



**Single
Rulebook
Q&A**

Question ID	2019_5066
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - FINREP (incl. FB&NPE)
Article	99
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Draft ITS on Supervisory Reporting of Institutions
Article/Paragraph	Annex V Instruction, F 24.01, row 0310
Date of submission	27/12/2019
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Disclose name of institution / entity	No
Type of submitter	Consultancy firm
Subject matter	Clarification of F 24.01, row 0310
Question	<p>What is expected to be reported in F 24.01, row 0310 ("Outflow of non-performing exposures that became non-performing during the period") as specified in paragraph 334 of Annex V, Part 2?</p> <p>Could you provide clarification on how to fill this row consistently with the instructions provided in paragraph 239iii of Annex V, Part 2?</p>
Background on the question	Template F 24.01 requires to provide a reconciliation of the opening and closing balances of the stock of loans and advances, excluding loans and

	<p>advances classified as trading financial assets, held for trading or as held for sale, that are classified as Non-Performing in accordance with paragraphs 213 to 239 or 260 of Annex V, Part 2. According to paragraph 334, the concept of "Outflow of non-performing exposures that became non-performing during the period" should represent the outflow pertaining to loans and advances that became non-performing during the period and afterwards ceased to meet the criteria for being classified as non-performing. This request seems to allow double-counting of the same exposure, while, in paragraph 239iii, it is stated that "for an exposure that is reclassified multiple times from Non-Performing to performing or vice versa during the period, the amount of inflows and outflows shall be identified based on a comparison between the status of the exposure (performing or non-performing) at the beginning of the financial year or at initial recognition and its status at the reporting reference date". My question leads then to a doubt on what to concretely insert as "Outflow of non-performing exposures that became non-performing during the period".</p>
<p>EBA answer</p>	<p>In template F 24.01 of Annex III to Regulation (EU) 2014/680 (ITS on Supervisory Reporting), row 0310 ("Of which: outflow of non-performing exposures that became non-performing during the period") is required the "of which" of the loans and advances which have entered into non-performing portfolio and have exited from it during the reporting period (since the end of last financial year).</p> <p>Additionally, in accordance with paragraph 334 of Annex V, Part 2, as specified in paragraph 331 of Annex V, the outflows shall be reported in accordance with paragraphs 239iii to 239vi of the same Annex.</p> <p>Therefore, an exposure that was performing at the beginning of the period, became non-performing during the period and afterwards in the same period exit the non-performing should be recorded in row 310 if the exit is because any reason of those as an outflow in table F 24.01 other than became performing.</p>
<p>Link</p>	<p>https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2019_5066</p>

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