

Question ID	2013_183
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - Liquidity (LCR, NSFR, AMM)
Article	415
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 XIII, part 5.2, paragraph 6
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Disclose name of institution / entity	No
Type of submitter	Consultancy firm
Subject matter	NSFR: Calculation of liabilities and receivables from derivatives if there is no netting agreement
Question	NSFR: How should the amount of liabilities and receivables from derivatives be calculated if there is no netting agreement with the counterparty?
Background on the question	According to the instructions for the NSFR template the liabilities and receivables from derivatives should be calculated according to regulatory netting rules: See Annex III, paragraph 6, template row 240 (liabilities from derivatives payables contracts) and 1290 (derivatives receivables) "An institution will usually have both net derivatives liabilities (i.e. payables) and net derivative assets (i.e. receivables) on its balance sheet. Institutions shall calculate these according to regulatory netting rules, not accounting rules, and report the amounts in both template 1.1. "Required funding" and template 1.2 "Stable funding" accordingly". How do we have to calculate the amount if there is no netting agreement with the counterparty? Can we report the booking value from the balance sheet or do we have to assume a netting agreement?
EBA answer	The instructions (Annex XII. Part 5, point 6 of the Regulation (EU) No 680/2014 13 ITS on supervisory reporting of institutions Draft ITS on

	<p>Supervisory reporting) state that netting should be done according to regulatory rules, and not according to accounting rules.</p> <p>If no netting set actually exists, institutions should not assume any fictional netting set for the purpose of this reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_183

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