

NAVIGATING NEW WATERS: THE RIPPLE EFFECTS OF REGULATION ON LIQUIDITY MANAGEMENT

The refinement of Basel III's framework will have significant implications for liquidity management. The EBA's Liquidity Management Working Group's latest report analyses how this new regulation could impact cash and liquidity management and how the ecosystem should respond to ensure long-term growth. CRR III, the EU's application of Basel III, enacts changes to the capital adequacy measures by introducing an 'output floor', which limits the areas and the extent to which internal models can be applied. Given the significance and reach of this update, the liquidity management ecosystem must answer three key questions:

1. What is changing and how will the changes impact capital and liquidity costs?
2. How will final elements of the regulation affect European banks' cash management, payment offerings and other activities?
3. What can banks and corporates do to best navigate these changes?

Learn more:

Download the report "Navigating new waters: The ripple effects of regulation on liquidity management" [on the EBA Member Portal](#):

The report includes case studies that summarise the implications of updated risk weightings across three areas – trade finance instruments, nostro accounts and credit lines.



Our mission

The mission of the EBA is to foster dialogue and experience exchange amongst payments industry practitioners towards a pan-European vision for payments. We pursue our mission through involving member organisations and relevant stakeholders in thought leadership on innovation, helping our members to understand and implement regulation and by supporting the development of market practices.

Our activities

The EBA activities cover four core areas:

- ≡ **Thought Leadership & Innovation:** advancing the understanding of new market trends through working groups, task forces and open fora.
- ≡ **Market Practices & Regulatory Guidance:** providing guidance on market regulation and implementation through practitioners' panels.
- ≡ **Networking & Events:** fostering pan-European practitioner exchange through EBAday and other events.
- ≡ **Training & Education:** providing training & educational services on relevant payments and transaction banking topics to the EBA community through summer and winter schools and e-learning.



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