrelated importer provided the requested information and agreed to be included in the sample. One company replied that it is neither an importer nor user of the product under review.

1.5.3. Sampling of exporting producers in the PRC

- (17) To decide whether sampling was necessary and, if so, to select a sample, the Commission asked all known producers in the PRC to provide the information specified in the Notice of Initiation. In addition, the Commission requested the cooperation of the Mission of the PRC to the European Union to identify and/or contact other producers, if any, that could be interested in participating in the investigation.
- (18) Four groups of Chinese producers submitted sampling replies. In view of the low number of replies, the Commission decided that sampling was not necessary and requested all Chinese producers that submitted sampling replies to complete the questionnaire.

1.5.4. Users

- (19) The Commission invited in the Notice of Initiation the users and their representative associations, and representative consumer organisations to make themselves known and cooperate. No users in the Union or their associations came forward.

1.5.5. Questionnaires and verification visits

- (20) The Commission sent questionnaires to the three sampled Union producers. As mentioned in recital 18 questionnaires were also sent to four groups of producers in the PRC.
- (21) The three sampled Union producers submitted a questionnaire reply. However, none of the Chinese producers that had submitted sampling replies subsequently submitted a completed questionnaire response. The Commission informed the exporting producers of the consequences of the lack of cooperation; yet, no exporting producer cooperated in the investigation.
- (22) The Commission sought and verified all the information deemed necessary for the determination of a likelihood of continuation or recurrence of dumping and injury and Union interest. Verification visits pursuant to Article 16 of the basic Regulation were carried out at the premises of the following Union producers:

— CeDo Sp. z o.o., Katy Wrocławskie, Poland;

— ITS BV, Apeldoorn, The Netherlands;

— SPHERE SA, Paris, France.

1.6. Procedure for the determination of the normal value under Article 2(6a) of the basic Regulation

- (23) In view of the sufficient evidence available at the initiation of the investigation tending to show the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation, the Commission considered it appropriate to initiate the investigation on the basis of Article 2(6a) of the basic Regulation.
- (24) Consequently, in order to collect the necessary data for the eventual application of Article 2(6a) of the basic Regulation, in the Notice of Initiation the Commission invited all exporting producers in the PRC to provide the information requested in Annex III to the Notice of Initiation regarding the inputs used for producing the product under review. Four groups of Chinese producers provided information in this regard.
- (25) In order to obtain information it deems necessary for its investigation with regard to the alleged significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation, the Commission also sent a questionnaire to the Government of the People's Republic of China ('GOC'). No reply was received from the GOC.
- (26) In the Notice of Initiation, the Commission also invited all interested parties to make their views known, submit information and provide supporting evidence regarding the appropriateness of the application of Article 2(6a) of the basic Regulation within 37 days of the date of publication of this Notice in the *Official Journal of the European Union*. No submissions or additional evidence were received in that respect from the GOC or the exporting producers.
- (27) In the Notice of Initiation, the Commission also specified that, in view of the evidence available, it may need to select an appropriate representative country pursuant to Article 2(6a)(a) of the basic Regulation for the purpose of determining the normal value based on undistorted prices or benchmarks.
- (28) On 19 April 2018, the Commission published a first note for the file ('the Note of 19 April 2018') seeking the views of the interested parties on the relevant sources that the Commission may use for the determination of the normal value. In the Note of 19 April 2018, the Commission provided a list of all factors of production such as materials, energy and labour used in the production of the product under review by the exporting producers. In addition, taking into account the criteria guiding the choice of undistorted prices or benchmarks, the Commission identified, at that stage, Turkey as a potential representative country. The Commission further indicated that it had identified a producer, Sedat Tahir A.S., whose financial statements were publically available and which was producing the product under review in the potential representative country.
- (29) The Commission gave the opportunity to all interested parties to comment, within 10 days, but no comments were received.

- (30) In a 'Second note on the sources for the determination of the normal value' of 3 October 2018 ('the Note of 3 October 2018'), the Commission confirmed its intention to use Turkey as the representative country, confirmed the specific customs codes and sources of data for the factors of production and confirmed the selling, general and administrative costs ('SG&A') and profit figures relating to the Turkish company Sedat Tahir A.S., which, if appropriate, it intended to use for the construction of normal value.
- (31) The Commission gave the opportunity to all interested parties to comment, within 10 days, but no comments were received.

2. PRODUCT UNDER REVIEW AND LIKE PRODUCT

2.1. Product under review

- (32) The product under review is the same as in the original investigation, namely aluminium foil of a thickness of 0,007 mm or more but less than 0,021 mm, not backed, not further worked than rolled, whether or not embossed, in low weight rolls of a weight not exceeding 10 kg, currently falling under CN codes ex 7607 11 11 and ex 7607 19 10 (TARIC codes 7607 11 11 10 and 7607 19 10 10) ('the product under review').
- (33) The product under review is generally used as a consumer product for packaging and other household/catering applications ('aluminium household foil').

2.2. Like product

- (34) It was considered that the product under review produced in the PRC and exported to the Union, the product produced in the representative country Turkey and the product produced and sold in the Union by the Union industry have the same basic physical and technical characteristics, and the same basic uses. No interested parties commented on the determination of the like product.
- (35) The Commission decided that those products are therefore like products within the meaning of Article 1(4) of the basic Regulation.

2.3. Claims regarding product scope

- (36) The Commission did not receive any claims regarding the product scope.

3. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF DUMPING

3.1. Preliminary remarks

- (37) In accordance with Article 11(2) of the basic Regulation, the Commission examined whether the expiry of the measures in force would be likely to lead to a continuation or recurrence of dumping from the PRC.
- (38) As mentioned in recital 21, none of the Chinese exporting producers cooperated in the investigation. Thus, the exporting producers failed to submit questionnaire replies, including any data on export prices and costs, domestic prices and costs, capacity, production, investments, etc. Likewise, the GOC and the exporting producers failed to address the evidence on the case file, including the 'Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the Purposes of Trade Defense Investigations' ⁽ⁱ⁾ ('the Report'), and the additional evidence provided by the applicants, showing that such prices and costs were affected by substantial government interventions. Therefore, the Commission resorted to the use of facts available in accordance with Article 18 of the basic Regulation.
- (39) The Commission notified the Chinese authorities and the exporting producers mentioned in recital 18 of the application of Article 18 of the basic Regulation and gave them the opportunity to comment. The Commission did not receive any comments. Accordingly, pursuant to Article 18(1) of the basic Regulation, the findings in relation to the likelihood of continuation or recurrence of dumping set out below were based on facts available, in particular, the information contained in the request for the expiry review, in the submissions by interested parties, and the statistics available in the Article 14(6) database/Eurostat.

⁽ⁱ⁾ SWD(2017) 483 final/2.

3.2. Continuation of dumping of imports during the review investigation period

- (40) For the review investigation period, the statistical data from Eurostat shows that the product under review continued to be imported into the Union from the PRC. It amounted to 1 519 tonnes and constituted 1,8 % of the total Union consumption during the review investigation period. In this respect, the Commission noted that such a level is not unusually low in the context of expiry reviews as effective measures seeking to counter the injurious effects of dumped imports logically are expected to reduce imports from the previous injuriously-dumped level. In fact, the volume of imports from the PRC during the RIP amounts to 22,9 % of all imports. Moreover, as noted in recital 165, calculating dumping on the basis of export prices to third countries during the RIP also show similar levels of dumping. This confirms that the conclusions reached on the basis of the import volumes into the EU during the RIP are also representative. Consequently, the Commission concluded that the actual imports in the review investigation period were representative and, therefore, examined whether dumping continued during the review investigation period.

3.3. Normal value

- (41) According to Article 2(1) of the basic Regulation, *'the normal value shall normally be based on the prices paid or payable, in the ordinary course of trade, by independent customers in the exporting country'*.
- (42) However, according to Article 2(6a)(a) of the basic Regulation, *'in case it is determined [...] that it is not appropriate to use domestic prices and costs in the exporting country due to the existence in that country of significant distortions within the meaning of point (b), the normal value shall be constructed exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks', and 'shall include an undistorted and reasonable amount of administrative, selling and general costs and for profits'*. As further explained below, the Commission concluded in the present investigation that, based on the evidence available, and in view of the lack of cooperation of the GOC and the exporting producers, the application of Article 2(6a) of the basic Regulation was appropriate.

3.3.1. Existence of significant distortions

3.3.1.1. Introduction

- (43) Article 2(6a)(b) of the basic Regulation defines *'significant distortions as those distortions which occur when reported prices or costs, including the costs of raw materials and energy, are not the result of free market forces as they are affected by substantial government intervention. In assessing the existence of significant distortions regard shall be had, inter alia, to the potential impact of one or more of the following elements:*
- *the market in question being served to a significant extent by enterprises which operate under the ownership, control or policy supervision or guidance of the authorities of the exporting country;*
 - *state presence in firms allowing the state to interfere with respect to prices or costs;*
 - *public policies or measures discriminating in favour of domestic suppliers or otherwise influencing free market forces;*
 - *the lack, discriminatory application or inadequate enforcement of bankruptcy, corporate or property laws;*
 - *wage costs being distorted;*
 - *access to finance granted by institutions which implement public policy objectives or otherwise not acting independently of the state'.*
- (44) Article 2(6a)(c) of the basic Regulation provides that *'[w]here the Commission has well-founded indications of the possible existence of significant distortions as referred to in point (b) in a certain country or a certain sector in that country, and where appropriate for the effective application of this Regulation, the Commission shall produce, make public and regularly update a report describing the market circumstances referred to in point (b) in that country or sector'*.
- (45) Interested parties were invited to rebut, comment or supplement the evidence contained in the investigation file at the time of initiation. That file contained, in particular, allegations and evidence from the applicants on the existence of significant distortions in the Chinese aluminium market. The file also contained a copy of the

Report, produced by the Commission, showing the existence of substantial government intervention at many levels of the economy, including specific distortions in many key factors of production (such as land, energy, capital, raw materials and labour) as well as in specific sectors (such as aluminium). The Report was placed in the investigation file at the initiation stage.

- (46) On the basis of the evidence available on the file, including the evidence contained in the Report, the Commission thus decided to examine whether it is appropriate or not to use domestic prices and costs in the PRC, due to the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation. That analysis covered the examination of the substantial government interventions in its economy in general, but also the specific market situation in the relevant sector (i.e. aluminium), including the product under review.
- (47) As specified in recitals 25-26, neither the GOC nor the exporting producers commented or provided evidence supporting or rebutting the existing evidence on the investigation file, including the Report, and the additional evidence provided by the applicants, on the existence of significant distortions and/or on the appropriateness of the application of Article 2(6a) of the basic Regulation in the case at hand.

3.3.1.2. Allegations by the applicants and evidence provided to support those allegations

- (48) The request contained some relevant evidence supporting the allegations on significant distortions and complementing the Report.
- (49) Firstly, the applicants indicated in Section III A.1.a of the request that the Commission had already noted in the investigation that led to the adoption of the Initial Regulation ⁽⁶⁾ that 'the price of the upstream basic raw material, aluminium, was distorted' and that 'these distortions were also found in the price of the intermediate raw material, aluminium jumbo foil in rolls'.
- (50) In this regard, in the investigation that led to the adoption of the Initial Regulation, the Commission first noted that primary aluminium accounts for ca. 60-70 % of the costs of production of the product under review and it is thus the main cost-driver in its production. Second, the Commission noted that the prices of aluminium on the Chinese market (so-called 'SHFE price') ⁽⁷⁾ diverged greatly from the LME price ⁽⁸⁾, which is the worldwide reference price. Third, the Commission considered that the situation could be explained by a 'series of state-driven factors and significant interference by the State in the domestic market with a number of tools' ⁽⁹⁾. On the basis of the above, in the Initial Regulation, the Commission concluded in this regard that these factors have essentially led to a situation where Chinese primary aluminium prices and the prices of downstream aluminium products are the result of state intervention independent from price fluctuations on international markets.
- (51) Secondly, the applicants indicated in Section III A.1.b of the request for review that, in addition to referring to the evidence contained in the Report, the distortions highlighted by the Commission in the Initial Regulation still exist. In this regard, they indicate that market-distortions in the Chinese non-ferrous metals industry were highlighted in a report prepared for WV Metalle, the German non-ferrous metals industry association, dated 24 April 2017 ('WV Metalle Report') (Annex 5 of the request). The WV Metalle Report confirmed in particular that the non-ferrous metal sector constitutes a core element of government planning in the context of the Strategic Emerging Industry Initiative, the Made in China 2025 Plan, as well as other high-level programmes. It indicates that the GOC directly intervenes in the pricing of capital, labour, land, raw materials and basic inputs to the production process.
- (52) According to the applicants, the WV Metalle Report further indicates that the contemporary debt-equity swaps initiative is not market-driven, that the non-ferrous metal sector has consistently benefited and continues to benefit from generous financial and non-monetary support, that China's non-ferrous metal sector has received substantial subsidies including energy subsidies, particularly directed towards state-owned enterprises and that the GOC strictly controls volumes and prices of products of the non-ferrous metals industry, including through export duties, quotas, licenses, export restrictions, promotional subsidies, taxes and tax rebates.

⁽⁶⁾ Definitive Regulation, recital 13 confirming recitals 27 to 53 of Commission Regulation (EU) No 833/2012 of 17 September 2012 imposing a provisional anti-dumping duty on imports of certain aluminium foils in rolls originating in the People's Republic of China ('the Initial Regulation'), OJ L 251, 18.9.2012, p. 29. See in particular recital 31.

⁽⁷⁾ Shanghai Futures Exchanges (<http://www.shfe.com.cn/en/>).

⁽⁸⁾ Initial Regulation, recital 33.

⁽⁹⁾ Ibid., recital 34.

- (53) Thirdly, in Annex 6 of the request, the applicants indicated that the preliminary affirmative findings of the US Department of Commerce, in its countervailing duty investigation of certain aluminium from China, indicated that 37 % of domestic aluminium consumption in China is by State-owned enterprises and that the GOC imposes a 30 % export tariff on primary aluminium, resulting in distortions of the Chinese downstream domestic market for aluminium. On 5 March 2018, the US Department of Commerce confirmed the provisional findings in the Final Determination.
- (54) In addition, the applicants considered that the US Department of Commerce established that Chinese aluminium foil producers benefited from a number of countervailable subsidies, and therefore, the applicants considered that the Chinese aluminium market is served to a significant extent by enterprises which operate under the ownership, control or policy supervision or guidance of the authorities of the exporting country, that public policies influence and distort free market forces on the Chinese aluminium market and that Chinese producers have access to finance granted by institutions which implement public policy objectives or otherwise do not act independently of the State. This would allegedly result in distortions of the SHFE prices.

3.3.1.3. Significant distortions affecting the domestic prices and costs in the People's Republic of China

- (55) The very foundation of the Chinese economic system, i.e. the concept of the so called 'socialist market economy', is at odds with the notion of free play of market forces. That concept is enshrined in the Chinese Constitution and determines the economic governance of the PRC. The core principle of that system is the 'socialist public ownership of the means of production, namely, ownership by the whole people and collective ownership by the working people'. The State-owned economy is considered the 'leading force of the national economy' and the State has the mandate 'to ensure its consolidation and growth' ⁽¹⁰⁾. Consequently, the overall setup of the Chinese economy not only allows for substantial government interventions into the economy, but such interventions are expressly mandated. The notion of supremacy of public ownership over private ownership permeates the entire legal system and is emphasized as a general principle in all central pieces of legislation. The Chinese property law is a prime example of this causal relationship: It refers to the primary stage of socialism and entrusts the State with upholding the basic economic system under which the public ownership shall play a dominant role. Other forms of ownership are tolerated, with the law permitting them to develop side by side with State ownership ⁽¹¹⁾.
- (56) In addition, according to relevant Chinese legislation, the socialist market economy shall be developed under the leadership of the Chinese Communist Party ('CCP'). The structures of the Chinese State and of the CCP are intertwined at every level (legal, institutional, personal), forming a superstructure in which the roles of CCP and the State are indistinguishable. Following an amendment of the Chinese Constitution in March 2018, the leading role of the CCP was given an even greater prominence by a finding reaffirmed in the text of Article 1 of the Constitution. Following the existing first sentence of the provision: '[t]he socialist system is the basic system of the People's Republic of China' a new second sentence was inserted which reads: 'The defining feature of socialism with Chinese characteristics is the leadership of the Communist Party of China.' ⁽¹²⁾ This illustrates the unquestioned and ever growing control of the CCP over the economic system of the PRC. This control is inherent to the Chinese system and goes well beyond the situation customary in other countries where the governments exercise broad macroeconomic control within the boundaries of which free market forces are at play.
- (57) The Chinese State undertakes an interventionist economic policy in pursuance of goals which coincide with the political agenda set by the CCP, rather than reflecting the prevailing economic conditions in a free market ⁽¹³⁾. The interventionist economic tools deployed by the Chinese authorities are manifold, including the system of industrial planning, the financial system, as well as various facets of the regulatory environment.
- (58) First, on the level of overall administrative control, the direction of the Chinese economy is governed by a complex system of industrial planning which affects all economic activities within the country. The totality of these plans cover a comprehensive and complex matrix of sectors and crosscutting policies and is present on all levels of government. Plans at provincial level tend to be fairly detailed while national plans tend to set somewhat broader targets. Plans also specify the tool box in order to support the relevant industries/sectors as well as the

⁽¹⁰⁾ The Report – Chapter 2, p. 6-7.

