

Single Rulebook Q&A – Reviewed Answers Supervisory Reporting

July 2014

Please note that this document will be updated each quarter to reflect additional Q&As which have been published during the preceding three months.

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Overview of Q&As

ITS	Date of Publication
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Q&A 142	14/02/2014
Q&A 337	07/03/2014
COREP	Date of Publication
Q&A 74	14/02/2014
Q&A 102	14/02/2014
Q&A 107	14/02/2014
Q&A 112	14/02/2014
Q&A 143	14/02/2014
Q&A 146	14/02/2014
Q&A 171	14/02/2014
Q&A 209	14/02/2014
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Q&A 580	04/04/2014

Q&A 612	30/04/2014
Q&A 647	30/04/2014
Q&A 648	30/04/2014
Q&A 649	30/04/2014
Q&A 564	27/06/2014
Q&A 694	27/06/2014
FINREP	Date of Publication
Q&A 26	29/07/2013
Q&A 118	20/08/2013
Q&A 119	31/10/2013
Q&A 197	20/12/2013
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Q&A 634	30/04/2014

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Q&A 684	30/04/2014
Q&A 735	30/04/2014
Q&A 709	23/05/2014
Q&A 574	27/06/2014
Q&A 607	27/06/2014
Q&A 685	27/06/2014
IP Losses	Date of Publication
Q&A 116	14/02/2014
Q&A 393	07/03/2014
Q&A 703	30/04/2014
Large Exposures	Date of Publication
Q&A 131	14/02/2014
Q&A 133	14/02/2014
Q&A 394	07/03/2014
Q&A 412	21/03/2014
Q&A 441	21/03/2014
Q&A 492	21/03/2014
Q&A 493	21/03/2014
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Q&A 572	11/04/2014
Q&A 582	11/04/2014
Q&A 585	11/04/2014
Q&A 701	30/04/2014
Leverage Ratio	Date of Publication
Q&A 145	14/02/2014
Q&A 188	14/02/2014
Q&A 266	14/02/2014
Q&A 398	21/03/2014
Q&A 399	21/03/2014
Q&A 397	28/03/2014
Q&A 551	04/04/2014
Q&A 584	11/04/2014
Liquidity	Date of Publication
Q&A 106	14/02/2014
Q&A 150	14/02/2014
Q&A 183	14/02/2014
Q&A 348	14/02/2014
Q&A 373	14/02/2014
Q&A 407	21/03/2014
Q&A 431	21/03/2014
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Q&A 466	21/03/2014
Q&A 274	28/03/2014
Q&A 322	28/03/2014
Q&A 380	28/03/2014
Q&A 406	28/03/2014
Q&A 548	04/04/2014
Q&A 114	11/04/2014
Q&A 154	30/04/2014
Q&A 277	30/04/2014

Q&A 378	30/04/2014
Q&A 673	30/04/2014
Q&A 725	30/04/2014
Q&A 717	27/06/2014
DPM	Date of Publication
Q&A 326	21/03/2014
Q&A 601	30/04/2014
Validation Rules	Date of Publication
Q&A 152	14/02/2014
Q&A 165	14/02/2014
Q&A 231	14/02/2014
Q&A 514	04/04/2014
Q&A 601	30/04/2014
Asset Encumbrance	Date of Publication
Q&A 468	21/03/2014
Q&A 491	28/03/2014
Q&A 675	30/04/2014
Q&A 718	30/04/2014
Q&A 732	30/04/2014

1. ITS

Question ID	2013_26
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	521
Paragraph	2
Subparagraph	c
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	29/07/2013
Subject matter	FINREP: Date of initial application
Question	<p>As mentioned in Article 521 of the CRR the regulation shall apply from 01 January 2014, with the exception of the provisions of this Regulation that require the ESAs to submit to the Commission draft technical standards and the provisions of this Regulation that empower the Commission to adopt delegated acts or implementing acts, which shall apply from 31 December 2014.</p> <p>Does this mean that provisions described in Article 99.4 CRR are postponed until 31.12.2014 which includes the requirements regarding FINREP?</p>
Background on the question	See relevant articles
Answer	<p>Article 521 (2) (c) of Regulation (EU) No 575/2013 contains the wrong reference date, i.e. 31 December 2014 whereas it should read 28 June 2013. To rectify this mistake, a corrigendum has been published in the Official Journal of the EU (http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:208:0068:0072:EN:PDF) containing the correct reference date for the submission of this implementing act, i.e. 28 June 2013.</p> <p>The final Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions states as per Article 19 paragraph 3 specifies that the application date of the FINREP reporting shall be 1 July 2014. While the date of application for FINREP is in principle 1 January 2014, a later date of initial submission for FINREP is being considered in the draft Implementing Act on supervisory reporting, but that can only be confirmed if the European Commission adopts the Implementing Act before 1 January 2014. However, no postponement to 31 December 2014 is envisaged.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p> <p>DISCLAIMER: This question goes beyond matters of consistent and effective application of the regulatory framework. A Directorate General of the Commission (Directorate General for Internal Market and Services) has prepared the answer, albeit that only the Court of</p>

	<p>Justice of the European Union can provide definitive interpretations of EU legislation. This is an unofficial opinion of that Directorate General, which the European Banking Authority publishes on its behalf. The answers are not binding on the European Commission as an institution. You should be aware that the European Commission could adopt a position different from the one expressed in such Q&As, for instance in infringement proceedings or after a detailed examination of a specific case or on the basis of any new legal or factual elements that may have been brought to its attention.</p>
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Question ID	2013_37
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	31/10/2013
Subject matter	Applicability of Own Funds Reporting Requirements to Investment Firms Out of Scope
Question	Should the reporting requirements of Regulation (EU) No 575/2013 (CRR) for institutions be interpreted to include reference to both investment firms and firms referred to in point (2)(c) of Article 4(1) that provide the investment services and activities listed in points (2) and (4) of Section A of Annex 1 to Directive 2004/39/EC that are excluded from the definition of investment firm, yet subject to Pillar 1 capital requirements under Article 95(2)?
Background on the question	<p>Article 4 (1) (2) of Regulation (EU) No 575/2013 (CRR) defines the term ‘investment firm’ and specifically excludes certain firms – referred to in Article 4 (1) (2) (c) – from this definition. Certain of these excluded firms are however subject to Pillar 1 capital requirements under Article 95 (2) which imposes capital requirements on both certain investment firms and ‘firms referred to in point (2) (c) of Article 4 (1) that provide the investment services and activities listed in points (2) and (4) of Section A of Annex 1 to Directive 2004/39/EC’.</p> <p>There is a discretion in Article 95 to continue to apply existing CRD own funds requirement to these ‘excluded’ firms instead of the new Pillar 1 capital requirements, however if that discretion is not exercised, a question arises in relation to the requirement on these ‘excluded’ firms to report information on their capital adequacy position under the new rules.</p> <p>Article 99 (1) imposes the requirement to report COREP information on all ‘institutions’ (i.e. credit institutions and investment firms as defined under the CRR), however it does not refer to those firms excluded from the definition of investment firm, yet subject to Pillar 1 capital requirements under Article 95(2).</p>
Answer	<p>In accordance with point (2)(c) of Article 4(1), certain entities are excluded from the definition of investment firm. Since Regulation (EU) 575/2013 is applicable to investment firms it follows that those entities are not within the scope of that Regulation. The only exception to this is Article 95(2), where those entities are explicitly scoped in for the purpose of the calculation of own funds requirements. Where a Member State wishes to subject those entities to requirements other than own funds requirements, such as reporting, it has to do so through national legislation.</p> <p><u>DISCLAIMER:</u> This question goes beyond matters of consistent and effective application of the regulatory framework. A Directorate General of the Commission (Directorate General for Internal Market and Services) has prepared the answer, albeit that only the Court</p>

	<p>of Justice of the European Union can provide definitive interpretations of EU legislation. This is an unofficial opinion of that Directorate General, which the European Banking Authority publishes on its behalf. The answers are not binding on the European Commission as an institution. You should be aware that the European Commission could adopt a position different from the one expressed in such Q&As, for instance in infringement proceedings or after a detailed examination of a specific case or on the basis of any new legal or factual elements that may have been brought to its attention.</p>
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Question ID	2013_38
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	6
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	31/10/2013
Subject matter	Application of the Discretion outlined in Article 99 (6) of the CRR to non-IFRS institutions
Question	We wish to clarify whether, in exercising the discretion afforded to it in Article 99 (6) of the CRR, a competent authority may consult the EBA in order to extend the (new FINREP) reporting requirements outlined in Article 99 (2) to non-IFRS banks, but not to non-IFRS investment firms in its jurisdiction.
Background on the question	<p>Article 99 (6) of the Regulation provides competent authorities the option to consult the EBA where it wishes to apply the Article 99 (2) financial reporting requirements to non-IFRS institutions.</p> <p>We do not believe it is appropriate for investment firms to fill out the new FINREP templates. We have our own version of the FINREP 2 templates which are tailored specifically for investment firms. It would be more beneficial for us to maintain the current financial reporting requirements in this regard.</p>
Answer	<p>Where a competent authority exercises the discretion foreseen in Article 99 (6) of Regulation (EU) No 575/2013/EU (CRR) and considers that financial information at consolidated level in Article 99 (2) is necessary to obtain a comprehensive view of the risk profile of the activities of, and a view of the systemic risk to the financial sector or the real economy posed by non-IFRS institutions, it shall consult the EBA on the extension of the reporting requirements to such institutions, provided that they are not already reporting on such a basis.</p> <p>The discretion aims at providing a view on the risk profile of groups of institutions or even the financial sector / real economy rather than individual institutions. Accordingly the discretion should be applied to groups of institutions with similar risk profiles and/or posing similar systemic risk to the financial system or to the real economy.</p> <p>At the same time, the discretion to extend FINREP reporting requirements at consolidated level to non-IFRS institutions applies only to institutions subject to Directive 86/635/EEC (the Bank Accounts Directive). If investment firms are included in the scope of the legislative rules implementing Directive 86/635/EEC (the Bank Accounts Directive) at national level the discretion in Article 99 (6) CRR could be applied to non-IFRS investment firms at consolidated level.</p> <p>Furthermore, it should be noted that the discretion is only applicable to institutions (or a subset thereof) that do not already report on the basis of IFRS in line with Article 99 (2) and (3) of the CRR.</p>

Question ID	2013_119
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99 reporting own funds / financial information
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	99 - paragraph 2
Published as Final Q&A	31/10/2013
Subject matter	FINREP: Requirement to submit financial information
Question	If a credit institution prepares consolidated accounts - under IFRS - for Statutory Reporting and is a non-public company, and the subsidiary company's activities (a non-credit institution) are below the thresholds mentioned in Article 19 (a) and (b) of the Regulation (EU) No 575/2013 (CRR), can you confirm that it will not be mandatory for the credit institution to submit Financial Information (FINREP), effective from January 1st 2014?
Background on the question	Published documents are not sufficiently clear on this matter.
Answer	The application of FINREP is not determined by the fact that the thresholds set out in Article 19 of Regulation (EU) No 575/2013 (CRR) have been exceeded or not. While the fact that these thresholds have not been exceeded can lead to the exclusion of the subsidiary from the scope of prudential consolidation, the application of FINREP is effectively determined by Article 99 (2), (3), and (where required by a competent authority) (6) of the CRR. To the extent that the application of prudential requirements on a consolidated basis is required based on an institution's situation, this would also, in conjunction with Article 99 (2), (3) and (6), determine the need to apply FINREP.

Question ID	2013_25
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	15/11/2013
Subject matter	First reporting date / reporting period
Question	<p>Given that the application date of Directive 2013/36/EU (CRD) / Regulation (EU) No 575/2013 (CRR) has now changed from 1 January 2014 to 31 December 2013 (see Directive 2013/36/EU, Article 162, Paragraph 1), what is the first reporting date / reporting period, specifically for the LCR and NSFR returns (Regulation (EU) No 575/2013, Part Six, Title II and Title III, respectively), but also for other returns such as COREP?</p> <p>Supplementary question: If the first reporting date is 31 December 2013, i.e. the first reporting period for the LCR return, for example, is December 2013, this would mean that most of the reporting period lies outside the application date of the legal provisions (CRD and CRR) underpinning the reporting. Do you see any legal complications in this fact?"</p>
Background on the question	<p>The first reporting date is relevant for planning purposes, both for the actual submission and the necessary preparatory work. Given the short timescales involved (especially if the first reporting date is in 2013), a speedy answer of the main question above would be much appreciated, even if this means that the supplementary question above is answered at a later time, or even not at all.</p>
Answer	<p>The first reporting date of 31 December 2013 has been amended by way of a corrigendum (published in the EU Official Journal on 2 August 2013) to 1 January 2014, unless otherwise specified either in Directive 2013/36/EU or Regulation (EU) No. 575/2013 (CRR), or in the relevant standards that the EBA is mandated to develop.</p> <p>The rules applicable to the first reporting dates, reporting periods, and the respective remittance dates are set out in the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS). According to these provisions, institutions are required to report on a monthly basis from 31 March 2014 onwards, subject to the transitional provisions laid down in Article 18, paragraphs 2 and 3 of the ITS. Similarly, quarterly reporting of the stable funding data applies as of 1 January 2014 and shall commence as of 31 March 2014, subject to the transitional arrangements laid down in Article 18 paragraph 1 of the ITS.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p> <p>The first reporting date of 31 December 2013 has been amended by way of a</p>

	<p>corrigendum (published in the EU Official Journal on 2 August 2013) to 1 January 2014, unless otherwise specified either in Directive 2013/36/EU or Regulation (EU) No. 575/2013 (CRR), or in a technical standard that the EBA is mandated to develop. The EBA proposals for the first reporting dates, the reporting periods, and the respective remittance dates are set out in the draft ITS on Reporting published on the EBA website, which, as the formal adoption of the ITS falls on the European Commission, may still be subject to changes.</p> <p>If the draft ITS is adopted as it stands, institutions would be required to report on a monthly basis from 31 March 2014 onwards, subject to the transitional provisions laid down in Article 18(4) and (7) of the draft ITS. Similarly, quarterly reporting of the stable funding data (where the EBA is also mandated under Article 415(3) of the CRR to prepare a draft ITS) applies as of 1 January 2014 and shall commence as of 31 March 2014, subject to the transitional arrangements laid down in Article 18(5) and (6) of the draft ITS.</p>
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Question ID	2013_175
Status	Final Q&A
Legal act	Directive 2013/36/EU (CRD)
Topic	Supervisory reporting
Article	104
Paragraph	1
Subparagraph	(j)
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	All detailed provisions relating to frequency of supervisory reporting
Published as Final Q&A	20/12/2013
Subject matter	Possibility to increase the frequency of reporting with regard to information covered by Draft ITS on Supervisory Reporting
Question	Article 104(1)(j) of Directive 2013/36/EU (CRD) provides for competent authorities to have inter alia the power to impose additional or more frequent reporting requirements, including reporting on capital and liquidity positions. The draft Implementing Technical Standard on reporting (ITS on reporting) submitted by EBA to the European Commission on 26 July 2013 includes strict provisions regarding format and frequency of reporting. In light of this does the competent authority have the power to impose more frequent reporting requirements relating to information that to some extent is covered by parts of Draft ITS on reporting (for instance the tables CA1, CA2).
Background on the question	The reason for this request is to confirm that this provision entails the possibility for a competent authority to impose reporting requirements relating to the information partially covered by COREP (e.g. tables CA1, CA2) on potentially a more frequent basis than that foreseen in the draft Implementing Technical Standard on supervisory reporting. Such a power is necessary for fulfilling the competent authority's obligation to require an institution to take the necessary measures at an early stage to address relevant problems such as not meeting own funds requirements as imposed by Regulation (EU) No 575/2013. Furthermore, it seems that such power is envisaged in Title VII Chapter 1 Section IV (Supervisory powers, powers to impose penalties and right of appeal) of the CRD, namely in Article 65 (3)(a).
Answer	<p>Article 104(1)(j) of Directive 2013/36/EU (CRD) states that competent authorities, are permitted to impose on an institution or on institutions with similar risk profiles in accordance with Article 103 of CRD additional or more frequent reporting requirements, including reporting on capital and liquidity positions as part of the supervisory measures and powers (Section IV) set out in the wider context of the Review processes described in Chapter 2 of the CRD.</p> <p>According to Article 104 (1) of CRD these and other such powers can be used for purposes of Article 97, Article 98 (4), Article 101 (4) and Articles 102 and 103 of CRD and the application of Regulation (EU) No 575/2013. It follows that, where duly justified in accordance with Article 104 (1), a competent authority can thus impose on an institution, or on institutions with similar risk profiles in accordance with Article 103 of CRD, additional or more frequent reporting requirements, including for information covered by the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsfuture Implementing Technical Standard on Reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of</i></p>

	<i>transparency, revisions are highlighted in track changes.</i>
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Question ID	2013_197
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Chapter 3, Section 2
Published as Final Q&A	20/12/2013
Subject matter	Level of application of the new FINREP framework
Question	Can a competent authority impose FINREP at a solo level? Moreover, would a competent authority be free to add to or delete information from a specific template?
Background on the question	<p>According to the provisions of Article 99(2) of the Regulation (EU) no.575/2013, institutions subject to Article 4 of Regulation (EC) no.1606/2002 and credit institutions other than those referred to in Article 4 of that Regulation that prepare their consolidated accounts in conformity with the IFRS, shall also report financial information. In conformity with the Chapter 3 Section 2 of the future ITS, the financial information is to be reported on a consolidated basis.</p> <p>Till present, the National Bank of Romania exercised the option of extending the application of FINREP framework at solo level, by adapting the consolidated reporting framework FINREP issued by EBA (2005 and 2009 versions). By consequence, we are having now in force the reporting framework FINREP both at solo and consolidated level.</p>
Answer	<p>Article 99(2) to (4) of Regulation (EU) No 575/2013 (CRR) identify those institutions that have to report financial information in accordance with the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsfuture ITS on reporting.</p> <p>Further, Article 99 of CRR lays down provisions for the application of FINREP on a consolidated basis.</p> <p>A competent authority may therefore determine the content, frequency and reporting dates of FINREP by institutions at solo level.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_142
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Art. 2 paragraph 3, Art. 3 paragraph 3
Published as Final Q&A	14/02/2014
Subject matter	Remittance dates in case of an accounting year-end which deviates from the calendar year
Question	Is our understanding that submission of "financial information" based on their accounting year-end which deviates from the calendar year is relevant to FINREP templates only, but not to wider financial and prudential information (incl. COREP, LE, LR, LCR...) as well, correct?
Background on the question	<p>Article 2 Reporting reference dates</p> <p>3. Where institutions are permitted by national laws to report their financial information based on their accounting year-end which deviates from the calendar year, reporting reference dates may be adjusted accordingly, so that reporting of financial information is done every three, six or twelve months from their accounting year-end, respectively.</p> <p>And</p> <p>Article 3 Reporting remittance dates</p> <p>3. Where institutions report their financial information using adjusted reporting reference dates based on their accounting year-end as set out in Article 2 paragraph 3, the remittance dates may also be adjusted accordingly so that the same remittance period from the adjusted reporting reference date is maintained.</p>
Answer	<p>Article 2(3) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS) Draft ITS on Supervisory reporting refers only to financial information. Therefore, the submission of the information required in the Draft ITS based on the entity's accounting year end, where it deviates from the calendar year, is relevant to FINREP only and not to wider prudential information (including COREP, LR, LE, LCR...).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_337
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	4
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	4
Published as Final Q&A	07/03/2014
Subject matter	Reporting thresholds - entry and exit criteria
Question	<p>Institution shall start reporting information subject to thresholds from the next reporting reference date where they have exceeded the threshold on two consecutive reporting reference dates.</p> <p>Is our understanding correct that if an institution exceeded the thresholds as of December 31 and September 30 the first reporting should be submitted for the reference date December 31?</p> <p>Institutions may stop reporting information subject to thresholds from the next reporting reference date where they have fallen below the relevant thresholds on three consecutive reporting reference dates.</p> <p>Based on the same methodology we assume that if an institution has fallen below the thresholds as of December 31, September 30 and June 30 no reporting is required as of December 31. Is our understanding correct?</p>
Background on the question	Information is necessary in order to properly calculate the reporting thresholds.
Answer	<p>Article 4 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting states that</p> <ol style="list-style-type: none"> 1. <i>Institutions shall start reporting information subject to thresholds from the next reporting reference date where they have exceeded the threshold on two consecutive reporting reference dates.</i> 2. <i>For the first two reporting reference dates on which institutions have to comply with the requirements of this Regulation, institutions shall report the information subject to thresholds if they exceed the relevant thresholds on the same reporting reference date.</i> 3. <i>Institutions may stop reporting information subject to thresholds from the next reporting reference date where they have fallen below the relevant thresholds on three consecutive reporting reference dates.</i> <p>In practical terms:</p> <ul style="list-style-type: none"> • If a threshold was exceeded for 30 September and again for 31 December, then the next reporting period is 31 March, so that is when the new reporting requirement would become applicable (in other words, 31 March is the next reference date). • If the institution had fallen below the reporting threshold for 30 June, 30 September and 31 December, then reporting would cease as at 31 March (i.e. the next reference date after 31 December).

	<ul style="list-style-type: none">• However under article 4.2 there is a commencement provision, according to which a different framework is set for the first two reporting reference dates (31 March and 30 June 2014 for COREP, and 30 September and 31 December 2014 for FINREP). According to this, for example, if an institution exceeds a threshold in March 2014, related to COREP, then the institution is expected to report immediately as of 31 March 2014. Similar provisions apply for the first reporting required under other reporting framework within the ITS, such as FINREP. <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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2. COREP

Question ID	2013_74
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I, C 05.01, (r 240 to r330)
Published as Final Q&A	14/02/2014
Subject matter	COREP: C05.01 Transitional Adjustments Reciprocal Cross Holdings - Residual amounts of CET1 to be deducted from AT1 and T2
Question	(CA5; 240 to 330;*) cover Reciprocal Cross Holdings. In CA5, for each of the capital groups (CET1, AT1 and T2), a differentiation is made between Rec. Cross Holdings where the institution has a significant investment versus a non-significant investment. In article 472 (9), it is stated that in case of a significant investment under Rec. Cross Holdings, the residual amount should be treated in accordance with point (i) of Article 36 (1) whereas for non-significant investments under Reciprocal Cross Holdings, it should be treated in accordance with point (h) of Article 36 (1). However, as both significant and non-significant holdings are treated separately in CA 5.1 (Row 390 to 420 and Row 340 to 370 respectively), we are wondering which residual amount there remains to be put under a transitional adjustment under rows 260 to 330 for columns 020 to 030.
Background on the question	Note that the above question arises because of the fact no calculation can be found on the reciprocal cross holdings. Whereas in CA5.1, a distinction is made between sign and non-sign investment, it is not known which other parts there exist under Reciprocal Cross Holdings to be treated in rows 260 to 330 respectively. Can someone help us out on this?
Answer	Amounts to be deducted from CET1, AT1 or T2 are explicitly listed in Articles 36, 56 or 66 of the Regulation (EU) No. 575/2013 (CRR). Those articles explicitly mention reciprocal cross holdings, holdings of own funds instruments of financial sector entities where the institution has a significant investment and holdings of own funds instruments of financial sector entities where the institution does not have a significant investment as separate deductions. The reporting in C 01.00 follows the structure of the CRR. The structure of C 05.01 is closely linked to the structure of C 01.00. As a consequence, the C 05.01 also has a separate reporting of holdings included in the question above. Hence there is an unambiguous assignment for those holdings to the block of rows 240 to 330, 340 to 370 or 390 to 420 of C 05.01. When calculating the residual amounts for reciprocal cross holdings, the CRR refers to the respective treatment of holdings of own funds instruments of financial sector entities where the institution has/does not have a significant investment. Due to the fact that the calculation of the residual amount (to be reported in column 060) is different depending on whether there is a significant holding or not (see articles 472 (9) and (10) CRR), the C 05.01 asks for a separate reporting for those cases. The

	<p>amount to be reported in column 060 is the basis amount (respectively the residual amount) relevant to calculate the adjustments. Due to the fact that the CRR includes cross references for the reciprocal cross holdings, the approach for calculating the amounts for columns 060 of rows 260, 290, 320 and 340 to 370 is the same (the same is true for column 060 and rows 270, 300, 330 and 390 to 420 respectively).</p>
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Question ID	2013_102
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XV, v584_m
Published as Final Q&A	14/02/2014
Subject matter	COREP: Validation rules on draft ITS for C19.00 (MKR SA SEC)
Question	<p>In this return (C 19.00 MKR SA SEC) we are asked to complete the average risk weight (%) for securitisations going through the supervisory formula approach and the internal assessment approach, in columns 260, 290, 490 and 520. The validation rules in Annex XV specify that these % figures are simply added together, as for any other columns on the return. This produces a mathematically nonsensical result.</p> <p>For example, for the total row (row 010) we should add together the average % amounts from each securitisation category, to reach a total average %. The total is thus the sum of the average %s of each row, a figure that owes more to how many rows are being completed than to any particular value. % Would it not be more mathematically sensible to take the average % of the total? In other words, to replace the existing $\{r010,c260\} = \{r030,c260\} + \{r060,c260\} + \{r090,c260\}$ with $\{r010,c260\} = \{\{r030,c260\} * \{r030,c250\}\} + \{\{r060,c260\} * \{r060,c250\}\} + \{\{r090,c260\} * \{r090,c250\}\}$? Or if this is not suitable, to not calculate the value at all?</p>
Background on the question	As a company we provide guidance and software to complete the returns and understand the calculations. The more lead time we can have to put any changes or corrections to the return logic into our software the better.
Answer	<p>The validation rules in Annex XV regarding template C 19.00 columns 260, 290, 490 and 520 and rows 010, 030, and 060 were incorrectly specified in the first draft version of the ITS and have been deleted in the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions current draft version. The total average risk weights for these rows should not be is not the sum of the risk weights of subset rows, but the risk weighted average of subset rows.</p> <p>For instance, the previous $\{C 19.00, r010, c260\} = \{C 19.00, r030, c260\} + \{C 19.00, r060, c260\} + \{C 19.00, r090, c260\}$ should be replaced with:</p> $\{C 19.00, r010, c260\} = [(\{C 19.00, r030, c260\} * \{C 19.00, r030, c250\}) + (\{C 19.00, r060, c260\} * \{C 19.00, r060, c250\}) + (\{C 19.00, r090, c260\} * \{C 19.00, r090, c250\})] / \{C 19.00, r010, r250\}.$ <p>These cells always have to be completed if there are positions assigned to them. The validations used by the competent authorities will be adjusted accordingly.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_107
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I, C 09.03
Published as Final Q&A	14/02/2014
Subject matter	COREP: CR GB 3 Template
Question	Can the EBA please confirm if there is a threshold below which this template does not require to be completed? Our non-domestic % is circa 0.8% and covers circa 100 countries.
Background on the question	The work involved in populating this template would appear disproportionate where the 'own fund requirements for credit risk' is such a low percentage.
Answer	<p>The template CR GB 3 shows the amount which is the basis for the calculation of the institution specific countercyclical capital buffer. The rules currently in place do not include a threshold for its determination; therefore there is no threshold for reporting purposes included in the instructions for the template CR GB 3. Hence institutions have to determine the own funds requirements for credit risk in any case (irrespective of the number of foreign exposures) to be able to calculate the additional requirements from 2016 onwards.</p> <p>It must be noted that the reporting obligation starts in 2014; this is independent from the fact that the institution specific countercyclical capital buffer is applicable from 2016 onwards.</p> <p>As for the presence of other threshold, Article 5(a)(4) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions defines a threshold for the reporting of templates CR GB1 and CR GB 2. Differently, as stated in the instructions of COREP (Annex II of the ITS), this threshold does not apply to CR GB 3. Consequently, template CR GB 3 shall be reported by all entities, while CR GB 1 and CR GB 2 only by those beyond the threshold defined in Article 5(a)(4) of the ITS.</p> <p>Having said that, it should be noted that the Final Draft Regulatory Technical Standards on the method for the identification of the geographical location of the relevant credit exposures under Article 140(7) of the Capital Requirements Directive (CRD) EBA-CP-2013-35 recently issued by EBA envisages a proportionality threshold so that foreign exposures below it (a 2% of the overall credit risk exposure is proposed) could be allocated to the country in which the institution is registered.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_112
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I, C 05.01, (r133, 136, 138)
Published as Final Q&A	14/02/2014
Subject matter	COREP: CA5.1 Template (Rows 133, 136 and 138)
Question	With the addition of Rows 133, 136 and 138 into the CA 5.1 template we seek clarification on whether or not these are sub-sets of other Rows, or standalone.
Background on the question	Recent addition of Rows 133, 136 and 138 into CA 5.1 Template
Answer	<p>Rows 133, 136 and 138 in C 05.01 are not subsets of rows 120 (unrealised gains) and 130 (unrealised losses). Indeed, although the amounts to be reported in these rows are unrealised gains and losses, the applicable percentage of deduction or of inclusion in own funds relating to rows 133, 136 and 138 may differ from the applicable percentage of deduction or of inclusion in own funds relating to rows 120 and 130. As institutions shall report the applicable percentage for each row (column 050), as well as the corresponding adjustments to CET1 (column 010) and the eligible amount without transitional provisions (column 060), rows 133, 136 and 138 are standalone.</p> <p><u>Rationale:</u></p> <p>According to Article 467(1) of the Regulation (EU) No 575/2013 (CRR), by way of derogation from Article 35, during the period from 1 January 2014 to 31 December 2017, institutions shall include in their CET1 only the applicable percentage of unrealised losses determined by competent authorities. The relevant amount and applicable percentage, as well as the eligible amount without transitional provisions shall be reported in row 130.</p> <p>Article 467(2) of the CRR sets out that competent authorities may, in cases where such treatment was applied before 1 January 2014, allow institutions not to include in own funds unrealised gains or losses on exposures to central governments classified in the “Available for Sale” category of EU-endorsed IAS 39. This treatment shall be applied until the Commission has adopted a regulation endorsing the IFRS replacing IAS 39. The relevant amounts shall be reported in row 133 (unrealised gains) and in row 136 (unrealised losses). Rows 133 and 136 are not subsets of rows 120 and 130 because the applicable percentages can be different. Indeed, if competent authorities allow institutions not to include in own funds unrealised gains or losses on exposures to central governments classified in the “Available for Sale” category of EU-endorsed IAS 39, the whole amount shall not be included. Hence, the applicable percentage for this treatment shall be 100 %. For instance, if in 2014 the amount of unrealised losses is 100 with an applicable percentage of 20 % and the amount of unrealised losses on exposures to central governments classified in the “Available for Sale” category of EU-endorsed IAS 39 is 40, the amount to be reported in row 130 shall be 80 (see para 13 of instructions – - 100 is included in the C 01.00, hence the adjustment in the template C 05.01 has to be +80 so that the CET1 in total (row 020 of C 01.00) is -20) and the amount to be reported in row 136 shall be either 40, if the competent authority allows institutions not to include in their own funds unrealised gains or losses on exposures to central governments</p>

	<p>classified in the “Available for Sale” category of EU-endorsed IAS 39, or 32 (-40 is reported in C 01.00, the adjustment in C 05.01 has to be +32 so that the CET1 in total (row 020 of CA1) is -8), if the competent authority does not apply this option. The same principle applies to unrealised gains (rows 120 and 133).</p> <p>According to article 468(1) of the CRR, by way of derogation from Article 35, during the period from 1 January 2014 to 31 December 2017, institutions shall remove from their CET1 only the applicable percentage of unrealised gains determined by competent authorities. Article 468(4) sets out that by derogation from Article 33(1)(c), during the period from 1 January 2014 to 31 December 2017, institutions shall include in their own funds the applicable percentage, as specified in Article 478, of the fair value gains and losses from derivative liabilities arising from their own credit risk. The relevant amount shall be reported in row 138. Row 138 is standalone because the applicable percentages set out in article 478 differ from the applicable percentages relating to rows 120 and 130.</p>
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Question ID	2013_143
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II, Part 2, paragraph 80
Published as Final Q&A	14/02/2014
Subject matter	COREP: 'residence of the obligor' for the purposes of the CRGB1 template for supranational organisations and multilateral development banks
Question	The guidelines for the CR GB 1 COREP template, Geographical breakdown of exposures by residence of the obligor, state that 'residence of the obligor' refers to the country of incorporation. However, how is this guideline to be applied in the case of exposures to either supranational organisations such as the EU (European Union) or multilateral development banks such as the EIB (European Investment Bank)?
Background on the question	The term 'country of incorporation' is not clear when applied to supranational organisations such as the EU or multilateral development banks such as the EIB.
Answer	<p>In template C 09.01, exposures to supranational organisations shall not be assigned to the country of residence of the institution, but to the geographical area "other countries" irrespective of the exposure class where the exposure to supranational organisations is assigned. The geographical area "other countries" shall also be used to report exposures to the European Central Bank. This procedure is also applicable for C 09.02 and for FINREP templates F 20.01 to F 20.07.</p> <p>Possible documents to identify supranational/international organisations are the lists provided in:</p> <ul style="list-style-type: none"> • Part G of the "Guidelines for reporting the BIS international banking statistics" (http://www.bis.org/statistics/bankstatguide.pdf). • Eurostat's "Balance of Payments Vademecum" (http://epp.eurostat.ec.europa.eu/portal/page/portal/balance_of_payments/documents/7724_14228_2007_EN_3.pdf).

Question ID	2013_146
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS Annex I - C 01.00 row 524, 744, 974
Published as Final Q&A	14/02/2014
Subject matter	COREP CA1: Reference to CRR Art 3 is unclear
Question	<p>CA1 Row 524 Column 010 relates to Article 3 of CRR. Article 3 of CRR, relating to Application of stricter requirements by institutions states: "This Regulation shall not prevent institutions from holding own funds and their components in excess of, or applying measures that are stricter than those required by this Regulation.</p> <p>Can the EBA please confirm if this relates to the difference between Capital Requirement and Capital Holdings? Alternatively is this cell intended to reflect any additional capital holding dictated by competent authorities?</p>
Background on the question	Article 3 does not provide sufficient clarity to allow completion of Row 524 Column 010.
Answer	<p>Answer to a) When calculating the capital ratios according to Article 92(2) of Regulation (EU) No 575/2013 (CRR), institutions may apply, based on Article 3 of CRR, inter alia measures that are stricter than those required by the CRR. Those measures either have an impact on own funds or on total risk exposure amounts. The impact on own funds has to be reported in rows 524 (Core Equity Tier 1 – CET1), 744 (Additional Tier 1 – AT1) or 974 (Tier 2) of C 01.00, whereas the impact on the total risk exposure amount has to be reported in row 760 of C 02.00. Only additional amounts resulting from Article 3 of CRR shall be reported in the rows mentioned above (for further details please see the instructions of row 760 of C 02.00).</p> <p>Answer to b) Article 3 provides a discretion for institutions to apply a more conservative treatment. It is not the legal basis for decisions of competent authorities to force institutions to hold own funds and their components in excess of or to apply measures that are stricter than those required by this regulation.</p>

Question ID	2013_171
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99 (and 383)
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I C25.00, r030, r040, c110
Published as Final Q&A	14/02/2014
Subject matter	COREP C25.00 (CVA): rows 030 and 040 for column 110 shouldn't be reported
Question	In CVA report, the column 110 is requested for all methods but when we check the definition of this column "number of counterparties where the credit spread was determined using a proxy instead of directly observed market data". This definition suits more for CVA advanced method but no for standard method nor for based OEM, our question is the proxy used to determine credit spread is it really requested for standard method or OEM?
Background on the question	The concept of proxy is used for advanced method regarding article 383 paragraph 1 through parameter. This concept is not used for standard method (article 384) neither for Based on OEM (article 385)
Answer	In C 25.00, row 030 "CVA risk according to the standardised method" and row 040 "CVA risk based on OEM" should be grey shaded for column 110 "Number of counterparties of which proxy spread was used to determine credit spread". Indeed, proxy spreads can be used for calculating the CVA charge according to the advanced approach only (set out in article 383 of Regulation (EU) No 575/2013 (CRR)). Rows 030 and 040 will be grey shaded for column 110 in C 25.00 in the next version of the ITS. In the meantime, rows 030 and 040 shall not be filled for column 110.

Question ID	2013_209
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex 1, C07.00, r90-210
Published as Final Q&A	14/02/2014
Subject matter	Specifying default fund contribution or risk weights in C07.00 and connection to C02.00.
Question	<p>First, according to column 020, default fund contributions is included in column 010 (original exposure) since it is a "of which". To get row 090 - 210 to sum up to the total exposure at row 010, the default fund contribution must then also be specified on row 090-210. Since the default fund contribution not is calculated with those fixed risk weights, on which row should the amount then be inserted?</p> <p>Secondly, should the amount in C07.00, c220, r010 be split on C02.00, row 460 and 050?</p>
Background on the question	<p>It is understood that the default fund contribution should be included in the original exposure. Since the breakdown of total exposures by risk weights should equal the total exposures, the default fund contribution must be included among the risk weights as well.</p> <p>In C07.00, c220, r010 it is stated that this cell should be linked to CA. However, in C02.00 the default fund contribution should be reported in row 460, while C07.00, c220, r010 logically should be linked to row 050. This requires the amount in C07.00, c220, r 010 to be split between the two rows and a "direct link" from C07.00 to C02.00 is then not possible.</p>
Answer	<p>As the question relates to the credit risk templates on the one hand and to the capital adequacy template C 02.00 on the other, these two aspects should be separated:</p> <ul style="list-style-type: none"> • C 07.00 (CR SA) and C 08.01 (CR IRB). Default fund contributions should neither be accounted for in the CR SA nor in the CR IRB template. The corresponding "of which" positions in CR SA column 020 should be left blank. The capital requirements for default fund contributions are completely separate from SA and IRBA rules. Default fund contributions do not fit in any of the corresponding asset classes and the articles 307-311 of Regulation (EU) No 575/2013 (CRR) directly compute a capital requirement instead of a risk weight. Therefore default fund contributions can be assigned neither to the SA nor to the IRBA. Besides the CR IRB template does not mention default fund contributions at all • C 02.00 (CA 2). The RWA stemming from default fund contribution should be reported separately in row 460. As they do not appear in the credit risk templates CR SA and CR IRB anymore it is unnecessary to include the RWA stemming from default fund contributions in row 050 or row 240.

