

## Chapter 5

# Commission Implementing Regulation (EU) 2016/200

Preamble

THE EUROPEAN COMMISSION,  
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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 648/2012, and in particular the third subparagraph of Article 451(2) thereof,

01/01/2021

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 institutions supervised under Directive 2013/36/EU of the European Parliament and of the Council should be consistent with international standards as 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 Union regulatory framework and its specificities, as laid down in Regulation (EU) No 575/2013.

(2) For the same reasons of improving transparency and comparability of leverage ratio figures, it is appropriate that one of the templates for the disclosure of the leverage ratio provides a breakdown of leverage ratio total exposure measure 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 total exposure measure.

(3) Article 429(2) of Regulation (EU) No 575/2013, as amended by Regulation (EU) 2015/62, no longer requires the calculation of the leverage ratio as the simple arithmetic mean of the monthly leverage ratios over a quarter but only requires a calculation as at the end of the quarter. As a result, there should no longer be any need for competent authorities to provide the permission to calculate the end-of-quarter leverage ratio referred to in Article 499(3) of Regulation (EU) No 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 at sub-consolidated level and in order to keep the administrative burden

proportionate to the objectives of the rules on leverage ratio disclosure, rules on the leverage ratio disclosure should not require those institutions to complete and publish the template entitled "LRSpl" at sub-consolidated level. This disclosure template is required to be completed and published at the consolidated level and its publication at 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 template entitled "LRCom". Furthermore, publication of the LRSpl template could add considerable burden on institutions as they cannot easily derive such a template from the respective supervisory reporting framework, which is not applicable at 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 also necessary to 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 presented in a template.

(6) To facilitate comparability of the information disclosed, a uniform template and detailed instructions should also be provided 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) Article 451(1) of Regulation (EU) No 575/2013 started to apply from 1 January 2015. To ensure that the obligation to disclose the 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 of the European Parliament and of the Council,

HAS ADOPTED THIS REGULATION: