Basel Committee
on Banking Supervision

Regulatory Consistency Assessment Programme (RCAP)

Assessment of Basel NSFR regulations – Brazil

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BANK FOR INTERNATIONAL SETTLEMENTS

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Contents

Glossary

ASF	available stable funding
BCB	Banco Central do Brasil (Central Bank of Brazil)
BCBS	Basel Committee on Banking Supervision
BIS	Bank for International Settlements
BRL	Brazilian real
C	compliant (grade)
CCP	central counterparty
CMN	Conselho Monetário Nacional (National Monetary Council)
CNJ	National Justice Council
DA	derivative asset
DL	derivative liability
D-SIB	domestic systemically important bank
GAAP	generally accepted accounting principles
GDP	gross domestic product
G-SIB	global systemically important bank
HQLA	high-quality liquid assets
IM	initial margin
LC	largely compliant (grade)
LCR	Liquidity Coverage Ratio
LEX	large exposures
LTV	loan-to-value
MNC	materially non-compliant (grade)
NC	non-compliant (grade)
NSFR	Net Stable Funding Ratio
OSFI	Office of the Superintendent of Financial Institutions
RCAP	Regulatory Consistency Assessment Programme
RSF	required stable funding
SFN	Brazilian national financial system
SIG	Supervision and Implementation Group
S1–5	Segments 1–5
VM	variation margin

Preface

The Basel Committee on Banking Supervision (Basel Committee) accords high priority to the implementation of regulatory standards underpinning the Basel III framework. The prudential benefits from adopting Basel standards can only fully accrue if these are implemented fully, consistently and in a timely manner by all member jurisdictions. The Committee established the Regulatory Consistency Assessment Programme (RCAP) to monitor, assess and evaluate its members' implementation of the Basel framework.

This report presents the findings of an RCAP Assessment Team on the domestic adoption of the Basel Net Stable Funding Ratio (NSFR) in Brazil. The assessment focused on the completeness and consistency of the domestic regulations in force on 31 December 2018, as applied to commercial banks in Brazil, with the Basel NSFR standard. Issues related to prudential outcomes, the resilience of the banking system or the supervisory effectiveness of the Brazilian authorities were not in the scope of this assessment. The assessment relied on regulations, other information and explanations provided by the Brazilian authorities, and ultimately reflects the view of the Basel Committee.

The RCAP Assessment Team was led by Carolyn Rogers, Assistant Superintendent at the Office of the Superintendent of Financial Institutions (OSFI), Canada. It comprised four technical experts, from China, Hong Kong SAR, Peru and South Africa (see Annex 1). The main counterpart for the assessment was the Central Bank of Brazil (BCB). The work was coordinated by the Basel Committee Secretariat with support from OSFI staff.

The assessment comprised three phases: (i) a self-assessment by the BCB (June to August 2018); (ii) an assessment phase (August to December 2018), including an on-site assessment involving discussions with the BCB and representatives of Brazilian banks; and (iii) a review phase (January to February 2019), including a technical review of the Assessment Team's findings by a separate RCAP Review Team, the Committee's Supervision and Implementation Group, the RCAP Peer Review Board and the Basel Committee. More information on the RCAP assessment process is available on the Committee's website.[1]

The RCAP Assessment Team acknowledges the cooperation received from BCB counterparts throughout the assessment process. In particular, the team thanks the staff of the BCB for playing an instrumental role in coordinating the assessment exercise.

[1] See www.bis.org/bcbs/implementation.htm.

Executive summary

Brazil implemented the NSFR as a minimum standard as of 1 October 2018. The Brazilian NSFR regulation is applicable to large or internationally active banks on a consolidated basis. The NSFR minimum requirements were implemented via a resolution and a circular issued in November and December 2017, respectively.

Overall, as of 31 December 2018, the NSFR regulation in Brazil is assessed as compliant with the Basel NSFR standard. This is the highest possible grade. Each component is also assessed as compliant.

The Assessment Team recognises the efforts made by the BCB to improve the consistency of its NSFR regulation throughout the assessment process. These amendments, notably in the areas of available stable funding (ASF), required stable funding (RSF) and disclosure requirements, became effective prior to 31 December 2018 (see Annex 4 for a complete list of the amendments), the cutoff date for the assessment.

