

EBA/ITS/2014/04/rev1

15 June 2015

EBA FINAL draft Implementing Technical Standards

on disclosure of the leverage ratio under Article 451(2) of
Regulation (EU) No 575/2013 (Capital Requirements Regulation –
CRR) - Second submission following the EC's Delegated Act
specifying the LR

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Abbreviations

BCBS	Basel Committee on Banking Supervision
CCPs	Central counterparties
CCR	Counterparty credit risk
CET1	Common equity tier 1
CRD	Capital Requirements Directive
CRR	Capital Requirements Regulation
ITS	Implementing Technical Standards
SFT	Securities Financing Transaction

1. Executive summary

The Capital Requirements Regulation ('CRR') and the Capital Requirements Directive ('CRD IV') texts specify the calculation of the leverage ratio, the reporting of which has been applicable from 1 January 2014. In addition to supervisory reporting, Article 451(1) of the CRR requires institutions to disclose information on the leverage ratio. In accordance with point (2)(a) of Article 521(1) of the CRR, disclosure is applicable from 1 January 2015. To harmonise disclosure, Article 451(2) of the CRR contains a mandate for the EBA to develop draft implementing technical standards (ITS). For these purposes, the European Banking Authority (EBA) published on 5 June 2014 its final draft Implementing Technical Standards (ITS) on disclosure for the leverage ratio, which contain a uniform template and instructions for the disclosure of the leverage ratio and its components.¹ However, in view of the empowerment of the Commission to amend the capital measure and total exposure measure of the leverage ratio through a delegated act by means of Article 456(1)(j) of the CRR, the Commission has so far not adopted the ITS.

The empowerment has been specifically created by co-legislators to address shortcomings in the leverage ratio definition before the requirement for institutions to start disclosing the leverage ratio (i.e. 1 January 2015) was to take place. To this end, on 10 October 2014, the Commission adopted Delegated Regulation (EU) 2015/62 of 10 October 2014 amending Regulation (EU) No 575/2013 of the European parliament and of the Council with regard to the leverage ratio (the Delegated Act or DA) which replaced the original CRR provisions on the calculation of the LR.

The draft disclosure framework published by the EBA on 5 June 2014 was already, as far as possible under the original CRR definition of the leverage ratio, aligned with the BCBS's 'Basel III leverage ratio framework and disclosure requirements' (published on 12 January 2014) and anticipated the entry into force of the Delegated Act. Therefore, all changes brought by the Delegated Act to the calculation of the LR could be inserted into the updated framework without affecting the formerly proposed structure. As a reminder, these changes include: the exposure calculation for SFT transactions, the calculation of the exposure value of derivatives with in particular a recognition for cash variation margin, an additional treatment of credit derivatives, alignment of the conversion factors for off-balance sheet items with the risk based framework, and various exemptions for client cleared transactions.

Together with a number of other aspects, the frequency of disclosure is not included in the mandate for these ITS given to the EBA. Instead, the EBA has been given a mandate to provide an evaluation in the impact report that is due by 31 October 2016 (Article 511(3)(h) of the CRR).

¹ <http://www.eba.europa.eu/regulation-and-policy/leverage-ratio/draft-implementing-technical-standards-its-on-disclosure-for-leverage-ratio>

Similarly, the January 2015 entry into force of the disclosure requirement is directly provided for in Article 521(2)(a) of the CRR.

