

(English version)

**Question for written answer E-004005/25
to the Commission
Jorge Martín Frías (Pfe)
(13 October 2025)**

Subject: Risk weighting for pawn credit on gold jewellery

Regulation (EU) 2024/1623 ⁽¹⁾ introduced a new definition in Article 4(1)60(a) of the Capital Requirements Regulation ⁽²⁾ (CRR):

“Gold bullion’ means gold in the form of a commodity, including gold bars, ingots and coins, commonly accepted by the bullion market, where liquid markets for bullion exist, and the value of which is determined by the value of the gold content, defined by purity and mass, rather than by its interest to numismatists.’ This formulation is consistent with the interpretative guidelines provided by European Banking Authority in Q&A 2016_3011, which allowed ‘gold coins’ and other gold objects to qualify for a preferential risk weighting of 0%, provided that the value is determined by the specific gold content and that a liquid market exists, given that gold jewellery pledged for a loan is subject to an expert valuation, and in the event of non-repayment, is retained, and can be transformed into gold bars and resold in a liquid market.

Therefore:

In the light of the new definition of ‘gold bullion’ in Article 4(1)60(a) CRR, can gold contained in jewellery items be used as collateral for a pawn loan, once the market value of the gold content is determined (based on purity and weight), excluding any artistic, numismatic, brand, or other extrinsic attributes, be considered eligible for a preferential 0% risk weighting?

Submitted: 13.10.2025

**Answer given by Ms Albuquerque on behalf of the European Commission
(26 November 2025)**

The definition of gold bullion of Article 4(1)(60a) of the Capital Requirements Regulation (CRR) ⁽¹⁾ makes clear that not all kinds and forms of gold can receive the 0% preferential risk-weight and be used as collateral for prudential purposes.

Only physical gold with uniform purity and mass such as gold bars, ingots, and coins to be treated as a commodity meets the CRR definition, because its standardisation and, consequently, fungibility makes it easily and speedily valued and traded on the market (also in bulk and without physical delivery through gold certificates), thereby reducing its risk profile.

As gold jewellery is not subject to uniform purity and mass standards across the globe that would make it valued and accepted as a commodity, it is not generally traded in the bullion market and, accordingly, it does not meet the definition of Article 4(1)(60a) of the CRR.

The fact that the gold contained in jewellery can be extracted and transformed in e.g. gold bars is not sufficient because it would still need to go through refining during the melting process to meet the standard purity and mass necessary to be considered as a commodity and thus be traded on the bullion market.

Such a prudential treatment does not hinder the ability of the borrowers to pledge gold jewellery according to the applicable property law.

However, such a pledge will not allow the lending bank to reduce its prudential capital requirements according to Articles 134(4), 197(1)(g), 207(1-4) of the CRR.

¹ Regulation (EU) 2024/1623 of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor (OJ L, 2024/1623, 19.6.2024, ELI: <http://data.europa.eu/eli/reg/2024/1623/oj> (<http://data.europa.eu/eli/reg/2024/1623/oj>)).

² Regulation (EU) No 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1, ELI: <http://data.europa.eu/eli/reg/2013/575/oj> (<http://data.europa.eu/eli/reg/2013/575/oj>)).

⁽¹⁾ OJ L 176, 27.6.2013, pp. 1-337.