

Question ID	2013_171
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - COREP (incl. IP Losses)
Article	99 (and 383)
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
Article/Paragraph	Annex I C25.00, r030, r040, c110
Date of submission	19/08/2013
Published as Final Q&A	14/02/2014
Disclose name of institution / entity	No
Type of submitter	Consultancy firm
Subject matter	COREP C25.00 (CVA): rows 030 and 040 for column 110 shouldn't be reported
Question	in CVA report, the column 110 is requested for all methods but when we check the definition of this column "number of counterparties where the credit spread was determined using a proxy instead of directly observed market data". This definition suits more for CVA advanced method but no for standard method nor for based OEM, our question is the proxy used to determine credit spread is it really requested for standard method or OEM?
Background on the question	The concept of proxy is used for advanced method regarding article 383 paragraph 1 through parameter si. This concept is not used for standard method (article 384) neither for Based on OEM (article 385)
EBA answer	In C 25.00, row 030 "CVA risk according to the standardised method" and row 040 "CVA risk based on OEM" should be grey shaded for column 110 "Number of counterparties of which proxy spread was used to determine credit spread". Indeed, proxy spreads can be used for calculating the CVA charge according to the advanced approach only (set out in article 383 of Regulation (EU) No 575/2013 (CRR)).

	Rows 030 and 040 will be grey shaded for column 110 in C 25.00 in the next version of the ITS. In the meantime, rows 030 and 040 shall not be filled for column 110.
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_171

European Banking Authority, 22/01/2022
www.eba.europa.eu