The BCB NSFR regulation is super-equivalent to the Basel NSFR standard with regard to the scope of high-quality liquid assets (HQLA). The stricter rule has not been taken into account as a mitigant for the overall or component-level assessment of compliance.

Response from the BCB

The BCB acknowledges its gratitude to Ms Carolyn Rogers, Mr Brian Rumas and all the RCAP-NSFR Assessment Team members for the productive discussions and insightful comments on the implementation of the Net Stable Funding Ratio framework in Brazil. The BCB would like to thank the Canadian Office of the Superintendent of Financial Institutions, the China Banking and Insurance Regulatory Commission, the Superintendency of Banking, Insurance and Private Pension Funds Administrators of Peru, the Hong Kong Monetary Authority, the South African Reserve Bank and the Basel Committee on Banking Supervision for supporting this process.

The Brazilian authorities concur that the RCAP process is an important tool to ensure a full, timely and consistent implementation of the Basel standards, in order to strengthen public confidence in the banking system and in prudential regulation. Clear, consistent and universal rules are essential to provide a level playing field for financial institutions.

The BCB expresses agreement with the Assessment Team on the overall findings and observations, and has submitted to the BCB's Board of Governors all the necessary amendments to the NSFR regulation comprised in Circular BCB 3,919 of 5 December 2018. This common understanding achieved by both parties reflects the high level of commitment and collaborative work experienced throughout the assessment process.

Once again, the BCB would like to seize this opportunity to reaffirm its firm commitment to the Basel III regulatory reforms and, furthermore, acknowledge the importance of the Basel standard in consolidating its supervisory practices related to the NSFR.

1 Assessment context

1.1 Status of the NSFR implementation

The National Monetary Council (Conselho Monetário Nacional, CMN) and the BCB are responsible for implementing the Basel NSFR rules by issuing the relevant regulation. Resolution CMN 4,616, which establishes the NSFR and conditions for compliance, and Circular BCB 3,869, which establishes the methodology for calculating the NSFR and the disclosure requirements related to the NSFR, came into force on 1 October 2018.

The NSFR applies to banks allocated in Segment 1 (S1) according to Resolution CMN 4,553 of 30 January 2017. S1 comprises large banks, defined as banks whose size is equal to or greater than 10% of Brazil's GDP; or with relevant international activity,[2] regardless of their size. Banks subject to the NSFR in Brazil account for around 70% of the total exposures of the Brazilian banking system, as of June 2018.

As for general liquidity requirements, banks and other financial institutions must have an internal structure for monitoring liquidity risks, consistent with the nature of their operations. Resolution CMN 4557 of 23 February 2017 establishes the main requirements pertaining to the implementation of a risk management structure, including for liquidity risk management (such as policies, monitoring procedures and regular assessments).

1.2 Regulatory system

The Brazilian national financial system (SFN) was established and operates under the provisions of Law 4,595, issued on 31 December 1964, which created the CMN and the BCB. The primary authority responsible for banking regulation and supervision is the BCB.

Banking prudential regulations are proposed by the BCB and approved by the CMN in the form of resolutions. These are the highest level of primary regulation. Regulations approved by the Board of the BCB within the scope of its regulatory powers are published in the form of circulars. Banking regulations published in the form of resolutions and circulars are considered to be equally enforceable and failure to comply with any of these can lead to supervisory actions by the BCB, which is responsible for ensuring the banks' compliance with the regulation.

1.3 Structure of the banking sector

As of September 2018, some 135 banks were operating in Brazil. Around 70% of the assets of the banking system are concentrated in the five largest banks. These banks, two of which are government-controlled, have been designated as domestic systemically important banks (D-SIBs). Banks' activities are focused on traditional intermediation and are concentrated in the domestic market, with foreign operations mainly supporting Brazilian corporates overseas.

Resolution CMN 4,553 of 30 January 2017 establishes the segmentation of financial institutions and other institutions licensed by the BCB for the purposes of proportional implementation of prudential regulation. The resolution allocates banks to five segments:

- Segment 1 (S1) comprises six banks whose size is equal to or greater than 10% of Brazil's GDP; or banks with relevant international activity, regardless of their size;

[2] International activity is deemed relevant when the total consolidated foreign assets of an institution are equal to or greater than USD 10 billion.

