

Single Rulebook Q&A

Question ID	2023_6679
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Transparency and Pillar 3
Article	449a
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) 2022/2453 - ITS on ESG disclosures
Article/Paragraph	n.a.
Date of submission	04/01/2023
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Disclose name of institution / entity	No
Type of submitter	Other
Subject matter	ESG P3 - Template 5 - NUTS codes for geographical areas outside EU
Question	Does the regulation authorize to disclose any geographical area located outside European Union (EU) and UK?
Background on the question	Instructions from COMMISSION IMPLEMENTING REGULATION (EU) 2022/2453 of 30 November 2022: "Geographical area subject to climate change acute and chronic events Institutions shall cover geographical areas exposed to adverse impact from climate-change physical events. These geographical areas include the countries or other geographical or administrative regions where the counterparty's activities or the collateral are located, and which are exposed to chronic or acute climate-change events. For geographical coverage of the exposures, institutions shall use the level of divisions indicated in Nomenclature of Territorial Units for Statistics (or NUTS), as appropriate." We interpret the last sentence "For geographical coverage of the exposures, institutions shall use the level of divisions indicated in Nomenclature of Territorial Units for Statistics (or NUTS), as appropriate" as ONLY NUTS code can be used to set a geographical area to disclose. NUTS codes are only available for European Union countries and

	<p>UK. Therefore, we derive, by strictly reading the regulation, that it is not possible to disclose Geographical area subject to climate change acute and chronic events which are located outside EU and UK. It means for example it is not possible to disclose for geographical areas such as Switzerland, US, Japan, China and more.</p>
Final answer	<p>Regulation (EU) No. 2022/2453 of 30 November 2022 (ITS on ESG disclosures) requires the disclosure of information related to geographical areas subject to climate change acute and chronic events on a worldwide basis when relevant.</p> <p>As specified in Annex II, for the geographical coverage of the exposures institutions shall use the level of divisions indicated in Nomenclature of Territorial Units for Statistics (or NUTS), as appropriate. Therefore the NUTS taxonomy should be preferred whenever possible. Should the institution deem that for the purpose of a better understanding of the disclosure, an alternative presentation of the data is more appropriate, the Institutions should explain their choice and the rationale behind it in the accompanying narrative, together with the disclosing of any other sources of information that they may be using when relevant.</p>
Link	<p>https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2023_6679</p>

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