

Question ID	2013_548
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - Liquidity (LCR, NSFR, AMM)
Article	415
Paragraph	1
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (repealed)
Article/Paragraph	Article 415
Date of submission	21/11/2013
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Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	Article 415 and the treatment of forward starting collateral swaps.
Question	<p>Article 415 states "The reporting formats shall include all the necessary information and shall allow EBA to assess whether secured lending and collateral swap transactions where liquid assets referred to in points (a), (b) and (c) of Article 416(1) have been obtained against collateral that does not qualify under points (a), (b) and (c) of Article 416(1) have been properly unwound." I assume "collateral swaps" referred to above does not include forward starting collateral swaps. I.e. collateral swaps that have not yet had an initial exchange of paper.</p>
Background on the question	An answer on this question is required for clarification on the population of Section C 54 under the EBA LCR template.
Final answer	<p>Article 415(1) second paragraph of the Regulation (EU) No. 575/2013 (CRR) states that "The reporting formats shall include all the necessary information and shall allow EBA to assess whether secured lending and collateral swap transactions where liquid assets referred to in points (a), (b) and (c) of Article 416(1) have been obtained against collateral that does not qualify under points (a), (b) and (c) of Article 416(1) have been properly unwound."</p>

	Article 415(1) of the CRR does not explicitly differentiate between forward and spot contracts. Regarding the legal text, the assets must have already been obtained by the institution, which means not only that a contract has been entered into but also that the collateral must have effectively been changed.
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_548

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