

✘ Single Rulebook Q&A

Question ID	2020_5156
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 as amended by Regulation (EU) 2019/876 (CRR2)
Topic	Supervisory reporting - Liquidity (LCR, NSFR, AMM)
Article	415
Paragraph	3
Subparagraph	b
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
Article/Paragraph	16b(2)
Date of submission	03/03/2020
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Disclose name of institution / entity	Yes
Name of institution / submitter	European Central Bank
Country of incorporation / residence	Germany
Type of submitter	Competent authority
Subject matter	Treatment of impediments to the availability of assets and cash inflows in the C 66.00 maturity ladder template
Question	How should potential impediments to the availability of assets and cash inflows be considered in the C 66.00 maturity ladder template?
Background on the question	It has been observed that institutions do not follow one common approach in the reporting of assets and cash inflows that might be unavailable or 'trapped'.
EBA answer	<p>In accordance with paragraph 6 of Part I of Annex XXIII of Regulation (EU) No 680/2014 amended by Regulation (EU) No 1627/2018, contractual cash inflows shall be reported in the maturity ladder template. However, only inflows pursuant to performing, non-past due contracts valid at the reporting date shall be included, as clarified in Q&A 2018 3794.</p> <p>Regarding Counterbalancing capacity (Section 3), paragraph 7 states: ""Counterbalancing capacity" shall represent the stock of unencumbered</p>

	<p>assets or other funding sources which are legally and practically available to the institution at the reporting date to cover potential contractual gaps." Furthermore, the template instructions regarding counterbalancing capacity highlight that the definition of encumbered assets in accordance with Commission Delegated Regulation (EU) 2015/61 shall apply. To the extent the sole impediment to the availability of performing assets or inflows would relate to their location in a third country where there are restrictions to the free transferability of liquidity to other countries, a treatment should apply analogous to Commission Delegated Regulation (EU) 2015/61, Articles 8(2) and 32(8). Therefore, such assets / inflows shall be in the (consolidated) maturity ladder only to the extent that they are used to / correspond to outflows respectively in the third country or currency in question.</p>
Link	<p>https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2020_5156</p>

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