

**EBA REPORT ON THE USE OF EXEMPTIONS  
FROM THE LIMITS TO LARGE EXPOSURES,  
UNDER ARTICLE 507(1) OF REGULATION (EU)  
No 575/2013 AMENDED BY REGULATION (EU)  
No 876/2019**

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**EBA**

EUROPEAN  
BANKING  
AUTHORITY

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# Executive Summary

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## *Motivation*

Article 507(1) of Regulation (EU) No 575/2013 amended by Regulation (EU) No 2019/876 mandates the EBA to monitor the use of a specific subset of exemptions to the large exposures limits, also assessing the quantitative impact that the removal of those exemptions or the setting of a limit on their use would have.

## *The data*

For this report, the EBA conducted an ad hoc data-collection exercise involving about 181 EU institutions on the reference date 30 June 2021. This data was complemented by COREP data.

## *The limitations of the data-collection exercise*

Through the interactions with institutions involved in the data-collection exercise and the discussions with the NCAs/NCBs experts, some issues in terms of representativeness of the data for some specific exemptions emerged. This aspect and its possible impacts are widely discussed in the report.

## *The report*

The report provides detailed quantitative evidence about the use of the exemptions (as of June 2021) but does not contain any policy recommendations. Neither does it assess whether the continued use of the exemptions in the current or in an adjusted form may be warranted from a prudential perspective. However, relying on a sample means that this report will not capture possibly significant effects on individual institutions with specific business models or size and this report is to be seen as a contribution (bearing in mind its limitations) to an informed discussion on any future policy conclusions.

## *Main results*

Some of the exemptions under examination are widely used across the EU and their removal would have a material impact, in detail: exemptions set out in points f, g, and j of Article 400(1) of the CRR and points a, c and g of Articles 400(2)/493(3) of the CRR.

# 1. Introduction

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## 1.1 Background

Article 507(1) of Regulation (EU) No 575/2013 amended by Regulation (EU) No 2019/876 (CRR) mandates the EBA to monitor the use of exemptions/exclusions set out in point (b) of Article 390(6) of the CRR, points (f) to (m) of Article 400(1) of the CRR, point (a) and points (c) to (g), (i) to (k) of Article 400(2) of the CRR and by 28 June 2021 submit a report to the Commission assessing the quantitative impact that the removal of those exemptions or the setting of a limit on their use would have.

That report shall assess, in particular, for each exemption provided for in those Articles of the CRR: (a) the number of large exposures exempted in each Member State; (b) the number of institutions that make use of the exemption in each Member State; and (c) the aggregate amount of exposures exempted in each Member State.

The initially envisaged deadline was postponed because some of the exemptions to be analysed have been introduced or modified by Regulation (EU) No 2019/876 and they only entered into force on 28 June 2021. The report is meant to provide only a descriptive analysis of the information requested and does not contain policy content.

The exposures listed in paragraph (1) of Article 400 of the CRR are exempted from compliance with the limits to the large exposures (LEs) as defined in Article 395(1) of the CRR. While they do not count towards the limits, they must be calculated and reported in the official reporting templates<sup>1</sup> (COREP). Moreover, paragraph (2) of Article 400 of the CRR sets out exposures that competent authorities (CA) may choose to exempt.

Although not explicitly mentioned by the mandate under Article 507(1) of the CRR, the EBA deemed it necessary to also include in the scope of the report the exemptions that Member States (MS) can exercise under their relevant national law when implementing Article 493(3) of the CRR. Article 493(3) of the CRR allows the same discretions as Article 400(2) of the CRR which MS can transpose into their respective national law for a limited period of time (until 31 December 2028)<sup>2</sup>. As such, the scope of the EBA report was enlarged to include point (a) and points (c) to (g) and points (i) to (k) of Article 493(3) of the CRR. The main reason for this extension is that it allows to have the full picture on the use of exemptions covered by the mandate in the EU.

The report is meant to provide quantitative evidence about the use of the exemptions (as of June 2021) but does not contain any policy recommendations. For this reason, it was decided to limit

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<sup>1</sup> Annexes VIII & IX of Commission Implementing Regulation (EU) No 2021/451 of 17 December 2020 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) No 680/2014.

<sup>2</sup> The EBA website provides information on the MS exercising national discretions: <https://www.eba.europa.eu/supervisory-convergence/supervisory-disclosure/options-and-national-discretions>



the impact analysis to the case of the removal of the exemptions and not analysing setting specific limits on their use.

## 1.2 The data collection

Since the mandate is quite narrow in its formulation and is demanding detailed quantitative information, a data collection was deemed necessary.

Pursuant to Article 394 of the CRR, all exposures defined as a large exposure as per Article 392 of the CRR, including those exempted from the application of large exposure limits referred in Article 395(1) of the CRR, must be reported. Furthermore, pursuant to Article 394 of the CRR, institutions are also required to report on a consolidated basis every exposure not considered as large exposure according to Article 392 of the CRR but being one of their 20 largest exposures (only for IRB credit institutions), or having a value larger than or equal to EUR 300 million, or being one of their 10 largest exposures to institutions, or one of their 10 largest exposures to shadow banking entities which carry out banking activities outside the regulated framework<sup>3</sup>.

This means that institutions have to report quarterly and at a granular level all the above mentioned exposures ('LEs' or in singular 'LE' in the present report) including exposures that are exempted under Article 400(1) of the CRR or that may be exempted under Article 400(2) of the CRR or under the respective national law implementing Article 493(3) of the CRR.

The COREP<sup>4</sup> templates<sup>5</sup> C 26.00 - C 29.00 enable quantifying, at single borrower level, the effect of the application of the credit risk mitigation (CRM) techniques and the exemptions provided by Article 400(1) and 400(2) of the CRR and by Article 493(3) of the CRR, respectively, but there are some limitations to the use of the COREP data for the purposes of this mandate:

- Exposures falling under Article 390(6)b of the CRR and which are required to be analysed by the mandate, are not considered exposures for the LEs framework and are therefore not reported.
- It would be impossible to disentangle the effect of each exemption in Article 400(1) and 400(2) of the CRR and Article 493(3) of the CRR, respectively.
- Some of the exemptions are used at a solo level for intra-group exposures but at a consolidated level their impact is cancelled out (In the entire report, unless specified, the mention 'intra-group' will refer to exposures related to subsidiaries of the sample institutions – exposures of the sample institutions with their consolidated subsidiaries or exposures between their consolidated subsidiaries. These exposures are not reported in those institutions' consolidated COREP / Template because they are eliminated at the HLC at MS level)

For the reasons above, the EBA has started a specific data-collection exercise regarding the use of some of the LE exemptions/exclusions provided by Articles 390(6)b, 400(1), 400(2) and 493(3) of

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<sup>3</sup> In addition to that, some specific exposures are also reported by institutions based on specific MS instructions

<sup>4</sup> <https://www.eba.europa.eu/risk-analysis-and-data/reporting-frameworks>

<sup>5</sup> In the entire report, the word "template" in lowercase is used for the COREP tables

the CRR. In collaboration with experts of the national competent authorities (NCAs) and some national central banks (NCBs), the EBA defined a sample of 181 institutions from 25 EU/EEA countries. The sample composition was meant to ensure the representativeness for the institutions in scope. Even if the sample includes also some local/regional institutions as well as subsidiaries of EU institutions, it is more representative of all the large institutions and for some jurisdictions the small institutions are underrepresented in the sample. Indeed, including a significant number of small institutions would have significantly increased the costs of the data collection. This implies that the report will not capture possibly significant effects on individual institutions with specific business models or size and this report is to be seen as a contribution (bearing in mind its limitations) to an informed discussion on any future policy conclusions.

The EBA shared to the participating institutions a questionnaire including six Templates<sup>6</sup>. With the aim of reducing the burden for the institutions, the EBA relied as much as possible on the COREP definitions and collected only the information, which was not available to the EBA. For the exemptions in Article 400(1) and 400(2) of the CRR and Article 493(3) of the CRR, the information is collected at granular level (groups of connected clients and individual clients – individual clients can be LEs on their own or can be part of a group of connected clients ‘GCC’ that is a LE). That is the same level of reporting as in COREP. For the exclusion in point (b) of Article 390(6) of the CRR and for the exemptions applied to intra-group exposures the information was collected at aggregate level.

## 2. The Data

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The report relies on two sources of data: regulatory reporting templates (COREP) and a specific data-collection exercise carried out by the EBA with the help of the experts of the NCAs/NCBs. The reference date is 30 June 2021.

### 2.1 COREP

The main database is the EBA supervisory data, which contains quarterly or monthly financial data for a sample of large credit institutions in the EU. Uniform reporting requirements are set by the EBA with the Commission Implementing Regulation (EU) No 2021/451 laying down ITS regarding supervisory reporting of institutions (COREP) that repealed Regulation (EU) No 680/2014 as of 17 December 2020. Data are collected both at the highest level of consolidation and at solo level.

The ad-hoc data-collection exercise focused on the details of the exemptions used by the institutions (such information is not considered in the supervisory data). All the other information is retrieved from COREP. In particular, COREP templates C 28.00 and C 29.00 provide, at the level

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<sup>6</sup> In the entire report, the word “Template” with an initial capital letter is used for the data collections tables

of groups of connected clients and individual clients, the amount of the exposures before and after the application of the CRM techniques and after the application of exemptions.

The table below shows the number of groups (institutions reporting at the Highest Level of Consolidation (HLC) within a MS) and individual institutions not belonging to a group that reported LE figures on 30 June 2021. The analysis is based on data from 3,157 credit institutions (groups or institutions not belonging to a group), representing 27 EU MS (plus Iceland), for which the EBA receives COREP templates on a regular basis (EBA-sample). The data used is extracted mainly from the templates C 26.00 – C 29.00 of COREP. The EBA-sample covers both globally active and other significant institutions (G-SIIs and O-SIIs), as well as other credit institutions (including less significant institutions) and also financial holding companies. The list of institutions has been defined considering the HLC at MS level.

In terms of total assets, the EBA-sample covers approximately EUR 34 trillion (as of June 2021). Since the EBA does not receive FINREP information from all institutions, the amount of total assets (template F.01 row 380) has been proxied with the amount of total exposures used for the computation of the leverage ratio (template C 47.00 row 290). This definition is broader than the definition of total assets as it encompasses the off-balance-sheet exposures that are transformed into credit equivalents through the application of credit conversion factors. This implies that along with this definition the figures are likely to be somewhat higher than what could be obtained with the FINREP definition.

Table 1: Number of groups and individual institutions not belonging to the groups reporting the LEs information - 30 June 2021

| Country    | Institutions |                          | -- of which -- |              | Total Assets<br>(€ bn) |
|------------|--------------|--------------------------|----------------|--------------|------------------------|
|            |              | of which<br>Subsidiaries | Groups         | Indiv.       |                        |
| <b>ALL</b> | <b>3,157</b> | <b>701</b>               | <b>484</b>     | <b>2,673</b> | <b>33,906.2</b>        |
| AT         | 396          | 5                        | 35             | 361          | 1,106.4                |
| BE         | 28           | 6                        | 16             | 12           | 1,322.9                |
| BG         | 18           | 6                        | 9              | 9            | 69.1                   |
| CY         | 12           | 4                        | 4              | 8            | 87.5                   |
| CZ         | 21           | 8                        | 6              | 15           | 317.9                  |
| DE         | 1,329        | 17                       | 78             | 1,251        | 7,192.1                |
| DK         | 55           | 0                        | 16             | 39           | 972.9                  |
| EE         | 7            | 2                        | 7              | 0            | 45.5                   |
| ES         | 76           | 9                        | 40             | 36           | 3,701.5                |
| FI         | 13           | 1                        | 11             | 2            | 782.6                  |
| FR         | 91           | 6                        | 44             | 47           | 8,390.4                |
| GR         | 15           | 0                        | 8              | 7            | 274.2                  |
| HR         | 21           | 9                        | 5              | 16           | 77.7                   |
| HU         | 18           | 11                       | 10             | 8            | 170.6                  |
| IE         | 19           | 6                        | 8              | 11           | 587.0                  |
| IS         | 8            | 0                        | 3              | 5            | 31.6                   |
| IT         | 144          | 11                       | 52             | 92           | 3,365.8                |
| LT         | 13           | 2                        | 7              | 6            | 32.8                   |
| LU         | 81           | 28                       | 18             | 63           | 592.1                  |
| LV         | 13           | 2                        | 10             | 3            | 22.0                   |
| MT         | 22           | 3                        | 7              | 15           | 36.3                   |
| NL         | 31           | 2                        | 21             | 10           | 2,231.1                |
| PL         | 544          | 530                      | 5              | 539          | 438.2                  |
| PT         | 33           | 8                        | 18             | 15           | 464.9                  |
| RO         | 19           | 8                        | 10             | 9            | 113.0                  |
| SE         | 106          | 3                        | 23             | 83           | 1,340.6                |
| SI         | 13           | 7                        | 7              | 6            | 51.3                   |
| SK         | 11           | 7                        | 6              | 5            | 88.6                   |

Source: COREP template C 47.00

The following table provides the total number of the LEs reported in COREP C 28.00 on the reference date 30<sup>th</sup> June 2021. It is important to point out that for groups of connected clients, LEs can be the sum of exposures of different clients and that the same clients could be part of different LEs. This explains why the sum of the total original exposure (column 040 of template C 28.00) over all the LEs may be higher than the total assets reported by the institutions.

*Table 2: Number of LEs and total original exposures - 30 June 2021*

| Country    | LEs           | Original Exposure (€bn) |
|------------|---------------|-------------------------|
| <b>ALL</b> | <b>57,567</b> | <b>40,731.2</b>         |
| AT         | 6,081         | 1,982.9                 |
| BE         | 735           | 733.4                   |
| BG         | 401           | 39.9                    |
| CY         | 269           | 46.7                    |
| CZ         | 326           | 202.2                   |
| DE         | 19,439        | 6,368.9                 |
| DK         | 843           | 369.1                   |
| EE         | 123           | 17.3                    |
| ES         | 2,018         | 1,622.0                 |
| FI         | 534           | 278.6                   |
| FR         | 4,207         | 12,982.8                |
| GR         | 365           | 128.2                   |
| HR         | 596           | 653.4                   |
| HU         | 410           | 106.0                   |
| IE         | 436           | 871.4                   |
| IS         | 114           | 5.9                     |
| IT         | 3,487         | 8,880.3                 |
| LT         | 208           | 20.4                    |
| LU         | 3,462         | 546.9                   |
| LV         | 330           | 19.1                    |
| MT         | 284           | 12.9                    |
| NL         | 1,454         | 1,202.8                 |
| PL         | 7,566         | 1,846.4                 |
| PT         | 521           | 235.2                   |
| RO         | 339           | 332.0                   |
| SE         | 2,458         | 1,075.5                 |
| SI         | 365           | 95.8                    |
| SK         | 196           | 55.0                    |

*Source: COREP template C 28.00*

## 2.2 Data collection

### The data-collection exercise

Through a data-collection exercise held jointly by the EBA and NCAs/NCBs, details on the exemptions used were collected per LEs reported in the C 28.00 and C 29.00 COREP templates. In addition, information was gathered on the use of the exemptions for intra-group exposures, as well as aggregate data on the use of the exclusion set out in point (b) of Article 390(6) of the CRR.

### Representativeness of the data-collection sample

Table 3 shows the number of institutions by country included in the sample. The list of institutions was defined in collaboration with experts from the NCAs/NCBs. To increase the representativeness in some countries, some subsidiaries<sup>7</sup> of EU institutions were included. Through the data-collection exercise, information about each specific exemption used was collected for all the LEs (which can be GCC or individual client) plus for the individual clients (the ones not being LE on their own but being part of the GCCs that are an LE) of the institutions included in the sample. Information has also been collected concerning the use of the exemptions for intra-group exposures. Additionally, aggregate data about the use of the exclusion set out in point (b) of Article 390(6) of the CRR was collected at aggregate level. The representativeness of the institutions included in the sample is shown by the comparison at country level between the sum of total assets (proxy), original exposures reported by the institutions in the sample and the same figures stemming from the respective COREP reporting (see Table 1 and 2).

As regards the representativeness of the reference date (i.e. 30 June 2021) only one institution of the sample pointed out that the reference date was not representative for the exclusion of Article 390(6)b of the CRR (as the exemption deals with exposures incurred in the ordinary course of settlement during five business days, the amount outstanding at reference date is not necessarily representative for the reporting period); two institutions of the sample explained that the reference date was not representative for the exemptions of Article 400(1)f of the CRR (dealing with intra-group<sup>8</sup>/IPS exposures) and one of them added that it was also not representative for the exemption of Article 400(1)l of the CRR (dealing with clients' trade exposures). The reference date as being not representative was also mentioned by one institution for the exemption of Article 493(3)f of the CRR (dealing with intra-day exposures to institutions) and by one institution for the exemption of Article 493(3)c of the CRR (intra-group exposures<sup>9</sup>). These institutions were kept in the following analysis.

Then, the use of exemptions of Articles 400(1)g and 400(2)/493(3)e of the CRR might be underestimated in some jurisdictions, due to the fact that these exemptions are used by less significant institutions.

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<sup>7</sup> Groups or individual institutions in the Member State belonging to a parent institution in the EU

<sup>8</sup> Here the "intra-group" means exposures within a group as defined in Article 113(6) of the CRR

<sup>9</sup> Here the "intra-group" means exposures within a group as defined in Article 493(3)c of the CRR

Additionally, it should be noted that some exemptions – namely the ones mentioned in Articles 400(2)/493(3)d of the CRR - are specific of certain business models where the institution is associated in a network in accordance with legal or statutory provisions with a regional or central credit institution such as the cooperative networks. Therefore, the data presented for the use of this exemption may not be representative due to the assumptions under which the definition of the sample of institutions participating in the data collection was undertaken (e.g. in terms of the business model of the participating institutions and the level of application of the data collection).

The exemption of Article 400(2)f of the CRR might be more used than shown in the report as this data-collection exercise only reflects a specific point in time, and it does not necessarily reflect the use or need for the exemption for overnight exposures at a different time of the month or the year.

The use of the exemption of Article 400(2)k of the CRR might be under-estimated for significant institutions because this exemption was not in force at the time of the data collection (as of end of June 2021), as it was implemented by the ECB through the recently adopted O&D Regulation (published on 25 March 2022). Therefore, at the reference date of the data collection (30/06/2021), significant institutions were not allowed to use the exemption of Article 400(2)k of the CRR. It is worth mentioning that none of the institutions in the sample mentioned this problem.

Furthermore, it should be noted, that according to the instructions of the data collection, only LEs affected by exemptions covered by the mandate had to be reported. As such, the use of the exclusion of Article 390(6)b of the CRR was only reported for exposures using at least one of those exemptions. As a consequence, it cannot be excluded that exposures making use only of the exclusion of Article 390(6)b of the CRR were not reported by the institutions of the sample.

For intra-group data, about the representativeness of the reference date (i.e 30 June 2021) of the reported templates, only one institution of the sample pointed out that the reference date was not representative for the exemptions of Article 493(3)c and f of the CRR. This institution was kept in the following analysis.



