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From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Draft DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU **(first reading)** - Adoption of the legislative act = Statement

Statement by the Commission

The requirements for a dedicated liquidity buffer for covered bonds set out in Article 16 of the proposal for a Directive of the European Parliament and of the Council on the issue of covered bonds and covered bond public supervision and amending Directive 2009/65/EC and Directive 2014/59/EU may result in an overlap with the requirements for credit institutions to maintain a general liquidity buffer, as set out in Delegated Regulation (EU) 2015/61.

In order to address this overlap and to ensure, at the same time, that a dedicated liquidity buffer for covered bonds is applied also during the period covered by the Liquidity Coverage Ratio (LCR), the Commission is willing to amend Delegated Regulation (EU) 2015/61 in order to cater for the specific situation of covered bonds. Such amendment should be adopted in time for it to be able to enter into force before the date of application of the Directive on the issue of covered bonds and covered bond supervision.