

Rome, 30 November 2019

Identification of the UniCredit, Intesa Sanpaolo, Banco BPM and Monte dei Paschi di Siena banking groups as other systemically important institutions authorized to operate in Italy

The Bank of Italy has identified the UniCredit, Intesa Sanpaolo, Banco BPM and Monte dei Paschi di Siena banking groups as other systemically important institutions (O-SIIs) authorized to operate in Italy in 2020. Compared with last year, the Monte dei Paschi di Siena group has returned to O-SII status.

UniCredit, Intesa Sanpaolo, Banco BPM and Monte dei Paschi di Siena will have to maintain a capital buffer of 1.00, 0.75, 0.25 and 0.25 per cent, respectively, of their total risk-weighted exposure, to be achieved according to the transitional periods shown in Table 1.

Table 1

Banking group	Transitional period applicable to the O-SII buffers (per cent)			
	From 1 Jan. 2019	From 1 Jan. 2020	From 1 Jan. 2021	From 1 Jan. 2022
UniCredit	0.50	0.75	1.00	1.00
Intesa Sanpaolo	0.38	0.56	0.75	0.75
Banco BPM	0.06	0.13	0.19	0.25
Monte dei Paschi di Siena	-	0.13	0.19	0.25

The decision was taken pursuant to [Bank of Italy Circular No 285/2013](#) (prudential regulations for banks), which implements Directive 2013/36/EU and specifies the criteria on which the methodology for identifying O-SIIs is based. The assessment was conducted in accordance with the [European Banking Authority Guidelines \(EBA/GL/2014/10\)](#), which set out the criteria and data required to identify O-SIIs in EU jurisdictions.

The assessment covered all banking groups, as well as banks not part of a banking group, operating in Italy. The identification considered, for each bank/banking group, the four categories set by the EBA guidelines, i.e. size, importance for the Italian economy, complexity and interconnectedness with the financial system.

Considering the data as at 31 December 2018, the overall score which indicates the domestic systemic importance of UniCredit, Intesa Sanpaolo, Banco BPM and Monte dei Paschi di Siena is above the threshold set at 350 basis points that the EBA Guidelines use to identify O-SIIs (see Table 2).

Table 2
Overall and category scores at 31 December 2018
(basis points)

Banking group	Overall score	Size	Importance	Complexity	Interconnectedness
UniCredit	3,053	2,868	2,112	4,077	3,154
Intesa Sanpaolo	2,633	2,145	2,554	3,304	2,529
Banco BPM	469	538	494	350	493
Monte dei Paschi di Siena	386	438	365	368	372

Compared with previous years, the scores were calculated using better quality information for the categories “importance”, “complexity” and “interconnectedness”.

To calibrate the O-SII buffer, the framework proposed last year was maintained, based on six buckets of systemic importance. Buckets are associated with buffers, increasing by 0.25 percentage points (see Table 3).

Table 3

Categories of systemic importance		
Bucket	O-SII score interval	O-SII buffer
6	4,000 and up	1.25%
5	[3,000-3,999]	1.00%
4	[2,000-2,999]	0.75%
3	[1,000-1,999]	0.50%
2	[350-999]	0.25%
1	[0-349]	-

Pursuant to the regulations, the identification of O-SIIs and the level of the O-SII buffers will be reviewed at least once a year.