*Table 3: Composition of the sample and representativeness in terms of Total Assets and Original Exposures – 30 June 2021<sup>10</sup>*

| Country    | Institutions |                       | -- of which -- |           | Share of Tot Asset | Share of Orig Expo |
|------------|--------------|-----------------------|----------------|-----------|--------------------|--------------------|
|            |              | of which Subsidiaries | Groups         | Indiv.    |                    |                    |
| <b>All</b> | <b>181</b>   | <b>17</b>             | <b>109</b>     | <b>72</b> | <b>72.2%</b>       | <b>83.2%</b>       |
| AT         | 8            | 0                     | 6              | 2         | 55.3%              | 75.1%              |
| BE         | 8            | 3                     | 5              | 3         | 57.3%              | 55.7%              |
| BG         | 3            | 0                     | 3              | .         | 17.7%              | 13.0%              |
| CY         | 4            | 0                     | 2              | 2         | 57.8%              | 57.1%              |
| DE         | 54           | 0                     | 16             | 38        | 50.0%              | 66.0%              |
| DK         | 6            | 0                     | 5              | 1         | 90.8%              | 87.5%              |
| ES         | 5            | 0                     | 5              | .         | 62.9%              | 65.9%              |
| FI         | 3            | 0                     | 3              | .         | 92.7%              | 96.2%              |
| FR         | 12           | 0                     | 8              | 4         | 95.0%              | 98.3%              |
| GR         | 4            | 0                     | 4              | .         | 96.2%              | 96.8%              |
| HU         | 3            | 0                     | 1              | 2         | 44.5%              | 25.5%              |
| IE         | 6            | 0                     | 3              | 3         | 79.3%              | 91.0%              |
| IT         | 7            | 0                     | 7              | .         | 65.4%              | 84.3%              |
| LU         | 11           | 5                     | 6              | 5         | 62.2%              | 73.2%              |
| MT         | 4            | 0                     | 3              | 1         | 74.6%              | 61.4%              |
| NL         | 5            | 0                     | 5              | .         | 89.7%              | 84.6%              |
| PL         | 9            | 3                     | 4              | 5         | 63.0%              | 96.5%              |
| PT         | 8            | 2                     | 8              | .         | 84.0%              | 88.9%              |
| SE         | 10           | 0                     | 7              | 3         | 81.7%              | 90.0%              |
| SI         | 3            | 1                     | 3              | .         | 65.6%              | 56.4%              |
| OTH        | 8            | 3                     | 5              | 3         | 21.4%              | 42.6%              |

*Source: Data Collection and COREP templates C 47.00 and C 28.00*

<sup>10</sup> OTH: includes EE, HR, LV, RO, SK. For these countries, less than 3 institutions were available in the Data collection

## 3. Detailed information on the exemptions (Data collection)

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### 3.1 Introduction

Based on the Templates received from the 181 institutions by NCAs/NCBs, and shared with the EBA, the EBA analysed the use of the exemptions/exclusions of the Articles 400(1), 400(2), 493(3) and 390(6)b of the CRR. In the data-collection instructions, the EBA requested the responding institutions to aggregate the exemptions of Article 400(1)a, b, c, d and e of the CRR in 'other exemptions of Article 400(1) of the CRR', the exemptions of Article 400(2)b and h of the CRR into 'other exemptions of Article 400(2) of the CRR' and the exemptions of Article 493(3)b and h of the CRR into 'other exemptions of Article 493(3) of the CRR'. The use of these exemptions is not analysed in this report as they are not part of the mandate set out in Article 507(1) of the CRR. For each exemption of Articles 400(1), 400(2) and 493(3) of the CRR included in the mandate the following analysis is included:

- the number of LEs exempted in each MS,
- the number of institutions using the exemption in each MS,
- the aggregate amount of exposures exempted in each MS,
- the impact of removing the exemption.

In the data-collection exercise, institutions were asked to report only the LEs (and the related connected individual clients for GCCs) affected by at least one of the exemptions mentioned in the mandate set out in Article 507(1) of the CRR. A detailed data quality check has been conducted and institutions have been requested to resubmit the Templates in case data issues were found. A limited number of problems remained and this leads to discarding some data points for the sections 3.2, 3.3, 3.4 and 3.5 of the report (except for the figures on intra-group exemptions for which the quality checks results are detailed below). It can be observed that they represent a limited share of the data collected as the number of LEs deleted from the data collection represents 4% of the number of LEs reported. The table below provides the number of institutions concerned by deletions of LEs.

*Table 4: number of institutions concerned by deleted records*

| <b>Country</b> | <b>LEs</b> |
|----------------|------------|
| <b>All</b>     | <b>22*</b> |
| AT             | 3          |
| BE             | 2          |
| DE             | 7          |
| DK             | 3          |
| FR             | 1          |
| GR             |            |
| HU             | 2          |
| IE             | 1          |
| IT             |            |
| NL             | 2          |
| SE             | 1          |

*Source: Data Collection*

*\* Only 6 of these 22 institutions were completely deleted from the 181 initial institutions. Then, unless specified, the ‘sample’ for the following analysis concerns 175 institutions*

For intra-group exemptions, 101 institutions reported data and after data quality checks, 100 of them were kept for the related figures in the following sections.

In sections 3.2, 3.3, 3.4 and 3.5 the analysis is often subdivided into two parts:

- a first part related to the exposures and exemptions that the reporting institution accounts at the level the institution reported the Template (called ‘consolidated’ level in the following sections) and
- a second part related to the intra-group exemptions used by the institution (as a reminder, ‘intra-group’ refers to exposures related to subsidiaries of the sample institutions – exposures of the sample institutions with their consolidated subsidiaries or exposures between their consolidated subsidiaries. These exposures are not reported in those institutions’ consolidated COREP / Template because they are eliminated at the HLC at MS level.

## 3.2 Number of LEs exempted in each Member State

The figures presented in this section aim to provide information on the number of LEs for which the sample institutions made use of the exemptions covered by this mandate.

Table 5 and Table 8 show the number of LEs to which the exemptions of Article 400(1), 400(2) and 493(3) of the CRR were applied - reported by the sample institutions – broken down by country. The second column shows the relative share of LEs reported by the institutions considered for each country (among the total 14 thousand LEs reported by the institutions in the sample)<sup>11</sup>. The other columns, two for each exemption, show the reported number of LEs for which the exemption was used and the relative share of these LEs for each country. For example, in Table 5, it is shown that the exemption of Article 400(1)f of the CRR is applied to 282 different LEs of which 90% stems from DE sample institutions. This proportion of 90% can be read with the proportion of DE LEs in the sample that is shown in the second column: 22%. The fact that 90% is above 22% could highlight that the exemption of Article 400(1)f of the CRR is more used in DE than in other countries.

Table 6 and Table 9 also provide the information about the use of exemptions for intra-group exposures. For example, Table 6 shows that the exemption of Article 400(1)f of the CRR is used 13 times by the subsidiaries of the DE sample institutions (or by these institutions towards their consolidated subsidiaries), and those exemptions are not shown because of intra-group consolidation in Table 5.

In this section, detailed information on the number of individual clients<sup>12</sup> concerned by the use of the exemptions analysed was added. Indeed, LEs can be related to an individual client - not belonging to a group of connected clients - or to a GCC and in the latter case, institutions provide additional information in the COREP and in the Templates about the individual clients that compose these GCCs. Table 7 and Table 10 show - by country and for data reported by the sample institutions - the number of individual clients that are LEs plus the individual clients that are not LEs on their own but included in a GCC that is a LE. As such, number of individual clients is greater than the number of LEs and this is easily observed by comparing, for instance, Table 5 and Table 7. The second column of Table 7 and Table 10 reports the relative share of individual clients reported by the institutions considered for each country. The other columns work similarly to Table 5 and Table 8.

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<sup>11</sup> As explained in Section 1.2 (and reminded here below), the number of LEs reported in the second column could encompass exposures not considered as large exposures according to Article 392 of the CRR and amongst other, could include exposures subject to specific national reporting requirements. As such, an overestimation of the number of LEs reported might be observed for some MS(s) compared to others.

As a reminder, Section 1.2 explains that pursuant to Article 394 of the CRR, institutions are also required to report on a consolidated basis every exposure not considered as LEs according to Article 392 of the CRR but being one of their 20 LEs (only for IRB credit institutions), or having a value larger than or equal to EUR 300 million, or being one of their 10 largest exposures to institutions, or one of their 10 largest exposures to shadow banking entities which carry out banking activities outside the regulated framework. In addition to that, some specific exposures are also reported by institutions based on specific MS instructions.

<sup>12</sup> A new data quality check was done at individual client level and one bank that had been entirely deleted following the data quality checks at the LE level was not entirely deleted. As such, the number of institutions in the individual clients' tables is 176 and data cannot be 100% compared with data of LE tables.

### 3.2.1 Exemptions of Article 400(1) of the CRR

Table 5 reveals that according to data at the reference date (i.e. 30 June 2021) the exemptions of Article 400(1)h and m of the CRR are marginally used. The exemption in Article 400(1)h of the CRR is not used and the exemption in Article 400(1)m of the CRR is just used once by only one institution of the sample in DE (Table 11) for LE exempted in amount of less than EUR 0.1 billion (see Table 15). Also the exemption of Article 400(1)k and l of the CRR appear to be seldom utilised. To be reminded that the total number of LEs of the sample (represented in relative terms by the 100% in the second column of Table 5 and Table 8) is 14 thousand.

*Table 5. Number of exemptions of Article 400(1) of the CRR in the sample by country*

| % of LEs by country | Art 400 (1) f |     | Art 400 (1) g |     | Art 400 (1) h |   | Art 400 (1) i |     | Art 400 (1) j |     | Art 400 (1) k |   | Art 400 (1) l |     | Art 400 (1) m |      |      |
|---------------------|---------------|-----|---------------|-----|---------------|---|---------------|-----|---------------|-----|---------------|---|---------------|-----|---------------|------|------|
|                     | Qty           | %   | Qty           | %   | Qty           | % | Qty           | %   | Qty           | %   | Qty           | % | Qty           | %   | Qty           | %    |      |
| AT                  | 5%            | 11  | 4%            | 14  | 6%            |   |               | 122 | 23%           | 1   | 0%            |   |               |     |               |      |      |
| BE                  | 3%            |     |               | 15  | 6%            |   |               | 1   | 0%            | 6   | 3%            |   |               |     |               |      |      |
| BG                  | 1%            |     |               | 6   | 2%            |   |               |     |               |     |               |   |               |     |               |      |      |
| CY                  | 1%            | 1   | 0%            | 11  | 4%            |   |               | 3   | 1%            | 1   | 0%            |   |               |     |               |      |      |
| DE                  | 22%           | 255 | 90%           | 123 | 49%           |   |               | 7   | 1%            | 28  | 12%           |   | 6             | 38% | 1             | 100% |      |
| DK                  | 2%            | 1   | 0%            | 1   | 0%            |   |               |     |               | 1   | 0%            |   |               |     |               |      |      |
| ES                  | 5%            |     |               | 4   | 2%            |   |               | 26  | 5%            | 9   | 4%            | 1 | 17%           |     |               |      |      |
| FI                  | 2%            |     |               | 6   | 2%            |   |               | 29  | 6%            | 2   | 1%            | 1 | 17%           |     |               |      |      |
| FR                  | 21%           | 1   | 0%            | 1   | 0%            |   |               | 48  | 9%            | 90  | 40%           |   | 4             | 25% |               |      |      |
| GR                  | 1%            |     |               | 7   | 3%            |   |               | 45  | 9%            | 1   | 0%            | 2 | 33%           |     |               |      |      |
| IE                  | 2%            | 9   | 3%            |     |               |   |               | 9   | 2%            | 3   | 1%            |   | 2             | 13% |               |      |      |
| IT                  | 9%            |     |               | 2   | 1%            |   |               | 45  | 9%            | 61  | 27%           |   |               |     |               |      |      |
| LU                  | 10%           |     |               |     |               |   |               | 105 | 20%           | 3   | 1%            | 1 | 17%           | 2   | 13%           |      |      |
| MT                  | 1%            | 1   | 0%            |     |               |   |               |     |               | 1   | 0%            |   |               |     |               |      |      |
| NL                  | 6%            |     |               | 9   | 4%            |   |               | 22  | 4%            | 8   | 4%            | 1 | 17%           |     |               |      |      |
| PL                  | 2%            | 3   | 1%            | 16  | 6%            |   |               |     |               | 6   | 3%            |   |               |     |               |      |      |
| PT                  | 1%            |     |               | 16  | 6%            |   |               | 39  | 7%            | 1   | 0%            |   | 1             | 6%  |               |      |      |
| SE                  | 4%            |     |               | 14  | 6%            |   |               |     |               | 3   | 1%            |   | 1             | 6%  |               |      |      |
| SI                  | 1%            |     |               | 5   | 2%            |   |               | 8   | 2%            |     |               |   |               |     |               |      |      |
| OTH*                | 3%            |     |               | 1   | 0%            |   |               | 16  | 3%            | 1   | 0%            |   |               |     |               |      |      |
| ALL                 | 100%          | 282 | 100%          | 251 | 100%          |   |               | 525 | 100%          | 226 | 100%          | 6 | 100%          | 16  | 100%          | 1    | 100% |

Source: Data Collection and COREP

\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, HU, LV, RO, SK)

\*\* As for all the following mentions of COREP as 'Source', the tables used are always C26.00 to C29.00 (except Capital data taken from table C01.00)

Table 6 below shows that exemptions of Article 400(1)h and m of the CRR are more frequently used for intra-group than at the consolidated level (Table 5) and that exemptions of Article 400(1)k and l of the CRR are also not frequently used (like at consolidated level).

Table 6: Number of intra-group exemptions of Article 400(1) of the CRR in the sample by country<sup>13</sup>

| country    | 400(1)     |           |          |           |           |   |   |          |
|------------|------------|-----------|----------|-----------|-----------|---|---|----------|
|            | f          | g         | h        | i         | j         | k | l | m        |
| AT         | 49         |           |          | 4         | 42        |   |   |          |
| BE         | 22         |           |          |           |           |   |   |          |
| DE         | 13         | 1         |          |           |           |   |   |          |
| DK         | 1          |           |          |           |           |   |   |          |
| ES         |            |           |          |           |           |   |   |          |
| FR         | 54         |           |          |           | 1         |   |   |          |
| GR         | 5          |           |          | 7         |           |   |   |          |
| IE         | 12         |           |          | 6         |           |   |   | 4        |
| IT         |            |           |          |           |           |   |   |          |
| LU         |            |           |          | 1         |           |   |   |          |
| NL         | 2          | 3         |          | 2         |           |   |   |          |
| PL         | 6          |           |          |           |           |   |   |          |
| PT         | 22         | 1         | 8        | 18        |           |   |   |          |
| SE         | 3          |           |          |           |           |   |   |          |
| SI         |            |           |          |           |           |   |   |          |
| OTH        | 4          | 6         |          |           |           |   |   |          |
| <b>All</b> | <b>193</b> | <b>11</b> | <b>8</b> | <b>38</b> | <b>43</b> |   |   | <b>4</b> |

Source: Data Collection

Table 7 reveals the same high and low use of exemptions of Article 400(1) of the CRR at individual client level (Table 7) than at LE level (Table 5). To be noticed that the total number of individual clients of the sample (represented in relative terms by the 100% in the second column of Table 7 and Table 10) is around 150 thousand.

<sup>13</sup> OTH: refers to countries for which less than 3 institutions have reported information in the Data collection

Table 7: Number of exemptions - at individual client level - of Article 400(1) of the CRR in the sample by country

| % of individual clients by country | Art 400 (1) f |     | Art 400 (1) g |     | Art 400 (1) h |   | Art 400 (1) i |       | Art 400 (1) j |     | Art 400 (1) k |   | Art 400 (1) l |    | Art 400 (1) m |   |      |
|------------------------------------|---------------|-----|---------------|-----|---------------|---|---------------|-------|---------------|-----|---------------|---|---------------|----|---------------|---|------|
|                                    | Qty           | %   | Qty           | %   | Qty           | % | Qty           | %     | Qty           | %   | Qty           | % | Qty           | %  | Qty           | % |      |
| AT                                 | 2.6%          | 13  | 3%            | 31  | 5%            |   |               | 420   | 23%           | 1   | 0%            |   |               |    |               |   |      |
| BE                                 | 2.7%          |     |               | 39  | 6%            |   |               | 13    | 1%            | 11  | 4%            |   |               |    |               |   |      |
| BG                                 | 0.2%          |     |               | 12  | 2%            |   |               |       |               |     |               |   |               |    |               |   |      |
| CY                                 | 0.2%          | 1   | 0%            | 31  | 5%            |   |               | 11    | 1%            | 1   | 0%            |   |               |    |               |   |      |
| DE                                 | 18.1%         | 295 | 78%           | 378 | 61%           |   |               | 13    | 1%            | 48  | 15%           |   |               | 6  | 32%           | 2 | 100% |
| DK                                 | 3.1%          | 1   | 0%            | 1   | 0%            |   |               |       |               | 1   | 0%            |   |               |    |               |   |      |
| ES                                 | 4.8%          |     |               | 6   | 1%            |   |               | 107   | 6%            | 22  | 7%            | 1 | 17%           |    |               |   |      |
| FI                                 | 1.8%          |     |               | 7   | 1%            |   |               | 165   | 9%            | 3   | 1%            | 1 | 17%           |    |               |   |      |
| FR                                 | 33.6%         | 51  | 14%           | 1   | 0%            |   |               | 135   | 7%            | 122 | 39%           |   |               | 5  | 26%           |   |      |
| GR                                 | 0.5%          |     |               | 19  | 3%            |   |               | 320   | 18%           | 1   | 0%            | 2 | 33%           |    |               |   |      |
| IE                                 | 1.3%          | 11  | 3%            |     |               |   |               | 77    | 4%            | 6   | 2%            |   |               | 2  | 11%           |   |      |
| IT                                 | 9.9%          |     |               | 2   | 0%            |   |               | 92    | 5%            | 68  | 22%           |   |               |    |               |   |      |
| LU                                 | 2.6%          |     |               |     |               |   |               | 149   | 8%            | 4   | 1%            | 1 | 17%           | 4  | 21%           |   |      |
| MT                                 | 0.1%          | 1   | 0%            |     |               |   |               |       |               | 1   | 0%            |   |               |    |               |   |      |
| NL                                 | 5.5%          |     |               | 17  | 3%            |   |               | 22    | 1%            | 12  | 4%            | 1 | 17%           |    |               |   |      |
| PL                                 | 0.7%          | 4   | 1%            | 23  | 4%            |   |               |       |               | 7   | 2%            |   |               |    |               |   |      |
| PT                                 | 1.7%          |     |               | 31  | 5%            |   |               | 269   | 15%           | 1   | 0%            |   |               | 1  | 5%            |   |      |
| SE                                 | 9.0%          |     |               | 13  | 2%            |   |               |       |               | 3   | 1%            |   |               | 1  | 5%            |   |      |
| SI                                 | 0.3%          |     |               | 6   | 1%            |   |               | 11    | 1%            |     |               |   |               |    |               |   |      |
| OTH*                               | 1.3%          |     |               | 1   | 0%            |   |               | 24    | 1%            | 1   | 0%            |   |               |    |               |   |      |
| ALL                                | 100.0%        | 377 | 100%          | 618 | 100%          |   |               | 1,828 | 100%          | 313 | 100%          | 6 | 100%          | 19 | 100%          | 2 | 100% |

Source: Data Collection and COREP

\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, HU, LV, RO, SK)

### 3.2.2 Exemptions of Articles 400(2) and 493(3) of the CRR

Table 8. Number of exemptions of Articles 400(2) and 493(3) of the CRR in the sample by country

| % of LEs by country | a    |     | c    |    | d    |    | e    |   | f    |     | g    |    | i    |       | j    |    | Art 400 (2) k |   | Art 493 (3) k |    |      |
|---------------------|------|-----|------|----|------|----|------|---|------|-----|------|----|------|-------|------|----|---------------|---|---------------|----|------|
|                     | Qty  | %   | Qty  | %  | Qty  | %  | Qty  | % | Qty  | %   | Qty  | %  | Qty  | %     | Qty  | %  | Qty           | % | Qty           | %  |      |
| AT                  | 5%   | 25  | 4%   |    | 1    | 6% |      |   | 8    | 11% | 3    | 8% | 137  | 10%   |      |    |               |   |               |    |      |
| BE                  | 3%   | 21  | 3%   | 5  | 5%   |    |      | 2 | 22%  | 6   | 8%   |    | 13   | 1%    |      |    |               |   |               |    |      |
| BG                  | 1%   |     |      |    |      |    |      |   |      |     |      |    |      |       |      |    |               |   |               |    |      |
| CY                  | 1%   |     |      |    |      |    |      |   |      |     | 1    | 3% | 1    | 0%    |      |    |               |   |               |    |      |
| DE                  | 22%  | 162 | 26%  | 8  | 9%   | 15 | 83%  | 7 | 78%  | 6   | 8%   | 1  | 3%   | 458   | 35%  | 2  | 18%           | 1 | 50%           | 6  | 40%  |
| DK                  | 2%   | 37  | 6%   | 5  | 5%   |    |      |   |      | 2   | 3%   |    |      | 9     | 82%  |    |               |   |               |    |      |
| ES                  | 5%   |     |      | 6  | 6%   |    |      |   |      |     |      |    | 1    | 0%    |      |    |               |   |               |    |      |
| FI                  | 2%   | 37  | 6%   | 1  | 1%   |    |      |   |      |     |      |    |      |       |      |    |               |   |               |    |      |
| FR                  | 21%  | 73  | 12%  | 54 | 57%  |    |      |   |      | 18  | 25%  | 11 | 29%  | 168   | 13%  |    |               | 1 | 50%           | 9  | 60%  |
| GR                  | 1%   | 2   | 0%   |    |      |    |      |   |      | 3   | 4%   | 4  | 11%  | 18    | 1%   |    |               |   |               |    |      |
| IE                  | 2%   |     |      | 3  | 3%   |    |      |   |      |     |      |    |      |       |      |    |               |   |               |    |      |
| IT                  | 9%   | 64  | 10%  |    |      |    |      |   |      | 7   | 10%  | 10 | 26%  | 353   | 27%  |    |               |   |               |    |      |
| LU                  | 10%  | 112 | 18%  | 6  | 6%   |    |      |   |      | 5   | 7%   | 5  | 13%  | 19    | 1%   |    |               |   |               |    |      |
| MT                  | 1%   | 7   | 1%   | 1  | 1%   |    |      |   |      | 4   | 6%   |    |      |       |      |    |               |   |               |    |      |
| NL                  | 6%   | 3   | 0%   |    |      |    |      |   |      |     |      | 1  | 3%   | 1     | 0%   |    |               |   |               |    |      |
| PL                  | 2%   |     |      | 1  | 1%   | 2  | 11%  |   |      |     |      |    |      | 46    | 3%   |    |               |   |               |    |      |
| PT                  | 1%   |     |      | 1  | 1%   |    |      |   |      |     |      |    |      | 51    | 4%   |    |               |   |               |    |      |
| SE                  | 4%   | 73  | 12%  | 1  | 1%   |    |      |   |      | 2   | 3%   |    |      | 1     | 0%   |    |               |   |               |    |      |
| SI                  | 1%   | 5   | 1%   | 1  | 1%   |    |      |   |      | 1   | 1%   | 1  | 3%   | 47    | 4%   |    |               |   |               |    |      |
| OTH*                | 3%   | 1   | 0%   | 1  | 1%   |    |      |   |      | 10  | 14%  | 1  | 3%   | 9     | 1%   |    |               |   |               |    |      |
| ALL                 | 100% | 622 | 100% | 94 | 100% | 18 | 100% | 9 | 100% | 72  | 100% | 38 | 100% | 1,323 | 100% | 11 | 100%          | 2 | 100%          | 15 | 100% |

Source: Data Collection and COREP

\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, HU, LV, RO, SK)

Table 9 below shows that the same exemptions that are rarely used at consolidated level are also rarely used for intra-group exposures. This table also shows that the exemptions of Article 400(2)/493(3)c are much more used at intra-group than at consolidated level.

