



**Single
Rulebook
Q&A**

Question ID	2016_2972
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - Asset Encumbrance
Article	100
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	Chapter 7a and Annexes XVI and XVII
Date of submission	31/10/2016
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Disclose name of institution / entity	Yes
Name of institution / submitter	Banco de España
Country of incorporation / residence	Spain
Type of submitter	Competent authority
Subject matter	Asset encumbrance template F32.04 Sources of Encumbrance - Reporting, on individual basis and consolidated basis, of "Source of encumbrance" for securitisations.
Question	What should be reported, on an individual basis and on a consolidated basis, as source of encumbrance in case of securitisations in which the securitised

	assets remain in the balance sheet (i.e, they have not been derecognised)? “Debts securities issued, of which: asset back securities” or “Collateralised deposits other than repurchase agreements”?
Background on the question	The instructions provided in Regulation (EU) 2015/79 amending Implementing Regulation (EU) No. 680/2014, for template F.32.04 read as follows: (Row) 070 Collateralised deposits other than repurchased agreements Carrying amount of the of the collateralised deposits other than repurchase agreements of the reporting institution insofar as these deposits entail asset encumbrance for that institution. (Row) 110 of which: assets-backed securities issued (in the instructions of the template, the name of this row is “of which: securitisations issued”) Carrying amount of the securitisations issued by the reporting institution insofar as these securities issued entail asset encumbrance for that institution. Asset-back securities are issued by a Special Purpose Securitisation Vehicle to which the assets are transferred. ABS are not recorded by the reporting institutions on their balance-sheet on individual basis but, they might be recorded in the consolidated accounts of the group, as long as the reporting entity has control on the SPSV. Following IAS 39, for transfers of financial assets that do not qualify for derecognition, the entity shall continue to recognise the transferred asset in its entirety and shall recognise a financial liability (a deposit against the SPSV) for the consideration received. Consequently, ABS cannot be selected as source of encumbrance for assets of the reporting institution collateralising securitisations, for entities reporting on individual basis.
EBA answer	Point 14(g) of Annex XVI of Regulation (EU) No 680/2014 (ITS on supervisory reporting): “Securitisations mean debt securities held by the reporting institution originated in a securitisation transaction as defined in Article 4(61) of Regulation (EU) No 575/2013. For securitisations that remain in the balance sheet (non-derecognised), the rules for covered bonds apply.” The rules for the reporting of covered bonds are stated in point 14(g) of Annex VII.
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2016_2972