Just as in the formerly proposed framework of 5 June 2014, the updated framework of these final draft disclosure ITS comprises the following four tables, the first two of which follow the template provided in the BCBS disclosure framework:

1. A table (LRSum) that reconciles the leverage ratio denominator with figures reported under the relevant accounting standards, as required by Article 451(1)(b) of the CRR.
2. A table (LRCom) that provides the leverage ratio and a breakdown of the leverage ratio exposure measure according to exposure categories, and the amount of fiduciary assets that have been derecognised for the purpose of calculating the leverage ratio exposure as per Articles 451(1)(a), 451(1)(b) and 451(1)(c) of the CRR.
3. A table (LRSpl) that provides a breakdown of the leverage ratio exposure for assets that are not derivatives or securities financing transactions ('SFTs') as per Article 451(1)(b) of the CRR. This breakdown of leverage ratio exposure is deemed to be essential by the EBA given that most of the EU institutions' exposures constitute assets that are neither derivatives nor SFTs. The instructions provided in Annex II clarify how institutions can complete the LRSpl table by using information from the ITS on supervisory reporting. In addition, the last paragraph of Article 3 exempts institutions from the requirement to disclose this information on a sub-consolidated basis.
4. A table (LRQua) that provides information on leverage risk and the factors that had an impact on the leverage ratio during the period to which the disclosed information refers as required by Articles 451(1)(d) and 451(1)(e) of the CRR.

2. Background and rationale

On 27 June 2013, Directive 2013/36/EU (the Capital Requirements Directive – CRD IV) and Regulation (EU) No 575/2013 (Capital Requirements Regulation – CRR), which seek to apply the Basel III framework in the EU, were published in the European Union’s Official Journal. These reformulate the contents of the previous Capital Requirements Directive (CRD) and are colloquially referred to jointly as the CRD IV/CRR.

The nature of ITS under EU law

These draft ITS are produced in accordance with Article 15 of the EBA Regulation. Paragraph 4 of that same article specifies that ITS shall be adopted by means of an EU Regulation or Decision.

In accordance with EU law, EU Regulations are binding in their entirety and directly applicable in all Member States. This means that, on the date of their entry into force, EU Regulations become part of the national law of the Member States and their implementation into national law is not only unnecessary but also prohibited by EU law, except in so far as this is expressly required by the EU Regulations in question.

Shaping these rules in the form of a Regulation would ensure that there is a level playing field by preventing diverging national requirements and would facilitate the cross-border provision of services; currently, an institution that wishes to take up operations in another Member State has to apply different sets of rules.

Background and regulatory approach followed in the draft ITS

In December 2010, the Basel Committee on Banking Supervision (BCBS) published rules defining the methodology for calculating the leverage ratio. These rules will be used during the Basel parallel run period that runs from 1 January 2013 until 1 January 2017. During this period, the leverage ratio, its components and its interaction with the risk-based requirement will be monitored. Based on the results of the observation period, the BCBS intends to make any final adjustments to the definition and calibration of the leverage ratio in the first half of 2017, with a view to migrating to a binding requirement on 1 January 2018 based on an appropriate review and calibration. The BCBS rules also provide for disclosure of the leverage ratio and its components starting from 1 January 2015. In its Basel III leverage ratio framework and disclosure requirements, published on 12 January 2014, the BCBS provides detailed proposals for templates and instructions on leverage ratio disclosure.

Tables LRSum and LRCom

The EBA's draft ITS follow the BCBS template and instructions as of 12 January 2014. More specifically:

1. A summary comparison table (LRSum) that reconciles the leverage ratio exposure measure with the figures reported under the relevant accounting standard is included as required by Article (451)(b) of the CRR.
2. A table (LRCom) that provides the leverage ratio, a breakdown of the leverage ratio denominator according to exposure category, and the amount of fiduciary assets that have been derecognised for leverage ratio purposes as per Articles 451(1)(a), 451(1)(b) and 451(1)(c) of the CRR.

Together, these disclosure requirements and the use of uniform templates will facilitate cross-jurisdictional comparison of the amounts used to calculate the leverage ratio on the one hand and the balance sheet amounts disclosed in institutions' published financial statements on the other hand. This will ensure transparency in calculating the leverage ratio and in how this can be related to financial information obtained from accounting standards. While closely following the approach proposed by the BCBS concerning the structure of the templates, the EBA has made appropriate reference to the European regulatory framework in the instructions on filling in these templates, as some provisions in this framework differ slightly from those in the Basel framework.