*Table 9: Number of intra-group exemptions of Articles 400(2) and 493(3) of the CRR in the sample by country<sup>14</sup>*

| country    | 400(2) and 493(3) |              |          |   |          |          |           |   |        | k      |  |
|------------|-------------------|--------------|----------|---|----------|----------|-----------|---|--------|--------|--|
|            | a                 | c            | d        | e | f        | g        | i         | j | 400(2) | 493(3) |  |
| AT         | 1                 | 435          | 2        |   |          |          | 14        |   |        |        |  |
| BE         |                   | 53           |          |   |          |          |           |   |        |        |  |
| DE         | 3                 | 85           |          |   |          |          | 5         |   |        |        |  |
| DK         | 9                 | 11           |          |   | 2        |          |           |   |        |        |  |
| ES         |                   | 416          |          |   |          |          |           |   |        |        |  |
| FR         |                   | 716          |          |   |          | 4        |           |   |        |        |  |
| GR         |                   | 123          |          |   |          |          | 11        |   |        |        |  |
| IE         |                   | 21           |          |   |          |          |           |   |        |        |  |
| IT         |                   | 432          |          |   |          |          |           |   |        |        |  |
| LU         |                   | 46           |          |   |          |          |           |   |        |        |  |
| NL         |                   | 41           |          |   |          |          |           |   |        |        |  |
| PL         |                   | 38           |          |   |          |          |           |   |        |        |  |
| PT         |                   | 14           |          |   |          |          | 7         |   |        |        |  |
| SE         |                   | 77           |          |   | 1        |          |           |   |        |        |  |
| SI         |                   | 15           |          |   |          |          |           |   |        |        |  |
| OTH        |                   | 6            |          |   |          |          |           |   |        |        |  |
| <b>All</b> | <b>13</b>         | <b>2,529</b> | <b>2</b> |   | <b>3</b> | <b>4</b> | <b>37</b> |   |        |        |  |

Source: Data Collection

*Table 10: Number of exemptions - at individual client level - of Articles 400(2) and 493(3) of the CRR in the sample by country*

| % of individual clients by country | a             |            | c           |            | d           |           | e           |           | f           |           | g           |           | i           |              | j           |          | Art 400 (2) k |          | Art 493 (3) k |           |             |
|------------------------------------|---------------|------------|-------------|------------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|--------------|-------------|----------|---------------|----------|---------------|-----------|-------------|
|                                    | Qty           | %          | Qty         | %          | Qty         | %         | Qty         | %         | Qty         | %         | Qty         | %         | Qty         | %            | Qty         | %        | Qty           | %        | Qty           | %         |             |
| AT                                 | 2.6%          | 29         | 4%          |            | 4           | 17%       |             |           | 8           | 10%       | 3           | 8%        | 246         | 6%           |             |          |               |          |               |           |             |
| BE                                 | 2.7%          | 29         | 4%          | 137        | 21%         |           |             | 2         | 18%         | 11        | 14%         |           |             | 35           | 1%          |          |               |          |               |           |             |
| BG                                 | 0.2%          |            |             |            |             |           |             |           |             |           |             |           |             |              |             |          |               |          |               |           |             |
| CY                                 | 0.2%          |            |             |            |             |           |             |           |             |           | 1           | 3%        | 1           | 0%           |             |          |               |          |               |           |             |
| DE                                 | 18.1%         | 220        | 27%         | 141        | 22%         | 18        | 75%         | 9         | 82%         | 6         | 7%          | 1         | 3%          | 1,338        | 34%         |          | 1             | 50%      | 10            | 42%       |             |
| DK                                 | 3.1%          | 41         | 5%          | 5          | 1%          |           |             |           |             | 2         | 2%          |           |             |              |             | 9        | 100%          |          |               |           |             |
| ES                                 | 4.8%          |            |             | 7          | 1%          |           |             |           |             |           |             |           | 1           | 0%           |             |          |               |          |               |           |             |
| FI                                 | 1.8%          | 49         | 6%          | 1          | 0%          |           |             |           |             |           |             |           |             |              |             |          |               |          |               |           |             |
| FR                                 | 33.6%         | 109        | 13%         | 219        | 34%         |           |             |           |             | 20        | 25%         | 12        | 31%         | 898          | 23%         |          | 1             | 50%      | 14            | 58%       |             |
| GR                                 | 0.5%          | 2          | 0%          |            |             |           |             |           |             | 3         | 4%          | 4         | 10%         | 46           | 1%          |          |               |          |               |           |             |
| IE                                 | 1.3%          |            |             | 16         | 2%          |           |             |           |             |           |             |           |             |              |             |          |               |          |               |           |             |
| IT                                 | 9.9%          | 90         | 11%         |            |             |           |             |           |             | 7         | 9%          | 10        | 26%         | 634          | 16%         |          |               |          |               |           |             |
| LU                                 | 2.6%          | 129        | 16%         | 72         | 11%         |           |             |           |             | 6         | 7%          | 5         | 13%         | 29           | 1%          |          |               |          |               |           |             |
| MT                                 | 0.1%          | 13         | 2%          | 16         | 2%          |           |             |           |             | 4         | 5%          |           |             |              |             |          |               |          |               |           |             |
| NL                                 | 5.5%          | 1          | 0%          |            |             |           |             |           |             |           |             | 1         | 3%          | 1            | 0%          |          |               |          |               |           |             |
| PL                                 | 0.7%          |            |             | 4          | 1%          | 2         | 8%          |           |             |           |             |           |             | 87           | 2%          |          |               |          |               |           |             |
| PT                                 | 1.7%          |            |             | 1          | 0%          |           |             |           |             |           |             |           |             | 454          | 12%         |          |               |          |               |           |             |
| SE                                 | 9.0%          | 93         | 11%         | 3          | 0%          |           |             |           |             | 3         | 4%          |           |             | 1            | 0%          |          |               |          |               |           |             |
| SI                                 | 0.3%          | 6          | 1%          | 5          | 1%          |           |             |           |             |           |             | 1         | 3%          | 106          | 3%          |          |               |          |               |           |             |
| OTH*                               | 1.3%          | 1          |             | 15         |             |           |             |           |             | 11        |             | 1         |             | 21           | 1%          |          |               |          |               |           |             |
| <b>All</b>                         | <b>100.0%</b> | <b>812</b> | <b>100%</b> | <b>642</b> | <b>100%</b> | <b>24</b> | <b>100%</b> | <b>11</b> | <b>100%</b> | <b>81</b> | <b>100%</b> | <b>39</b> | <b>100%</b> | <b>3,898</b> | <b>100%</b> | <b>9</b> | <b>100%</b>   | <b>2</b> | <b>100%</b>   | <b>24</b> | <b>100%</b> |

Source: Data Collection and COREP

\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, HU, LV, RO, SK)

<sup>14</sup> OTH: refers to countries for which less than 3 institutions have reported information in the Data collection



Table 5 and Table 8 highlight that among the 18 exemptions analysed, 10 of them (see synthesis Figure 30 for the list) are used less than 50 times<sup>15</sup> on a total number of LEs for the institutions in the sample of near 14 thousand. Those figures also show that the exemptions of Articles 400(1)i and 400(2)/493(3)a and i of the CRR are the most used ones and are used by a large number of countries.

Table 6 and Table 9 highlight that, for intra-group exposures, 11 of those 18 exemptions are used less than 10 times and they are the same, plus one, of the 10 ones mentioned in the previous paragraph (see synthesis Figure 30 for the list).

### 3.3 Number of institutions using the exemption in each Member State

The number of institutions presented in this section take into consideration 175 institutions (see section 3.1 for more details).

Table 11 and Table 13 show the number of sample institutions using the exemptions of Article 400(1), 400(2) and 493(3) of the CRR by country. Each column reports, by exemption, the number of institutions using the exemption and its weight in the total number of institutions of the country in the sample.

For example, Table 11 shows that 29% of AT sample institutions (2 out of 7) are using the exemption of Article 400(1)f of the CRR. Compared with the figures of FR (where the proportion of institutions is 1 out of 11, i.e. 9%), this can evidence a higher use of this exemption by AT sample institutions than by FR ones.

Table 12 and Table 14 provide the information about the use of exemptions for intra-group exposures. For example, Table 12 shows that out of 100 institutions, 26 are using the exemption of Article 400(1)f of the CRR and 3 of them are AT sample institutions.

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<sup>15</sup> This threshold, as the thresholds used in the following sections and used for the purpose of the synthesis Figure 30, is not regulatory but has been set conventionally for the purpose of highlighting the high and low of exemptions

### 3.3.1 Exemptions of Article 400(1) of the CRR

Table 11. Number of sample institutions by country using the exemptions of Article 400(1) of the CRR and percentage within the number of institutions of that country in the sample

| Number of country's institutions in the sample |     | Art 400 (1) f |     | Art 400 (1) g |     | Art 400 (1) h |   | Art 400 (1) i |      | Art 400 (1) j |      | Art 400 (1) k |     | Art 400 (1) l |     | Art 400 (1) m |    |
|--|-----|---------------|-----|---------------|-----|---------------|---|---------------|------|---------------|------|---------------|-----|---------------|-----|---------------|----|
|  |     | Qty           | %   | Qty           | %   | Qty           | % | Qty           | %    | Qty           | %    | Qty           | %   | Qty           | %   | Qty           | %  |
| AT   | 7   | 2             | 29% | 3             | 43% |               |   | 2             | 29%  | 1             | 14%  |               |     |               |     |               |    |
| BE   | 8   |               |     | 1             | 13% |               |   | 1             | 13%  | 4             | 50%  |               |     |               |     |               |    |
| BG   | 3   |               |     | 2             | 67% |               |   |               |      |               |      |               |     |               |     |               |    |
| CY   | 4   | 1             | 25% | 2             | 50% |               |   | 1             | 25%  | 1             | 25%  |               |     |               |     |               |    |
| DE   | 53  | 31            | 58% | 11            | 21% |               |   | 3             | 6%   | 13            | 25%  |               |     | 3             | 6%  | 1             | 2% |
| DK   | 5   | 1             | 20% | 1             | 20% |               |   |               |      | 1             | 20%  |               |     |               |     |               |    |
| ES   | 5   |               |     | 1             | 20% |               |   | 2             | 40%  | 2             | 40%  | 1             | 20% |               |     |               |    |
| FI   | 3   |               |     | 1             | 33% |               |   | 1             | 33%  | 1             | 33%  | 1             | 33% |               |     |               |    |
| FR   | 11  | 1             | 9%  | 1             | 9%  |               |   | 3             | 27%  | 8             | 73%  |               |     | 1             | 9%  |               |    |
| GR   | 4   |               |     | 1             | 25% |               |   | 4             | 100% | 1             | 25%  | 2             | 50% |               |     |               |    |
| IE   | 6   | 1             | 17% |               |     |               |   | 2             | 33%  | 2             | 33%  |               |     | 1             | 17% |               |    |
| IT   | 7   |               |     | 2             | 29% |               |   | 4             | 57%  | 7             | 100% |               |     |               |     |               |    |
| LU   | 11  |               |     |               |     |               |   | 5             | 45%  | 2             | 18%  | 1             | 9%  | 1             | 9%  |               |    |
| MT   | 4   | 1             | 25% |               |     |               |   |               |      | 1             | 25%  |               |     |               |     |               |    |
| NL   | 5   |               |     | 1             | 20% |               |   | 1             | 20%  | 3             | 60%  | 1             | 20% |               |     |               |    |
| PL   | 9   | 1             | 11% | 3             | 33% |               |   |               |      | 4             | 44%  |               |     |               |     |               |    |
| PT   | 8   |               |     | 4             | 50% |               |   | 3             | 38%  | 1             | 13%  |               |     | 1             | 13% |               |    |
| SE   | 9   |               |     | 2             | 22% |               |   |               |      | 2             | 22%  |               |     | 1             | 11% |               |    |
| SI   | 3   |               |     | 1             | 33% |               |   | 1             | 33%  |               |      |               |     |               |     |               |    |
| OTH*   | 10  |               |     | 1             | 10% |               |   | 3             | 30%  | 1             | 10%  |               |     |               |     |               |    |
| All  | 175 | 39            | 22% | 38            | 22% |               |   | 36            | 21%  | 55            | 31%  | 6             | 3%  | 8             | 5%  | 1             | 1% |

Source: Data Collection

\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, HU, LV, RO, SK)

Table 12: Number of sample institutions by country using the exemptions of Article 400(1) of the CRR for intra-group exposures<sup>16</sup>

| country | sample | 400(1) |   |   |    |   |   |   |   |
|---------|--------|--------|---|---|----|---|---|---|---|
|         |        | f      | g | h | i  | j | k | l | m |
| AT      | 7      | 3      |   |   | 3  | 1 |   |   |   |
| BE      | 4      | 2      |   |   |    |   |   |   |   |
| DE      | 16     | 5      | 1 |   |    |   |   |   |   |
| DK      | 4      | 1      |   |   |    |   |   |   |   |
| ES      | 5      |        |   |   |    |   |   |   |   |
| FR      | 7      | 2      |   |   |    | 1 |   |   |   |
| GR      | 4      | 1      |   |   | 1  |   |   |   |   |
| IE      | 6      | 2      |   |   | 1  |   |   | 2 |   |
| IT      | 6      |        |   |   |    |   |   |   |   |
| LU      | 6      |        |   |   | 1  |   |   |   |   |
| NL      | 3      | 1      | 1 |   | 1  |   |   |   |   |
| PL      | 5      | 2      |   |   |    |   |   |   |   |
| PT      | 7      | 3      | 1 | 1 | 3  |   |   |   |   |
| SE      | 6      | 1      |   |   |    |   |   |   |   |
| SI      | 3      |        |   |   |    |   |   |   |   |
| OTH     | 11     | 3      | 1 |   |    |   |   |   |   |
| All     | 100    | 26     | 4 | 1 | 10 | 2 |   | 2 |   |

Source: Data Collection

<sup>16</sup> OTH: refers to countries for which less than 3 institutions have reported information in the Data collection

### 3.3.2 Exemptions of Articles 400(2) and 493(3) of the CRR

Table 13. Number of sample institutions by country using the exemptions of Articles 400(2) and 493(3) of the CRR and percentage within the number of institutions of that country in the sample

| Number of country's institutions in the sample | a   |    | c    |    | d   |     | e   |   | f   |     | g   |     | i   |     | j   |   | Art 400 (2) k |   | Art 493 (3) k |   |    |
|--|-----|----|------|----|-----|-----|-----|---|-----|-----|-----|-----|-----|-----|-----|---|---------------|---|---------------|---|----|
|  | Qty | %  | Qty  | %  | Qty | %   | Qty | % | Qty | %   | Qty | %   | Qty | %   | Qty | % | Qty           | % | Qty           | % |    |
| AT   | 7   | 5  | 73%  |    | 1   | 14% |     |   | 2   | 29% | 2   | 29% | 6   | 86% |     |   |               |   |               |   |    |
| BE   | 8   | 5  | 63%  | 4  | 50% |     |     | 1 | 13% | 1   | 13% |     | 1   | 13% |     |   |               |   |               |   |    |
| BG   | 3   |    |      |    |     |     |     |   |     |     |     |     |     |     |     |   |               |   |               |   |    |
| CY   | 4   |    |      |    |     |     |     |   |     |     |     |     |     |     |     |   |               |   |               |   |    |
| DE   | 53  | 25 | 47%  | 8  | 15% | 8   | 15% | 2 | 4%  | 2   | 4%  | 1   | 2%  | 33  | 62% | 1 | 2%            | 1 | 2%            | 5 | 9% |
| DK   | 5   | 5  | 100% | 1  | 20% |     |     |   |     | 1   | 20% |     |     |     |     | 2 | 40%           |   |               |   |    |
| ES   | 5   |    |      | 1  | 20% |     |     |   |     |     |     |     | 1   | 20% |     |   |               |   |               |   |    |
| FI   | 3   | 3  | 100% | 1  | 33% |     |     |   |     |     |     |     |     |     |     |   |               |   |               |   |    |
| FR   | 11  | 6  | 55%  | 9  | 82% |     |     |   |     | 1   | 9%  | 2   | 18% | 4   | 36% |   |               | 1 | 9%            | 1 | 9% |
| GR   | 4   | 2  | 50%  |    |     |     |     |   |     | 2   | 50% | 1   | 25% | 2   | 50% |   |               |   |               |   |    |
| IE   | 6   |    |      | 3  | 50% |     |     |   |     |     |     |     |     |     |     |   |               |   |               |   |    |
| IT   | 7   | 6  | 86%  |    |     |     |     |   |     | 2   | 29% | 4   | 57% | 5   | 71% |   |               |   |               |   |    |
| LU   | 11  | 5  | 45%  | 6  | 55% |     |     |   |     | 1   | 9%  | 2   | 18% | 4   | 36% |   |               |   |               |   |    |
| MT   | 4   | 1  | 25%  | 1  | 25% |     |     |   |     | 1   | 25% |     |     |     |     |   |               |   |               |   |    |
| NL   | 5   | 2  | 40%  |    |     |     |     |   |     |     |     | 1   | 20% | 1   | 20% |   |               |   |               |   |    |
| PL   | 9   |    |      | 1  | 11% | 2   | 22% |   |     |     |     |     |     | 2   | 22% |   |               |   |               |   |    |
| PT   | 8   |    |      | 1  | 13% |     |     |   |     |     |     |     |     | 6   | 75% |   |               |   |               |   |    |
| SE   | 9   | 8  | 89%  | 1  | 11% |     |     |   |     | 1   | 11% |     |     | 1   | 11% |   |               |   |               |   |    |
| SI   | 3   | 1  | 33%  | 1  | 33% |     |     |   |     | 1   | 33% | 1   | 33% | 2   | 67% |   |               |   |               |   |    |
| OTH*   | 10  | 1  | 10%  | 1  | 10% |     |     |   |     | 1   | 10% | 1   | 10% | 2   | 20% |   |               |   |               |   |    |
| All  | 175 | 75 | 43%  | 39 | 22% | 11  | 6%  | 3 | 2%  | 16  | 9%  | 16  | 9%  | 71  | 41% | 3 | 2%            | 2 | 1%            | 6 | 3% |

Source: Data Collection

\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, HU, LV, RO, SK)

Table 14: Number of sample institutions by country using the exemptions of Articles 400(2) and 493(3) of the CRR for intra-group exposures<sup>17</sup>

| country | sample | 400(2) and 493(3) |    |   |   |   |   |   |   | k      |        |
|---------|--------|-------------------|----|---|---|---|---|---|---|--------|--------|
|         |        | a                 | c  | d | e | f | g | i | j | 400(2) | 493(3) |
| AT      | 7      | 1                 | 7  | 2 |   |   |   |   | 2 |        |        |
| BE      | 4      |                   | 4  |   |   |   |   |   |   |        |        |
| DE      | 16     | 2                 | 13 |   |   |   |   |   | 3 |        |        |
| DK      | 4      | 2                 | 3  |   |   | 1 |   |   |   |        |        |
| ES      | 5      |                   | 5  |   |   |   |   |   |   |        |        |
| FR      | 7      |                   | 5  |   |   |   | 1 |   |   |        |        |
| GR      | 4      |                   | 4  |   |   |   |   | 1 |   |        |        |
| IE      | 6      |                   | 6  |   |   |   |   |   |   |        |        |
| IT      | 6      |                   | 6  |   |   |   |   |   |   |        |        |
| LU      | 6      |                   | 6  |   |   |   |   |   |   |        |        |
| NL      | 3      |                   | 3  |   |   |   |   |   |   |        |        |
| PL      | 5      |                   | 4  |   |   |   |   |   |   |        |        |
| PT      | 7      |                   | 2  |   |   |   |   | 2 |   |        |        |
| SE      | 6      |                   | 3  |   |   | 1 |   |   |   |        |        |
| SI      | 3      |                   | 3  |   |   |   |   |   |   |        |        |
| OTH     | 11     |                   | 8  |   |   |   |   |   |   |        |        |
| All     | 100    | 5                 | 82 | 2 |   | 2 | 1 | 8 |   |        |        |

Source: Data Collection

Table 11 and Table 13 above show that 100% of the GR institutions of the sample are using the exemption of Article 400(1)i of the CRR, 100% of the IT sample institutions are using the exemption

<sup>17</sup> OTH: refers to countries for which less than 3 institutions have reported information in the Data collection

of Article 400(1)j of the CRR and 100% of the DK and FI sample institutions are using the exemption of Articles 400(2)/493(3)a of the CRR. On the other hand, those tables highlight that 8 exemptions (see synthesis Figure 30 for the list), among the 18 exemptions analysed above, are used by less than (or equal to) 5% of the sample institutions. Except the exemptions of Articles 400(2)/493(3)d and g, those 8 exemptions are the same ones as the 10 exemptions mentioned in section 3.2.2 and used less than 50 times in the sample.

