

| | |
|---|---|
| Question ID | 2013_386 |
| 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Acts/RTS/ITS/GLs/Recommendations | Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (repealed) |
| Article/Paragraph | Annex XII, C 51.00 |
| Date of submission | 15/10/2013 |
| Published as Final Q&A | 22/08/2014 |
| Disclose name of institution / entity | Yes |
| Name of institution / submitter | ING Bank N.V. |
| Country of incorporation / residence | Netherlands |
| Type of submitter | Credit institution |
| Subject matter | C 51.00 Liquid assets - reporting of intransferable liquidity surpluses |
| Question | How should surpluses of liquidity held by local legal entities be reported, if these can not be freely transferred to the consolidated entity in times of stress? |
| Background on the question | Next to situations in which individual assets are not transferable, there are situations in which surpluses of liquidity held by local legal entities can not be transferred to the consolidated entity in times of stress (due to regulatory restrictions). However, the current template does not have a separate line in which this surplus (which is not allocated to individual assets) can be deducted from the total consolidated liquid assets, which would mean that reporting institutions have to deduct the surpluses from several individual liquid asset lines. Article 417(b) CRR states that 'the liquid assets in point (c) of Article 416(1) should only be reported to the extent that they correspond to outflows in the third country' but the EBA does not explain in its |

| | |
|---------------------|---|
| | instructions how to report intransferability for liquidity surpluses in the template . |
| Final answer | <p>Assets held in third countries and subject to transfer restrictions according to article 417(b) of the Regulation (EU) No. 575/2013 (CRR) might still be reported as liquid assets in section 1 of C 51.00 provided that they are used to cover outflows in this third country and that they fulfil other requirements of articles 416 and 417.</p> <p>Assets held in third countries that are subject to transfer restrictions and are not used to cover outflows in this third country (the potential surplus of liquid assets compared to the level of outflows in that third country) should be reported under section 2 of C 51.00 template in row 400 "ID 2.1 13 assets not controlled by a liquidity management function". To this aim, trapped liquidity surplus(es) should be calculated assuming that assets of less liquidity value are trapped first ("waterfall" process) unless the transfer restrictions affect a specific range of assets. In that event, only the assets under transfer restrictions should be considered trapped.</p> |
| Link | https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_386 |

European Banking Authority, 09/12/2023
www.eba.europa.eu