A number of EU-specific rows have been added to the templates (labelled with an 'EU-' prefix) reflecting specific aspects of the implementation under the CRR. Where appropriate, the terminology contained in the BCBS template and instructions has been retained. In general, the same approach has been adopted as for the ITS on disclosure for own funds (Commission implementing regulation (EU) No 1423/2013).

To complement the templates proposed by the BCBS, the EBA has developed two additional tables. The first of these tables (LRSpl) provides a breakdown of the leverage ratio denominator, excluding derivatives and SFTs, according to counterparty group, and is intended to help market participants identify the drivers of leverage as per Article 451(1)(b) of the CRR. A breakdown of leverage ratio exposure for these assets is deemed to be essential by the EBA given that most of the EU institutions' exposures are concentrated in these assets. The instructions for this table clarify how institutions can complete this part of the template by referring to numbers reported under the supervisory reporting ITS. For the second EU-specific table (LRQua), institutions are required to disclose qualitative information on their management of risk of excessive leverage and factors that have impacted the leverage ratio as required by Article 451(1)(d) and 451(1)(e) of the CRR.

The new and adjusted rows mainly reflect the following changes introduced by the Delegated Act:

- a. Changes to the calculation of the exposure value of repurchase transactions, securities or commodities lending or borrowing transactions, long settlement transactions and margin lending

transactions (SFTs) as the sum of accounting values pursuant to Articles 429 (5) and 429 (8) of the Delegated Act, where netting of cash receivables and cash payables is only applied in case of the same counterparty and different other criteria met, and an add-on for counterparty credit risk in accordance with Article 429b of the Delegated Act.

b. Where an institution acts as an agent in SFTs, only the add-on determined in accordance with Article 429b (2) of the Delegated Act has to be recognised (Article 429b (6) of the Delegated Act).

c. Updates on the calculation of the exposure value of derivatives, with in particular a new row to capture the part of cash variation margin, which may be deducted from the current replacement cost portion pursuant to Articles 429a(3) and 429a(4) of the Delegated Act.

d. As for credit derivatives, an additional treatment following the revised Basel III standards (Articles 429a (5), 429a(6) and 429a(7) of the Delegated Act). This includes the capture of the capped notional amount of written credit derivatives and the capped notional amount of eligible credit derivatives (protection bought) offset against the sold protection.

e. As for exposure value of off-balance sheet items, the changed credit conversion factors (as assigned in accordance with Article 111 (1) of the CRR subject to a floor of 10 % (Article 429 (10) of the Delegated Act)), have to be included.

f. Receivables for cash variation margin provided in derivatives transactions as excluded pursuant to Article 429a(3) of the Delegated Act, in accordance with the Basel III leverage ratio framework.

g. An exemption for the 'leg' to qualifying central counterparties (QCCPs) within client-cleared transactions (Article 429 (11) of the Delegated Act) which require five new rows (for SFTs, for the M-t-M replacement cost and potential future exposure (PFE) components, original exposure measure (OEM), and derivatives collateral provided).

h. Adjustments for SFT sales accounting transactions as per Article 429b(5) of the Delegated Act.

i. The possible exclusion of intragroup exposures (Article 113(6) of the CRR) for the calculation of the leverage ratio by the Delegated Act, which is subject to conditions and authorisation by competent authority. The row reflects the aggregate value of all exposure types excluded by this stipulation.

j. The possible exclusion of exposures arising from deposits that the institution is legally obliged to transfer to a public-sector entity in accordance with the conditions mentioned in Article 429(14) of the Delegated Act.

Other aspects

A number of aspects are not included in the mandate given to the EBA in reference to this ITS in a way that would allow for changes to the treatment provided for in the CRR, such as – in particular – the transitional arrangements for calculating the leverage ratio, the frequency and means of

disclosure, and the scope of application of the disclosure requirements. All these aspects are addressed by the CRR and CRD provisions specified below.