Table 12 and Table 14 highlight that 14 exemptions (see synthesis Figure 30 for the list) are used, within the group, by less than (or equal to) 5% of the institutions in the sample and these 14 exemptions include the 8 exemptions of the non-intra-group exposures used by less than 5% of institutions in the sample.

### **3.4 Aggregate amount of exposures exempted in each Member State**

The data presented in this section shows the exempted amounts of all the LEs reported in the templates by the sample institutions. Table 15 and Table 17 show in EUR billion the amount of exposures exempted in each MS. The second and third columns show the amounts and proportion in the sample of the exposures by country to provide background for analysing the following columns. For each exemption, those tables show the amount used by country and its proportion in the total use of the given exemption.

Table 15, for example, shows that the total value of LEs reported by the AT sample institutions is EUR 1,507 billion and represents 4% of the total value of all the LEs related to the sample institutions (EUR 34,257 billion). To evaluate the use of exemptions, this proportion of 4% can be compared with the 1% shown for the use of the exemption of Article 400(1)f of the CRR by AT institutions. On the other hand, Table 15 illustrates that DE sample institutions reported an aggregate LEs value which represents 13% of the total LEs value of the institutions of the sample while DE sample institutions have a weight of 69% in the total amount of use of the exemption of Article 400(1)f of the CRR.

Table 16 and Table 18 provide the information on the exemptions for intra-group exposures. For example, Table 16 shows that the exemption of Article 400(1)f of the CRR is used within intra-group for EUR 420 billion of which EUR 12 billion by sample institutions in BE.

### 3.4.1 Exemptions of Article 400(1) of the CRR

Table 15. Aggregate amount (in EUR billion) of LE exempted, by Article 400(1) of the CRR, in each Member State

| Country | Amount of LEs | %    | Art 400 (1) f |      | Art 400 (1) g |      | Art 400 (1) h |   | Art 400 (1) i |      | Art 400 (1) j |      | Art 400 (1) k |      | Art 400 (1) l |      | Art 400 (1) m |      |
|---------|---------------|------|---------------|------|---------------|------|---------------|---|---------------|------|---------------|------|---------------|------|---------------|------|---------------|------|
|         |               |      | Amount        | %    | Amount        | %    | Amount        | % | Amount        | %    | Amount        | %    | Amount        | %    | Amount        | %    | Amount        | %    |
| AT      | 1,507.5       | 4%   | 1.8           | 1%   | 0.0           | 0%   |               |   | 4.0           | 15%  | 0.0           | 0%   |               |      |               |      |               |      |
| BE      | 641.1         | 2%   |               |      | 0.1           | 0%   |               |   | 0.1           | 0%   | 3.7           | 1%   |               |      |               |      |               |      |
| BG      | 5.2           | 0%   |               |      | 0.0           | 0%   |               |   |               |      |               |      |               |      |               |      |               |      |
| CY      | 26.7          | 0%   | 1.1           | 1%   | 1.5           | 2%   |               |   | 0.0           | 0%   | 0.0           | 0%   |               |      |               |      |               |      |
| DE      | 4,375.2       | 13%  | 105.8         | 69%  | 48.2          | 62%  |               |   | 0.2           | 1%   | 57.5          | 17%  |               |      | 1.9           | 35%  | 0.1           | 100% |
| DK      | 277.4         | 1%   | 0.2           | 0%   | 0.0           | 0%   |               |   |               |      | 0.0           | 0%   |               |      |               |      |               |      |
| ES      | 1,068.7       | 3%   |               |      | 0.0           | 0%   |               |   | 1.2           | 5%   | 20.3          | 6%   | 0.4           | 13%  |               |      |               |      |
| FI      | 268.0         | 1%   |               |      | 0.1           | 0%   |               |   | 1.8           | 7%   | 1.0           | 0%   | 0.5           | 16%  |               |      |               |      |
| FR      | 12,760.7      | 37%  | 13.8          | 9%   | 0.0           | 0%   |               |   | 4.1           | 15%  | 122.9         | 36%  |               |      | 1.4           | 26%  |               |      |
| GR      | 124.1         | 0%   |               |      | 0.3           | 0%   |               |   | 6.7           | 25%  | 1.3           | 0%   | 1.2           | 39%  |               |      |               |      |
| IE      | 853.2         | 2%   | 29.5          | 19%  |               |      |               |   | 1.8           | 7%   | 1.2           | 0%   |               |      | 1.6           | 29%  |               |      |
| IT      | 7,483.9       | 22%  |               |      |               |      |               |   | 1.3           | 5%   | 128.5         | 37%  |               |      |               |      |               |      |
| LU      | 325.8         | 1%   |               |      |               |      |               |   | 0.5           | 2%   | 0.6           | 0%   | 0.0           | 0%   | 0.2           | 4%   |               |      |
| MT      | 7.9           | 0%   | 0.0           | 0%   |               |      |               |   |               |      | 0.0           | 0%   |               |      |               |      |               |      |
| NL      | 1,017.8       | 3%   |               |      | 0.2           | 0%   |               |   | 4.7           | 18%  | 3.1           | 1%   | 1.0           | 32%  |               |      |               |      |
| PL      | 1,782.6       | 5%   | 0.2           | 0%   | 0.1           | 0%   |               |   |               |      | 2.8           | 1%   |               |      |               |      |               |      |
| PT      | 209.0         | 1%   |               |      | 2.0           | 3%   |               |   | 0.4           | 2%   | 0.3           | 0%   |               |      | 0.3           | 6%   |               |      |
| SE      | 966.5         | 3%   |               |      | 2.6           | 3%   |               |   |               |      | 1.2           | 0%   |               |      | 0.0           | 0%   |               |      |
| SI      | 54.0          | 0%   |               |      | 0.0           | 0%   |               |   | 0.0           | 0%   |               |      |               |      |               |      |               |      |
| OTH*    | 501.4         | 1%   |               |      | 0.0           | 0%   |               |   | 0.1           | 1%   | 0.1           | 0%   |               |      |               |      |               |      |
| All     | 34,256.7      | 100% | 152.4         | 100% | 78.0          | 100% |               |   | 27.0          | 100% | 344.7         | 100% | 3.1           | 100% | 5.3           | 100% | 0.1           | 100% |

Source: Data Collection and COREP

\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, HU, LV, RO, SK)

Table 16: Aggregate amount (in EUR billion) of intra-group exposures exempted, by Article 400(1) of the CRR, in each Member State<sup>18</sup>

| country | 400(1) |      |     |     |      |   |   |     |
|---------|--------|------|-----|-----|------|---|---|-----|
|         | f      | g    | h   | i   | j    | k | l | m   |
| AT      | 7.6    |      |     | 1.7 | 2.7  |   |   |     |
| BE      | 11.8   |      |     |     |      |   |   |     |
| DE      | 292.8  | 0.1  |     |     |      |   |   |     |
| DK      | 0.2    |      |     |     |      |   |   |     |
| ES      |        |      |     |     |      |   |   |     |
| FR      | 12.0   |      |     |     | 23.6 |   |   |     |
| GR      | 2.9    |      |     | 0.1 |      |   |   |     |
| IE      | 37.3   |      |     | 1.7 |      |   |   | 5.9 |
| IT      |        |      |     |     |      |   |   |     |
| LU      |        |      |     | 0.2 |      |   |   |     |
| NL      | 4.3    | 11.2 |     | 1.6 |      |   |   |     |
| PL      | 6.9    |      |     |     |      |   |   |     |
| PT      | 1.7    |      | 0.2 | 0.3 |      |   |   |     |
| SE      | 14.0   |      |     |     |      |   |   |     |
| SI      |        |      |     |     |      |   |   |     |
| OTH     | 28.3   | 1.5  |     |     |      |   |   |     |
| All     | 419.7  | 12.8 | 0.2 | 5.6 | 26.3 |   |   | 5.9 |

Source: Data Collection

<sup>18</sup> OTH: refers to countries for which less than 3 institutions have reported information in the Data collection

### 3.4.2 Exemptions of Articles 400(2) and 493(3) of the CRR

Table 17. Aggregate amount (in EUR billion) of LE exempted, by Articles 400(2) and 493(3) of the CRR, in each Member State

| Amount of LEs | %        | a      |       | c      |       | d      |     | e      |     | f      |     | g      |       | i      |      | j      |     | 400_2_k |      | 493_3_k |     |      |
|---------------|----------|--------|-------|--------|-------|--------|-----|--------|-----|--------|-----|--------|-------|--------|------|--------|-----|---------|------|---------|-----|------|
|               |          | Amount | %     | Amount | %     | Amount | %   | Amount | %   | Amount | %   | Amount | %     | Amount | %    | Amount | %   | Amount  | %    | Amount  | %   |      |
| AT            | 1,507.5  | 4%     | 0.8   | 1%     |       |        |     |        |     |        | 0.0 | 1%     | 0.2   | 0%     | 0.9  | 4%     |     |         |      |         |     |      |
| BE            | 641.1    | 2%     | 1.7   | 1%     | 6.4   | 3%     | 4.7 | 89%    |     |        | 0.6 | 6%     | 0.9   | 29%    |      |        | 0.1 | 1%      |      |         |     |      |
| BG            | 5.2      | 0%     |       |        |       |        |     |        |     |        |     |        |       |        |      |        |     |         |      |         |     |      |
| CY            | 26.7     | 0%     |       |        |       |        |     |        |     |        |     |        |       | 0.0    | 0%   |        |     |         |      |         |     |      |
| DE            | 4,375.2  | 13%    | 25.1  | 16%    | 45.9  | 19%    | 0.4 | 8%     | 8.8 | 94%    | 1.6 | 50%    | 0.1   | 0%     | 10.6 | 48%    | 0.0 | 4%      | 0.1  | 0%      | 1.1 | 18%  |
| DK            | 277.4    | 1%     | 51.8  | 34%    | 12.3  | 5%     |     |        |     |        | 0.0 | 1%     |       |        |      |        | 0.2 | 96%     |      |         |     |      |
| ES            | 1,068.7  | 3%     |       |        | 4.1   | 2%     |     |        |     |        |     |        |       |        | 0.0  | 0%     |     |         |      |         |     |      |
| FI            | 268.0    | 1%     | 25.7  | 17%    | 1.0   | 0%     |     |        |     |        |     |        |       |        |      |        |     |         |      |         |     |      |
| FR            | 12,760.7 | 37%    | 9.6   | 6%     | 84.8  | 35%    |     |        |     |        | 0.1 | 2%     | 25.7  | 13%    | 5.2  | 23%    |     |         | 75.1 | 100%    | 5.3 | 82%  |
| GR            | 124.1    | 0%     | 0.1   | 0%     |       |        |     |        |     |        | 0.0 | 0%     | 10.6  | 5%     | 0.3  | 1%     |     |         |      |         |     |      |
| IE            | 853.2    | 2%     |       |        | 5.8   | 2%     |     |        |     |        |     |        |       |        |      |        |     |         |      |         |     |      |
| IT            | 7,483.9  | 22%    | 6.4   | 4%     |       |        |     |        |     |        | 0.2 | 6%     | 149.8 | 77%    | 2.7  | 12%    |     |         |      |         |     |      |
| LU            | 325.8    | 1%     | 5.0   | 3%     | 79.7  | 33%    |     |        |     |        | 0.0 | 0%     | 0.4   | 0%     | 1.0  | 5%     |     |         |      |         |     |      |
| MT            | 7.9      | 0%     | 0.3   | 0%     | 1.1   | 0%     |     |        |     |        | 0.1 | 4%     |       |        |      |        |     |         |      |         |     |      |
| NL            | 1,017.8  | 3%     | 0.6   | 0%     |       |        |     |        |     |        |     |        | 8.4   | 4%     | 0.0  | 0%     |     |         |      |         |     |      |
| PL            | 1,782.6  | 5%     |       |        | 0.0   | 0%     | 0.2 | 3%     |     |        |     |        |       |        | 0.2  | 1%     |     |         |      |         |     |      |
| PT            | 209.0    | 1%     |       |        | 0.0   | 0%     |     |        |     |        |     |        |       |        | 0.8  | 3%     |     |         |      |         |     |      |
| SE            | 966.5    | 3%     | 25.2  | 17%    | 0.6   | 0%     |     |        |     |        | 0.0 | 1%     |       |        | 0.0  | 0%     |     |         |      |         |     |      |
| SI            | 54.0     | 0%     | 0.0   | 0%     | 0.1   | 0%     |     |        |     |        | 0.0 | 0%     | 0.0   | 0%     | 0.0  | 0%     |     |         |      |         |     |      |
| OTH*          | 501.4    | 1%     | 0.0   | 0%     | 0.1   | 0%     |     |        |     |        | 0.1 | 5%     | 0.0   | 0%     | 0.3  | 2%     |     |         |      |         |     |      |
| All           | 34,256.7 | 100%   | 152.3 | 100%   | 241.8 | 100%   | 5.3 | 100%   | 9.3 | 100%   | 3.1 | 100%   | 195.2 | 100%   | 22.2 | 100%   | 0.2 | 100%    | 75.2 | 100%    | 6.4 | 100% |

Source: Data Collection and COREP

\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, HU, LV, RO, SK)

Table 18: Aggregate amount (in EUR billion) of intra-group exposures exempted, by Articles 400(2) and 493(3) of the CRR, in each Member State<sup>19</sup>

| country | 400(2) and 493(3) |         |     |   |     |     |     |   |  |     | k      |        |
|---------|-------------------|---------|-----|---|-----|-----|-----|---|--|-----|--------|--------|
|         | a                 | c       | d   | e | f   | g   | i   | j |  |     | 400(2) | 493(3) |
| AT      | 0.7               | 147.1   | 2.5 |   |     |     |     |   |  | 0.2 |        |        |
| BE      |                   | 93.4    |     |   |     |     |     |   |  |     |        |        |
| DE      | 0.4               | 66.0    |     |   |     |     |     |   |  | 0.3 |        |        |
| DK      | 15.9              | 35.2    |     |   | 0.5 |     |     |   |  |     |        |        |
| ES      |                   | 194.4   |     |   |     |     |     |   |  |     |        |        |
| FR      |                   | 124.3   |     |   |     | 0.3 |     |   |  |     |        |        |
| GR      |                   | 12.6    |     |   |     |     |     |   |  | 0.4 |        |        |
| IE      |                   | 19.9    |     |   |     |     |     |   |  |     |        |        |
| IT      |                   | 383.3   |     |   |     |     |     |   |  |     |        |        |
| LU      |                   | 26.1    |     |   |     |     |     |   |  |     |        |        |
| NL      |                   | 199.5   |     |   |     |     |     |   |  |     |        |        |
| PL      |                   | 37.9    |     |   |     |     |     |   |  |     |        |        |
| PT      |                   | 6.8     |     |   |     |     |     |   |  |     |        |        |
| SE      |                   | 97.4    |     |   |     |     |     |   |  |     |        |        |
| SI      |                   | 0.5     |     |   |     |     |     |   |  |     |        |        |
| OTH     |                   | 139.6   |     |   |     |     |     |   |  |     |        |        |
| All     | 16.9              | 1,583.8 | 2.5 |   | 0.5 | 0.3 | 0.9 |   |  |     |        |        |

Source: Data Collection

Table 15 and Table 17 highlight that 9 exemptions, among the 18 exemptions analysed above, are used for less than EUR 10 billion by the sample institutions. Those 9 exemptions are slightly but not exactly the same as the 8 ones mentioned in Section 3.3: exemptions in Articles 400(2)/493(3)d and

<sup>19</sup> OTH: refers to countries for which less than 3 institutions have reported information in the Data collection

f of the CRR are used by more than 5% of the sample institutions even though the aggregate amount used is below EUR 10 billion and the exemption in Article 400(2)k of the CRR is used by less than (or equal to) 5% of the sample institutions but for an aggregate amount largely above EUR 10 billion.

Table 16 and Table 18 highlight that 13 exemptions, among the 18 exemptions analysed above, for intra-group exposures, are used for less than EUR 10 billion by the sample institutions. These 13 exemptions include the 9 exemptions of the non-intra-group exposures used for less than EUR 10 billion of the sample institutions (see synthesis Figure 30 for the list).

### 3.5 Impact of removing the exemption

The aim of this section is to provide an evaluation of the possible impact of the removal of each of the exemptions mentioned in the mandate. Table 19 shows the share of sample institutions that would become in breach of the LE limits if the given exemption was to be removed. Table 20 shows the increase in the number of LEs that would exceed the LE limit (in breach) if the exemptions could no longer be used. The possible breaches are analysed at the level of LEs by computing the exposures amount after the CRM effect and without considering the given exemption.

Table 19 shows that the exemptions of Article 400(1)f and j of the CRR and the exemption of Articles 400(2)/493(3)c of the CRR are those that if removed would have the highest impact in terms of number of sample institutions affected. For instance, 15% of the sample institutions would be in breach of their LE limit if the exemption of Article 400(1)f of the CRR could not be used.