- Segment 2 (S2) comprises six banks whose size is less than 10% and equal to or greater than 1% of GDP;
- Segment 3 (S3) comprises 37 banks whose size is less than 1% and equal to or greater than 0.1% of GDP;
- Segment 4 (S4) comprises 86 banks whose size is less than 0.1% of GDP; and
- Segment 5 (S5) includes institutions whose size is less than 0.1% of GDP and with simplified risk profile. S5 institutions are allowed use an optional simplified methodology to calculate the minimum requirements of regulatory capital. Note that no banks are included in this category.

More than one third of banking sector funding (except development banks) in June 2018 came from time and savings deposits (40.2%). This has slightly increased from 2013, when time and savings deposits accounted for 37.5% of the banking sector's funding (see Table 1 below).

Funding of the Brazilian banking sector (June 2018) — Table 1

	2013		2018	
	Values (BRL billions)	%	Values (BRL billions)	%
Savings deposits	594.0	19.0	743.8	19.3
Time deposits	576.0	18.4	805.6	20.9
Repos (private securities)	319.6	10.2	126.7	3.3
Domestic borrowing and onlending	410.7	13.2	482.6	12.5
External funding	263.6	8.4	450.3	11.7
Other instruments	215.4	6.9	332.9	8.6
Judicial deposits	150.8	4.8	224.1	5.8
Real estate credit bills	95.4	3.1	166.9	4.3
Subordinated debt	149.0	4.8	149.8	3.9
Agribusiness credit bills	109.0	3.5	145.0	3.8
Demand deposits	179.9	5.8	149.4	3.9
Interbank deposits	58.8	1.9	73.5	1.9
Total	3122.3	100	3850.6	100

Source: BCB, *Financial Stability Report*, October 2018.[3]

1.4 Scope of the assessment

The Assessment Team considered the NSFR requirements applicable to commercial banks in Brazil as of 31 December 2018. The assessment had two dimensions:

- a comparison of domestic regulations with the Basel NSFR standard to ascertain that all the required provisions have been adopted (*completeness* of the regulations); and

[3] www.bcb.gov.br/ingles/estabilidade/2018_10/fsrFullRep.pdf.

- whether there are any differences in substance between the domestic regulations and the Basel NSFR standard and, if so, their significance (*consistency* of the regulations).

In its assessment, the RCAP Assessment Team considered all binding documents that effectively implement the Basel NSFR standard in Brazil. Annex 2 lists the Basel standards used as the basis for the assessment. The assessment did not evaluate the adequacy of liquidity or the resilience of the banking system in Brazil or the supervisory effectiveness of the BCB.

The Assessment Team noted that, in one area, Brazilian rules go beyond the minimum Basel standards. Although this element (listed in Annex 5) provides for a more rigorous implementation of the Basel framework, it has not been taken into account for the assessment of compliance.

The outcome of the assessment is summarised using a four-grade scale, both at the level of each of the four key components of the Basel NSFR framework and at the level of the overall assessment of compliance. The four grades are: compliant, largely compliant, materially non-compliant and non-compliant.

2 Assessment findings

2.1 Assessment grades and summary of findings

Overall, the Assessment Team finds the implementation of the NSFR in Brazil to be compliant with the Basel standards. This grade takes into account the rectifications issued by the assessed authorities in December 2018, as described in Annex 4.

Assessment grades Table 2

Component of the Basel NSFR framework	Grade
Overall grade	C
Scope, minimum requirement and application issues	C
Available stable funding (numerator)	C
Required stable funding (denominator)	C
NSFR disclosure requirements	C

Assessment scale: C (compliant), LC (largely compliant), MNC (materially non-compliant) and NC (non-compliant).

2.1.1 Scope, minimum requirement and application issues

The Brazilian regulation on the scope, minimum requirements and application issues is compliant with the Basel NSFR standard. No findings were identified.

On the scope, the BCB applies the NSFR standard to the largest financial institutions and internationally active banks. One observation was noted, specifically that the Brazilian NSFR rules entered into force on 1 October 2018, whereas the implementation date of the Basel NSFR rules was 1 January 2018.

2.1.2 Available stable funding

The Brazilian definition of ASF is compliant with the Basel NSFR standard. No findings were identified.

Two observations were noted. The first is related to the treatment of judicial deposits. The second is related to the definition of retail deposits.

2.1.3 Required stable funding

The Brazilian definition of RSF is compliant with the Basel NSFR standard. No findings were identified.