- In relation to the transitional arrangements for capital, Article 499 of the CRR specifies:

'Article 499

Leverage

1. By way of derogation from Articles 429 and 430, during the period between ... and 31 December 2021, institutions shall calculate and report the leverage ratio by using both of the following as the capital measure:*

(a) Tier 1 capital;

(b) Tier 1 capital, subject to the derogations laid down in Chapters 1 and 2 of this Title.

2. By way of derogation from Article 451(1), institutions may choose whether to disclose the information on the leverage ratio based on either just one or both of the definitions of the capital measure specified in points (a) and (b) of paragraph 1 of this Article. Where institutions change their decision on which leverage ratio to disclose, the first disclosure that occurs after such change shall contain a reconciliation of the information on all leverage ratios disclosed up to the moment of the change.

3. By way of derogation from Article 429(2), during the period from 1 January 2014 to 31 December 2017, competent authorities may permit institutions to calculate the end-of-quarter leverage ratio where they consider that institutions may not have data of sufficiently good quality to calculate a leverage ratio that is an arithmetic mean of the monthly leverage ratios over a quarter.'

- In addition, Article 433 of the CRR specifies the following in relation to the frequency of disclosures in general, i.e. not only for leverage ratio purposes:

'Article 433

Frequency of disclosure

Institutions shall publish the disclosures required by this Part at least on an annual basis. Annual disclosures shall be published in conjunction with the date of publication of the financial statements.

Institutions shall assess the need to publish some or all disclosures more frequently than annually in the light of the relevant characteristics of their business such as scale of operations, range of activities, presence in different countries, involvement in different financial sectors, and participation in international financial markets and payment, settlement and clearing systems. That assessment shall pay particular attention to the possible need for more frequent disclosure of

items of information laid down in Article 437, and points (c) to (f) of Article 438, and information on risk exposure and other items prone to rapid change.

EBA shall, in accordance with Article 16 of Regulation (EU) No 1093/2010, issue guidelines by 31 December 2014 on institutions assessing more frequent disclosures of Titles II and III.'

The herein indicated mandate for guidelines has been fulfilled by the EBA's publication of 23 December 2014 (Guidelines on materiality, proprietary and confidentiality and on disclosure – EBA/GL/2014/14).² In particular, these specify that, in particular for institutions of a certain size (meeting one of the indicators provided in paragraph 18 of these GL), a more frequent than annual LR disclosure may have to take place, comprising at least a numerator, denominator and ratio.

- In addition, in relation to specific publication requirements, Article 106 of the CRD specifies the following:

'Article 106

Specific publication requirements

1. Member States shall empower the competent authorities to require institutions:

(a) to publish information referred to in Part Eight of Regulation (EU) No .../2013 more than once per year, and to set deadlines for publication;*

(b) to use specific media and locations for publications other than the financial statements.

2. Member States shall empower competent authorities to require parent undertakings to publish annually, either in full or by way of references to equivalent information, a description of their legal structure and governance and organisational structure of the group of institutions in accordance with Article 14(3), Article 74(1) and Article 109(2).'

- In relation to the scope of application of disclosure requirements Articles 6 and 13 of the CRR are also relevant:

'Article 6

General principles

1. Institutions shall comply with the obligations laid down in Parts Two to Five and Eight on an individual basis.

² <http://www.eba.europa.eu/regulation-and-policy/transparency-and-pillar-3/guidelines-on-materiality-proprietary-and-confidentiality-and-on-disclosure-frequency>

(...)

3. Every institution which is either a parent undertaking, or a subsidiary, and every institution included in the consolidation pursuant to Article 19, shall not be required to comply with the obligations laid down in Part Eight on an individual basis.

(...)

Article 13

Application of disclosure requirements on a consolidated basis

1. EU parent institutions shall comply with the obligations laid down in Part Eight on the basis of their consolidated situation.