*Table 19: Number of new institutions (of the sample) in breach if the exemptions of Articles 400(1), 400(2) or 493(3) of the CRR could not be used*

| Banks by country |     | 400 (1) |     |     |     |   |    |   | 400 (2) / 493 (3) |     |     |   |   |     |    |   |           |           |
|------------------|-----|---------|-----|-----|-----|---|----|---|-------------------|-----|-----|---|---|-----|----|---|-----------|-----------|
|                  |     | f       | g   | i   | j   | k | l  | m | a                 | c   | d   | e | f | g   | i  | j | 400 (2) k | 493 (3) k |
| AT               | 7   |         |     |     |     |   |    |   |                   |     | 14% |   |   |     |    |   |           |           |
| BE               | 8   |         |     |     | 25% |   |    |   |                   | 13% |     |   |   |     |    |   |           |           |
| BG               | 3   |         |     |     |     |   |    |   |                   |     |     |   |   |     |    |   |           |           |
| CY               | 4   | 25%     | 25% |     |     |   |    |   |                   |     |     |   |   |     |    |   |           |           |
| DE               | 53  | 42%     | 6%  |     | 9%  |   | 2% |   | 2%                | 13% | 2%  |   |   |     | 4% |   |           |           |
| DK               | 5   |         |     |     |     |   |    |   | 60%               | 20% |     |   |   |     |    |   |           |           |
| ES               | 5   |         |     |     | 20% |   |    |   |                   |     |     |   |   |     |    |   |           |           |
| FI               | 3   |         |     |     |     |   |    |   | 33%               |     |     |   |   |     |    |   |           |           |
| FR               | 11  | 9%      |     |     | 9%  |   |    |   |                   | 36% |     |   |   | 9%  |    |   | 9%        |           |
| GR               | 4   |         |     |     | 25% |   |    |   |                   |     |     |   |   | 25% |    |   |           |           |
| IE               | 6   | 17%     |     | 17% |     |   |    |   |                   | 33% |     |   |   |     |    |   |           |           |
| IT               | 7   |         | 14% |     | 14% |   |    |   |                   |     |     |   |   | 43% |    |   |           |           |
| LU               | 11  |         |     | 9%  | 9%  |   |    |   |                   | 55% |     |   |   |     | 9% |   |           |           |
| MT               | 4   |         |     |     |     |   |    |   |                   | 25% |     |   |   |     |    |   |           |           |
| NL               | 5   |         |     |     |     |   |    |   |                   |     |     |   |   | 20% |    |   |           |           |
| PL               | 9   | 11%     |     |     | 11% |   |    |   |                   | 11% | 22% |   |   |     |    |   |           |           |
| PT               | 8   |         |     |     |     |   |    |   |                   |     |     |   |   |     |    |   |           |           |
| SE               | 9   |         |     |     |     |   |    |   | 44%               |     |     |   |   |     |    |   |           |           |
| SI               | 3   |         |     |     |     |   |    |   |                   |     |     |   |   |     |    |   |           |           |
| OTH*             | 10  |         |     |     | 10% |   |    |   |                   |     |     |   |   |     |    |   |           |           |
| All              | 175 | 15%     | 3%  | 1%  | 8%  |   | 1% |   | 5%                | 13% | 2%  |   |   | 3%  | 2% |   | 1%        |           |

Source: Data Collection and COREP

\* OTH: includes EE, HR, HU, LV, RO, SK. For these countries, less than 3 institutions were available in the Data collection

As summarised in Figure 30, the removal of the exemptions of Article 400(1)f, g and j of the CRR and Article 400(2)/493(3)a, c and g of the CRR would create at least one new breach in more than 2% of the sample institutions.

Table 20 shows that, among the 282 LEs where the exemptions of Article 400(1)f of the CRR is used, 40 of them would have been in breach if this exemption could not have been used. Furthermore, in terms of amount, we can see that these 40 LEs in breach represent 33% of the total amount of the use of this exemption by sample institutions and that the proportion of their amounts exceeding the LE limit would be 13% of the total amount of the use of this exemption by sample institutions.

*Table 20. Number of new exposures exceeding the LE limit (in breach) if the exemptions of Articles 400(1), 400(2) or 493(3) of the CRR were not used<sup>20</sup>*

| Country   | 400 (1) |     |     |     |     |     |     | 400 (2) 493 (3) |     |     |     |     |     |     |      |           |           |
|---|---------|-----|-----|-----|-----|-----|-----|-----------------|-----|-----|-----|-----|-----|-----|------|-----------|-----------|
|   | (f)     | (g) | (i) | (j) | (k) | (l) | (m) | (a)             | (c) | (d) | (e) | (f) | (g) | (i) | (j)  | 400 (2) k | 493 (3) k |
| AT  |         |     |     |     |     |     |     |                 |     |     | 1   |     |     |     |      |           |           |
| BE  |         |     |     | 2   |     |     |     |                 | 1   |     |     |     |     |     |      |           |           |
| BG  |         |     |     |     |     |     |     |                 |     |     |     |     |     |     |      |           |           |
| CY  | 1       | 1   |     |     |     |     |     |                 |     |     |     |     |     |     |      |           |           |
| DE  | 32      | 3   |     | 8   |     | 1   |     | 1               | 7   | 1   |     |     |     | 2   |      |           |           |
| DK  |         |     |     |     |     |     |     | 8               | 1   |     |     |     |     |     |      |           |           |
| ES  |         |     |     | 1   |     |     |     |                 |     |     |     |     |     |     |      |           |           |
| FI  |         |     |     |     |     |     |     | 1               |     |     |     |     |     |     |      |           |           |
| FR  | 1       |     |     | 1   |     |     |     |                 | 10  |     |     |     |     | 1   |      |           | 1         |
| GR  |         |     |     | 1   |     |     |     |                 |     |     |     |     |     | 1   |      |           |           |
| IE  | 4       |     | 1   |     |     |     |     |                 | 2   |     |     |     |     |     |      |           |           |
| IT  |         | 1   |     | 2   |     |     |     |                 |     |     |     |     |     | 3   |      |           |           |
| LU  |         |     | 1   | 1   |     |     |     |                 | 6   |     |     |     |     |     | 1    |           |           |
| MT  |         |     |     |     |     |     |     |                 | 1   |     |     |     |     |     |      |           |           |
| NL  |         |     |     |     |     |     |     |                 |     | 1   | 2   |     |     | 1   |      |           |           |
| PL  | 2       |     |     | 1   |     |     |     |                 |     |     |     |     |     |     |      |           |           |
| PT  |         |     |     |     |     |     |     |                 |     |     |     |     |     |     |      |           |           |
| SE  |         |     |     |     |     |     |     | 16              |     |     |     |     |     |     |      |           |           |
| SI  |         |     |     |     |     |     |     |                 |     |     |     |     |     |     |      |           |           |
| OTH   |         |     |     | 1   |     |     |     |                 |     |     |     |     |     |     |      |           |           |
| All   | 40      | 5   | 2   | 18  |     | 1   |     | 26              | 29  | 4   |     |     | 6   | 3   |      |           | 1         |
| Number of exposures exempted  | 282     | 251 | 525 | 226 |     | 6   | 16  | 1               | 622 | 94  | 18  | 9   | 72  | 38  | 1323 | 11        | 2         |
| Percentage of the number of the LEs in breach amongst number of LEs exempted                                | 14%     | 2%  | 0%  | 8%  |     | 6%  |     | 4%              | 31% | 22% |     |     | 16% | 0%  |      |           | 50%       |
| Percentage of the amount of the LEs in breach amongst the amount of LEs exempted                            | 33%     | 77% | 7%  | 31% |     | 42% |     | 32%             | 82% | 95% |     |     | 98% | 34% |      |           | 102%      |
| Percentage of the amount above 100% of the LE limit of the LEs in breach amongst the amount of LEs exempted | 13%     | 45% | 2%  | 18% |     | 24% |     | 15%             | 62% | 80% |     |     | 82% | 3%  |      |           | 68%       |

Source: Data Collection and COREP

As shown in Figure 30, the removal of the exemptions of Articles 400(1)f and j of the CRR and of Articles 400(2)/493(3)a, c and g of the CRR would lead to more than 5 new LEs in breach and their removal would create breaches in more than 3 countries.

Tables 19 and 20 do not include the impact of removing the exemption for intra-group exposures. This one is detailed in each exemption dedicated section.

### 3.5.1 Focus on each exemption of Article 400(1) of the CRR

This section and Sections 3.5.2 and 3.5.3 provide further insight into the possible impact of the removal of the exemptions. Figures below show the distribution of the amount of exposure at LEs level compared with the LE limit with and without the application of the given exemption. For example, in Figure 1 it can be seen that 159 of the LEs concerned by the exemption of Article 400(1)f of the CRR have an exposure amount (after the CRM effect but without the exemption) that is in the range of 0%-20% of the LE limit and 177 LEs concerned by the exemption of Article 400(1)f of the CRR have an exposure amount (after the CRM effect and with the use of the exemption) in this

<sup>20</sup> OTH: includes EE, HR, HU, LV, RO, SK. For these countries, less than 3 institutions were available in the Data collection



range. When removing this specific exemption, the distribution would shift to the right with an increase of the LEs represented in the classes where the exposures are higher than 20% of the LE limit. The most relevant information is provided by the last class, which includes the eventual LEs having an exposure higher than the LE limit (breaches of the limit). It can be seen that removing the exemption of Article 400(1)f of the CRR would provoke an increase in the breaches from 0 to 40 of the LEs concerned by the exemption. The range 80%-100% also shows relevant information as it identifies the proportion of LE close to the LE limit and that could be likely in breach.

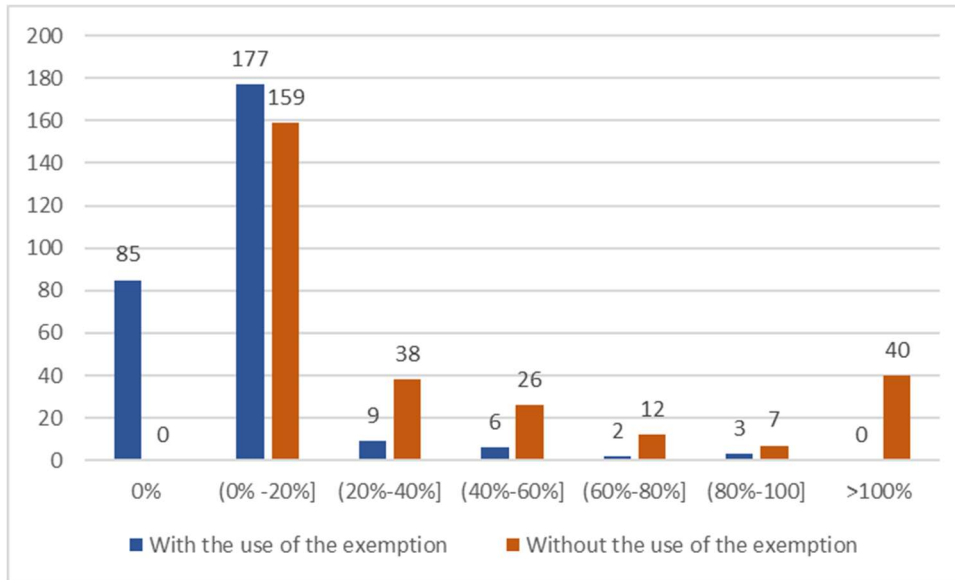
This section and sections 3.5.2 and 3.5.3 also provide the information on the exemptions for intra-group exposures. For example, Figure 2 shows the intra-group exposures exempted on the basis of Article 400(1)f of the CRR and that are not shown, because of intra-group consolidation, in the Figure 1. Also in this case, the LEs are shown by comparing the exposure amount with the LE limit of the reporting institution. The columns in green represent the number of institutions in the sample making use of the intra-group exemption, categorized by ratio of the total amount of intra-group exposures exempted on the LE limit applied by these institutions. Then, as this total amount of intra-group exemption is related to various numbers of intra-group counterparties, we represent in blue the number of institutions of the sample categorized by ratio but with the total exempted amount divided by the number of affected intra-group counterparties (excluding the institution itself).

For example, Figure 2 shows that the consolidated subsidiaries in 27 institutions of the sample are using the exemption of Article 400(1)f of the CRR with each others or with their consolidating institution. Without considering the number of times the exemption is used by subsidiaries within the consolidating institutions, amongst those 27 institutions, 9 of them have the total amount of intra-group exposures covered by exemption of Article 400(1)f of the CRR below 50% of the LE limit. When taking the number of times the exemption of Article 400(1)f of the CRR is used by the subsidiaries, by dividing by this number the former total amount, we can see that amongst the 27 institutions 15 have the divided total amount of intra-group exposures covered by exemption of Article 400(1)f of the CRR below 50% of the LE limit. Another example of how to read information from the Figure 2 is that 12 institutions have the total amount of intra-group exposures covered by exemption of Article 400(1)f of the CRR above 300% of the LE limit and '300% of the LE limit' can be seen as, at minimum (for institutions for which, as defined by Article 395(1) of the CRR, the LE limit can differ depending on whether the counterpart of the LE is an institution or not, it can be a higher proportion of the Tier 1 capital) 75% of the Tier 1 capital.

Overall, the analysis shows that removing any of the exemptions of Article 400(1)f to m of the CRR would lead to 66 LEs, out of a total of the approximately 14 thousand LEs of the sample (0.5%), to breach the LE limit.

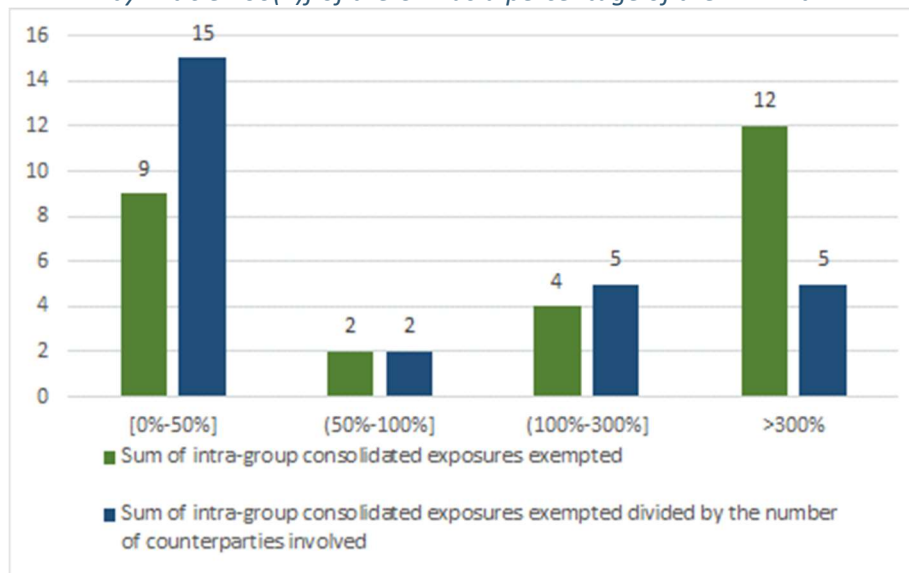
### 3.5.1.1 Impact of a removal of Article 400(1)f of the CRR

Figure 1. Number of LEs affected by the exemption of Article 400(1)f of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 400(1)f of the CRR - on the LE limit



Source: Data Collection and COREP

Figure 2. Number of sample institutions affected by intra-group consolidated exposures exempted by Article 400(1)f of the CRR as a percentage of the LE limit\*

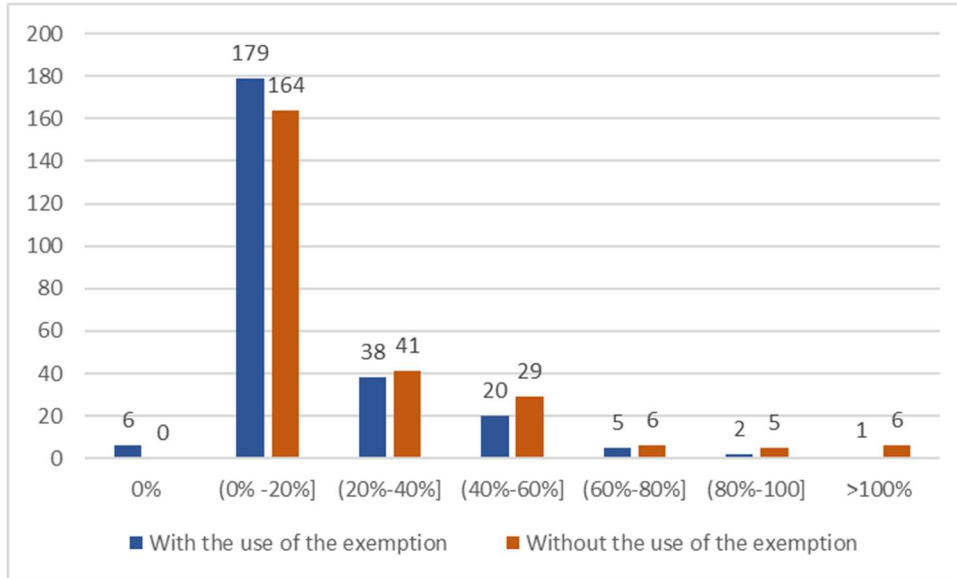


Source: Data Collection and COREP

\*As in all the following figures on intra-group exemptions, when in some specific situations as defined by Article 395(1) of the CRR the LE limit can differ depending on whether the counterpart of the LE is an institution or not, the LE limit being taken into account is the one related to institution

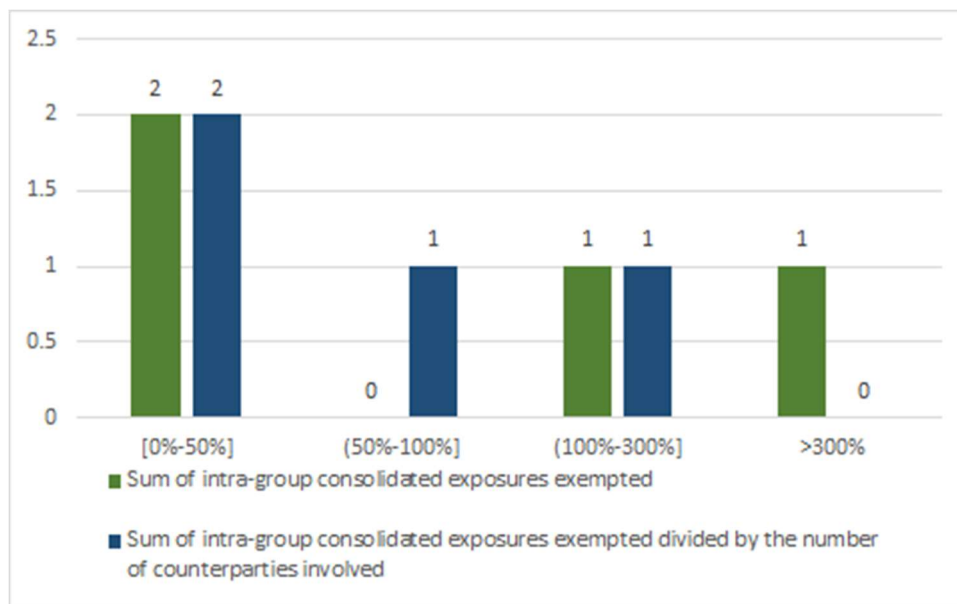
### 3.5.1.2 Impact of a removal of Article 400(1)g of the CRR

Figure 3. Number of LEs affected by the exemption of Article 400(1)g of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 400(1)g of the CRR - on the LE limit



Source: Data Collection and COREP

Figure 4. Number of sample institutions affected by intra-group consolidated exposures exempted by Article 400(1)g of the CRR as a percentage of the LE limit

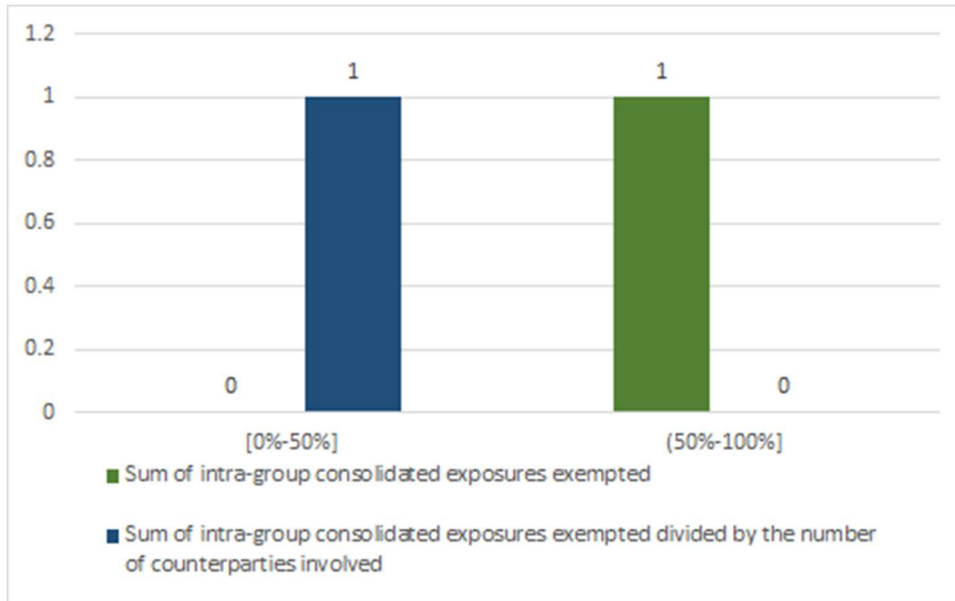


Source: Data Collection and COREP

### 3.5.1.3 Impact of a removal of Article 400(1)h of the CRR

No exposures affected by this exemption were reported but one intra-group exposure was reported by the sample institutions.