⁽¹¹⁾ The Report – Chapter 2, p. 10.

⁽¹²⁾ <http://en.pkulaw.cn/display.aspx?cgid=311950&lib=law>, accessed on 25 January 2019.

⁽¹³⁾ The Report – Chapter 2, p. 20-21.

timeframes in which the objectives need to be achieved. Some plans still contain explicit output targets while this was a regular feature in previous planning cycles. Under those plans, individual industrial sectors and/or projects are being singled out as (positive or negative) priorities in line with the government priorities and specific development goals are attributed to them (industrial upgrade, international expansion etc.). The economic operators, private and State-owned alike, must effectively adjust their business activities according to the realities imposed by the planning system. This is not only because of the formally binding nature of the plans. Crucially, the relevant Chinese authorities at all level of government adhere to the system of plans and they use their vested powers accordingly, thereby forcing the economic operators to comply with the priorities set out in the plans (see also point 3.3.1.5 below) ⁽¹⁴⁾.

- (59) Second, on the level of allocation of financial resources, the financial system of the PRC is dominated by the State-owned commercial banks. Those banks, when setting up and implementing their lending policy need to align themselves with the government's industrial policy objectives rather than primarily assessing the economic merits of a given project (see also point 3.3.1.8 below) ⁽¹⁵⁾. The same applies to the other components of the Chinese financial system, such as the stock markets, bond markets, private equity markets, etc. Even though of lesser significance than the banking sector, these parts of the financial sector are institutionally and operationally set up in a manner not geared towards maximizing the efficient functioning of the financial markets but towards ensuring control and allowing intervention by the State and the CCP ⁽¹⁶⁾.
- (60) Third, on the level of regulatory environment, the interventions by the State into the economy take a number of forms. For instance, public procurement rules are regularly used to pursue policy goals other than economic efficiency, thereby undermining market based principles in the area. The applicable legislation specifically provides that public procurement shall be conducted in order to facilitate the achievement of goals designed by State policies. However, the nature of these goals remains undefined, thereby leaving broad margin of appreciation to the decision-making bodies ⁽¹⁷⁾. Similarly, in the area of investment, the Chinese government maintains significant control and influence over destination and magnitude of both State and private investment. Investment screening as well as various incentives, restrictions, and prohibitions related to investment are used by authorities as an important tool for supporting industrial policy goals, such as maintaining State control over key sectors or bolstering domestic industry ⁽¹⁸⁾.
- (61) In sum, the Chinese economic model is based on certain basic axioms which provide for and encourage manifold government interventions. Such substantial government interventions are at odds with free play of market forces, resulting in distorting the effective allocation of resources in line with market principles ⁽¹⁹⁾.

3.3.1.4. Significant distortions according to Article 2(6a)(b), first indent of the basic Regulation: the market in question being served to a significant extent by enterprises which operate under the ownership, control or policy supervision and guidance of the authorities of the exporting country

- (62) Against the above background of the dominance of State ownership in the Chinese economic model, State owned enterprises ('SOEs') represent an essential part of the Chinese economy. The government and the CCP maintain structures that ensure their continued influence over SOEs. The state-party not only actively formulates and oversees the implementation of general economic policies by individual SOEs, but also claims its rights to participate in operational decision-making of SOEs. This is typically done through the rotation of cadres between government authorities and SOEs, through presence of party members on SOEs executive bodies and of party cells in companies (see also point 3.3.1.4 below), as well as through shaping the corporate structure of the SOE sector ⁽²⁰⁾. In exchange, SOEs enjoy a particular status within the Chinese economy, which entails a number of economic benefits, in particular shielding from competition and preferential access to relevant inputs, including finance ⁽²¹⁾.

⁽¹⁴⁾ The Report – Chapter 3, p. 41, 73-74.

⁽¹⁵⁾ The Report – Chapter 6, p. 120-121.

⁽¹⁶⁾ The Report – Chapter 6, p. 122-135.

⁽¹⁷⁾ The Report – Chapter 7, p. 167-168.

⁽¹⁸⁾ The Report – Chapter 8, p. 169-170, 200-201.

⁽¹⁹⁾ The Report – Chapter 2, p. 15-16, The Report – Chapter 4, p. 50, p. 84, The Report – Chapter 5, p. 108-9.

⁽²⁰⁾ The Report – Chapter 3, p. 22-24 and Chapter 5, p. 97-108.

⁽²¹⁾ The Report – Chapter 5, p. 104-9.

- (63) In this connection, an OECD study published in January 2019 ('OECD Study')⁽²²⁾ refers to SOEs in the aluminium sector which specifically emphasize in their regulatory filings how State ownership influences relevant industrial policies and how State ownership translates into government support. More specifically, one SOE mentions in its 2016 bond prospectus that it is one of the 52 backbone State-owned enterprises, that it plays a key role in the formulation and implementation of policies in the power sector and that it receives comprehensive and sustainable support from the GOC. Another SOE refers in its 2017 bond prospectus to the fact that the respective provincial government can exert significant influence on the group⁽²³⁾.
- (64) This is all the more important given that the PRC is the largest aluminium producer in the world, with several large SOEs amongst the top individual producers worldwide. According to estimates, SOEs account for more than 50 % of the total primary aluminium output in the PRC⁽²⁴⁾. A recent study of the non-ferrous metal industry in the PRC also points in the direction of SOEs accounting for a dominant share of the domestic market⁽²⁵⁾. While an increase in capacity in recent years is attributed partly to privately-owned companies, such capacity increase would usually also entail various forms of (local) government involvement, such as tolerating illegal capacity expansion⁽²⁶⁾. Moreover, the aluminium production capacity amongst the main SOEs has also increased, though to a lesser extent⁽²⁷⁾.
- (65) With a high level of government intervention in the aluminium industry and a high share of SOEs in the sector, even privately owned aluminium producers are prevented from operating under market conditions. Indeed, both public or privately owned enterprises in the aluminium sector are also subject to policy supervision and guidance as set out in section 3.3.1.5 below.
- (66) State control and intervention in the production of the product concerned (aluminium household foils) takes place within the general framework described. Indeed, according to the information available to the Commission, many of the major producers of the product under review are State-owned. The evidence available thus suggests that aluminium foil producers in the PRC are subject to the same ownership, control or policy supervision and guidance by the Chinese government and thus do not operate in accordance with market principles.

3.3.1.5. Significant distortions according to Article 2(6a)(b), second indent of the basic Regulation: State presence in firms allowing the state to interfere with respect to prices or costs

- (67) Apart from exercising control over the economy by means of ownership of SOEs, the Chinese State is in a position to interfere with prices and costs through State presence in firms. While the right to appoint and to remove key management personnel in SOEs by the relevant State authorities, as foreseen in the Chinese legislation, can be considered to reflect the corresponding ownership rights⁽²⁸⁾, CCP cells in enterprises, State-owned and private alike, represent another channel through which the State can interfere with business decisions. According to the PRC's company law, a CCP organisation is to be established in every company (with at least three CCP members as specified in the CCP Constitution⁽²⁹⁾) and the company shall provide the necessary conditions for the activities of the party organisation. In the past, this requirement appears to not have always been followed or strictly enforced. However, since at least 2016 the CCP has reinforced its claims to control business decisions in SOEs as a matter of political principle. The CCP is also reported to exercise pressure

⁽²²⁾ OECD (2019), 'Measuring distortions in international markets: the aluminium value chain', OECD Trade Policy Papers, No 218, OECD Publishing, Paris, <https://doi.org/10.1787/c82911ab-en>.

⁽²³⁾ OECD Study, p. 29.

⁽²⁴⁾ Australian Anti-Dumping Commission, *Aluminium Extrusions from China*, REP 248, p. 79 (13 July 2015).

⁽²⁵⁾ Taube, M. (2017). *Analysis of Market Distortions in the Chinese Non-Ferrous Metals Industry*, Think!Desk, 24 April 2017, p. 51.

⁽²⁶⁾ See for example a report concerning Shandong provincial government's failure to curb aluminium capacity expansion: https://mp.weixin.qq.com/s?__biz=MzI2OTUyMzA0Nw==&mid=2247494318&idx=1&sn=9690ca50845c19f38eaff659516817a&chksm=eaddaba6ddaa22b071a5e2588aa787ed6f6a1a964ccae55c4d85c6f7ccbfc5cedd3cdceac9d&scene=0&pass_ticket=JFpLYZoDqNTFmOPyUGjBmWfOXlC1N3hAJ3EYPpsKx6rkt4fSeZ4TwlvB5BffX4du#rd (accessed on 22 February 2019).

⁽²⁷⁾ The Report – Chapter 15, p. 387-388.

⁽²⁸⁾ The Report – Chapter 5, p. 100-1.

⁽²⁹⁾ The Report – Chapter 2, p. 26.

on private companies to put ‘patriotism’ first and to follow party discipline ⁽³⁰⁾. In 2017, it was reported that party cells existed in 70 % of some 1,86 million privately owned companies, with growing pressure for the CCP organisations to have a final say over the business decision within their respective companies ⁽³¹⁾. These rules apply in general in the Chinese economy, including to the producers of the product under review and the suppliers of their inputs.

- (68) The following example illustrates well the above trend of an increasing level of intervention by the GOC in the aluminium sector:
- (69) In 2017, a Chinese state-owned aluminium producer, China Aluminium International Engineering Corporation Limited (‘Chalieco’), amended its Articles of Association giving more prominence to the role of party cells within the company. It included a whole chapter on the Party Committee, and Article 113 thereof states: *‘In deciding major corporate issues, the Board shall consult the Party Committee of the Company in advance.’* ⁽³²⁾ Furthermore, in their 2017 Annual Report ⁽³³⁾ the Aluminum Corporation of China (‘Chalco’) states that a number of directors, supervisors, and senior management – including the Chairman and Executive Director, and the Chairman of the Supervisory Committee – are members of the CCP.
- (70) The State’s presence and intervention in the financial markets (see also section 3.3.1.8 below) as well as in the provision of raw materials and inputs further have a distorting effect on the market. Thus, the State presence in firms, including SOEs, in the aluminium and other sectors (such as the financial and input sectors) allow the government to interfere with respect to prices and costs.

3.3.1.6. Significant distortions according to Article 2(6a)(b) of the basic Regulation, third indent: public policies or measures discriminating in favour of domestic suppliers or otherwise influencing free market forces

- (71) The direction of the Chinese economy is to a significant degree determined by an elaborate system of planning which sets out priorities and prescribes the goals the central and local governments must focus on. Relevant plans exist on all levels of government and cover virtually all economic sectors, the objectives set by the planning instruments are of binding nature and the authorities at each administrative level monitor the implementation of the plans by the corresponding lower level of government. Overall, the system of planning in the PRC results in resources being driven to sectors designated as strategic or otherwise politically important by the government, rather than being allocated in line with market forces ⁽³⁴⁾.
- (72) For instance, the government plays a key role in the development of the Chinese aluminium sector (including the product under review). There are numerous plans, directives and other documents pertaining to aluminium, issued at the national, regional and municipal level, clearly showing the high degree of intervention of the Chinese government. Through these and other instruments, the government directs and controls virtually every aspect of the development and functioning of the aluminium sector.
- (73) These policies and targets for the aluminium sector have an important direct or indirect impact on the production costs of the product under review.
- (74) Although the 13th Five-Year Plan on Economic and Social Development ⁽³⁵⁾ does not contain specific provisions on aluminium, for the non-ferrous metal industry in general it envisages a strategy of promoting cooperation on international production capacity and equipment manufacturing. To achieve these goals, the plan confirms that it will enhance supporting systems related to taxation, finance, insurance, investment and financing platforms, as well as risk assessment platforms ⁽³⁶⁾.
- (75) The corresponding sectoral plan, the Non-Ferrous Metal Industry Development Plan (2016-2020) (‘Plan’) sets out specific policies and targets that the government aims to achieve for a number of non-ferrous metals industries ⁽³⁷⁾, including aluminium.

⁽³⁰⁾ The Report – Chapter 2, p. 31-2.

⁽³¹⁾ See <https://www.reuters.com/article/us-china-congress-companies-idUSKCN1B40JU>, accessed on 25 January 2019.

⁽³²⁾ The Report – Chapter 15, p. 388.

⁽³³⁾ <http://www.chalco.com.cn/chalcoen/rootfiles/2018/04/19/1524095189602052-1524095189604257.pdf>, accessed on 8 March 2019

⁽³⁴⁾ The Report – Chapter 4, p. 41-2, 83.

⁽³⁵⁾ The 13th Five-Year Plan for Economic and Social Development of the People’s Republic of China (2016-2020), <http://en.ndrc.gov.cn/newsrelease/201612/P020161207645765233498.pdf>.

⁽³⁶⁾ The Report – Chapter 15, p. 377.

⁽³⁷⁾ The Report – Chapter 12, p. 275-282 and Chapter 15, p. 378-382.

- (76) The Plan aims at upgrading the range of product types produced by the Chinese aluminium industry, inter alia, through supporting innovation. It calls for swift development of the mixed ownership system and a boost to SOE's vitality. It further provides for the possibility of stock-piling non-ferrous metals, improving the security of resources, including aluminium and sets specific quantitative targets for reducing power consumption, increasing the ratio of recycled aluminium in production and increasing capacity utilisation ⁽³⁸⁾.
- (77) The Plan further provides for structural adjustments with stricter control on new smelting facilities and elimination of outdated capacity. It provides for geographical distribution of processing plants, focuses on projects to increase bauxite and alumina resource exploitation and covers electricity supply and pricing policy ⁽³⁹⁾.
- (78) With this wide range of measures and policies, the Plan represents a continuation of the 2009 Non-Ferrous Metals Industry Adjustment and Revitalization Plan which was adopted to alleviate the negative effects on the non-ferrous metal industry of the financial crisis. The key objectives, set out in the plan include, inter alia, production volume control, restructuring, raw material sourcing, export tax policy, security of resources, stockpiling, technological innovation, financial policy and planning and implementation ⁽⁴⁰⁾.
- (79) Another policy document targeting the aluminium sector is the Standard Conditions applicable to the Aluminium Industry issued by the Ministry of Industry and Information Technology ('MIIT') on 18 July 2013, in order to speed up structural adjustment and curb disorderly expansion of the aluminium smelting capacities. The Standard Conditions introduce minimum production quantities for new plants, quality standards and security of supply for imported and domestically sourced bauxite and alumina. The Standard Conditions indicate that MIIT is the authority in charge of the standardisation and management of the aluminium industry, as well as publication of the list of companies authorised to operate in the aluminium industry ⁽⁴¹⁾.
- (80) Moreover, Entry Conditions Applicable to the Aluminium Industry, issued by the National Development and Reform Commission ('NDRC') in October 2007 and formally in force until 2016, had as its main objective to promote the development of the aluminium industry and to reduce greenhouse gas emissions ⁽⁴²⁾.
- (81) Finally, the Guidelines for Accelerating the Restructuring of the Aluminium Industry ('Restructuring Guidelines') ⁽⁴³⁾, issued by the NDRC in April 2006, regard aluminium as a fundamental product in the development of the national economy.
- (82) The Restructuring Guidelines state that, in implementing the Industrial Development Policy approved by the State Council, specific objectives shall be achieved in certain areas. These areas are:
- Enhance the concentration in the industry;
 - Access to financial capital (see also section 3.3.1.8 below);
 - Organisation of the industry;
 - Strict control of exports of electrolytic aluminium; and
 - Elimination of outdated capacity.
- (83) With respect to organisation of the industry and elimination of outdated capacity, the objectives stated in the Restructuring Guidelines have been pursued also by more recent policies, such as by the Plan which encourages non-ferrous metal enterprises to develop upstream and downstream alliances and restructuring within the sector and across sectors, to increase the level of concentration of the sector and to strengthen business integration and process re-engineering (see also recitals 74-76).