Significant subsidiaries of EU parent institutions and those subsidiaries which are of material significance for their local market shall disclose the information specified in Articles 437, 438, 440, 442, 450, 451 and 453, on an individual or sub-consolidated basis.

2. Institutions controlled by an EU parent financial holding company or EU parent mixed financial holding company shall comply with the obligations laid down in Part Eight on the basis of the consolidated situation of that financial holding company or mixed financial holding company.

Significant subsidiaries of EU parent financial holding companies or EU parent mixed holding companies and those subsidiaries which are of material significance for their local market shall disclose the information specified in Articles 437, 438, 440, 442, 450, 451 and 453 on an individual or sub-consolidated basis.

3. Paragraphs 1 and 2 shall not apply in full or in part to EU parent institutions, institutions controlled by an EU parent financial holding company or EU parent mixed financial holding company, to the extent that they are included within equivalent disclosures provided on a consolidated basis by a parent undertaking established in a third country.

4. Where Article 10 is applied, the central body referred to in that Article shall comply with the requirements of Part Eight on the basis of the consolidated situation of the central body. Article 18(1) shall apply to the central body and the affiliated institutions shall be treated as the subsidiaries of the central body.'

3. EBA FINAL draft Implementing Technical Standards on disclosure of the leverage ratio under Article 451(2) of Regulation (EU) No 575/2013 (Capital Requirements Regulation – CRR)



EUROPEAN COMMISSION

Brussels, **XXX**
[...] (2012) **XXX** draft

COMMISSION IMPLEMENTING REGULATION (EU) No .../..

of **XXX**

[...]

**laying down implementing technical standards with regard to disclosure of the
Leverage Ratio for institutions
according to Regulation (EU) 575/2013 of the European Parliament and of the
Council**

COMMISSION IMPLEMENTING REGULATION (EU) No .../...
of XX month 2015

**laying down implementing technical standards with regard to disclosure of the
leverage ratio for institutions, according to Regulation (EU) No 575/2013 of the
European Parliament and of the Council**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,
Having regard to 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 648/2012³, and in particular the third
subparagraph of Article 451(2) thereof,

Whereas:

- (1) The objective of uniform disclosure templates is to help improve transparency and comparability of leverage ratio figures. Therefore, rules for disclosure of the leverage ratio by European institutions should be consistent with international standards (reflected in the 'Revised Basel III leverage ratio framework and disclosure requirements' of the Basel Committee on Banking Supervision – BCBS) adapted to take into account the European regulatory framework and its specificities, in the manner reflected in Regulation (EU) No 575/2013, as amended regarding the capital measure and the total exposure measure of the leverage ratio by Commission Delegated Regulation (EU) 2015/62⁴.
- (2) For the same reasons of improving transparency and comparability of leverage ratio figures, one of the templates for the disclosure of the leverage ratio should provide a breakdown of leverage ratio exposure sufficiently granular to identify the main composition of the leverage ratio, as well as the on-balance sheet exposure, which is usually the biggest part of the leverage ratio exposure.
- (3) Article 429(2) of Regulation (EU) 575/2013, as amended by Regulation (EU) No 2015/62 no longer requires the calculation of the leverage ratio as the simple

³ OJ L 176, 27.6.2013, p. 1.

⁴ Commission Delegated Regulation (EU) 2015/62 of 10 October 2014 amending Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to the leverage ratio.

arithmetic mean of the monthly leverage ratios over a quarter. As a result, there cannot be, any longer, any need for competent authorities to ever provide the permission referred to in Article 499(3) of Regulation (EU) 575/2013. Therefore, the uniform disclosure templates for the disclosure of the leverage ratio no longer need to include any specification about how the institution applies Article 499(3).