Question ID	2013_244
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	101
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	5(b)
Published as Final Q&A	14/02/2014
Subject matter	COREP: templates to be submitted on a semi-annual basis.
Question	The draft ITS (Articles 5(b), 6(b), 8(1)(b), 8(2)(b) and 12) and the CRR mention that OPR details, CR SEC details, Group Solvency and Losses on Immovable Properties templates are to be submitted on a semi-annual basis. Can you confirm that the first reporting date for these templates will be 30 June 2014?
Background on the question	We will be required to submit these templates but we are unsure as to the first reporting date for them.
Answer	<p>According to article 2(1)(c) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, the first reporting reference date will be 30 June 2014 for the following semi-annual templates: OPR details (C 17.00), CR SEC details (C 14.00), Group Solvency (C 06.00) and Losses on Immovable Properties templates (C15.00).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_256
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II, Part II, Par. 1.2. (C01.00 - Own funds)
Published as Final Q&A	14/02/2014
Subject matter	Does the "Excess of deduction from AT1 items over AT1 Capital" used for the calculation of the 17.65% threshold include the transitional additions for grandfathered instruments and instruments issued by subsidiaries
Question	When calculating the applicable 17.65% threshold, is the "Excess of deduction from AT1 items over AT1 Capital" (Art. 36(1j)) supposed to be adjusted for the transitional adjustments made earlier in the process for grandfathered instruments and instruments issued by subsidiaries?
Background on the question	In Article 48(2)(a) of Regulation (EU) No 575/2013 (CRR) it is stated that for the calculation of the 17.65% threshold, the adjustments and deductions in Articles 32 to 36 must be applied in full. Hence, the excess as indicated in Article 36(1j) must also be deducted prior to the calculation of the threshold. However, the instructions on C 01.00 rows 740 "Excess of deduction from AT1 items over AT1 Capital (deducted in CET1)" and 970 "Excess of deduction from T2 items over T2 Capital (deducted in AT1)" indicate that for the calculation of these rows, the transitional amounts for grandfathering (rows 660 and 880) and instruments issued by subsidiaries (rows 680 and 900) must be included.
Answer	As explained in Annex II. Part 2, paragraph 13(a) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting , the adjustment effects of the transitional provisions are shown only in nine rows in C 01.00 in aggregated terms. Paragraph 13(b) clarifies that transitional provisions may also indirectly affect the AT1 and T2 shortfalls (referred to in Articles 36(1) (j) and 56(e) of Regulation (EU) No 575/2013 (CRR)), reported in rows 740 and 970. As a consequence, the content of those rows cannot directly be considered for the calculation of the threshold in Article 48 of CRR during the transition period. After the transition period, the amounts in rows 740 and 970 will no longer include the effects of transitional adjustments. The 17.65% threshold has to be reported separately in template C 04.00, row 210. Please note that there are no validation rules linking this row with rows of the C 01.00 template. <i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>

Question ID	2013_262
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	82, 87 (1) (b)
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex 2, part 2, C 06.00, c 120, 130 & 140
Published as Final Q&A	14/02/2014
Subject matter	Group solvency template - columns 120, 130 and 140
Question	<p>Annex I of the ITS on reporting (Own funds templates) states that the figures to be reported in column 120 (Own funds) of the Group Solvency template should be equal or equivalent to the own funds reported in row 0010 of the template CA1. We conclude from that, that column 120 of the Group Solvency template should comprise all Tier 1 and Tier 2 capital of the entity the respective row refers to.</p> <p>From Annex I of the ITS on reporting (Own funds templates) we understand that column 130 of the Group Solvency template should reflect instruments (including related retained earnings, share premium accounts and other reserves) that are owned by persons other than the undertakings included in the CRR consolidation.</p> <p>From the same ITS and its reference to Article 87 (i)(b) of CRR we assume that column 140 relates to all own funds instruments of the subsidiary that are included in Common Equity Tier 1, Additional Tier1 and Tier 2 items and the related share premium accounts, the retained earnings and other reserves.</p> <p>We assume that the difference between the figures to be reported in column 120 and 140 of the Group Solvency template is that column 120 reflects all Tier 1 and Tier 2 capital of the entity the respective row refers to, whereas in column 140 only the part of Tier 1 and Tier 2 capital that is included in the consolidated own funds of the reporting entity, should be reported. Could EBA confirm that this assumption is correct?</p>
Background on the question	The difference between the figures to be reported in column 120 and column 140 of the Group Solvency template is not clear.
Answer	<p>Columns from 120 to 240 in C 06.00 collect detailed information on group solvency Own Funds calculated according to the local solvency rules where the entity or subgroup is operating.</p> <p>In particular, column 120 requires reporting institution for collecting the Own Funds of the entities of the group. As clarified in the instructions, this amount shall be the same reported in row 010 of C 01.00 template, then it includes all positive and negative items of Own funds.</p> <p>On the contrary, column 140 collects information about some of the positive items of Own funds at individual level. In fact, the related instruction is linked to article 87(1) lit (b) of Regulation (EU) No 575/2013 (CRR) where those items are explicitly mentioned as the denominator of the ratio. In particular, in column 140 are included items listed in Article 26 (1) lit. (a), (b), (c) and (e), 51 and 62 lit. (a) and (b).</p>

	<p>With regard to column 130, the amount that shall be reported is the qualifying own funds, that is the amount defined according to Article 82 of the CRR. It includes all the Own Funds of the subsidiary owned by person other than the undertakings included in the consolidation pursuant Chapter 2 of Title II of Part One of the CRR.</p>
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Question ID	2013_263
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex 2, part 2, C 06.00, c300 & c340
Published as Final Q&A	14/02/2014
Subject matter	Group solvency template - columns 300 until 340
Question	In order to determine the qualifying own funds for the different own funds elements (Common Equity Tier 1, Additional Tier 1 and Tier 2 capital), according to sub 1 of Articles 84, 85, 86, 87, 89, capital requirements should be taken into account. Suppose, the qualifying own funds of a non-regulated entity within the CRR scope of consolidation should be determined. Is our interpretation correct that, given the fact that no capital requirements exists for a non-regulated entity, the outcome of the calculation of the qualifying own funds of a non-regulated entity according to Articles 84, 85, 86, 87, 89 always equal zero?
Background on the question	It is not clear to us how to deal with qualifying own funds (columns 300-340) of non-regulated entities within the CRR scope of consolidation.
Answer	<p>The question refers to two different aspects: the qualified own funds of non-regulated entities and the capital requirements of non-regulated entities.</p> <ul style="list-style-type: none"> • Qualified own funds of non-regulated entities (the "background of the question" asks how to deal with qualified own funds of non-regulated entities): According to Article 82(a) of Regulation (EU) No 575/2013 (CRR), qualifying own funds are only eligible if the entity is a subsidiary listed in (i) and (ii). Due to this limited scope, qualified own funds of non-regulated entities do not exist, which is why no amount shall be reported for those entities in columns 300-340 in template C 06.00 • Capital requirements of non-regulated entities. Capital requirements of non-regulated entities exist on consolidated level (i.e. such entities contribute to the group risk and columns 250 to 290 of template C 06.00 should be filled in) but not on individual level.

Question ID	2013_285
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II, Part 2, Paragraph 119. C017.00
Published as Final Q&A	14/02/2014
Subject matter	Reporting frequency for template C17.00 Op risk details
Question	<p>Please elaborate which reporting period that should be included in the semi-annual reporting of template C017.00.</p> <p>According to the Annex II, part 4.2 paragraph 119 this template summarises the information by an institution in the last year. If it should be reported with a semi-annual report, which reporting period should then be included in the reporting as per end Dec resp. end June?</p> <p>Possible way to read this:</p> <ul style="list-style-type: none"> - The same figures should be reported twice a year (just as template C16.00 contains the same figure for four quarters in row). - Rolling 12 month reporting (i.e. as per end June is 1/7 the previous year until 30/6 the reporting year).
Background on the question	C17.00 should be reported with a semi-annual according to the ITS Article 5 (b). According to the instruction the information should be referable to the "last year". It is not sufficient clear what should be included in the template.
Answer	<p>The reporting of C 17.00 (OPR Details) shall be based on the calendar year.</p> <p>The figures reported in June of the respective year are interim figures; the final figures are reported in December.</p>

Question ID	2013_204
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II. Part II. C12.00, C 13.00 & C 14.00
Published as Final Q&A	07/03/2014
Subject matter	COREP securitisations (cr sec irb, cr sec sa and cr sec details)
Question	It is unclear from the instructions for the COREP which securitisations exposures should be filled in, in which tab (cr sec irb, cr sec sa and sec details).
Background on the question	Should securitisations that are partially sold, but have not achieved significant risk transfer be included? In which articles is this described? As for internal securitisations, i.e. securitisations that are completely kept in the balance of the issuer, we wonder if these fall outside the scope of reporting in the cr sec irb, cr sec sa tabs.
Answer	<p>Where securitisation has achieved significant risk transfer (SRT) and the originator institution has decided to apply Article 245(1) of Regulation (EU) No 575/2013 (CRR), exposures (securitisation positions) shall be reported by the originator in CR SEC SA and CR SEC IRB templates (except for those where the originator holds no position in a traditional securitisation).</p> <p>In the event that a securitisation has not achieved SRT, or where a securitisation has achieved SRT but the originator institution has decided not to apply Article 245(1) of CRR, securitised exposures shall not be reported in CR SEC SA and CR SEC IRB templates, because the capital requirements of those transactions are not calculated according Chapter 5 of Title II of Part 3 of CRR. Instead, these exposures are included in the calculation of risk-weighted exposure amounts under the SA or the IRB approach for credit risk and reported in CR SA or CR IRB templates of the originator. This applies irrespective of who holds the position in such transactions.</p> <p>The scope for SEC Details is different from the scope of CR SEC SA and CR SEC IRB. According to point 109 of Annex II of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory Reporting, both securitisations without SRT and securitisations with SRT shall be reported in CR SEC Details where the reporting institution:</p> <ol style="list-style-type: none"> originating or sponsoring a transaction holds at least one position; originating or sponsoring a transaction holds no position but the originating/sponsoring took place during the year of report; has securitised financial liabilities issued by the reporting institution, in particular covered bonds. <p>The intention of point 109 (c) is that all securitisations, the underlying of which are financial liabilities originally issued by the reporting institution, shall be reported in SEC Details. This underlying could include covered bonds. In this regard also the number of types listed in the instructions of column 160 was amended by no. 910 and 101.</p> <ol style="list-style-type: none"> has invested in a securitisation.

	<p>This template also includes internal securitisation.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_227
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	266
Paragraph	3
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS - Annex XV Validation formulas
Published as Final Q&A	07/03/2014
Subject matter	Validation Rules (SEC) - Rule v531_m does not take into account value adjustments on deductions from own funds
Question	Validation rule v531_m does not seem to take into account that as stated in CRR 266(1) deductions from own funds can be reduced by the specific credit risk adjustments made in respect of the exposure leading to the deduction. Column 180 of C 13.00 (CR SEC IRB) reports these deductions as specified in CRR 266(3). CRR 266(3a) in turn refers to CRR 266(1) and (2) for the calculation of the deduction amounts. When there are such specific credit risk adjustments on deductions from own funds, the value in column 180 is reduced accordingly and the sum of columns 170 and columns 180 does not add up to the value of column 190. Should therefore this validation rule not be weakened to $\{c190\} \leq \{c170\} + \{c180\}$?
Background on the question	Validation rule v531_m states that the value for column 190 of C 13.00 is to be equal the sum of columns 170 and 180 (negative) of C 13.00. In columns 170 (all exposure values) and 190 (exposure values subject to risk weights only) there are to be reported the exposure values according to CRR 246. In case of the IRBA approach this means, that value adjustments are not to be included in these columns as stated in CRR 246 (1b). However, as in column 180 these adjustments are taken into account, one cannot expect $190 = 170 + 180$ to hold true, when such adjustments arise. This is for the institution issuing this question actually the case.
Answer	We agree with the proposed answer. Validation rule v0531_m will be amended accordingly: $\{c190\} \leq \{c170\} + \{c180\}$ instead of $\{c190\} = \{c170\} + \{c180\}$.

Question ID	2013_346
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I, C07.00 (rows 220-250)
Published as Final Q&A	07/03/2014
Subject matter	Memorandum items in credit risk SA
Question	Can you please confirm that the memorandum items in row 290-320 only should be filled in within exposure classes mentioned under point 54 (annex II, 3.2.1) and the Total template? I.e. that those rows should be empty in the exposure classes "in default" and "secured by immovable property".
Background on the question	The memorandum items in C07.00 should, according to point 54 and 56 in the instruction, only be reported in the six exposure classes that are specified. Exposure class "in default" is not mentioned among those six exposure classes. However, in the example in point 57 it is written that row 220 (which is one of the rows in the memorandum items: "exposures secured by mortgages on commercial immovable property") should be filled in on row 220 both in exposure class "Institution" as in exposure class "in default". This seems contradictory to point 54 and 56.
Answer	As explained in paragraph 54 of the CR SA instructions (Annex II, 3.2.2 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting), the memorandum items shall only be reported for the 6 exposure classes: 'Central governments or central banks', 'Regional governments or local authorities', 'Public sector entities', 'Institutions', 'Corporates' and 'Retail'. They shall also be reported in the CR SA total template. Memorandum items rows should be empty in the exposure classes "in default" and "secured by immovable property". <i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>

Question ID	2013_347
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I, C09.01 (column 040-070)
Published as Final Q&A	07/03/2014
Subject matter	Distribution in columns 040-070 in Geographical Breakdown
Question	Are the columns 040-070 memorandum items in the same way (the figure should be reported where the obligors would have been reported if those exposures were not in assigned to “in default”) that column 020 is?
Background on the question	Row 100 “Exposures in default” are grey marked and therefore not possible to fill in. The requested information in column 040-070 is in addition mostly referable to defaulted exposures. Column 020 has a clarification in Annex II that it is a memorandum item and that the exposures should be reported in the exposure classes they would have been assigned to if not in default. This information does not exist for columns 040-070. It is logical to assume that columns 040-070 should be treated in the same way as column 020 based on way the template is designed, even if this is not written in the instruction.
Answer	<p>The concept of columns 020, 040 and 070 in C 09.01 is different from the concept of columns 050 to 060. This is also reflected in the DPM (table C 09.01 b in the DPM).</p> <ul style="list-style-type: none"> • Column 020 is a memorandum item, because it shows the composition of the exposure class “in default”, i.e. defaulted exposures are reported in the exposure class the exposure was assigned to before the default occurred. • Columns 040 and 070 are connected directly to column 020, because they refer explicitly to “new defaults” • In contrast, in columns 050 to 060 general and specific credit risk adjustments to the original exposure pre conversion factors are reported, independent of whether it is a defaulted exposure or a non-defaulted exposure (see also EBA technical standard on specification of the calculation of specific and general credit risk adjustments in accordance with Article 110(4) of CRR for details). Due to the fact that those risk adjustments have to be considered in the process of calculating the total risk exposure amount in the standardised approach (if they fulfil the requirements in Article 110 of CRR), columns 050 to 060 are of the same concept as columns 010, 075, 080 and 090. <p>To represent correctly the different concepts, the grey shading of cells 100/050 to 100/060 will be deleted in the next revision of the ITS on Supervisory Reporting.</p>

Question ID	2013_349
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	63
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Part II, 1.2.1
Published as Final Q&A	07/03/2014
Subject matter	Error on ID / Template C01.00 - Own Funds (CA1), row 780
Question	Why row 780 has not the same ID between Excel file (Annex I - Own funds templates) and Word file (Annex II - Own funds)?
Background on the question	Row 780 : Excel file (Annex I - Own funds templates) : ID = 1.2.1.1* Word file (Annex II - Own funds) : ID = 1.2.1.2*
Answer	The numbering of row 780 in C 01.00 in Annex I of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting is wrong and should be corrected accordingly. The right ID is: 1.2.1.2*. <i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>

Question ID	2013_362
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	321-324
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	4-6
Published as Final Q&A	07/03/2014
Subject matter	OPR Details
Question	<p>a) Could you provide an explanation to the reference to Article 5 point (b) (2) iii in paragraph 124 of the COREP instructions (operational risk details template)?</p> <p>b) Is EBA going to publish every year the sum of individual balance sheet totals of all institutions within a Member State or should we ask this information from the national supervisor?</p> <p>c) Article 6 of the 'Draft ITS on supervisory reporting' refers to article 4. Is this correct?</p> <p>d) If the ratio of individual balance sheet total on the sum of individual balance sheet totals of all institutions within the same Member State is higher than or equal to 1% over the first reporting period (Q1 2014), some information about operational losses has to be reported. Is this a correct interpretation of the entry criteria mentioned in article 4 of the 'Draft ITS on supervisory reporting'?</p>
Background on the question	<p>a) The COREP instructions refer in paragraph 124 to Article 5 point (b) (2) iii of the 'Draft ITS on supervisory reporting'. This article refers to institutions using the Basic indicator approach. However, these are entirely exempted from reporting OPR Details.</p> <p>b) Article 5 point (b) 2 ii refers to the ratio of individual balance sheet total on the sum of individual balance sheet totals of all institutions within the same Member State. We're not sure which figure to use.</p> <p>c) We think the reference should be article 5.</p> <p>d) We're not sure about how to read references like 'on the same reporting reference date' or 'from the next reporting reference date'.</p>
Answer	<p>a) In Annex II of the Draft ITS on Supervisory reporting released on 26 July 2013, point 124 referred to Article 5 point (b) (2) iii instead of Article 5 point (b) (2) ii. This error has been corrected and in Annex II of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Annex II of the Draft ITS released on 19 September 2013, point 124 refers to Article 5 (b) (2) ii.</p> <p>b) The sum of individual balance sheet totals of all institutions within each Member State is published on the Supervisory Disclosure webpage of the EBA, in the aggregate statistical data on national banking sectors. The same data is displayed on the Supervisory Disclosure webpage of each national competent authority. The figures are completed by competent authorities as of 31 December each</p>

	<p>year and published on the following 31 July.</p> <p>c) In the Draft ITS on Supervisory reporting released on 26 July 2013, article 6(a) referred to article 4 instead of article 5. This error has been corrected since and in the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS released on 19 September 2013, article 6(a) refers to article 5.</p> <p>d) According to article 4(2) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on reporting, for the first two reporting reference dates, institutions shall report the information subject to thresholds if they exceed the relevant thresholds on the same reporting reference date. Therefore, if institutions exceed the threshold set out in article 5 (b) (2)(b#) of the ITS on reporting on the first reporting reference dates (Q1 2014), they shall report the information subject to this threshold for the Q1 2014 reporting reference date.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_377
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I, C 06.00
Published as Final Q&A	07/03/2014
Subject matter	ITS reporting - Group Solvency - Applicable only at top consolidated level
Question	Could you confirm that this table is applicable only at top consolidated level only, i.e. it is not required to report this in sub-consolidated reports.
Background on the question	EBA - ITS - 2013-02 - Group Solvency C06.00 - Information on affiliates (GS) Instructions to ITS: Template related instructions. Para 36 page 54 "It is possible for one consolidated group to be included within another consolidated group in which case the consolidated entity will have their details included in a higher consolidated group's GS template.
Answer	<p>Template C06.00 – Group Solvency (GS) is applicable not only at top consolidated level, but also at sub-consolidated level if the subgroup is subject to reporting requirements.</p> <p>The GS template aims to give a comprehensive view of a group within the scope of consolidation according to Part One, Title II, Chapter 2 of Regulation (EU) No 575/2013 (CRR). Hence the information is reported on an entity-by-entity-basis. This also means that the entities within a subgroup shall be reported entity-by-entity in the GS of the entire group, even if the sub-group itself is subject to reporting requirements. If the subgroup is subject to reporting requirements, it shall also report the GS template on an entity-by-entity basis, although those details are included in a higher consolidated group's GS template.</p> <p>It should be noted that the contribution of an entity is only reported above the threshold described in point 37 of Annex II.</p>

Question ID	2013_391
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II part II 3, CR GB 1 and CR GB 2 and CR GB 3
Published as Final Q&A	07/03/2014
Subject matter	Reporting of information with geographical breakdown
Question	Is there a threshold foreseen to report a country, or do we need to send the information for all the countries on which we have an exposure?
Background on the question	Difference of treatment between previous draft (CP 50 - ITS on reporting Annex II p. 94) and final draft.
Answer	<p>According to -point 79 of Annex II the threshold written down in Article 5(1) lit a. subparagraph 4 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS)Draft ITS on Supervisory reporting is only applicable to templates C09.01 and C09.02. If the threshold is exceeded (taking into account the entry and exit criteria of Article 4 of the ITS), each country to which the institution is exposed has to be reported separately.</p> <p>According to point 84 of Annex II template C09.03 has to be reported for each country the institution is exposed to – the threshold written down in Article 5(1) lit a. subparagraph 4 of the ITS is not applicable.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_309
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 501
Paragraph	Point 2 and Point 3
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II instructions own funds - template 7, 8.1 and 8.2
Published as Final Q&A	21/03/2014
Subject matter	Reporting SME-supporting factor as an 'of which' of SMEs
Question	Within the COREP templates, the SME supporting factor (Article 501) is shown as a subset of the SMEs (general). This is reinforced by the validation rules within the DPM. Given SME (general) has a <250 person criteria and the SME-supporting factor doesn't how is this reported?
Background of the question	<p>The EC recommendation 2003/361/EC 6 May 2003 DEFINITION OF MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES ADOPTED BY THE COMMISSION is the recommended definition of SME (general) within the EBA Q&A No. 2013_27 and is directly referenced under Article 501(2)(d) of the CRR and Article 13092) of the CRD. This recommendation has 3 criteria under Article 2:</p> <ol style="list-style-type: none"> 1. employ fewer than 250 persons; and 2. which have an annual turnover not exceeding EUR 50 million; and/or 3. an annual balance sheet total not exceeding EUR 43 million <p>For exposures to receive the SME-supporting factor Article 501(2)(b) states among the criteria listed in Article 2 of EC recommendation 2003/361/EC 6 May 2003 only the annual turnover shall be taken into account.</p>
Answer	<p>Q&A 2013_27 clarifies that for the purpose of Article 501 of Regulation (EU) No 575/2013 (CRR) the SME-definition of that article shall be used (SME/SF). Q&A 2013_27 continues by stating that for the identification of SMEs as counterparts for the purposes of other articles of the CRR, Recommendation 2003/361/CE of 6 May 2003 provides guidance to the institutions.</p> <p>Depending on the criteria for defining SME chosen by the institution for the CRR (except Article 501), the definition of SME may differ from that in Article 501. As a consequence, the rows/dimensions "SME subject to SME supporting factor" are an "of which" of the Total, not an "of which" position of the row "of which: SME" in the templates included in Annex I of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory reporting.</p> <p>According to this interpretation, further amendments in Annex I of the ITS shall be included in the next available version of the ITS and affected validation rules corrected shall be included in the next available version of the ITS.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_318
Status	Final Q&A
Legal act	Directive 2013/36/EU (CRD)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II, C0903, Paragraph 82
Published as Final Q&A	21/03/2014
Subject matter	How should IRB-institutions exclude exposures according to art 140.4?
Question	<p>Institutions should exclude the exposure classes in art 112 (a) to (f) when calculating the institution-specific countercyclical capital buffer rates. How should this be applied for Institutions that are not using the Standardised approach but IRB approach?</p> <p>It in addition not clear in the instruction if C0903 should be filled in even though the directive not yet has been implemented in the country. I.e. should C0903 be filled in as per end March 2014, even though an Institution not should report any buffer as per that date?</p>
Background on the question	Art 140.4 does only express in "Std-terms" which exposure classes that should be excluded. For example: the exposure class IRB Institution is not the same as STD Institutions. Treatment of defaulted exposures, covered bonds, immovable property etc are different. It is not sufficient clear how IRB Institutions should fill in C0903 with regards to art 140.4.
Answer	<p>Article 140(4) of Directive 2013/36/EU (CRD) specifies exposure classes relevant for the calculation of institution-specific countercyclical capital buffer rates by reference to Article 112 of Regulation (EU) No 575/2013 (CRR) without reference to the approach for credit risk.</p> <p>Given that Article 112 of the CRR simply lists the different types of exposure classes (in the same way as Article 147 of the CRR), for the application of Article 140(4) of the CRD, one should consider exposure classes of Article 112 irrespective of the method for credit risk calculation under the CRR.</p> <p>The template CR GB 3 shows the amount which is the basis for the calculation of the institution-specific countercyclical capital buffer.</p> <p>As stated in Q&A 2013_107, the reporting obligation starts in 2014 regardless of the fact that the institution specific countercyclical capital buffer is applicable from 2016 onwards.</p> <p>Please note that, according to Article 162(2) of CRD, the provisions of the institution-specific countercyclical capital buffer in Title VII, Chapter 4 shall apply from 1 January 2016. However, as stated in Article 160(6) and (7) CRD, Member States may impose shorter transitional periods, which could be recognised by other Member States too.</p>

Question ID	2013_390
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	Not Applicable
Published as Final Q&A	21/03/2014
Subject matter	Reporting of the net DTA that are dependent on future profitability and arise from temporary differences that are not deducted and will be risk weighted at 250%
Question	For the net DTA that are dependent on future profitability and arise from temporary differences that are not deducted and will be risk weighted at 250%, where should we report the RWA?
Background on the question	Nothing is mentioned in the guidelines.
Answer	<p>Basically net deferred tax assets which depend on future profitability and arise from temporary differences (DTAs) and which are risk weighted with 250% according to Article 48 (4) of Regulation (EU) No. 575/2013 (CRR) are assigned to the exposure class of the obligor. The reporting of DTAs in the relevant templates of Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions ITS on Supervisory reporting is derived from assignment of DTA exposures to exposure classes.</p> <p>For example, in case DTAs are exposures to governments, the assignment of DTAs to exposure classes is necessary to distinguish between the Standardised Approach (SA) and the Internal Ratings Based Approach (IRB).</p> <p>Depending on the particular counterparty, in SA the exposure would be assigned to the exposure classes 'central governments or central banks' (Article 112 (a) of CRR) or 'regional governments or local authorities' (Art. 112 (b) of CRR).</p> <p>In IRB the net DTA could be assigned to IRB exposure class 'central governments or central banks' (Art. 147 (2) (a) of CRR), with regard to exposures to regional governments it is assumed that they are treated as exposures to central governments according to Articles 115 and 116 of CRR (please see Article 147 (3) (a) of CRR).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_423
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	36
Paragraph	1b
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Row 350
Published as Final Q&A	21/03/2014
Subject matter	Gross amount of intangible assets
Question	Should the institution report in COREP other intangible assets in gross amount not net as today it's reported?
Background on the question	Today the amount of intangible assets that lowers Own funds is reported in net amount. This approach seems reasonable, while the difference between net and gross is amortization. Changing from net to gross amount lowers in material way the total own funds and from this point of view also CAD. This would be crucial change comparing to today's approach. Moreover CRR does not describe which amount (net or gross) of intangible assets should be taken to reporting. As long as it's described only in draft technical standard and does not have any background in legal regulation, we would like to get to know the justification of changing the approach.
Answer	<p>According to Article 4 (115) CRR 'intangible assets' has the same meaning as under the applicable accounting framework and includes goodwill. Intangible assets are deducted from own funds according to Article 36 (1) (b) CRR considering Article 37 (a) CRR.</p> <p>Distinguishing between goodwill (reported in rows 300 to 330) and other intangible assets (reported in rows 340 to 360), template C 01.00 (CA1) reflects those requirements of CRR. The instructions of rows 340 to 360 refer to the legal references mentioned above. Moreover the instructions of row 350 clarify that the amount of intangible assets reported is the amount under the applicable accounting standard and reported in the balance sheet, minus goodwill. According to Article 37 (a) CRR the deducted amount of intangible assets shall be reduced by the amount of associated deferred tax liabilities. So the titles of rows 340 and 350 intend to distinct between intangible assets <u>before</u> consideration of Art. 37 (a) CRR, and intangible assets <u>after</u> consideration of Article 37 (a) CRR.</p>

Question ID	2013_446
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	111
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II C 07.00 r010, c010
Published as Final Q&A	21/03/2014
Subject matter	Original Exposure pre-conversion Factors
Question	<p>The draft ITS on Supervisory reporting state that the Exposure value (for on-balance sheet exposures) equals to the exposure value without taking into account value adjustments and provisions, conversion factors and the effect of credit risk mitigation techniques. However, article 111(1) states that "The exposure value of an asset item shall be its accounting value remaining after specific credit risk adjustments". Additionally, the accounting value of an exposure is net of certain value adjustments e.g. non-recoverable income, etc.</p> <p>If for example, we have a customer loan with the following data:</p> <p>A. Balance: 100 B. Non-recoverable income -10 (usually from non-accrual status) C. Gross Accounting value (A+B) 90 D. Provisions -20 E. Net Exposure (C+D) 70</p> <p>What is the Original Exposure pre-conversion Factors, A or C?</p>
Background on the question	Value adjustments are considered any adjustments that decrease the value of an exposure. Additionally, the non-recoverable income are usually not notified to the customer.
Answer	<p>As set in the instructions of CR SA, CR IRB and CR GB 1 and 2 (Annex II of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on reporting), the amounts to be reported in the columns titled “Original Exposure pre conversion Factors” shall be gross of value adjustments and provisions referred to in Article 110 of CRR. With regard to the example, the amount of the original exposure pre conversion factors is 100. The exposure value of an asset under the standardised method referred to in Article 111(1) is the exposure value net of value adjustments and provisions. This amount shall be reported in column 040 of the CR SA template.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_522
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	60-70
Paragraph	4
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II, Page 38, 1.5.1 CA4 Template
Published as Final Q&A	21/03/2014
Subject matter	Add precisions about (CA4) rows 660 and 670
Question	<p>Instructions about row 660 (ID19 - Risk weighted exposures of AT1 holdings in financial sector entities which are not deducted from the institution's AT1 capital) referred to article 60 of CRR 575/2013.</p> <p>Instructions about row 670 (ID20 - Risk weighted exposures of T2 holdings in financial sector entities which are not deducted from the institution's T2 capital) referred to article 70 of CRR 575/2013.</p> <p>The reference to the paragraph is missing.</p> <p>These instructions should referred respectively to articles 60 (4) and 70 (4), as done for row 650 - ID 18 (which refers to article 46, paragraph 4).</p>
Background on the question	N/A
Answer	<p>In Annex II of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory reporting, the instructions of rows 660 and 670 of C 04.00 template should refer respectively to Articles 60(4) and 70(4) of Regulation (EU) No 575/2013 (CRR). The instructions will be amended accordingly.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_530
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II
Published as Final Q&A	21/03/2014
Subject matter	Template C18.00 - Market Risk: Standardised Approach for Position Risks in Traded Debt Instruments (MKR SA TDI)
Question	COREP: With regards to MKR SA TDI: All Positions, the instructions state that columns c010 [Long] and c020 [Short] should exclude underwritten positions subscribed or sub-underwritten by third parties. Can the EBA confirm whether this exclusion applies across the whole template?
Background on the question	For example, we would like to clarify if the Net Positions columns (i.e. c030 [Long] and c040 [Short]) should include or exclude underwritten positions.
Answer	<p>According to the instructions for columns 010 and 020 of C 18.00 (MKR SA TDI), the amounts to be reported are gross positions not netted by instruments but excluding underwriting positions subscribed or sub-underwritten by third parties. Indeed, Article 345 of Regulation (EU) No 575/2013 (CRR) sets that in the case of the underwriting of debt and equity instruments, an institution may use the following procedure to calculate its own funds requirements:</p> <ol style="list-style-type: none"> 1) Deduct the underwriting positions which are subscribed or sub-underwritten by third parties on the basis of formal agreements. The resulting amounts are the gross positions (i.e. not netted by instrument) to be reported in columns 010 and 020 "All positions". Those are the positions retained by the reporting institution. 2) Reduce the retained gross positions reported in columns 010 and 020 by applying the reduction factors in Table 4 of Article 345 of CRR. The resulting amounts shall be reported in columns 030 and 040 "Net positions". <p>The institution shall then calculate its own funds requirements using the reduced underwriting positions reported in columns 030 and 040.</p>

Question ID	2013_514
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Annex XV
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XV - Validation Formulae
Published as Final Q&A	04/04/2014
Subject matter	Inconsistency in validation rules
Question	<p>1) Between v0532_m and v0533_m. The validation rule is different but they impact the same range of rows (040-090). We believe this range should be removed from rule v0532_m.</p> <p>2) Validation v0534_m sets {c450} = {c440}. We believe the rule should be {c450} >= {c440}.</p> <p>Can you please confirm our understanding in both of these cases?</p>
Background on the question	We have been analysing the validation rules published in your website - Annex XV (Validation formulae) regarding the final ITS on supervisory reporting. For C13.00 there seem to be some inconsistencies.
Answer	<p>Rows 040-090 are greyed out for columns 350 and 360 and rows 430-540 are greyed out for columns 330-390. Nevertheless, since the blank cells in v0532_m will be treated as zero according to Annex XV-DPM Validation formulae (see: http://www.eba.europa.eu/regulation-and-policy/supervisory-reporting/implementing-technical-standard-on-supervisory-reporting-data-point-model-), there is no need to remove rows 040-090 and rows 430-540 from the validation rule.</p> <p>Validation rule v0534_m for rows (010;020) should read {c440} >= {c450}. Indeed, columns 440 and 450 of CR SEC IRB refer respectively to the total risk weighted exposure amount before cap/after cap, before/after applying the limits specified in Article 260 of CRR (Article 265 of CRR has also to be considered).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_558
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	180
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	180
Published as Final Q&A	04/04/2014
Subject matter	COREP CR IRB - Calculation of column 10
Question	For calculating the average PD on column 010, on a given exposure, should we consider the PD originally assigned to it or should we consider the PD after the regulatory floor is applied? (floor value being for most cases 0,03%).
Background on the question	Example: on an exposure, a PD of 0,01% has been assigned by the bank. Under Basel rule, PD will become 0,03% for Expected Loss and Capital requirement calculations. Which PD should be considered when computing average PD on column 10: original PD (0,01%) or regulatory PD(0,03%).
Answer	In column 010 of the CR IRB (C 08.01, C 08.02) template, the PD assigned after applying the regulatory floor (e.g. 0.03 %) shall be reported. This applies to the PD assigned to each obligor grade or pool and, where an aggregation shall be provided (e.g. total exposures), to the exposure weighted average of the PDs. This approach aims at reflecting the value used in the calculation of the risk-weighted assets.

Question ID	2013_566
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	172
Paragraph	1 and 2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX II REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS,
Published as Final Q&A	04/04/2014
Subject matter	Determination of “Number of Obligors” (column 300).C 08.01 - Credit and counterparty credit risks and free deliveries: IRB Approach to Own funds Requirements (CR IRB 1)
Question	The “Number of Obligors” has to be determined according to which method(s)?
Background on the question	<p>a) Concerning Retail exposures there is a clear definition in the Annex II instructions: “number of exposures which were separately assigned to a certain rating grade or pool”.</p> <p>b) Concerning Non-Retail exposures there are conflicting definitions in the Annex II instructions: “assigned to each obligor grade or pool” versus “the number of obligors shall be calculated based on groups of connected clients according to Article 4 (39) CRR”.</p>
Answer	<p>For retail exposures, as set in the instructions of column 300 of CR IRB (C 08.01) and in accordance with Article 172(2) of Regulation (EU) No 575/2013 (CRR), the number of obligors to be reported shall be based on the number of exposures which were separately assigned to a certain rating grade or pool. An obligor may be reported in more than one grade.</p> <p>For all the other exposure classes, in accordance with Article 172(1) of CRR, the number of obligors shall be based on the number of legal entities /obligors which were separately rated, regardless of the number of different loans or exposures granted. The number of obligors shall not be calculated based on groups of connected clients. The instructions will be amended accordingly.</p>

Question ID	2013_567
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	407
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX II REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS
Published as Final Q&A	04/04/2014
Subject matter	Column "OVERALL EFFECT (ADJUSTMENT) DUE TO INFRINGEMENT OF THE DUE DILIGENCE PROVISIONS" to be reported only from investor institutions. C 12.00 – Credit Risk: Securitisation - Standardised Approach to Own Funds Requirements (CR SEC SA)
Question	Why is the column "OVERALL EFFECT (ADJUSTMENT) DUE TO INFRINGEMENT OF THE DUE DILIGENCE PROVISIONS" not shown greyed for the rows concerning Sponsor and Originator?
Background on the question	According to article 407 CRR this effect is only possible for investor institutes.
Answer	Column 350 of CR SEC SA (C 12.00) template shall be left open for sponsors, original lenders and originators. According to Article 407 of Regulation (EU) No 575/2013 (CRR), an additional risk weight may not only be imposed to investor institutions, but also to originators, sponsors and original lenders, if they do not meet the requirements in Articles 405, 406 or 409 of CRR.

Question ID	2013_568
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	250
Paragraph	b
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX II REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS
Published as Final Q&A	04/04/2014
Subject matter	Column “ADJUSTMENT TO THE RISK WEIGHTED EXPOSURE AMOUNT DUE TO MATURITY MISMATCHES” to be reported only from originator institutions. C 12.00 – Credit Risk: Securitisation - Standardised Approach to Own Funds Requirements (CR SEC SA)
Question	Why is the column “ADJUSTMENT TO THE RISK WEIGHTED EXPOSURE AMOUNT DUE TO MATURITY MISMATCHES” not shown greyed for the rows concerning Investor and Sponsor?
Background on the question	According to article 250 (b) CRR this effect is only possible for originator institutes.
Answer	Column 360 of CR SEC SA (C 12.00) template should be grey shaded for investors and sponsors (rows 110–240). According to Articles 249 and 250 of Regulation (EU) No 575/2013 (CRR), maturity mismatches only affect the calculation of risk-weighted exposure amounts for securitised exposures of the originator institution of a synthetic securitisation.