⁽³⁸⁾ The Report – Chapter 12, p. 275-282.

⁽³⁹⁾ The Report – Chapter 15, p. 378-382, 390.

⁽⁴⁰⁾ The Report – Chapter 15, p. 384-385.

⁽⁴¹⁾ The Report – Chapter 15, p. 382-383.

⁽⁴²⁾ The Report – Chapter 15, p. 385-386.

⁽⁴³⁾ The Report – Chapter 15, p. 386.

- (84) Thus, the numerous plans, directives and other documents pertaining to aluminium, issued at the national, regional and municipal level, clearly show the high degree of intervention of the Chinese government in the aluminium sector ⁽⁴⁴⁾. Through these and other instruments, the government directs and controls virtually every aspect of the development and functioning of the sector.
- (85) Beyond the plans, the government's intervention in the sector has taken the form, inter alia, of export-related measures, including export duties, export quotas, export performance requirements and minimum export price requirements on different raw materials for aluminium.
- (86) The GOC further discourages exports of primary aluminium and its inputs, aiming at promoting higher added-value aluminium products. This objective is pursued by granting full or partial VAT rebates on downstream aluminium products in combination with incomplete VAT rebates and export taxes on primary aluminium ⁽⁴⁵⁾.
- (87) Moreover, the price of key inputs such as energy and electricity are found to be influenced by different types of government intervention ⁽⁴⁶⁾. Other types of government intervention leading to market distortions include the stockpiling policy through the State Reserve Bureau and the role of the SHFE ⁽⁴⁷⁾. In addition, several trade defence investigations have established that the Chinese government has consistently granted different types of State support measures to aluminium producers ⁽⁴⁸⁾. The extensive intervention of the GOC in the aluminium sector has led to overcapacity ⁽⁴⁹⁾, which is arguably the clearest illustration of the implications of the GOC's policies and the resulting distortions.
- (88) The OECD Study also identified additional government support influencing market forces in the aluminium sector. Such support would typically take the form of inputs, in particular electricity ⁽⁵⁰⁾ and primary alumina, sold at below-market prices ⁽⁵¹⁾. The OECD Study further describes how the GOC objectives for the aluminium sector are translated into industrial policies and specific actions on the provincial and local level, including for example capital injections, priority possession rights to mineral resources, governmental grants and subsidies or tax incentives ⁽⁵²⁾.
- (89) In sum, the GOC has measures in place to induce operators to comply with the public policy objectives of supporting encouraged industries, including the production of the product under review and the raw materials used for producing it. Such measures impede market forces from operating normally.

3.3.1.7. Significant distortions according to Article 2(6a)(b), fourth indent of the basic Regulation: the lack, discriminatory application or inadequate enforcement of bankruptcy, corporate or property laws

- (90) The Chinese bankruptcy system appears inadequate to deliver on its own main objectives such as to fairly settle claims and debts and to safeguard the lawful rights and interests of creditors and debtors. This appears to be rooted in the fact that while the Chinese bankruptcy law formally rests on similar principles as corresponding laws in other countries, the Chinese system is characterised by systematic under-enforcement. The number of bankruptcies remains notoriously low in relation to the size of the country's economy, not least because the insolvency proceedings suffer from a number of shortcomings, which effectively function as a disincentive for bankruptcy filings. Moreover, the role of the State in the insolvency proceedings remains strong and active, often having direct influence on the outcome of the proceedings ⁽⁵³⁾.

⁽⁴⁴⁾ The Report – Chapter 15, pp. 377-387.

⁽⁴⁵⁾ The Report – Chapter 15, p. 378 and 389; OECD Study, p. 25-26.

⁽⁴⁶⁾ The Report – Chapter 15, pp. 390-391.

⁽⁴⁷⁾ The Report – Chapter 15, pp. 392-393.

⁽⁴⁸⁾ The Report – Chapter 15, pp. 393-394.

⁽⁴⁹⁾ The Report – Chapter 15, pp. 395-396.

⁽⁵⁰⁾ Provision of discounted electricity is reported also by other sources. See for example: *Economic Information Daily*: Worrying over growth downturns, western region releasing preferential policies to support high energy consumption industries http://jjckb.xinhuanet.com/2012-07/24/content_389459.htm (accessed on 22 February 2019), reporting on how western Chinese provinces like Shaanxi, Ningxia, Qinghai and Gansu have continued to provide cheap electricity to attract more investments.

⁽⁵¹⁾ Ibid, p. 16, p. 30. However, the Chinese authorities interfere with respect to other inputs, too. A typical example is coal where the government retains the power to subdue coal price rises. See: https://policy.cn.com/policy_ticker/coal-price-unlikely-to-jump-during-heating-season/?iframe=1&secret=c8uthafuthefra4e (accessed on 22 February 2019).

⁽⁵²⁾ Ibid, p. 16-18.

⁽⁵³⁾ The Report – Chapter 6, p. 138-149.

- (91) In addition, the shortcomings of the system of property rights are particularly obvious in relation to ownership of land and land-use rights in the PRC ⁽⁵⁴⁾. All land is owned by the State (collectively owned rural land and State-owned urban land). Its allocation remains solely dependent on the State. There are legal provisions that aim at allocating land use rights in a transparent manner and at market prices, for instance by introducing bidding procedures. However, these provisions are regularly not respected, with certain buyers obtaining their land for free or below market rates ⁽⁵⁵⁾. Moreover, authorities often pursue specific political goals including the implementation of the economic plans when allocating land ⁽⁵⁶⁾.
- (92) Therefore, the Chinese bankruptcy and property laws do not appear to properly work, resulting in distortions when maintaining insolvent firms afloat and in relation to the land provision and acquisition in the PRC. Those considerations, on the basis of the evidence available, appear to be fully applicable also in the aluminium sector and more specifically with respect to the product under review.
- (93) This finding is supported by the provisional affirmative determination of the US Department of Commerce, in the Countervailing Duty Investigation of certain Aluminium Foil from The People's Republic of China, which found, using adverse facts available, that the Government of the PRC's provision of land for Less Than Adequate Remuneration constitutes a financial contribution within the meaning of Section 771 (5)(D) of the Tariff Act of 1930, as amended ⁽⁵⁷⁾.

3.3.1.8. Significant distortions according to Article 2(6a)(b), fifth indent of the basic Regulation: wage costs being distorted

- (94) A system of market-based wages cannot fully develop in the PRC as workers and employers are impeded in their rights to organisation. The PRC has not ratified a number of essential conventions of the International Labour Organisation (ILO), in particular those on freedom of association and on collective bargaining ⁽⁵⁸⁾. Under national law, only one trade union organisation is active. However, this organisation lacks independence from the State authorities and its engagement in collective bargaining and protection of workers' rights remains rudimentary ⁽⁵⁹⁾. Moreover, the mobility of the Chinese workforce is restricted by the household registration system, which limits access to the full range of social security and other benefits to local residents of a given administrative area. This typically results in workers who are not in possession of the local residence registration finding themselves in a vulnerable employment position and receiving lower income than the holders of the residence registration ⁽⁶⁰⁾. Those findings lead to the distortion of wages costs in the PRC.
- (95) The Commission did not receive any evidence that the aluminium sector, including the product under review, would not be subject to the Chinese labour law system as described above. The aluminium sector is thus affected by the distortions of wage costs both directly (when making the product under review) as well as indirectly (when having access to capital or inputs from companies subject to the same labour system in the PRC).

3.3.1.9. Significant distortions according to Article 2(6a)(b), sixth indent of the basic Regulation: access to finance granted by institutions which implement public policy objectives or otherwise not acting independently of the State

- (96) Access to capital for corporate actors in the PRC is subject to various distortions.
- (97) Firstly, the Chinese financial system is characterised by the strong market position of State-owned banks ⁽⁶¹⁾, which, when granting access to finance, take into consideration criteria other than economic viability of a project. Similarly to non-financial SOEs, the banks remain connected to the State not only through ownership

⁽⁵⁴⁾ The Report – Chapter 9, p. 216.

⁽⁵⁵⁾ The Report – Chapter 9, p. 213-215.

⁽⁵⁶⁾ The Report – Chapter 9, p. 209-211.

⁽⁵⁷⁾ Decision Memorandum for the Preliminary Affirmative Determination: Countervailing Duty Investigation of certain Aluminium Foil from The People's Republic of China, published by the International Trade Administration, Department of Commerce, on 7 August 2017, IX.E. p. 30, available at <https://enforcement.trade.gov/frn/summary/prc/2017-17113-1.pdf> (last accessed on 11 March 2019).

⁽⁵⁸⁾ The Report – Chapter 13, p. 332-337.

⁽⁵⁹⁾ The Report – Chapter 13, p. 336.

⁽⁶⁰⁾ The Report – Chapter 13, p. 337-341.

⁽⁶¹⁾ The Report – Chapter 6, p. 114-117.

but also via personal relations (the top executives of the large State-owned financial institutions are ultimately appointed by the CCP) ⁽⁶²⁾ and, again just like non-financial SOEs, the banks regularly implement public policies designed by the government. In doing so, the banks comply with an explicit legal obligation to conduct their business in accordance with the needs of the national economic and social development and under the guidance of the industrial policies of the State ⁽⁶³⁾. This is compounded by additional existing rules, which direct finances into sectors designated by the government as encouraged or otherwise important ⁽⁶⁴⁾.

- (98) While it is acknowledged that various legal provisions refer to the need to respect normal banking behaviour and prudential rules such as the need to examine the creditworthiness of the borrower, the overwhelming evidence, including findings made in trade defence investigations, suggests that these provisions play only a secondary role in the application of the various legal instruments.
- (99) Furthermore, bond and credit ratings are often distorted for a variety of reasons including the fact that the risk assessment is influenced by the firm's strategic importance to the Chinese government and the strength of any implicit guarantee by the government. Estimates strongly suggest that Chinese credit ratings systematically correspond to lower international ratings.
- (100) This is compounded by additional existing rules, which direct finances into sectors designated by the government as encouraged or otherwise important ⁽⁶⁵⁾. In the aluminium sector, the Restructuring Guidelines have mandated provision of loans to companies which meet the relevant state industry policies ⁽⁶⁶⁾. Such interventions into capital allocation result in a bias for lending to SOEs, large well-connected private firms and firms in key industrial sectors, which implies that the availability and cost of capital is not equal for all players on the market. There is indeed evidence, including for the aluminium sector, that SOEs receive privileged treatment from banks in forms of loan interest rates, amounts, and terms, which results in a competitive advantage for SOEs ⁽⁶⁷⁾.
- (101) Secondly, borrowing costs have been kept artificially low to stimulate investment growth. This has led to the excessive use of capital investment with ever lower returns on investment. This is illustrated by the recent growth in corporate leverage in the state sector despite a sharp fall in profitability, which suggests that the mechanisms at work in the banking system do not follow normal commercial responses.
- (102) In this respect, the OECD Study refers to anecdotal evidence that certain aluminium producers in the PRC have obtained financing on preferential terms, with cost of financing being seemingly decoupled from the corresponding level of corporate leverage. According to the study, one state-owned aluminium producer explicitly stated in its 2016 bond prospectus that it attracts considerable financial support from Chinese policy banks bearing interest rate below benchmark. Similarly, the 2017 bond prospectus of another state-owned producer refers to the strong ties which the company maintains with Chinese banks, including policy banks that have provided that company with low-cost financing sources. The OECD Study concludes in this connection that while there can be many reasons why interest rates are low for these firms, the contrast between poor financial indicators and low interest rates may suggest some potential under-pricing of the risk associated with those borrowers ⁽⁶⁸⁾.
- (103) Thirdly, although nominal interest rate liberalization was achieved in October 2015, price signals are still not the result of free market forces, but are influenced by government induced distortions. Indeed, the share of lending at or below the benchmark rate still represents 45 % of all lending and recourse to targeted credit appears to have been stepped up, since this share has increased markedly since 2015 in spite of worsening economic conditions. Artificially low interest rates result in under-pricing, and consequently, the excessive utilization of capital.

⁽⁶²⁾ The Report – Chapter 6, p. 119.

⁽⁶³⁾ The Report – Chapter 6, p. 120.

⁽⁶⁴⁾ The Report – Chapter 6, p. 121-122, 126-128, 133-135.

⁽⁶⁵⁾ The Report – Chapter 6, p. 121-122, 126-128, 133-135.

⁽⁶⁶⁾ The Report – Chapter 15, p. 386.

⁽⁶⁷⁾ See for example: China Economic Daily: Chinese Academy of Fiscal Sciences reports indicates SOEs are getting loans at rates 1,5 percent lower than private companies http://www.ce.cn/xwzx/gnsz/gdxw/201708/01/t20170801_24724804.shtml (accessed on 22 February 2019).

⁽⁶⁸⁾ OECD Study, p. 21.

- (104) Overall credit growth in the PRC indicates a worsening efficiency of capital allocation without any signs of credit tightening that would be expected in an undistorted market environment. As a result, non-performing loans have increased rapidly in recent years. Faced with a situation of increasing debt-at-risk, the Chinese government has opted to avoid defaults. Consequently, bad debt issues have been handled by rolling over debt, thus creating so called 'zombie' companies, or by transferring the ownership of the debt (e.g. via mergers or debt-to-equity swaps), without necessarily removing the overall debt problem or addressing its root causes.
- (105) In essence, despite the recent steps that have been taken to liberalize the market, the corporate credit system in the PRC is affected by significant systemic issues and distortions resulting from the continuing pervasive role of the state in the capital markets.
- (106) No evidence was submitted to the effect that the aluminium sector, including the product under review, would be exempted from the above-described government intervention in the financial system. Therefore, the substantial government intervention in the financial system leads to the market conditions being severely affected at all levels.

3.3.1.10. Systemic nature of the distortions described

- (107) The Commission noted that the distortions described in the Report are not limited to the aluminium sector in general or the product under review in particular. On the contrary, the evidence available shows that the facts and features of the Chinese system as described above in sections 3.3.1.1-3.3.1.5 as well as in Part I of the Report apply throughout the country and across the sectors of the economy. The same holds true for the description of the factors of production as set out above in sections 3.3.1.6-3.3.1.8 above and in Part II of the Report.
- (108) In order to manufacture the product under review, a range of inputs is needed. There is no evidence in the investigation file that those inputs are not sourced in the PRC. When the Chinese aluminium foil producers purchase/contract those inputs, the prices they pay (and which are recorded as their costs) are clearly exposed to the same systemic distortions mentioned above. For instance, suppliers of inputs employ labour that is subject to the distortions; Suppliers in the PRC can borrow money that is subject to the distortions on the financial sector/capital allocation; they are subject to a system of land-use rights that distorts the cost of using land; and, above all, they are subject to the planning system which applies across all levels of government and sectors, thus also permeating their production process in a directly and indirectly.
- (109) As a consequence, not only can the domestic sales prices of the product under review not be used, but all the input costs (including raw materials, energy, land, financing, labour, etc.) are equally tainted by significant distortions within the meaning of Article 2(6a) of the basic Regulation because their price formation is affected by substantial government intervention, as described in Parts I and II of the Report. Indeed, the government interventions described in relation to the allocation of capital, land, labour, energy and raw materials are present throughout the PRC. This means, for instance, that an input that in itself was produced in the PRC by combining a range of factors of production is likely exposed to significant distortions within the meaning of Article 2(6a) of the basic Regulation. The Commission received no evidence – nor did it establish counter-evidence – that would dispute this finding. The same applies for the input to the input and so forth. No evidence or argument has been put forward by the GOC or the exporting producers in the present investigation to the contrary.