- (4) Where, in accordance with the second subparagraph of Article 13(1) of Regulation (EU) No 575/2013, institutions have the obligation to disclose any information on the leverage ratio on the sub-consolidated level, rules on the leverage ratio disclosure should not require those institutions to complete and publish the table entitled 'LRSpl' at the sub-consolidated level, in order to keep administrative burden proportionate to the objectives of the rules on leverage ratio disclosure. Such disclosure templates are required to be completed and published at the consolidated level anyway and their publication at the sub-consolidated level would not provide any considerable added value, given that further breakdown of the total exposure measure for the sub-consolidated level is already provided via the completion of the table entitled 'LRCom'. On the other hand, it could, add considerable burden, as institutions cannot easily derive such a template from the respective supervisory reporting framework, which is not applicable at the sub-consolidated level.
- (5) The scope of consolidation and the valuation methods for accounting purposes and for regulatory purposes can be different, and this results in differences between the information used in the calculation of the leverage ratio and the information used in the published financial statements. In order to reflect this discrepancy, it is necessary to also disclose the difference between the values in the financial statements and the values under the regulatory scope of consolidation of elements in the financial statements that are used to calculate the leverage ratio. Therefore a reconciliation between the two should also be captured in a template.
- (6) To facilitate comparability of the type of information provided, a uniform template and detailed instructions should also be given for the description and disclosure of processes used to manage the risk of excessive leverage, and factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers.
- (7) Point (a) of Article 521(2) of Regulation (EU) 575/2013 provides that Article 451(1) of that Regulation applies from 1 January 2015. As a result, the obligation of institutions to disclose the information related to the leverage ratio was activated already on that date. To ensure that such obligation for disclosure of information related to the leverage ratio is carried out by institutions in an effective and harmonised manner across the Union the soonest possible, it is necessary to require that institutions use the templates for disclosure of such information at the earliest possible date.

- (8) This Regulation is based on the draft implementing technical standards submitted by the European Banking Authority to the European Commission.
- (9) The European Banking Authority has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010,⁵

HAS ADOPTED THIS REGULATION:

Article 1

Disclosure of the leverage ratio and application of Article 499(2) of Regulation (EU) No 575/2013

Institutions shall disclose the leverage ratio and how they apply Article 499(2) of Regulation (EU) No 575/2013, as referred to in point (a) of Article 451(1) of that Regulation, by completing and publishing rows 22 and EU-23 of the table entitled 'LRCom' in Annex I in accordance with the instructions of Annex II.

Article 2

Change of the decision on which leverage ratio to disclose according to Article 499(2) of Regulation (EU) No 575/2013

1. Where, in accordance with Article 499(2) of Regulation (EU) No 575/2013, institutions change their choice of leverage ratio to be disclosed, they shall disclose the reconciliation of the information on all leverage ratios disclosed up to the moment of change by completing and publishing the tables entitled 'LRSum', 'LRCom', 'LRSpl' and 'LRQua' for each of the reference dates corresponding to the leverage ratios disclosed up to the moment of the change.
2. Institutions shall disclose the items referred to in paragraph 1 in the first disclosure that occurs after the change of choice of leverage ratio to be disclosed in accordance with Article 499(2) of Regulation (EU) No 575/2013.

Article 3

⁵ 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, 15.12.2010, p. 12).

Breakdown of the leverage ratio total exposure measure

Institutions shall disclose the breakdown of the leverage ratio total exposure measure, as referred to in point (b) of Article 451(1) of Regulation (EU) No 575/2013, by completing and publishing both of the following:

- a) rows 1 to EU-19b of the table entitled 'LRCom' of Annex I in accordance with the instructions in Annex II;
- b) rows EU-1 to EU-12 of the table entitled 'LRSpl' of Annex I in accordance with the instructions in Annex II.

By way of derogation from point (b), where institutions are required, by virtue of the second subparagraph of Article 13(1) of Regulation (EU) No 575/2013 to disclose on a sub-consolidated basis, they shall not be required to complete and publish the table entitled 'LRSpl' of Annex I on a sub-consolidated basis.

