

## HMT consultation on CRD V

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Most of the content of this CP does not directly concern BSA members, but our brief comments on the parts of this CP that do, are as follows.

### **Systemic Risk Buffer**

We appreciate why it is now necessary to shift part of O-SIIs' buffer requirement out of the SRB and into the newly implemented O-SII buffer, and also the need to use the SRB to apply sectoral capital requirements since post CRD V these can no longer be imposed under Pillar 2.

These changes underline, however, that "Systemic Risk Buffer" becomes even more a confusing misnomer, as it is no longer much to do with systemic risk at all. It would be more accurate to call it "generalised macro-prudential buffer" or some snappier equivalent.

### **Exemptions**

The BSA supports the continuation of the CRD exemption for our credit union members.