3.3.1.11. Conclusion

- (110) The analysis laid out in sections 3.3.1.2-3.3.1.9, which includes an examination of all the available evidence relating to the PRC's intervention in its economy in general as well as in the aluminium sector (including the product under review) showed that prices or costs, including the costs of raw materials, energy and labour, are not the result of free market forces because they are affected by substantial government intervention within the meaning of Article 2(6a)(b) of the basic Regulation. On that basis, and in the absence of any cooperation from the GOC and the exporting producers, the Commission concluded that it is not appropriate to use domestic prices and costs to establish the normal value in this case.
- (111) Consequently, the Commission proceeded to construct the normal value exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks, that is, in this case, on the basis of

corresponding costs of production and sale in an appropriate representative country, in accordance with Article 2(6a)(a) of the basic Regulation, as discussed in the following section. The Commission recalled that no exporting producer cooperated with the investigation after submitting the sampling forms and that no claim was presented that some domestic costs would be undistorted under the third indent of Article 2(6a)(a) of the basic Regulation.

3.3.2. Representative country

3.3.2.1. General remarks

- (112) According to Article 2(6a)(a), first indent of the basic Regulation, the normal value was constructed on the basis of costs of production and sale in an appropriate representative country.
- (113) The choice of the representative country was based on the following criteria:
- A level of economic development similar to the PRC. For this purpose, the Commission used countries with a gross national income similar to the PRC on the basis of the database of the World Bank;
 - Production of the product under review in that country ⁽⁶⁹⁾;
 - Availability of relevant public data in that country;
 - Where there is more than one possible representative country, preference shall be given, where appropriate, to the country with an adequate level of social and environmental protection.
- (114) As explained in recitals 28 to 29, in the Note of 19 April 2018, the Commission informed interested parties that it had identified only Turkey as a possible representative country and invited interested parties to comment and suggest other countries. No comments were received on this aspect.
- (115) As indicated in recitals 30 to 31, in the Note of 3 October 2018, the Commission confirmed its intention to use Turkey as the potential representative country and requested comments. No comments were subsequently received on this aspect either.

3.3.2.2. A level of economic development similar to the PRC

- (116) Turkey is regarded by the World Bank as a country with a similar level of economic development to the PRC, i.e. it is classified as an 'upper-middle income' country on a gross national income ('GNI') basis ⁽⁷⁰⁾, similarly to the PRC.

3.3.2.3. Production of the product under review in the representative country

- (117) In the Note of 19 April 2018, the Commission indicated that it had identified a producer of the product under review in Turkey, Sedat Tahir A.Ş. Interested parties were invited to comment and to propose other producers in other representative countries which fulfilled the criteria of Article 2(6a)(a) first indent of the basic Regulation. No comments or proposals were received, either on the appropriateness of the representative country, or to suggest countries other than Turkey as representative countries.

3.3.2.4. Availability of the relevant public data in the representative country

- (118) In the Note of 19 April 2018, the Commission indicated that both the main input raw material (i.e. aluminium foil in so-called jumbo rolls of a weight exceeding 10 kg) and the product under review (i.e. aluminium foil in small rolls of a weight not exceeding 10 kg) are classified in the same HS codes, namely 7607 11 and 7607 19. In order to ensure a correct identification of the input material, only countries which further differentiate between the main input material and the product under review can be considered appropriate representative countries in order to properly calculate the normal value. At that stage, it was considered that it is only in Turkey that the main input material is classified in different codes from the product under review and a complete set of public data is available.

⁽⁶⁹⁾ If there is no production of the product under review in any country with a similar level of development, production of a product in the same general category and/or sector of the product under review may be considered.

⁽⁷⁰⁾ <https://data.worldbank.org/income-level/upper-middle-income>, accessed on 25 January 2019.

- (119) Interested parties were invited to comment on the appropriateness of Turkey, inter alia, in line with the above criteria. No comments were received.

(a) Data on factors of production

- (120) With regard to Turkey, import data with regard to the main raw materials used in the production of the product under review was readily available in Global Trade Atlas, while data on other important factors of production, such as labour and electricity costs were also readily available from the Turkish Statistical Institute website.

(b) Financial data (manufacturing overheads, SG&A and profits)

- (121) The investigation showed that financial data is publicly available for the Turkish producer, Sedat Tahir A.Ş., for the year 2017.

3.3.2.5. Conclusion

- (122) Under Article 2(6a)(a) first indent of the basic Regulation, the objective is find, in a possible representative country, all or as many of the corresponding undistorted factors of production used by the cooperating Chinese producers and of undistorted amounts for manufacturing overheads, SG&A and profits as possible.
- (123) In view of the above analysis, Turkey met all the criteria laid down in Article 2(6a)(a), first indent of the basic Regulation in order to be considered as an appropriate representative country. In particular, Turkey has production of the product under review and a complete set of data available for all factors of production, manufacturing overheads, SG&A and profit.
- (124) Having established that Turkey is an appropriate representative country in this case, there was no need to analyse further the level of social and environmental protection in Turkey.

3.3.3. Manufacturing overhead costs, SG&A and profits

- (125) According to Article 2(6a)(a), fourth paragraph of the basic Regulation, 'the constructed normal value shall include an undistorted and reasonable amount for administrative, selling and general costs and for profits'.
- (126) As mentioned in recitals 28 to 31, the Commission indicated that it had identified a producer, Sedat Tahir A.Ş., whose financial statements were publically available and which was producing the product under review in the prospective representative country. It further indicated that it intended to use the Profit and Loss account figures of Sedat Tahir A.Ş. for 2017 as a basis for the establishment of the SG&A and profit percentages to construct the normal value. No comments were received on this aspect within the stipulated 10-days deadline.
- (127) Manufacturing overheads are not separately identified in the available Profit and Loss account figures of Sedat Tahir A.Ş. and the Commission therefore considered them to be included in the cost of goods sold or cost of manufacturing.
- (128) The Commission then used the Profit and Loss account figures of Sedat Tahir A.Ş. for 2017 as a basis for the establishment of the SG&A and profit percentages of cost of manufacturing to be applied to the constructed cost of manufacturing in order to build up the constructed normal value.

3.3.4. Sources used to establish undistorted costs

- (129) According to Article 2(6a)(a) of the basic Regulation, 'the normal value shall be constructed exclusively on the basis of costs of production and sale reflecting undistorted prices and benchmarks' and 'shall include an undistorted and reasonable amount for administrative, selling and general costs and for profits'.

- (130) In the Note of 19 April 2018, the Commission stated that it intended to use Global Trade Atlas ('GTA') database to establish the undistorted costs for the first five input raw materials identified in table 1 below. The Commission further stated that it intended to use the Turkish Statistical Institute as the source of labour costs and electricity costs. It further stated that it planned to use the Orbis database as the source of publicly available financial statements to establish a reasonable amount for administrative, selling and general costs and for profits.

3.3.4.1. Factors of production

- (131) As already stated in recital 28, in the Note of 19 April 2018, the Commission established an initial list of factors of production and Turkish sources intended to be used for all factors of production such as materials, energy and labour used in the production of the product under review.
- (132) Given the lack of cooperation from exporting producers, the Commission used the consumption quantities of the various factors of production, used in producing the product under review, obtained from a large sampled Union producer and applied those to the Turkish unit costs obtained from the various sources indicated in recitals 130 to 144 for the different factors of production used to produce the product under review, in order to establish the Cost of Production. Indeed, based on the information available from the original investigation, the production process of the Chinese exporting producers and the materials used appear to be identical to the one provided by the Union producer in question.
- (133) Considering all the information submitted by interested parties and the results of the verification visit at the premises of one of the applicants, the following factors of production, HS codes, and 12-digit Turkish tariff codes, where applicable, have been identified.

Table 1

Factor of Production	Tariff code	Unit import value
Aluminium foil, not backed, rolled but not further worked (jumbo rolls)	7607 11 19 00 11 7607 11 19 00 12	3,83 EUR/kg
Colour box/carton box for single roll	4819 20	3,20 EUR/kg
Paper core	4822 90	1,25 EUR/kg
Outer case used to pack 24 rolls	4819 20	3,20 EUR/kg
Labour (direct and indirect labour), Wages in the manufacturing sector	[N/A]	8,15 EUR/Man hour
Electricity	[N/A]	0,06 EUR/kWh

3.3.4.2. Materials

- (134) With regard to aluminium foil, the applicants indicated that the standard raw material used is aluminium foil, not backed, rolled but not further worked, falling into HS code 7607 11. This was supported by two out of the four Chinese producers that provided replies to Annex III to the Notice of Initiation. One of the applicants provided further information that the 12-digit Turkish tariff codes for jumbo rolls are 7607 11 19 00 11 and 7607 11 19 00 12. On the basis of those figures, the Commission then calculated the weighted average import value in euros per kg for aluminium jumbo rolls, to be used as the relevant raw material cost in the cost of production.
- (135) With regard to colour box/carton box for single roll, the applicants indicated that the applicable HS code was 4819 10 while one Chinese producer indicated the applicable HS code to be 4819 20. HS code 4819 10 includes '... boxes of corrugated paper or paperboard', whereas HS code 4819 20 includes '... boxes of non-corrugated paper or paperboard'. As the applicable boxes are non-corrugated, the Commission decided to

examine HS code 4819 20. The Turkish nomenclature was examined at a more detailed level within that HS code but no more precise appropriate description was determined. Therefore, the Commission decided to use the referred HS code at 6 digit level for the purpose of establishing the cost of that element of the cost of production to be used for constructing the normal value.

- (136) With regard to the paper core, the applicants indicated the same HS code 4819 10 as for the colour box/carton box. On review of its description, the Commission concluded that the product should be classified as 'other spools of paperboard' under HS code 4822 90. The Turkish nomenclature was examined at a more detailed level within that HS code but no more precise appropriate description was determined and therefore the Commission decided to use HS code 4822 90 at 6 digit level for the purpose of establishing the cost of that element of the cost of production to be used for constructing the normal value.
- (137) One of the applicants provided information that it is necessary to include an outer case (which is used to pack 24 rolls of aluminium foil) as a factor of production. On review of its description, the Commission concluded that the product should be classified as well under HS code 4819 20. The Turkish nomenclature was examined at a more detailed level within that HS code but no more precise appropriate description was determined and therefore the Commission decided to use HS code 4819 20 at 6 digit level for the purpose of establishing the cost of that element of the cost of production to be used for constructing the normal value.
- (138) For aluminium foil, the Commission extracted the import value in EUR and the quantity in kilograms from the rest of the world, excluding the PRC, to Turkey, in the year 2017, for the Turkish tariff codes 7607 11 19 00 11 and 7607 11 19 00 12. On the basis of those figures, the Commission then calculated the weighted average import value in euros per kg for aluminium jumbo rolls, to be used as the relevant raw material cost in the cost of production.
- (139) With regard to the colour box/carton box and with regard to the outer case, the Commission extracted the import value in EUR and the quantity in kilograms from the rest of the world, excluding the PRC, to Turkey in the year 2017 for HS code 4819 20. On the basis of those figures, the Commission then calculated the weighted average import value in EUR per kg for colour box/carton box and for the outer case to be used as the relevant raw material costs in the cost of production.
- (140) For the paper core, the Commission extracted the import value in EUR and the quantity in kilograms from the rest of the world, excluding the PRC, to Turkey in the year 2017 for HS code 4822 90. On the basis of those figures, the Commission then calculated the weighted average import value in euros per kg for the paper core, to be used as the relevant raw material cost in the cost of production.
- (141) With regard to aluminium foil scrap, according to one of the applicants, waste can be considered to be zero and therefore, no value should be included in the constructed cost of production for scrap. In the absence of any other comments, the Commission decided to adopt that approach.
- (142) In order to establish the undistorted price of raw materials as delivered at the gate of the exporting producer's factory, the Commission considered whether it is appropriate to add the import duty of the representative country, Turkey, and costs for domestic transport of materials to the import price. The Commission established that Turkey did not apply an import duty to the imports of the main raw material, aluminium foil in jumbo rolls, from the countries other than the PRC from which most imports were sourced. As far as domestic transport of materials is concerned, since no Chinese producer cooperated, such information is not readily available. However, as indicated in recital 153 the normal value not adjusted for such import duties and transport costs already shows that export sales are dumped at very high levels. Therefore, an examination of the domestic transport costs of materials and import duties, with the consequence that the normal value would need to be adjusted upwards for such costs, could only have led to an increase of the normal value and hence of the dumping margin. In light of the above, the Commission did not consider it necessary in the case at hand to adjust the raw materials costs for import duty and domestic transport costs.

3.3.4.3. Labour

- (143) With regard to labour costs, in its Note of 3 October 2018, the Commission indicated that it intended to use the data published by the Turkish Statistical Institute. In particular, the Commission indicated that it intended to use the hourly labour costs in the manufacturing sector for 2016, for the economic activity C.24 (manufacture of basic metals ⁽⁷¹⁾) according to NACE Rev.2 ⁽⁷²⁾, which are the most recent statistics available ⁽⁷³⁾. It further indicated that the values would be properly adjusted for inflation using the domestic producer price index ⁽⁷⁴⁾ published by the Turkish statistical institute. In the absence of any comments, the Commission adopted that approach.

3.3.4.4. Electricity

- (144) With regard to electricity costs, in its Note of 3 October 2018, in the absence of information on consumption levels in the PRC, the Commission indicated that it intended to apply the average electricity unit price for industrial users, provided in a press release issued by the Turkish statistical institute ⁽⁷⁵⁾. In the absence of any comments, the Commission adopted that approach.

3.3.5. Calculations

- (145) In order to establish the constructed normal value, the Commission followed the following two steps.
- (146) First, the Commission established the undistorted manufacturing costs. In the absence of cooperation by the exporting producers, the Commission then multiplied the usage factors as observed at the level of one of the applicants' production process for materials, labour, energy by the undistorted costs per unit observed in the representative country Turkey.
- (147) Second, to the manufacturing costs identified above the Commission applied the Sedat Tahir A.Ş.'s manufacturing overhead costs, SG&A and profit. They were identified on the basis of Sedat Tahir A.Ş.'s annual report of 2017.
- (148) On that basis, the Commission constructed the normal value per product type on an ex-work basis in accordance with Article 2(6a)(a) of the basic Regulation. Due to the fact no exporting producers cooperated, the normal value was established on a countrywide basis and not for each exporter and producer separately.

3.4. Export price

- (149) As mentioned in recital 21, the Commission did not receive any questionnaire reply from producers in the PRC. The Commission therefore established one weighted average export price for all types of aluminium household foil on the basis of Eurostat import statistics ('Comext').

3.5. Comparison

- (150) The Commission compared the normal value and the export price on an ex-works basis.
- (151) Where justified by the need to ensure a fair comparison, the Commission adjusted the normal value and the export price for differences affecting prices and price comparability, in accordance with Article 2(10) of the basic Regulation. An upwards adjustment of 2 % was made to the normal value for non-refundable VAT costs, and a downwards adjustment of 1 %-3 % was made to the export price for international freight, insurance and domestic transport costs.

3.6. Dumping margin

- (152) The Commission compared the weighted average normal value of the like product with the weighted average price of all exports to the Union, in accordance with Articles 2(11) and (12) of the basic Regulation.

⁽⁷¹⁾ The category 'basic metals' includes aluminium under code C24.4.2.

⁽⁷²⁾ The NACE codes can be found at http://ec.europa.eu/competition/mergers/cases/index/nace_all.html.

⁽⁷³⁾ The labour costs are available at http://www.turkstat.gov.tr/PreIstatistikTablo.do?istab_id=2088.

⁽⁷⁴⁾ The press release publishing the annual change for the domestic producer price index for the manufacturing sector is available at http://www.turkstat.gov.tr/PreTabloArama.do?metod=search&araType=hb_x.

⁽⁷⁵⁾ The press release publishing electricity prices in Turkey can be found at <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=27665>.

- (153) On this basis, the Commission found a dumping margin, expressed as a percentage of the CIF Union frontier price duty unpaid, at a level above 150 %. The Commission therefore concluded that dumping continued during the review investigation period.

