



TOPICS:
IRRBB, PILLAR 3

SOURCE:
 European Banking Authority

EBA Issues Requirements on Institutions' Pillar 3 Disclosure of Interest Rate Risk Exposures

ITS at Glance

- According to article 448 Regulation (EU) No 575/2013 ('CRR') requires **institutions to disclose**, as from 28 June 2021, quantitative and qualitative information **on the risks arising from potential changes in interest rates** that affect both the economic value of equity and the net interest income **of their non-trading book activities**.
- These EBA **implementing technical standard (ITS) include the following** information:
 - i) table EU IRRBBA which provides **qualitative information** on institutions' risk management objective and policy with regard to interest rate risk on positions not held in the trading book (IRRBB);
 - ii) template EU IRRBB1 which provides **quantitative information** including the impact of interest rate supervisory shock scenarios on institutions' changes in the economic value of equity and net interest income.

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