2.1.4 Disclosure requirements

The Brazilian regulation on the NSFR Disclosure requirements is compliant with the Basel NSFR standard. No findings were identified.

2.2 Detailed assessment findings

2.2.1 Scope, minimum requirement and application issues

This component is compliant with the Basel NSFR framework. No findings were identified.

2.2.2 Available stable funding

This component is compliant with the Basel NSFR framework. No findings were identified.

2.2.3 Required stable funding

This component is compliant with the Basel NSFR framework. No findings were identified.

2.2.4 Disclosure requirements

This component is compliant with the Basel NSFR framework. No findings were identified.

2.3 Observations on the NSFR implementation in Brazil

The following observations highlight certain special features of the regulatory implementation of the Basel NSFR standards in Brazil. These are presented to provide additional context and information. Observations are considered compliant with the Basel standards and do not have a bearing on the assessment outcome.

2.3.1 Scope, minimum requirement and application issues

Basel paragraph number	8: NSFR standard implementation date
Reference in the domestic regulation	Resolution CMN 4,616 – Article 7
Observation	The implementation date for Basel NSFR standard was 1 January 2018. In Brazil, the NSFR standard entered into force on 1 October 2018.

2.3.2 Available stable funding

Basel paragraph number	21: Judicial deposits
Reference in the domestic regulation	Circular 3869, Article 3, paragraph 5, item III

Observation	Paragraph 21 of the Basel NSFR standard lists several items receiving a 100% ASF factor, including regulatory capital, other capital instruments with effective residual maturities of one year or more, and borrowings and liabilities with effective residual maturities of one year or more. The Brazilian regulations stipulate that banks may utilise the residual maturity of one year or more category (ie 100% ASF) for, at most, 97% of the carrying value of judicial deposits. This concept is not included in the Basel NSFR standard. In Brazil, judicial deposits are those that are held at state-owned banks deriving from a legal obligation or judicial order and linked to the reference number of a particular case (and not under the name of a specific beneficiary). Until the court has ruled who the beneficiary is and permits the payout from the deposited amount, the deposit is managed by the bank on the court's behalf. Banks and the potential beneficiary have no control over the amount of judicial deposits since such deposits can be withdrawn only after the court has ruled. Judicial deposits are very concentrated. There are only 13 state-owned banks in Brazil that can receive judicial deposits. The RCAP sample contains two state-owned banks which have the largest amounts of judicial deposits, respectively 60% and 37% of the total judicial deposits in the banking system. Due to long and complex judicial processes, almost all court cases take more than a year to be completed.[4] As judicial deposits cannot be withdrawn without a court order, the actual maturity dates of these deposits are unpredictable. The BCB determines that, based on the historical volatility of the total amount of judicial deposits, a maximum of 97% of the carrying value of judicial deposits may receive a 100% ASF factor. When deciding on the haircut level, the BCB used the net 30-day variation of total deposit balances as the calculation basis to remain consistent with the Brazilian LCR regulations. The fifth percentile of a time series from 2010 until March 2017[5] of net 30-day variations of judicial deposit balances is –0.7%.[6] This amount was then annualised to determine an annual (or one-year) run-off rate of 3% (0.7% * square root of 12). It is worth noting that the 97% level is the maximum percentage that banks can utilise. According to Circular 3869, Article 3, paragraph 6, the BCB may reduce the percentage if a bank cannot demonstrate the stability of its judicial deposits.
Basel paragraph number	22 & 23: Definition for retail deposits
Reference in the domestic regulation	Circular 3869, Article 5, items I and II
Observation	The Basel NSFR standard mirrors the definitions in the Basel LCR standard. In the Basel LCR standard, retail deposits are defined as deposits placed by a natural person. In the BCB NSFR regulations, retail deposits include deposits from small private legal entities managed as retail clients as well as those from natural persons. This is in accordance with the Brazilian LCR rules and was recorded as an observation in the Brazil RCAP-LCR report.

4 One bank noted that, according to data from the National Justice Council (CNJ), the Judiciary of Brazil takes, on average, four years and four months to deliver a judgment in a lower court case.

5 This time series has been used for consistency with the RCAP-LCR assessment.

6 This is the same estimation methodology that is used in the BCB LCR regulations, where any cash outflow related to judicial deposits is treated as a contingent funding obligation and a 1% factor is applied to the balances of judicial deposits.