3.7. Likelihood of a continuation of dumping should the measures be repealed

- (154) Further to the finding of dumping during the review investigation period, the Commission analysed whether there was a likelihood of continuation of dumping should the measures be repealed.
- (155) As a consequence of non-cooperation of producers from the PRC, this examination was based on the information available to the Commission, that is, information supplied in the request for review and information from other independent available sources, such as official import statistics and information obtained from interested parties during the investigation.
- (156) In order to examine the likely development of imports should measures be repealed, the Commission analysed spare capacity in the PRC and the attractiveness of the Union market.

3.7.1. Spare capacity in the PRC

- (157) In the request for review, the applicants recalled that aluminium jumbo rolls simply need to be cut to become the product under review, so the excess Chinese capacity for aluminium jumbo rolls is relevant in determining the excess capacity for the product under review.
- (158) As mentioned in the request for review, in the Commission Implementing Regulation of 17 December 2015 extending anti-dumping measures on aluminium foil jumbo rolls following an expiry review ⁽⁷⁶⁾, it was estimated that the Chinese production capacity for all types of aluminium foil was 450 000 tonnes larger than the total domestic Chinese consumption. It was also estimated that this production capacity would increase from 2,5 million tonnes in 2014 to 2,8 million tonnes in 2018, whereas the increase in domestic consumption would unlikely be sufficient to absorb the increasing capacity ⁽⁷⁷⁾. The Union consumption of the product under review is around 85 600 tonnes.
- (159) In the final determination in the anti-dumping and countervailing investigations on aluminium foil jumbo rolls, based on responses from exporters and producers in the PRC, the US International Trade Commission projected spare capacity of aluminium foil in the PRC for 2017 and 2018 as 161 233 tonnes and 157 305 tonnes respectively ⁽⁷⁸⁾, thereby significantly exceeding EU demand.
- (160) In addition, the responses received from the four groups of producers in the PRC which submitted sampling replies, confirmed that they have a spare capacity of around 25 % on average.
- (161) On that basis, the Commission found that there are substantial excess capacities available in the PRC and as a consequence, there is a strong likelihood that import volumes will significantly increase and exercise increased price pressure, should the anti-dumping measures be repealed.
- (162) The information provided by the applicants in this regard was not contested by interested parties. The Commission found no evidence which contradicted this information.

3.7.2. Attractiveness of the Union market

- (163) In order to establish the possible development of imports in case measures are repealed, the Commission considered the attractiveness of the Union market with regard to prices.

⁽⁷⁶⁾ Commission Implementing Regulation (EU) 2015/2384 of 17 December 2015 imposing a definitive anti-dumping duty on imports of certain aluminium foils originating in the People's Republic of China and terminating the proceeding for imports of certain aluminium foils originating in Brazil following an expiry review pursuant to Article 11(2) of Council Regulation (EC) No 1225/2009, OJ L 332, 18.12.2015, p. 63 recital 31.

⁽⁷⁷⁾ Idem., recitals 83-84.

⁽⁷⁸⁾ US International Trade Commission, Aluminium Foil from China, Investigation Nos 701-TA-570 and 731-TA-1346 (Final), April 2018, Table VII-4.

- (164) In this regard an analysis of Chinese export price statistics is not useful, since both the raw material and the finished product are reported under the same HS codes in the PRC.
- (165) However, an analysis of the sampling replies provided by the Chinese producers shows that – on average – they charge higher prices to the EU market than to other third country markets and to the domestic market, despite the measures in force. Indeed, prices to the EU market were on average 5 %-10 % higher than prices to other third countries, and on average 20 %-25 % higher than prices on the domestic market.
- (166) As indicated in the request for review, both Turkey and India have applied anti-dumping measures against aluminium foil from the PRC since 2014 and 2017 respectively. Should the EU measures on aluminium household foil be allowed to lapse, the existence of measures against imports to those other markets and the attractiveness of the EU market in terms of price, would make redirection of sales to the EU market highly likely.
- (167) The significant export volumes and market shares from the PRC during the original investigation period (12 994 tonnes, 13,4 %) and the continuing export of the product under review from the PRC to the Union market during the period considered (1 519 tonnes, 1,8 %), allow the Commission to conclude that the Union market is attractive for producers of the product under review in the PRC.
- (168) Consequently, should the measures be allowed to lapse, the imports from the PRC to the Union are likely to increase significantly and at dumped prices.

3.7.3. Conclusion on the likelihood of continuation of dumping

- (169) Based on the above, in particular given the dumping margin established in the review investigation period, the significant spare capacity available in the PRC, the attractiveness of the Union market, the Commission expects that a repeal of the measures would likely result in a continuation of dumping, and that dumped exports will enter the Union market in significant quantities. It is therefore considered that there is a likelihood of continuation of dumping should the current anti-dumping measures be allowed to lapse.

3.7.4. Likelihood of recurrence of dumping

- (170) The investigation showed that Chinese imports continued to enter the Union market at dumped prices during the review investigation period. Despite the relatively low import volumes compared to Union consumption, the dumping margins found are confirmed by the analysis of export prices to other third countries, which appear to be even lower as described in recital 165. In view of the elements examined in sections 3.7.1 and 3.7.2, the Commission also concluded that it is highly likely that Chinese producers would export significant quantities of aluminium household foil to the Union at dumped prices, should the measures lapse. Thus, there is evidence of likelihood of continuation of dumping and, in any event, of likelihood of recurrence of dumping should the measures lapse.

4. LIKELIHOOD OF A CONTINUATION OR RECURRENCE OF INJURY

4.1. Definition of the Union industry and Union production

- (171) During the review investigation period, the like product was produced by 20 known producers in the Union. They constitute the 'Union industry' within the meaning of Article 4(1) of the basic Regulation.

4.2. Preliminary remarks

- (172) The Commission assessed injury on the basis of trends concerning production, production capacity, capacity utilisation, sales, market share, employment, productivity and growth, which it collected at the level of the total Union industry and trends concerning prices, profitability, cash flow, ability to raise capital and investments, stocks, return on investment and wages, which it collected at the level of the sampled Union producers.

4.3. Union consumption

- (173) The Commission established the Union consumption by adding together the sales volume in the Union by the Union industry and the total imports into the Union as reported by Eurostat.

- (174) The Union consumption of the product under review developed as follows:

Table 2

Union Consumption (tonnes)

	2014	2015	2016	RIP
Total consumption	104 521	93 058	88 707	85 666
<i>Index (2014 = 100)</i>	100	89	85	82

Source: Eurostat, data submitted by the Union industry and verified questionnaire replies from the sampled Union producers

- (175) The Union consumption decreased gradually by 18 % in the period considered. A year-by-year analysis shows this gradual decrease throughout the period, faster between 2014 and 2015 and then levelling off between 2016 and the review investigation period.

4.4. Imports from the PRC**4.4.1. Volume and market share of the imports from the PRC**

- (176) The Commission established the volume of imports from the PRC into the Union on the basis of Eurostat data at TARIC level and the market shares of the imports by comparing these import volumes with the Union consumption as shown in Table 2.

- (177) Market share and imports from the PRC developed as follows:

Table 3

Import volume and market share

	2014	2015	2016	RIP
Volume of imports from the PRC (tonnes)	3 510	2 549	2 650	1 519
<i>Index (2014 = 100)</i>	100	73	75	43
Market share of PRC imports (%)	3,4	2,7	3,0	1,8
<i>Index (2014 = 100)</i>	100	82	89	53

Source: Eurostat

- (178) Imports from the PRC were at a peak in 2014, with a significant fall in 2015, a slight recovery in 2016 and another significant drop in the review investigation period, resulting in an overall decrease by 57 % during the period considered. The market share of the imports fell from 3,4 % to 1,8 % during the review investigation period.
- (179) It is relevant for the analysis of injury to note that imports from the PRC continued to enter the Union, with duties paid, throughout the period considered.

4.4.2. Prices of imports from the PRC

- (180) The Commission used the prices of imports from the PRC reported by Eurostat.

- (181) The average prices of imports from the PRC into the Union developed as follows:

Table 4

PRC import prices

	2014	2015	2016	RIP
Average PRC import price (EUR per tonne)	2 340	2 934	2 827	2 413
<i>Index (2014 = 100)</i>	100	125	121	103

Source: Eurostat

- (182) Average prices of imports from the PRC increased by 25 % between 2014 and 2015, decreased slightly in 2016 and then dropped almost to the level of 2014 in the review investigation period.
- (183) During the period considered the average per tonne import prices from the PRC remained significantly lower than both the average per tonne sales price and the average per tonne cost of production of the Union industry as reported in Table 10.

4.4.3. Price undercutting

- (184) The Commission determined the price undercutting during the review investigation period by comparing the weighted average sales prices of the sampled Union producers charged to unrelated customers in the Union market, adjusted to an ex-works level, with the import price data from Eurostat for the product under review from the PRC at a CIF level, adjusted to a landed price, including an amount of conventional customs duty.
- (185) The result of the comparison was expressed as a percentage of the sampled Union producers' average price during the review investigation period.
- (186) The comparison showed for imports from the PRC an average undercutting of 29,3 % in the Union market during the review investigation period.

4.5. Imports from third countries other than the PRC

- (187) The volume of imports into the Union as well as the market share and the price trends for imports of the product under review from other third countries are shown in Table 5. The volume and price trends are based on Eurostat data.

Table 5

Imports from third countries other than the PRC

	2014	2015	2016	RIP
Volume of imports (tonnes)	4 011	2 525	4 029	5 119
<i>Index (2014 = 100)</i>	100	63	100	128
Market share (%)	3,8	2,7	4,5	6,0
<i>Index (2014 = 100)</i>	100	71	118	156
Average import price (EUR per tonne)	2 621	2 685	2 653	2 888
<i>Index (2014 = 100)</i>	100	102	101	110

Source: Eurostat

- (188) Import volumes from other third countries fluctuated over the period considered. They dropped by 37 % from 2014 to 2015 but then doubled in the review investigation period showing an overall increase of 28 % during the period considered.
- (189) Since the total Union consumption decreased over the period considered, this increase translated in an increase of the market share of the imports from other third countries over the same period from 3,8 % in 2014 to 6,0 % during the review investigation period.
- (190) Average prices of imports from third countries other than the PRC increased by 10 % during the period considered but remain well below the price levels of the Union industry as reported in Table 10.
- (191) During the period considered, imports of the product under review from other third countries were mainly from Turkey, Norway and Thailand.
- (192) The applicants claimed in their request for review that imports from Norway increased considerably in the period considered without there being any production of the product under review according to their market knowledge. The applicants claimed also that transshipment practices of the product under review are taking place in Thailand and Indonesia and suspects these products to originate in the PRC.
- (193) The Commission analysed Eurostat data in respect of the imports in question. The volume of imports into the Union from Norway, Thailand and Indonesia developed as follows:

Table 6

Imports from Norway, Thailand and Indonesia

	2014	2015	2016	RIP
Volume of imports from Norway (tonnes)	233	86	790	1 186
<i>Index (2014 = 100)</i>	100	37	339	509
Volume of imports from Thailand (tonnes)	0	0	70	654
<i>Index (2016 = 100)</i>	0	0	100	934
Volume of imports from Indonesia (tonnes)	0	0	0	196

Source: Eurostat

- (194) The Commission is not aware of any production of the product under review in Norway. The Commission also found that in the review investigation period, imports from Norway, Thailand and Indonesia entirely compensated the decrease of imports from the PRC. The applicants brought forward a claim of possible circumvention of existing anti-dumping measures on imports from the PRC through transshipment practices in Norway, Thailand and Indonesia. However, the Commission was unable to verify the evidence received in support of this claim.

4.6. Economic situation of the Union industry**4.6.1. General remarks**

- (195) In accordance with Article 3(5) of the basic Regulation, the Commission examined all relevant economic factors and indices having a bearing on the state of the Union industry during the period considered.
- (196) As referred to in recital 12 the Commission used sampling for the determination of possible injury suffered by the Union industry.
- (197) For the injury determination, the Commission distinguished between macroeconomic and microeconomic injury indicators.

- (198) The Commission evaluated the macroeconomic indicators on the basis of data submitted by the Union industry and the verified questionnaire replies from the sampled Union producers. The data related to all Union producers.
- (199) The Commission evaluated the microeconomic indicators on the basis of verified data in the questionnaire replies from the sampled Union producers.
- (200) The Commission found both sets of data to be representative of the economic situation of the Union industry.
- (201) The macroeconomic indicators are: production, production capacity, capacity utilisation, sales volume, market share, growth, employment and productivity.
- (202) The microeconomic indicators are: average unit prices, average unit cost, labour costs, inventories, profitability, cash flow, investments, return on investments and ability to raise capital.

4.6.2. Macroeconomic indicators

4.6.2.1. Production, production capacity and capacity utilisation

- (203) The total Union industry's production, production capacity and capacity utilisation developed over the period considered as follows:

Table 7

Production, production capacity and capacity utilisation of Union producers

	2014	2015	2016	RIP
Production volume (tonnes)	104 344	96 478	89 070	86 254
<i>Index (2014 = 100)</i>	100	92	85	83
Production capacity (tonnes)	160 145	163 178	144 653	147 950
<i>Index (2014 = 100)</i>	100	102	90	92
Capacity utilisation (%)	65	59	62	58
<i>Index (2014 = 100)</i>	100	91	95	89

Source: Data submitted by the Union industry and verified questionnaire replies from the sampled Union producers

- (204) The production volume of the Union industry decreased by 17 % over the period considered and followed the decrease of the Union consumption. The decrease became less pronounced between 2016 and the end of the review investigation period.
- (205) The production capacity of the Union industry decreased by 8 % over the period considered, showing that the Union industry was not fully able to reduce capacity to deal with the reduction in production during the period considered.
- (206) Capacity utilisation fluctuated over the period considered, but is at its lowest in the review investigation period when compared to 2014. Overall, the capacity utilisation rate decreased by 11 % over the period considered.

4.6.2.2. Sales volume and market share

- (207) The Union industry's sales volume in the Union and market share developed over the period considered as follows:

Table 8

Sales volume and market share of Union producers

	2014	2015	2016	RIP
Sales volume in the Union (tonnes)	97 000	87 984	82 028	79 028
<i>Index (2014 = 100)</i>	100	91	85	81
Market share (%)	92,8	94,5	92,5	92,3

Source: Data submitted by the Union industry and verified questionnaire replies from the sampled Union producers

- (208) The sales volume of the Union industry in the Union market decreased by 19 % over the period considered. The decrease followed the decline in Union consumption.
- (209) The Union industry was able to gain market share between 2014 and 2015 but lost it again in 2016. During the review investigation period the Union industry's market share is even slightly lower than at the beginning of the period considered.

4.6.2.3. Growth

- (210) During the period considered the production of the Union industry decreased by 17 % while Union consumption decreased by 18 % and the sales volume of the Union industry on the Union market decreased by 19 %. The drop in sales volume of the Union Industry over the period considered should be seen in the context of the declining consumption over the same period. The market share of the Union slightly declined.

4.6.2.4. Employment and productivity

- (211) Employment and productivity of the Union industry developed over the period considered as follows:

Table 9

Employment and productivity of Union producers

	2014	2015	2016	RIP
Number of employees (Full Time Equivalent or FTE)	1 048	1 033	1 015	977
<i>Index (2014 = 100)</i>	100	99	97	93
Productivity (tonnes per employee)	100	93	88	88
<i>Index (2014 = 100)</i>	100	94	88	89

Source: Data submitted by the Union industry and verified questionnaire replies from the sampled Union producers

- (212) Due to reduced production, employment of the Union industry also declined by 7 % during the period considered. This reduction in employment is however lower than the reduction in production of 17 % over the period considered. This affected the productivity of the Union producers, which declined by 11 % over the period considered.

4.6.3. Microeconomic indicators

4.6.3.1. Prices and factors affecting prices

- (213) The average sales prices and cost of production of the sampled Union producers to unrelated customers in the Union developed over the period considered as follows:

Table 10

Average sales prices in the Union and unit costs

	2014	2015	2016	RIP
Average sales price per tonne (EUR)	3 723	3 844	3 596	3 703
<i>Index (2014 = 100)</i>	100	103	97	99
Average cost of production per tonne (EUR)	3 539	3 719	3 549	3 802
<i>Index (2014 = 100)</i>	100	105	100	107

Source: verified questionnaire replies from the sampled Union producers

- (214) The Union industry's average sales price per tonne to unrelated customers in the Union slightly decreased by 1 % during the period considered whilst its cost of production per tonne increased by 7 % over the same period.

