

Single Rulebook Q&A

Question ID	2013_107
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - COREP (incl. IP Losses)
Article	99
Paragraph	5
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
Article/Paragraph	Annex I, C 09.03
Date of submission	31/07/2013
Published as Final Q&A	14/02/2014
Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	COREP: CR GB 3 Template
Question	Can the EBA please confirm if there is a threshold below which this template does not require to be completed? Our non-domestic % is circa 0.8% and covers circa 100 countries.
Background on the question	The work involved in populating this template would appear disproportionate where the 'own fund requirements for credit risk' is such a low percentage.
EBA answer	<p>The template CR GB 3 shows the amount which is the basis for the calculation of the institution specific countercyclical capital buffer. The rules currently in place do not include a threshold for its determination; therefore there is no threshold for reporting purposes included in the instructions for the template CR GB 3. Hence institutions have to determine the own funds requirements for credit risk in any case (irrespective of the number of foreign exposures) to be able to calculate the additional requirements from 2016 onwards.</p> <p>It must be noted that the reporting obligation starts in 2014; this is independent from the fact that the institution specific countercyclical capital buffer is applicable from 2016 onwards.</p>

	<p>As for the presence of other threshold, Article 5(a)(4) of the <u>Regulation (EU) No 680/2014</u> 13 <u>ITS on supervisory reporting of institutions</u> ITS on supervisory reporting defines a threshold for the reporting of templates CR GB1 and CR GB 2. Differently, as stated in the instructions of COREP (Annex II of the ITS), this threshold does not apply to CR GB 3. Consequently, template CR GB 3 shall be reported by all entities, while CR GB 1 and CR GB 2 only by those beyond the threshold defined in Article 5(a)(4) of the ITS.</p> <p>Having said that, it should be noted that the <u>Final Draft Regulatory Technical Standards on the method for the identification of the geographical location of the relevant credit exposures under Article 140(7) of the Capital Requirements Directive (CRD)</u> EBA-CP-2013-35 recently issued by EBA envisages a proportionality threshold so that foreign exposures below it (a 2% of the overall credit risk exposure is proposed) could be allocated to the country in which the institution is registered.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_107

European Banking Authority, 19/01/2022
www.eba.europa.eu