



**Single
Rulebook
Q&A**

Question ID	2014_1395
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	ITS - Annex XV Validation formulas and Annex II Instructions_ own_funds
Date of submission	25/07/2014
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Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	COREP validation rule v3691
Question	When the AT1 adjustment on Minority Interest (fully loaded) as reported in C05.01 c060; r091 is a positive figure, the transitional recognition hereon (C05.01 c020; r091) must then be negative. While the validation rules on columns 060 and 030 (resp. v3692 and v3693) have been de-activated on 23/03/14, we do not see why the validation formulae regarding column 020 (v3691) remains applicable.
Background on the	After having determined the qualifying Tier 1 capital of subsidiaries in

question	accordance to Art. 85 of the CRR, the additional Tier 1 capital as reported in C05.1 c060/r091 may be an amount that needs to be added or subtracted from the CET1 capital calculated according to Art. 84. Hence, the adjustments reported in c020/r091 in accordance to art. 480 may then also be either a positive or negative amount.
EBA answer	The amount reported in {C05.01;c060;r091} is the eligible amount of Qualifying Additional Tier 1 (Qualifying AT1) calculated under consideration of Articles 85 and 86 of Regulation (EU) No 575/2013 as amended by Regulation (EU) 2019/876 (CRR2), i.e. the amount according to fully phased-in definition. According to the instructions of Part 2, paragraph 1.6.2.1 of Annex II to Regulation (EU) No 680/2014 (ITS on Supervisory Reporting), the amount reported in {C05.01;c060;r091} shall be a positive number. In the same way, the figure reported in column 0020 reflects the amount of AT1 instruments from subsidiaries that should be transitionally recognized in AT1 according to article 480. Therefore, the amount reported in {C05.01;c0020, r0091} as a result of this calculation should be positive, even though the row is not in the scope of VR v3691_s.
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2014_1395

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