4.6.3.2. Labour costs

- (215) The average labour costs of the sampled Union producers developed over the period considered as follows:

Table 11

Average labour costs per employee

	2014	2015	2016	RIP
Average labour costs per employee (EUR per FTE)	26 187	26 509	26 383	25 348
<i>Index (2014 = 100)</i>	100	101	101	97

Source: verified questionnaire replies from the sampled Union producers

- (216) The average labour costs per worker of the Union industry decreased slightly over the period considered.

4.6.3.3. Stocks

- (217) Stock levels of the sampled Union producers developed over the period considered as follows:

Table 12

Stocks

	2014	2015	2016	RIP
Closing stock (tonnes)	1 378	1 321	1 598	1 285
<i>Index (2014 = 100)</i>	100	96	116	93

Source: verified questionnaire replies from the sampled Union producers

- (218) The level of closing stocks fluctuated during the period considered. Overall, it decreased by 7 % over this period.

4.6.3.4. Profitability, cash flow, investments, return on investments and ability to raise capital

- (219) The Commission established the profitability of the Union industry by expressing the pre-tax profit of the sales of the like product to unrelated customers in the Union as a percentage of the turnover of those sales.
- (220) Profitability, cash flow, investments and return on investments of the sampled Union producers developed over the period considered as follows:

Table 13

Profitability, cash flow, investments and return on investments

	2014	2015	2016	RIP
Profitability of sales to unrelated customers (% of sales turnover)	5,1	5,5	1,4	– 2,8
<i>Index (2014 = 100)</i>	100	109	27	– 55
Cash flow ('000 EUR)	3 306	6 758	2 085	612
<i>Index (2014 = 100)</i>	100	204	63	19
Investments ('000 EUR)	1 818	2 068	2 074	1 887
<i>Index (2014 = 100)</i>	100	114	114	104
Return on investments (%)	256	254	78	– 115
<i>Index (2014 = 100)</i>	100	99	30	– 45

Source: verified questionnaire replies from the sampled Union producers

- (221) Overall, the profitability of the Union industry dropped sharply by 155 % over the period considered. Although it improved by 9 % between 2014 and 2015, it collapsed to a lossmaking level during the review investigation period.
- (222) The net cash flow, the Union industry's ability to self-finance its activities, decreased by 81 % over the period considered. It doubled between 2014 and 2015 but then declined sharply in 2016 and the review investigation period.
- (223) During the period considered the annual investments in the like product made by the Union industry increased by 4 % over the period considered.
- (224) The Union industry's return on investment, the profit as a percentage of the net book value of assets, dropped by 145 % over the period considered and became negative in the review investigation period.

4.6.4. Conclusion on the situation of the Union industry

- (225) The investigation showed that most of the injury indicators developed negatively and the economic and financial situation of the Union industry deteriorated during the period considered.
- (226) With measures in place, the Union industry was able to maintain its price levels and market share in a declining market.

- (227) The Union industry's production and sales volume followed the same negative trend as the Union consumption. However, the negative trends of its profitability, cash flow and return on investments are not correlated with the negative development of the consumption. These indicators developed positively in the beginning of the period considered, after the imposition of measures, but started to deteriorate quickly as a result of the significant decrease in consumption and increase in cost of production. The Union industry became loss-making in the review investigation period.
- (228) At the same time, imports from third countries have increased both in absolute volumes and market share during the period considered and, as explained in recital 194, have entirely compensated the decrease of imports from the PRC. Although average prices of the imports from third countries were at lower levels than the Union industry prices, the Commission could not conclude whether these imports were a cause of injury to the Union industry as their product mix was unknown. However, the average unit price from third countries is still much higher than the prices at which the imports from the PRC entered the Union market during the review investigation period. Consequently, the worsening economic and financial situation of the Union industry coincides with the continued presence at representative volumes of dumped imports from the PRC on the Union market, which continue to undercut the Union industry's prices and therefore have continued to put an unfair competitive pressure on the Union industry.
- (229) The Commission concluded that, upon an overall assessment of the injury factors, the Union industry has not improved its economic and financial situation and has not recovered from the material injury that the Commission found in the original investigation.

4.7. Likelihood of continuation of injury

- (230) In accordance with Article 11(2) of the basic Regulation, the Commission examined whether material injury from imports from the PRC would continue should the measures against the PRC be allowed to lapse. The investigation has shown that the imports from the PRC were made at dumped price levels during the review investigation period (recital 153) and that there was a likelihood of continuation of dumping should measures be allowed to lapse (recital 169).
- (231) To establish the likelihood of continuation of injury if the measures against the PRC were repealed the Commission analysed (i) the spare capacity available in the PRC, (ii) the attractiveness of the Union market and (iii) the impact of Chinese imports on the situation of the Union industry should measures be allowed to lapse.

(i) Spare capacity in the PRC

- (232) As explained in recitals 157 to 162, there are substantial excess capacities in the PRC, which largely exceed the total Union consumption during the review investigation period. In addition, the Commission has found no elements that could indicate any significant increase of domestic demand of the product under review in the PRC or in any other third country market in the near future. The Commission therefore concluded that domestic demand in the PRC or in other third country markets could not absorb the available spare capacity in the PRC.

(ii) Attractiveness of the Union market

- (233) As explained in recitals 165 to 167, the Union market is an attractive market for exporting producers from the PRC. The market share of imports from the PRC was 13,4 % during the original investigation period (2010 – 2011), showing the possible level of imports from the PRC should the measures lapse.
- (234) Imports from the PRC excluding the anti-dumping duty would have undercut the Union industry's sales prices by 29,3 % in the review investigation period. This is an indication of the likely price level of imports from the PRC should measures be repealed. On this basis, it is likely that the price pressure on the Union market would increase should the measures be repealed, thus leading the Union industry to suffer further injury.
- (235) On this basis, in the absence of measures, exporting producers from the PRC will likely increase their presence in the Union market, in terms of both volume and market share, and at dumped prices that would significantly undercut the Union industry's sales prices.

(iii) Impact on the Union industry

- (236) The continuous presence of dumped imports from the PRC in the Union market and their low pricing policy have prevented the Union industry to benefit fully from the existing anti-dumping measures and recover from past injurious dumping practices. Due to the presence of these dumped imports the Union industry has not been able to reflect its increased costs into its sales prices, which caused a considerable deterioration of its profitability to loss-making levels in the review investigation period.
- (237) If the measures are repealed, the Union industry would not be able to maintain its sales volume and market share against low priced imports from the PRC. It is highly likely that the market share of the PRC would increase rapidly if the measures are allowed to lapse. Losing sales volume would lead to an even lower utilisation rate and an increase in the average cost of production. Together with increased price pressure this would lead to a further deterioration of the already precarious financial situation of the Union industry and ultimately the closures of production sites, and eventually the disappearance of the industry.
- (238) Therefore, the Commission concluded that there is a strong likelihood that the expiry of the existing measures would lead to a continuation of injury from imports from the PRC and that the already precarious situation of the Union industry will be likely to further deteriorate.

4.8. Conclusion

- (239) The repeal of the measures would in all likelihood result in a significant increase of dumped imports from the PRC at prices undercutting the Union industry prices. The Commission therefore concluded that there is a strong likelihood of continuation of injury should measures be repealed.

4.9. Likelihood of recurrence of injury

- (240) In addition, the Commission found that the repeal of the measures would in all likelihood result in recurrence of further injury should measures be repealed. Indeed, even if the continuous injury suffered by the Union industry could not be attributed to the subject imports, the Commission found that there is strong likelihood of recurrence of injury on the basis of the lower export prices to third countries (see recital 165, the significant levels of spare capacity in the PRC as well as the attractiveness of the EU market (see section 4.7)).

5. UNION INTEREST

- (241) In accordance with Article 21 of the basic Regulation, the Commission examined whether maintaining the existing anti-dumping measures would be against the interest of the Union as a whole.
- (242) The Commission based the determination of the Union interest on an appreciation of all the various interests involved, including those of the Union industry, importers and users. All interested parties were given the opportunity to make their views known pursuant to Article 21(2) of the basic Regulation.
- (243) On this basis, the Commission examined whether, despite the conclusions on the likelihood of a continuation of dumping and injury, compelling reasons existed which would lead to the conclusion that it was not in the Union interest to maintain the existing measures.

5.1. Interest of the Union industry

- (244) The investigation has shown that should the measures be repealed, the fragile situation of the Union industry is very likely to significantly deteriorate further.
- (245) Therefore, the Commission concluded that the continuation of the measures against the PRC would benefit the Union industry.

5.2. Interest of importers and users

- (246) As indicated in recitals 16 and 19 no importer nor user came forward and cooperated in this investigation. As found in previous investigations with such non-cooperation, the Commission concluded that the continuation of measures would not negatively affect the Union importers and users.

5.3. Conclusion on Union interest

- (247) In view of the above, the Commission concluded that there are no compelling reasons to conclude that it is not in the Union interest to extend the existing anti-dumping measures on imports of the product under review originating in the PRC.

6. ANTI-DUMPING MEASURES

- (248) All interested parties were informed of the essential facts and considerations on the basis of which it was intended to maintain the anti-dumping measures in force. They were also granted a period within which they could submit comments to this disclosure and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings. No comments or submissions, or requests for hearings, were received.
- (249) It follows from the above considerations that the anti-dumping measures applicable to imports of certain aluminium foils in rolls originating in the PRC imposed by the definitive Regulation should be maintained.
- (250) The individual company anti-dumping duty rates specified in this Regulation are solely applicable to imports of the product under review produced by these companies and thus by the specific legal entities mentioned. Imports of the product under review manufactured by any other company not specifically mentioned in the operative part of this Regulation with its name and address, including entities related to those specifically mentioned, cannot benefit from those rates and shall be subject to the duty rate applicable to 'all other companies'.
- (251) Any claim requesting the application of these individual anti-dumping duty rates (e.g. following a change in the name of the entity or following the setting up of new production or sales entities) should be addressed to the Commission ⁽⁷⁹⁾ immediately with all relevant information. In particular any modification in the company's activities linked to production, domestic and export sales associated with, for instance, that name change or that change in the production and sales entities. If appropriate, the Regulation will then be amended accordingly by updating the list of companies benefitting from individual duty rates.
- (252) In view of Article 109 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ⁽⁸⁰⁾, when an amount is to be reimbursed following a judgment of the Court of Justice of the European Union, the interest to be paid should be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the *Official Journal of the European Union* on the first calendar day of each month.
- (253) The measures provided for in this Regulation are in accordance with the opinion of the Committee established by Article 15(1) of the basic Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is hereby imposed on imports of aluminium foil of a thickness of 0,007 mm or more but less than 0,021 mm, not backed, not further worked than rolled, whether or not embossed, in low weight rolls of a weight not exceeding 10 kg, currently falling under CN codes ex 7607 11 11 and ex 7607 19 10 (TARIC codes 7607 11 11 10 and 7607 19 10 10) and originating in the People's Republic of China.

⁽⁷⁹⁾ European Commission, Directorate-General for Trade, Directorate H, 1049 Brussels, Belgium.

⁽⁸⁰⁾ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

2. The rate of the definitive anti-dumping duty applicable to the net, free-at-Union frontier price, before duty, of the product described in paragraph 1 and manufactured by the companies listed below, shall be as follows:

Company	Duty	TARIC additional code
CeDo (Shanghai) Ltd, Shanghai	14,2 %	B299
Ningbo Favored Commodity Co. Ltd, Yuyao City	14,6 %	B301
Ningbo Times Aluminium Foil Technology Co. Ltd, Ningbo	15,6 %	B300
Able Packaging Co. Ltd, Shanghai	14,6 %	B302
Guangzhou Chuanlong Aluminium Foil Product Co. Ltd, Guangzhou	14,6 %	B303
Ningbo Ashburn Aluminium Foil Products Co. Ltd, Yuyao City	14,6 %	B304
Shanghai Blue Diamond Aluminium Foil Manufacturing Co. Ltd, Shanghai	14,6 %	B305
Weifang Quanxin Aluminium Foil Co. Ltd, Linqu	14,6 %	B306
Zhengzhou Zhuoshi Tech Co. Ltd, Zhengzhou City	14,6 %	B307
Zhuozhou Haoyuan Foil Industry Co. Ltd, Zhouzhou City	14,6 %	B308
Zibo Hengzhou Aluminium Plastic Packing Material Co. Ltd, Zibo	14,6 %	B309
Yuyao Caelurn Aluminium Foil Products Co. Ltd, Yuyao	14,6 %	B310
All other companies	35,6 %	B999

3. The application of the individual duty rates specified for the companies mentioned in paragraph 2 shall be conditional upon presentation to the customs authorities of the Member States of a valid commercial invoice, which shall conform to the requirements set out in the Annex to this Regulation. If no such invoice is presented, the duty applicable to all other companies shall apply.

4. Unless otherwise specified, the provisions in force concerning customs duties shall apply.

Article 2

Where any new exporting producer in the People's Republic of China provides sufficient evidence to the Commission that:

- it did not export to the Union the product described in Article 1.1 in the period between 1 October 2010 to 30 September 2011;
- it is not related to any exporter or producer in the People's Republic of China which is subject to the anti-dumping measures imposed by this Regulation;
- it has actually exported to the Union the product described in Article 1.1 or it has entered into an irrevocable contractual obligation to export a significant quantity to the Union after the end of the original investigation period;

the Commission may amend Article 1.2 by adding the new exporting producer to the cooperating companies not included in the sample of the original investigation and thus subject to the weighted average duty of 14,6 %.

Article 3

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

Done at Brussels, 4 June 2019.

For the Commission

The President

Jean-Claude JUNKER

ANNEX

A declaration signed by an official of the entity issuing the commercial invoice, in the following format, must appear on the valid commercial invoice referred to in Article 1.3:

- (1) the name and function of the official of the entity issuing the commercial invoice;
- (2) the following declaration:

'I, the undersigned, certify that the (volume) of certain aluminium foils in rolls, sold for export to the European Union covered by this invoice, was manufactured by (company name and registered seat) (TARIC additional code) in the People's Republic of China. I declare that the information provided in this invoice is complete and correct.

Date and signature'.

COMMISSION IMPLEMENTING REGULATION (EU) 2019/916**of 4 June 2019****fixing the adjustment rate for direct payments pursuant to Regulation (EU) No 1306/2013 of the European Parliament and of the Council in respect of the calendar year 2019**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 ⁽¹⁾, and in particular Article 26(3) thereof,

After consulting the Committee on the Agricultural Funds,

Whereas:

- (1) Pursuant to Article 25 of Regulation (EU) No 1306/2013 a reserve intended to provide additional support for the agricultural sector in the case of major crises affecting the agricultural production or distribution is to be established by applying, at the beginning of each year, a reduction to direct payments with the financial discipline mechanism referred to in Article 26 of that Regulation.
- (2) Article 26(1) of Regulation (EU) No 1306/2013 provides that in order to ensure that the annual ceilings set out in Council Regulation (EU, Euratom) No 1311/2013 ⁽²⁾ for the financing of the market related expenditure and direct payments are respected, an adjustment rate for direct payments is to be determined when the forecasts for the financing of the measures financed under that sub-ceiling for a given financial year indicate that the applicable annual ceilings will be exceeded.
- (3) The amount of the reserve for crises in the agricultural sector, included in the Commission 2020 Draft Budget, amounts to EUR 478 million in current prices. To cover that amount, the financial discipline mechanism has to apply to direct payments under the support schemes listed in Annex I to Regulation (EU) No 1307/2013 of the European Parliament and of the Council ⁽³⁾ in respect of the calendar year 2019.
- (4) The forecasts for the direct payments and market related expenditure determined in the Commission 2020 Draft Budget indicate that there is no need for any further financial discipline.
- (5) In accordance with Article 26(3) of Regulation (EU) No 1306/2013, the adjustment rate should be fixed by 30 June of the calendar year in respect of which the adjustment rate applies.
- (6) As a general rule, farmers submitting an aid application for direct payments for one calendar year (N) are paid within a fixed payment period falling within the financial year (N+1). However, Member States may make late payments to farmers beyond that payment period, within certain limits. Such late payments may be made in a subsequent financial year. When financial discipline is applied for a given calendar year, the adjustment rate should not be applied to payments for which aid applications have been submitted in calendar years other than the calendar year for which the financial discipline applies. Therefore, in order to ensure equal treatment of farmers, it is appropriate to provide that the adjustment rate is to be applied only to payments for which aid applications have been submitted in the calendar year for which the financial discipline is applied, irrespective of when the payment to farmers is made.
- (7) Article 8(1) of Regulation (EU) No 1307/2013 provides that the adjustment rate applied to direct payments determined in accordance with Article 26 of Regulation (EU) No 1306/2013 is to apply only to direct payments in excess of EUR 2 000 to be granted to farmers in respect of the corresponding calendar year. Furthermore, Article 8(2) of Regulation (EU) No 1307/2013 provides that, as a result of the gradual introduction of direct payments, the adjustment rate is to apply to Croatia only from 1 January 2022. The adjustment rate to be determined by this Regulation should therefore not apply to payments to farmers in that Member State,

⁽¹⁾ OJ L 347, 20.12.2013, p. 549.

