



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL  
MARKETS UNION

The Director-General

Brussels  
fisma.d.1(2026)2342012/AG

Helmut Ettl  
Acting Chair  
European Banking Authority  
20 Avenue André Pothin  
92927 Paris  
France

**Subject: Draft regulatory technical standards specifying Regulation (EU) No 575/2013 <sup>(1)</sup> with regard to the components of the business indicator – intention to adopt with changes according to Article 10(1) of Regulation (EU) 1093/2010**

Dear Mr Ettl,

On 16 June 2025, the European Banking Authority ('EBA') sent to the Commission a package of draft RTS <sup>(2)</sup> that included the draft Regulatory Technical Standards ('RTS') supplementing Regulation (EU) No 575/2013 <sup>(3)</sup> of the European Parliament and of the Council ('Capital Requirements Regulation' or 'CRR') with regard to the components of the business indicator under Article 314(9)(a) of the CRR. In order to achieve further simplification, facilitate end-users access and ensure a coherent implementation of requirements pertaining to an identical matter, these draft RTS and the ones submitted by the EBA on 1 August 2025 <sup>(4)</sup> have been bundled into one single Commission Delegated Regulation.

With this letter, I would like to inform EBA that the European Commission intends to endorse with amendments the draft RTS with regard to the components of the business

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<sup>(1)</sup> OJ L 176, 27.6.2013, pp. 1–337

<sup>(2)</sup> Draft regulatory technical standards on the components of the business indicator under Article 314(9)(a) of the CRR and the elements to be excluded from the business indicator under Article 314(9)(b) of the CRR and on the adjustments to the business indicator under Article 315(3)(a), (b) and (c) of the CRR.

<sup>(3)</sup> OJ L 176, 27.6.2013, pp. 1–337

<sup>(4)</sup> They are the following: RTS establishing a risk taxonomy on operational risk that complies with international standards and a methodology to classify the loss events included in the loss data set based on that risk taxonomy on operational risk under Article 317(9) of the CRR; the RTS on specifying the conditions under which the calculation of the annual operational risk loss may be deemed 'unduly burdensome' under Article 316(3) of the CRR; the RTS on specifying how institutions shall determine the adjustments to their loss data set following the inclusion of losses from merged or acquired entities or activities under Article 321(2) of the CRR.

indicator under Article 314(9)(a) of the CRR, as set out in the annex. The reasons for these changes can be summarised as follows.

To complement and further detail the operational risk framework, the EBA was mandated to develop a series of regulatory and implementing technical standards. Among those, the draft RTS on the components of the business indicator specify which items should be considered in each of the business indicator components – notably the interest, leases and dividend component, the services component, and the financial component. As foreseen in Article 314(6), banks are allowed to calculate the financial component either in accordance with the accounting standards or, as appropriate, in accordance with the prudential boundary approach (PBA) as used in the context of market risk.

Unfortunately, when specifying the conditions for the appropriate use of the PBA, the draft RTS resulted in an excessively rigid approach, notably imposing the use of the PBA to the entire balance sheet of a bank. Such situation would have completely curtailed the applicability of the PBA, thereby contradicting the objective of the CRR.

Therefore, amendments have been brought to the draft RTS in order to ensure a better balance between allowing a bank to exercise the option foreseen by the legislation, and ensuring sufficient conditions for its use to be assessed “as appropriate” by the supervisor. The most relevant change has been made to the scope of application of the PBA, specified in Article 12 of the draft RTS. Some conditions for assessing the appropriateness of the PBA use, as laid down in Article 9, have also been subject to some limited changes. As a result of these amendments, the use of the PBA is now enabled for specific portfolios, for which the accounting-based approach would be disproportionate, as was the initial objective of the CRR provision.

In light of the above, I would like to inform you that the Commission, acting in accordance with the procedure set out in the sixth and seventh subparagraphs of Article 10(1) of Regulation (EU) 1093/2010, intends to adopt the draft RTS submitted by EBA with the amendments set out in the annex. Based on this procedure, EBA has the possibility to amend the draft RTS on the basis of the Commission’s proposed amendments and resubmit it in the form of a formal opinion to the Commission within a period of 6 weeks from the date of the present letter. If, on the expiry of that six-week period, EBA has not submitted an amended draft RTS, or has submitted a draft RTS that is not amended in a way consistent with the Commission’s proposed amendments, the Commission can adopt the draft RTS with the amendments it considers relevant, or reject it.

I would like to express our appreciation for the work undertaken by EBA to deliver the draft RTS and look forward to continuing our good cooperation on this legal act.

Yours sincerely,

John BERRIGAN  
(electronically signed)

Enclosure: Amended draft Commission Delegated Regulation supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards specifying operational risk requirements

c.c.: Aurore Lalucq, MEP, Chair of the Committee on Economic and Monetary Affairs, ECON secretariat (European Parliament);  
Makis Keravnos, Chair of Economic and Financial Affairs Council (ECOFIN), Thérèse Blanchet, Secretary-General (Council of the European Union)

