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Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - COREP (incl. IP Losses)
Article	430
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) 2021/451 - ITS on supervisory reporting of institutions
Article/Paragraph	Annexes I and II, C 33.00, c0020
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Disclose name of institution / entity	Yes
Name of institution / submitter	Banco Bilbao Vizcaya Argentaria, S.A.
Country of incorporation / residence	SPAIN
Type of submitter	Credit institution
Subject matter	C 33.00: Instructions concerning specific positions - c0020
Question	<p>Should column 0020 in C 33.00 be filled in as the sum of the columns 0030 to 0120 minus column 0130? Or should the net amount only be reported when the following condition is met: there's a short position with the same immediate counterparty and residual maturity?</p> <p>If the current definition of column 0020 is considered correct, should validations v10651_m and v5853_h be changed?</p>
Background on the question	<p>According to the instructions on C 33.00, the column c0020 ('Total carrying amount of non-derivative financial assets (net of short positions)') should be reported this way: 'Aggregate of the carrying amount, in accordance with paragraph 27 in Annex V, Part 1, of non-derivative financial assets to General governments for all accounting portfolios under IFRS or national GAAP based on BAD defined in paragraphs 15 to 22 in Annex V, Part 1 and listed in</p>

columns 0030 to 0120, net of short positions. When the institution has a short position for the same residual maturity and for the same immediate counterparty (...), the carrying amount of the short position shall be netted against the carrying amount of the direct position. This net amount shall be considered as zero when it is a negative amount. (...)’ In this regard, two questions arise regarding column 0020: Are the instructions correct and do we have to report always column 0020 as the as the sum of the columns 0030 to 0120 minus column 0130 with independence of the counterparty and/or maturity of the short position? Should we report 0 in column 0020 when the net position is negative? It’s relevant to clarify these issues because the definition affects to validations v10651_m and v5853_h.

v10651_m c[0010, 0020, 0030, 0040, 0050, 0060, 0070, 0080, 0090, 0100, 0110, 0120, 0130, 0140, 0150, 0160, 0170, 0180, 0190, 0200, 0210, 0220, 0230, 0240, 0250, 0260], z1:* : {r0010} = {r0170} + {r0180} + {r0190} + {r0200} + {r0210} + {r0220} + {r0230} We cannot fulfill this validation for column 0020 since it is the sum of column 0030 to 0120 and netted with 0130, if this result is negative we have to report a 0 (it does not allow us to report negative values). In this case, in that column the equality cannot be fulfilled. v5853_h c[0010, 0020, 0030, 0040, 0050, 0060, 0070, 0080, 0090, 0100, 0110, 0120, 0130, 0140, 0200, 0210, 0220, 0230, 0240, 0250, 0260, 0290, 0300], z1:* : {r0010} >= {r0020} For all the columns row 0010 must be greater than row 0020. In this regard, the same issue arises in column 0020. When we net row by row, row 010 should be reported as 0 if the net value is negative and therefore the validation does not work in this case. Example Please consider the following example: Column 0030: Long position, amount 1000 euros, residual maturity 6 months Column 0130: Short position, amount 1000 euros, residual maturity 3 months If we report column 0020 as Column 0030 minuss column 0130, the amount to be reported in column 0020 is equal to 0, is this correct? If we report a figure equal to 0, we can be netting exposures with different residual maturities and/or different counterparties. Note also that the amount reported in column c020 by exposure class (0) will be different from the breakdown by residual maturity (0 in the bucket until 3 months and long position of 1000 in the bucket 3m to 1 year).

Final answer

The instructions on c0020 of template C 33.00, as provided in Annex II to Regulation (EU) No 680/2014 (now repealed), included a paragraph stating that “The sum of the columns 030 to 120 minus column 130 shall be reported. If that amount is lower than zero, the amount to be reported shall be zero.” However, this paragraph has been deleted in the ITS succeeding that Regulation, i.e. the currently applicable Regulation (EU) 2021/451 (ITS on Supervisory Reporting, ITS).

The total amount of short positions is reported in column 0130 of template C 33.00 of Annex I to the ITS. In accordance with the second paragraph of the instructions on column 0020 of C 33.00, (only) some of these short positions (depending on the residual maturity, the immediate counterparty and the

currency) can be netted against the carrying amount of some direct positions reported in columns 0030 to 0120, in order to calculate the carrying amount net of short positions that is reported in column 0020.

In terms of order, the 'net' positions should be calculated first, and then the aggregate in column 0020 should be determined.

Example:

- a) Gross position counterparty A, residual maturity 6 months: 1000 EUR; accumulated impairment: 200 EUR
- b) Gross position counterparty A, residual maturity 3 months: 5000 EUR, no impairment
- c) Short position counterparty A, residual maturity 6 months: 600 EUR
- d) Short position counterparty A, residual maturity 1 year: 2000 EUR

In terms of positions towards counterparty A, this means that there is a net position (points a and c above), a 'pure' long position to counterparty A (point b) and a 'pure' short position (point d).

This will be presented in template C 33.00 as follows:

I) Upper section of the template (rows 0020 - 0160)

- Column 0010: 1000 EUR + 5000 EUR = 6000 EUR
- Column 0020: $\max(1000 \text{ EUR} - 200 \text{ EUR} - 600 \text{ EUR}, 0) + \max(5000 \text{ EUR}, 0 \text{ EUR}) + \max(0 \text{ EUR}, -2000 \text{ EUR}) = 200 \text{ EUR} + 5000 \text{ EUR} + 0 \text{ EUR} = 5200 \text{ EUR}$
- Column 0030 to 0120 (column or columns pertaining to the accounting portfolio in question):
 1. 1000 EUR - 200 EUR = 800 EUR
 2. 5000 EUR
- Column 0130: 600 EUR + 2000 EUR = 2600 EUR
- Column 0150: -200 EUR

II) Maturity breakdown (rows 0170 - 0230)

Row 0180

- Column 0010: 1000 EUR + 5000 EUR = 6000 EUR
- Column 0020: $\max(1000 \text{ EUR} - 200 \text{ EUR} - 600 \text{ EUR}, 0) + \max(5000 \text{ EUR}, 0 \text{ EUR}) = 200 \text{ EUR} + 5000 \text{ EUR} = 5200 \text{ EUR}$
- Column 0030 to 0120 (column or columns pertaining to the accounting portfolio in question):
 1. 1000 EUR - 200 EUR = 800 EUR
 2. 5000 EUR

	<ul style="list-style-type: none"> • Column 0130: 600 EUR • Column 0150: -200 EUR <p>Row 0190</p> <ul style="list-style-type: none"> • Column 0010: [0 EUR] • Column 0020: [0 EUR] • Column 0130: 2000 EUR <p>The considerations presented above mean that the amount reported in column 0130 has to be greater or equal to the amount that is used to calculate the carrying amount net of short positions that is reported in column 0020.</p> <p>Validation rules v5853_h and v10651_m are correct.</p>
Link	https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2022_6407

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