

FIN-FSA Board's decision on Nordea's identification as a G-SII

By virtue of section 10, subsection 1, paragraph 6 of the Act on the Financial Supervisory Authority, the Board of the Financial Supervisory Authority (FIN-FSA) has decided that Nordea Bank Plc will not become a global systemically important credit institution (G-SII). This decision will enter into force on 1 January 2020, and will replace the Board's decision of 29 June 2018 on the same issue.

Justifications for the decision

On 29 June 2018, the FIN-FSA Board conditionally identified Nordea as a global systemically important credit institution, in line with the recommendation of the Financial Stability Board, imposing on it a buffer requirement of 1.0% to be effective as of 1 January 2020. The decision was conditional on the Swedish competent authority, Finansinspektionen, not objecting to the merger of Nordea Bank AB with Nordea Holding Plc. The decision of the Swedish authority not to object to the merger was taken on 23 August 2018.

On 16 November 2018, the Financial Stability Board published its annual list of global systemically important credit institutions (G-SIB). Nordea Bank Plc was not included in the list, because Nordea Bank Plc's points score was below the minimum level required for a credit institution to be identified as a global systemically important credit institution.

Given that Nordea Bank Plc was not included in the annual list of global systemically important credit institutions published by the Financial Stability Board on 16 November 2018 and that the FIN-FSA has no knowledge of any reasons to deviate from the Financial Stability Board's recommendation, it is justified that the FIN-FSA Board decide that Nordea Bank Plc will not become a global systemically important credit institution (G-SII) as of 1 January 2020.

The decision replaces the Board's previous decision of 29 June 2018.