

# Single Rulebook Q&A

<b>Question ID</b>	2022_6524
<b>Status</b>	Final Q&A
<b>Legal act</b>	Regulation (EU) No 575/2013 (CRR)
<b>Topic</b>	Transparency and Pillar 3
<b>Article</b>	442
<b>Paragraph</b>	f
<b>Subparagraph</b>	-
<b>COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations</b>	Regulation (EU) 2021/637 - ITS with regard to disclosures of information referred to in Titles II and III of Part Eight CRR
<b>Article/Paragraph</b>	9
<b>Date of submission</b>	22/07/2022
<b>Published as Final Q&amp;A</b>	30/06/2023
<b>Disclose name of institution / entity</b>	No
<b>Type of submitter</b>	Credit institution
<b>Subject matter</b>	Disclosure of Template CR2 where NPE threshold of $\geq 5\%$ has not been breached
<b>Question</b>	<p>As per the mapping tool provided by the EBA, the Pillar 3 Disclosure Templates - 'CR2' is mapped to FinRep Template 24.1. This particular FinRep template is only reportable where the ratio of gross carrying amount of non-performing loans and advances divided by the total gross carrying amount of loans and advances subject to the definition of non-performing according to Article 47a of the CRR is equal to or higher than 5%. One therefore would assume that the 'CR2' Pillar 3 Disclosure template is not required unless the threshold is breached. However, Article 9 within the Pillar 3 ITS appears to imply that that 'CR2' is required regardless of the threshold by large institutions, as called out specifically as part of Point 1(e) of Article 9, This is also apparent in Point 3 of Article 9, where 'CR2' is not mentioned within the paragraph concerned as being a template that is determined for disclosure depending on the threshold. Can the EBA confirm the position on the same, given the requirement from the reporting perspective.</p>
<b>Background on the question</b>	In terms of background, there appears to be a conflict between the FinRep reporting ask and that of the Pillar 3 Disclosure ITS requirements. From the FinRep perspective, the respective template (F 24.1) is only required when

	the NPL threshold is breached i.e. => 5%, yet the Pillar 3 ITS with respect to the disclosure of 'CR2' makes no distinction.
<b>Final answer</b>	In accordance with the instructions in Annex XVI to Regulation (EU) 2021/637 referred to in Article 8 (1) (e) of this Regulation, the template EU CR 2 is applicable to all institutions subject to Article 442 CRR.
<b>Link</b>	<a href="https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2022_6524">https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2022_6524</a>

European Banking Authority, 06/12/2023

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