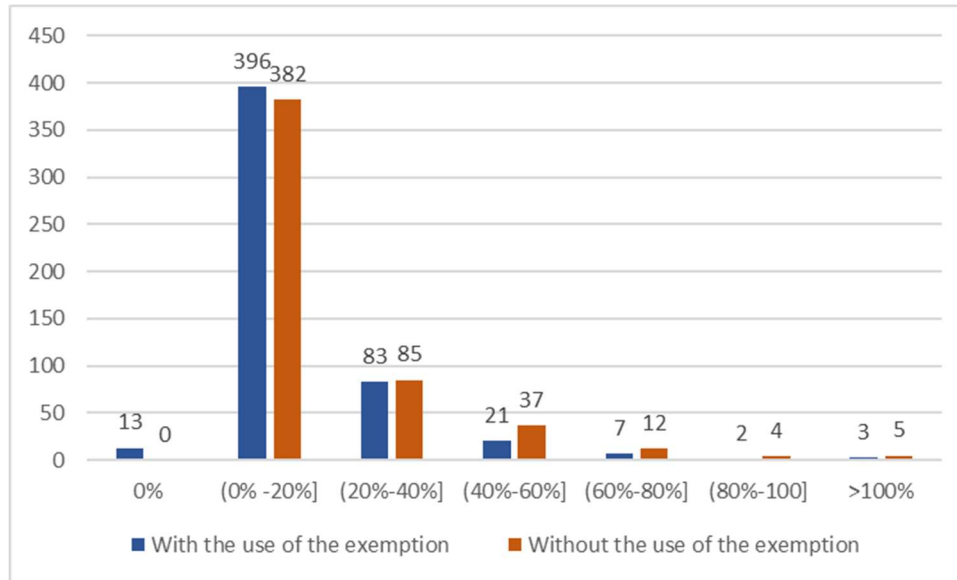
Figure 5. Number of sample institutions affected by Intra-group consolidated exposures exempted by Article 400(1)h of the CRR as a percentage of the LE limit



Source: Data Collection and COREP

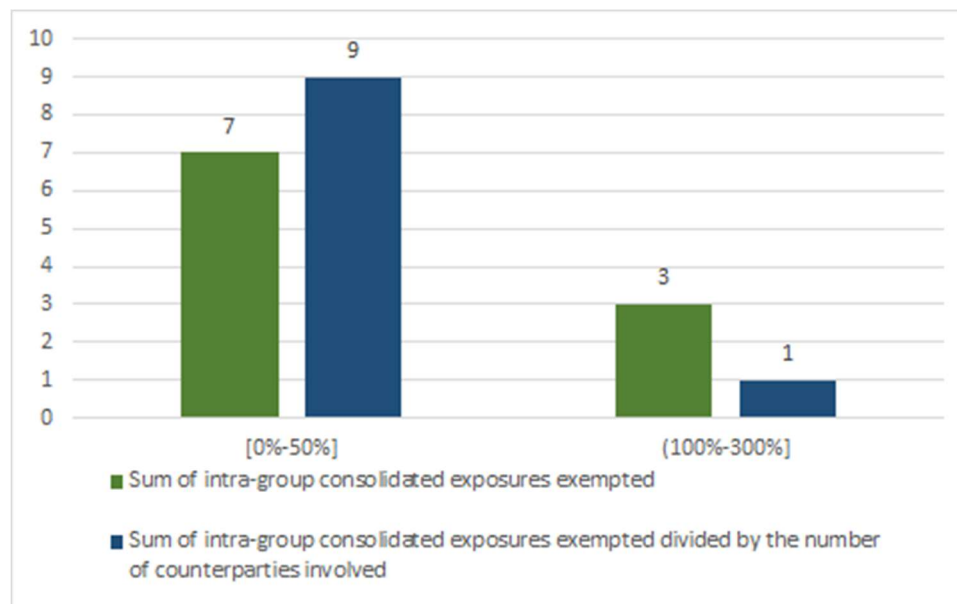
### 3.5.1.4 Impact of a removal of Article 400(1)i of the CRR

Figure 6. Number of LEs affected by the exemption of Article 400(1)i of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 400(1)i of the CRR - on the LE limit



Source: Data Collection and COREP

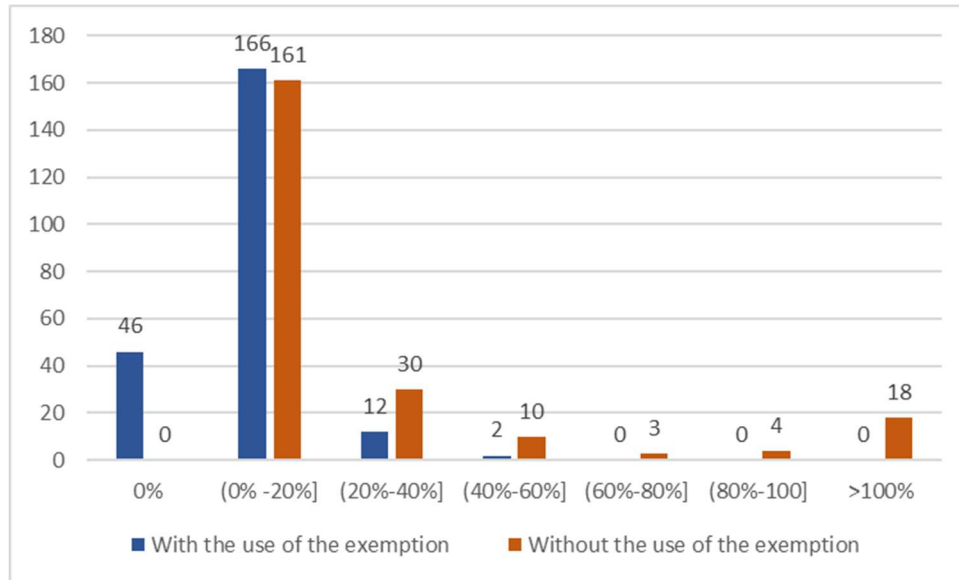
Figure 7. Number of sample institutions affected by intra-group consolidated exposures exempted by Article 400(1)i of the CRR as a percentage of the LE limit



Source: Data Collection and COREP

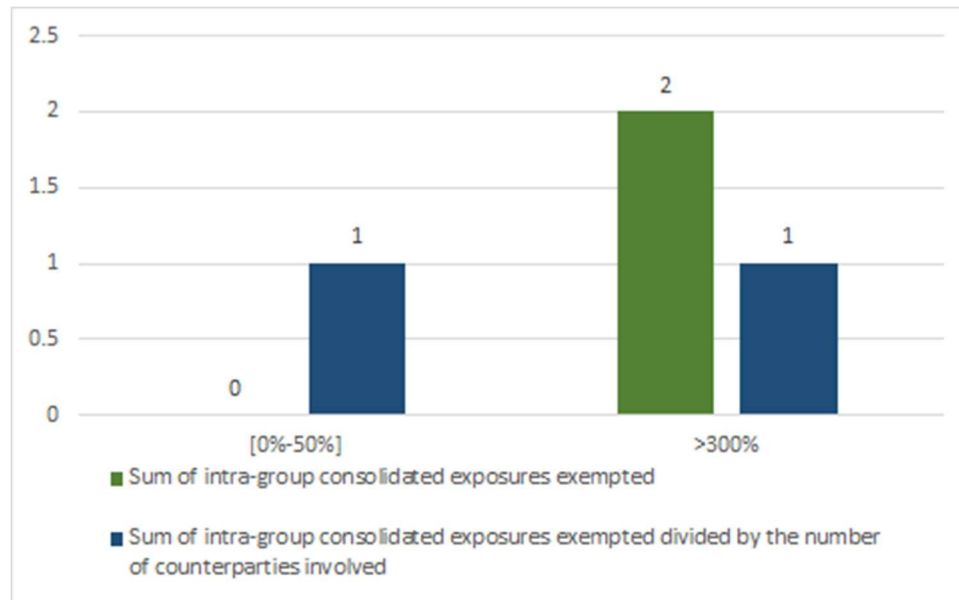
### 3.5.1.5 Impact of a removal of Article 400(1)j of the CRR

Figure 8. Number of LEs affected by the exemption of Article 400(1)j of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 400(1)j of the CRR - on the LE limit



Source: Data Collection and COREP

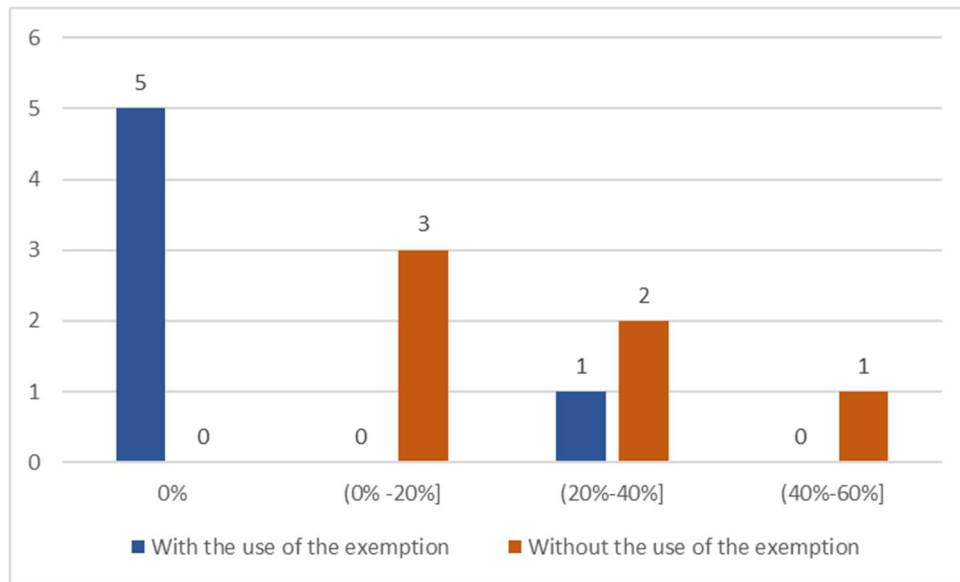
Figure 9. Number of sample institutions affected by intra-group consolidated exposures exempted by Article 400(1)j of the CRR as a percentage of the LE limit



Source: Data Collection and COREP

### 3.5.1.6 Impact of a removal of Article 400(1)k of the CRR

Figure 10. Number of LEs affected by the exemption of Article 400(1)k of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 400(1)k of the CRR - on the LE limit

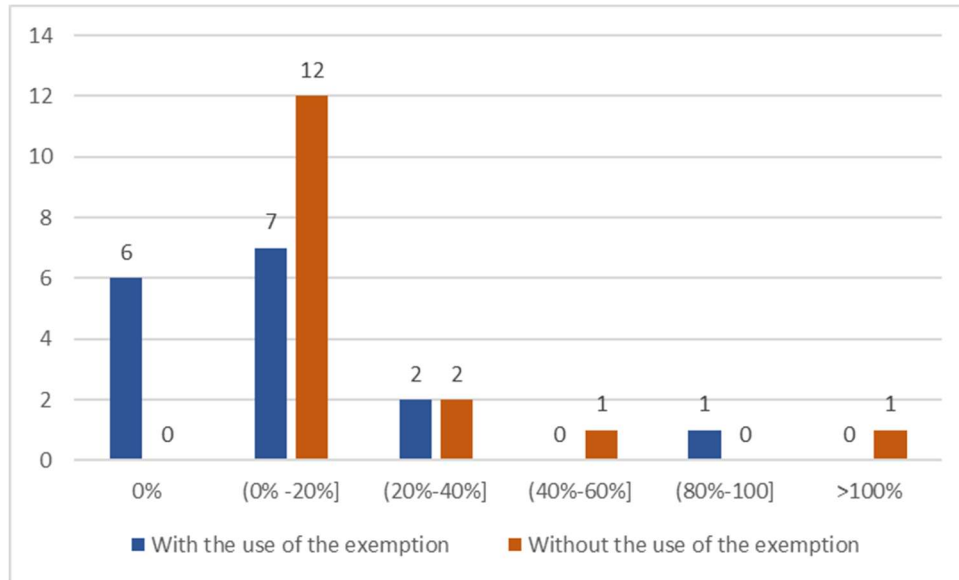


Source: Data Collection and COREP

For the exemption of Article 400(1)k of the CRR, no intra-group consolidated exposures have been reported by the sample institutions.

### 3.5.1.7 Impact of a removal of Article 400(1)l of the CRR

Figure 11. Number of LEs affected by the exemption of Article 400(1)l of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 400(1)l of the CRR - on the LE limit



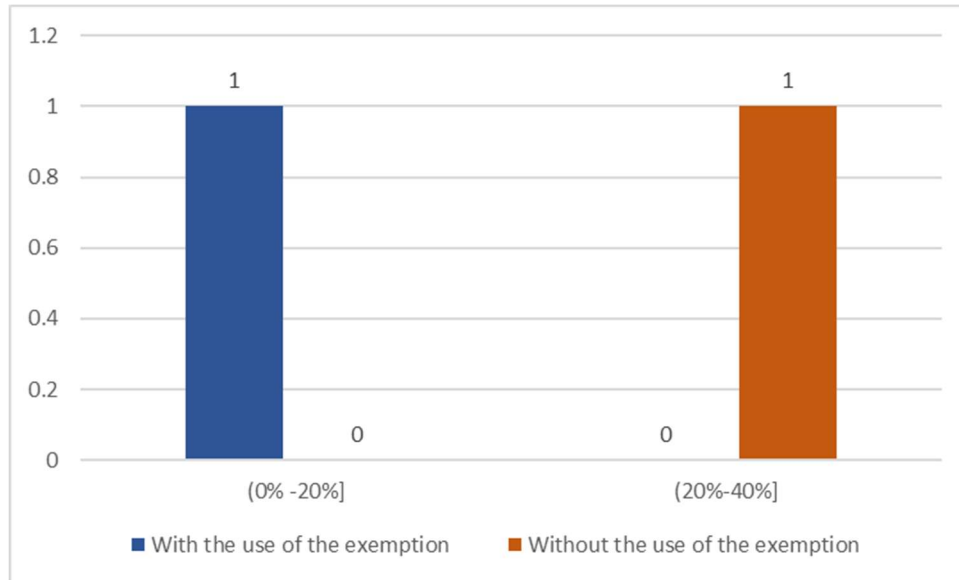
Source: Data Collection and COREP

For the exemption of Article 400(1)l of the CRR, no intra-group consolidated exposures have been reported by the sample institutions.



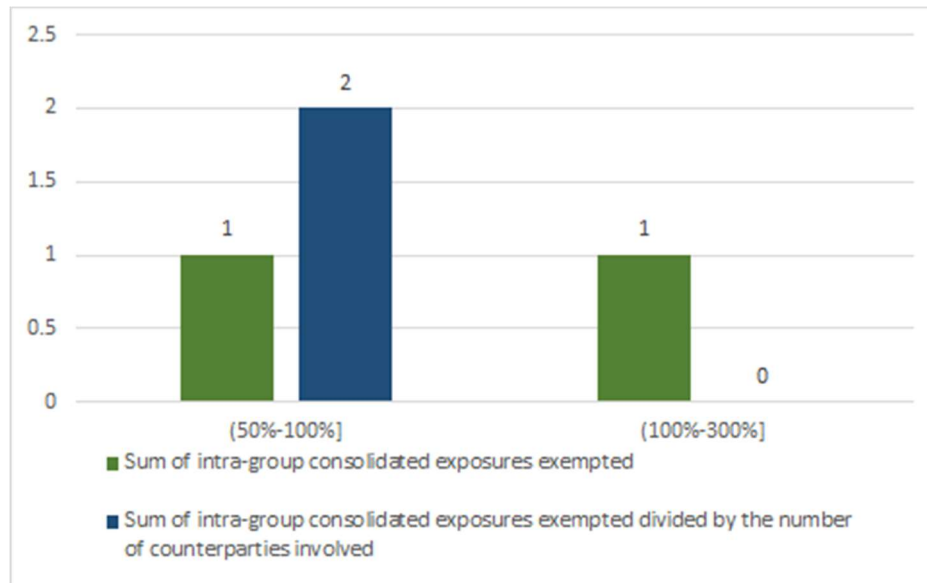
### 3.5.1.8 Impact of a removal of Article 400(1)m of the CRR

Figure 12. Number of LEs affected by the exemption of Article 400(1)m of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 400(1)m of the CRR - on the LE limit



Source: Data Collection and COREP

Figure 13. Number of sample institutions affected by intra-group consolidated exposures exempted by Article 400(1)m of the CRR as a percentage of the LE limit



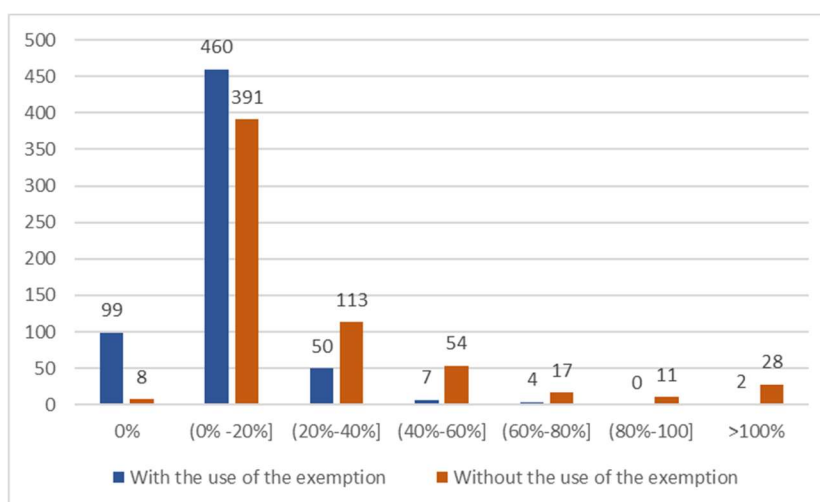
Source: Data Collection and COREP

### 3.5.2 Focus on each exemption of Articles 400(2) and 493(3) of the CRR

Removing all the exemptions of Articles 400(2)/493(3)a, c, d, e, f, g, i, j, k of the CRR would lead to 69 LEs, out of a total of approximately 14 thousand LEs of the sample (0.6%), to breach the LE limit.

