

<b>Question ID</b>	2013_121
<b>Status</b>	Final Q&A
<b>Legal act</b>	Regulation (EU) No 575/2013 (CRR)
<b>Topic</b>	Supervisory reporting - FINREP (incl. FB&NPE)
<b>Article</b>	99
<b>Paragraph</b>	2
<b>Subparagraph</b>	-
<b>COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations</b>	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
<b>Article/Paragraph</b>	Annex III, F 04.01, c020
<b>Date of submission</b>	06/08/2013
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<b>Disclose name of institution / entity</b>	Yes
<b>Name of institution / submitter</b>	The Danish Bankers Association
<b>Country of incorporation / residence</b>	Denmark
<b>Type of submitter</b>	Industry association
<b>Subject matter</b>	FINREP Amount of cumulative changes in fair value due to credit risk
<b>Question</b>	In the absence of accurate information how the amount of cumulative changes in fair value due to credit risk should be reported? This question is also relevant for templates F4.2, F8.1, F16.5, F45.1.
<b>Background on the question</b>	As mentioned in the EBA Q&A's the requirement in IFRS to specify the credit risk component relates only to financial assets designated at FVTPL and not for trading portfolios.
<b>EBA answer</b>	Reporting institutions should in principle be able to determine the amount of cumulative changes in fair value due to credit risk. If the information needed to its determination does not exist or is not possible to retrieve without incurring into significant costs, following the principles of IAS 8 the reporting institution shall carry out a reliable estimation of this amount. Retrospective application back to the date of initial acquisition is required

	where a reliable estimate for this is able to be made. If a reliable estimation is not possible, reporting institutions should apply the requirements retrospectively from the earliest period practicable.
<b>Link</b>	<a href="https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_121">https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_121</a>

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