⁽²⁾ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

⁽³⁾ Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347, 20.12.2013, p. 608).

HAS ADOPTED THIS REGULATION:

Article 1

1. For the purpose of fixing the adjustment rate in accordance with Articles 25 and 26 of Regulation (EU) No 1306/2013, and in accordance with Article 8(1) of Regulation (EU) No 1307/2013, the amounts of direct payments under the support schemes listed in Annex I to Regulation (EU) No 1307/2013 to be granted to farmers in excess of EUR 2 000 for an aid application submitted in respect of the calendar year 2019 shall be reduced by an adjustment rate of 1,441101 %.

2. The reduction provided for in paragraph 1 shall not apply in Croatia.

Article 2

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

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

Done at Brussels, 4 June 2019.

For the Commission

The President

Jean-Claude JUNCKER

COMMISSION IMPLEMENTING REGULATION (EU) 2019/917**of 4 June 2019****establishing technical specifications, measures and other requirements required for the system of interconnection of insolvency registers in accordance with Article 25 of Regulation (EU) 2015/848 of the European Parliament and of the Council**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings ⁽¹⁾, and in particular Article 25(2)(a) to (f) thereof,

Whereas:

- (1) In order to establish the system of interconnection of insolvency registers, it is necessary to define and adopt technical specifications, measures and other requirements which ensure uniform conditions for the implementation of the system.
- (2) The technical specifications, measures and other requirements provided for in this Regulation are in accordance with the opinion of the Committee on Insolvency Proceedings,

HAS ADOPTED THIS REGULATION:

Article 1

The technical specifications, measures and other requirements which ensure uniform conditions for the implementation of the system of interconnection of insolvency registers referred to in Article 25(2)(a) to (f) of Regulation (EU) 2015/848 shall be as set out in the Annex.

The insolvency registers shall be interconnected according to these technical specifications, measures and other requirements by 30 June 2021.

Article 2

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

This Regulation shall be binding in its entirety and directly applicable in all the Member States in accordance with the Treaties.

Done at Brussels, 4 June 2019.

For the Commission

The President

Jean-Claude JUNCKER

⁽¹⁾ OJ L 141, 5.6.2015, p. 19.

ANNEX

SETTING OUT THE TECHNICAL SPECIFICATIONS, MEASURES AND OTHER REQUIREMENTS REFERRED TO IN ARTICLE 1**1. Subject matter**

The Insolvency Registers Interconnection system (IRI) is a decentralised system interconnecting the national registers and the European e-Justice Portal. IRI serves as a central search service making available all of the mandatory information on insolvency set by Regulation (EU) 2015/848 along with any other information or documents included in the national registers.

2. Definitions

- (a) 'HyperText Transport Protocol Secure' or 'HTTPS' means encrypted communication and secure connection channels;
- (b) 'Insolvency record' means the set of information concerning insolvency proceedings of one debtor referred to in Article 24 of Regulation (EU) No 2015/848 that is to be published in the national electronic insolvency registers and available via the central public electronic access point (the European e-Justice Portal), as set out in Article 25 of Regulation (EU) 2015/848;
- (c) 'MS IR end-point' means the source of the insolvency record information; acting as the owner of this information, a MS IR end-point is consulted by the e-Justice Portal and provides the requested data;
- (d) 'National Registration Number' means the register number under which the legal entity is registered in the Commercial Register or Comparable register or the Personal Identification Number or equivalent for individuals.
- (e) 'Non-repudiation of origin' means the measures providing the proof of the integrity and proof of origin of the data through methods such as digital certification, public key infrastructure and digital signatures;
- (f) 'Non-repudiation of receipt' means the measures providing the proof of the receipt of the data to the originator by the intended recipient of the data through methods such as digital certification, public key infrastructure and digital signatures;
- (g) 'Platform' means the central search system part of the e-Justice Portal;
- (h) 'Registers' means insolvency registers as set out in article 24 of Regulation (EU) 2015/848;
- (i) 'Simple Object Access Protocol' means, as per the standards of World Wide Web Consortium, a messaging protocol specification for exchanging structured information in the implementation of web services in computer networks;
- (j) 'Web service' means a software system designed to support interoperable machine-to-machine interaction over a network; it has an interface described in a machine-processable format.

3. Methods of communication

- 3.1. IRI shall use service-based methods of electronic communication, such as Web-services or other reusable Digital Service Infrastructures, for the purpose of interconnection of registers.
- 3.2. The communication between the e-Justice Portal and the platform, and between a MS IR end-point and the platform, shall be one-to-one communication. The communication from the platform to the registers may be one-to-one communication or one-to-many communication.

4. Communication protocols

- 4.1. Secure internet protocols, such as HTTPS, shall be used for the communication between the portal, the platform, the registers and the optional access points.
- 4.2. Standard communication protocols, such as Simple Object Access Protocol, shall be used for the transmission of structured data and metadata.

5. Security standards

For the communication and distribution of information via IRI, the technical measures for ensuring minimum information technology security standards shall include:

- (a) measures to ensure confidentiality of information, including by using secure channels (HTTPS);
- (b) measures to ensure the integrity of data while being exchanged;
- (c) measures to ensure the non-repudiation of origin of the sender of information within IRI and the non-repudiation of receipt of information;
- (d) measures to ensure logging of security events in line with recognized international recommendations for information technology security standards;
- (e) measures to ensure the authentication and authorisation of any registered users and measures to verify the identity of systems connected to the portal, the platform or the registers within IRI;
- (f) measures to protect against automated searches, such as using the captcha module, and copying of registers, such as limiting the results returned by each register to a maximum number.

6. Data to be exchanged between registers and IRI

- 6.1. The common set of information with the same structure and types for all registers in the Member States is referred to as 'core insolvency record'

Each Member State shall have the possibility to extend the core insolvency record with specific information. The data from the insolvency record shall be modelled based on the established interface specification.

- 6.2. The exchange of information shall also include messages necessary for the acknowledgement of receipt, logging and reporting.

7. Structure of the standard message format

The exchange of information between the registers, the platform and the portal shall be based on standard data-structuring methods and shall be expressed in a standard message format such as XML.

8. Data for the platform

- 8.1. Interoperability requirements mandate that the services to be exposed by each Register are unified and present the same interface so that the calling application, such as the e-Justice portal has to interact with one single kind of interface exposing a common set of data elements. This approach requires that Member States align their internal data structure to meet the interface specifications provided by the Commission.

- 8.2. The following type of data shall be provided for the platform to perform its functions:

- (a) data allowing for the identification of systems that are connected to the platform; those data could consist of URLs identifying each system within IRI;
- (b) any other operational data that is necessary for the platform to ensure the proper and efficient functioning of the search service and the interoperability of registers; those data may include code lists, reference data, glossaries and related translations of those metadata, as well as logging and reporting data.

- 8.3. The data and metadata handled by the platform shall be processed and stored in line with the security standards outlined in section 5 of this Annex.

9. Methods of operation of the system and information technology services provided by the platform

- 9.1. For the distribution and exchange of information, the system shall be based on the following technical method of operation:

- (a) for the delivery of messages in the relevant language version, the platform shall provide reference data artefacts, such as code lists, controlled vocabularies and glossaries;
- (b) where relevant, the terms from the vocabularies and glossaries shall be translated into the EU official languages; where possible, recognised standards and standardized messages shall be used.

- 9.2. The Commission will share with Member States the details on the technical method of operation and the implementation of the information technology services provided by the platform.

10. Search criteria

- 10.1. At least one country must be selected when running a search via IRI.
- 10.2. The Portal shall provide the following harmonised criteria for the search:
- (a) name,
 - (b) national Registration Number
- These two criteria can be used alternatively and additionally.

- 10.3. Further search criteria may be available on the Portal.

11. Payment modalities

- 11.1. For the documents and particulars for which Member States charge fees and which are made available on the e-Justice portal via IRI, the system shall allow users to pay online by using widely used payment modalities such as credit and debit cards.
- 11.2. The system may also provide alternative online payment methods, such as bank transfers or virtual wallets (deposit).

12. Availability of services

- 12.1. The service time frame shall be 24/7 days, with an availability rate of the system of at least 98 % excluding scheduled maintenance.
- 12.2. Member States shall notify the Commission of maintenance activities as follows:
- (a) five working days in advance for maintenance operations that may cause an unavailability period of up to 4 hours;
 - (b) 10 working days in advance for maintenance operations that may cause an unavailability period of up to 12 hours;
 - (c) 30 working days in advance for infrastructure computer room maintenance, which may cause up to six days unavailability period per year.

To the extent possible, maintenance operations shall be planned outside working hours (19:00h-8:00h CET).

- 12.3. Where Member States have fixed weekly service windows, they shall inform the Commission of the time and day of the week when such fixed weekly windows are planned. Without prejudice to the obligations in points (a) to (c) of point 12.2, if Member States systems become unavailable during such a fixed window, Member States may choose not to notify the Commission on each occasion.
- 12.4. In case of unexpected technical failure of the Member States systems, Member States shall inform the Commission without delay of their system unavailability, and, if known, of the projected resuming of the service.
- 12.5. In case of any change that may affect the connection with the central platform, the Member State shall inform the Commission in advance, as soon as sufficient technical details in relation to the change are available.
- 12.6. In case of unexpected failure of the central platform or of the portal, the Commission shall inform the Member States without delay of the platform or portal unavailability, and if known, of the projected resuming of the service.

13. Rules of Transcription and transliteration

Each Member State implementation shall support the national standards of transcription, romanisation and transliteration in relation to the usage of special characters, the search input and the returned results.

DECISIONS

DECISION (EU, Euratom) 2019/918 OF THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES

of 29 May 2019

appointing Judges to the General Court

THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Article 19 thereof,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 254 and 255 thereof,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Article 106a(1) thereof,

Whereas:

- (1) The terms of office of 23 Judges of the General Court are due to expire on 31 August 2019.
- (2) Furthermore, Article 48 of Protocol No 3 on the Statute of the Court of Justice of the European Union, as amended by Regulation (EU, Euratom) 2015/2422 of the European Parliament and of the Council ⁽¹⁾, provides that the General Court is to consist of two Judges per Member State as from 1 September 2019. Point (c) of Article 2 of that Regulation provides that the terms of office of five of the nine additional Judges who are to be appointed as from 1 September 2019 will end on 31 August 2025.
- (3) Appointments to these posts should therefore be made for the period from 1 September 2019 to 31 August 2025.
- (4) It has been proposed that the terms of office Mr Eugène BUTTIGIEG, Mr Anthony COLLINS, Ms Ramona FRENDÓ, Mr Colm MAC EÓCHÁIDH, Mr Jan PASSER and Ms Vesna TOMLJENOVÍĆ should be renewed.
- (5) Ms Petra ŠKVAŘILOVÁ-PELZL, Mr Johannes LAITENBERGER, Ms Gabriele STEINFATT, Mr José MARTÍN Y PÉREZ DE NANCLARES, Mr Miguel SAMPOL PUCURULL, Ms Tamara PERIŠIN, and Mr Rimvydas NORKUS, the last of whom replaces the judge who was proposed by the Republic of Lithuania in the context of the partial renewal of the Tribunal in 2013, Mr Egidijus BIELIŪNAS, and have been nominated for a first term as Judges of the General Court.
- (6) These candidates should be nominated for a first term as Judges of the General Court, to replace Mr Alfred DITTRICH, Mr Ignacio ULLOA RUBIO, Mr Leopoldo CALVO-SOTELO IBÁÑEZ-MARTÍN and Mr Egidijus BIELIŪNAS and for the additional posts provided for under point (c) of Article 2 of Regulation (EU, Euratom) 2015/2422.
- (7) Moreover, point (c) of Article 2 of Regulation (EU, Euratom) 2015/2422 provides that the terms of office of four of the nine additional Judges who are to be appointed as from 1 September 2019 will end on 31 August 2022.
- (8) Mr Iko NÖMM has been nominated for the post of Judge of the General Court.
- (9) The panel set up under Article 255 of the Treaty on the Functioning of the European Union has given an opinion on the suitability of Mr Eugène BUTTIGIEG, Mr Anthony COLLINS, Ms Ramona FRENDÓ, Mr Johannes LAITENBERGER, Mr Colm MAC EÓCHÁIDH, Mr José MARTÍN Y PÉREZ DE NANCLARES, Mr Iko NÖMM, Mr Rimvydas NORKUS, Mr Jan PASSER, Ms Tamara PERIŠIN, Mr Miguel SAMPOL PUCURULL, Ms Petra ŠKVAŘILOVÁ-PELZL, Ms Gabriele STEINFATT and Ms Vesna TOMLJENOVÍĆ to perform the duties of Judge of the General Court,

⁽¹⁾ Regulation (EU, Euratom) 2015/2422 of the European Parliament and of the Council of 16 December 2015 amending Protocol No 3 on the Statute of the Court of Justice of the European Union (OJ L 341, 24.12.2015, p. 14).

HAVE ADOPTED THIS DECISION:

Article 1

1. The following are hereby appointed Judges to the General Court for the period from 1 September 2019 to 31 August 2025:

- Mr Eugène BUTTIGIEG,
- Mr Anthony COLLINS,
- Ms Ramona FRENDÓ,
- Mr Johannes LAITENBERGER,
- Mr Colm MAC ECHADH,
- Mr José MARTÍN Y PÉREZ DE NANCLARES,
- Mr Rimvydas NORKUS,
- Mr Jan PASSER,
- Ms Tamara PERIŠIN,
- Mr Miguel SAMPOL PUCURULL,
- Ms Petra ŠKVAŘILOVÁ-PELZL,
- Ms Gabriele STEINFATT,
- Ms Vesna TOMLJENOVIC.

2. Mr Iko NÖMM is hereby appointed Judge to the General Court for the period from 1 September 2019 to 31 August 2022.

Article 2

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

Done at Brussels, 29 May 2019.

The President
L. ODOBESCU

COMMISSION IMPLEMENTING DECISION (EU) 2019/919**of 4 June 2019****on the harmonised standards for recreational craft and personal watercraft drafted in support of Directive 2013/53/EU of the European Parliament and of the Council**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 1025/2012 of the European Parliament and of the Council of 25 October 2012 on European standardisation, amending Council Directives 89/686/EEC and 93/15/EEC and Directives 94/9/EC, 94/25/EC, 95/16/EC, 97/23/EC, 98/34/EC, 2004/22/EC, 2007/23/EC, 2009/23/EC and 2009/105/EC of the European Parliament and of the Council and repealing Council Decision 87/95/EEC and Decision No 1673/2006/EC of the European Parliament and of the Council ⁽¹⁾, and in particular Article 10(6) thereof,

Whereas:

- (1) In accordance with Article 14 of Directive 2013/53/EU of the European Parliament and of the Council ⁽²⁾, products which are in conformity with harmonised standards or parts thereof the references of which have been published in the *Official Journal of the European Union*, are presumed to be in conformity with the requirements covered by those standards or parts thereof set out in Article 4(1) of Directive 2013/53/EU and Annex I to that Directive.
- (2) By Commission Implementing Decision C(2015) 8736 ⁽³⁾, the Commission made a request to CEN/Cenelec for drafting, revision and completion of the work on harmonised standards in support of Directive 2013/53/EU addressing stricter essential requirements set out in Article 4(1) of Directive 2013/53/EU and Annex I to that Directive in comparison with the repealed Directive 94/25/EC of the European Parliament and of the Council ⁽⁴⁾.
- (3) Specifically, CEN/Cenelec were requested to adopt new standards for electrical systems, protection from falling overboard, discharge prevention, builder's plate, owner's manual, visibility from main steering position, buoyancy and escape means of multihulls, gas systems, exhaust emissions and watercraft identification and to revise existing standards and draft standards under development.
- (4) On the basis of the request set out in Implementing Decision C(2015) 8736, CEN/Cenelec revised several harmonised standards for small craft and inflatable boats.
- (5) CEN/Cenelec revised the Annexes of harmonised standards to quote the full title of Directive 2013/53/EU as well as to indicate in a clear and detailed manner the correlation between the clauses of standards and relevant essential requirements.
- (6) On the basis of the request set out in Implementing Decision C(2015) 8736 CEN/Cenelec drafted standard EN ISO 8666:2018. The standard is the reference standard in terms of principal boat dimensions and related data as well as mass specifications and various loading conditions. That standard provides technical specifications in relation to definition of hull length set out in Article 3(10) of the Directive 2013/53/EU.