Annexes

Annex 1: RCAP Assessment Team and Review Team

Assessment Team Leader

Ms Carolyn Rogers	Office of the Superintendent of Financial Institutions, Canada

Assessment Team members

Ms Han Lulu	China Banking and Insurance Regulatory Commission
Ms Maria Esther Sanchez	Superintendency of Banking, Insurance and Private Pension Funds Administrators of Peru
Dr Martin Sprenger	Hong Kong Monetary Authority
Ms Siphumelele Zondi	South African Reserve Bank

Supporting members

Mr Brian Rumas	Office of the Superintendent of Financial Institutions, Canada
Mr Olivier Prato	Basel Committee Secretariat
Mr Masaya Hatoma	Basel Committee Secretariat

Review Team members

Mr Toshio Tsuiki	Basel Committee Secretariat
Mr Defri Andri	Indonesia Financial Services Authority
Mr Alexandre Kurth	Swiss Financial Market Supervisory Authority
Mr Nicolas Péligry	French Prudential Supervision and Resolution Authority

Annex 2: List of Basel standards and implementing regulations issued by the Brazilian authorities

The following Basel standards were used as the basis of this RCAP assessment:

- *Basel III: the Net Stable Funding Ratio*, October 2014
- *Basel III – the Net Stable Funding Ratio: frequently asked questions*, February 2017
- *Pillar 3 disclosure requirements – consolidated and enhanced framework*, March 2017
- *Implementation of the Net Stable Funding Ratio and treatment of derivative liabilities*, October 2017
- *Treatment of extraordinary monetary policy operations in the Net Stable Funding Ratio*, June 2018

Table A.1 lists the regulations issued by the BCB to implement the NSFR in Brazil. Previous RCAP assessments of Brazil's implementation of the Basel standards considered the binding nature of regulatory documents in Brazil.[7] This RCAP Assessment Team did not repeat that assessment, but instead relied on the previous assessments' findings. Those assessments concluded that the types of instrument described in Table A.1 could be considered as binding on banks and supervisors for the purposes of an RCAP assessment.

Overview of relevant Brazilian liquidity regulations — Table A.1

Domestic regulations	Type, version and date
Resolution 4,616	Establishes the NSFR and conditions for compliance, issued on 30 November 2017.
Circular 3,869	Establishes the methodology for calculating the NSFR and provides for the disclosure of information related to the NSFR, issued on 19 December 2017.

Source: BCB.

[7] See Annex 6 of RCAP Brazil LCR assessment report published in October 2017, www.bis.org/bcbs/publ/d420.pdf.

Annex 3: Key liquidity indicators of the Brazilian banking system

Overview of Brazilian banking sector liquidity as of 31 March 2018 — Table A.2

Size of banking sector (BRL, millions)		
Total exposures of all banks operating in (including off-balance sheet exposures)	8,054,744	
Total assets of all locally incorporated internationally active banks	5,754,751	
Total assets of locally incorporated banks to which liquidity standards under the Basel framework are applied	5,754,751	
Number of banks		
Number of banks operating in Brazil (excluding local representative offices)	136	
Number of global systemically important banks (G-SIBs)	–	
Number of D-SIBs	5	
Number of banks which are internationally active	6	
Number of banks required to implement Basel III liquidity standards	6	
Number of banks required to implement domestic liquidity standards	6	
Breakdown of NSFR for the five RCAP sample banks (BRL, millions)	**Unweighted**	**Weighted**
Capital	715,106	715,106
Stable deposits from retail and small business customers	754,924	717,227
Less stable deposits from retail and small business customers	645,211	582,642
Unsecured funding from non-financial corporates	541,299	282,461
Unsecured funding from central banks, sovereigns, PSEs, MDBs and NDBs	449,798	279,971
Unsecured funding from financials (other legal entities)	375,616	170,740
Secured funding (all counterparties)	1,221,060	31,743
Other liabilities	1,009,676	260,366
Total available stable funding	5,712,691	3,040,256
Cash and central bank reserves	497,757	14,646
Loans to financial institutions	565,388	80,369
Securities eligible as Level 1 HQLA	690,762	51,211
Securities eligible as Level 2A HQLA	0	0
Securities eligible as Level 2B HQLA	3,084	1,542
All residential mortgages	507,368	362,317
Loans, <1 year	961,376	241,143
Other loans, >1 year, risk weight<=35%	95,614	62,149
Loans, risk weight>35%	938,945	755,642
Derivatives	73,513	4,579
All other assets	1,269,229	900,893
Off-balance sheet	813,057	33,671
Total required stable funding	6,416,093	2,508,162
NSFR		121%

Source: BCB.

