

Regulations and guidelines 5/2015

Management of interest rate risk arising from non-trading activities and of credit spread risk

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Further information:
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Regulation and Risk Areas

**FINANCIAL SUPERVISORY
AUTHORITY**

tel. +358 9 183 51
firstname.surname@fiva.fi
fin-fsa.fi

Legal nature of regulations and guidelines

Regulations

Financial Supervisory Authority (FIN-FSA) regulations are presented under the heading 'Regulation' in FIN-FSA's regulations and guidelines. FIN-FSA regulations are binding legal requirements that must be complied with.

FIN-FSA issues regulations only by virtue of and within the limits of legal provisions that entitle it to do so.

Guidelines

FIN-FSA interpretations of the contents of laws and other binding provisions are presented under the heading 'Guideline' in FIN-FSA's regulations and guidelines.

Also recommendations and other operating guidelines that are not binding are presented under this heading, as are FIN-FSA's recommendations on compliance with international guidelines and recommendations.

The formulation of the guideline shows when it constitutes an interpretation and when it constitutes a recommendation or other operating guideline. A more detailed description of the formulation of guidelines and the legal nature of regulations and guidelines is provided on the FIN-FSA website.

fin-fsa.fi > Regulation > Legal framework of FIN-FSA regulations and guidelines



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1 Scope of application

These regulations and guidelines shall apply to the following supervised entities referred to in the Act on the Financial Supervisory Authority (878/2008):

- credit institutions
- investment firms as referred to in chapter 6, section 2 b, subsections 1 and 2 of the Act on Investment Services
- central institutions for an amalgamation as referred to in the Act on the Amalgamation of Deposit Banks
- holding companies of credit institutions and abovementioned investment firms
- holding companies of conglomerates as referred to in the Act on the Supervision of Financial and Insurance Conglomerates.

2 Management of interest rate risk arising from non-trading activities and of credit spread risk

- (1) On 20 October 2022, the EBA issued Guidelines on the basis of Article 16 of Regulation 1093/2010 of the European Parliament and of the Council and Article 84(6) of Directive 2013/36/EU specifying criteria for the identification, evaluation, management and mitigation of the risks arising from potential changes in interest rates and of the assessment and monitoring of credit spread risk, of institutions' non-trading book activities (EBA/GL/2022/14). *(Issued on 19 April 2023, valid from 30 June 2023)*

Guideline (paragraphs 2–3)

- (2) The FIN-FSA recommends that, as of 30 June 2023, entities falling within the scope of application of these guidelines comply with the EBA Guidelines referred to in paragraph (1), excluding sections 4.5 and 4.6. The EBA Guidelines are available at Finanssivalvonta.fi. *(Issued on 19 April 2023, valid from 30 June 2023)*
- (3) The FIN-FSA recommends that, as of 31 December 2023, entities falling within the scope of application of these guidelines comply with sections 4.5 and 4.6 of the EBA Guidelines referred to in paragraph (1). The Guidelines are available at Finanssivalvonta.fi. *(Issued on 19 April 2023, valid from 30 June 2023)*

3 Revision history

Since their introduction, these regulations and guidelines have been revised as follows:

Issued 12 March 2019, valid from 26 March 2019:

- A reference to EBA's Guidelines on management of interest rate risk arising from non-trading activities (EBA/GL/2018/02) has been added to paragraph 1 of section 2.
- Paragraph 2 of section 2 has been changed.

Issued 19 April 2023, valid from 30 June 2023:

- Paragraph 1 in section 2 has been updated to correspond to the new EBA Guidelines on the basis of Article 16 of Regulation 1093/2010 of the European Parliament and of the Council and Article 84(6) of Directive 2013/36/EU specifying criteria for the identification, evaluation, management and mitigation of the risks arising from potential changes in interest rates and of the assessment and monitoring of credit spread risk, of institutions' non-trading book activities (EBA/GL/2022/14).
- Paragraph 2 of section 2 has been changed.
- Paragraph 3 of section 2 has been added.