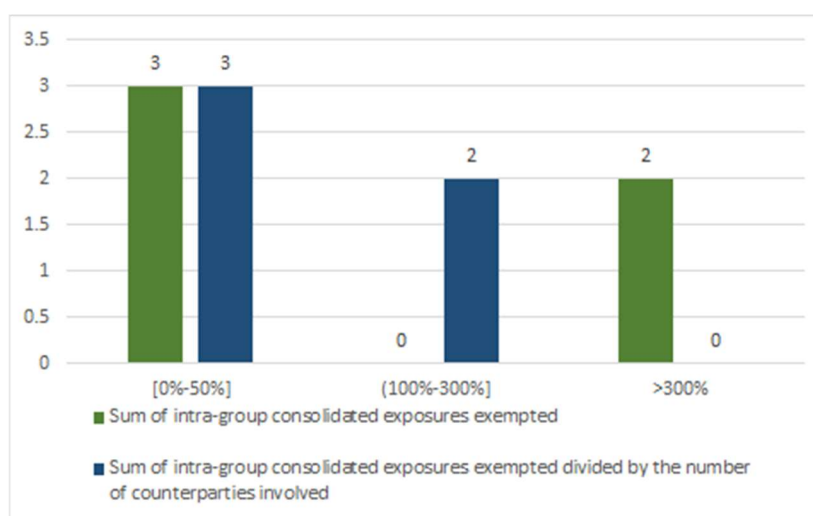
#### 3.5.2.1 Impact of a removal of Articles 400(2)/493(3)a of the CRR

Figure 14. Number of exposures affected by the exemption of Articles 400(2)/493(3)a of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Articles 400(2)/493(3)a of the CRR - on the LE limit



Source: Data Collection and COREP

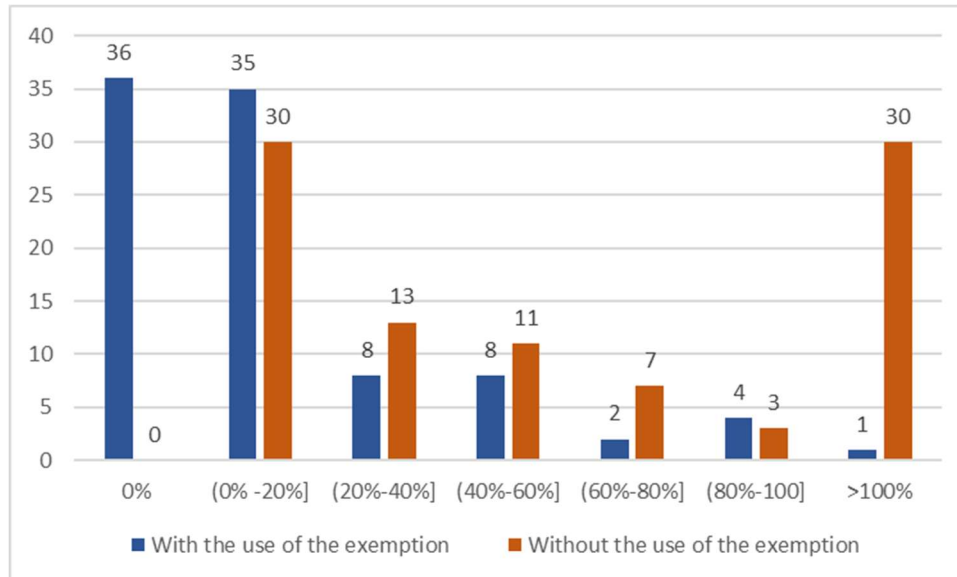
Figure 15. Number of sample institutions affected by intra-group consolidated exposures exempted by Articles 400(2)/493(3)a of the CRR as a percentage of the LE limit



Source: Data Collection and COREP

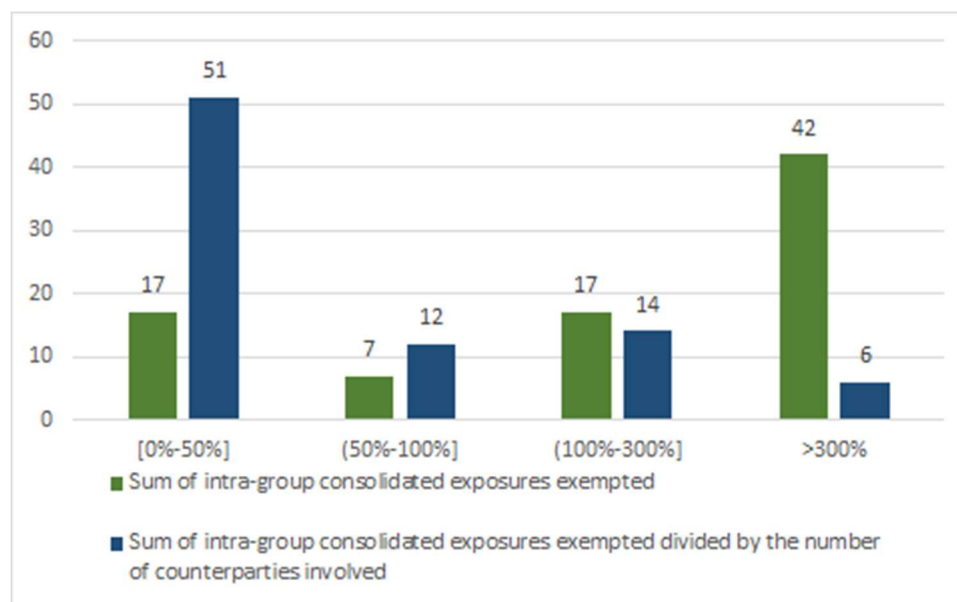
### 3.5.2.2 Impact of a removal of Articles 400(2)/493(3)c of the CRR

Figure 16. Number of exposures affected by the exemption of Articles 400(2)/493(3)c of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Articles 400(2)/493(3)c of the CRR - on the LE limit



Source: Data Collection and COREP

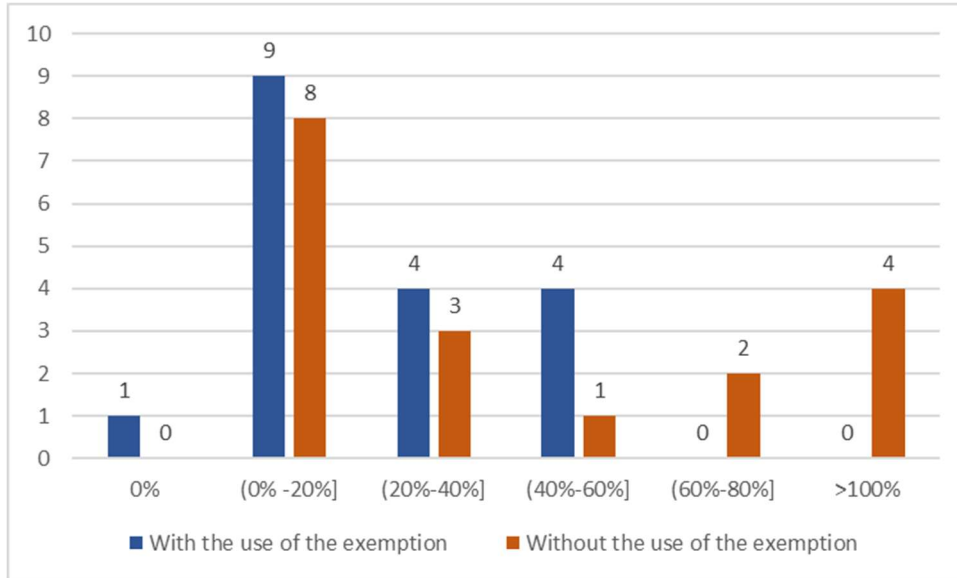
Figure 17. Number of sample institutions affected by intra-group consolidated exposures exempted by Articles 400(2)/493(3)c of the CRR as a percentage of the LE limit



Source: Data Collection and COREP

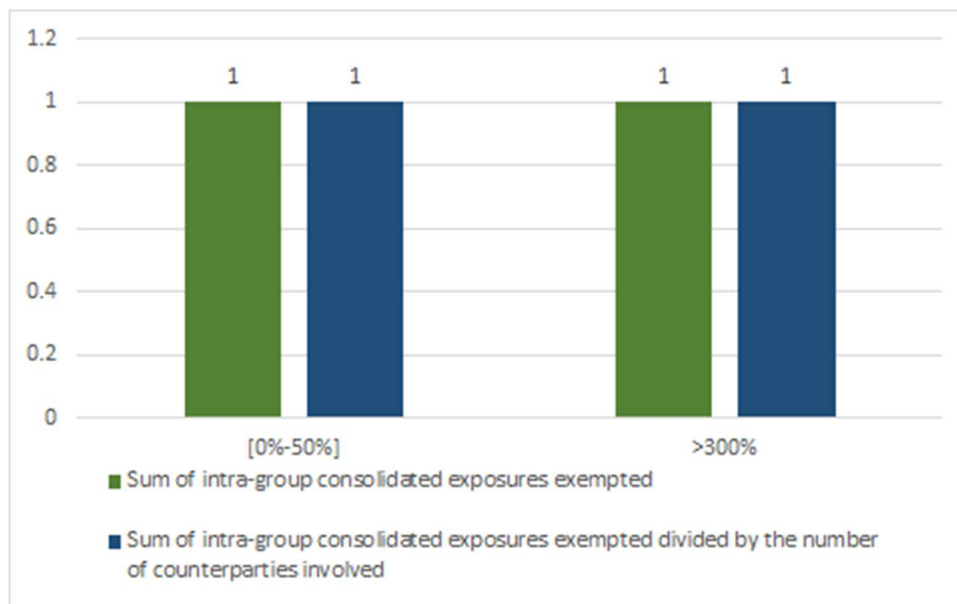
### 3.5.2.3 Impact of a removal of Articles 400(2)/493(3)d of the CRR

Figure 18. Number of exposures affected by the exemption of Articles 400(2)/493(3)d of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Articles 400(2)/493(3)d of the CRR - on the LE limit



Source: Data Collection and COREP

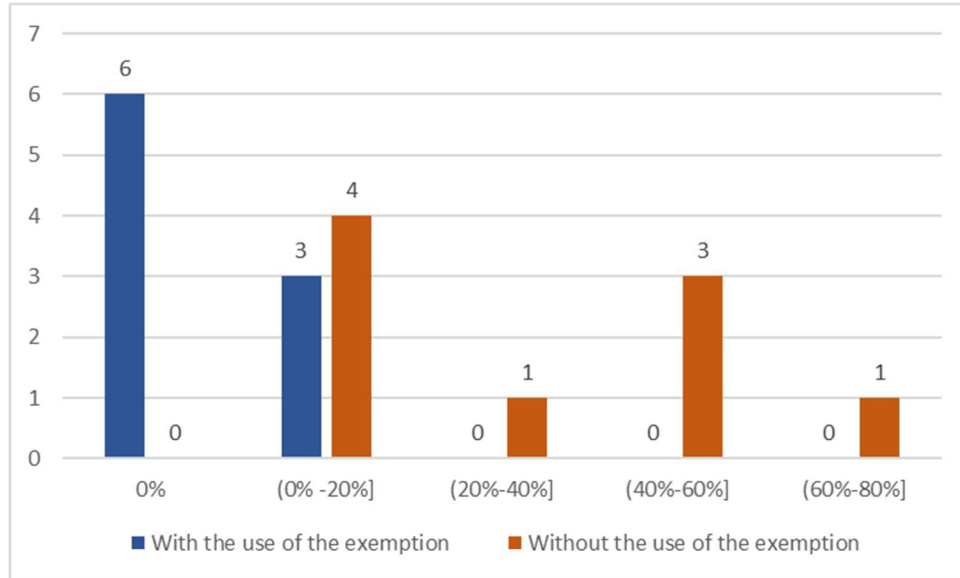
Figure 19. Number of sample institutions affected by intra-group consolidated exposures exempted by Articles 400(2)/493(3)d of the CRR as a percentage of the LE limit



Source: Data Collection and COREP

### 3.5.2.4 Impact of a removal of Articles 400(2)/493(3)e of the CRR

Figure 20. Number of exposures affected by the exemption of Articles 400(2)/493(3)e of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Articles 400(2)/493(3)e of the CRR - on the LE limit

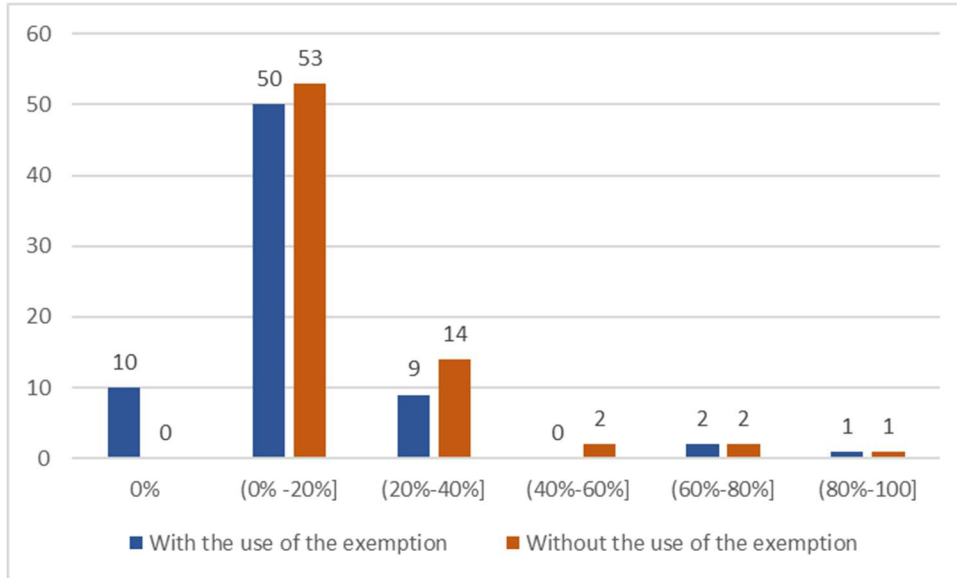


Source: Data Collection and COREP

For the exemption of Articles 400(2)/493(3)e of the CRR, no intra-group consolidated exposures have been reported by the sample institutions.

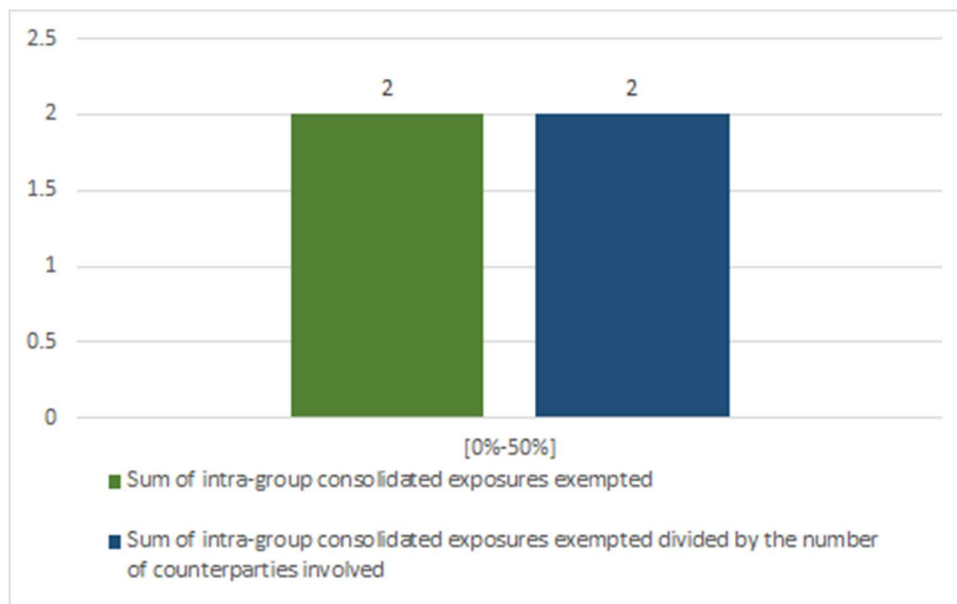
### 3.5.2.5 Impact of a removal of Articles 400(2)/493(3)f of the CRR

Figure 21. Number of exposures affected by the exemption of Articles 400(2)/493(3)f of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Articles 400(2)/493(3)f of the CRR - on the LE limit



Source: Data Collection and COREP

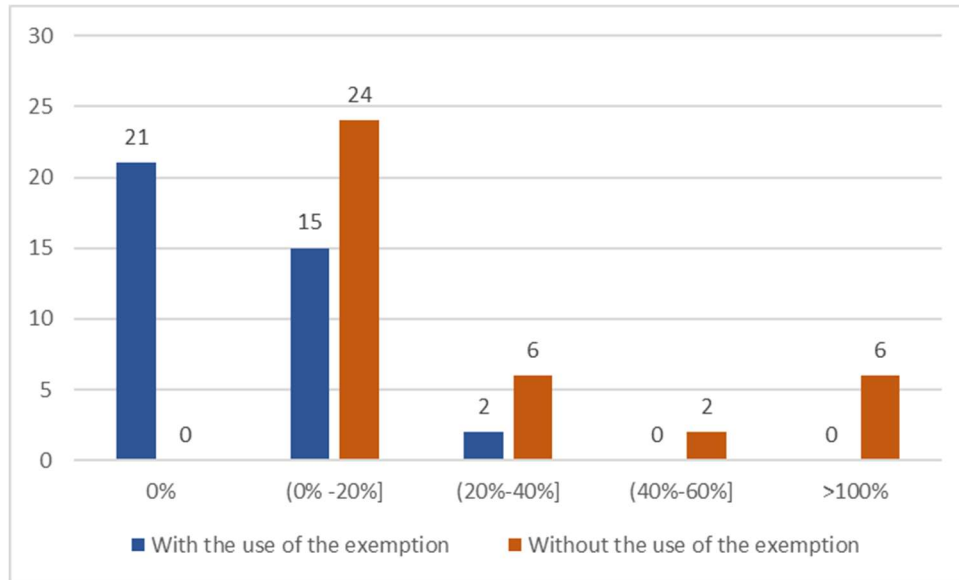
Figure 22. Number of sample institutions affected by intra-group consolidated exposures exempted by Articles 400(2)/493(3)f of the CRR as a percentage of the LE limit



Source: Data Collection and COREP

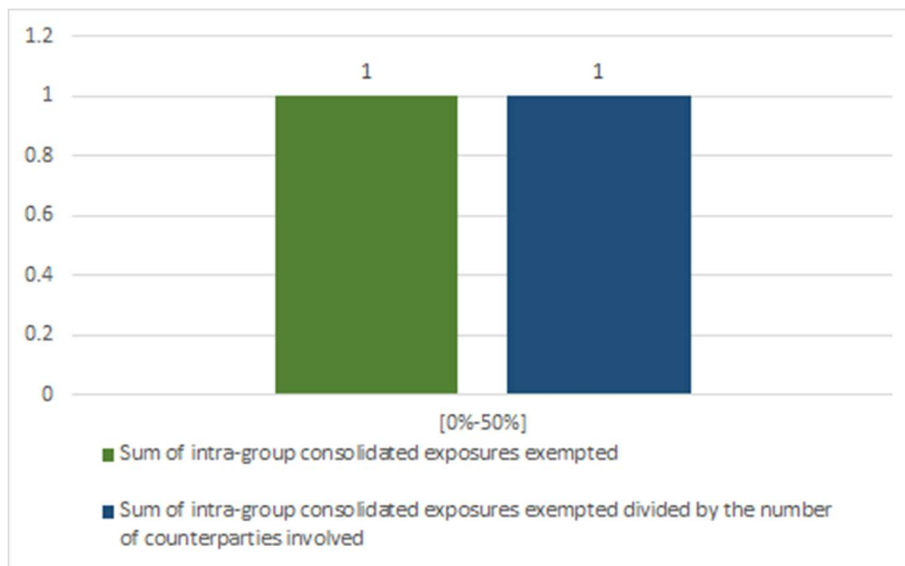
### 3.5.2.6 Impact of a removal of Articles 400(2)/493(3)g of the CRR

Figure 23. Number of exposures affected by the exemption of Articles 400(2)/493(3)g of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Articles 400(2)/493(3)g of the CRR - on the LE limit



Source: Data Collection and COREP

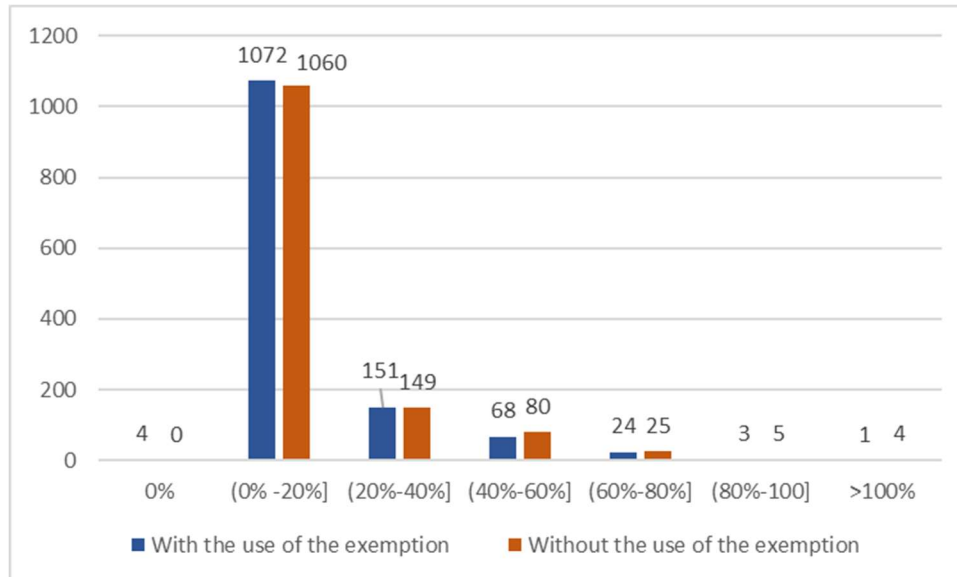
Figure 24. Number of sample institutions affected by intra-group consolidated exposures exempted by Articles 400(2)/493(3)g of the CRR as a percentage of the LE limit



