

**Question for written answer E-007011/2017  
to the Commission**  
Rule 130  
**Barbara Kappel (ENF)**

Subject: Loss recognition delays

Timely and adequate provisioning for non-performing loans (NPLs) is essential to ensure the financial soundness of banks and, from European and international experience, has proved to be crucial for effectively resolving NPLs. Conversely, loss forbearance is a major obstacle to debt restructuring or asset sales, since banks may thereby postpone restructuring or deleverage in order to avoid loss recognition. Delays in loss recognition have been found to contribute to reduced lending, as the delays put even more pressure on the bank to increase provisions in the stage of the business cycle when capital requirements are most binding.

1. Can the Commission provide a study of loss recognition delays per Member State?
2. Which Member States have significant delays in loss recognition?