Question ID	2013_569
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	197
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX II REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS
Published as Final Q&A	04/04/2014
Subject matter	"Inflows" in connexion with securitisations. C 12.00 – Credit Risk: Securitisation - Standardised Approach to Own Funds Requirements (CR SEC SA)
Question	How is it that "inflows" can arise concerning securitisations?
Background on the question	From our point of view there are no "inflows" concerning securitisations.
Answer	<p>As explained in Annex II of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, column 110 "Total Inflows" of the C 12.00 (CR SEC SA) template, securitisation positions which are debt securities and are eligible financial collateral according to Article 197(1) of Regulation (EU) No 575/2013 (CRR) and where the Financial Collateral Simple Method is used, shall be reported as inflows. Indeed, according to Article 197(1)(h) of CRR, institutions may use securitisation positions as eligible collateral, provided that they are not re-securitisation positions and that they have an external credit assessment by an ECAI which has been determined by EBA to be associated with credit quality step 3 or above under the rules for the risk weighting of securitisation exposures under the approach specified in Chapter 5 (Securitisation), Section 3 (Calculation of the RWAs), Sub-section 3 (Standardised Approach) of CRR.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_570
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	not possible
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX II REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS
Published as Final Q&A	04/04/2014
Subject matter	Reporting of template “SEC DETAILS” on consolidated or/and individual basis. C 14.00 – DETAILED INFORMATION ON SECURITISATIONS (SEC DETAILS)
Question	Due to conflicting specifications in Annex II instructions and Final Draft ITS there is doubt on which basis the template has to be reported: on consolidated or/and individual basis?
Background on the question	According to the Annex II instructions this template has to be reported only on a consolidated basis (“this template has to be rendered on a consolidated basis, i.e. only by consolidated groups”). According to Final Draft ITS of 26 July 2013 Article 5 (b) (1) and Article 6 this template has to be reported with a semi-annual frequency both on an individual and consolidated basis.
Answer	<p>Annex II Part 2, paragraph 110 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting establishes that the template C 14.00 (SEC Details) has to be reported by consolidated groups and stand-alone institutions which are neither part of a group nor consolidate themselves as parent institution in the same Member State where they are subject to own funds requirements. So, groups consolidated according to Part One, Title II, Chapter 2 of Regulation (EU) No 575/2013 (CRR) should report C 14.00 template according to Article 6(a) of the ITS. This includes sub-consolidated groups according to Article 11(5) of CRR. Stand-alone institutions should report SEC Details according to Article 5(b) lit. 1 of the ITS.</p> <p>In a nutshell,</p> <ul style="list-style-type: none"> • For consolidated groups this means that if a group is subject to supervision in a Member State, then the template SEC Details has to be reported on consolidated level, listing every transaction of the whole group within the scope of this template. Institutions being part of this group and supervised in the same Member State do not report SEC Details on solo level. The reporting requirement also holds if a group is supervised on sub-consolidated level (Article 11(5) CRR). The template SEC Details of cross border groups has to include every transaction of the whole group, irrespective where the subsidiaries are located. • For stand-alone institutions which are neither part of a group nor consolidate themselves in the same Member State, this means that they have to report SEC Details on solo level. <p>For example: A group is structured as follows Member State 1: EU parent institution A, subsidiary B Member state 2: parent institution C, subsidiary D</p>

	<p>In Member State 1 another institution Z is subject to own funds requirements, but it is a stand-alone institution.</p> <p>The reporting of template SEC Details should be as follows: Member State 1: Consolidated SEC Details including transactions of A, B, C and D according to Art. 6 (a) of the ITS, as well as solo SEC Detail for Z according to Art. 5 (b) lit. 1 of the ITS.</p> <p>Member State 2: Consolidated SEC Details including transactions of C and D according to Art. 6 (a) of the ITS.</p> <p>Nonetheless, as the question rightly points out, the reporting framework defined in Annex II of the ITS conflicts with the provisions in Article 5 and 6 of the main body of the ITS. This inconsistency will be solved as soon as possible by amending articles 5 and 6 of the ITS, for them to consider the special treatment of template SEC Details.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_580
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	312-324
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I, C 16.00 and C 17.00
Published as Final Q&A	04/04/2014
Subject matter	Operational Risk (OPR) templates
Question	<p>The suggested questions are related to both operational risk models C 16.00 (OPR) and C 17.00 (OPR Details):</p> <p>-C 16.00</p> <p>1.-Are the relevant indicators (year X) calculated with the information of the last natural years (from 1 of January of X-1 to 31 of December of X-1) or with the information of the last cycle of 365 days (for 30 June X reporting reference date, from 1 July X-1 to 30 June X)?</p> <p>2.-If they are calculated with the last natural years, the value of the relevant indicators and the own fund requirements will not change in the reports made during the year. Thus, which cells of the template could be modified among the reports made during the year?</p> <p>-C 17.00</p> <p>3.-Is there any threshold to report losses or must they be considered losses even when they are negligible?</p>
Background on the question	<p>The suggested questions are related to both operational risk models C 16.00 (OPR) and C 17.00 (OPR Details):</p> <p>-C 16.00</p> <p>1.-Are the relevant indicators (year X) calculated with the information of the last natural years (from 1 of January of X-1 to 31 of December of X-1) or with the information of the last cycle of 365 days (for 30 June X reporting reference date, from 1 July X-1 to 30 June X)?</p> <p>2.-If they are calculated with the last natural years, the value of the relevant indicators and the own fund requirements will not change in the reports made during the year. Thus, which cells of the template could be modified among the reports made during the year?</p> <p>-C 17.00</p> <p>3.-Is there any threshold to report losses or must they be considered losses even when they are negligible?</p>
Answer	<p>OPR (C 16.00) template</p> <p>1.) In Article 315 (1), second paragraph of Regulation (EU) No 575/2013 (CRR) and Article 317 (4), first paragraph of CRR it is referred to the end of the financial year. If the financial year ends 31 December, the three year average is calculated on the basis of the last three twelve-monthly observations at the end of the financial year, i.e. for the reporting date March 31, 2017, the calculation will be based on the financial situation on 31 December 2016, using the whole financial years 2014-2016.</p>

	<p>2.) According to Article 315 (1) of CRR, last sentence, and Article 317 (4) of CRR, second sentence of first paragraph, it is possible to use business estimates, when audited figures are not available. Therefore it is not only the cells referring to AMA data but also the other cells which may change during the year.</p> <p>OPR Details (C 17.00) template</p> <p>3.) According to Article 322 (3) point c of CRR, last sentence, institutions shall define appropriate minimum thresholds for internal loss data collections. These thresholds are also applicable for C 17.00 and are reported in columns 090-100.</p>
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Question ID	2013_612
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	F01.01 vs. C04.00
Published as Final Q&A	30/04/2014
Subject matter	Validation Rules FINREP - COREP
Question	<p>CRR states that certain balance sheet items shall be used for COREP reporting only, if they have been reviewed by an auditor. The last reviewed or audited values have to be used for COREP purposes until auditor's review or audit of the current values have been carried out (so called "static principle"). For example some interim financial statements are not published and/or not reviewed by auditors (e.g. as of March 31st). In this case the last audited deferred tax assets or liabilities - i.e. as of December 31st of the preceding year- have to be used for all COREP reporting (e.g. March 31st, June, 30th, etc.) until the next financial statement is reviewed or audited by the auditor.</p> <p>For FINREP reporting the most recent accounting values would be used for preparation of the quarterly reporting- e.g. even if no auditor's review is conducted as of March 31st, 2014 current accounting values would be submitted for FINREP reporting.</p> <p>Because of this static principle for COREP reporting, COREP values may not equal FINREP accounting values for specific positions and specific reporting dates. However, according to EBA validation rules specific balance sheet positions (e.g. deferred tax assets or liabilities) shall equal in the FINREP and COREP templates. These validations do not appear to be valid because of the difference in principles in preparing COREP and FINREP numbers. For example validation rule v1780_h states that {F 01.01, r330} = +{F 01.01, r340} +{C 04.00, r010}. COREP- FINREP validation rules are applicable for share premium and accumulated other comprehensive income too.</p> <p>These validations do not appear to be valid for all reporting dates. Which numbers are required for deferred tax assets and liability reporting in the COREP and FINREP tables respectively?</p>
Background on the question	Validation Rules
Answer	<p>One of the objectives of validation rules is to ensure a correct implementation of the different frameworks under Article 99 of Regulation (EU) No. 575/2013 (CRR), be it CRR or accounting provisions. But due to differing principles of the use of audited, verified and unaudited figures, it is possible that amounts of FINREP and COREP are not equal, though they are correct within each framework. In order to take account of this, all validation rules which require cross checks between FINREP and COREP will be deleted in Annex XV of the next available version of the ITS on Reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final</i></p>

	<p><i>ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_647
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	N/A
Subparagraph	N/A
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS - Annex XV Validation formulas and Annex II Instructions_own_funds
Published as Final Q&A	30/04/2014
Subject matter	Instructions and COREP validation rules – C 12.00 (CR SEC SA)
Question	<p>C 12.00 Credit Risk: Securitisation - Standardised Approach.</p> <p>Instruction for Column 190 Exposure Value: Securitisation positions according to Article 246 of CRR. This piece of information is related to column 200 of the CR SA Total template.</p> <p>Question 1. Column 200 of CR SA is a calculated column. Does it mean the same calculation applies to CR SEC SA?</p> <p>Question 2. If both the columns (c190 of SEC SA and c200 of CR SA) are same, then there is no supporting validation for c190 for CR SEC SA.</p>
Background on the question	<p>C 12.00 Credit Risk: Securitisation - Standardised Approach. Published on 21 Oct 2013.</p> <p>In the latest instruction document description of c190 says “This piece of information is related to column 200 of the CR SA Total template”.</p> <p>We do not find any formula mentioned on the template or do not find supporting validation in Annex XV to conclude both the columns are same.</p>
Answer	<p>The second sentence of the instructions of column 190 (Exposure value) of C 12.00 template (CR SEC SA) refers to column 200 of the C 07.00 template (CR SA Total) because the calculation of the exposure value for SA securitization exposures follows the same structure as the calculation of the exposure value for SA credit exposures (exposure value after taking into account value adjustments, all credit risk mitigations and credit conversion factors that is to be assigned to risk weights). This structure is described in the instructions of column 200 of the CR SA Total template. Likewise, several columns of the CR SEC SA and CR SEC IRB templates refer to instructions of columns of respectively CR SA and CR IRB because they follow the same structure.</p> <p>1) Column 200 (Exposure value) of the CR SA template is a calculated column (for certain rows). The amounts reported in column 200 equal the fully adjusted exposure value (E*) after applying the credit conversion factors. This is reflected in the following validation rule: $\{c200\} = \{c150\} - \{c160\} - (0.8 * \{c170\}) - (0.5 * \{c180\})$ (see v0308_m, v1659_m, v1661_m). This validation rule cannot apply to column 190 the CR SEC SA template because the credit conversion factors in CR SEC SA are not fixed rates like in CR SA, but rates buckets.</p> <p>2) The exposure value amounts of column 190 of CR SEC SA and of column 200 of CR SA are unconnected because the exposures are separate SA exposure classes.</p>

Question ID	2013_648
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II, Chapter 5.5.2, page 136
Published as Final Q&A	30/04/2014
Subject matter	Instructions regarding unmatched positions, Foreign Exchange Risk
Question	It doesn't seem logical that unmatched positions should be added to column 040 or 050 (net positions) according to the instructions to template C 22.00. We believe that this is not correct but instead the unmatched positions should be added to column 060 or 070 (positions subject to capital charge). Is it correctly interpreted that unmatched positions should be added to column 060 or 070 instead?
Background on the question	In the instructions to column 060-070 (Annex II, template C 22.00, Foreign Exchange Risk, page 136), it says that "unmatched positions are added to positions subject to capital charges for other currencies (row 030) in column (040) or (050) depending on their short or long arrangement". We believe that this is not correct but instead the unmatched positions should be added to column 060 or 070 (positions subject to capital charge). If reporting is done according to current instructions, the unmatched position would be accounted for twice in column (040) and (050), i.e. both on row (020) and row (030).
Answer	<p>The comment of the submitter is correct. An allocation of the residual open position in closely correlated currencies to columns 040 or 050 of C 22.00 template as currently described in the instructions (Annex II of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting) would lead to a double reporting of the open position in closely correlated currencies, because the amount in those columns would be reported in row 020 and in row 030, too.</p> <p>The residual open position of closely correlated currencies has to be considered when determining the net open position which is subject to capital charge (see Art 354 (5) of Regulation (EU) No. 575/2013 (CRR)). The instructions have to be amended accordingly.</p> <p>An example is provided to clarify the reporting of foreign currency risk (see Annex)</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Example: The calculation of own funds requirements for foreign exchange risk.

Positions in currencies (converted to €)										
currency	gross positions (column 020/030)		net positions per currency (not reported in MKR SA FX)		net positions (sum, columns 040/050)		net subject to capital charge (columns 060-080)			own funds requirements (column 090)
	long	short	long	short	long	short	long	short	matched	
USD	500	200	300							48.8
GBP	400	900		500					300	
JPY	540	480	60		580	760				
CHF	450	530		80				460		
AUD	230	290		60						
MXN	350	130	220							
HKD	110	230		120						
sum	2580	2760								

According to the current instructions, the net position would be as follows (double counting!)

assumption: USD and GBP are closely correlated

580 960

C 22.00 - MARKET RISK: STANDARDISED APPROACHES FOR FOREIGN EXCHANGE RISK (MKR SA FX)

	CURRENCY CODE	ALL POSITIONS		NET POSITIONS		POSITIONS SUBJECT TO CAPITAL CHARGE (Including redistribution of unmatched positions in currencies subject to special treatment for matched positions)			RISK CAPITAL CHARGE (%)			OWN FUNDS REQUIREMENTS	TOTAL RISK EXPOSURE AMOUNT	
		LONG	SHORT	LONG	SHORT	LONG	SHORT	MATCHED	LONG	SHORT	MATCHED			
010	TOTAL POSITIONS IN NON-REPORTING CURRENCIES			040	050	060	070	080				090	100	
020	Currencies closely correlated	900	1100	300	500			300				48.80	Cell linked to CA	
030	All other currencies (including CIUs treated as different currencies)	1680	1660	280	260		460		8.00	8.00		36.8		
040	Gold								8.00	8.00				
050	Additional requirements for options (non-delta risks)													
060	Simplified method													
070	Delta plus approach - additional requirements for gamma risk													
080	Delta plus approach - additional requirements for vega risk													
090	Scenario matrix approach													
BREAKDOWN OF TOTAL POSITIONS (REPORTING CURRENCY INCLUDED) BY EXPOSURE TYPES														
100	Other assets and liabilities other than off-balance sheet items and derivatives													
110	Off-balance sheet items													
120	Derivatives													
Memorandum items: CURRENCY POSITIONS														
130	Euro													
140	Lek													
150	Argentine Peso													
160	Australian Dollar													
170	Brazilian Real													
180	Bulgarian Lev													
190	Canadian Dollar													
200	Czech Koruna													
210	Danish Krone													
220	Egyptian Pound													
230	Pound Sterling			400	900		500							
240	Forint													
250	Yen			540	480	60								
260	Latvian Lats													
270	Lithuanian Litas													
280	Dinar													
290	Mexican Peso			350	130	220								
300	Zloty													
310	Rumanian Leu													
320	Russian Ruble													
330	Serbian Dinar													
340	Swedish Krona													
350	Swiss Franc			450	530	80								
360	Turkish Lira													
370	Hyvriala													
380	US Dollar			500	200	300								
390	Icelandic Krona													
400	Norwegian Krone													
410	Hong Kong Dollar													
420	New Taiwan Dollar			110	230	120								
430	New Zealand Dollar													
440	Singapore Dollar													
450	Won													
460	Yuan Renminbi													
470	Other													

Question ID	2013_649
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex I, template C 18.00 - C 23.00
Published as Final Q&A	30/04/2014
Subject matter	Definition of "all positions" in the templates C 18.00 - C 23.00, Market risk
Question	What is the definition of "all positions" in the columns in the market risk templates C 18.00 -C 23.00? "All positions" are not described or defined neither in CRR nor in the instructions.
Background on the question	It is not clear to us how to define "all positions" in the market risk templates C 18.00 - C 23.00. We have however not found any definition or description of "all positions" in CRR or in the instructions.
Answer	<p>The columns for gross positions in the market risk templates in general shall report positions prior to any kind of offsetting. The instructions refer to the relevant articles in the Regulation (EU) No. 575/2013 (CRR) concerning (gross) positions which have to be considered when calculating the own funds requirements for the respective market risk and how those positions are valued.</p> <p>Combined products have to be split up into their underlying components following the respective Articles in the CRR (e.g. the section on interest rate risk describes the breakdown of derivative contracts into the underlying positions in Articles 328 to 332 of CRR in detail).</p>

Question ID	2013_564
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	180
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	180
Published as Final Q&A	27/06/2014
Subject matter	COREP: CR IRB - Calculation of column 10 - obligor PD with or without CRM technique
Question	When calculating the weighted average PD on column 010, should we consider the PD assigned to the obligor only, or should we take into account the change in PD related to CRM technique (PD substitution on covered exposure)?
Background on the question	<p>Take the example below:</p> <p>Direct exposure 1, EAD = 100, to a corporate with PD = 0% Direct exposure 2, EAD = 100, to a corporate in default with PD = 100%, off which 70 is guaranteed by corporate with PD = 0%.</p> <p>Our current interpretation: Weighted average (PD band = x%) = (exposure value after risk transfer (column 110)*PD value after risk transfer) / total exposure value after risk transfer Weighted average (PD band = 0%) = $170 \cdot 0\% / 170 = 0\%$ Weighted average (PD band = 100%) = $30 \cdot 100\% / 30 = 100\%$</p> <p>Another possible interpretation: Weighted average (PD band = x%) = (exposure value after risk transfer (column 110)*PD value before risk transfer) / total exposure value after risk transfer Weighted average (PD band = 0%) = $(100 \cdot 0\% + 70 \cdot 100\%) / 170 = 41\%$ Weighted average (PD band = 100%) = $30 \cdot 100\% / 30 = 100\%$</p>
Answer	<p>In the CR IRB Template (C 08.01), when calculating the weighted average PD to be reported in column 010 in case of figures corresponding to an aggregation of obligor grades or pools, the PD assigned to the obligor and the PD value after credit risk transfer, respectively, shall be used for the relevant obligor grades or pools. These are the figures used for the calculation of the RWA in column 260.</p> <p>In the breakdown by obligor grades or pools (C 08.02 Template), in case of credit risk mitigation with substitution effect on the exposure, the exposure is broken down according to the PD of the obligor in columns 020 and 030. From column 080 (inflows) onwards the covered part of exposure is broken down according to the PD of the guarantor and the uncovered part is broken down according to the PD of the obligor. For the calculation of the weighted average PD in column 010, the PDs shall be weighted by the exposure value (column 110).</p> <p>As regards the above example, the first interpretation is correct. Assuming the obligor and the guarantor are assigned to the same exposure class, the weighted average PD of 15 %, $((170 \cdot 0\%) + (30 \cdot 100\%)) / 200 = 15\%$, is reported e.g. in row 070/ column 010 of C 08.01 Template.</p>

Question ID	2013_694
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	111, 389
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex II, Annex IX
Published as Final Q&A	27/06/2014
Subject matter	REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS - exposure value calculation
Question	What is the correct calculation of the exposure value of non-trading book, non-derivative and non-repo style exposures for the purposes of STA (Art 111) and large exposures (Art 389)? More specifically, are Additional Value Adjustments (AVA) according to Art 34 deducted?
Background on the question	<p>The definition of exposures in Art 389 refers to Part Three, Title II, Chapter 2 without applying the risk weights or degrees of risk. Therefore, the definition of exposure value for Art 389 should be in compliance with Art 111. Art 111 stipulates that the exposure value of an asset is the accounting value after specific credit risk adjustments in accordance with Art 34 and 110 and other own funds reductions related to the asset.</p> <p>However, in ITS on supervisory reporting requirements a different treatment is suggested. While AVA is not deducted for STA purposes, it is deducted for large exposure purposes (see the appendix).</p>
Answer	<p>According to Article 111 of the Regulation (EU) No. 575/2013 (CRR), under the standardized approach the exposure value of an asset item shall be its accounting value remaining after specific credit risk adjustments, additional value adjustments in accordance with Articles 34 and 110 CRR and other own funds reductions related to the asset item have been applied. Under Article 34 of CRR, institutions shall apply the requirements of Article 105 CRR (requirements for prudent valuation for all trading book positions) to all their assets measured at fair value when calculating the amount of their own funds and shall deduct from Common Equity Tier 1 capital the amount of any additional value adjustments necessary.</p> <p>As a result, under the standardized approach, additional value adjustments shall be applied to all assets measured at fair value (including those that are non-trading book, non-derivative and non-repo exposures) for the purpose of calculating the exposure value. The instructions of column 010, 030 and 200 of the C 07.00 (CR SA) Template will be amended accordingly (reference to Article 111 of CRR will be included).</p>

3. FINREP

Question ID	2013_26
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	521
Paragraph	2
Subparagraph	c
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	29/07/2013
Subject matter	FINREP: Date of initial application
Question	<p>As mentioned in Article 521 of the CRR the regulation shall apply from 01 January 2014, with the exception of the provisions of this Regulation that require the ESAs to submit to the Commission draft technical standards and the provisions of this Regulation that empower the Commission to adopt delegated acts or implementing acts, which shall apply from 31 December 2014.</p> <p>Does this mean that provisions described in Article 99.4 CRR are postponed until 31.12.2014 which includes the requirements regarding FINREP?</p>
Background on the question	See relevant articles.
Answer	<p>Article 521 (2) (c) of Regulation (EU) No 575/2013 contains the wrong reference date, i.e. 31 December 2014 whereas it should read 28 June 2013. To rectify this mistake, a corrigendum has been published in the Official Journal of the EU (http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:208:0068:0072:EN:PDF) containing the correct reference date for the submission of this implementing act, i.e. 28 June 2013.</p> <p>The final Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions states as per Article 19 paragraph 3 specifies that the application date of the FINREP reporting shall be 1 July 2014. While the date of application for FINREP is in principle 1 January 2014, a later date of initial submission for FINREP is being considered in the draft Implementing Act on supervisory reporting, but that can only be confirmed if the European Commission adopts the Implementing Act before 1 January 2014. However, no postponement to 31 December 2014 is envisaged.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p> <p>DISCLAIMER: This question goes beyond matters of consistent and effective application of the regulatory framework. A Directorate General of the Commission (Directorate General for Internal Market and Services) has prepared the answer, albeit that only the Court of</p>

	<p>Justice of the European Union can provide definitive interpretations of EU legislation. This is an unofficial opinion of that Directorate General, which the European Banking Authority publishes on its behalf. The answers are not binding on the European Commission as an institution. You should be aware that the European Commission could adopt a position different from the one expressed in such Q&As, for instance in infringement proceedings or after a detailed examination of a specific case or on the basis of any new legal or factual elements that may have been brought to its attention.</p>
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Question ID	2013_118
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Art. 2, paragraph 2
Published as Final Q&A	20/08/2013
Subject matter	FINREP: Application date and report submission postponement to Q3 2014
Question	<p>The question regards answer to Question ID 2013_26</p> <p>Does the answer then imply that reporting entities must have made the necessary arrangements by 1 Jan 2014 (given that this is the start of the accounting year of the reporting institution) for financial information to be reported cumulatively from 1 Jan 2014 to the first reference date of 30th September 2014?</p>
Background on the question	<p>In the final draft version ITS:</p> <p>1. Executive summary: "...In order to provide for a sufficiently long implementation period, the ITS requirements relating to financial information will apply only as of the third quarter of 2014, with the first reference date for financial information being 30.09.2014..."</p> <p>Chapter 2, Article 2, Paragraph 2: "Information submitted pursuant to the templates set out in Annex III and Annex IV according to the instructions in Annex V referring to a certain period shall be reported cumulatively from the first day of the accounting year to the reference date"</p>
Answer	<p>As set out in Q&A 26, Article 521 (2) (c) of Regulation (EU) No 575/2013 contains the wrong reference date, i.e. 31 December 2014 whereas it should read 28 June 2013. To rectify this mistake, a corrigendum has been published in the Official Journal of the EU (http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:208:0068:0072:EN:PDF) containing the correct reference date for the submission of this implementing act, i.e. 28 June 2013.</p> <p><u>The Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions states in its Article 19 paragraph 3 that FINREP reporting shall apply from 1 July 2014.</u></p> <p>While the date of application for FINREP is in principle 1 January 2014, a later date of initial submission for FINREP is being considered in the draft Implementing Act on supervisory reporting, but that can only be confirmed if the European Commission adopts the Implementing Act before 1 January 2014. However, no postponement to 31 December 2014 is envisaged.</p> <p>It follows from this that arrangements must be ready so that institutions can cumulatively report (from the first day of the accounting year to the reference date) for the first reporting date by the specified remittance date.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency,</i></p>

revisions are highlighted in track changes.

DISCLAIMER:

This question goes beyond matters of consistent and effective application of the regulatory framework. A Directorate General of the Commission (Directorate General for Internal Market and Services) has prepared the answer, albeit that only the Court of Justice of the European Union can provide definitive interpretations of EU legislation. This is an unofficial opinion of that Directorate General, which the European Banking Authority publishes on its behalf. The answers are not binding on the European Commission as an institution. You should be aware that the European Commission could adopt a position different from the one expressed in such Q&As, for instance in infringement proceedings or after a detailed examination of a specific case or on the basis of any new legal or factual elements that may have been brought to its attention.

Question ID	2013_119
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99 reporting own funds / financial information
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	99 - paragraph 2
Published as Final Q&A	31/10/2013
Subject matter	FINREP: Requirement to submit financial information
Question	If a credit institution prepares consolidated accounts - under IFRS - for Statutory Reporting and is a non-public company, and the subsidiary company's activities (a non-credit institution) are below the thresholds mentioned in Article 19 (a) and (b) of the Regulation (EU) No 575/2013 (CRR), can you confirm that it will not be mandatory for the credit institution to submit Financial Information (FINREP), effective from January 1st 2014?
Background on the question	Published documents are not sufficiently clear on this matter.
Answer	<p>The application of FINREP is not determined by the fact that the thresholds set out in Article 19 of Regulation (EU) No 575/2013 (CRR) have been exceeded or not. While the fact that these thresholds have not been exceeded can lead to the exclusion of the subsidiary from the scope of prudential consolidation, the application of FINREP is effectively determined by Article 99 (2), (3), and (where required by a competent authority) (6) of the CRR.</p> <p>To the extent that the application of prudential requirements on a consolidated basis is required based on an institution's situation, this would also, in conjunction with Article 99 (2), (3) and (6), determine the need to apply FINREP.</p>

Question ID	2013_197
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Chapter 3, Section 2
Published as Final Q&A	20/12/2013
Subject matter	Level of application of the new FINREP framework
Question	Can a competent authority impose FINREP at a solo level. Moreover, would a competent authority be free to add to or delete information from a specific template?
Background on the question	<p>According to the provisions of Article 99(2) of the Regulation (EU) no.575/2013, institutions subject to Article 4 of Regulation (EC) no.1606/2002 and credit institutions other than those referred to in Article 4 of that Regulation that prepare their consolidated accounts in conformity with the IFRS, shall also report financial information. In conformity with the Chapter 3 Section 2 of the future ITS, the financial information is to be reported on a consolidated basis.</p> <p>Till present, the National Bank of Romania exercised the option of extending the application of FINREP framework at solo level, by adapting the consolidated reporting framework FINREP issued by EBA (2005 and 2009 versions). By consequence, we are having now in force the reporting framework FINREP both at solo and consolidated level.</p>
Answer	<p>Article 99(2) to (4) of Regulation (EU) No 575/2013 (CRR) identify those institutions that have to report financial information in accordance with the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsfuture ITS on reporting.</p> <p>Further, Article 99 of CRR lays down provisions for the application of FINREP on a consolidated basis.</p> <p>A competent authority may therefore determine the content, frequency and reporting dates of FINREP by institutions at solo level.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_70
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V, Part 1, paragraph 11
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Reporting of insurance subsidiaries
Question	<p>According to new FINREP instructions tables 1.1/1.2/1.3 should be reported according to the CRR scope of consolidation and template F17 according to the IFRS scope of consolidation.</p> <p>1) Does this mean all tables (except template F17) should be reported according to CRR scope (which excludes insurance subsidiaries)?</p> <p>2) CRR scope: Although insurance subsidiaries should not be consolidated according to the instructions, we assume the investments in and intercompany positions with insurance subsidiaries and the related P&L components with/from these subsidiaries should be reported somewhere in the consolidated figures. Is that correct? If yes, which lines in tables 1.1-1.3 (balance sheet) and table 2 (P&L) should we use for this purpose?</p>
Background on the question	We are not sure how to report insurance subsidiaries in FINREP.
Answer	<p>1) Yes, all templates should be reported according to the CRR scope of consolidation except template F 17 and F 40, which shall be filled in under the accounting (IFRS) scope of consolidation.</p> <p>Article 18(1) of the Regulation (EU) No. 575/2013 (CRR) defines the methods for prudential consolidation. According to this, institutions shall carry out a full consolidation of all institutions and financial institutions that are its subsidiaries. However, according to paragraph 2 of the same Article 18, the competent authorities may on case-by-case permit proportional consolidation.</p> <p>2) When insurance (and other) subsidiaries are not included in the CRR scope of consolidation, amounts related to them shall be reported in templates F 01.01, F 01.03 and F 02.00 in those items related to investments in subsidiaries, joint ventures and associates.</p>

Question ID	2013_75
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 01.03, r170
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F1.3 Equity - Row 070 "Other equity instruments issued"
Question	What kind of instrument is expected on this row? Does it include all "own funds instruments" in CRR regulation, i.e. "capital instruments issued by the institution that qualify as Common Equity Tier 1, Additional Tier 1 or Tier 2 instruments"?
Background on the question	We need this information for FINREP mapping.
Answer	<p>In Table F 01.03, row 070 "Other equity instruments issued" is a default item. As stated in Annex V. Part 2, paragraph 16 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, "Other equity instruments issued" includes equity instruments that are financial instruments other than "Capital" and "Equity component of compound financial instruments". It is therefore quite possible to find elements in line with IAS 32.22 for example.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_77
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 07.00, c110
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F7 Financial assets subject to impairment that are past due or impaired - Column 110 "Accumulated write-offs"
Question	Does this row include discounts on debts that have been restructured due to counterparty default?
Background on the question	We need this information for FINREP mapping.
Answer	<p>The content of the "Accumulated write-offs" (column 110) is described in Annex V. Part 2, paragraphs 49 and 50 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting. Reporting should also comply with guidance of IAS 39 AG 84-92, IFRS 7.16, 37 (b) and B5 (d). Discounts on debt instruments that have been restructured due to counterparty default should be included in “Accumulated write-offs” provided that they lead to reductions of the carrying amount of the related debt instruments recognised directly in profit or loss. They should be reported until the total extinguishment of all the institution’s rights or until recovery.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_78
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 07.00, r 200 (also F 05.00, r 010)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F7 Financial assets subject to impairment that are past due or impaired (+ template 5) - Row 200 "On demand [call] and short notice [current account]"
Question	FINREP - Template 7 Financial assets subject to impairment that are past due or impaired (+ template 5) - Row 200 "On demand [call] and short notice [current account]" / does this row include discounts on debts that have been restructured due to counterparty default?
Background on the question	We need this information for FINREP mapping.
Answer	<p>"On demand [call] and short notice [current account]" are defined in Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting as "balances receivable on demand (call), at short notice, current accounts and similar balances which may include loans that are overnight deposits for the borrower, regardless of their legal form. It also includes "overdrafts" that are debit balances on current account balances".</p> <p>In the row 200 of template F 07.00 all past due and not impaired amounts related to on demand and short notice loans and advances should be reported in columns 010 to 060. In those cases where past due amounts are impaired according to IAS 39.59 (d), they shall be reported in column 070.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_79
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 07.00, r 260 (also F 05.00, r070)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F7 Financial assets subject to impairment that are past due or impaired (+ template 5) - Row 260 "Advances that are not loans"
Question	FINREP - Template 7 Financial assets subject to impairment that are past due or impaired (+ template 5) - Row 260 "Advances that are not loans": does this row include advances in associates current accounts (which are advances and not loans)?
Background on the question	We need this information for FINREP mapping.
Answer	<p>This section is covered in Annex V. Part 2, paragraph 41 (g) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting which states that “Advances that are not loans” include advances that cannot be classified as “loans” according to the ECB BSI Regulation.</p> <p>The analysis should focus on the nature of the advance in associates current accounts:</p> <ul style="list-style-type: none"> • If the advance is considered as a loan to the associates, it can properly be treated as a loan. By nature, it therefore should not be reported on row 260 as advance which is not a loan. • If the advance is not considered a loan to the associates, then it should be reported on row 260. <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_80
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 07.00, r310 (also F 05.00, r130)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F7 Financial assets subject to impairment that are past due or impaired (+ template 5) - Row 310 "project finance loans"
Question	FINREP - Template 7 Financial assets subject to impairment that are past due or impaired (+ template 5) - Row 310 "project finance loans": does this row include all "specialised lending exposures" (CRR art 147.8) or only the subcategory "project finance loans"? Indeed, the European directive 2006-048 (art 86 al 6) mentioned "specialised lending exposures", but in the French version, a breakdown by subcategory had been added: objects lending, commodities lending, real estate financing and project finance loans?
Background on the question	We need this information for FINREP mapping.
Answer	The definition of "project finance loans" in FINREP is not exactly the same as the definition used for "specialised lending exposures" in Article 147(8) of the Regulation (EU) No. 575/2013 (CRR). In FINREP, "project finance loans" are based on the definition provided by the International Project Finance Association (the financing of long-term infrastructure, industrial projects and public services based upon a non-recourse or limited recourse financial structure where project debt and equity used to finance the project are paid back from the cash-flow generated by the project), and include loans recovered solely from the income of the projects financed by them, including loans not complying exactly with the conditions a) and b) of Article 147(8) of the CRR.

Question ID	2013_81
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 08.01, (r100, 150, 200, 250, 300, 350)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F8.1 Breakdown of financial liabilities by product and by counterparty sector - "Repurchase agreements" (Rows 100, 150, 200, 250, 300 and 350)
Question	FINREP - Template 8.1 Breakdown of financial liabilities by product and by counterparty sector - "Repurchase agreements" (Rows 100, 150, 200, 250, 300 and 350): Can you confirm that the rows "Repurchase agreement" do not include assets pledged that are not securities?
Background on the question	We need this information for FINREP mapping.
Answer	<p>In the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, the definition of “Repurchase agreements” is based on the ECB Regulation 2008/32, Annex II Part 2. 9.4, which mentions securities pledged and operations involving the temporary transfer of gold against cash collateral.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_82
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 10.00, (r020, 080, 140, 200, 260, 280)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F10 Derivatives - Trading - "Economic hedges" (Rows 020, 080, 140, 200, 260 and 280)
Question	FINREP - Template 10 Derivatives - Trading - "Economic hedges" (Rows 020, 080, 140, 200, 260 and 280) : can you confirm that this row shall include "mechanically" all derivatives classified as "held for trading" in accountancy but that are not part of the trading book as defined in CRR (excepted derivatives for proprietary trading)?
Background on the question	We need this information for FINREP mapping.
Answer	<p>All derivatives which do not meet the requirements in IAS 39 to be effective hedging instruments, but which are held for hedging purposes shall be reported in these rows.</p> <p>Having regard to the provisions of para.74 of the Annex V. Part 2 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, according to which the item “economic hedges” includes those derivatives that are classified as “held for trading” but they are not part of the trading book as defined in Article 4(86) of Regulation (EU) No. 575/2013 (CRR), the item “economic hedges” does not include derivatives for proprietary trading.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_83
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 12.00, (c020, 030, 040, 050, 060)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Template 12 Movements in allowances for credit losses and impairment of equity instruments - Col 020 to 060 - Breakdown by counterparty
Question	FINREP - Template 12 Movements in allowances for credit losses and impairment of equity instruments - Col 020 to 060 - Breakdown by counterparty: the breakdown by counterparty of "variation flows" columns (columns 020 to 060) is heavy; does EBA allow that institutions make this breakdown only on "closing balance" column (col 070) as it tolerates for similar template FIN 30B in current FINREP?
Background on the question	We need this information for FINREP mapping.
Answer	Article 99 of the Regulation (EU) No. 575/2013 (CRR) is the legal basis for FINREP requirements and they are directly applicable and legally binding to all institutions. The EBA or any competent authority does not have any powers to grant any waivers or exemptions on reporting. Therefore, all templates shall be reported in full.

Question ID	2013_84
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 13.01, c030
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F13.1 Breakdown of loans and advances by collateral and guarantees - Col 030 "Other collateralized loans - Cash [Debt instruments issued]"
Question	FINREP - Template 13.1 Breakdown of loans and advances by collateral and guarantees - Col 030 "Other collateralized loans - Cash [Debt instruments issued]": ITS 81b indicates that Column 030 includes "pledges of debt securities issued by the institution". We don't understand the reference to "debts securities issued by the institution": an institution secure its loans with securities issued by other issuers but not with its own securities; moreover, CRR art 197 is referring to debt securities issued by different issuers but not to debt securities issued by the institution. Can you explain the point?
Background on the question	We need this information for FINREP mapping.
Answer	<p>In FINREP template F 13.01 the maximum amount of the collateral attached to loans and advances shall be reported. The template has a breakdown of collateral received by the reporting institution by nature, distinguishing between mortgage loans, other collateralized loans and financial guarantees received.</p> <p>Annex V. Part 2, paragraph 81(b) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting specify that "other collateralized loans" include pledges of deposits in or debt securities issued by the institution, in line with the provisions in Article 197 of Regulation (EU) No. 575/2013 (CRR). The term institution must be understood here as referring to the institution providing the debt security to be used as collateral (which actually issues it) and receiving the loan and advance; not to the reporting institution, which is the one which receives the collateral and grant the loan and advance.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_85
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 14.00, (c060, 070, 080)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F14 Fair value hierarchy: financial instruments at fair value - Columns 060 to 080 "Accumulated change in fair value before taxes"
Question	FINREP - Contents of template 14 Fair value hierarchy: financial instruments at fair value - Columns 060 to 080 "Accumulated change in fair value before taxes" : do gains and losses to be reported in columns 060 to 080 include only gains and losses accounted in the statement of profit or loss (like columns 040 and 050) or do they also include gains and losses accounted in "statement of comprehensive statement"?
Background on the question	We need this information for FINREP mapping.
Answer	All gains and losses accounted in "Statement of comprehensive income" (including "Statement of profit or loss") shall be included in columns 060 to 080 "Accumulated change in fair value before taxes" of template F 14.00.