⁽¹⁾ OJ L 316, 14.11.2012, p. 12

⁽²⁾ Directive 2013/53/EU of the European Parliament and of the Council of 20 November 2013 on recreational craft and personal watercraft and repealing Directive 94/25/EC (OJ L 354, 28.12.2013, p. 90).

⁽³⁾ Commission Implementing Decision C(2015) 8736 of 15 December 2015 on a standardisation request to the European Committee for Standardisation and the European Committee for Electro-technical Standardisation as regards recreational craft and personal watercraft in support of Directive 2013/53/EU of the European Parliament and of the Council of 20 November 2013 on recreational craft and personal watercraft and repealing Directive 94/25/EC.

⁽⁴⁾ Directive 94/25/EC of the European Parliament and of the Council of 16 June 1994 on the approximation of the laws, regulations and administrative provisions of the Member States relating to recreational craft (OJ L 164, 30.6.1994, p. 15).

- (7) The Commission together with CEN/Cenelec has assessed whether the standards for small craft and inflatable boats drafted by CEN/Cenelec comply with the request set out in Implementing Decision C(2015) 8736.
- (8) The standards for small craft and inflatable boats satisfy the requirements, which they aim to cover and which are set out in Article 4(1) of Directive 2013/53/EU and Annex I to that Directive. It is therefore appropriate to publish the references of those standards in the *Official Journal of the European Union*.
- (9) It is therefore necessary to withdraw the references to those standards that are replaced by the new standards drafted by CEN/Cenelec.
- (10) Compliance with a harmonised standard confers a presumption of conformity with the corresponding essential requirements set out in Union harmonisation legislation from the date of publication of the reference of such standard in the *Official Journal of the European Union*. This Decision should therefore enter into force on the date of its publication,

HAS ADOPTED THIS DECISION:

Article 1

The references to harmonised standards for recreational craft and personal watercraft drafted in support of Directive 2013/53/EU, listed in Annex I to this Decision, are hereby published in the *Official Journal of the European Union*.

Article 2

The references to harmonised standards for recreational craft and personal watercraft drafted in support of Directive 2013/53/EU, listed in Annex II to this Decision, are hereby withdrawn from the *Official Journal of the European Union*.

Article 3

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

Done at Brussels, 4 June 2019.

For the Commission

The President

Jean-Claude JUNCKER

ANNEX I

No	Reference of the standard
1.	EN ISO 6185-1:2018 Inflatable boats - Part 1: Boats with a maximum motor power rating of 4,5 kW (ISO 6185-1:2001)
2.	EN ISO 6185-2:2018 Inflatable boats - Part 2: Boats with a maximum motor power rating of 4,5 kW to 15 kW inclusive (ISO 6185-2:2001)
3.	EN ISO 6185-3:2018 Inflatable boats - Part 3: Boats with a hull length less than 8 m with a motor rating of 15 kW and greater (ISO 6185-3:2014)
4.	EN ISO 6185-4:2018 Inflatable boats - Part 4: Boats with a hull length of between 8 m and 24 m with a motor power rating of 15 kW and greater (ISO 6185-4:2011, Corrected version 2014-08-01)
5.	EN ISO 7840:2018 Small craft - Fire-resistant fuel hoses (ISO 7840:2013)
6.	EN ISO 8469:2018 Small craft - Non-fire-resistant fuel hoses (ISO 8469:2013)
7.	EN ISO 8666:2018 Small craft - Principal data (ISO 8666:2016)
8.	EN ISO 8849:2018 Small craft - Electrically operated direct-current bilge pumps (ISO 8849:2003)
9.	EN ISO 9093-1:2018 Small craft - Seacocks and through-hull fittings - Part 1: Metallic (ISO 9093-1:1994)
10.	EN ISO 9093-2:2018 Small craft - Seacocks and through-hull fittings - Part 2: Non-metallic (ISO 9093-2:2002)
11.	EN ISO 11192:2018 Small craft - Graphical symbols (ISO 11192:2005)
12.	EN ISO 11547:2018 Small craft - Start-in-gear protection (ISO 11547:1994)
13.	EN ISO 11812:2018 Small craft - Watertight cockpits and quick-draining cockpits (ISO 11812:2001)
14.	EN ISO 12215-1:2018 Small craft - Hull construction and scantlings - Part 1: Materials: Thermosetting resins, glass-fibre reinforcement, reference laminate (ISO 12215-1:2000)

No	Reference of the standard
15.	EN ISO 12215-2:2018 Small craft - Hull construction and scantlings - Part 2: Materials: Core materials for sandwich construction, embedded materials (ISO 12215-2:2002)
16.	EN ISO 12215-3:2018 Small craft - Hull construction and scantlings - Part 3: Materials: Steel, aluminium alloys, wood, other materials (ISO 12215-3:2002)
17.	EN ISO 12215-4:2018 Small craft - Hull construction and scantlings - Part 4: Workshop and manufacturing (ISO 12215-4:2002)
18.	EN ISO 12215-5:2018 Small craft - Hull construction and scantlings - Part 5: Design pressures for monohulls, design stresses, scantlings determination (ISO 12215-5:2008, including Amd 1:2014)
19.	EN ISO 12215-6:2018 Small craft - Hull construction and scantlings - Part 6: Structural arrangements and details (ISO 12215-6:2008)
20.	EN ISO 12215-8:2018 Small craft - Hull construction and scantlings - Part 8: Rudders (ISO 12215-8:2009, including Cor 1:2010)
21.	EN ISO 12215-9:2018 Small craft - Hull construction and scantlings - Part 9: Sailing craft appendages (ISO 12215-9:2012)
22.	EN ISO 12216:2018 Small craft - Windows, portlights, hatches, deadlights and doors - Strength and watertightness requirements (ISO 12216:2002)
23.	EN ISO 13297:2018 Small craft - Electrical systems - Alternating current installations (ISO 13297:2014)
24.	EN ISO 13590:2018 Small craft - Personal watercraft - Construction and system installation requirements (ISO 13590:2003)
25.	EN ISO 14509-1:2018 Small craft - Airborne sound emitted by powered recreational craft - Part 1: Pass-by measurement procedures (ISO 14509-1:2008)
26.	EN ISO 14509-3:2018 Small craft - Airborne sound emitted by powered recreational craft - Part 3: Sound assessment using calculation and measurement procedures (ISO 14509-3:2009)
27.	EN ISO 15083:2018 Small craft - Bilge-pumping systems (ISO 15083:2003)
28.	EN ISO 15084:2018 Small craft - Anchoring, mooring and towing - Strong points (ISO 15084:2003)

No	Reference of the standard
29.	EN ISO 16180:2018 Small craft - Navigation lights - Installation, placement and visibility (ISO 16180:2013)
30.	EN ISO 21487:2018 Small craft - Permanently installed petrol and diesel fuel tanks (ISO 21487:2012, including Amd 1:2014 and Amd 2:2015)
31.	EN ISO 25197:2018 Small craft - Electrical/electronic control systems for steering, shift and throttle (ISO 25197:2012, including Amd 1:2014)

ANNEX II

No	Reference of the standard
1.	EN ISO 6185-1:2001 Inflatable boats - Part 1: Boats with a maximum motor power rating of 4,5 kW (ISO 6185-1:2001)
2.	EN ISO 6185-2:2001 Inflatable boats - Part 2: Boats with a maximum motor power rating of 4,5 kW to 15 kW inclusive (ISO 6185-2:2001)
3.	EN ISO 6185-3:2014 Inflatable boats - Part 3: Boats with a hull length less than 8 m with a motor rating of 15 kW and greater (ISO 6185-3:2014)
4.	EN ISO 6185-4:2011 Inflatable boats - Part 4: Boats with a hull length of between 8 m and 24 m with a motor power rating of 15 kW and greater (ISO 6185-4:2011, Corrected version 2014-08-01)
5.	EN ISO 7840:2013 Small craft - Fire-resistant fuel hoses (ISO 7840:2013)
6.	EN ISO 8469:2013 Small craft - Non-fire-resistant fuel hoses (ISO 8469:2013)
7.	EN ISO 8849:2003 Small craft - Electrically operated direct-current bilge-pumps (ISO 8849:2003)
8.	EN ISO 9093-1:1997 Small craft - Seacocks and through-hull fittings - Part 1: Metallic (ISO 9093-1:1994)
9.	EN ISO 9093-2:2002 Small craft - Seacocks and through-hull fittings - Part 2: Non-metallic (ISO 9093-2:2002)
10.	EN ISO 11192:2005 Small craft - Graphical symbols (ISO 11192:2005)
11.	EN ISO 11547:1995 Small craft - Start-in-gear protection (ISO 11547:1994) EN ISO 11547:1995/A1:2000
12.	EN ISO 11812:2001 Small craft - Watertight cockpits and quick-draining cockpits (ISO 11812:2001)
13.	EN ISO 12215-1:2000 Small craft - Hull construction and scantlings - Part 1: Materials: Thermosetting resins, glass-fibre reinforcement, reference laminate (ISO 12215-1:2000)
14.	EN ISO 12215-2:2002 Small craft - Hull construction and scantlings - Part 2: Materials: Core materials for sandwich construction, embedded materials (ISO 12215-2:2002)

No	Reference of the standard
15.	EN ISO 12215-3:2002 Small craft - Hull construction and scantlings - Part 3: Materials: Steel, aluminium alloys, wood, other materials (ISO 12215-3:2002)
16.	EN ISO 12215-4:2002 Small craft - Hull construction and scantlings - Part 4: Workshop and manufacturing (ISO 12215-4:2002)
17.	EN ISO 12215-5:2008 Small craft - Hull construction and scantlings - Part 5: Design pressures for monohulls, design stresses, scantlings determination (ISO 12215-5:2008) EN ISO 12215-5:2008/A1:2014
18.	EN ISO 12215-6:2008 Small craft - Hull construction and scantlings - Part 6: Structural arrangements and details (ISO 12215-6:2008)
19.	EN ISO 12215-8:2009 Small craft - Hull construction and scantlings - Part 8: Rudders (ISO 12215-8:2009) EN ISO 12215-8:2009/AC:2010
20.	EN ISO 12215-9:2012 Small craft - Hull construction and scantlings - Part 9: Sailing craft appendages (ISO 12215-9:2012)
21.	EN ISO 12216:2002 Small craft - Windows, portlights, hatches, deadlights and doors - Strength and watertightness requirements (ISO 12216:2002)
22.	EN ISO 13297:2014 Small craft - Electrical systems - Alternating current installations (ISO 13297:2014)
23.	EN ISO 13590:2003 Small craft - Personal watercraft - Construction and system installation requirements (ISO 13590:2003) EN ISO 13590:2003/AC:2004
24.	EN ISO 14509-1:2008 Small craft - Airborne sound emitted by powered recreational craft - Part 1: Pass-by measurement procedures (ISO 14509-1:2008)
25.	EN ISO 14509-3:2009 Small craft - Airborne sound emitted by powered recreational craft - Part 3: Sound assessment using calculation and measurement procedures (ISO 14509-3:2009)
26.	EN ISO 15083:2003 Small craft - Bilge-pumping systems (ISO 15083:2003)
27.	EN ISO 15084:2003 Small craft - Anchoring, mooring and towing - Strong points (ISO 15084:2003)
28.	EN ISO 16180:2013 Small craft - Navigation lights - Installation, placement and visibility (ISO 16180:2013)

No	Reference of the standard
29.	EN ISO 21487:2012 Small craft - Permanently installed petrol and diesel fuel tanks (ISO 21487:2012) EN ISO 21487:2012/A1:2014 EN ISO 21487:2012/A2:2015
30.	EN ISO 25197:2012 Small craft - Electrical/electronic control systems for steering, shift and throttle (ISO 25197:2012) EN ISO 25197:2012/A1:2014

ACTS ADOPTED BY BODIES CREATED BY INTERNATIONAL AGREEMENTS

DECISION No 1/2019 OF THE ACP-EU COUNCIL OF MINISTERS of 23 May 2019

**on the delegation of powers to the ACP-EU Committee of Ambassadors on the decision to adopt
transitional measures pursuant to Article 95(4) of the ACP-EU Partnership Agreement [2019/920]**

THE ACP-EU COUNCIL OF MINISTERS,

Having regard to the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States of the one part, and the European Community and its Member States, of the other part ⁽¹⁾, and in particular Article 15(4) thereof,

Whereas:

- (1) The Partnership Agreement between the members of the African, Caribbean and Pacific Group of States ('ACP') of the one part, and the European Community and its Member States, of the other part ('the ACP-EU Partnership Agreement') is to be applied until 29 February 2020.
- (2) In accordance with the first subparagraph of Article 95(4) of the of the ACP-EU Partnership Agreement, negotiations towards a new ACP-EU Partnership Agreement were launched in September 2018. In case the new Agreement is not ready to be applied by the expiry date of the current legal framework, it is necessary to adopt transitional measures.
- (3) The second subparagraph of Article 95(4) of the ACP-EU Partnership Agreement provides for the Council of Ministers to adopt any transitional measures that may be required until the new Agreement comes into force.
- (4) Pursuant to Article 15(4) of the ACP-EU Partnership Agreement, the ACP-EU Council of Ministers may adopt a decision to delegate powers to the ACP-EU Committee of Ambassadors, including the power to adopt the decision on transitional measures.
- (5) The ACP-EU Council of Ministers is to have its yearly ordinary meeting on 23-24 May 2019 in Brussels. The transitional measures have not been agreed and can therefore not be adopted by the ACP-EU Council of Ministers at its ordinary meeting. As no further meetings of the ACP-EU Council of Ministers are foreseen before the expiry of the ACP-EU Partnership Agreement, in order to ensure that the decision on transitional measures is taken in a timely manner, it is necessary that the decision to adopt transitional measures pursuant to Article 95(4) of the ACP-EU Partnership Agreement, be delegated to the ACP-EU Committee of Ambassadors,

HAS ADOPTED THIS DECISION:

Article 1

The ACP-EU Council of Ministers hereby delegates powers to the ACP-EU Committee of Ambassadors, in accordance with Article 15(4) of the ACP-EU Partnership Agreement, on the decision to adopt, pursuant to Article 95(4) of the ACP-EU Partnership agreement, any transitional measures that may be required until the new Agreement comes into force.

⁽¹⁾ OJ L 317, 15.12.2000, p. 3.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 23 May 2019.

For the ACP-EU Council of Ministers

The President

Tjekero TWEYA

CORRIGENDA**Corrigendum to Commission Delegated Regulation (EU) 2019/897 of 12 March 2019 amending Regulation (EU) No 748/2012 as regards the inclusion of risk-based compliance verification in Annex I and the implementation of requirements for environmental protection**

(Official Journal of the European Union L 144, 3 June 2019)

On page 3, Article 2 is replaced by the following:

'Article 2

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

It shall apply from 23 March 2020, with the exception of Article 1(2) and point 11, points 13 to 14, points 23 to 26, point 28, point 30, point 21.B.85 in point 40 and point 43 of Annex which shall apply from 23 June 2019.'

