

Question ID	2013_570
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - COREP (incl. IP Losses)
Article	99
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 II REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS
Date of submission	27/11/2013
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Disclose name of institution / entity	Yes
Name of institution / submitter	Austrian Federal Economic Chamber, Division Bank and Insurance
Country of incorporation / residence	Austria
Type of submitter	Industry association
Subject matter	Reporting of template "SEC DETAILS" on consolidated or/and individual basis. C 14.00 - DETAILED INFORMATION ON SECURITISATIONS (SEC DETAILS)
Question	Due to conflicting specifications in Annex II instructions and Final Draft ITS there is doubt on which basis the template has to be reported: on consolidated or/and individual basis?
Background on the question	According to the Annex II instructions this template has to be reported only on a consolidated basis ("this template has to be rendered on a consolidated basis, i.e. only by consolidated groups"). According to Final Draft ITS of 26 July 2013 Article 5 (b) (1) and Article 6 this template has to be reported with a semi-annual frequency both on an individual and consolidated basis.
Final answer	Annex II Part 2, paragraph 110 of the Regulation (EU) No 680/2014 13 ITS

~~on supervisory reporting of institutions~~ Draft ITS on Supervisory reporting establishes that the template C 14.00 (SEC Details) has to be reported by consolidated groups and stand-alone institutions which are neither part of a group nor consolidate themselves as parent institution in the same Member State where they are subject to own funds requirements. So, groups consolidated according to Part One, Title II, Chapter 2 of Regulation (EU) No 575/2013 (CRR) should report C 14.00 template according to Article 6(a) of the ITS. This includes sub-consolidated groups according to Article 11(5) of CRR. Stand-alone institutions should report SEC Details according to Article 5(b) lit. 1 of the ITS.

In a nutshell,

- For consolidated groups this means that if a group is subject to supervision in a Member State, then the template SEC Details has to be reported on consolidated level, listing every transaction of the whole group within the scope of this template. Institutions being part of this group and supervised in the same Member State do not report SEC Details on solo level. The reporting requirement also holds if a group is supervised on sub-consolidated level (Article 11(5) CRR).

The template SEC Details of cross border groups has to include every transaction of the whole group, irrespective where the subsidiaries are located.

- For stand-alone institutions which are neither part of a group nor consolidate themselves in the same Member State, this means that they have to report SEC Details on solo level.

For example:

A group is structured as follows

Member State 1: EU parent institution A, subsidiary B

Member state 2: parent institution C, subsidiary D

In Member State 1 another institution Z is subject to own funds requirements, but it is a stand- alone institution.

The reporting of template SEC Details should be as follows:

Member State 1: Consolidated SEC Details including transactions of A, B, C and D according to Art. 6 (a) of the ITS, as well as solo SEC Detail for Z according to Art. 5 (b) lit. 1 of the ITS.

Member State 2: Consolidated SEC Details including transactions of C and D according to Art. 6 (a) of the ITS.

Nonetheless, as the question rightly points out, the reporting framework

	<p>defined in Annex II of the ITS conflicts with the provisions in Article 5 and 6 of the main body of the ITS. This inconsistency will be solved as soon as possible by amending articles 5 and 6 of the ITS, for them to consider the special treatment of template SEC Details.</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_570

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