Question ID	2013_86
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 16.01 & F 02.00
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Template 16.1 Interest income and expenses by instrument and counterparty sector (+ template 2) - Setting of interests on derivatives - hedge accounting other than interest rate risk
Question	<p>FINREP - Template 16.1 Interest income and expenses by instrument and counterparty sector (+ template 2) - Setting of interests on derivatives - hedge accounting other than interest rate risk: concerning interest on derivatives held for hedge accounting other than interest rate risk, we wonder about their setting:</p> <ul style="list-style-type: none"> - we understand they are not included in template 16.1 ; can you confirm this point? - on which row of template 2 "statement of profit or loss" should they be included? We foresee to include them on row "other assets" (row 080) and "other liabilities" (row 140). Is it correct?
Background on the question	We need this information for FINREP mapping.
Answer	<p>Interest income or expenses shall be reported in item "other assets" or "other liabilities" in templates F 02.00 and F 16.01 according to the instructions in Annex V. Part 2, paragraph 25 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, where it is stated that "Interest income - other assets" includes amounts of interest income not included in the other items.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_87
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 16.07, (r070, 080, 090)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F16.7 Impairment on financial and non-financial assets - "Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates" (Rows 070 à 090)
Question	<p>FINREP - Template 16.7 Impairment on financial and non-financial assets - "Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates" (Rows 070 à 090) : in spite of the reference to IAS 28, we presume that the row 080 "joint ventures" anticipates IFRS 11 (with the end of proportionally consolidation).</p> <p>But we don't understand what is expected on the row 070 "subsidiaries": these one are all fully consolidated and not with the equity method.</p>
Background on the question	We need this information for FINREP mapping.
Answer	<p>FINREP templates (with the exception of template F 17 and F 40) are applied based on the CRR scope of consolidation which excludes, among others, insurance corporations and other non-financial subsidiaries. These subsidiaries, which do not appear in the consolidated financial statements, shall be accounted for in the balance sheet as "Investments in subsidiaries, joint ventures and associates". In those cases where these investments are impaired, related amounts shall be reported in row 510 of template F 02.02 (Statement of profit or loss) as well as in row 070 of template F16.07 (Impairment on financial and non-financial assets).</p> <p>Furthermore, moving into the institutions within the CRR scope of consolidation, IFRS 10 contains one exemption for full consolidation of subsidiaries in the case of investment entities. Any impairment related to a subsidiary under this exemption should be accounted for in row 070 of template F16.07.</p> <p>Lastly, investments in joint ventures which are not under the scope of CRR and associates are allowed to be recognised using the equity method, according to the IFRS. If that were the case, they can be subject of impairment and the provisions in IAS 36 apply to them. Additions and reversals to the impairment of joint ventures and associates shall thus be reported in rows 080 and 090 of template F16.07 of FINREP.</p>

Question ID	2013_88
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 16.07, r150
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of template 16.7 Impairment on financial and non-financial assets - Cancellation of the row 150 "impairment of other non-financial assets"
Question	FINREP - Template 16.7 Impairment on financial and non-financial assets - Cancellation of the row 150 "impairment of other non-financial assets": on which row do we have to set amounts linked to "other non-financial assets" and reported on row 570 "other" in template 2?
Background on the question	We need this information for FINREP mapping.
Answer	<p>Rows 100-140 of template F 16.07 are related to rows 520-560 of template F 02.00. As currently there is no relation to row 570 of F 02.00 ("other") in template F 16.07, it is not included in the current version of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting.</p> <p>In the next available version of the ITS, a new row "Other" will be included in F 16.07 in order to ensure in this template the breakdown of the amount of impairment on non-financial assets disclosed in table F02.00.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_89
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 17.03, r170
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of template 17.3 Reconciliation between Accounting and CRR scope of consolidation - Liabilities and equity - Row 170 "Liabilities under insurance and reinsurance contracts"
Question	FINREP - Contents of template 17.3 Reconciliation between Accounting and CRR scope of consolidation - Liabilities and equity - Row 170 "Liabilities under insurance and reinsurance contracts": does the row 170 "liabilities under insurance and reinsurance contracts" include insurance company technical reserves?
Background on the question	We need this information for FINREP mapping.
Answer	Template F 17.03 shall be reported using the accounting scope of consolidation. Row 170 is only relevant when the reporting institution has an insurance company as a subsidiary. In this case, the amount to be reported in row 170 shall be the addition of all liabilities arising from insurance and reinsurance contracts according to paragraph 37.b of IFRS 4. Thus, technical reserves shall be included in row 170.

Question ID	2013_90
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 22.01, r140 (also F 22.02, r130)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of template 22.1 Fee and commission income and expenses by activity (+ template 22.2) - Row 140 "Customer resources distributed but not managed [by type of product]"
Question	FINREP - Template F22.1 Fee and commission income and expenses by activity (+ template F22.2) - Row 140 "Customer resources distributed but not managed [by type of product]": for this row, the ITS refers to "products issued by entities outside the Group" -> Which level of Group has to be considered: Accounting Group (including insurance companies for example) or CRR Group (excluding insurance companies for example)?
Background on the question	We need this information for FINREP mapping.
Answer	For defining entities outside the group, the prudential scope of consolidation CRR group) shall be used. Therefore, the fee and commission income from the distribution of insurance products that are managed by an insurance company of the group (included in the accounting scope of consolidation but excluded from the prudential scope) should be reported in rows 160 and 140 of F 22.01 and the assets involved in row 150 of F 22.02.

Question ID	2013_91
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 31.01 & F 31.02, (c020, 050)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of template 31.1 Related parties: amounts payable to and amounts receivable from (+ template 31.2) - Column 020 "subsidiaries" et Column 050 "other related parties"
Question	FINREP - Template 31.1 Related parties: amounts payable to and amounts receivable from (+ template 31.2) - Column 020 "subsidiaries" and Column 050 "other related parties": can you confirm that the column 020 "subsidiaries" includes transactions with "sister entities"?
Background on the question	We need this information for FINREP mapping.
Answer	<p>For the purposes of this answer, "sister institutions" are understood to be those which are subsidiaries owned by the same parent institution.</p> <p>In the case where the common ultimate parent institution is located in the European Union, consolidated financial statements shall be prepared by this parent institution, where the "sister institutions" would be considered both as subsidiaries. If, according to the CRR provisions, "sister institutions" shall also prepare consolidated financial statements, transactions with the "sister institution" shall be considered as entered with "subsidiaries" (see Annex V. Part 2, paragraph 120 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting).</p> <p>In the case where the common parent institution is located outside the European Union and considering the case where both meet the requirements to prepare consolidated financial statements, transactions with "sister institutions" shall be considered as entered with "subsidiaries" (see Annex V. Part 2, paragraph 120 of the Draft ITS).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_92
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 40.01 & F 40.02
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Template 40 Group structure (40.1 "entity-by-entity" - 40.2 "instrument-by-instrument") - Notion of Group scope
Question	FINREP - Template 40 Group structure (40.1 "entity-by-entity" - 40.2 "instrument-by-instrument") - Notion of Group scope: we understand that the scope to be considered for the templates 40.1 and 40.2 is the Accounting Group (including insurance companies for example) and not the CRR Group (excluding insurance company for example). Can you confirm this point?
Background on the question	We need this information for FINREP mapping.
Answer	<p>For the notion of group, the accounting scope of consolidation shall be the basis of the reporting of F 40 (see Annex V, part 2, paragraph 123 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting that specifies that “All subsidiaries regardless the activity they perform shall be reported”).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_93
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 40.02, (c030, 040, 050)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of template 40.2 Group structure "instrument-by-instrument"
Question	<p>FINREP - Contents of template 40.2 Group structure "instrument-by-instrument". We don't understand the scope of templates 40.2 : do we have to report all securities in our portfolio issued by an entity included in our accounting scope ?</p> <p>The amounts expected in columns 030 to 050 (holding company) are related to the security or to the holding company?</p> <p>We need further explanations.</p>
Background on the question	We need this information for FINREP mapping.
Answer	<p>Template F 40.02 has to be seen from the point of view of the entity holding the equity instruments. Therefore, all securities issued by an entity included in the accounting scope of the group which holds the securities in their individual balance sheet, shall be reported. It is worth noting that those holdings of equity instruments classified as held for trading, designated at fair-value through profit or loss, available for sale and treasury shares, that is to say, shares of the own reporting institution owned by it, are excluded from the reporting in F 40.02.</p> <p>Columns 030 to 050 in template F 40.02 refer to the institutions holding the financial instruments. Columns 060 to 080 in the same template refer to the percentage, carrying amount and acquisition cost registered for each of the investments in the individual balance sheet of the holding entity.</p>

Question ID	2013_95
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 40.01, c080
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of template 40.1 Group structure "entity-by-entity" - Col 080 "Profit or (-) loss of investee"
Question	FINREP - Template 40.1 Group structure "entity-by-entity" - Col 080 "Profit or (-) loss of investee" : which result is expected in column 080 : "profit or loss for the period" or "total comprehensive income for the period" ?
Background on the question	We need this information for FINREP mapping.
Answer	Column 080 "profit or loss" in the F 40.01 gathers information of the amount of profit or loss defined by IAS 1.81A(a).

Question ID	2013_96
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 40.01, c160
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of template 40.1 Group structure "entity-by-entity" - Col 160 "Carrying amount"
Question	FINREP - Template 40.1 Group structure "entity-by-entity" - Col 160 "Carrying amount": for entities with a different accounting treatment under IFRS Group scope and under CRR Group scope, the amount related to which scope is expected?
Background on the question	We need this information for FINREP mapping.
Answer	<p>Template F40.01 requires information from all entities of the group, taking as a basis the accounting scope of consolidation. Accordingly, for example, non-financial subsidiaries, which are excluded from the regulatory scope of consolidation, shall also be reported in this template. In addition to this, the accounting treatment under the Regulation (EU) No 575/2013 (CRR), when applicable, is also required in column 150 of F 40.01.</p> <p>For the purposes of reporting column 160 "Carrying amount", the amount reported on the balance sheet of the reporting institution shall be reported only for those members of the group not fully or partially consolidated under IFRS. In this case, the amount reported stems from the accounting balance sheet.</p>

Question ID	2013_97
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 41.02, r020, c030
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of template F41.2 Use of the fair value - Crossing col 030 "Hybrid contracts" / Row 020 "equity instruments"
Question	FINREP Template 41.2 Use of the fair value - Crossing col 030 "Hybrid contracts" / Row 020 "equity instruments" : this crossing is forbidden; even if few cases are expected, how do we have to report possible occurrences ?
Background on the question	We need this information for FINREP mapping.
Answer	<p>The occurrence of an equity instrument having an embedded derivative that, at the same time, must account for it non-separated is possible.</p> <p>The corresponding cell (intersection of row 020 and column 030 in F 41.02) will be released (coloured in white) accordingly in the next available version of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory reporting in order to report an occurrence of this type.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_108
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III - F 06.00, F 20.04, F 20.05, F 20.06, F 20.07
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Reporting by residence of the counterparty - format of the country code
Question	In which format does the ISO country code (FINREP tables 6, 20.4, 20.5, 20.6, 20.7) need to be reported: Alpha-2 (e.g.: BE), Alpha -3 (e.g.: BEL) or three-digit numeric (e.g.: 056)?
Background on the question	The format required could have an impact on our IT systems. Depending on the format required, an IT development has to be implemented.
Answer	<p>Throughout the reporting templates in the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, the ISO code shall be reported on the basis of Alpha-2 (e.g.: BE).</p> <p>The ISO code 3166-1-alpha-2, which includes pseudo-ISO codes for international organisations as well, is available in the last edition of the Eurostat’s “Balance of Payments Vademecum”: http://epp.eurostat.ec.europa.eu/portal/page/portal/balance_of_payments/documents/7724_14228_2007_EN_3.pdf.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_113
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V, Part 2, paragraph 107
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Thresholds applicable to F20.1 - 20.7 (geographical breakdown)
Question	<p>How to interpret the threshold for FINREP templates 20.1 till 20.7:</p> <ul style="list-style-type: none"> - link in article 5a(4) to COREP table 4 seems not correct; - is the threshold domestic/non domestic applicable for all templates 20.x? - if the threshold is per table: what with annexes 20.4 - 20.7? is the threshold applicable per country of the counterparty?
Background on the question	The instructions for application of the threshold is not clear.
Answer	<p>According to Annex V. Part 2. paragraph 107 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS) Draft ITS on Supervisory reporting, the threshold for FINREP template F 20 (the template as a whole including F 20.01 to F 20.07) is defined in Article 5(a)(4) of the ITS, which is also the threshold used for COREP templates C 09.01 and C 09.02 (geographical breakdowns of exposures by residence of the obligor).</p> <p>If the threshold described in Article 5 (a) (4) of the Draft ITS is exceeded, the institution must report:</p> <ul style="list-style-type: none"> • the breakdown between “domestic” and “non-domestic activities” in templates F 20.01 to 20.03 and • information “country-by-country” in templates F 20.04 to 20.07 <p>The threshold defined in Article 5(a)(4) of the Draft ITS is calculated using the rows 850 and 860 of COREP template C 04.00, which determine the total and the non-domestic original exposures of the reporting institution.</p> <p>Under this approach, the reporting institutions shall only calculate one threshold in order to determine whether they should comply with the reporting obligations in COREP templates C 09.01 and C 09.02 and FINREP templates F 20.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_120
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 01.03, r260
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Interim dividends
Question	What amount should be reported on row 260 of template F1.3, the dividends distributed during the year or the proposed dividends for the financial year?
Background on the question	It is unclear what amount should be reported.
Answer	The amount to be reported in row 260 of template F 01.03 is the dividends distributed during the financial year and not the proposed dividends for the financial year.

Question ID	2013_121
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 04.01, c020
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Amount of cumulative changes in fair value due to credit risk
Question	In the absence of accurate information how the amount of cumulative changes in fair value due to credit risk should be reported? This question is also relevant for templates F4.2, F8.1, F16.5, F45.1.
Background on the question	As mentioned in the EBA Q&A's the requirement in IFRS to specify the credit risk component relates only to financial assets designated at FVTPL and not for trading portfolios.
Answer	Reporting institutions should in principle be able to determine the amount of cumulative changes in fair value due to credit risk. If the information needed to its determination does not exist or is not possible to retrieve without incurring into significant costs, following the principles of IAS 8 the reporting institution shall carry out a reliable estimation of this amount. Retrospective application back to the date of initial acquisition is required where a reliable estimate for this is able to be made. If a reliable estimation is not possible, reporting institutions should apply the requirements retrospectively from the earliest period practicable.

Question ID	2013_122
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F07.00, c010
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Past due but not impaired < 30 days
Question	Can materiality thresholds be applied when reporting "technical" past due exposures?
Background on the question	Applying strict rules "technical" past due registrations will not reflect "real" past due amounts. For instance a loan past due with only 1 day and/or with only 1 DKK will be filed as past due.
Answer	<p>There is no materiality threshold for this template in the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting. Therefore, situations of technical default, regardless of the number of days past due or of the amounts involved, shall be reported together with other past due not impaired exposures.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_123
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 07.00, c110
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Template F7 Accumulated write-offs
Question	How shall accumulated write-offs be reported in the first reporting reference dates when all data may not be available?
Background on the question	We understand that the numbers to be reported are loans written-off in the accounting systems but total extinguishment of the bank's rights towards the customer has not taken place. Such numbers are not collected in the banks' systems at present. On this basis it would be most helpful if a starting date could be set.
Answer	<p>According to FINREP instructions for template 7 (Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting), under the column “accumulated write-offs” the cumulative amount of principal and past due interest of any debt instrument that the institution is no longer recognising, because they are considered uncollectible, shall be reported. The instructions also specify that these amounts shall be reported until the total extinguishment of all the institution's rights (by expiry of the statute-of-limitations period, forgiveness or other causes) or until recovery.</p> <p>The criterion according to which write-offs shall be reported is the existence of institution's right over the financial instrument subject to write-offs. Therefore, write-offs originated before the effective entry into force of FINREP and on which the reporting institution already maintains rights shall be reported in this column. Reporting institutions should in principle be able to determine the amount of accumulated write-offs of any debt instrument. However, if such information does not exist or is not possible to retrieve without incurring into significant costs, following the principles of IAS 8 the reporting institution shall carry out a reliable estimation of this amount. If a reliable estimate is not possible, reporting institutions should apply the requirements retrospectively from the earliest period practicable.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_124
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F07.00, c270 & c280
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Template F. Loans and advances by product, by collateral and by subordination
Question	How shall breakdown of loans according to product, collateral and subordination be reported if collateral information is not available to together with product?
Background on the question	Typically collateral is not received for specific products or facilities but for the entire borrower exposure. Thus, it is associated with significant uncertainty to allocate collateral values to different products.
Answer	In F 07.00, there is no exception for collateral referred to the whole borrower exposure. If that were the case and it was not possible to identify the collateral on an individual basis as requested by F07.00, the reporting institution might use an allocation rate. This could be a percentage of entire collateralised borrower exposure. The use of an allocation rate is only envisaged when the reporting entity cannot obtain the information separately and in no case is a general treatment to be used widely.

Question ID	2013_125
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F09.02
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Loan commitments, financial guarantees and other commitments received
Question	How shall off-balance sheet exposures be reported in first FINREP reports if the data is not available in the accounting systems? Can a starting date for collecting this data be set?
Background on the question	Information about commitments, guarantees etc. received is not collected in the banks' accounting systems. On this basis it would be most helpful if a starting date could be set.
Answer	<p>Banks must have data about their off-balance sheet exposures for determining the capital charges for off balance sheet exposures (Article 111 of the Regulation (EU) No 575/2013 – CRR) and for meeting the disclosure requirements in IFRS 7.36. If the data are not in the accounting systems banks have to implement these data into their reporting systems and report them as specified in the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_126
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F14.00, c040 & c050
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Template F14 changes for the period
Question	Are changes relevant "for the period" to be reported year-to-date (YTD) or only of the last quarter?
Background on the question	It is not clear to which period "for the period" refers to.
Answer	A period refers to the accounting year. So, 'for the period' in FINREP refers to changes from the beginning of the accounting year to the reporting reference date.

Question ID	2013_137
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art 99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V, Part 1, paragraph 35
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Definition of Credit institutions and Other financial corporations
Question	<p>This question asks for a clarification of the definition of Credit institutions (bank and multilateral banks) and Other financial corporations for financial information templates (FINREP) foreseen by EBA FINAL draft implementing Technical Standards 2013-02 published on 26 July 2013, Annex V, Part 1. Counterparty breakdown across all templates shall align with ECB statistical requirements ECB/2008/32. The Article 1 of that ECB regulation provide us with definition of MFI and breakdown of MFI to a) central banks, b) credit institutions as defined in Article 4(1) of Directive 2006/48/EC and c) other MFIs (e.g. Money market funds).</p> <p>For purpose of FINREP it is not clear if c) other MFIs (e.g. Money market funds) as defined in ECB Regulation shall be classified as Credit institutions sector (bank and multilateral banks) or Other financial corporations sector.</p>
Background on the question	We need to have confirmed that our understanding is correct for purposes of FINREP.
Answer	<p>The classification of institutions in counterparty breakdown in FINREP is described in the Annex V. Part I, Chapter 6 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, where the paragraph 35(d) includes collective investment undertakings among other financial corporations.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_139
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art 99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V, Part 1, Paragraph 35
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Counterparty classification of European institutions
Question	<p>This question ask for a clarification of the classification of European institutions into counterparty sectors for financial information templates (FINREP) foreseen by EBA FINAL draft implementing Technical Standards 2013-02, Annex V, Part 1. Counterparty breakdown across all templates shall align with ECB statistical requirements ECB/2008/32.</p> <p>In Regulation (EU) No 549/2013 of the European Parliament and of the council of 21 May 2013 on European system of national and regional accounts in the European Union, in paragraph 19.12 is stated that “The European Investment Bank and the European Investment fund are separate institutional units classified in the “Other financial intermediaries, except insurance corporations and pension funds” subsector (S.125) of the “financial corporations” sector (S.12)”.</p> <p>1) Does FINREP follow this Regulation (EU) No 549/2013 in case of The European Investment Bank and the European Investment fund classification?</p> <p>2) What counterparty sector for purpose of FINREP is the European Financial Stability Facility classified into?</p> <p>3) Is there any list of European institutions including information about its counterparty sectors for purposes of FINREP available?</p>
Background on the question	There is no information about counterparty classification of European institutions in EBA ITS as well as no clear reference to Regulation (EU) No 549/2013.
Answer	<p>The classification of institutions in counterparty breakdown in FINREP is described in the Annex V. Part 1, Chapter 6 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS)Draft ITS on Supervisory reporting. A mapping with COREP classification is available in Part 3 of this Annex, so that the classification of an institution in FINREP is consistent with the classification in COREP.</p> <p>ECB Regulation 2008/32 is used in several FINREP templates as a reference for the definitions of instruments and the definition of non-financial corporations, as it is stated in Annex V. However, EU Regulation 549/2013 is not used as a reference for the classification. So, for FINREP purposes, taking into consideration the provisions of Annex V. Part 1, Paragraph 35 letters (b) and (c) of the Draft ITS:</p> <ul style="list-style-type: none"> • The European Investment Bank and the European Investment Fund should be considered multilateral banks (see Article 117(2) (j)(k) of the CRR) and, therefore, should be classified in the counterparty sector “Credit institutions”. • The European Financial Stability Facility should be considered international organisation (see article 118 (d) of the CRR) and, by consequence, should be classified in the counterparty sector “General governments”. <p>Also, possible documents to identify supranational/international organisations are the lists provided in:</p> <ul style="list-style-type: none"> • Part G of the “Guidelines for reporting the BIS international banking statistics”

	<p>(http://www.bis.org/statistics/bankstatsguide.pdf).</p> <ul style="list-style-type: none">• Eurostat’s “Balance of Payments Vademecum” (http://epp.eurostat.ec.europa.eu/portal/page/portal/balance_of_payments/documents/7724_14228_2007_EN_3.pdf). <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_147
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS - Chapter 9, Article 18 (3)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Reporting for firms with Accounting Reference Date other than 31 December
Question	<p>Article 18 (3) confirms that FINREP applies from 1 July 2014.</p> <p>We have a financial year end of 30 September which means that where we will report our first quarter's data for relevant templates (in full) as at 30 September 2014.</p> <p>For semi-annual templates should we only report a quarter's data in our first submission (1 July to end September) or should we start collecting data from 1 October, and report a full 6 months of data as at 31 March 2015?</p> <p>For annual templates should we only report a quarter's data in our first submission (1 July to end September) or should we start collecting data from 1 October, and report a full year's data as at 31 March 2015?</p> <p>The period 1 July 2014 to 30 September 2014 is a full quarter, so this will allow us to report a full quarter's data.</p>
Background on the question	Firms are allowed to report FINREP in line with their financial year end, where this does not align with 31 December.
Answer	<p>Institutions with an accounting year ending 31 December: Article 19. paragraph 38(3) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS) Draft ITS on Supervisory reporting envisages an entry into force of the reporting of financial information for 1 July 2014. Even if the provisions for reporting FINREP shall apply from 1 July 2014, institutions with an accounting year ending 31 December shall report flow data (e.g. P&L) at the first quarterly reporting reference date (30 Sept 2014) cumulatively from 1 Jan 2014 to 30 Sept 2014 and not from 1 July 2014 to 30 Sept 2014.</p> <p>In the same way, for 31 Dec 2014 these institutions shall submit all of the templates with quarterly, semi-annual and annual frequencies and shall report (flow) data cumulatively from 1 Jan 2014 to 31 Dec 2014 and not from 1 July 2014 to 31 Dec 2014.</p> <p>Institutions with an accounting year which does not coincide with the calendar year: According to article 2(3) of the Draft ITS, where reporting institutions are permitted by national laws to report their financial information based on their accounting year end which does not coincide with the calendar year may adjust their reporting reference dates accordingly.</p> <p>In the case of a reporting institution with an accounting year ending 30 September, it implies that for 30 Sept 2014, those institutions shall submit all of the templates with quarterly, semi-annual and annual frequencies, and the templates would cover the</p>

	<p>period between 1 October 2013 and 30 Sept 2014, which means that the institutions shall report (flow) data cumulatively from 1 October 2013 and 30 Sept 2014 and not from 1 July 2014 to 30 Sept 2014.</p> <p>Institutions should discuss with their supervisors how to proceed for overcoming the issues that might arise in the reporting the complete flow amounts in the first remittances of the templates.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_153
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	N/A
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Company only IFRS reporting
Question	Please confirm the reporting requirements for a broker dealer reporting stand-alone company accounts under IFRS. Current reading of the guidance suggests that such an entity would be out of scope.
Background on the question	Limited availability of firm guidance and further potential for local regulators to impose additional reporting requirements.
Answer	<p>Article 99(2) of the Regulation (EU) No 575/2013 (CRR) requires those institutions preparing their consolidated accounts in conformity with the IFRS to report FINREP. According to article 99(6) of the CRR, a competent authority may extend FINREP to other institutions in view of the systemic risk posed by them, but always within consolidated financial statements.</p> <p>The application of FINREP on an individual basis (to stand-alone entities, including listed stand-alone entities) is outside the scope of the requirements of article 99 of the CRR.</p>

Question ID	2013_158
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F14.00, c060-c080
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Calculation of accumulated changes in fair values - first application
Question	Is it possible to apply a starting date for calculation of accumulated changes in fair values?
Background on the question	Some of the banks' financial instruments are acquired and initially recognised many years ago and cost prices are often unknown or difficult to determine.
Answer	<p>Reporting institutions should in principle be able to determine the accumulated changes in fair value of the financial instruments which they measure at fair value by going back in time to their internal IT systems until the moment when they acquired the instrument. The difference between the acquisition cost and the current value of the instrument may provide a proxy for the cumulated changes in fair value.</p> <p>However, where there have been changes in the level of holdings in the instrument since initial acquisition, further work will be required in order to determine a reliable estimate.</p> <p>If such information does not exist or is not possible to retrieve without incurring into significant costs, following the principles of IAS 8, the reporting institution shall carry out a reliable estimation of this amount. Retrospective application back to the date of initial acquisition is required where a reliable estimate for this is able to be made. If a reliable estimate of the value at initial recognition is not possible, reporting institutions should apply the requirements retrospectively from the earliest period practicable.</p>

Question ID	2013_161
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V. Part 2 paragraph 42, 43
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Template F 06.00 - reporting by country
Question	Template 6 - Breakdown of loans and advances to non-financial corporations by NACE codes and by residence of the counterparty. Should this table be delivered per country?
Background on the question	In previous draft version there was a field a cell z-axis for Total country of residence of the counterparty and this version that cell is removed. It is misleading as in the title is still written 'by residence of the counterparty'
Answer	<p>F 06.00 shall be reported only on total loans and advances without geographical breakdown. The country-by-country breakdown shall be reported in template F 20.07 as per Article 9(2)(d) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_165
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS - Annex XV Validation formulas
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Validation rules - references to missing rows
Question	<p>In the Validation Formulae (Appendix XV), there are many rows referred to that do not exist in the template (Appendix III). For example, in table 1.1 it is referred to rows 091, 092, 093, 094, 095, 171, 172, 173, 174, 175, 176, 177, 178, 231, 232, 233, 234, 235, 236 and 237, which do not exist in the template. There are many other similar examples.</p> <p>How should we interpret/handle these validation rules?</p>
Background on the question	We want to check that validation rules are followed before data is submitted, but it's difficult if not all rules are applicable.
Answer	The referred rows are in Annex IV – templates for non-IFRS reporters. The DPM includes both sets of templates in an integrated manner.

Question ID	2013_178
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	4
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III: F 02.00, r320
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net
Question	<p>During the last update on the ITS Annex III in July 2013 the FINREP P&L template was modified by removing the line item for "Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net" (table 2 row 320 ITS on Reporting March 2013) without any explanation. But in comparison with the published DPM in July 2013 which still contains the line item there is an inconsistency. In our opinion the line item is required to reach a consistent and meaningful P&L Statement, so that we assume that removing the line item is a mistake in the templates. If it is not an error it is necessary to give guidance on the disclosure of gains or losses on derecognition of investments in subsidiaries, joint ventures and associates.</p>
Background on the question	See above.
Answer	<p>IFRS institutions shall report the gains or losses on derecognition of investments in subsidiaries, joint ventures and associates within row 590 of F 02.00 "<i>Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates</i>".</p> <p>The row 320 "<i>Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net</i>" and the row 590 "<i>Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates</i>" should have been redundant in template F 02.00 of the Annex III of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_180
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III F1.1 c010, r040
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F1.1. row 040 "other demand deposits"
Question	<p>On the basis of the validation rules of template F1.1, row 040 is part of the sum of row 010 'cash and cash balances at central banks'. So one can assume that row 040 'other demand deposits' are deposits with central banks.</p> <p>However, the guidance in annex V part 2.3 (1.1 assets - § 3) stipulates that 'other demand deposits' includes balances receivable on demand with credit institutions. This seems contradictory to us.</p> <p>Please can you confirm whether row 040 of template F1.1, comprises 'other demand deposits' with central banks or with credit institutions.</p>
Background on the question	FINREP - We need this information for FINREP mapping.
Answer	<p>As explained in Annex V. Part 2, paragraph 3 of the Draft ITS on Supervisory reporting, "Other demand deposits" includes balances receivable on demand with credit institutions. "Cash" comprises "Cash on hand" (i.e. bank notes and coins) and "Demand deposits" (see IAS 7.6); in turn, demand deposits could be held at central banks or at credit institutions. Demand deposits at central banks should be reported as "Cash balances at central banks". Thus, demand deposits at credit institutions, as the remaining demand deposits after segregating the ones at central banks, should be reported as "Other demand deposits".</p>

Question ID	2013_184
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V, Part 1/Paragraph 35 (f)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Counterparty breakdown - hospitals, schools, social secretaries
Question	As what counterparty shall hospitals, schools and social secretaries be reported? Are there any thresholds (e.g. turnover) which when exceeded then the entity shall be reported as different counterparty (e.g. in current FINREP hospitals are treated households, when turnover exceed the limit then the hospital is reported as corporate)?
Background on the question	Based on available information (EBA FINAL draft implementing Technical Standards, ECB regulation, Regulation (EU) No 549/2013) it is not clear as what counterparty shall hospitals, schools and social secretaries be reported, because it is not explicitly mentioned here. The answer is important for counterparty breakdown for FINREP purposes.
Answer	<p>The sector breakdown used in FINREP templates follows, as much as possible, the sector breakdown in the ECB BSI Regulation, which is based on the ESA95.</p> <p>As described in Annex V, Part 1, paragraph 35(b) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, public and private companies held by public administrations that have a commercial activity shall be reported under ‘non-financial corporations’. This sector comprises private companies held by the private sector as well. Consequently, if hospitals, schools and social secretaries are organized in public or private companies with a commercial purpose, it shall be reported under ‘non-financial corporations’.</p> <p>If they are organized in public and private companies but do not have a commercial purpose, they are “non-profit organizations serving households” and shall therefore be reported under “households”. Namely, a company does not have a commercial purpose when its principal resources, apart from those derived from occasional sales, are derived from voluntary contributions in cash or in kind from households, from payments made by general government (provided that they are not controlled and mainly financed by general government since, if they are, they will be included in this latter sector), and from property income.</p> <p>If they are not organized in separate companies and are included in the public budget, it shall be reported under “general governments”.</p> <p>For further information, chapter 2 of the following link discusses in detail issues on the definition of sectors in ESA 95: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-BE-02-004/EN/KS-BE-02-004-EN.PDF.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_194
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III F07.00 reporting of assets past due
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F07.00 reporting of past due assets
Question	<p>How to split past due not impaired financial assets according to the number of days past due?</p> <p>According to the Instructions in Part 2, paragraph 48: “Assets qualify as past due when a counterparty has failed to make a payment when contractually due”.</p> <p>Q1: Will the whole asset/loan be qualified as past due or only its part, for which the counterparty failed to make a payment?</p> <p>According to the Instructions in Part 2, paragraph 48 : “The amounts of such assets shall be reported and broken down according to the number of days past due”.</p> <p>Q2: Should the individual financial asset/loan be split into parts according to the “age” of individual instalments or should the financial asset/loan be reported in the col. for the “oldest” past due instalment? In this case “to split” will be relevant to financial assets portfolio (= individual asset will be kept as a whole, but portfolio will be split) .</p>
Background on the question	It is unclear how the loan will be reported if only some instalments are past due.
Answer	<p>Assets qualify as past due when counterparties have failed to make a payment when contractually due according to Annex V. Part 2, paragraph 48 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory Reporting. The whole amounts of such assets shall be reported and broken down according to the number of days of the oldest past due instalment.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_214
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V, Part 2, paragraph 63 and Annex III, F 09.02
Published as Final Q&A	14/02/2014
Subject matter	Financial guarantees received and other commitments received (F 09.02)
Question	<p>1) Could you confirm that the item "Financial guarantees received" (see F 09.02, r080 – r140, c010) includes only financial guarantees received as collateral for the institution's liabilities and for institution's financial guarantees given or other commitments given (i.e. it does not include financial guarantees received as collateral for claims/financial assets, given the fact that they are considered as part of information in template F 13.01 Breakdown of loans and advances by collateral and guarantees)?</p> <p>2) Consequentially we would like to clarify the treatment of other collateral received (either from the customer or from third party) for financial guarantees given and other commitments given (from template F 09.01). Should they be also included in item "Other Commitments received" of template F 09.02 (r150 – r210, c020)?</p>
Background on the question	We need this information for FINREP mapping.
Answer	<p>Template F 13.01 requires a breakdown of collateral and guarantees backing the loans and advances by the nature of the collateral or guarantees. The template has a breakdown by collateral or guarantees stating whether they are loans collateralised by immovable property, collateralised by other collateral or enhanced by financial guarantees received. The amount to report in this template is the "maximum amount of the collateral or the guarantee that can be considered".</p> <p>Template F 09.02 defines a reporting of financial guarantees received by counterparty sector of the issuer of the guarantee. All financial guarantees received by the institution as enhancement for the institution's assets (but not for their liabilities) shall be reported in this template, as opposed to column 050 of template F 13.01, which encompasses only those attached to loans and advances. Therefore, the contracts reported in column 050 of template F 13.01 are a subset of those to be reported in F 09.02.</p> <p>Guarantees received on off-balance sheet exposure do not meet the definition of 'Financial guarantees' provided in paragraph 58 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS) Draft ITS on supervisory reporting (a 'financial guarantee' should necessarily cover a debt instrument) and, thus, should be reported as "Other commitment received".</p> <p>Guarantees on the institution's liabilities are not credit risk enhancements received by the institution and, thus, they should never be reported in F09.02.</p> <p>According to Annex V, paragraph 58 of the Draft ITS, financial guarantees issued by third parties as enhancements of the institution's financial liabilities should not be reported by the institution as they are as financial guarantees received by the holders of the deposits (or the debt securities) issued by the institution.</p>

	<p>Furthermore, when the reporting institution is providing guarantees to some of its own financial liabilities, these guarantees do not increase the credit risk exposure of the institution and, thus they should not be reported in F 09.01. In fact, they do not comply with the definition of “financial guarantees” as these contracts should cover a debt instrument issued by a party other than the guarantor or the beneficiary of the guarantee.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_216
Final Q&A	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III F20.4 row 210
Published as Final Q&A	14/02/2014
Subject matter	Annex III F20.4 row 210 Of which: Commercial immovable property
Question	What is the information requested in this row? Does it consist of loans collateralized by residential immovable property, as in row 230? Or is it made up of loans granted to acquire commercial immovable property?
Background on the question	There is no normative reference in the template.
Answer	The row 210 in F 20.04 includes loans collateralized by commercial immovable property without considering if the purpose of the loan is to purchase this type of property. That is, it depends upon a classification by collateral not upon a classification by purpose.

