

Single Rulebook Q&A

Question ID	2020_5266
Status	Final Q&A
Legal act	Directive 2014/59/EU (BRRD)
Topic	BRRD Reporting
Article	12
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) 2018/1624 - ITS on the provision of information for resolution plans
Article/Paragraph	Annex II
Date of submission	19/05/2020
Published as Final Q&A	31/03/2023
Disclose name of institution / entity	No
Type of submitter	Resolution authority
Subject matter	P2G ratio in template Z 03.00
Question	Based on Annex II to Regulation (EU) 2018/1264, OCR and Pillar 2 Guidance (P2G) (row 0600 to row 0620 of template Z 03.00) is the sum of OCR ratio (r0500) for row 0600 and the P2G communicated by the competent authority. Should any relief measures due to the COVID-19 outbreak for P2G be taken into account or not?
Background on the question	Many credit Institutions need a clarification regarding whether they should take into consideration any relief measure for P2G, in the context of COVID-19, for the calculation of OCR and Pillar 2 Guidance (P2G) in reporting or not. Competent authorities have communicated to them a P2G ratio but due to COVID-19 outbreak and the financial consequences, they can operate below this requirement.
Final answer	Rows 0600 to 0620 of template Z 03.00 of Annex I to Regulation (EU) 2018/1624 (ITS on Resolution Planning Reporting) show the sum of the OCR ratio and Pillar 2 Guidance - thus target levels of capital to be met ('to-be-ratios'), not actual levels of capital ('as-is-ratios') as of the reporting reference date. The information reporting should reflect the decision by the competent authority communicated to the entity.

	<p>If a relief measure entails a change to the 'to-be-ratio', i.e. effectively changes the decision communicated by the competent authority, the relief measure should be reflected in template Z 03.00.</p> <p>However, if the relief measure does not entail such a change - i.e. the decision communicated by the competent authority and the 'to-be-ratios' remain effectively the same - the relief measure does not impact the information reported in rows 0600 to 0620 of Z 03.00.</p>
Link	https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2020_5266

European Banking Authority, 04/06/2023
www.eba.europa.eu