Annex 4: Rectifications made by the BCB

List of rectifications by the BCB — Table A.3

Basel paragraph	Reference in Brazilian regulations	Description of the rectification
19 & 34	Circular 3869, Article 23	The Brazilian NSFR regulation clarifies that only bilateral clearing and settlement contracts which meet the conditions specified in the leverage ratio framework can be used to calculate the net replacement cost of derivative exposures.
Footnote 7	Circular 3869, Article 24	The NSFR regulation now requires banks to exclude only the assets associated with collateral posted as variation margin (VM) from the calculation of RSF. The cash VM received should be included in the NSFR calculation and assigned a 0% RSF factor.
31	Circular 3869, Article 20	The BCB corrected the wording in item II: from "greater than six months" to "greater than or equal to six months".
42	Circular BCB 3869, Article 17	The Brazilian NSFR regulation clarifies that the 85% RSF factor should be assigned only to assets provided to contribute to the default funds of clearing and settlement houses or service providers which act as a central counterparty (CCP).
45	Circular 3869, Articles 7 and11	The Brazilian NSFR regulation now requires that the maturity and principal amount of both the liability and its interdependent asset should be the same.
Template LIQ2	Circular BCB 3869, Annex I	The BCB amended rows 28–30 of the disclosure template to not distinguish maturities in the assets posted as initial margin for derivative contracts and contributions to the default funds of CCPs.
Template LIQ2	Circular BCB 3869, Annex I	The reference to Article 6, item V, and Article 7, item VI, was added to row 3 of the instructions of the disclosure template.
Template LIQ2	Circular BCB 3869, Annex I	The reference to Article 7, item I, was removed from row 13 of the instructions of the disclosure template.
Template LIQ2	Circular BCB 3869, Annex I	The reference to Article 11, item VII, was removed from row 15 and included in row 31 of the instructions of the disclosure template.
Template LIQ2	Circular BCB 3869, Annex I	The reference to Article 15, item IV, and Article 20, item III, was added to row 23 of the instructions of the disclosure template.

Source: BCB.

Annex 5: Areas where Brazilian rules are stricter than the Basel standards

In one area, the Brazilian authorities have adopted a stricter approach than the minimum standards prescribed by the Basel Committee. This is listed below for information. The stricter rules have not been taken into account as a mitigant for the overall or component-level assessment of compliance.

The Basel NSFR standard (footnote 12) points out that LCR operational requirements and LCR caps on Level 2 and Level 2B assets are not considered when calculating NSFR HQLA. Further, the Basel NSFR FAQ 26 states that the net cash outflow cap on foreign currency-denominated HQLA in the Basel LCR standard paragraph 50(e) is also removed in the NSFR HQLA calculation. The Brazilian regulations exclude LCR caps only on Level 2 and Level 2B assets, meaning that the scope of NSFR HQLA in BCB regulations is narrower than that in the Basel NSFR standard.

Annex 6: Elements of the NSFR subject to national discretion

Implementation of national discretions by the BCB — Table A.4

Basel paragraph	Description	National implementation
25 (a)	Treatment of deposits between banks within the same cooperative network	Yes – an ASF factor of 50% is applied for these deposits.
31	Treatment of excess collateral in a covered bond collateral pool allowing for multiple issuance	No
31, 36	Treatment of central bank operations	No
43	RSF factor for derivative liabilities	Yes – a 100% RSF factor is assigned to 5% of the value of derivative liabilities.
45	Treatment of interdependent assets and liabilities	Yes – interdependent assets and liabilities matching the criteria defined in paragraph 45 of the Basel NSFR standard receive RSF and ASF factors of 0%.
47	RSF factors for other contingent funding obligations	Yes – Circular 3,869 establishes RSF factors of 1%, 2% or 10% to other contingent obligations.
50	Scope of application of NSFR and scope of consolidation of entities within a banking group	No

Source: BCB.