

**THIS TEXT IS UNOFFICIAL TRANSLATION AND MAY NOT BE USED AS A BASIS FOR
SOLVING ANY DISPUTE**

- Official Gazette of the Republic of Slovenia, No. 66/17 of 24 November 2017 and Official Gazette of the Republic of Slovenia, No. 29/18 of 26 April 2018 (in force as of 1 January 2018)

Pursuant to the third paragraph of Article 13 of the Banking Act (Official Gazette of the Republic of Slovenia, Nos. 25/15, 44/16 [ZRPPB], 77/16 [ZCKR] and 41/17; hereinafter: the ZBan-2), and the first paragraph of Article 31 of the Bank of Slovenia Act (Official Gazette of the Republic of Slovenia, Nos. 72/06 [official consolidated version] and 59/11), the Governing Board of the Bank of Slovenia hereby issues the following

REGULATION
on the application of the Guidelines on credit institutions' credit risk management practices and accounting for expected credit losses

Article 1
(purpose and field of application)

- (1) Pursuant to Article 16(1) of Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331 of 15 December 2010, p 12; hereinafter: Regulation (EU) No 1093/2010), on 20 September 2017 the European Banking Authority issued the Guidelines on credit institutions' credit risk management practices and accounting for expected credit losses (hereinafter: the guidelines), which are published on its website.
- (2) The guidelines referred to in the first paragraph of this article specify sound credit risk management practices associated with the accounting for expected credit losses for the banks, and also the guidance for competent authorities on evaluating the effectiveness of the applied risk management practices, policies, processes and procedures that affect allowance levels.
- (3) The guidelines apply to:
 1. credit institutions as defined in point (1) of Article 4(1) 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 of 27 June 2013, p 1; hereinafter: Regulation (EU) No 575/2013); and
 2. competent authorities as defined in point (i) of Article 4(2) of Regulation (EU) No 1093/2010.

Article 2
(content of regulation and scope of application of guidelines)

- (1) By virtue of this regulation the Bank of Slovenia sets out the application of the guidelines to:
 1. banks and savings banks that in accordance with the ZBan-2 have obtained an authorisation to provide banking services in the Republic of Slovenia (hereinafter: banks); and
 2. the Bank of Slovenia, when in accordance with the ZBan-2 in its role as the competent authority it is exercising supervisory powers and tasks over banks referred to in point 1 of this paragraph.
- (2) Banks from point (1) of the first paragraph of this article shall take full account of the provisions of the guidelines in the parts addressed to them.

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(3) In exercising its supervisory powers and tasks in accordance with the ZBan-2 and Regulation (EU) No 575/2013, the Bank of Slovenia shall take full account of the provisions of the guidelines in the parts relating to the exercise of the powers and tasks of the competent authority.

**Article 3
(entry into force)**

This regulation shall enter into force on the day after its publication in the Official Gazette of the Republic of Slovenia, and shall begin to be applied on 1 January 2018.

Ljubljana, 14 November 2017

Boštjan Jazbec
President,
Governing Board of the
Bank of Slovenia