Source: Data Collection and COREP

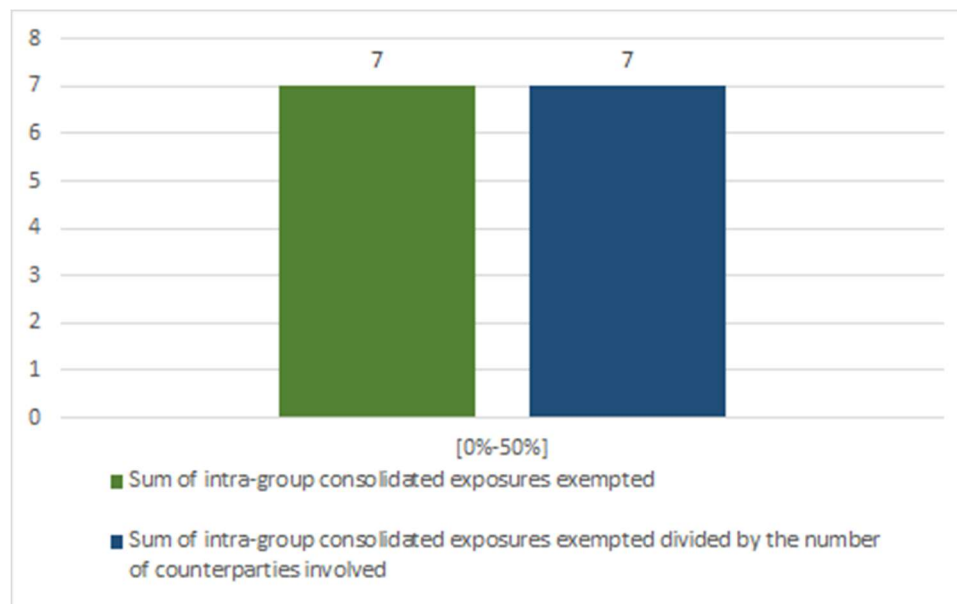
### 3.5.2.7 Impact of a removal of Articles 400(2)/493(3)i of the CRR

Figure 25. Number of exposures affected by the exemption of Articles 400(2)/493(3)i of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Articles 400(2)/493(3)i of the CRR - on the LE limit



Source: Data Collection and COREP

Figure 26. Number of sample institutions affected by intra-group consolidated exposures exempted by Articles 400(2)/493(3)i of the CRR as a percentage of the LE limit

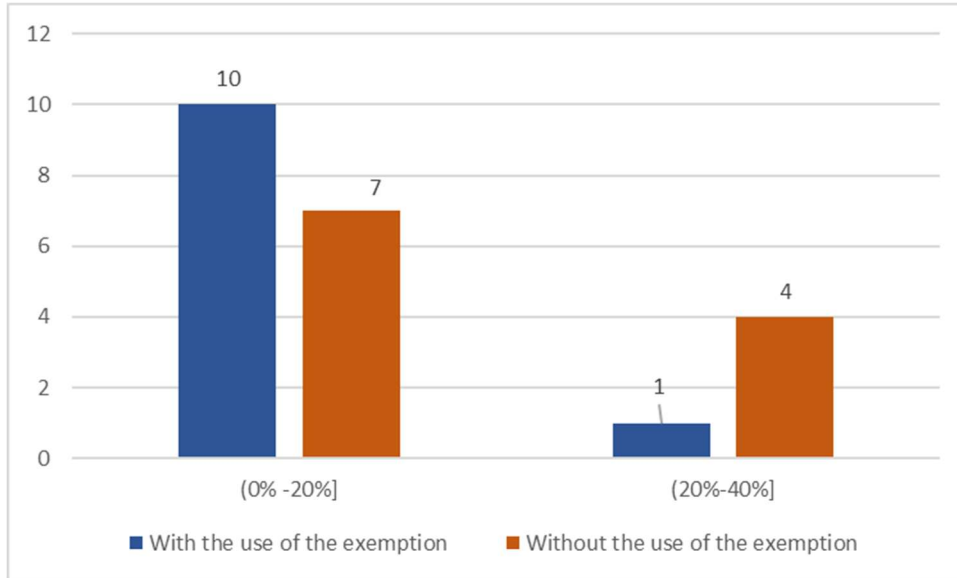


Source: Data Collection and COREP



### 3.5.2.8 Impact of a removal of Articles 400(2)/493(3)j of the CRR

Figure 27. Number of exposures affected by the exemption of Articles 400(2)/493(3)j of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Articles 400(2)/493(3)j of the CRR - on the LE limit

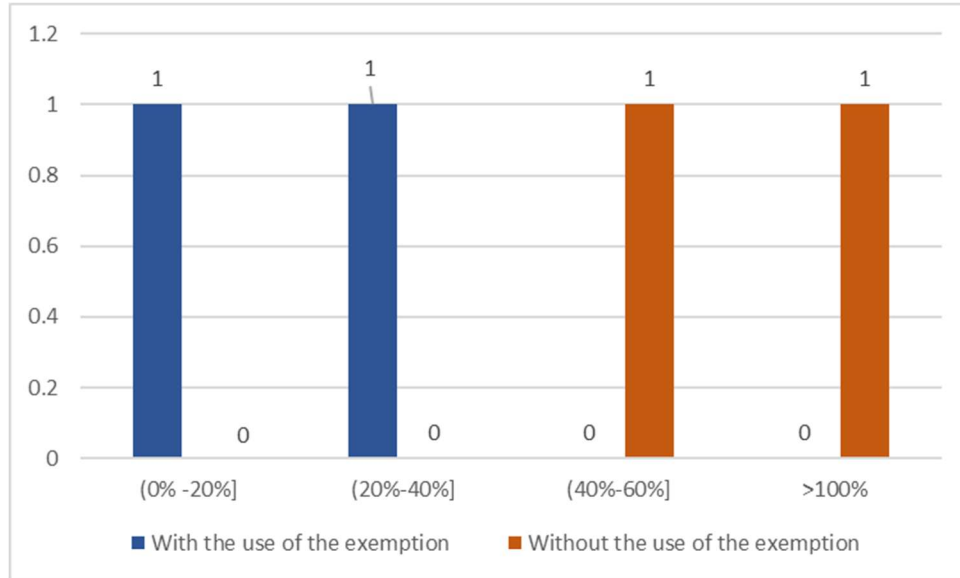


Source: Data Collection and COREP

For the exemption of Articles 400(2)/493(3)j of the CRR, no intra-group consolidated exposures have been reported by the sample institutions.

### 3.5.2.9 Impact of a removal of Article 400(2)k of the CRR

Figure 28. Number of exposures affected by the exemption of Article 400(2)k of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 400(2)k of the CRR - on the LE limit

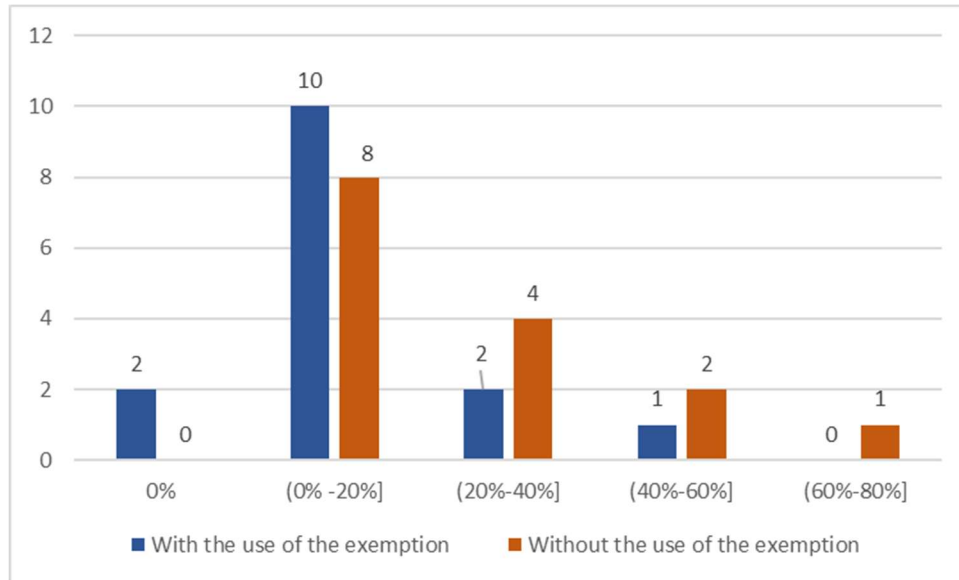


Source: Data Collection and COREP

For the exemption of Article 400(2)k of the CRR, no intra-group consolidated exposures have been reported by the sample institutions.

### 3.5.2.10 Impact of a removal of Article 493(3)k of the CRR

Figure 29. Number of exposures affected by the exemption of Article 493(3)k of the CRR disclosed by percentage of the exposure after application of exemptions and CRM – with and without the exemption of Article 493(3)k of the CRR - on the LE limit



Source: Data Collection and COREP

For the exemption of Article 493(3)k of the CRR, no intra-group consolidated exposures have been reported by the sample institutions.

### 3.5.3 Exclusion based on Article 390(6)b of the CRR

Exposures referred to in Article 390(6)b of the CRR are not reported in the COREP templates C27-C29 as they are excluded per definition of the exposure value. Thus, data was requested in the data collection on the exclusions of exposures based on this Article. In Table 21 are summarised the information gathered in the data collection on these exclusions. This table shows that out of 181 sample institutions (for this exemption, all the 181 sample institutions passed the data quality checks) from 25 countries having replied to the data collection, only 22 institutions from 12 countries are reporting the use of the exclusion referred to in Article 390(6)b of the CRR. In addition, this table shows that out of 5.490 counterparties with which the 22 respective institutions have exposures excluded on the basis of this Article, only 5 counterparties would be in breach if the use of Article 390(6)b of the CRR were not possible.

As mentioned in Section 2.2, it should be reminded that the above-mentioned result may be distorted since it cannot be excluded that exposures falling under Article 390(6)b of the CRR were not reported.

*Table 21. Data on exclusions based on Article 390(6)b of the CRR at aggregate level*

| Country | Number of Country's Institutions having answered to the data collection | Number of institutions concerned by the exclusion | Total Amount of exposures excluded (in EUR bn) | Number of counterparties concerned by exclusion | of which number of counterparties that would be in breach without the exclusion | of which number of institutions concerned by counterparties that would be in breach without the exclusion |
|---------|---|---|--|---|---|---|
| AT      | 8   |   |  |   |   |   |
| BE      | 8   |   |  |   |   |   |
| BG      | 3   |   |  |   |   |   |
| CY      | 4   |   |  |   |   |   |
| DE      | 54  | 4   | 0.5  | 139   | 2   | 1   |
| DK      | 6   |   |  |   |   |   |
| ES      | 5   | 1   | 1.7  | 98  |   |   |
| FI      | 3   |   |  |   |   |   |
| FR      | 12  | 2   | 19.6   | 55  | 2   | 1   |
| GR      | 4   | 1   | 0.0  | 8   |   |   |
| HU      | 3   | 1   | 0.0  | 11  |   |   |
| IE      | 6   | 2   | 0.7  | 688   |   |   |
| IT      | 7   | 4   | 20.6   | 4,149   |   |   |
| LU      | 11  | 1   | 0.1  | 21  |   |   |
| MT      | 4   |   |  |   |   |   |
| NL      | 5   | 1   | 2.4  | 90  |   |   |
| PL      | 9   | 1   | 0.0  | 1   |   |   |
| PT      | 8   |   |  |   |   |   |
| SE      | 10  | 3   | 1.2  | 226   | 1   | 1   |
| SI      | 3   |   |  |   |   |   |
| OTH*    | 8   | 1   | 0.0  | 1   |   |   |
| All     | 181   | 22  | 46.8   | 5,490   | 5   | 3   |

*Source: Data Collection*

*\* Other countries are the countries with less than 3 institutions in the sample (EE, HR, LV, RO, SK)*

As shown in Figure 30, we can see that this exemption is used more than 50 times, by 22 out of 181 sample institutions (>5%) and the amount affected in total is above EUR 10 billion. Furthermore, without the use of this exemption, less than (or equal to) 5 exposures for less than 2% of the sample institutions, in less than (or equal to) 3 countries would be impacted.

## 4. Synthesis

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In this section the table below presents a summary of the main observations made within the report regarding the exemptions listed in the mandate mentioned in Article 507(1) of the CRR. The table classifies by color the materiality of the usage of the exemptions and the possible impact of their removal. The results should be read in light of the limitations of the data collection described in Section 2.2 and which concern exemptions/exclusions of Articles 400(1)f, l and 493(3)c, f and 390(6)b of the CRR (each mentioned by at least one institution involved by the data collection<sup>21</sup> - plus the specific limitations mentioned in the previous section for exclusions of Article 390(6)b of the CRR) together with exemptions of the Articles 400(1)g, 400(2)/493(3)e, f and 400(2)k of the CRR (limitations that emerged during the discussions with the NCAs/NCBs experts). These limitations could lead to an underestimation of the usage and the impact of the exemptions. Additionally, it should be noted that some exemptions – namely the ones mentioned in Articles 400(2)/493(3)d of the CRR - are specific of certain business models such as the cooperative networks. Therefore, the data presented for the use of this exemption may not be representative due to the assumptions under which the definition of the sample of institutions participating in the data collection was undertaken (e.g. in terms of the business model of the participating institutions and the level of application of the data collection). However, exemptions of the Articles 400(1)f and 400(2)/493(3)c of the CRR appear as widely used and this result would likely not change; representativeness problems about the exemption of the Article 400(1)l of the CRR were mentioned only by one institution; also the exclusion of the Article 390(6)b of the CRR already appears as widely used but the impact of its removal could be underestimated. Besides, it is worth mentioning that no one of the institutions in the sample mentioned any representativeness issue related to these specific exemptions. The figure below shows that under almost all the criteria, the more relevant exemptions are the same.

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<sup>21</sup> Only Article 400(1)f of the CRR was mentioned by two institutions while the other were mentioned only by one.

Figure 30: Relevance of the exemptions under different criteria\*

|                               |  | 400(1) |      |   |   |   | 400(2) / 493 (3) |   |   |   |   |     | 390 (6) |     |   |   |   |           |         |     |
|-------------------------------|--|--------|------|---|---|---|------------------|---|---|---|---|-----|---------|-----|---|---|---|-----------|---------|-----|
|                               |  | f      | g*** | h | i | j | k                | l | m | a | e | d** | e***    | f** | g | i | j | 400(2)k** | 493(3)k | b** |
| Reporting entity's exemptions | LEs  | x      | x    |   | x | x |                  |   |   | x | x |     |         |     | x | x |   |           |         | x   |
|                               | Nr of Institutions                                   | x      | x    |   | x | x |                  |   |   | x | x | x   |         | x   | x | x |   |           |         | x   |
|                               | Amount of exposure                                   | x      | x    |   | x | x |                  |   |   | x | x |     |         |     | x | x |   | x         |         | x   |
|                               | New institutions in breach                           | x      | x    |   |   | x |                  |   |   | x | x |     |         |     | x |   |   |           |         |     |
|                               | New LEs in breach                                    | x      | x    |   |   | x |                  |   |   | x | x |     |         |     | x |   |   |           |         |     |
|                               | New LEs approaching the LE limit (but not in breach) | x      | x    |   |   | x | x                |   |   | x | x |     |         |     |   |   |   |           |         | NA  |
| Intragroup exemptions         | Countries concerned by new LEs in breach             | x      | x    |   |   | x |                  |   |   | x | x |     |         |     | x |   |   |           |         |     |
|                               | Nr of exemptions                                     | x      | x    |   |   | x | x                |   |   | x | x |     |         |     |   | x |   |           |         | NA  |
|                               | Nr of Institutions                                   | x      | x    |   |   | x |                  |   |   | x | x |     |         |     |   | x |   |           |         | NA  |
|                               | Amount of exposure                                   | x      | x    |   |   | x |                  |   |   | x | x |     |         |     |   |   |   |           |         | NA  |

|  |  |
|--|--|
|  | HIGH use and HIGH impact of removal  |
|  | HIGH (even the most used in terms of number of exemptions) use but LOW impact of removal |
|  | LOW use and LOW impact of removal  |

Source: Data Collection and COREP

\*Criteria are the ones used in the previous sections and a "x" is made for each line when they are met. The criteria are summarized below (they are not regulatory and have been set conventionally for the purpose of highlighting the high and low use and impact of exemptions):

For reporting entity's exemptions (consolidated level):

- LEs: exemptions used more than 50 times by the institutions of the sample
- Nr of Institutions: more than 5% of the institutions of the sample concerned by the exemption
- Amount of exposure: exemption used for more than EUR 10 billion by the institutions of the sample
- New institutions in breach: more than 2% of the institutions of the sample becoming in breach
- New LEs in breach: more than 5 new LEs in breach when the exemption is not used
- New LEs approaching the LE limit (but not in breach): Number of LEs in the bracket of (80%-100) of the LE limit increasing by 200% or more when the exemption is not used
- Countries concerned by new LEs in breach: more than 3 countries having an institution of the sample becoming in breach when the exemption is not used

For intra-group exemptions:

- LEs: exemptions used more than 10 times within the consolidated group of the institutions reporting intra-group exemptions
- Nr of Institutions: more than 5% of the institutions, reporting intra-group exemptions, concerned by the exemption
- Amount of exposure: exemption used for more than EUR 10 billion by the institutions reporting intra-group exemptions

\*\*Conclusions and results for these exemptions have to be more particularly read together with the limitations mentioned in Section 2.2

\*\*\* The use of these exemptions might be under-estimated in some jurisdictions, due to the fact that these exemptions are used by less significant institutions

## 5. Conclusions

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This report is aimed at providing quantitative information regarding the use of exclusions/exemptions set out in point (b) of Article 390(6), points (f) to (m) of Article 400(1), point (a) and points (c) to (g), (i), (j) and (k) of Article 400(2) of the CRR and to assess the impact that the removal of those exemptions would have. The EBA deemed necessary to also include in the scope of the report the exemptions that Member States (MS) can exercise under their relevant national law when implementing Article 493(3) of the CRR. Data has been collected also on the use of the exemptions. Additionally, for institutions reporting at the consolidated level, information has been gathered on the use of the intra-group exemptions. The report is meant to provide only a descriptive analysis of the information requested, with no policy content or recommendations.

The report relies on two sources of data, at the reference date of 30 June 2021: regulatory reporting templates (COREP) and the specific data-collection exercise carried out by the EBA with the help of the experts of the NCAs/NCBs. With the aim to reduce the burden for the institutions, the data collection was designed as to collect only complementary information not available in COREP.

The use of the various exemptions was assessed under different perspectives: the number of LEs exempted in each MS; the number of institutions that make use of the exemption in each Member State; and the aggregate amount of exposures exempted in each Member State. The impact of the removal of the exemptions was measured both in terms of number of institutions that would become in breach of the LE limit in case each exemption was removed, and in terms of the distribution of the amount of exposure at LEs level compared with the LE limit with and without the application of the given exemption.

The results should be read in light of the limitations of the data collection described in Section 2.2 and synthesized in Section 4 and which concern exemptions/exclusions of Articles 400(1)f, g, l, 400(2)/493(3)c, 400(2)/493(3)d, 400(2)/493(3)e, 400(2)/493(3)f, 400(2)k and 390(6)b of the CRR. These limitations could lead to an underestimation of the usage and the impact of those exemptions.

Some of the assessed exemptions are widely used across the EU and their removal would have a material impact, in detail: exemptions of Articles 400(1)f, g, j and 400(2)/493(3)a, c, g. Some exemptions are widely used across EU but their removal would not have a material impact, in detail: exemptions of Articles 400(1)i and 400(2)/493(3)i of the CRR. Some exemptions are relevant only for some countries and some of the exemptions appear seldom used (at least by institutions included in the data collection). However, relying on a sample implies that the report will not capture possibly significant effects on individual institutions with specific business models or size and this report is to be seen as a contribution (bearing in mind its limitations) to an informed discussion on any future policy conclusions.





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