

Single Rulebook Q&A

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| Question ID | 2021_6106 |
| Status | Final Q&A |
| Legal act | Regulation (EU) No 575/2013 (CRR) |
| Topic | Supervisory reporting - Leverage ratio |
| Article | 430 |
| Paragraph | - |
| Subparagraph | - |
| COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations | Regulation (EU) 2021/451 - ITS on supervisory reporting of institutions |
| Article/Paragraph | Annex 11 - Leverage |
| Date of submission | 21/07/2021 |
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| Disclose name of institution / entity | No |
| Type of submitter | Competent authority |
| Subject matter | Reporting of items deducted from T1 in RWA columns in C43 (Breakdown of LR Measure) |
| Question | It is not clear from the instructions whether items deducted from T1 should be included in the columns dedicated to RWAs in C43. |
| Background on the question | <p>According to Q&A 2013_584, assets that are deducted from own funds but cannot be categorised otherwise should be included in the row {290} of the C 43.00 template (LR4) even if such a categorisation is not required for determining risk-based own funds requirements. This is in line with the instructions for row 0290 of C 43.00.b and C 43.00.c, where the paragraph "Institutions shall report assets that are deducted from the own funds (e.g. intangibles) but cannot be categorised otherwise here, even if such a categorisation is not required for determining risk-based own funds requirements in columns {*; 0030} and {*; 0040}" has been added only to columns 0010 and 0020. Therefore, it follows that those items are included in columns 0010 and 0020 of C 43.00.b and C 43.00.c respectively but not in columns 0030 and 0040 of C 43.00.b and C 43.00.c respectively. In addition, we would like to confirm that those items can be any of the following: items deducted due to prudential filters, items deducted according to articles 36 to 47 or 56 to 60 of the CRR, items deducted that could alternatively be subject</p> |

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| | to a 1250% RW. |
| EBA answer | <p>According to paragraph 24 of Annex XI of the Implementing Technical Regulation (EU) 2021/451 “institutions shall report the leverage ratio exposure values in LR4 [{C 43.00}] after the application of exemptions and deductions in the LRCalc [{C 47.00}] template”. Subsequently, paragraph 26 requires that “[...] to be consistent with the leverage ratio exposure values, the risk-weighted exposure amounts shall also be reported fully phased in.”</p> <p>In order to maintain consistency with regard to the deductions within {C 43.00, r0290, *} between columns {c0010} and {c0020} presenting information on the leverage ratio exposure value as well as {c0030} and {c0040} presenting information on risk weighted exposure amounts, assets that are deducted from own funds but cannot be categorised otherwise should be included in all columns of row {r0290}.</p> <p>The instructions for {C 43.00, r0290, c0030} and {C 43.00, r0290, c0040} will be amended accordingly.</p> |
| Link | https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2021_6106 |

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