

Question ID	2023_6694
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	Annex II
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Disclose name of institution / entity	No
Type of submitter	Individual
Subject matter	Overcollateralisation and funded reserved accounts in C 14.01
Question	Under framework v3.2, which column of template C 14.01 should contain the retained position of the overcollateralisation and funded reserve accounts shown in column 0254 of the COREP C 14.00?
Background on the question	With the application of framework v3.2 (Regulation (EU) 2021/451 as amended by Regulation (EU) 2022/1994), the securitisation's structure is shown in columns 0230, 0240, 0250, 0254, 0260, 0270, 0280 and 0287 of the template C 14.00 through the amount outstanding of the different tranches. And, if the Entity retains some position of these tranches, the retained position should be reflected in columns 0310-0360 and 0362 of template C 14.01. Therefore, all the mentioned columns of C 14.00 have their correspondence in C 14.01, with the exception of the new column 0254 of C 14.00. As a consequence, if the Entity retains a position on an overcollateralisation and funded reserve accounts of a traditional securitisation, the total amount outstanding of this tranche would be shown in column 0254 of C 14.00, but the retained position would not be reflected in C 14.01. Moreover, RWAs would not be calculated on this amount either.
Final answer	According to Article 256(4) of Regulation (EU) No 575/2013, <i>'for funded</i>

	<p><i>reserve accounts and assets providing credit enhancement, the institution shall only treat as securitisation positions the parts of those accounts or assets that are loss absorbing</i>'. Therefore, some securitisations reported under column 0254 of C 14.00 may indeed generate RWEAs and should be reported in C 14.01 as well. The templates and instructions will be amended accordingly in the next possible opportunity. Until then, these positions should be reported under column 0330 of C 14.01 for the First loss tranches.</p> <p>However, if the overcollateralisation or funded reserve account is meeting the definition of a 'tranche' in accordance with point (6) of Article 2 of Regulation (EU) 2017/2402 then it should not to be reported in column 0254 of C 14.00 but in columns 0230 to 0252 of C 14.00 and the interim solution referred to in the first paragraph should not be applied. Instead, the positions should be reported in C 14.01 in the column that corresponds to the relevant column in C 14.00.</p>
Link	https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2023_6694

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