



HNB

GUVERNER

Pursuant to Article 116, paragraph (4) of 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, hereinafter referred to as 'Regulation (EU) No 575/2013'), as last amended by Regulation 2020/873 of the European Parliament and of the Council of 24 June 2020 amending Regulations (EU) No 575/2013 and (EU) 2019/876 as regards certain adjustments in response to the COVID-19 pandemic (OJ L 14, 26.6.2020), Article 11, paragraph (4) of the Credit Institutions Act (Official Gazette 159/2013, 19/2015, 102/2015, 15/2018, 70/2019, 47/2020 and 146/2020) and Article 43, paragraph (2), item (10) of the Act on the Croatian National Bank (Official Gazette 75/2008, 54/2013 and 47/2020), the Governor of the Croatian National Bank hereby issues the

**Decision on amendments to the
Decision implementing the part of Regulation (EU) No 575/2013 pertaining to the valuation of
assets and off-balance sheet items and the calculation of own funds and capital requirements**

Article 1

In the Decision implementing the part of Regulation (EU) No 575/2013 pertaining to the valuation of assets and off-balance sheet items and the calculation of own funds and capital requirements (Official Gazette 160/2013, 140/2015, 113/2016 and 87/2018), in Article 2, paragraph (1) is amended to read:

"(1) The terms used in this Decision:

- 1) "exposure",
- 2) "default",
- 3) "financial institution",
- 4) "unfunded credit protection",
- 5) "authorisation",
- 6) "group of connected clients",
- 7) "risk of excessive leverage",
- 8) "own funds",
- 9) "risk profile",
- 10) "Internal Ratings Based Approach" or "IRB Approach",
- 11) "loss given default" or "LGD", and
- 12) "public sector entity"

shall have the meaning as defined in Regulation (EU) No 575/2013."

In Article 2, paragraph (2), item (2), the third indent is amended to read:

" – judicial and justice authorities: High Misdemeanour Court of the Republic of Croatia, administrative courts, High Administrative Court of the Republic of Croatia, commercial courts, High Commercial Court of the Republic of Croatia, municipal courts, county courts, High Criminal Court of the Republic of Croatia, Supreme Court of the Republic of Croatia, Constitutional Court of the Republic of Croatia, municipal state attorney's offices, county state attorney's offices, State Attorney's Office of the Republic of Croatia, State Attorney's Office – Office for the Prevention of Corruption and Organized Crime, Ombudsman for Children, Disability Ombudsman, Gender Equality Ombudsperson, Ombudsman, State Judicial Council, State's Attorney Council, Office for General Affairs of the Croatian Parliament and of the Government of the Republic of Croatia."

Article 2

Article 13 is amended to read:

"Public sector entities treated as the central government

Article 13

A credit institution shall apply Article 116 of Regulation (EU) No 575/2013 in such a way as to treat the exposures to below listed public sector entities in the Republic of Croatia as exposures to the central government:

1. Agency for Transactions and Mediation in Immovable Properties,
2. Croatian Competition Agency,
3. Restructuring and Sale Centre,
4. State Audit Office,
5. Energy Institute Hrvoje Požar,
6. Fund for Financing the Decommissioning of the Krško Nuclear Power Plant and the Disposal of KNPP Radioactive Waste and Spent Nuclear Fuel,
7. Environmental Protection and Energy Efficiency Fund,
8. Croatian Agency for SMEs, Innovations and Investments,
9. Croatian Financial Services Supervisory Agency,
10. Croatian Academic and Research Network – CARNet,
11. Croatian Bank for Reconstruction and Development,
12. Croatian News Agency,
13. Croatian Radiotelevision,
14. Croatian Waters,
15. Croatian Geological Survey,
16. Croatian Pension Insurance Administration,
17. Croatian Institute for Transfusion Medicine,
18. Croatian Employment Service,
19. Croatian Institute for Health Insurance,
20. University Hospital Dubrava,
21. University Hospital Centre Osijek,
22. University Hospital Centre Rijeka,
23. University Hospital Centre "Sestre Milosrdnice",
24. University Hospital Centre Split,
25. University Hospital Centre Zagreb,
26. Ploče Port Authority,
27. Rijeka Port Authority,
28. Zadar Port Authority,
29. Split Port Authority,
30. Dubrovnik Port Authority,
31. Šibenik Port Authority,
32. Osijek Port Authority,
33. Vukovar Port Authority,
34. Slavonski Brod Port Authority,
35. Sisak Port Authority,
36. Agricultural Institute Osijek,
37. Central Registry of Insured Persons,

38. Josip Juraj Strossmayer University of Osijek,
39. University North,
40. University of Dubrovnik,
41. University of Rijeka,
42. University of Split,
43. University of Zadar,
44. University of Zagreb,
45. Institute for Expertise, Professional Rehabilitation and Employment of Persons with Disabilities,
46. Paying Agency for Agriculture, Fisheries and Rural Development,
47. Croatian Regulatory Authority for Network Industries,
48. Juraj Dobrila University of Pula,
49. University of Slavonski Brod, and
50. Archaeological Museum of Istria".

Entry into force

Article 3

This Decision shall be published in the Official Gazette and shall enter into force on the eighth day after the day of its publication in the Official Gazette.

Decision No.: 116-091/05-21/BV
Zagreb, 7 May 2021

Croatian National Bank
Governor
Boris Vujčić