Question ID	2013_219
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III. F 45.02. r010
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F45.2
Question	Row 010 "Property, plant and equipment" has been eliminated. Notwithstanding, currently the first row (Investment property) is row 020, not row 010. Hence, should the row 040 "Other assets" include the information previously contained in row 010?
Background on the question	The elimination and subsequent numeration of the rows must take the validation of F45.02 row 050 with F02 row 330 into account.
Answer	<p>Indeed, row 010 "Property, plant and equipment" was included in the table FINREP 29.03 (Public Consultation of 12/2011) but removed later on.</p> <p>In the table F 45.02 of the current version of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions<u>Draft ITS on Supervisory Reporting</u>, "Property, plant and equipment" hasve to be included in the row "Other assets". Finally, row 050 of F 45.02 must be consistent with row 330 of F 02.00.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_235
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III. F05.00 r 010 (also F07.00 r 200)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: Contents of templates 7 and 5 - Row "On demand [call] and short notice [current account]"
Question	<p>We wonder about the reporting of overnight accounts and advances and on the scope of templates 5 and 7:</p> <ul style="list-style-type: none"> - overnight accounts and advances with counterparties "central banks and credit institutions" are not reported on a "loans and advances" row in table 1.1 but on the rows 030 et 040; nevertheless, do they have to be reported in tables 5 and 7 which concern "loans and advances"? If yes, do they have to be reported on the row "On demand [call] and short notice [current account]"? - does overnight accounts and advances with other counterparties have to be reported on the row "On demand [call] and short notice [current account]" in tables 5 and 7?
Background on the question	We need this information for FINREP mapping.
Answer	<p>In F 01.01, overnight balances receivable by the reporting institution are reported in the items 'Cash balances at central banks' and 'Other demand deposits', depending on the sector of the counterparty. Annex V. Part 2, paragraph 41(a) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting explains that in the breakdown of loans by type of product overnight balances are classified within the item "On demand [call] and short notice [current account]". Thus, overnight balances should be reported as "On demand [call] and short notice [current account]" in tables F 05.00 and F 07.00.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_236
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V. Part 2.81(c)
Published as Final Q&A	14/02/2014
Subject matter	FINREP: F13.1 row 010 Loans and advances col. 050 Financial guarantees received
Question	What is the information that should be included in this box? Is it the whole amount of financial guarantees received, or is it the value of those financial guarantees received that are related to loans and advances collateralized by immovable properties or any other in rem guarantee? In other words, if a loan has only financial guarantees, and none of those included in columns 010 - 040, shall that financial guarantee be included in row 010 & column 050?
Background on the question	The validation link related to the table does not clarify the question, given that it does not show a direct and unambiguous relation (" \leq "): $\{F\ 13.01, r010, c050\} \leq \{F\ 09.02, r080, c010\}$.
Answer	<p>Annex V. Part 2, paragraph 79 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting states that "The pledges and guarantees backing the loans and advances shall be reported by type of pledges: mortgage loans and other collateralised loans, and by financial guarantees. The loans and advances shall be broken down by counterparties". According to the instructions, column 050 in F 13.01 shall include all financial guarantees received on loans and advances and not only the ones related to mortgage and other collateralized loans.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_138
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V, Part 1, paragraph 35
Published as Final Q&A	07/03/2014
Subject matter	Multilateral banks for FINREP
Question	Is there any list of?
Background on the question	We need it for correct mapping of counterparties.
Answer	<p>There is not any comprehensive list of multilateral banks available for FINREP purposes. The following documents/links provide a non-exhaustive list of multilateral banks that may serve as a reference for the identification of multilateral banks:</p> <ul style="list-style-type: none"> • Article 117 of Regulation (EU) No 575/2013 (CRR) • List of “Non-bank financial institutions” published by the BIS in its Guidelines for reporting the BIS international banking statistics (see http://www.bis.org/statistics/bankstatsguide.htm). • List of “Other International Organisations (financial institutions)” in Eurostat’s “Balance of Payments Vademecum”: (http://epp.eurostat.ec.europa.eu/portal/page/portal/balance_of_payments/documents/7724_14228_2007_EN_3.pdf).

Question ID	2013_198
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 04.04, c 020
Published as Final Q&A	07/03/2014
Subject matter	Financial assets impairment
Question	Do impaired financial assets also include the ones that are found to be impaired at the group level or only those individually impaired? More specific, in the financial reporting form F 04.04, the column 020 "Impaired assets [gross carrying amount]" includes only the financial assets impaired on individual basis (with specific allowances for individually assessed financial assets or specific allowances for collectively assessed financial assets)?
Background on the question	The column 020 of F 04.04 includes, inter alia, references to IFRS 7.37 (b) provisions, according to which an entity shall disclose by class of financial asset an analysis of financial assets that are individually determined to be impaired as at the reporting date.
Answer	<p>Column 020 in F 04.04 "Impaired assets [gross carrying amount] should be filled with individually impaired financial assets (i.e. financial assets for which specific allowances for individually assessed financial assets were built and insignificant financial assets for which specific allowances for collectively assessed financial assets were built), in line with IFRS 7.37 (b) disclosure criteria. Collectively impaired financial assets (i.e. financial assets for which collective allowances for incurred but not reported losses were built) shall be included in c010 of F 04.04 "Unimpaired assets [gross carrying amount]".</p> <p>Paragraph 39 in Part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, referred in F04.04 c060 states that the "sum of unimpaired assets and impaired assets net of all the allowances shall be equal to the carrying amount". This sentence is also reflected in the validation rules v0809_m in Annex XV of the ITS which states that column 060 in F 04.04 is the addition of the previous five columns ($\{c060\} = \{c010\} + \{c020\} + \{c030\} + \{c040\} + \{c050\}$).</p> <p>Since specific allowances for individually and collectively assessed financial assets are included in columns 030 and 040 respectively, then it follows that the carrying amount for impaired assets reported in c020 should not be netted by the amount of these allowances (reported in columns 030 and 040 in the template) but should be net of write-offs (see Paragraph 50. Part 2 Annex V of the Draft ITS for its definition).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_311
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS 2.123
Published as Final Q&A	07/03/2014
Subject matter	Reporting currency - Table 40.1
Question	Which reporting currency should be used in table 40.1 Group Structure 'entity-by-entity'? Shall the reporting currency of the each investee (consolidated entities) or the investor (parent) be used?
Background on the question	Example: 2 entities (Company A and Company B) are consolidated and reported as a part of reporting entity Group Z. Group Z has Euro as its reporting currency, Company A has Norwegian Krona, and Company B has Swedish Krona as their respective reporting currencies. Entity Z will report its group structure by presenting Company A and Company B in separate rows of table 40.1 for FINREP reporting. Should entity Z use respective reporting currencies of Companies A/B in Table 40.1 (i.e. Norwegian Krona for Company A, Swedish Krona for Company B) , or should it use the Group reporting currency, Euro?
Answer	<p>Article 17(2) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting states that the data submitted shall be associated with information including (b) Reporting currency; and (e) Level of application as individual or consolidated.</p> <p>FINREP tables are compiled on a consolidated basis, and thus F 40.01 template is taken from the view of the (parent company) institution which holds investments in subsidiaries, joint ventures and associates.</p> <p>Thus it is the reporting currency of the investor (parent) that should be used.</p> <p>Therefore, since the reporting currency of the investor is used, certain amounts reported in this template that would normally be relatively static, such as the share capital of investee, will in fact fluctuate in line with the evolution of the foreign exchange rates in those cases where the currency is different from that of the reporting parent.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_312
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 22.02
Published as Final Q&A	07/03/2014
Subject matter	Reporting of Off Balance Sheet Activities (Table 22.2)
Question	If the reporting entity has the same assets under asset management and also under its custody, can the assets reported in sub-sections of table 22.2 (e.g. 'Custody assets', 'Asset Management', and 'Central administrative services for collective investment') be duplicated?
Background on the question	For example, the assets of a mutual fund X - fund assets may be reported as 'Collective investment' (row 020) within Asset Management, as well as 'Collective investment' (row 070), and 'Of which: entrusted to other entities' (row 090) within Custody assets section in table 22.2, if the custody of fund X assets is held with a sub-custodian.
Answer	<p>The categories of the breakdown in F 22.02 are not exclusive, which means that assets shall not be necessarily allocated into one category. Actually, this breakdown does not have a total, calculated as the addition of the categories lower in the hierarchy.</p> <p>Therefore, in the event that the reporting entity has the same assets under its management and under its custody, it shall report them twice in F 22.02, once as belonging to the category "asset management" and also under "custody assets". In the case of custody assets held by a "sub-custodian", they shall also be reported under "of which, entrusted to other entities".</p> <p>It is important to note that for the same asset to be allocated to more than one category, the reporting entity must ensure that they come within the definitions of the categories in paragraph 117 of Part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_313
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS Annex V Part 2.117(b), Annex III, F 22.02, r090
Published as Final Q&A	07/03/2014
Subject matter	Definition of Custody assets 'entrusted to other entities' (Table 22.2)
Question	Definition of 'Of which: entrusted to other entities' (row 090) in Table 22.2. Are only assets held with sub-custodians of the reporting entity reported in row 090?
Background on the question	<p>The examples listed below summarize the current interpretation of the item 'Of which: entrusted to other entities' (row 090) within table 22.2.</p> <p>Example 1: a mutual fund domiciled in Sweden, which is a part of the reporting entity Group A is using the custody of a third party (Bank Z, also domiciled in Sweden) for all its assets. It appears that the assets of the mutual fund, held in custody of Bank Z are not to be reported in as Custody assets in Table 22.2 (row 070), and specifically as 'Of which: entrusted to other entities' (row 090) in Table 22.2.</p> <p>Example 2: A private customer of a reporting entity, which is domiciled in Sweden, owns Siemens shares. The reporting entity (Group A) acts as a custodian for the shares, however as the shares are held in the country foreign to the reporting entity, the reporting entity uses a sub-custodian, or agent bank, in the local market (e.g. Deutsche Bank in Germany) to help provide custody services in the foreign country. The Siemens shares held with sub-custodian are to be reported in as Custody assets in Table 22.2 (row 080), and specifically as 'Of which: entrusted to other entities' (row 090) in Table 22.2.</p>
Answer	All assets held in custody (row 060 of F 22.02), for which the custodian delegated all or part of the custody to an entity that is not part of the CRR group of the reporting entity, must be included in row 090 of F 22.02 ("Of which: entrusted to other entities").

Question ID	2013_316
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V.F 11.01, c030
Published as Final Q&A	07/03/2014
Subject matter	Reporting of notional amount for the derivatives hedging different risks (table 11.1 FINREP)
Question	If the same hedge derivative contract is used in different transactions (i.e. to hedge multiple risks), shall the nominal amounts be reported gross and multiple times (column 030, table 11.1)?
Background on the question	When portions of derivatives are designated in more than one hedge accounting relationship type, each portion of the derivative is reported in FINREP in accordance to the type of hedge accounting applied. E.g. a cross currency interest rate swap (CIRS) can be split in different components hedging different risks. These components should be reported in FINREP in accordance to the risk hedged and the type of hedge. Should the notional amount for these components be reported gross for each of these components? E.g. if a cross currency swap is used in three different hedging relationships. The notional amount of the components of the cross currency swap should be reported three times.
Answer	<p>When the same derivative contract is used to hedge different risks, the notional amount of the contract should be reported only once. The criteria given in paragraph 68 of Part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting should be used to determine the risk category in which the contract is to be reported.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_320
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	90
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III. F 17.00. C 110
Published as Final Q&A	07/03/2014
Subject matter	F 15 Amounts derecognised for capital purposes
Question	<p>We would please like to know in more detail than provided through legal references what information is required in F 15 col. 110 "Amounts derecognised for capital purposes". Should the column comprise the assets treated as securitisation positions that have been deducted from Common Equity Tier 1?</p> <p>In other words, is it referred to those assets that receive the above-mentioned treatment based on CRR articles 243(1.b) and 244(1.b), which allow deduction of the 1250% risk weighted securitisation positions?</p> <p>Thanks in advance.</p>
Background on the question	Not Applicable.
Answer	<p>As stated in FINREP instructions for template F 15.00 (paragraph 90 of Part 2 in Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting), the column “Amounts derecognised for capital purposes” includes the carrying amount of the financial assets recognised for accounting purposes but derecognised for prudential purposes because the institution is treating them as securitisation positions for capital purposes in accordance with Article 109 of the CRR”.</p> <p>This means that the column includes the carrying amount of the financial assets recognised for accounting purposes, but derecognised for prudential purposes that are treated as securitisation positions, since significant credit risk has been transferred according to Articles 243 and 244 of the Regulation (EU) No 575/2013 (CRR).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_329
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 17.01 and F 17.03
Published as Final Q&A	07/03/2014
Subject matter	Reconciliation of assets and liabilities in reinsurance and insurance contracts
Question	<p>A bank has an insurance sub-group with unit-link insurance plans (aka ULIP. ULIPs give the holder the ability to invest in financial instruments and be hold the insurance contract) and traditional life insurance contracts. The insurance sub-group is fully consolidated in the Group (IFRS scope) but not consolidated in the Financial Group (FINREP scope).</p> <p>Shall instructions in ITS Annex V §105, §106 for template 17.1 row 270 and template 17.3 row 170 be interpreted:</p> <ul style="list-style-type: none"> · Strict: only to be used for insurance contracts, or · Wide: to be used for both insurance contracts and investment contracts (i.e. ULIPs).
Background on the question	<p>A bank has an insurance sub-group with unit-link insurance plans (aka ULIP. ULIPs give the holder the ability to invest in financial instruments and be hold the insurance contract) and traditional life insurance contracts. The insurance sub-group is fully consolidated in the Group (IFRS scope) but not consolidated in the Financial Group (FINREP scope).</p>
Answer	<p>For the reporting of assets and liabilities in insurance and reinsurance contracts, the definitions in IFRS 4 shall be applied. In addition, the treatment of embedded derivatives, as described in IAS 39, shall be taken into account as well. The Application Guidance of IAS 39 (especially, AG33 (g) and (h)) touches upon this issue. Therefore, after the assessment of the contract against the provisions in IFRS 4 and IAS 39, and if the investment contracts entered in the framework of the unit-link insurance plans must be accounted for as part of the insurance contract, they shall be reported under rows 270 and 170 of F17.01 and F17.03, respectively. If this is not the case, the investment contracts shall be reported in the lines of F17.01 and F17.03 which best describe its content.</p>

Question ID	2013_330
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 20.01 - F 20.03
Published as Final Q&A	07/03/2014
Subject matter	Interpretation of domestic
Question	<p>A bank have the Parent company incorporated in Sweden with branches and subsidiaries abroad within and outside EC.</p> <p>Shall instructions in ITS Annex V §107 for template 20.1, 20.2 and 20.3 be interpreted:</p> <ul style="list-style-type: none"> · Domestic activities= activities in the country of the Financial Group that submits the report = Sweden? · Domestic activities= activities in the countries of Members states = European Community?
Background on the question	A bank have the Parent company incorporated in Sweden with branches and subsidiaries abroad within and outside EC.
Answer	<p>For the purposes of reporting templates F 20.01 to F 20.03, “domestic” means the Member State where the reporting institution is located. Domestic activities are those related to assets and liabilities in the country of the parent entity of the group. In the case of branches, “domestic” is equivalent to the jurisdiction of residence. For example, let’s imagine a parent entity from country A, where it also has two subsidiaries. In addition to that, there is a branch in country B, a subsidiary in country C, which is a member of the EU, and a subsidiary in country D, which is outside the EU. In this case, country A is “domestic”. Therefore, the assets and liabilities of the branch in country B and of the subsidiaries in countries C and D cannot be accounted for as “domestic”.</p>

Question ID	2013_331
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 22.01
Published as Final Q&A	07/03/2014
Subject matter	Where to report Retail card operations, card fees and acquiring fees
Question	In which row should Retail card operations, card fees and acquiring fees be reported in template F 22.01, Annex III (Fee and commission income and expenses by activity)?
Background on the question	In which row should Retail card operations, card fees and acquiring fees be reported in template F 22.01, Annex III (Fee and commission income and expenses by activity)?
Answer	<p>In F 22.01, fees generated by (charged to) the institution for its involvement in credit or debit card operations should be reported in the item 'Other' (r220 and r290) as there is not a specific item for these contracts. In any case, paragraphs 113(a) and 114 of Part 2 of Annex IV of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting explain that, in F 22.01, only those fees and commissions that are not components of the rate used to accrue interest in financial instruments should be reported. Thus, fees received from customers or transaction costs incurred to acquire credit card debt included in the calculation of the interest accrued should not be reported again in F22.01.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_333
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 40.01 column 010 and Annex I, C 06.00 column 025
Published as Final Q&A	07/03/2014
Subject matter	Missing LEI code
Question	What should be reported in column 010 in table F 40.01 Annex III and in column 025 in table C 06.00 Annex I, if LEI code is missing for an entity? Should the cell be left empty?
Background on the question	LEI codes could be missing for some entities.
Answer	<p>When the LEI (or pre-LEI) code of the investee is missing, {F 40.01, c010} will be left empty but {F 40.01, c020} should be necessarily filled to provide the alternative code used to identify the investee (e.g. national identification code).</p> <p>As a system of pre-LEI codes already exists, when a pre-LEI code (which is assigned by a recognised pre-LOU) exists for a given investee, it should be used in {F 40.01, c010} to identify that investee. This would prepare for the full implementation of the LEI system since the pre-LEI codes, as long as they are assigned by a recognised pre-LOU, will become LEI codes. The same applies to column 025 in COREP template C 06.00 regarding entities within the consolidated group and to column 030 in Large Exposure template C 27.00 regarding the identification of counterparties.</p>

Question ID	2013_334
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 40.01
Published as Final Q&A	07/03/2014
Subject matter	Reporting of entity level
Question	<p>In table F 40.01, Annex III, the group structure should be reported entity-by-entity.</p> <p>Question: What is the level of detail required in this table? Approach 1: only subsidiaries Approach 2: subsidiaries of subsidiaries (i.e. all companies in the group)</p> <p>Example: Group XYZ comprises Parent A which owns sub-group B and subgroup C. Both subgroup B and C are part of the CRR base of consolidation.</p> <p>Should the Group XYZ report in table 40.01 only the first level of subsidiary in subgroup B and C (i.e. parent company of sub-groups B and C) or also all companies owned by sub-group B and C?</p>
Background on the question	<p>In table F 40.01, Annex III, the group structure should be reported entity-by-entity.</p> <p>Question: What is the level of detail required in this table?</p>
Answer	<p>All subsidiaries, joint ventures and associates included within the accounting scope of consolidation have to be reported in template F 40.01.</p> <p>In the above example, all companies that are in turn subsidiaries of B or C will also be reported.</p>

Question ID	2013_336
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 40.02, column 010
Published as Final Q&A	07/03/2014
Subject matter	Security code if no ISIN code available
Question	If there are no ISIN code or other public codes that uniquely identifies the instrument, what should then be filled in in table F 40.2 column 010?
Background on the question	Some financial instrument do not have an ISIN code or other public codes that uniquely identifies the instrument.
Answer	The identifying code ISIN for a financial instrument is used to identify it unequivocally. It is particularly mandatory when the financial instrument is listed on a market. However, in absence of an ISIN code (for example, where the instrument is not traded on a market), the reporting entity (i.e., investor) can use an internal identification code for this instrument.

Question ID	2013_339
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Annex V (I.12)
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	07/03/2014
Subject matter	Link between table 1.1 and tables 4.1 to 4.4
Question	<p>"The link between table 1.1, "cash balances at central banks" and "other demand" deposits" and tables "4.1 to 4.4" is not clear to us.</p> <p>(1) On the one hand, table 1.1, line 30 ("cash balances at central banks") and line 40 ("other demand deposits"), have a detailed breakdown in table 4 according to Annex III.</p> <p>(2) On the other hand, Annex V (part I.12) states that "accounting portfolios", meaning financial instruments aggregated by valuation rules, as they are delineated in tables 4.1 to 4.4, do not include "cash and cash balances at central bank". This statement is supported by the missing rules between table 1.1, line 30 and line 40 and table 4.</p> <p>In our opinion, these two facts represent a contradiction."</p>
Background on the question	Information necessary for mapping of FINREP accounts.
Answer	<p>Annex V, Part 1.12 states that "accounting portfolios" do not include "cash and cash balances at central bank".</p> <p>This means that the tables from 4.1. to 4.4. relating to the breakdown of financial assets by instrument and by counterparty sector shall not include "cash and cash balances at central bank" (neither will it include "other demand deposits" that are a part of "cash and cash balances at central banks").</p>

Question ID	2013_345
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 46
Published as Final Q&A	07/03/2014
Subject matter	Allocating the FX differences as a result of subsidiaries' consolidation
Question	<p>Table 46 requires the reconciliation of opening and closing balances for equity account, which is also a requirement under IFRS.</p> <p>Usually banks with foreign subsidiary operations have a separate line item in the IFRS reconciliation reporting to record the effects of FX reconversion of the subsidiaries.</p> <p>The line to account for the FX difference is missing in FINREP table 46. Where should FX differences be reported?</p>
Background on the question	Usually banks with foreign subsidiary operations have a separate line item in the IFRS reconciliation reporting to record the effects of FX reconversion of the subsidiaries.
Answer	<p>In table F46.00, the accounting of the impact of foreign currency translation (gain or loss) is included in row 190 ("Other Increase or Decrease in equity") and, of course, in column 050 ("Accumulated other comprehensive income").</p> <p>The detail of this record is consistent with F01.03 - Balance sheet statement: Equity (row 140: "Foreign currency translation").</p>

Question ID	2013_201
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III - F 04.04, F 07.00; Annex V, Part 2, para.36-38
Published as Final Q&A	14/03/2014
Subject matter	Allocation of the collective impairment allowances
Question	In order to fill in the FINREP templates, how should be performed the allocation of the collective impairment allowances among group assets?
Background on the question	<p>F 04.04 and F 07.00 templates request the reporting of three categories of impairment allowances: specific allowances for individually assessed financial assets, specific allowances for collectively assessed financial assets and collective allowances for incurred but not reported losses.</p> <p>According to the provisions of para.36-38 from Part 2 of Annex V to the ITS (FINREP instructions):</p> <ul style="list-style-type: none"> - the specific allowances for individually assessed financial assets should be determined for individually significant financial assets found to be impaired on individual basis; - the specific allowances for individually assessed financial assets may be determined for individually insignificant financial assets found to be impaired on individual basis; - the specific allowances for collectively assessed financial assets may be determined for individually insignificant financial assets found to be impaired on individual basis; - the collective allowances for incurred but not reported losses should be determined for the financial assets which are not impaired on individual basis.
Answer	<p>We summarize below the text of paragraphs 36-38 of Part 2 of Annex V (FINREP Instructions).</p> <ol style="list-style-type: none"> 1. <u>“Specific allowances for individually assessed financial assets”</u> shall include the cumulative amount of impairments related to financial assets which have been assessed individually. 2. <u>“Specific allowances for collectively assessed financial assets”</u> shall include the cumulative amount of collective impairments calculated on insignificant loans which are impaired on individual basis and for which the institution decides to use a statistical approach (portfolio basis). This approach does not preclude performing individual impairment evaluations of loans that are individually insignificant and reporting these as specific allowances for individually assessed financial assets. 3. <u>“Collective allowances for incurred but not reported losses”</u> shall include the cumulative amount of collective impairments determined on financial assets which are not impaired on individual basis. For “allowances for incurred but not reported losses”, IAS 39.59(f), AG87 and AG90 may be followed. In order to fill in the FINREP templates F 04.04 and F 07.00, the collective impairment allowances should be proportionally allocated among group assets that are unimpaired but subject to impairment.

Question ID	2013_202
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III - F 07.00 c 110; Annex V, Part 2, para.49
Published as Final Q&A	14/03/2014
Subject matter	The removal from the balance sheet of loans considered uncollectible (write-off in the context of the financial reporting form F 07.00)
Question	Considering the fact that the write-off definition provided by para.49 from Part 2 of Annex V to the ITS (FINREP instructions) seems to depart from the IAS 39 derecognition principles, what did you envisage when requesting the amounts to be reported in the column 110 "Accumulated write-offs"? More specific, could you provide us examples of situations leading to filling in the column 110 "Accumulated write-offs"?
Background on the question	<p>F 07.00 template requests the reporting of "Accumulated write-offs" in the column 110, column which includes, inter alia, references to IFRS 7.B5(d) provisions. According to para.49 from Part 2 of the FINREP instructions, the column 110 "Accumulated write-offs" of F 07.00 includes the cumulative amounts of principal and past due interest of any debt instrument that the institution is no longer recognising because they are considered uncollectible, amounts that should be reported until the total extinguishment of all the institution's rights or until recovery. In other words, the write-off of a loan is a derecognition event, even if, according to this definition, the legal rights arising from the respective financial asset continue to exist.</p> <p>In conformity with IAS 39.9 provisions, derecognition is the removal of a previously recognised financial asset or financial liability from an entity's balance sheet. IAS 39.17 states that derecognition of a financial asset can occur when, and only when:</p> <ul style="list-style-type: none"> (a) the contractual rights to the cash flows from the financial asset expire; or (b) the financial asset is transferred (and the transfer qualifies for derecognition). <p>So, apart from the disbursements, the derecognition of financial assets can occur only in those circumstances in which the contractual rights to the cash flows from the financial asset expired (were prescribed) or the credit institution uses the legal tools needed for partial or total cancellation/ the transfer of the legal rights to the cash flows from those financial assets, aimed at ensuring the conditions for derecognising them.</p> <p>As regards IFRS 7.B5(d) provisions, it has to be clarified whether the entities might set up their own policies for the removal from the balance sheet of the non-performing loans, i.e. based on the information obtained from the risk management systems, the ceasing of the existence of a reasonable recovery expectations or based on the best internationally accepted practices, but without definitively giving up/losing the legal rights arising from the respective financial asset.</p>

	<p>Also clarifications are needed on whether the interpretation of the disclosure requirements in IFRS 7.B5(d) regarding the write-off policies should be made only within the IAS 39 derecognition provisions, as the disclosure requirements in IFRS 7 can not constitute recognition, measurement and derecognition rules in addition to those already included in IAS 39 which is the specific standard dealing with these issues.</p> <p>We are mentioning that IAS 39 does not provide the definition of write-off, only the exposure draft “Financial instruments: Expected credit losses” includes provisions related to write-off specifying that a write-off constitutes a derecognition event.</p> <p>In this context, it is useful to be clarified whether the removal from the balance sheet of the financial assets should exclusively consider the derecognition principles of IAS 39.</p>
<p>Answer</p>	<p>According to paragraph 49 of Part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, the column “Accumulated write-offs” should include “the cumulative amount of principal and past due interest of any debt instrument that the institution is no longer recognising because they are considered uncollectable”. This would cover situations where, for example, part of a loan is considered uncollectable and written-off, but there are still other payments foreseen for which there is no evidence to suggest that they are not collectable. In these cases, the carrying amount of the existing loan is reduced by the amounts written-off.</p> <p>Paragraph 49 goes on to state that accumulated written-off amounts “shall be reported until the total extinguishment of all the institution’s rights (by expiry of the statute-of-limitations period, forgiveness or other causes) or until recovery”.</p> <p>Therefore, the institution shall continue to report the written-off amounts until the total extinguishment of all the institution’s rights.</p> <p>Financial assets derecognised or transferred according to paragraph 17 of IAS 39 shall not be reported as “Accumulated write-offs” in column 110 in F 04.04. For the reporting of derecognition and transfer of financial assets according to paragraph 17 of IAS 39, template 15 of FINREP applies.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_203
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III - F 07.00 c 110; Annex V, Part 2, para.49
Published as Final Q&A	14/03/2014
Subject matter	IFRS references of column 110 "Accumulated write-offs" of F 07.00 template
Question	What is the meaning of the references to IAS 39 AG 84-92 provisions (related to impairment losses) in the column 110 of F 07.00 template?
Background on the question	F 07.00 template requests the reporting of "Accumulated write-offs" in the column 110, column which includes, inter alia, references to IAS 39 AG 84-92 provisions (related to impairment losses). By correlating the provisions of para.46 and 49 from Part 2 of Annex V to the ITS (FINREP instructions), our understanding is that the impairment allowances reported in columns 80-100 of F 07.00 should not be also reported in the column 110.
Answer	<p>The reference to IAS 39 (AG 84-92) in column 110 of Table F 07.00 is consistent, as these paragraphs describe how the impairment regime works under IFRS. IAS 39.63 refers to two technical manners of reducing the carrying amount of an asset as a result of an impairment loss: either directly by writing it off or through use of an allowance account. Indeed, according to paragraph 49 of Part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS, column 110 of table F 07.00 contains "the cumulative amount of principal and past due interest of any debt instrument that the institution is no longer recognising because they are considered uncollectible".</p> <p>Columns 080 to 100 of table F 07.00 shall report the amounts of the "specific and collective allowances". The "accumulated write-off" describes the amount by which the outstanding value of the principal and the interest has been already reduced directly through the Income Statement or through an allowance account (they are not part of balance sheet any more) and institution's rights to its repayment are not expired yet. As explained in the answer to QA 2013_202: 'Accumulated written-off amounts "shall be reported until the total extinguishment of all the institution's rights (by expiry of the statute-of-limitations period, forgiveness or other causes) or until recovery". Therefore, the institution shall continue reporting the written-off amounts until the total extinguishment of all the institution's rights'. Therefore, there is no direct link between columns 080 to 100, and column 110 in F 07.00.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_328
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 16.01
Published as Final Q&A	14/03/2014
Subject matter	Short positions
Question	There is no row for "short positions" in table F 16.01. According to the instructions short positions may not be included in Other financial liabilities. Where should short positions be included instead?
Background on the question	See instructions, Annex V, part I, paragraph 29: Financial liabilities shall be distributed among the following classes of instruments: "Derivatives", "Short positions", "Deposits", "Debt securities issued" and "Other financial liabilities". and paragraph 32: "Other financial liabilities" include all financial liabilities other than derivatives, short positions, deposits and debt securities issued
Answer	For the purposes of template F16.01, "Short positions" are considered to be part of "Other financial liabilities" (row 240).

Question ID	2013_338
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Annex V
Paragraph	2.81
Subparagraph	(c)
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	2.81 (c)
Published as Final Q&A	14/03/2014
Subject matter	Financial guarantees received reported in table 9.2 and table 13.1
Question	Should Financial Guarantees received reported in table 13.1 equal financial guarantees in table 9.2?
Background on the question	The amount of financial guarantees received in table 9.2, 'Financial Guarantees Received' is limited to the carrying amount of the corresponding loan, which is similarly to the reporting of collateral in Table 13.1. However, in table 13.1, if more than one type of collateral is used to secure an exposure, the amount of the Guarantee Received and other collateral should be allocated according to its quality (starting with the one with highest quality). This implies that the financial guarantees received reported in tables 9.2 and 13.1 will not necessarily agree. Please confirm.
Answer	<p>As implicitly stated in the validation rule v1073_m included in Annex XV of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory reporting, the amount of financial guarantees received, reported in template F13.01, shall be lower than (or at maximum equal to) the amount reported in table F09.02: {F 13.01, r010,c050} <= {F 09.02, r080,c010}.</p> <p>This is so because in table F13.01 only financial guarantees related to loans and advances shall be reported, whereas table F09.02 requires all financial guarantees to be reported, regardless of the asset to which they are related.</p> <p>Also, there are differences between the reporting of the "maximum amount of guarantee that can be considered" in both templates according to paragraphs 63 and 80 of Part 2 of Annex V of the ITS, since for F09.02, the amount is the maximum amount the counterparty could have to pay if the guarantee is called on, and in table F 13.01, the amount of guarantee shall not exceed the carrying amount of the related loan.</p> <p>Furthermore, in those cases where a loan or advance has several collateral and/or guarantees at the same time, there may be divergences between the amounts reported in template F09.02 and in template F13.02, stemming from the provisions in paragraphs 80 and 82 of Annex V of the ITS.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_341
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Annex V
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	14/03/2014
Subject matter	FINREP table 5 row 010 column 030 - On demand [call] and short notice [current account]
Question	<p>Annex V indicates that balances receivable on demand classified as "cash and cash balances at central banks" shall also be reported in this template. This statement is supported by the validation rules stating that {F 01.01, r040, c010} = {F 5.00, r010, c030} (though only relating to other demand deposits).</p> <p>However, amounts in table 5 should be equal to tables 4.1 through 4.4 regarding loans and advances. This reasoning is indirectly supported by the following logical reasoning: If {F 01.01, r040, c010} = {F 5.00, r010, c030} AND if {F 01.01, r040, c010} has a detailed breakdown in table 4 as stated in Annex III, then there should be a link between table 4 and {F 5.00, r010, c030}. In which table (4.1, 4.2, 4.3, 4.4) should cash and cash balances be included? Validation rules regarding these templates don't seem to include cash and cash balances at central banks.</p>
Background on the question	Information required for mapping of FINREP accounts.
Answer	<p>Annex V, Part 1.12 states that "accounting portfolios" do not include "cash and cash balances at central bank".</p> <p>This means that the tables from 4.1. to 4.4. relating to the breakdown of financial assets by instrument and by counterparty sector shall not include "cash and cash balances at central bank".</p> <p>In contrast, for table 5 relating to the breakdown of loans and advances by product, Annex V, Part 2.41 states that: "balances receivable on demand classified as "Cash and cash balances at central banks" shall also be reported in this template".</p> <p>Therefore table 5 shall include "Cash and cash balances at central banks".</p>

Question ID	2013_344
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 40.02
Published as Final Q&A	14/03/2014
Subject matter	Reporting of "instrument-by-instrument"
Question	<p>In table F 40.2, Annex III, the group structure should be reported instrument-by-instrument. Clarifications are needed in relation to the definition of "instrument" in the contest of Group Structure (i.e. table 40).</p> <p>Is FINREP requiring information related to each security (independently on whether the security is trading) which is held by the reporting entity at reference date?</p>
Background on the question	<p>In table F 40.2, Annex III, the group structure should be reported instrument-by-instrument. Clarifications are needed in relation to the definition of "instrument" in the contest of Group Structure (i.e. table 40).</p>
Answer	<p>Template F 40.02 of FINREP requires the reporting of information on each instrument which is held by the reporting entity at the reference date, regardless of whether instrument is traded or not.</p> <p>Template F 40.02 is to be viewed from the point of view of the entity holding the equity instruments (i.e. only investments in equity instruments of subsidiaries, joint ventures and associates). The fact that some of these securities are traded in a market is completely irrelevant for the determination of the obligation to report. Securities classified as held for trading, designated at fair-value through profit or loss, available for sale and treasury shares, that is to say, shares of the own reporting institution owned by it, are excluded from the reporting in F40.02.</p>

Question ID	2013_140
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art 99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 08.01, c 050
Published as Final Q&A	21/03/2014
Subject matter	FINREP: F8.1 Breakdown of financial liabilities by product and by counterparty sector
Question	<p>This question ask for a clarification of the Table 8.1 Breakdown of financial liabilities by product and by counterparty sector foreseen by EBA FINAL draft implementing Technical Standards 2013-02, Annex III – reporting financial information according to IFRS.</p> <p>It is not clear which accounting portfolios based on IFRS (Held for trading, Designated at fair value through profit or loss, Amortised cost) are required to be included in an column 050 “Amount required to pay at maturity”.</p>
Background on the question	Column 050 include reference to IFRS 7.10b) that refers to Designated at fair value through profit or loss accounting portfolio. In the columns 010 and 030 there are others two accounting portfolios.
Answer	<p>The intention of column 050 in FINREP template F 08.01 “Amount contractually required to pay at maturity” is to cover all portfolios and not to be restricted to the deposits and debt securities issued under the “Designated at fair value through profit or loss” portfolio as the reference made to IFRS 7.10(b), which covers only the Fair value option portfolio, may lead.</p> <p>This interpretation is consistent with the categorisation of column 050 in the DPM that does not restrict the information to any accounting portfolio and with the treatment given to non-IFRS Institutions as the legal reference included for them, ECB/2008/32 art 7(2), does not mention any portfolio restriction either.</p> <p>The disclosure of the outstanding principal in column 050 of F 08.01 allows the identification of the gap between the nominal and the market value for liabilities that are measured at fair value. For the amortised cost financial liabilities, the gap between the carrying amount and the amount contractually required to pay at maturity will be mainly due to the accrued coupon.</p> <p>The reference made to IFRS 7.10(b), which covers only the FVO portfolio, may be misleading and will be removed in future versions of the ITS.</p>

Question ID	2013_199
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III - F 04.04 c 040, F 07.00 c 090; Annex V, Part 2, para.37
Published as Final Q&A	21/03/2014
Subject matter	Financial assets impairment
Question	Considering the provisions of para.37 from Part 2 of Annex V to the ITS (FINREP instructions), are there any IFRS provisions allowing entities to perform the computation of the impairment losses at the portfolio level for individually insignificant financial assets found to be impaired on individual basis?
Background on the question	<p>F 04.04 and F 07.00 templates request the reporting of three categories of impairment allowances: specific allowances for individually assessed financial assets, specific allowances for collectively assessed financial assets and collective allowances for incurred but not reported losses.</p> <p>According to the provisions of para.36-38 from Part 2 of FINREP instructions:</p> <ul style="list-style-type: none"> - the specific allowances for individually assessed financial assets should be determined for individually significant financial assets found to be impaired on individual basis; - the specific allowances for individually assessed financial assets may be determined for individually insignificant financial assets found to be impaired on individual basis; - the specific allowances for collectively assessed financial assets may be determined for individually insignificant financial assets found to be impaired on individual basis; - the collective allowances for incurred but not reported losses should be determined for the financial assets which are not impaired on individual basis. <p>IAS 39.64 states that an entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. In other words, the option provided by IAS 39.64 for financial assets that are not individually significant is related to the process of assessing whether objective evidence of impairment exists, individually or collectively, and not to the process of computing the impairment loss, on individual or portfolio basis.</p>
Answer	<p>On the one hand, the present Q&A tool only covers the Single Rulebook and, thus, IAS 39 is outside its scope. On the other hand, paragraphs 2 and 3 of Part 1 of Annex IV of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions ITS on Supervisory reporting explain that FINREP should be elaborated under applicable accounting framework (in accordance with Regulation (EU) No. 575/2013 (CRR) and that only those parts of the templates related to valuation rules -including methods for estimating credit losses- effectively applied by the institutions should be submitted. Therefore, the Q&A tool should focus on merely clarifying in which parts of the templates should be reported a given type of allowance (that the institution is already applying).</p> <p>Under the premises above, allowances in FINREP are classified depending on: i) whether they cover specific financial assets or a portfolio and, ii) whether the process of estimating their amount is individual (calculation relying on data referred to an</p>

	<p>individual asset) or collective (calculation relaying on data referred to groups of assets with similar characteristics). ‘Specific allowances for collectively assessed financial assets’ serves to report allowances estimated by the institution through collective calculations but covering specifically identified financial assets.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_200
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III - F 04.04, F 07.00; Annex V, Part 2, para.36-38
Published as Final Q&A	21/03/2014
Subject matter	Financial assets impairment
Question	Where should be reported in the financial reporting forms F 04.04 and F 07.00 the allowances related to individually insignificant financial assets which were not assessed for impairment on individual basis (following the option of IAS 39.64), but were found collectively impaired?
Background on the question	<p>F 04.04 and FIN 07.00 templates request the reporting of three categories of impairment allowances: specific allowances for individually assessed financial assets, specific allowances for collectively assessed financial assets and collective allowances for incurred but not reported losses.</p> <p>According to the provisions of para.36-38 from Part 2 of Annex V to the ITS (FINREP instructions):</p> <ul style="list-style-type: none"> - the specific allowances for individually assessed financial assets should be determined for individually significant financial assets found to be impaired on individual basis; - the specific allowances for individually assessed financial assets may be determined for individually insignificant financial assets found to be impaired on individual basis; - the specific allowances for collectively assessed financial assets may be determined for individually insignificant financial assets found to be impaired on individual basis; - the collective allowances for incurred but not reported losses should be determined for the financial assets which are not impaired on individual basis. <p>IAS 39.64 states that an entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. In other words, the option provided by IAS 39.64 for financial assets that are not individually significant is related to the process of assessing whether objective evidence of impairment exists, individually or collectively, and not to the process of computing the impairment loss, on individual or portfolio basis.</p>
Answer	<p>In paragraphs 36 to 38 of Part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory reporting, it is explained that allowance accounts for credit loss shall be classified in accordance with two criteria:</p> <ol style="list-style-type: none"> i. whether the impairment loss is estimated individually or collectively (e.g. through statistical approaches); and ii. whether the related allowance account covers a specific financial asset or a group of financial assets(IAS 39.AG88-89). <p>When the impairment loss of a financial asset is individually estimated, the related allowance, which obviously covers a specific financial asset, shall be reported under</p>

