

Question ID	2020_5120
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 XV
Date of submission	12/02/2020
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Disclose name of institution / entity	Yes
Name of institution / submitter	De Nederlandsche Bank
Country of incorporation / residence	The Netherlands
Type of submitter	Competent authority
Subject matter	Validation rule eba_v6295_m
Question	<p>When a just established bank has nothing to report yet in the Corep and therefore reports a nil report, two validation rules fails: validation rules eba_e4887_e and eba_e4888_e. This concerns two cells r850 and r860 on C04.00 that should be filled. After filling in a zero in these cells the two validation rules do not appear anymore, but a new validation rule is failing now: eba_v6295_m ([C 04.00 (r860)] {c010} > 0 and {c010} != empty). Apparently a zero is not permitted. Is it possible to change the validation rule to greater to or equal to zero?</p>
Background on the question	Validation rule does not apply to just established banks with no activity yet.
EBA answer	EBA validation rule v6295_m states that the Total original exposures reported in row 860 of template C 04.00 of Annex I to Regulation (EU) No

680/2014 (ITS on Supervisory Reporting should be greater than zero. EBA validation rule e4887_e checks that a value is reported in row 850 of that template showing the amount of of non-domestic original exposures.

In general, institutions are expected to have original exposures, mainly domestic original exposures (exposures to counterparties located in the Member State where the institution is located).

In the specific case of an institution that has been recently established it may be the case that the institution is not engaged (yet) in relevant business activities so that there are no business activities to report. In this case, the institution should report a zero in row 860 and the validation rule v6295_m, which is defined as a warning, cannot be met.

Since validation rule v6295_m will fail only in exceptional cases and considering it is defined as a 'Warning' rule as of version 2.9 of the EBA reporting framework, the definition will be left unchanged.

In the specific case of an institution that does not have any non-domestic original exposures, a zero should be reported in row 850 of template C 04.00. The validation rule e4887_e will not fail.

Link

https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2020_5120

European Banking Authority, 16/01/2022

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