Banking Q1 2027

Legislative package on banking competitiveness

The European Commission is due to propose a revision of the banking framework in the first quarter of 2027. Three aims: a more integrated market, rules better suited to EU banks, a simpler framework. A new deposit insurance proposal will replace the 2015 one.

EXPECTED PUBLICATION	WHO REQUIRES IT	WHO YOU ANSWER TO	NATURE OF THE REQUIREMENT
Q1 2027	European Commission	Text in preparation	Prudential supervision

INSTITUTIONS CONCERNED

Large banking group · Mid-sized bank · Private bank · Specialised finance · Public financial institution

Solid: concerned. Dashed: depending on status or activity.

MILESTONES

The timeline of the text.



Feb 2026
Targeted consultation by the Commission

17 Jul 2026
Communication on the competitiveness of the banking sector

17 Sep 2026
End of the call for feedback

Q1 2027
Legislative proposals expected

IN DETAIL

What is changing.

Three areas announced by the Commission

PROPOSALS EXPECTED IN THE FIRST QUARTER OF 2027

INTEGRATED MARKET

- Capital and liquidity better allocated within cross-border groups
- New deposit insurance proposal

SUITABLE RULES

- Impact of the output floor to be assessed
- Thresholds and requirements for small institutions to be reviewed

SIMPLER FRAMEWORK

- Fewer capital buffers
- More transparent Pillar 2
- Simplified and automated reporting

On 17 July 2026, the Commission adopted a communication on the competitiveness of the banking sector. It identifies three weaknesses: a sector still fragmented along national lines, a transposition of Basel III that does not always fit the features of EU banks, and a framework that has become too complex.

The legislative proposals are announced for the first quarter of 2027. The Commission states that it intends to retain the overall level of resilience of the sector. No text has been tabled yet: this deadline is an expected publication date, not an application date.

OUR VIEW

This package arrives while CRR3, the new market risk framework and the overhaul of EBA reporting are being rolled out. Work already under way does not stop, but rules hard-coded into calculation and reporting chains will be costly to change a second time.

WHAT WE DO

Monitoring and reading of the proposals as soon as they are published, impact analysis on prudential, accounting and reporting chains.

Prudential framework | Deposit insurance | Simplification

BANKING→

FURTHER READING

Official sources.

European Commission, 30 July 2026	https://finance.ec.europa.eu/news/strengthening-eu-banking-sector-2026-07-30_en
European Commission, press release of 17 July 2026	https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_26_1637/IP_26_1637_EN.pdf
European Commission, questions and answers	https://ec.europa.eu/commission/presscorner/api/files/document/print/en/qanda_26_1638/QANDA_26_1638_EN.pdf

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