	<p>“Specific allowances for individually assessed financial assets”. The impairment loss of insignificant financial assets classified individually as impaired may be estimated collectively. In this case, the respective allowance shall be reported as “Specific allowances for collectively assessed financial assets”.</p> <p>Finally, allowances may cover a group of financial assets that are not considered individually impaired, including those financial assets (either significant or not) that, after being individually assessed for impairment, are not considered as impaired (see IAS 39.AG87 and IAS 39.AG90) and those insignificant financial assets which have not been evaluated for impairment. The related amounts must be reported as ‘Collective allowances for incurred but not reported losses’.</p> <p>In FINREP templates, the term ‘collectively’ refers to the way in which the estimation of the impairment loss is done (as in IAS 39.AG87), not to whether objective evidence of impairment is found. In order to clarify this issue, the term “assessed” used in columns 080 and 090 of F07.00 shall be understood with the meaning of “estimated”. Therefore, the allowances estimated for a group of financial assets not considered individually impaired shall be reported as “Collective allowances for incurred but not reported losses”.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_321
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art 99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	-
Published as Final Q&A	21/03/2014
Subject matter	Changes in fair value due to credit risk
Question	What methodology should be used to calculate “Accumulated changes in fair value due to credit risk” required in EBA-ITS-2013-02, Annex III, Table 4.1 “Financial assets held for trading”?
Background on the question	<p>Many financial institutions have risk monitoring system to observe the levels of different risks (including credit risk) in their trading books and the related sensitivities.</p> <p>However the approaches and the methods to calculate the exposures and the unrealized effect of different risks can vary among reporting institutions.</p> <p>Current IFRS frameworks (See below the extract from IFRS 7 Financial Instruments: disclosures) requires information of changes in fair value due to changes in credit risk for assets and liabilities carried at fair value through profit or loss. However securities in trading portfolios are not in the scope of the IFRS7 requirements related to changes in fair value due to credit risk.</p> <p>In EBA-ITS-2013-02, Annex III, Table 4.1 EBA requires information related to accumulated changes in fair value due to credit risk. However, no methodology is described on how this should be calculated.</p> <p>There can be several methodologies on how to assess the changes in fair value due to credit risk in a trading portfolio. When different methods are used among financial institutions the comparability between different FINREP reporters is mined.</p> <p>The following are examples of methodologies which might not result in inconsistent results. Especially in cases where the very same security is bought and sold frequently (i.e. it is typical in a trading portfolio that the very same security is bought and sold several times during the reporting period), these methodologies might give results which might vary significantly:</p> <ul style="list-style-type: none"> - Accumulated changes in fair value due to credit risk for one security calculated based on first-in first-out basis - Accumulated changes in fair value due to credit risk for one security is calculated based on last-in first-out basis - Accumulated changes in fair value due to credit risk for one security is calculated based on a weighted average changes in fair value due credit risk - Accumulated changes in fair value due to credit risk is assessed at portfolio level (e.g. calculation is made for the total exposures against Oil & Gas security issuers). <p>Extract from IFRS 7 - Financial Instrument: disclosures</p> <p>9 If the entity has designated a loan or receivable (or group of loans or receivables) as at fair value through profit or loss, it shall disclose:</p> <p>(a) the maximum exposure to credit risk (see paragraph 36(a)) of the loan or receivable (or group of loans or receivables) at the end of the reporting period.</p>

	<p>(b) the amount by which any related credit derivatives or similar instruments mitigate that maximum exposure to credit risk.</p> <p>(c) the amount of change, during the period and cumulatively, in the fair value of the loan or receivable (or group of loans or receivables) that is attributable to changes in the credit risk of the financial asset determined either:</p> <p>(i) as the amount of change in its fair value that is not attributable to changes in market conditions that give rise to market risk; or</p> <p>(ii) using an alternative method the entity believes more faithfully represents the amount of change in its fair value that is attributable to changes in the credit risk of the asset.</p> <p>Changes in market conditions that give rise to market risk include changes in an observed (benchmark) interest rate, commodity price, foreign exchange rate or index of prices or rates.</p> <p>(d) the amount of the change in the fair value of any related credit derivatives or similar instruments that has occurred during the period and cumulatively since the loan or receivable was designated.</p>
<p>Answer</p>	<p>When reporting the “Accumulated changes in fair value due to credit risk”, institutions have to apply the same methodology used for the publication of their financial statements. The EBA is not going to issue further methodological prescriptions in this matter.</p> <p>For those entities applying IFRS in their financial statements, the provisions in IFRS 7.9.c shall be applied in the calculation, for each financial instrument, of changes induced by variations in market conditions (credit risk). They give option to use the approaches described:</p> <ul style="list-style-type: none"> • either in § (i): "<i>as the amount of change in its fair value that is not attributable to changes in market conditions that give rise to market risk</i> " • or in § (ii) : "<i>using an alternative method the entity believes more faithfully represents the amount of change in its fair value that is attributable to changes in the credit risk of the asset</i>".

Question ID	2013_325
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 04.01 - F 04.04, F 07.00, F 08.01, etc.
Published as Final Q&A	21/03/2014
Subject matter	Counterparty breakdown
Question	<p>To be able to report the counterparty breakdown in the FINREP tables in Annex III (e.g. F 04.01 - F 04.04) the Swedish sector-/counterparty codes has to be sorted into the FINREP counterparty breakdown according to the instructions in in Annex V, Part 1.35. However, the instructions are not always clear enough.</p> <p>E.g.: Definition of credit institutions: EBA instructions (published 26th July 2013) do not provide complete information on the definition of credit institutions. The definition of credit institutions comprises only banks and multilateral banks. Other types of credit institutions are not mentioned at all in counterparty sector definitions.</p> <p>In March 2012, EBA and ECB developed a joint document bridging between FINREP and BSI (“Bridging the reporting requirements regarding ESCB Balance Sheet and Interest rate statistics with EBA Guidelines on FINREP, COREP and Large exposures”) In this document, all MFIs that are credit institutions (i.e. excluding central banks and money market funds) shall be regarded as credit institutions in FINREP.</p> <p>As referenced by ECB to Directive 2000/28, an MFI Credit institution is either: “an undertaking whose business is to receive deposits or other repayable funds from the public and to grant credits for its own account” “an electronic money institution... on the taking up, pursuit and prudential supervision of the business of electronic money institutions”.</p> <p>Question: Which definition should be used in FINREP? Are credit institutions only banks and multilateral banks or all MFI satisfying the ECB to Directive 2000/28?</p> <p>There is a obvious risk that institutions will make different interpretations with unclear guidance.</p>
Background on the question	The Financial Reporting templates (FINREP), Annex III, have several templates where the institutions are supposed to specify breakdown into different counterparty groups, e.g. templates F 04.01 - F 04.04. Instructions to the counterparty breakdown are in Annex V, Part 1.35.
Answer	For the purpose of FINREP counterparty breakdowns, a credit institution is any institution covered by the definition contained in Article 4(1) of Regulation No 575/2013 (“undertaking whose business is to receive deposits or other repayable funds from the public and to grant credits for its own account”) and multilateral banks. Therefore, its scope is not restricted to banks and multilateral banks as the current text of paragraph 35(c) in Part 2 of Annex V of the Regulation (EU) No

	<p>680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory reporting may lead. FINREP instructions shall be amended accordingly in next available version of the ITS.</p> <p>The regulatory provisions that govern the statistical reporting of the ECB (BSI Regulation) also refer to the CRR as regards the definition of credit institutions. However, the MFI category is broader than the sole credit institutions and includes, in addition to credit institutions, other institutions with liabilities included in the ECB’s definition of broad money (M3) as central banks, money market funds and other financial institutions with monetary liabilities including issuers of electronic money.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_326
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 12.00
Published as Final Q&A	21/03/2014
Subject matter	Movements in allowances
Question	<p>Assume that we have an opening balance with a collective allowance of 25 (25 % x 100) for an unimpaired loan. The loan becomes impaired and therefore we make a specific allowance of 100 (100 % x 100) during the period. The collective allowance is re-calculated to 0 CU (25% x 0) at end of period.</p> <p>How shall it be reported:</p> <ul style="list-style-type: none"> · Specific allowance on row 090/column 020 of 100? · Collective allowance on row 320/column ??? of -25? · Giving a net on row 530/column 060 of 75, or ?
Background on the question	<p>Assume that we have an opening balance with a collective allowance of 25 (25 % x 100) for an unimpaired loan. The loan becomes impaired and therefore we make a specific allowance of 100 (100 % x 100) during the period. The collective allowance is re-calculated to 0 CU (25% x 0) at end of period.</p> <p>It is not clear how allowances should be reported in the templates, se question above.</p>
Answer	<p>According to the sign convention described in paragraph 9 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions^{ITS}, every data point (cell) has a “base item” to which the credit debit attribute is allocated. As all data points in template F 12.00 are described in the DPM as Assets, the opening and closing balance of the allowances (and increases of allowances) should be reported as negative and the decreases of allowances should be reported in positive. Taking into account the above-mentioned criteria, the reporting of the example given shall be as follows:</p> <ul style="list-style-type: none"> • First, concerning the opening balance, it shall be reported the collective allowance (it is understood that the example in the question does not refer to a specific allowance collectively assessed) for -25 in row 320/column 010 • Second, the recognition of the loan as impaired implies that the collective allowance shall have a closing balance of 0 while the specific should have a value of 100. Therefore, row 320/column 070 shall show a value of 0 and row 090/column 070 of -100 • To reach these closing amounts, there is an increase in the specific allowance of 75 (-75 in row 090/column 020) and a transfer between allowances of 25 (-25 in row 090/column 050, and the opposite entry, +25, in row 320/column 050). <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final</i></p>

	<p><i>ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_442
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	111
Paragraph	1
Subparagraph	(a)
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V paragraph 60
Published as Final Q&A	21/03/2014
Subject matter	Contradiction between CRR and Draft ITS on Supervisory Reporting of Off-balance items
Question	<p>Following the CRR annex I we should report off-balance: (b) credit derivatives;(c) acceptances;(d) endorsements on bills not bearing the name of another institution;(e) transactions with recourse (e.g. factoring, invoice discount facilities);(g) assets purchased under outright forward purchase agreements;(j) asset sale and repurchase agreements as referred to in Article 12(3) and (5) of Directive 86/635/EEC;</p> <p>Following the Draft ITS on Supervisory Reporting paragraph 60 these items should never be reported off-balance</p>
Background on the question	<p>These off-balance sheet items are often not reported under IFRS, because:</p> <ol style="list-style-type: none"> 1. these items are regarded as loan commitments or 2. do meet the criteria for recognising.
Answer	<p>As a general principle, the contracts listed in CRR Annex I should be reported as off-balance sheet exposures insofar they are not recognised in the balance sheet. Following this rationale, paragraph 60 of Part 2 of Annex V provides a closed list of contracts that, under the precise circumstances described in this paragraph (and not other ones), <i>'are recognised in the balance sheet and, consequently, should not be reported as off-balance sheet exposures'</i>. It follows that a given contract should be reported as 'off-balance sheet' when the circumstances in Paragraph 60 of Part 2 of Annex <u>V</u> are not completely met and it is not recognised in the balance sheet.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_504
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	FINREP 5. Breakdown of Loan and advances by product
Paragraph	090, 120
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V Part 2.41(h) and (k)
Published as Final Q&A	21/03/2014
Subject matter	Description definitions
Question	Rows 090 and 120 are both subsets of Loans and Advances. Row 090 is "of which: mortgage loans [Loans collateralized by immovable property]" and row 120 is "of which: lending for house purchase". What is the difference between these two rows?
Background on the question	Attempting to define what data should be input to rows 090 and 120.
Answer	<p>Line {F05.00, r090} in template F 05.00 represents "loans formally secured by immovable property collateral", which may include commercial mortgage. This row classifies the loans and advances according to the collateral attached to them.</p> <p>On the contrary, cell {F05.00, r120, c060} represents only loans to households (with or without collateral mortgage) with a view to acquire real property - for housing or for renting out. In this case, the criterion for the classification of the loans and advances is by purpose. It may be the case that a loan for house purchase does not have any immovable property attached as collateral.</p> <p>These are two different disclosures (by collateral, r090, and by purpose, r120), which are not exclusive. In other words, the same loan granted to a household may be reported in both.</p>

Question ID	2013_512
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Various
Published as Final Q&A	21/03/2014
Subject matter	Validations
Question	<p>There are several validations that do not appear to work given the contents of the cells referenced. Can you please advise as to the appropriate treatment for these items?</p> <p><u>1. v1074 m</u> This validation requires the sum of the counterparty split of mortgage loans [Loans collateralized by immovable property] on Table 5 to equal the sum of Row 10 columns 10 and 20 on Table 13, which represents residential and commercial Mortgage loans [Loans collateralized by immovable property]. $sum(\{F 13.01, r010, (c010-020)\}) = sum(\{F 05.00, r090, (c020-060)\})$ However, the instructions to Table 5 indicate that the loan balances should be reported in this table. In Template 13.1, the “maximum amount of the collateral or guarantee that can be considered” shall be reported. The sum of the amounts of a financial guarantee and/or collateral shown in the related columns of template 13.1 shall not exceed the carrying amount of the related loan. Therefore, the validation does not seem to be appropriate given the loan balance may not be equal to the amount of the guarantee/collateral.</p> <p><u>2. v1235 m</u> This validation requires that the opening balance of Profit/loss Attributable to owners of the parent equal the closing balance from the prior year. $\{F 46.00, r010, c100\} = \{F 46.00, r210, c100\} t-1$ However, as this is a p&l column, the opening balance should always be 0 as the p&l is rolled into retained earnings every year.</p> <p><u>3. v1350 m</u> This validation formula references Table 2 row 320, however this row does not exist. $sum(\{F 20.03, r120, (c010-020)\}) = \{F 02.00, r320, c010\}.$</p> <p><u>4. v1324 m</u> This validation states the opening balance of Profit/loss Attributable to owners of the parent per the Statement of Changes in Equity should equal Profit/loss Attributable to owners of the parent on the balance sheet from the prior period. The FAQ's released by the EBA in March stated "Templates referring to a period shall be reported cumulatively from the first day of the accounting year to the reference date." $\{F 46.00, r010, c100\} = \{F 01.03, r250, c010\} t-1.$ We do not understand the</p>

	<p>reference to IAS 27.28.</p> <p>The validation v0786_m states that Profit/loss Attributable to owners of the parent is an income statement measure as it validates to the Statement of Profit or Loss.</p> <p>As a p&l measure would get closed out into retained earnings at the end of each year, this validation does not appear to work. Is the EBA intending Table 1.3 row 250 to represent p&l for the year? The reference to IAS1.83(a)(ii) is invalid as it has been removed from the standard.</p> <p>5. v1236_m This validation requires that the opening balance of Interim Dividends equal the closing balance from the prior year {F 46.00, r010, c110} = {F 46.00, r210, c110} t-1 Is this supposed to represent the balance sheet value of accrued but not paid dividends?</p> <p>6. v1325_m This validation states the opening balance of Interim Dividends per the Statement of Changes in Equity should equal Interim Dividends on the balance sheet from the prior year. Is this supposed to represent cumulative distributions or distributions for the year? If the latter, the validation does not work. {F 46.00, r010, c110} = {F 01.03, r260, c010} t-1</p>
Background on the question	These validations do not appear to be valid, and the forms will not be able to be submitted if they are not corrected.
Answer	<p>1) v1074_m $\text{sum}\{\{F 13.01, r010, (c010-020)\}\} = \text{sum}\{\{F 05.00, r090, (c020-060)\}\}$ We agree that the amounts to be reported in templates F05.00 and F13.01 diverge. Within F 05.00, the outstanding amount of the loans shall be reported, while in F 13.01, it is the amount of the collateral that shall be declared capped by the amount of the loan. Nonetheless, paragraph 2.81 of Annex V of the ITS states that “The sum of the amounts of a financial guarantee and/or collateral shown in the related columns of template 13.1 shall not exceed the carrying amount of the related loan.”. That means that the validation rule v1074_m shall be expressed with the sign “<=”, that is, $\text{sum}\{\{F 13.01, r010, (c010-020)\}\} \leq \text{sum}\{\{F 05.00, r090, (c020-060)\}\}$.</p> <p>2) v1235_m {F 46.00, r010, c100} = {F 46.00, r210, c100} t-1 The validation rule is correct and shall not be changed.</p> <p>3) v1350_m $\text{sum}\{\{F 20.03, r120, (c010-020)\}\} = \{F 02.00, r320, c010\}$ The cell {F 02.00, r320, c010} exists in Annex IV for institutions reporting according to national GAAP and does not exist in Annex III for IFRS institutions. It must be noted that some validation rules apply only to Annex IV set of templates. Therefore, the validation rule is correct and shall not be changed. v1324_m {F 46.00, r010, c100} = {F 01.03, r250, c010} t-1. These two templates have different reporting frequencies: F01.03, quarterly; F46.00, annual. Therefore, the validation rule works only if the amount included in the template 46 is compared to the template F 01.03 prepared at the previous financial year-end. The reference to IAS 27.28 is justified in that it concerns the allocation of net income and comprehensive income.</p> <p>4) v0786_m These two templates are quarterly and have the same reporting date. Therefore, we confirm that the amount of "-Profit or loss attributable to</p>

owners of the parent" should be the same in the two statements. Additionally, the reference to IAS 1.83 (a)(ii) in {F 01.03, r250, c010} and {F 02.00, r690, c010} shall be replaced with a reference to IAS 81B (b) (ii) in next available version of the ITS.

5) **v1236_m** {F 46.00, r010, c110} = {F 46.00, r210, c110} t-1
This validation rule shall not be amended. Interim dividends represent those dividends already paid to shareholders before the Annual General Meeting of the reporting institution has discussed and approved the financial statements and the distribution of the profit of the year.

6) **v1325_m** / {F 46.00, r010, c110} = {F 01.03, r260, c010} t-1
The amount recognized in template F01.03 prepared at the previous financial year for interim dividends shall be equal to the amount recognized as opening balance in the statement of changes in equity (F46.00). Therefore, this validation rule is, from a certain point of view, equivalent to v1236_m. Example of reporting interim dividends at the end of the year and the distribution of previous year earnings in F 46.00:

- An institution with 100€ Profit and loss in year (n-1) with interim dividends of 20€ should register 100€ in {F 46.00, r010, c100} and -20€ in {F 46.00, r010, c110}.
- When this institution agrees in year n a total dividend of 50€ (20€ already paid in year n-1 and 30 additional dividends to be paid in year n), retaining the remaining earnings, it should be reported in F 46.00 in the following way:

46. Statement of changes in equity

Sources of equity changes	Capital	Share premium	Equity instruments issued other than Capital	Other equity	Accumulated other comprehensive income	Retained earnings	Revaluation reserves	Fair value reserves	Other reserves	First consolidation differences	(-) Treasury shares	Profit or (-) loss attributable to owners of the parent	(-) Interim dividends	Minority		
	010	020	030	040	050	060	070	075	080	085	090	100	110	120	130	140
010 Opening balance [before restatement]												100	-20			
020 Effects of corrections of errors																
030 Effects of changes in accounting policies																
040 Opening balance [current period]												100	-20			
050 Issuance of ordinary shares																
060 Issuance of preference shares																
070 Issuance of other equity instruments																
080 Exercise or expiration of other equity instruments																
090 Conversion of debt to equity																
100 Capital reduction																
110 Dividends																
120 Purchase of treasury shares																
130 Sale or cancellation of treasury shares																
140 Reclassification of financial instruments from equity																
150 Reclassification of financial instruments from liability																
160 Transfers among components of equity																
170 Equity increase or (-) decrease resulting from business combinations																
180 Share based payments																
190 Other increase or (-) decrease in equity																
200 Total comprehensive income for the year																
210 Closing balance [current period]						50						0	0			

Question ID	2013_513
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99 (4)
Paragraph	Article 99 (4)
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	2.145-2.183
Published as Final Q&A	21/03/2014
Subject matter	Application of definition of forborne items, described in the EBA final draft ITS on supervisory reporting on forbearance and non-performing exposures under article 99(4) of Regulation (EU) No 575/2013
Question	<p>When do the reporting institutions have to start utilizing and identifying the forborne exposures?</p> <p>In accordance with the EBA final draft ITS on supervisory reporting on forbearance and non-performing exposures under article 99(4) of Regulation (EU) No 575/2013, the definitions of forbearance and non-performing are expected to enter into force in September 2014 (reference date), with remittance date of 31 December 2014. Applying the statement above, starting September 30, 2014, the reporting institutions will begin tracking and identifying the forborne exposures. This will imply a prospective application of the requirement (after September 30, 2014). Would that interpretation be correct?</p>
Background on the question	<p>When do the reporting institutions have to start utilizing and identifying the forborne exposures?</p> <p>In accordance with the EBA final draft ITS on supervisory reporting on forbearance and non-performing exposures under article 99(4) of Regulation (EU) No 575/2013, the definitions of forbearance and non-performing are expected to enter into force in September 2014 (reference date), with remittance date of 31 December 2014. Applying the statement above, starting September 30, 2014, the reporting institutions will begin tracking and identifying the forborne exposures. This will imply a prospective application of the requirement (after September 30, 2014).</p> <p>If the interpretation above is correct, the reporting institutions will report table 19 blank as of September 30, 2014, and going forward track and report the forborne amounts.</p>
Answer	<p>According to the ITS on supervisory reporting on forbearance and non-performing exposures submitted by the EBA to the European Commission (https://www.eba.europa.eu/regulation-and-policy/supervisory-reporting/draft-implementing-technical-standard-on-supervisory-reporting-forbearance-and-non-performing-exposures-), the new information on forbearance and non-performing exposures, based on a reference date of 30 September 2014, shall be submitted for the first time with a remittance date of 31 December (see new paragraph inserted in Art 18 of the ITS on Supervisory Reporting by Art 1.1 of the Final draft ITS on supervisory reporting on forbearance and non-performing exposures). It is worth noting that the rest of the FINREP package maintains the reference date of 30 September 2014 and the first remittance date of 11 November 2014 (see article 3.1 (b) ITS on supervisory Reporting).</p> <p>Therefore, till 31 December 2014, reporting institutions shall have gone through all the exposures existing on the reference date 30 September 2014 subject to the definitions</p>

	<p>of forbearance and non-performing and be ready to report them accordingly in the templates. All the exposures must be tracked on a retrospective basis. In other words, there is no prospective application allowed.</p> <p>Note: The practical effect of the delay in the remittance date for templates other than 18 and 19 which refer to forborne and non-performing exposures means that the new cells in these templates should be left blank when institutions submit FINREP templates by 11 November 2014. By 31 December 2014, the whole information within the affected templates must have been submitted to National Competent Authorities. The cells that have been removed throughout FINREP by this amendment of the ITS shall never be reported.</p> <p>DISCLAIMER: The present Q&A on Supervisory reporting is provisional. It will be reviewed after the respective Implementing Regulation is in force and published in the Official Journal, which may differ from the text of the relevant draft ITS to which it relates.</p>
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Question ID	2013_517
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annexes III various tables and Annex V.46
Published as Final Q&A	21/03/2014
Subject matter	Accumulated Changes in Fair Value due to Credit Risk
Question	<p>Tables 4.1, 4.2, 6, 8, 20.4, 20.7 and 45.1 all require information pertaining to accumulated changes in fair value due to credit risk, and point the respondent to Annex V.46 and IFRS 7.9 as technical references.</p> <p>Annex V.46 requires that “accumulated changes in fair value due to credit risk” figures shall be reported for financial assets at fair value through profit or loss”.</p> <p>The related IFRS guidance (IFRS 7.9) under the heading “Financial assets or financial liabilities at fair value through profit or loss” requires that if the entity has designated as measured at fair value a financial asset (or group of financial assets) that would otherwise be measured at amortised cost, it shall disclose . . . the amount of change, during the period and cumulatively in the fair value of the financial asset (or group of financial assets) that is attributable to changes in the credit risk of the financial asset”.</p> <p>Could the EBA confirm that this request relates only to financial assets that would otherwise be measured at amortised cost, and that it does not relate to trading assets?</p>
Background on the question	As per above.
Answer	<p>The information regarding the cumulative amount of changes in fair value due to credit risk is collected in order to identify the amount of "credit risk adjustments" which is included in the fair value changes. The reference to IFRS 7.9 (c) used in templates F4.01 and F4.02 aims at explaining how to assess the amount of changes in fair value due to credit risk and not to determine for which financial assets and liabilities this information should be collected.</p> <p>Taking that into consideration, this component of the fair value changes has to be declared for each portfolio for which it is expected. For instance:</p> <ul style="list-style-type: none"> • Within templates 4, it has to be reported for both trading and fair value option portfolios (F 04.01 and F 04.02 in Annex III templates) • Within F 06.00, as stated in paragraph 46 from Part 2 of Annex V to the ITS “Accumulated changes in fair value due to credit risk” figures shall be reported for financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are both the financial assets designated as such upon initial recognition and the financial assets classified as held for trading in accordance with IAS 39 (see IFRS 7.8(a) provisions).

Question ID	2013_547
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V (FINREP) - Part 2 (45)
Published as Final Q&A	21/03/2014
Subject matter	Subordinated Debt holdings
Question	<p>The definition of subordinated assets appears very broad - it seems to include any asset which is not highest in the order of priority.</p> <p>[Para 45 refers to a detailed definition in Para 54: “Subordinated debt” instruments provide a subsidiary claim on the issuing institution that can only be exercised after all claims with a higher status have been satisfied”].</p> <p>Can the definition be interpreted as being any asset which has specific element of subordination according to its own terms and conditions rather than being a requirement to relate to all other assets?</p>
Background on the question	<p>According to the current definition it would appear that where an entity issues covered bonds, which have a prior claim over part of the entity's assets that would appear to make all other claims on that entity subordinated.</p>
Answer	<p>The definition of ‘subordinated debt’ (paragraph 54 of Part 2 of Annex V) establishes that these instruments provide a subsidiary claim ‘on the issuing institution’; therefore, the instruments to be ranked are exclusively those that provide a claim on the issuer as a whole. It follows that those instruments that provide a prior claim over only a part of the institutions’ assets (such as covered bonds) should not be considered as higher status claims for the purposes to determine which instruments are ‘subordinated debt’.</p> <p>Having said that, the presence of specific elements of subordination in the terms and conditions of an asset is usually the first and main source in order to determine its subordinate nature.</p>

Question ID	2013_340
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Annex V
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	04/04/2014
Subject matter	Reporting of investments in subsidiaries that are not included in the prudential scope consolidation.
Question	<p>Annex V states that dividend income from subsidiaries, associates and joint ventures which are outside the scope of consolidation shall be reported within "Share of profit or (-) loss of investments in subsidiaries, joint ventures and associates".</p> <p>Based on this statement we need clarification regarding the line in which the investments in subsidiaries that are not included in the prudential scope of consolidated should be reported in the balance sheet. Annex V p1.12 states with regard to accounting portfolios that "these aggregations do not include investments in subsidiaries, joint ventures and associates [...]."</p> <p>Example: A subsidiary is not included in the prudential scope of consolidation and should therefore be included in the IAS category "Available for sale". Should the carrying amount of this investment be reported in line item F 01.01, r140, c010 or in line item F 01.01, r260, c010?</p> <p>If it needs to be included in line item F 01.01, r260, c010: How should those investments be measured according to IFRS at the reporting date (at cost vs. at fair value)?</p>
Background on the question	Information required in order to properly classify and measure investments in subsidiaries that are not included in the prudential scope of consolidation.
Answer	<p>The general provisions of Annex V (Part 1, section 4.1, paragraph 12) clearly state that the investments in subsidiaries, joint ventures and associates should not be included in any "accounting portfolio".</p> <p>From this starting point, associates as well as subsidiaries and joint ventures which are not included in the prudential scope of consolidation should be included in {F 01.01, r260, c010}.</p> <p>As stated in Article 18(5) of the Regulation (EU) No. 575/2013 (CRR), the competent authorities shall determine how these investments should be measured, being the equity method an option or a requirement and without it constituting the inclusion of the undertaking concerned in supervision on a consolidated basis.</p> <p>If the equity method is followed for their measurement:</p> <ul style="list-style-type: none"> As stated in IAS 28.1, the investment is recognised at cost on initial recognition, and the carrying amount increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The carrying amount of investments accounted for using the equity method includes related goodwill according to ITS. Annex V. Part 2. paragraph 4

	<ul style="list-style-type: none">• In addition, IAS 28.10 states that: “...Distributions received from an investee reduce the carrying amount of the investment...”. In order to be consistent with this provision, the instruction relating to the statement of profit or loss in Annex V (paragraph 28, Part 2 of the ITS) should be modified as following: “Dividend income from subsidiaries, associates and joint ventures which are outside the scope of consolidation shall be reported within “Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates” and, according to IAS 28.10, the carrying amount of the investment shall be reduced for those accounted for under the equity method””.
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Question ID	2013_549
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V (FINREP) part 2 Para 86
Published as Final Q&A	04/04/2014
Subject matter	Change in Fair Value
Question	Regarding FINREP table 14 (analysis of financial instruments at fair value) and related guidance in annex V part 2 Para 86 - Do columns 40 & 50 [Changes in fair value for the period: Level 2 & Level 3]: (a) relate only to transactions that continue to exist at the reporting date or (b) do they include movements for all transactions during the reporting period?
Background on the question	The IFRS reference given (only re Level 3 (col 50)) indicates option (a) as it says "...the amount of the total gains or losses for the period in (e)(i) included in profit or loss that is attributable to the change in unrealised gains or losses relating to those assets and liabilities held at the end of the reporting period" Whereas the guidance notes (Para 86) could be read to mean option (b): "These gains and losses are reported as for inclusion in the statement of P&L".
Answer	Columns 040 and 050 [Changes in fair value for the period: Level 2 & Level 3] in F 14.00 template (Fair value hierarchy: financial instruments at fair value) relate only to instruments that continue to exist at the reporting date in accordance with IFRS 13.93 (f) included as legal reference for column 050 in F 14.00. Therefore, the proposed option (a) is the valid one. Paragraph 86 in Part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions ITS on Supervisory reporting ("These gains and losses are reported as for inclusion in the statement of P&L") shall be amended to make this point clear. <i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>

Question ID	2013_559
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, table 6
Published as Final Q&A	04/04/2014
Subject matter	FINREP: NACE codes
Question	FINREP table F 06.00 asks a breakdown of loans and advances to non-financial corporations by NACE codes. Yet there is no NACE code K (Financial and insurance activities). It is obvious that most of the corporations falling under NACE code K are actually financial corporations with sector code S.12. However, there exist non-financial corporations with sector code S.11 with NACE code K. We ask for clarification if those loans should be reported here or not.
Background on the question	Reporting of non-financial corporations with current NACE code K.
Answer	<p>Financial and non-financial entities are defined in FINREP instructions (Annex V of Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory Reporting). All entities carrying out activities listed in the NACE code K can be classified as financial institutions for FINREP purposes. It is therefore not necessary to include an additional row for NACE code K in this template, which is aimed only at non-financial corporations.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_562
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	3
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 19.01
	04/04/2014
Subject matter	Identifying the forborne exposures
Question	What are the approaches, which are being considered in identifying the forborne exposures, as well as exposures under probation? (i.e. IT, manual). How will the 2 year probation period for the forborne exposures be managed for the exposures which are classified as forborne, and which are no longer non-performing? Are they required to be reported separately within table 18?
Background on the question	What are the approaches, which are being considered in identifying the forborne exposures, as well as exposures under probation? (i.e. IT, manual). How will the 2 year probation period for the forborne exposures be managed for the exposures which are classified as forborne, and which are no longer non-performing? Are they required to be reported separately within table 18?
Answer	<p>The Final Draft ITS on Supervisory reporting on forbearance and non-performing exposures is not prescriptive on the methodologies and approaches institutions may apply to identify forborne exposures, and they remain free to implement those they deem the most appropriate to comply with the requirements in the definition.</p> <p>As per paragraph 176 (b) to be included in Annex V part 2 of Regulation (EU) No 680/2014 – ITS on Supervisory Reporting of institutionsthe Draft ITS on Supervisory reporting according to EBA Final Draft ITS on Supervisory reporting on forbearance and non-performing exposures, the probation period starts only when a forborne exposure becomes performing. Exposures that are classified as forborne but are no longer non-performing should therefore be reported in column 050 of template F 19.00. In template F 18.00, these exposures should be reported as performing in column 020 as well as in the appropriate column between 030 and 050.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p> <p>DISCLAIMER: The present Q&A on Supervisory reporting is provisional. It will be reviewed after the respective Implementing Regulation is in force and published in the Official Journal, which may differ from the text of the relevant draft ITS to which it relates.</p>

Question ID	2013_595
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Table 14
Published as Final Q&A	11/04/2014
Subject matter	Table 14 - Fair Value Hierarchy
Question	<p><u>German Question:</u> Warum sind die Felder in Bezug auf AfS Instrumente bei den Accumulated change in fair value before taxes nicht ausgegraut ? Wenn kein change in fair value for the period angegeben werden kann, da sich dieser gem. ITS Part 2.86 lediglich auf die Gewinne und Verluste der Bank bezieht, ist entsprechend ein Ausweis des kumulierten change in fair value für AfS Positionen u.E. nicht sachgerecht.</p> <p><u>English Question:</u> Why are the fields relating to the AFS instruments for the Accumulated change in fair value before taxes not greyed out? If the change in fair value for the period cannot be disclosed, as this applies only to the profits and losses of the bank in accordance with ITS Part 2.86, then a corresponding reporting of the accumulated change in fair value for AFS positions is, in our opinion, not appropriate.</p>
Background on the question	It does not seem logical to require this information.
Answer	<p><u>German Answer:</u> Gemäß Randnummer 86 in Teil 2 von Anhang V <u>der Verordnung (EU) Nr. 680/2014 – TDS für die aufsichtlichen Meldungen der Institute (TDS) des Entwurfs technischer Durchführungsstandards für die aufsichtlichen Meldungen (ITS-Entwurf)</u> sollte „Veränderung des beizulegenden Zeitwerts im Berichtszeitraum“ (c040 und c050 in F 14.00) Gewinne und Verluste aus Neubewertungen der Instrumente in dem Zeitraum enthalten und den in der Gewinn- und Verlustrechnung ausgewiesenen Beträgen entsprechen. Jedoch wird nicht jede Änderung des beizulegenden Zeitwerts von zur Veräußerung verfügbaren Vermögenswerten in der Gewinn- und Verlustrechnung ausgewiesen, sondern vielmehr dem sonstigen in F 01.03 gemeldeten Ergebnis zugeführt, und zwar auf kumulierter Basis und nicht als „Bewegung für den Zeitraum“. In Randnummer 87 in Teil 2 von Anhang V des ITS-Entwurfs heißt es, dass Gewinne und Verluste, die sich aus der Neubewertung des Instruments ergeben und von der ursprünglichen Buchung bis zum Bezugsdatum kumuliert werden, unter „Kumulierte Veränderung des beizulegenden Zeitwerts vor Steuern“ (c060 bis c080 in F 14.00) gemeldet werden sollten. Das heißt, der Bestand der Gewinne und Verluste aus der Neubewertung des beizulegenden Zeitwerts, der sowohl den Betrag aus den Gewinnen oder Verlusten als auch den dem sonstigen Ergebnis zugeführten Betrag umfasst, ist in den Spalten 060 bis 080 zu melden. Daher ist die graue Schattierung korrekt und bleibt bestehen.</p> <p><u>English Answer:</u></p>

	<p>According to paragraph 86 in part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on Supervisory ReportingDraft ITS on Supervisory reporting (ITS), the “change in fair value for the period” (c 040 and c050 in F 14.00) shall include gains and losses from re-measurements of the instruments in the period, and should correspond to the amounts reported in the statement of profit or loss.</p> <p>However, any change in the fair value of Available for sale assets is not reported in the profit or loss statement, but rather flow through to Other Comprehensive income that is reported in F 01.03, on an accumulated basis and not on a “movement for the period”.</p> <p>Paragraph 87 in part 2 of Annex V of the ITS states that gains and losses arising from re-measurement of the instrument and accumulated from the initial recognition to the reference date should be reported under “Accumulated change in fair value before taxes” (c060 to c080 in F 14.00). In other words, the stock of gains and losses from fair value re-measurement is to be reported in columns 060 to 080, which comprises both amounts recognised through profit or loss as well as those going through other comprehensive income.</p> <p>Thus the grey shading is correct and will remain.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_560
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 10.00
Published as Final Q&A	30/04/2014
Subject matter	Clarification on cleared OTC derivatives
Question	What type of market should cleared OTC derivatives (according to EMIR in EU and Dodd-Frank Act in the US) be classified as? OTC or Organized market?
Background on the question	In specification 10 derivatives should be specified by type of market in either a) OTC or b) organized market. We consider as regards cleared OTC derivatives, that the instructions are not clear enough on how to define them as OTC or Organized market.
Answer	<p>The fact that a derivative contract is traded in an OTC market which, according to Regulation 648/2012 in the EU and to the Dodd-Frank Act in the US, requires clearing through a Central Counterparty (CCP) does not imply that such OTC market becomes an organized market for the purposes of reporting FINREP templates. Therefore, if a reporting entity enters into a derivative contract in an OTC market where central clearing is compulsory, it shall classify that derivative as “OTC market” and not as “Organised market” (understood for this purpose as an “regulated market” as set out in article 4(92) of the CRR).</p> <p>The allocation of a transaction as “OTC” or “Organized market” shall be based on the nature of the market where the transaction takes places and not on whether there is a mandatory clearing obligation for that transaction.</p>

Question ID	2013_600
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Table 20.4
Published as Final Q&A	30/04/2014
Subject matter	Validation Rule
Question	<p>German Question (Deutsche Frage): In den Validation Rules wird angegeben, dass der Betrag in Zelle (F 20.04, r140, c030) mit dem Betrag in Zelle (F20.07, r190, c020) identisch sein soll. Während in Tabelle F 20.04 sämtliche loans and advances ausgewertet werden, handelt es sich in Tabelle 20.07 nur um solche loans and advances, die ggü. non-financial corporations bestehen. Eine Identität der Beträge kann deshalb nicht vorliegen. Insofern ist die EBA um eine diesbezügliche Untersuchung der Angabe zu bitten.</p> <p>English Question: The validation rules indicate that the amount in cell (F 20.04, r140, c030) should be identical to the amount in cell (F20.07, r190, c020). However, whereas in table F 20.04, all loans and advances are assessed, table 20.07 deals only with loans and advances to non-financial corporations. Identity of the amounts is therefore not possible. In view of this, the EBA is requested to investigate the details on this point.</p>
Background on the question	Validation Rule.
Answer	<p>German Answer (Deutsche Antwort): In den Validierungsvorschriften (validation rules) wird angegeben, dass der Betrag in Zelle {F 20.04, r140, c030} mit dem Betrag in Zelle {F20.07, r190, c020} identisch sein soll. Wie in der Frage richtig erkannt, bezieht sich der Betrag in Zelle {F 20.04, r140, c030} auf sämtliche Darlehen und Kredite (loans and advances), während der Betrag in Zelle {F 20.07, r190, c020} auf Darlehen und Kredite für nichtfinanzielle Kapitalgesellschaften (loans and advances to non-financial corporations) Bezug nimmt. Folglich sollte die Validierungsvorschrift lauten: {F 20.04, r190, c030} = {F 20.07, r190, c020}.</p> <p>English Answer: The validation rules indicate that the amount in cell {F 20.04, r140, c030} should be equal to the amount in cell {F20.07, r190, c020}. As correctly pointed out in the question, the amount in the cell (F 20.04, r140, c030) refers to all loans and advances while the amount in cell {F20.07, r190, c020} refers to loans and advances to non-financial corporations. As a consequence, the validation rule shall be as follow: (F20.04, r190, c030) = (F20.7, r190, c020).</p>

Question ID	2013_603
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Table 7 and 4.4
Published as Final Q&A	30/04/2014
Subject matter	Table 7 Validation
Question	<p>German Question (Deutsche Frage): Tabelle F 07.00 Spalte 080 sollte allein schon aufgrund der Benennung und der angegebenen Referenzen abstimbar sein zu Tabelle F 04.04 Spalte 030. Problematisch ist hierbei jedoch, dass es in Tabelle 7 auch noch eine Spalte 110 gibt, in der beispielsweise der Verbrauch von Einzelwertberichtigungen für noch nicht abgegangene Forderungen zu zeigen wären. Eine solche Spalte gibt es in Tabelle F 04.04 jedoch nicht. Es könnte daher argumentiert werden, dass in Tabelle F 04.04 Spalte 030 der Bestand der Einzelwertberichtigungen um diesen Verbrauch zu erhöhen wäre (dann wäre aber keine Abstimbarkeit zu Tabelle F 07.00 Spalte 080 oder zu der entsprechenden IFRS-Abschluss-Position mehr möglich) oder dass in Tabelle F 04.04 Spalte 020 der gross carrying amount für abgeschriebene Forderungen den Betrag nach Direktabschreibungen darstellt (dann wäre die Bezeichnung gross carrying amount aber inhaltlich fragwürdig. Aufgrund dieser Konsistenzprobleme sollte der EBA vorgeschlagen werden, dass die Tabelle F 04.04 um eine Spalte 060 „Accumulated write-offs“ zu erweitern ist und die bisherige Spalte 060 in Tabelle F 04.04 zur Spalte 070 wird. Ferner wären für Tabelle F 04.04 die entsprechenden über die Spalten summierenden validation rules anzupassen.</p> <p>English Question: Table F 07.00 column 080 should be reconciled from its name alone, and the references given therein, to table F 04.04 column 030. However, the problem here lies in the fact that in table F 07.00, there is another column 110, in which would be shown, for example, expenditure of specific allowances for debts not yet disposed of. However, no such column exists in table F 04.04. It could thus be argued that in table F 04.04 column 030, the amount for specific allowances should be increased by this expenditure (although reconciliation to table F 07.00 column 080 or to the corresponding IFRS final position would then no longer be possible), or that in table F 04.04 column 020, the gross carrying amount for written-off receivables represents the amount after direct write-offs (although this would then make the accuracy of the term gross carrying amount questionable). Because of this problem of consistency, it should be suggested to the EBA that a column 060 ‘Accumulated write-offs’ be added to table F 04.04, and that the column which was previously 060 in table F 04.04 become column 070. Furthermore, for table F 04.04, the corresponding validation rules for totalling up the columns would need to be adjusted.</p>
Background on the question	Validation Rules

Answer	<p>German Answer (Deutsche Antwort): Die Spalte c020 der Vorlage F 04.04 beinhaltet keine Abschreibungen, da mit ihr nicht die Wertberichtigungen finanzieller Vermögenswerte bewertet werden sollen, sondern eine detaillierte Aufschlüsselung von Finanzinstrumenten dargestellt werden soll. Die Berücksichtigung von Abschreibungen in dieser Spalte wäre nicht sinnvoll. Darüber hinaus ist für die Vorlage F 07.00, die Wertberichtigungen und Wertminderungen finanzieller Vermögenswerte näher untersucht, die Zusammensetzung einzelner Portfolios nicht so interessant wie die verschiedenen Wertberichtigungen, die von der Einrichtung erfasst werden. In diesem Zusammenhang werden Informationen über Abschreibungen höchst relevant. Angesichts der unterschiedlichen Ziele, die mit diesen beiden Vorlagen verfolgt werden, ist auf kurzfristige Sicht keine Änderung vorgesehen.</p> <p>English Answer: The column c020 of F04.04 template does not include "write-offs" since its goal is not assess the allowances in financial assets, but to present a detailed breakdown of financial instruments. Including information for "write-offs" in this column would not make sense. Furthermore, F07.00 template, which looks closely at allowances and impairment in financial assets, is not so much interested in the composition of each portfolio but devotes its attention to the different allowances recognised by the entity. In this context, information about write-offs becomes highly relevant. Therefore, given the different goals of these two templates, it is not envisaged to amend them in the short-term.</p>
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Question ID	2013_608
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Table F 05.00
Published as Final Q&A	30/04/2014
Subject matter	Cash and cash balances at central banks'
Question	<p>German Question (Deutsche Frage): In dem ITS-Update vom 26.7.2013 wird in dem Dokument "EBA FINAL draft Implementing Technical Standards.pdf" auf Seite 51 folgende Aussage getroffen:</p> <p>"On the basis of the feedback on the definition and use of 'cash and cash equivalents', the EBA decided to change the item to 'cash and cash balances at central banks', in line with the practice followed by banks. In addition to the instructions provided in the ITS examples will be provided in additional implementation guidance on the EBA website."</p> <p>Diese Aussage scheint inkonsistent zu der vorgenommenen Zuordnung des Postens "other demand deposits" in Tabelle F 05.00 (alt F 09.00) zu sein und insofern gerade nicht der Praxis der Bilanzierung der Barreserve bei Kreditinstituten zu entsprechen. Wie ist hiermit umzugehen?</p> <p>Daneben ist eine „additional implementation guidance on the EBA website“ nicht zu finden. Der letzte Stand datiert diesbezüglich aus 2009. Wann ist mit einem entsprechenden Dokument zu rechnen?</p> <p>English Question: In the ITS Update of 26.7.2013, the following statement appears in the document 'EBA FINAL draft Implementing Technical Standards.pdf' on page 51:</p> <p>'On the basis of the feedback on the definition and use of "cash and cash equivalents", the EBA decided to change the item to "cash and cash balances at central banks", in line with the practice followed by banks. In addition to the instructions provided in the ITS, examples will be provided in additional implementation guidance on the EBA website.'</p> <p>This statement seems to be inconsistent with the assignment that was already carried out of the item 'other demand deposits' in table F 05.00 (prev. F 09.00), and is therefore not in line with the practice of balancing the cash reserve in credit institutions. How should this be dealt with?</p> <p>Moreover, the 'additional implementation guidance on the EBA website' cannot be found. The last update on this is from 2009. When can the relevant document be</p>

	expected?
Background on the question	Inconsistency.
Answer	<p>German Answer (Deutsche Antwort):</p> <p>Im Konsultationspapier war die Position „<u>Cash</u> and <u>Cash equivalents</u>“ (Barmittel und Barmitteläquivalente) aufgeführt, die in der FinRep-Bilanz gesondert ausgewiesen wird. Die Position umfasste sowohl „Cash“ (Barmittel) als auch „Cash equivalents“ (Barmitteläquivalente). „Cash“ wiederum beinhaltete „Cash on hand“ (Kassenbestände, also Münzen und Scheine) sowie „Demand Deposits“ (Sichteinlagen, also täglich fällige Saldoforderungen bei Kreditinstituten). „Cash equivalents“ entsprach der Definition aus IAS 7 und könnte potenziell u. a. Investitionen in Schuldverschreibungen umfassen.</p> <p>Auf Grundlage der eingegangenen Rückmeldungen wurde vereinbart, stattdessen die Position „<u>Cash</u> and <u>cash balances at central banks</u>“ (Kassenbestand und Guthaben bei Zentralnotenbanken) zu verwenden. „Cash equivalents“ wurde daher durch „Cash balances at central banks“ ersetzt („Cash“ blieb unverändert stehen). Anhang V <u>der Verordnung (EU) Nr. 680/2014 – TDS für die aufsichtlichen Meldungen der Institute (TDS) des Entwurfs der technischen Durchführungsstandards für das bankaufsichtliche Meldewesen der Institute</u> enthielt die Beschreibung des Inhalts der drei Komponenten von „Kassenbestand und Guthaben bei Zentralnotenbanken“:</p> <ul style="list-style-type: none"> i) „Kassenbestand“ (Banknoten und Münzen) in Teil 2 Absatz 1; ii) „Sichteinlagen“ (täglich fällige Saldoforderungen bei Kreditinstituten) in Teil 2 Absatz 3; iii) „Guthaben bei Zentralnotenbanken“ (schließt nur täglich fällige Saldoforderungen ein) in Teil 2 Absatz 2. <p>Diese Anweisungen werden durch die Definition von „täglich fällige Saldoforderungen“ in Anhang V Teil 2 Absatz 41 Buchstabe a der technischen Durchführungsstandards ergänzt.</p> <p>Hinsichtlich der in der Frage erwähnten „additional implementation guidance“ (zusätzlichen Durchführungsanleitung) ist anzumerken, dass diese auf der Website der EBA in der Rubrik „Single Rulebook Q&A“ zu finden ist. Antworten auf die Fragen zu den technischen Durchführungsstandards für das bankaufsichtliche Meldewesen der Institute können Beispiele entweder im Antworttext oder als separaten Anhang aufführen.</p> <p>English Answer:</p> <p>The consultation paper included the item ‘<u>Cash</u> and <u>Cash equivalents</u>’ on the face of the FINREP balance sheet. This item comprised ‘Cash’ and ‘Cash equivalents’. In turn, ‘Cash’ comprised ‘Cash on hand’ (coins and banknotes) and ‘Demand Deposits’ (balances receivable on demand with credit institutions). ‘Cash equivalents’ followed the definition in IAS 7 and could potentially include, among other items, investments in debt securities.</p> <p>On the basis of the feedback received, it was agreed to use the item ‘<u>Cash</u> and <u>cash balances at central banks</u>’ instead. Therefore, ‘Cash equivalents’ was replaced by ‘Cash balances at central banks’ (‘Cash’ remaining the same). In Annex V of the <u>Regulation (EU) No 680/2014 – ITS on Supervisory Reporting</u> Draft ITS on Supervisory reporting (ITS), the description of the content of the three components of ‘Cash and cash balances at central banks’ could be found:</p> <ul style="list-style-type: none"> iv) ‘Cash on hand’ (coins and banknotes) in paragraph 1 of Part 2; v) ‘Demand Deposits’ (balances on demand with credit institutions) in

	<p>paragraph 3 of Part 2;</p> <p>vi) 'Cash balances at central banks' (including exclusively balances on demand at central banks) in paragraph 2 of Part 2.</p> <p>These instructions are completed with the definition of 'balances receivable on demand' in Annex V. Part 2. Paragraph 41(a) of the ITS.</p> <p>Regarding the additional implementation guidance mentioned in the question, it could be found in the EBA website in the section 'Single Rulebook Q&A'. Responses to the questions related to the ITS on Supervisory reporting may include examples either in the text of the answer or as a separate attachment.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_609
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Table F 02.00 and F 16.07
Published as Final Q&A	30/04/2014
Subject matter	Validation Rule
Question	<p>German Question (Deutsche Frage): Die validation rule mit der ID-Nr v1927_h sieht eine Abstimmbarkeit der Zeile 520 in Tabelle F 02.00 mit der Zeile 100 in Tabelle F 16.07 vor. In Tabelle F 02.00 ist Zeile 520 aber die Summe der Zeilen 530 bis 570, (fünf Zeilen) während in Tabelle F 16.07 Zeile 100 die Summe der Zeilen 110 bis 140 (vier Zeilen) ist. Da außerdem die Zeilen 530 bis 560 der Tabelle F 02.00 abstimmbar sein sollen zu den Zeilen 110 bis 140 der Tabelle F 16.07 (siehe validation rules ID Nr. v1333_m, v1334_m, v1335_m, v1928_h) gibt es hier einen Widerspruch: Entweder ist Zeile 570 in Tabelle F 02.00 obsolet und ist entsprechend zu streichen, oder die validation rule v1928_h ist insoweit zu erweitern, dass Zeile 140 in Tabelle F 16.07 abstimmbar sein muss mit der Summe der Zeilen 560 und 570 aus Tabelle F 02.00. Die EBA ist zu fragen, wie dieser Widerspruch gelöst werden soll.</p> <p>English Question: The validation rule with the ID No v1927_h provides for reconciliation of row 520 in table F 02.00 to row 100 in table F 16.07. In table F 02.00, however, row 520 is the sum of rows 530 to 570 (five rows), whereas in table F 16.07, row 100 is the sum of rows 110 to 140 (four rows). Furthermore, as rows 530 to 560 of table F 02.00 should be reconciled to rows 110 to 140 of table F 16.07 (see validation rules ID Nos v1333_m, v1334_m, v1335_m, v1928_h), there is a contradiction here. Either row 570 in table F 02.00 is obsolete and must therefore be deleted, or validation rule v1928_h must be expanded accordingly so that row 140 in table F 16.07 is reconciled to the sum of rows 560 and 570 from table F 02.00. The EBA must be asked how this contradiction should be resolved.</p>
Background on the question	Validation Rule inconsistency,
Answer	<p>German Answer (Deutsche Antwort): Die Beträge in Zeile 520 bis Zeile 560 der Vorlage F 02.00 werden in Vorlage F 16.07 in Zeile 100-140 aufgeschlüsselt. In Vorlage F 16.07 fehlt jedoch derzeit die Aufschlüsselung zu Zeile 570 aus Vorlage F 02.00 („Other“, Sonstige). In der nächsten verfügbaren Fassung der technischen Durchführungsstandards für das bankaufsichtliche Meldewesen der Institute wird diese Inkonsistenz angegangen. Bis zu diesem Zeitpunkt sollten die folgenden Validierungsvorschriften wie folgt angepasst werden, um Inkonsistenzen zu vermeiden:</p> <ul style="list-style-type: none"> • v0884_m {r100} = sum(r110-120, r140), anwendbar auf c020 (alle Werte mit Minuszeichen), muss wie folgt korrigiert werden: {r100} <= sum(r110-120, r140) • v0888_m {r100} = sum(r110-140), anwendbar auf c040 (alle Werte mit

	<p>Minuszeichen), muss wie folgt korrigiert werden: $\{r100\} \leq \text{sum}(r110-140)$.</p> <p>English Answer: The amounts in rows 520 to 560 of F 02.00 template are broken down in rows 100-140 of table F 16.07. However, in table F 16.07, it is currently missing the breakdown related to r570 of F2 (“other”). In the next available version of the ITS on Supervisory reporting this inconsistency will be addressed. In the meantime, the following validation rules should be amended as follows to avoid inconsistencies in the interim:</p> <ul style="list-style-type: none">• v0884_m $\{r100\} = \text{sum}(r110-120, r140)$ applicable to c020 (all values with negative sign) must be corrected as follows: $\{r100\} \leq \text{sum}(r110-120, r140)$• v0888_m $\{r100\} = \text{sum}(r110-140)$, applicable to c040 (all values with negative sign) must be corrected as follows: $\{r100\} \leq \text{sum}(r110-140)$.
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Question ID	2013_619
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V - FINREP Instructions
Published as Final Q&A	30/04/2014
Subject matter	FINREP Reporting - Cumulative from ARD or period-on-period
Question	Can the EBA please confirm whether data in the FINREP templates should be reported on a cumulative basis (from the start of the accounting reference date), or period-on-period?
Background on the question	From the FINREP instructions we are not clear whether we should report FINREP data on a cumulative basis.
Answer	<p>As per Article 2 (2) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting “information submitted...referring to a certain period shall be reported cumulatively from the first day of the accounting year to the reference date”.</p> <p>Thus the FINREP templates should be reported on a cumulative basis.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_634
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V Part 2 paragraph 133
Published as Final Q&A	30/04/2014
Subject matter	Table F 02.00 and Table F 43.00 - cross validation of Provisions charge
Question	<p>FINREP Table F 02.00 subtotal row 430 (Provisions or Reversals of Provisions) is identified on the template as cross referencing to Table F 43.00 (Provisions). The cross validations do not however identify what data should agree. Please confirm which columns (and for which rows) on Table F 43.00 should agree back to Table F 02.00.</p>
Background on the question	<p>The cross validation called out in the template is not sufficiently detailed to enable definitive interpretation and the detail is not provided in the cross validation template. One concern is the use of the word "Other" in Table F 02.00 row 450 - it could be read strictly as Table F 43.00 column 060 ("Other Provisions") or it could mean All the other provisions except "commitments and guarantees given".</p>
Answer	<p>F 02.00 relates to the profit or loss of the accounting period. Regarding the provisions, it describes the changes which have occurred during this reporting period. In contrast, F 43.00 identifies the amount (i.e. the stock) of provisions at the beginning and at the end of the reporting period, with a breakdown of the movements occurred during the period. F 02.00 classifies provisions in two items: "Commitments and guarantees" and "Other provisions". The classification of provisions in F 43.00 is more detailed and replicates the one in F 01.02 (balance sheet – liabilities). In particular, the concept "Other provisions" in F 02.00 is not the same as that in "Other provisions" in both F 01.02 and F 43.00. Indeed, the former contains all the provisions which are not "commitments and guarantees". In consequence, the amount reported on the row 430 of template F 02.00 should be compared to the sum of rows 020 to 060 (column 070) of the template F 43.00. This comparison is also valid for the "Commitments and guaranties" given (row 440 in F 02.00 is the sum of rows 020 to 060 of column 050 in F43.00). Finally, it must be noted that in some particular cases movements in provisions are not only accounted for via the statement of profit or loss, what implies that there may be differences between the amounts reported in F 02.00 and the movements during the period (F 43.00).</p>

Question ID	2013_636
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory Reporting
Article	99
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex V, Chapter 16
Published as Final Q&A	30/04/2014
Subject matter	Reconciliation between accounting and CRR scope of consolidation when no accounting scope exists
Question	In case a bank has to provide financial information according to FINREP on a subconsolidated level, but the institution has no accounting obligation on a subconsolidated level, what should be filled in Template 17 of the FINREP-Reporting?
Background on the question	Subsidiaries of Banks in a country different than the country of the main institution, that have own financial subsidiaries, are required to report FINREP on a subconsolidated level. But being a regulatory subgroup does not mean, that accounting wise the subgroup has to make a subconsolidated accounting statement and subconsolidated P/L. In that case no accounting consolidation scope exists.
Answer	<p>F 17.00 template aims to collect the FINREP balance sheet with the scope of consolidation used in the audited financial statements. When the institution is not required to elaborate a consolidated (or subconsolidated) balance sheet for audit purposes, it is not required either to elaborate this template. However, when the institution is required to elaborate a consolidated (or subconsolidated) audited balance sheet with a frequency lower than quarterly, it should submit F 17.00 template with quarterly frequency as established in Article 9(a) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting (ITS).</p> <p>The ITS does not require institutions to put in place the processes for preparing the balance sheet with the accounting scope when they have no legal obligation to do so. However, once the institution has these reporting processes in place, it should adapt them to be able to submit F 17.00 with quarterly frequency.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_684
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art. 99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III. F 13.03
Published as Final Q&A	30/04/2014
Subject matter	FINREP: Table F 13.03 Collateral obtained by taking possession (tangible assets) accumulated
Question	<p>This question asks for a clarification of the content and the validation rules of Table F 13.03.</p> <p>According to the instructions in Table F 13.03 institutions shall report the cumulative carrying amount of tangible assets obtained by taking possession of collateral that remains recognised in the balance sheet at the reference date excluding those classified as "property, plant and equipment."</p> <p>In Annex XV there is one are some validation rules which makes <u>connection</u> between F 13.03 and F 01.01:</p> <p>$v1090_m \{F\ 13.03, r010, c010\} \leq \{F\ 01.01, r370, c010\}$ $v1091_m \{F\ 13.03, r010, c010\} \leq \text{sum}(\{F\ 01.01, c010, (r070\ 080, r110\ 120, r150\ 160, r190, r220)\})$ $v1092_m \{F\ 13.03, r010, c010\} \leq \text{sum}(\{F\ 01.01, c010, (r010, r060, r090, r130, r170, r200, r230\ 250, r290, r320\ 330, r360)\})$</p> <p>We agree the first two validation rules. We don't agree to the third validation rule (v1092_m), because in this case it is impossible to take into consideration the following assets: cash and cash balances, derivatives, loans and advances, tax assets, etc., So we suggest deleting this validation rule. Is it correct?</p>
Background on the question	<p>We have been analysing the validation rules of Annex XV.</p> <p>We don't understand the validation rules related to F 13.03, v1092_m.</p>
Answer	<p>All validation rules included in Annex XV regarding F 13.03 (v1090_m, v1091_m and v1092_m) should be deleted:</p> <p>$v1090_m \{F\ 13.03, r010, c010\} \leq \{F\ 01.01, r370, c010\}$ should be deleted.</p> <p>Foreclosure assets may also be accounted for as Investment property in row 290 if the institution's intention is not to dispose of the assets repossessed. If that is the case, v1090_m may not be valid.</p> <p>$v1091_m \{F\ 13.03, r010, c010\} \leq \text{sum}(\{F\ 01.01, c010, (r070\ 080, r110\ 120, r150\ 160, r190, r220)\})$ and $v1092_m \{F\ 13.03, r010, c010\} \leq \text{sum}(\{F\ 01.01, c010, (r010, r060, r090, r130, r170, r200, r230\ 250, r290, r320\ 330, r360)\})$ are considering financial assets (as debt securities, equity instruments and derivatives) that do not belong to the tangible assets category.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final</i></p>

	<i>ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>
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Question ID	2014_735
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 99
Paragraph	4
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Forbearance and non-performing exposures - Para 157
Published as Final Q&A	30/04/2014
Subject matter	Forbearance - Exit criteria
Question	Should the one year exit criteria mentioned in para 157 be applied only to those exposures which were classified as non-performing when the forbearance measures were extended? Thus if an exposure was classified as performing when the forbearance measures were extended and at a later stage it was classified as non-performing, can this exposure exit the non-performing category once it meet the criteria listed in paragraph 156 without the one year threshold.
Background on the question	<p>Different exit criteria's have to be applied depending on how the exposure is classified. Para 157 seems to apply only for those exposure which have been classified as non-performing before forbearance measures have been extended.</p> <p>Thus the exit criteria from Non-performing category for the following two exposures is different:</p> <p>Exposure A extended forbearance measures in Jun 13 classified as performing. In Oct 13 it is classified as non-performing.</p> <p>Exposure B extended forbearance measures in Jun 13 classified as non-performing.</p>
Answer	<p>Par 157 shall be interpreted extensively: it covers exposures that were non-performing prior to the extension of forbearance; exposures that have become non-performing subsequently to the extension of forbearance measures and those that becomes non-performing as soon as forbearance measures are extended.</p> <p>As a consequence, a homogeneous treatment is applied to exit the category of "non-performing forborne exposures", regardless of the time when the exposures become non-performing. Par 157 is always applied to exit the category of "non-performing forborne exposures".</p> <p>In the proposed example, both exposures A and B can exit the non-performing category after all criteria of par 157 are met and 1 year has passed.</p> <p>The wording of par 157 will be amended to clarify this point.</p> <p>DISCLAIMER: The present Q&A on Supervisory reporting is provisional. It will be reviewed after the respective Implementing Regulation is in force and published in the Official Journal, which may differ from the text of the relevant draft ITS to which it relates.</p>

Question ID	2014_709
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	23/05/2014
Subject matter	Validations
Question	<p>There appears to be several prior year validations that do not work in FINREP.</p> <p>v1321_m {F 46.00, r010, c080} = {F 01.03, r210, c010} t-1 v1233_m {F 46.00, r010, c080} = {F 46.00, r210, c080} t-1 v1231_m {F 46.00, r010, c060} = {F 46.00, r210, c060} t-1 v1318_m {F 46.00, r010, c060} = {F 01.03, r190, c010} t-1.</p>
Background on the question	<p>Per ITS guidelines prior year profits for associates, JV's and subsidiaries are included in line 220 Other reserves in table 1.3 (column 080 in table 46).</p> <p>Guidance is as per ITS:</p> <p>19. "Other reserves" are split between "Reserves or accumulated losses of investments in subsidiaries, joint ventures and associates" and "Other". "Reserves or accumulated losses of investments in subsidiaries, joint ventures and associates" include the accumulated amount of income and expenses generated by the aforementioned investments through profit or loss in past.</p> <p>Current year profit for subsidiaries, JV's and associates will be included in line 250 in table 1.3 (column 100 in table 46).</p> <p>The year-end closedown process would require the profit from the year for associates be included in the Other Reserves brought forward balance in the following year.</p> <p>Hence v1321_m and v1233_m will not work.</p> <p>This would have knock on effects on profit or loss validations for the P&L that does not relate to associates, JV's and subsidiaries (v1231_m and v1318_m).</p>
Answer	<p>The share of the profits or loss of subsidiaries, associates and joint ventures must be reported in row 590 of the profit or loss account in FINREP (F 02.00 template). Therefore, these profits or losses are part of the profit or loss for the period, which is reported in row 250 of F 01.03 template. Profit or loss for the period is also reported in row 010, column 100 of F 46.00 template.</p> <p>The distribution of the profit or loss of a period would then happen in the next period. As per the rows not greyed in F 46.00 template, only capital reductions, transfers to other items of equity and other increases or decreases are possible. In the case of the share of the profit or loss from subsidiaries, associates and joint ventures, that amount should be reclassified to "other reserves" via row 190.</p>

	In conclusion, as per the explanation above, the four validation rules mentioned in the question are correct and there is no need to correct them.
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Question ID	2013_574
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	not possible
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX III – FINREP templates IFRS
Published as Final Q&A	27/06/2014
Subject matter	Supervisory Reporting (FINREP templates), 40.1 Group structure: “entity-by-entity”
Question	<p>There are two columns Accounting treatment (Accounting Group) and Accounting treatment (CRR Group) with three possibilities to note something. Accounting Group (full consolidation, proportional consolidation, equity method); CRR Group (full integration, proportional integration, equity method).</p> <p>How should institutions deal with the situation that the respective entity is not in both scopes of consolidation => What should note in this case?</p>
Background on the question	Reporting of entities that are not in both scopes of consolidation.
Answer	<p>If the question refers to an entity which is included in the scope of consolidation but accounting for with a different treatment (e.g. at cost) it shall be reported conventionally within “other”.</p> <p>Equity instruments classified as held for trading, designated at fair-value through profit or loss, available for sale and treasury shares (shares of the own reporting institution owned by it) are excluded from the reporting in F 40.01 Template as in F 40.02 Template.</p> <p>The Instructions in Annex V will be amended and “other” will be included in paragraphs 124(m) and 124(n) in Part 2 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions.</p> <p>For further information see also Question 2013_340.</p>

Question ID	2013_607
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Table 5
Published as Final Q&A	27/06/2014
Subject matter	Table 5 - Missing Validation Rule
Question	<p>Original question: Während die nun verbal formulierte Zuordnung der “balances receivable on demand classified as cash balances at central banks“ zu Tabelle 5 (alt 9) in den alten Validation Rules ausdrücklich als Formelbezug angegeben war (F 09.00, r010, c010 = F 01.01, r030, c010), ist diese Verbindung in den aktuellen Validation Rules nicht mehr angegeben. Wie ist dies zu interpretieren?</p> <p>Translated question: Whereas the now verbally formulated assignment of the ‘balances receivable on demand classified as cash balances at central banks’ to table 5 (prev. 9) was given expressly as a formula in the old validation rules (F 09.00, r010, c010 = F 01.01, r030, c010), this connection is no longer given in the current validation rules. How should this be interpreted?</p>
Background on the question	Validation Rule interpretation.
Answer	<p>German Answer (Deutsche Antwort): Der Entfall der Validation Rule die {{F 01.01, r 030, c010}} mit {{F 05.00, r010, c010}} vergleicht war nicht beabsichtigt, da beide Zellen exakt den selben Betrag abfragen.</p> <p>English Answer: The exclusion of the validation rule that links {{F 01.01, r 030, c010}} = {{F 05.00, r010, c010}} was not intended as both cells ask exactly the same amounts.</p>

Question ID	2013_685
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art 99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III., F 5
Published as Final Q&A	27/06/2014
Subject matter	Allocation of loans and advances secured by more than one type of collateral in F.5 Breakdown of loans and advances by product
Question	<p>In FINREP table F5. "Breakdown of loans and advances by product" the carrying amount of mortgage loans and other collateralized loans shall be reported in row 090 and row 100.</p> <p>If loans and advances are simultaneously secured by more than one type of collateral, for example secured by immovable property and other collateral, then how they shall be reported?</p>
Background on the question	There are no clear instructions on how to allocate the amount of loans secured by more than one type of collateral in rows 090 and 100 of F.5.
Answer	<p>F 05.00 Template requires a breakdown of loans and advances both by product and by type of counterparty. In this template, the entire amount of a given loan contract should be reported in the corresponding type (or types) of loans and advances and not been distributed among various types. The instructions for classifying loan contracts between the two types of collateralized loans ('<i>mortgage loans</i>' and '<i>other collateralized loans</i>') say that '<i>mortgages loans</i>' include '<i>loans formally secured by immovable property independently of the loan/collateral ratio</i>' (Annex V. Part 2. Paragraph 41.(h) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS)). Therefore, the entire amount of the contract should be reported in '<i>mortgage loans</i>' regardless whether the loan is over-collateralized, under-collateralized or the real estate collateral is complemented by other collateral. The purpose of F 05.00 Template is to collect the amount of all contracts that are '<i>formally</i>' mortgages.</p> <p>The information on loans that are '<i>formally</i>' mortgages is supplemented by information of the financial effect of the collateral in F 13.01 Template. The instructions for F 13.01 Template explicitly contemplate the case of loans with '<i>simultaneously more than one type of collateral</i>' and indicate that the allocation amount of the various types should be based on the '<i>quality</i>' of the collateral (Annex V. Part 2. Paragraph 82 of the ITS). It is expected that the institution will apply the allocation criterion consistently. See also EBA Q&A 2013_124.</p>

4. IP Losses

Question ID	2013_116
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	101
Paragraph	4
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex VI, C 15.00, (c010, 030)
Published as Final Q&A	14/02/2014
Subject matter	IP Losses: Direct and Indirect costs associated with immovable property losses
Question	In relation to direct and indirect costs associated with immovable property losses can the EBA please confirm what costs should be included?
Background on the question	Uncertainty around what should be included in columns 010 and 030 of the immovable property CR IP Losses template C15.00.
Answer	<p>According to Annex VII, paragraph 6 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, the loss calculation/estimation shall include at least direct and indirect costs.</p> <p>Generally, all costs stemming from the liquidation process triggered by a default of a loan secured by immovable property shall be considered when calculating/estimating the loss for the purpose of Article 101 of Regulation (EU) No 575/2013 (CRR). Direct costs are costs arising - amongst others - from fees or payments for services connected to the liquidation and/or the immovable property itself, triggering an outflow of money to external parties. This might also include costs for maintaining the immovable property so that the value of the collateral does not decrease. Indirect costs mainly stem from the allocation of internal resources of an institution to the liquidation process.</p> <p>Due to the fact that there may be differences in approaches within Europe for the liquidation process of immovable properties, it is not constructive to set up a closed list of services/instances which have to be considered when determining the loss for the purpose of Article 101 of the CRR. To reduce the freedom of activity for institutions, the definition of loss for the purpose of Article 101 of the CRR shall be in line with the internal definition / procedures of the institution of determining losses when liquidating immovable property.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_393
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	101 (4)
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex VII 3, C 15.00
Published as Final Q&A	07/03/2014
Subject matter	Geographical breakdown of CR IP Losses
Question	Is there a threshold foreseen to fill in the template by country? Or do we need to give the data by each country (even if it is not material)?
Background on the question	Text is not clear.
Answer	<p>The Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting covers the reporting requirements of Article 101 of Regulation (EU) No. 575/2013 (CRR) and therefore does not foresee a threshold as proposed for the reporting of C 15.00 (CR IP Losses) by country. As pointed out in Annex VII points 3 and 4 of the Draft ITS, the data required by Article 101(1) CRR covers each national property market to which an institution/group of institutions is exposed and shall be reported only by those institutions using immovable property for the purpose of Part Three, Title II of CRR. According to Article 101(2) sentence 3 CRR the data should be reported for each property market within the Union separately.</p> <p>However, it is not required to report every country separately. Based on the requirements of Article 101 of the CRR, the instructions of Annex VII, point 10 of the ITS clarify that the CR IP Losses reporting shall consist of one total template, one template for each national market in the Union in which the institution has an exposure and one template aggregating the data for all national markets outside the Union in which the institution has an exposure.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2014_703
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	101 CRR
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	101 CRR
Published as Final Q&A	30/04/2014
Subject matter	Draft Implementing Technical Standards (ITS) on supervisory reporting under the CRR, CR IP Losses (C 15.00)
Question	Should increase of credit risk adjustment (specific loan loss provision for credit risks) during reporting period be reflected in the reported data? Should estimated loss be reported (reporting date 30.06.2013) as 250 000 EUR or as 290 000 EUR?
Background on the question	According to Annex VII 13. (c) as losses shall be reported only for exposures having defaulted during the reporting period, changes to losses of exposures having defaulted during previous reporting periods will not be reflected in the reported data. e.g. Date of default 30.04.2013, exposure fully and completely secured Estimated loss as of 30.04.2013 = 250 000 EUR Estimated loss as of 31.05.2013 = 280 000 EUR Estimated loss as of 30.06.2013 = 290 000 EUR
Answer	According to Article 12(1) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting (ITS), C 15.00 template (CR IP Losses) shall be reported with a semi-annual frequency, so the reporting period equals 6 months. As specified in paragraph 13(c) of Annex VII of the ITS (Instructions for reporting losses stemming from lending collateralised by immovable property), losses shall be reported only for exposures having defaulted during the reporting period of 6 months and changes to losses of exposures having defaulted during previous reporting periods (i.e. before those 6 months) shall not be reported in C 15.00 template. Paragraph 13-(a) of the instructions of CR IP Losses clarifies that losses should be reported for all defaults [...] that occur during the respective reporting period which includes loss estimates. Considering those provisions, the amount of estimated loss of the example to be reported in the template is the estimated loss at the reporting reference date: 290.000 EUR. <i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>

5. Large Exposures

Question ID	2013_131
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	394
Paragraph	4
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX IX, Part 2, paragraph 3
Published as Final Q&A	14/02/2014
Subject matter	Large exposures: Definitions of 'institutions' for the purpose of the LE reporting
Question	'Investment funds' is not a defined term within Article 4 of Regulation (EU) No 575/2013.
Background on the question	Paragraph 3 (13) - ANNEX IX - REPORTING ON LARGE EXPOSURES of EBA's Draft ITS on Supervisory Reporting states: 'Institutions' shall include credit institutions and investment funds according to Article 4 of Regulation (EU) No 575/2013 and, for the purposes of this reporting, shall mean any private or public undertaking, including its branches, which has been authorised in a third country that applies prudential supervisory and regulatory requirements at least equivalent to those applied in the European Union.
Answer	The expression "investment funds" in Annex IX. Part 2, paragraph 13 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting is a misprint. Taking into account Article 4.1(3) of the Regulation (EU) No 575/2013, the correct wording shall be: 'Institutions' shall include credit institutions and investment firms according to Article 4 of Regulation (EU) No 575/2013 and, for the purposes of this reporting, shall mean any private or public undertaking, including its branches, which has been authorised in a third country that applies prudential supervisory and regulatory requirements at least equivalent to those applied in the European Union. A correction will be published at the next opportunity. <i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>