Article 4

Reconciliation of leverage ratio to published financial statements

1. Institutions shall disclose the reconciliation of the leverage ratio exposure to the relevant information in published financial statements, as referred to in point (b) of Article 451(1) of Regulation (EU) No 575/2013, by completing and publishing the table entitled 'LRSum' in Annex I in accordance with the instructions in Annex II.
2. Where institutions do not publish financial statements at the level of application referred to in paragraph 6 of Part 1 of Annex II they shall not be required to complete and publish the table entitled 'LRSum' in Annex I.

Article 5

Disclosure of the amount of derecognised fiduciary items

Institutions shall disclose, where applicable, the amount of derecognised fiduciary items, as referred to in point (c) of Article 451(1) of Regulation (EU) No 575/2013, by completing and publishing row EU-24 of the table entitled 'LRCom' in Annex I, in accordance with the instructions in Annex II.

Article 6

Disclosure of qualitative information on risk of excessive leverage and factors impacting the leverage ratio

Institutions shall disclose the description of the processes used to manage the risk of excessive leverage and of the factors that have had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers, as referred to in points (d) and (e) of Article 451(1) of Regulation (EU) No 575/2013, by completing and publishing the table entitled 'LRQua' in Annex I in accordance with the instructions in Annex II.

Article 7

Final provision

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission
The President

[or]
On behalf of the President
[Position]

[ANNEX 1]

[see separate document]

[ANNEX 2]

[see separate document]

4. Accompanying documents

4.1 Cost-benefit analysis/impact assessment

Given that the changes to the draft disclosure framework for the leverage ratio as published by the European Banking Authority (EBA) on 5 June 2014 are limited in scope and had been anticipated, the cost-benefit analysis/impact assessment made for this framework remains appropriate.⁶

⁶ <http://www.eba.europa.eu/regulation-and-policy/leverage-ratio/draft-implementing-technical-standards-its-on-disclosure-for-leverage-ratio>

4.2 Views of the Banking Stakeholder Group (BSG)

The EBA has not subjected the update to the disclosure framework to public consultation and therefore the views of the BSG, as provided during the consultation of the original framework, can be viewed together with the draft disclosure framework for the leverage ratio as published by the European Banking Authority (EBA) on 5 June 2014.

The update to the draft disclosure framework has not been subjected to consultation on the basis that the changes to the draft disclosure framework for the leverage ratio as published by the European Banking Authority (EBA) on 5 June 2014 are limited in scope and had been anticipated. Please note in this regard that recital 6 of this publication anticipates that the disclosure framework would have to be updated in accordance with the DA and that many rows in the template were earmarked as rows that would be in line with the BCBS template (named 'empty set in the EU') after entry into force of the DA. Also, the changes mirror amendments proposed to the ITS on leverage ratio reporting framework which were subjected to public consultation from 16 December 2014 to 27 January 2015. The updated rows in the disclosure framework take values that are available in the updated reporting framework.

4.3 Feedback on the public consultation and on the opinion of the BSG

The EBA has not subjected the update to the disclosure framework to public consultation and therefore the feedback, as provided during the consultation of the original framework, can be viewed together with the draft disclosure framework for the leverage ratio as published by the European Banking Authority (EBA) on 5 June 2014.

The update to the draft disclosure framework has not been subjected to consultation on the basis that the changes to the draft disclosure framework for the leverage ratio as published by the European Banking Authority (EBA) on 5 June 2014 are limited in scope and had been anticipated. Please note in this regard that recital 6 of this publication anticipates that the disclosure framework would have to be updated in accordance with the DA and that many rows in the templates were earmarked as rows that would be in line with the BCBS template (named 'empty set in the EU') after entry into force of the DA. Also, the changes mirror amendments proposed to the ITS on leverage ratio reporting framework which were subjected to public consultation from 16 December 2014 to 27 January 2015. The updated rows in the disclosure framework take values that are available in the updated reporting framework.

