

Question ID	2022_6412
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - FINREP (incl. FB&NPE)
Article	430
Paragraph	3
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) 2021/451 - ITS on supervisory reporting of institutions
Article/Paragraph	IAS 24.19, 24.25, 24.26
Date of submission	25/03/2022
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Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	F 31.01 in combination with Q&A 915
Question	According to Q&A_915 and EBA-ITS v3.0, the EBA considers validation rule 1034_m still as accurate. We're seeking a clarification whether EBA also has taken into account IAS 24.26 when answering in 2014.
Background on the question	In the answer to Q&A 915, the EBA only refers to IAS 24.25 and in this sense the answer is correct. But IAS 24.26 sets out some requirements to make use of the exception of IAS 24.25 which EBA didn't refer to in 2014. Based on these preconditions we believe that IAS 24.25 cannot be mandatory for FINREP. If a state-owned bank doesn't apply IAS 24.25 and discloses its balances against its parent (= regional government) this should also be shown in FINREP F 31.01. Annex III to Regulation (EU) 2021/451 only refers to IAS 24.19 (a) and (b), therefore there is no rule other than the IAS and that's why validation rule 1034_m should be amended.
Final answer	The validation rule v1034_m has the sign <=, therefore it works even where IAS 24.25 does not apply and all the relationships with related parties are represented in template F 31.01 of Annexes III and IV to Regulation (EU) 2021/451 (ITS on Supervisory Reporting). Indeed, in case of a state-owned bank giving financial guarantee to its parent company, the guarantees

	amount shall be reported as 'credit institutions' in row 0130, and not in r0120 of the template F 09.01.1., in accordance with the instructions in Annex V, Part 1, par 42 b) to the ITS on Supervisory Reporting.
Link	https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2022_6412

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