Question ID	2013_133
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 394
Paragraph	2
Subparagraph	e
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex IX, Part 1, paragraph 5
Published as Final Q&A	14/02/2014
Subject matter	Large exposures: LE4 and LE5 on maturity buckets for institution's and unregulated entities applies to firms reporting on solo basis.
Question	Do COREP templates LE4 and LE5, which contains the maturity structure of 10 largest exposures to unregulated financial entities apply to an entity reporting on solo basis?
Background on the question	<p>Article 394 (2) (e) of Regulation (EU) No 575/2013 (CRR) requires reporting of the maturity buckets in relation to and institution's 10 largest exposures on a consolidated basis to institutions as well as its 10 largest exposures on a consolidated basis to unregulated financial entities.</p> <p>Under the ITS on Supervisory Reporting (Large Exposures), the above information is requested in template LE4 and LE5. Reporting instructions provided in "Annex IX - Reporting on Large Exposures" are not clear on the scope for LE4 and LE5. Part II Section 1(5) reads as if templates LE4 and LE5 only need to be reported by parent institutions in a Member State and hence entities reporting on a solo basis will not be required to submit these templates.</p>
Answer	<p>According to Article 394(2) of Regulation (EU) No 575/2013 (CRR), an institution shall report its 10 largest exposures on a consolidated basis to institutions as well as its 10 largest exposures on a consolidated basis to unregulated financial entities.</p> <p>"On a consolidated basis" in this respect shall mean that the parent institution in a Member State reporting Large Exposures (LE) on a consolidated basis is subject to this reporting requirement. These exposures shall be measured on the basis of the consolidated financial situation of the group.</p> <p>An institution reporting LE on a solo basis (irrespective of whether it belongs to a banking group or not) will not be subject to the reporting requirements of Article 394(2) of the CRR and consequently not be required to submit templates C 30.00 and C 31.00.</p>

Question ID	2013_394
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	394
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex IX part II 7, C 29.00
Published as Final Q&A	07/03/2014
Subject matter	Scope of LE3 template: Details of the exposures to individual clients within groups of connected clients
Question	Is there a threshold foreseen to fill in this table? Or do we have to fill in all the exposures on individual clients, who belong to a group of connected clients?
Background on the question	Text is not clear.
Answer	<p>Neither Article 394 of Regulation (EU) No. 575/2013 (CRR) nor the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting contain a threshold regarding the detailing of the individual clients who belong to a certain group of connected clients. This means that all exposures, regardless of their size, to the individual clients of the group of connected clients (group reported in LE2 template) which exist at the time of the reporting reference date need to be reported in the LE3 template.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_412
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	99
Published as Final Q&A	21/03/2014
Subject matter	COREP: LE template
Question	<p>1.On the LE template what is “Code” – the guidance notes seem to suggest that the code will depend upon the national reporting system, unless a uniform codification is available in the EU. We don’t believe there is a uniform codification - What should firms do with this box?</p> <p>2.On LE what is sector of counterparty – It refers to FINREP economic sector but as we do not implement FINREP we are not sure what this is? And how should non FINREP firms report?</p> <p>3.On LE what exposure should advanced firms be reporting? sEEPE or EEPE. This could vary from submission so do PRA want LE exposure reported in line with capital requirements or just in one way?</p> <p>4.On LE what does expected maturity mean? Is it the residual maturity?</p> <p>5.On LE where do we report other receivables and cash at bank?</p> <p>6. How are firms that have core Uk group and non-core LE groups supposed to report on the COREP LE template – do we report as if we have the waivers under the LE COREP template or not?</p>
Background on the question	Having reviewed the LE template we have the following questions. We need answers to these asap as we will not be able to implement the coding before implementation
Answer	<p>Ad 1).-The global LEI system is not yet fully operational. However, as an interim solution, a system of pre-LEI codes has been introduced. Pre-LEI codes may be assigned to counterparties by any pre-LOU (pre-Local Operational Unit) that has been endorsed by Regulatory Oversight Committee (ROC, detailed information may be found at the following website: www.leiroc.org). When a pre-LEI code (which is assigned by a recognised pre-LOU) exists for a given counterparty, it should be used in {C 27.00, c030} to identify that counterparty. This would prepare for the full implementation of the LEI system since the pre-LEI codes, as long as they are assigned by a recognised pre-LOU, will become LEI codes.</p> <p>Meanwhile, when the LEI (or pre-LEI) code of the counterparty is missing, {C 27.00, c030} will be left empty but the institutions should report in column 010 of that template the code of the group of connected clients or of the individual counterparties according to the national reporting system as decided and implemented by the competent authority .</p> <p>The same applies to {C 06.00, c025} and to {F 40.01, c010} regarding entities within</p>

	<p>the consolidated group.</p> <p>Ad 2).-A firm shall allocate one of the following sectors to every counterparty reported: (i) Central Banks; (ii) General Governments; (iii) Credit institutions; (iv) Other financial corporations; (v) Non-financial corporations; (vi) households (see Annex IX Instructions Large Exposures, 5.1. Instructions concerning specific columns, 050 Sector of the counterparty of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory reporting). This requirement is irrelevant of whether the firm implements FINREP.</p> <p>Ad 3).-The exposure value which is relevant for large exposure purposes, and therefore needs to be reported, follows the exposure value according to the Standardized Approach for Credit Risk without applying the risk weights or degrees of risk (see Article 389 Regulation (EU) No. 575/2013 (CRR)). Where an institution is permitted to use the Internal Model Method to calculate the counterparty credit risk for the transactions mentioned in Article 390(2) CRR, the exposure value shall be calculated according to Article 284 CRR and, if the case may be, reported accordingly for large exposures purposes.</p> <p>Ad 4).-The “expected run-off” of an exposure in certain periods needs to be reported (see Article 394(2)(e) CRR). This is to be understood as the expected residual maturity. This means that the exposure shall be reported with the whole outstanding amount in the respective maturity bucket of its expected residual maturity. In case of several separate relationships constituting an exposure to a client, each of these parts of the exposure shall be reported with the whole outstanding amount in the respective maturity bucket of its expected residual maturity.</p> <p>Ad 5).-“Cash positions do not fall under the scope of the large exposures regime and do not need to be reported. Receivables fall under the scope of the large exposures regime and need to be reported within the information required by the different templates.</p> <p>Ad 6).-If an exposure is treated according to Article 400 CRR, this amount is reported in C 28.00 (LE 2) and C 29.00 (LE 3). In particular, this amount is included in columns 320 of LE 2 and 330 of LE 3 (stand-alone). Accordingly, it will be also included in columns from 040 to 310 of LE2 and in columns from 050 to 320 of LE3.</p> <p>In particular, the core UK group waiver and non-core waivers are equivalent to the exemptions set out in articles 400(1)(f) and 400(2) or 493(3)(c) CRR. Under the UK LE regime, firms which hold both a Core UK group waiver and a Non-Core LE group waiver will be required to submit FSA018 to report the level of exposures between these two groups (the PRA Consultation Paper CP05/13 stated the proposed approach to the reporting of exposures between the Core UK group and Non-Core LE group). On an individual firm basis, the LE 2 template column 320 and LE 3 template column 330 require individual firms to report exposures exempted from the large exposures regime set out in Article 400 CRR.</p> <p>On an individual firm basis, the values for exposures subject to the exemptions in articles 400(1)(f) and 400(2) or 493(3)(c) should be reported in LE 2 template column 320 and LE 3 template 330.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_441
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	394
Paragraph	1 and 2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex IX part II, paragraph 1, 3. - 4. - 5.
Published as Final Q&A	21/03/2014
Subject matter	Reporting LE in accordance with Art 392, 20 largest exposures according to last sentence of Art 394(1), 10 largest exposures to institutions and 10 largest to UFE according to Art 394(2)
Question	<p>Do we have to report 4 separate lists? i.e. List 1: LE1, LE2 and LE3 for large exposures defined in accordance with Art 392 (ref. Art 394(1)), including LE exempted from the application of Art 395(1) List 2: LE1, LE2 and LE3 for 20 largest exposures according to the last sentence of Art 394(1), excluding those exempted from the application of Art 395(1) List 3: LE1, LE2, LE3, LE4 and LE5 for 10 largest exposures to institutions according to Art 394(2), including LE exempted from the application of Art 395(1) List 4: LE1, LE2, LE3, LE4 and LE5 for 10 largest exposures to unregulated financial entities according to Art 394(2), including LE exempted from Art 395(1) In which case a particular group of connected clients may show up in several lists (e.g. group XXX shows up in list 1 and in list 2).</p> <p>OR do we have to provide one instance of LE1, LE2, L3, LE4, LE5 such that a particular group of connected clients shows up only once in LE1, LE2 etc.?</p>
Background on the question	<p>Art 394(1), first sentence, specifies that institutions have to report large exposures in accordance with Art 392, including LE exempted from the application of Art 395(1); Art 394(1), last sentence, specifies that institutions have to report its 20 largest exposures, excluding those exempted from the application of Art 395(1); Art 394(2) specifies that institutions have to report their 10 largest exposures to institutions and their 10 largest exposures to unregulated financial entities, including large exposures exempted from Art 395(1).</p> <p>Based on CRR and on ITS (Annex IX, part II) it is not clear to us whether 4 separate lists (each consisting of LE1, LE2 etc.) have to be provided, or whether all can be reported in one single list (consisting of LE1, LE2 etc.)</p>
Answer	<p>All LE-reports shall be provided in one instance consisting of LE Limits, LE1, LE2, LE3 and, if applicable, LE4 and LE5. These templates fulfill the reporting requirements derived from Articles 392 (1) ad (2) of the Regulation (EU) No 575/2013 (CRR). Several LE-reports for one and the same group of connected clients shall not be transmitted.</p> <p><i>For example:</i> if a client or group of connected clients' exposure shall be considered a large exposure and the same client is qualified one of largest unregulated financial sector entity, signed with "U" in the 070 column of LE1 template, by column 210 of LE2 template as well, then this client's data have to be reported just once in the templates LE1, LE2 (and if applicable LE3) and the maturity buckets of the client' exposure amount have to be shown in the LE4 template (and if applicable LE5).</p>

Question ID	2013_492
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	394
Paragraph	2
Subparagraph	a-e
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	21/03/2014
Subject matter	Definition of a group of connected clients as 'institution' or 'unregulated financial entity'
Question	How shall a group of connected clients be defined as 'institution' or 'unregulated financial entity'?
Background on the question	<p>The general approach of the Large Exposures reporting is to consider groups of connected clients. Also the Annex IX of EBA Final draft ITS on supervisory reporting under Regulation (EU) No 575/2013, Part II 1. (5), regarding the reporting of the 10 largest exposures to institutions and 10 largest exposures to unregulated financial entities, refer to template LE2, which shall be used to report individual clients or groups of connected clients.</p> <p>Usually a group of connected clients does not consist of only 'institutions' or only 'unregulated financial entities'. A group of connected clients may have only one member that is an 'institution' or an 'unregulated financial entity', or several such members or both of them.</p>
Answer	<p>As a precautionary general statement regarding the use of the templates LE 1-5, it is clarified that, according to Annex IX of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on supervisory reporting under Regulation (EU) No 575/2013, Part II 1. (5), in order to report information on the 10 largest exposures to institutions as well as on the 10 largest exposures to unregulated financial entities according to Article 394(2), points (a) to (d) of Regulation (EU) No 575/2013 on a consolidated basis, the parent institutions in a Member State shall use templates LE1, LE2 and LE3. For the reporting of the maturity structure of these exposures according to point (e) of Article 394(2) of Regulation (EU) No 575/2013, the parent institutions in a Member State shall use templates LE4 and LE5.</p> <p>On the identification of counterparties the Instructions say that the code of the counterparty (column 010) reported for a group of connected clients, shall be the code of the parent company. When the group of connected clients does not have a parent, the code that shall be reported shall be the code of the individual entity which is considered by the institution as the most significant within the group of connected clients. By analogy, regarding the type of counterparty (column 070) a group of connected clients shall qualify as 'institution' or 'unregulated financial entity' if the parent company is an 'institution' or 'unregulated financial entity'. In case there is no parent company, the individual entity which is considered by the institution as the most significant within the group of connected clients shall be decisive for the classification. As concerns templates LE3 and LE5, the details of the exposures to individual clients within the groups of connected clients shall be given for each individual client of the respective group and not only for members of the group that qualify as “institutions” or “unregulated financial entities”.</p>

	<p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_493
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex IX
Published as Final Q&A	21/03/2014
Subject matter	Format of NACE code to be reported (Annex IX, 5. LE1 template identification of the counterparty, instruction to column 060 NACE code)
Question	Shall we report only the NACE code (e.g. F) or shall we report the NACE code together with the description (e.g. F - Construction)?
Background on the question	Annex IX, 5. LE1 template Identification of the counterparty, instruction to column 060 NACE code says: "NACE codes shall be used for "Non-financial corporations" with one level detail (e.g. "F - Construction") and for "Other financial corporations" with a two level detail, which provides separate information on insurance activities (e.g. "K65 - Insurance, reinsurance and pension funding, except compulsory social security")."
Answer	In case the National Competent Authority applies a national specific IT solution for requiring data to institutions (first level reporting), the information about NACE can be differently managed according to recital 98 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting ITS . Where EBA taxonomy is used for the first level reporting between institutions and national banking supervisors, only the NACE code has to be reported. This means, in technical terms, the reporter has to use the values from the code list NACE code defined in definition link role: (http://www.eba.europa.eu/-/eba-publishes-xbrl-taxonomy-for-remittance-of-supervisory-reporting-by-competent-regulatory-authorities) inside the EBA taxonomy. <i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>

Question ID	2013_395
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	394 (4)
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex IX part II 9, C 31.00
Published as Final Q&A	04/04/2014
Subject matter	Scope of LE5 template: Maturity buckets of the 10 largest exposures to institutions and the 10 largest exposures to unregulated financial entities: detail of the exposures to individual clients within groups of connected clients
Question	Is there a threshold foreseen to fill in this table? Or do we have to fill in all the exposures on individual clients, who belong to a group of connected clients (that need to be reported in template 'LE4'?
Background on the question	Text is not clear.
Answer	<p>Neither Article 394 of Regulation (EU) No. 575/2013 (CRR) nor the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory reporting contain a threshold regarding the detailing of the individual clients who belong to a certain group of connected clients.</p> <p>This means that the details of all exposures, regardless of their size, to the individual clients within the groups of connected clients (groups reported in LE4 template) which exist at the time of the reporting reference shall be given in the LE5 template and not only for members of the group that qualify as "institutions" or "unregulated financial entities" (see also Q&A 492).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_572
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory Reporting
Article	394
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX VIII and ANNEX IX
Published as Final Q&A	11/04/2014
Subject matter	Reporting requirement of the “10 largest exposures to institutions” and “10 largest exposures to unregulated financial sector entities”
Question	How should we understand that reporting requirement?
Background on the question	More information is needed in order to know how these exposures have to be reported. In the Large Exposure report we have to report single entities or groups of connected clients. For this reporting requirement we should also report groups of connected clients. However, in a group there can be one or more “institutions” and/or “unregulated financial sector entities” and/or customers which do not belong to one of these two groups. So, which exposures are relevant in order to determine the 10 largest institutions/unregulated financial sector entities?
Answer	<p>The type of the counterparty of the 10 largest exposures to institutions and the 10 largest exposures to unregulated financial sector entities shall be specified in C 27.00 (LE 1), -whereby “I” has to be reported for institutions and “U” for unregulated financial sector entities (see Annex IX of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, Instructions for Large Exposures Reporting, LE 1 template, column 070). The definition of the type of the counterparty for a group of connected clients should follow the answer provided for QA 2013_492.</p> <p>The relevant exposure amount for determining the 10 largest exposures to institutions or unregulated financial sector entities being part of a group of connected clients is the aggregated, total amount of the exposures to all entities within the group of connected clients including exposures to entities within this group which are neither institutions nor unregulated financial sector entities (LE 2, column 210).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_582
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory Reporting
Article	394
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	5. LE1 template: Identification of the counterparty
Published as Final Q&A	11/04/2014
Subject matter	LE1 column 030 ('LEI code')
Question	What does the legal entity identifier exactly mean? Does it mean LEI applicable in the reporting country?
Background on the question	For example: currently in Poland in the national reporting system we use REGON code for Polish counterparties and EKZ code (Registration for Foreign Clients code) for foreign counterparties. We do not use the original Company Registration Number for foreign counterparties.
Answer	<p>LEI code (column 030 in template C 27.00) stands for Legal Entity Identification code. It is a reference code proposed by the Financial Stability Board (FSB) and endorsed by the G20, aimed at achieving a unique and worldwide identification of parties to financial transactions.</p> <p>The global LEI system is not yet fully operational. However, as an interim solution, a system of pre-LEI codes has been introduced. Pre-LEI codes may be assigned to counterparties by any pre-LOU (pre-Local Operational Unit) that has been endorsed by Regulatory Oversight Committee (ROC, detailed information may be found at the following website: www.leiroc.org). When a pre-LEI code (which is assigned by a recognised pre-LOU) exists for a given counterparty, it should be used in {C 27.00, c030} to identify that counterparty. This would prepare for the full implementation of the LEI system since the pre-LEI codes, as long as they are assigned by a recognised pre-LOU, will become LEI codes.</p> <p>Meanwhile, when the LEI (or pre-LEI) code of the counterparty is missing, {C 27.00, c030} will be left empty but the institutions should report in column 010 of that template the code of the group of connected clients or of the individual counterparties according to the national reporting system.</p> <p>The same applies to {C 06.00, c025} and to {F 40.01, c010} regarding entities within the consolidated group.</p> <p>Reference to the case of Poland.</p> <p>In Poland there is already a pre-LOU (KDPW S.A.), that had not yet been endorsed by ROC at the date of writing the present answer. KDPW S.A. already assigned pre-LEI codes. However, these codes may be used for regulatory purposes only after ROC endorses KDPW S.A. as globally recognised pre-LOU. The ROC decision regarding KDPW was expected by the end of 2013 or at the beginning of 2014.</p> <p>Meanwhile, the institutions should report in column 010 of that template the code of the group of connected clients or of the individual counterparties according to the national reporting system. In the case of Poland, it means respectively REGON code (statistical number for business units) and PESEL code (Polish Resident Identification Number for individual clients) for domestic counterparties and EKZ code (Registration for Foreign Clients) foreign counterparties.</p>

Question ID	2013_585
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Article 5, paragraph 12
Published as Final Q&A	11/04/2014
Subject matter	Reporting of exposures lower than 300 million EUR
Question	In the final draft ITS on reporting, chapter 3 articles 9.2 (g) and 11.2 (g), it says that institutions shall submit the information as specified in Annex VIII according to the instructions in Annex IX related to exposures not considered large exposures in accordance with Article 392 of the CRR, which have an exposure value larger than 300 million EUR. We interpret this as (smaller) institutions shall report large exposures (10%), but not the 20 largest exposures and other exposures, if they do not exceed the exposure value of 300 million EUR. Have we interpreted the reporting rules for smaller institutions correct?
Background on the question	According to the Final draft ITS on reporting, chapter 5 article 13, institutions shall report large exposures to clients or groups of connected clients. In chapter 3, articles 9.2 (g) and 11.2 (g), it says that institutions shall submit the information as specified in Annex VIII according to the instructions in Annex IX related to exposures not considered large exposures in accordance with Article 392 of the CRR, which have an exposure value larger than 300 million EUR.
Answer	<p>The institutions shall report those exposures larger than or equal to the 300 million EUR on the consolidated basis as specified in Annex VIII according to the instructions in Annex IX. The legal basis of this reporting requirement is the same as FINREP, as laid down in chapter 3 articles 9.2 (g) and 11.2 (g) of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting.</p> <p>This reporting request is not applicable if the institution does not have any large exposure above 300 million EUR, on the consolidated basis. That means, the smaller institutions which only have exposures lower than 300 million EUR, do not fulfill this reporting requirement. Nonetheless, if smaller institutions have exposures which would qualify as “large exposures” according to the provisions in Regulation (EU) No 575/2013, they shall submit the reporting templates in Annex VIII of the ITS.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2014_701
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	394
Paragraph	1,2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex IX reporting on large exposures (Par. 5 LE1 template)
Published as Final Q&A	30/04/2014
Subject matter	LE1 template (C 27.00) - reporting of identification data on individual clients within groups of connected clients
Question	In the case of exposure to the group of connected clients (with 5 clients forming a group): Does an institution have to report the identification data (LE1 template, C 27.00) only for a group of connected clients (group data) or also for those 5 clients which form the group?
Background on the question	Instructions (LE1 template: Identification of the counterparty, column 010-070) define that "Institutions shall report the identification of any counterparty for which information is being submitted. It shall cover all codes as submitted according to column 010 in templates LE2 to LE5". Does that mean that in the case described above an institution have to report the identification data (template LE1) for a group of connected clients AND identification data (template LE1) for all clients forming a group (clients included in the template LE3)?
Answer	Annex IX of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions Draft ITS on Supervisory reporting (Instructions for reporting large exposures) in its Part II 5.1 for C 27.00 (LE1) template column 010 – 070 states that "Institutions shall report the identification of <u>any</u> counterparty for which information is being submitted. It shall cover <u>all</u> codes as submitted according to column 010 in templates C 28.00 to C 31.00 (LE2 to LE5)." The expression LE1 "shall cover all codes" in templates LE2 to LE5 means that every code which is used in those templates has to be explained by reporting the name, LEI code, residence, sector, NACE code and type of counterparty in a related LE1. Because LE3 and LE5 are only used for clients forming a group of connected clients, and the codes of these clients are used in those templates, it is necessary to report in LE1 for every client in a group of connected clients. <i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>

6. Leverage Ratio

Question ID	2013_145
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	ART. 429
Paragraph	6
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS Article 14
Published as Final Q&A	14/02/2014
Subject matter	Leverage ratio: Exposure value of derivatives
Question	<p>Article 429.6 of Regulation (EU) No 575/2013 (CRR) states that the exposure value of financial derivatives listed in Annex II and of credit derivatives shall be calculated in accordance with the Mark-to-Market method (see Art. 274 of CRR). Based on such instructions, it is not clear if the above mentioned method shall be applied both to OTC and exchange trade derivatives, also including those contracts cleared with CCPs.</p>
Background on the question	This information is relevant for leverage ratio calculation.
Answer	Under Article 429(6) of the Regulation (EU) No 575/2013 (CRR), the Markt-to-Market method shall be applied to contracts irrespective of whether they are OTC or exchange traded and irrespective of whether they are cleared with a CCP or not.

Question ID	2013_188
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 429
Paragraph	9
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ANNEX XI REPORTING ON LEVERAGE
Published as Final Q&A	14/02/2014
Subject matter	Leverage Ratio: C45.00 (LRCalc) r010: SFTs exposure according to CRR 220
Question	<p>The exposure for repurchase transactions, securities or commodities lending or borrowing transactions, long settlement transactions and margin lending transactions should be calculated in accordance with Article 220 (1) to (3).</p> <p>Should the volatility adjustments be taken into account for the determination of the leverage ratio exposure value of exposures subject to Article 220?</p>
Background on the question	BCBS guidelines on leverage ratio explicitly mention that for the scope of the leverage ratio no haircut shall apply.
Answer	<p>BCBS rules text on the leverage ratio are neither applicable to the Regulation (EU) No 575/2013 (CRR) nor to the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions an ITS adopted by the European Commission. The CRR leverage exposure for SFTs is indeed not fully calculated the same way as provided by the Basel 3 rules text of December 2010. Note that on 12 January 2014, the Basel rules text on the Leverage Ratio was modified, which might lead to other discrepancies.</p> <p>Article 220 (1) to (3) of the CRR encompasses the volatility adjustments so they should be taken into account when calculating the exposure for the purpose of the CRR leverage ratio.</p> <p>Cash received or any security provided to a counterparty that remain on the balance sheet are included in “Other assets” (C 45.00, r100) because they are “accounting” exposures, therefore they do not need to include volatility adjustments that are calculated for the purpose of a specific credit exposure on SFTs, reported in {C 45.00, r010} or {C 45.00, row 020}.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_266
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 394 (4)
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Art. 14, paragraph 2
Published as Final Q&A	14/02/2014
Subject matter	January and February 2014 figures for the Q1 2014 leverage ratio reporting
Question	Does the leverage ratio Q1 2014 reporting include January 2014 and February 2014 data?
Background on the question	<p>According to “EBA FINAL draft Implementing Technical” published on 26/07/2013, the first quarterly reporting period is Q1 2014 with the first reporting date being 31.03.2014.</p> <p>The template “C 45.00 - LEVERAGE RATIO CALCULATION (LRCalc)” requires data to be reported for each month of the current reporting quarter. This means that exposures and own funds must be calculated for each month within this quarter. Is there an exception for the first quarter 2014 so that this monthly information only needs to be delivered for March 2014 or must this template also include information on the months January 2014 and February 2014?</p>
Answer	The first data submission should include the end-of-month data for Q1 2014 (i.e. January 2014, February 2014 and March 2014) unless the derogation of Article 499(3) of Regulation (EU) No 575/2013 (CRR) applies.

Question ID	2013_398
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	430 (1)
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XI 5 C40.00 (r50;cXX)
Published as Final Q&A	21/03/2014
Subject matter	Alternative treatment of the exposure measure: Credit derivatives (protection bought)
Question	How do we have to report the CDS of the banking book?
Background on the question	<p>As they are booked as a received guarantee on the off-balance sheet, they do not constitute an asset on the balance sheet, they should not be reported in the column 10- accounting value.</p> <p>Do we have then to report them in column 70- Nominal amount or is it required to maintain a coherence versus column 10- accounting value and we should not report them?</p> <p>Do we have then to report them in column 50 - Add'on or is it required to maintain a coherence versus column 1- accounting value and we should not report them?</p>
Answer	The instructions are explicit in requiring an inclusion of both banking book and trading book positions in row 050 of the table C 40.00. For positions that are not recognized on the balance sheet, the accounting values (columns 010 and 020) can be considered to be zero. However, the add-on amounts (column 050) and notional amounts (columns 070 to 110) for these positions need to be reported.

Question ID	2013_399
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	430
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XI 8 C43.00 (r70;cXX)
Published as Final Q&A	21/03/2014
Subject matter	Breakdown of leverage ratio exposure measure components: other assets belonging to the trading book
Question	In Column 1 - exposure value, we report the accounting positions of the balance sheet (e.g. shares and bonds of the trading book), but the positions in the MRM model to calculate RWA do not provide from accounting. Moreover the scope of column 2- RWA is broader than other assets of the trading book as it includes also FX positions, index, derivatives. How should we report?
Background on the question	There is a distortion between exposures and RWA.
Answer	Based on the instructions, the amount reported in column 020 of row 070 of the table C 43.00 is defined as "Own fund requirements multiplied by 12.5 of items subject to Title IV of Part Three of the CRR". Indeed, this amount reflects a variety of market risks.

Question ID	2013_397
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	430 (1)
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XI 5 C40.00 (r60;c70)
Published as Final Q&A	28/03/2014
Subject matter	Alternative treatment of the exposure measure: Notional amount
Question	Is the scope of products limited to the scope for calculation of credit equivalent (without FX contracts < 14 days, without future, written options...) or not?
Background on the question	How can we maintain coherence of the line as there are values sourcing from Credit Risk and Finance with different scopes?
Answer	<p>According to the description in Section 5 of Annex XI of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, the cell {C40.00, r060, c070} provides the notional amount of the contracts listed in Annex II of the Regulation (EU) No. 575/2013 (CRR) i.e. without any exception related to maturity or other circumstances.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_551
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 429
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XI - Leverage Ratio Templates
Published as Final Q&A	04/04/2014
Subject matter	COREP: template C 43.00 - Breakdown of leverage ratio exposure measure components
Question	On which row of template C 43.00 (LR4) should institutions report 'cash received or securities provided to a counterparty' as referred to in the reporting instructions of C 45.00 (LRCalc) - rows 010/020
Background on the question	<p>The reporting instructions of C 45.00 indicate that for SFT exposures (row 010 & 020) :</p> <p>'Institutions shall not include in this field cash received or any security that is provided to a counterparty via the aforementioned transactions and is retained on the balance sheet (i.e. the accounting criteria for derecognition are not met). Institutions shall instead include those items in {100, 1}, {100, 2} and {100, 3}.'</p> <p>Template C 43.00 (LR4) requires an alternative breakdown of the leverage ratio exposure measure. For row 060 of LR4, there is a reference to the values as calculated in as {LRCalc;010;3,} and {LRCalc;020;3,} .</p>
Answer	In the C 43.00 template, securities that are provided to a counterparty, but continue to be included in the leverage ratio exposure measure of the providing institution, should be included either in row 070 (for securities held in the trading book) or classified according to obligor (for securities held in the banking book). The same applies to cash received.

Question ID	2013_584
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory Reporting
Article	430
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XI - reporting on leverage
Published as Final Q&A	11/04/2014
Subject matter	Reporting of assets that are deducted from own funds but included in the exposure measure in LR calc (template C 45.01) in the LR4 (template C 43.00)
Question	Where in the LR 4 (template C 43.00) should the institution report assets, included in the exposure measure in the LR calc (template C 45.01), which are deducted from own funds?
Background on the question	<p>According to the formula on page 25 of the Final draft ITS on Supervisory reporting (Annex XI – Instructions on leverage) an institution shall uphold the following:</p> $\begin{aligned} & \{ \{ \text{LRCalc};010;3 \} + \{ \text{LRCalc};020;3 \} + \{ \text{LRCalc};030;3 \} + \{ \text{LRCalc};040;3 \} + \{ \text{LRCalc};050;3 \} + \{ \text{LRCalc};060;3 \} \\ & \} + \{ \text{LRCalc};070;3 \} + \{ \text{LRCalc};080;3 \} + \{ \text{LRCalc};090;3 \} + \{ \text{LRCalc};100;3 \} = \\ & \{ \{ \text{LR4};010;1 \} + \{ \text{LR4};040;1 \} + \{ \text{LR4};050;1 \} + \{ \text{LR4};060;1 \} + \{ \text{LR4};070;1 \} + \{ \text{LR4};080;1 \} + \{ \text{LR4};080;2 \} + \{ \text{LR4}; \\ & \text{LR4};090;1 \} + \{ \text{LR4};090;2 \} + \{ \text{LR4};140;1 \} + \{ \text{LR4};140;2 \} + \{ \text{LR4};180;1 \} + \{ \text{LR4};180;2 \} + \{ \text{LR4};190;1 \} + \{ \text{LR4}; \\ & \text{LR4};190;2 \} + \{ \text{LR4};210;1 \} + \{ \text{LR4};210;2 \} + \{ \text{LR4};230;1 \} + \{ \text{LR4};230;2 \} + \{ \text{LR4};280;1 \} + \{ \text{LR4};280;2 \} + \{ \text{LR4};29 \\ & 0;1 \} + \{ \text{LR4};290;2 \} \end{aligned}$ <p>which means that the exposure measure (SFT, derivatives and other assets) from the template LR calc BEFORE the subtraction of "regulatory adjustments" should equal the total exposure measure in the template LR4 (alternative breakdown of the leverage ratio exposure measure components).</p> <p>That means that all assets (including those that are deducted from own funds) would have to be considered in the template LR4.</p> <p>We are interested where in the template LR4 should these assets, which are deducted from own funds, be reported?</p> <p>Looking at the breakdown of the template LR4 the only plausible item class for the inclusion of the assets that are deducted from capital seems to be "other exposures" in the row {290}.</p> <p>However the instruction for the row {290,1} - SA "other exposures" defines the contents of this row as: "the leverage ratio exposure amount of assets categorised in the exposure classes listed in Article 112(k),(m), (n), (o), (p) and (q).</p> <p>But even point (q) "other items" (Article 134 of the CRR) does not include for example "intangibles".</p> <p>Additionally: As we understand the Article 113 in connection with the Article 112 of the CRR is the categorisation of items deducted from own fund in the exposure classes not required.</p>
Answer	To ensure consistency of the different tables in the leverage ratio reporting requirements, assets that are deducted from own funds but cannot be categorised otherwise should be included in the row {290} of the C 43.00 template (LR4) even if such a categorisation is not required for determining risk-based own funds requirements.

7. Liquidity

Question ID	2013_106
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 415
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Article 18, paragraph 7
Published as Final Q&A	14/02/2014
Subject matter	Liquidity: First submission date for Stable Funding template
Question	<p>EBA-ITS-2013-02 Article 18 (7) states:</p> <p>"for the period from 31 March 2014 to 31 December 2014 as a deviation from point (a) of Article 3 (1) the reporting remittance date relating to monthly reporting shall be the 30th calendar day after the reporting reference date".</p> <p>This would mean that the first submission of the LCR template should be by 30 April 2014, but we question whether this should also apply for the first submission of the SFR template? As things stand, it would appear that the first submission of the SFR template should be in line with Article 18 (6).</p>
Background on the question	We think it makes sense that SFR first submission date should be aligned with LCR as opposed to being aligned with other quarterly COREP templates.
Answer	<p><u>Article 18 first paragraph of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS) states that the first remittance date for information with a quarterly reporting frequency (which according to article 16 thereof, also includes the reporting on stable funding) relating to reference date 31 March 2014 shall be 30 June 2014 at the latest.</u></p> <p><u>Article 18 second paragraph of the ITS states that information to be reported on a monthly basis (which according to article 15(1) thereof, also includes the liquidity coverage requirement) relating to reference date 31 March 2014 shall be 30 June 2014 at the latest. First reference date for liquidity coverage requirement will be 31 March 2014 according to Article 19 paragraph 4 of the ITS.</u></p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p> <p>Article 18 of the Draft ITS on Supervisory reporting state that the first remittance date for information with a quarterly reporting frequency (which according to article 16 thereof, also includes the reporting on stable funding) shall be: – the 30 May at the latest for information to be reported on an individual basis; – and the 30 June at the latest for information to be reported on a consolidated basis.</p>

	<p>Information to be reported on a monthly basis, such as that on the liquidity coverage requirement, shall first be reported at the latest by the 30th calendar day after the 31 March 2014, i.e. by the 30 April 2014, according to article 18 of the ITS.</p>
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Question ID	2013_150
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	3
Subparagraph	(a)
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS, Annex XIII Part 2 outflows notes to rows 960 990
Published as Final Q&A	14/02/2014
Subject matter	Liquidity: Instructions on reporting outflows in relation to custody, clearing and cash management
Question	<p>Are the reference to the Basel rules correct?</p> <p>Looking at the January 2013 Basel document, paragraphs 75 and 76 referred to in the instructions do not appear to be the relevant in this context, as they refer to stable retail deposits.</p>
Background on the question	Deposit outflows under article 422 (3a) and (4)
Answer	<p>The cross reference in Annex XIII. Part 2, notes to rows 960 to 990 of the C 52.00 template is incorrect and still refers to the Basel LCR framework of December 2010 where operational relationships were addressed in paragraphs 75 and 76. In the final rules text from January 2013 the new definitions of clearing, custody and cash management relationship are in paragraphs 101 to 103 and now reads as follows:</p> <p><i>101. A clearing relationship, in this context, refers to a service arrangement that enables customers to transfer funds (or securities) indirectly through direct participants in domestic settlement systems to final recipients. Such services are limited to the following activities: transmission, reconciliation and confirmation of payment orders; daylight overdraft, overnight financing and maintenance of post-settlement balances; and determination of intra-day and final settlement positions.</i></p> <p><i>102. A custody relationship, in this context, refers to the provision of safekeeping, reporting, processing of assets or the facilitation of the operational and administrative elements of related activities on behalf of customers in the process of their transacting and retaining financial assets. Such services are limited to the settlement of securities transactions, the transfer of contractual payments, the processing of collateral, and the provision of custody related cash management services. Also included are the receipt of dividends and other income, client subscriptions and redemptions. Custodial services can furthermore extend to asset and corporate trust servicing, treasury, escrow, funds transfer, stock transfer and agency services, including payment and settlement services (excluding correspondent banking), and depository receipts.</i></p> <p><i>103. A cash management relationship, in this context, refers to the provision of cash management and related services to customers. Cash management services, in this context, refers to those products and services provided to a customer to manage its cash flows, assets and liabilities, and conduct financial transactions necessary to the customer's ongoing operations. Such services are limited to payment remittance, collection and aggregation of funds, payroll administration, and control over the disbursement of funds.</i></p>

Question ID	2013_183
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XIII, part 5.2, paragraph 6
Published as Final Q&A	14/02/2014
Subject matter	NSFR: Calculation of liabilities and receivables from derivatives if there is no netting agreement
Question	NSFR: How should the amount of liabilities and receivables from derivatives be calculated if there is no netting agreement with the counterparty?
Background on the question	<p>According to the instructions for the NSFR template the liabilities and receivables from derivatives should be calculated according to regulatory netting rules: See Annex III, paragraph 6, template row 240 (liabilities from derivatives payables contracts) and 1290 (derivatives receivables)</p> <p>"An institution will usually have both net derivatives liabilities (i.e. payables) and net derivative assets (i.e. receivables) on its balance sheet. Institutions shall calculate these according to regulatory netting rules, not accounting rules, and report the amounts in both template 1.1. "Required funding" and template 1.2 "Stable funding" accordingly".</p> <p>How do we have to calculate the amount if there is no netting agreement with the counterparty? Can we report the booking value from the balance sheet or do we have to assume a netting agreement?</p>
Answer	<p>The instructions (Annex XII. Part 5, point 6 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting) state that netting should be done according to regulatory rules, and not according to accounting rules.</p> <p>If no netting set actually exists, institutions should not assume any fictional netting set for the purpose of this reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_348
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XIII - stable funding and Annex XII, table C 60.00 and C 61.00
Published as Final Q&A	14/02/2014
Subject matter	Derivatives reporting in stable funding
Question	On page 9 (2.1 - 6) it is stated that the derivatives payables and receivables is to be reported according to regulatory netting rules, not accounting rules, (applicable for both categories), which means that the summation of the categories are not going to be neither the same, nor add up to the total assets. Please clarify the amount to be reported for derivatives, and how the control for templates 60 and 61 will work.
Background on the question	In Annex XIII-Instructions on Stable Funding there is a discrepancy in regards to what is to be reported. On page 1 (1.1 - 2) it is stated that the amounts reported in the category "items providing stable funding" should reflect the size of the institutions' total assets, and on page 8 (2.1 - 2) it is similarly stated that the category "items requiring stable funding" should reflect the size of total own funds and liabilities together, hence these two categories should both add up to the same amount before weighting. However, on page 9 (2.1 - 6) it is stated that the derivatives payables and receivables is to be reported according to regulatory netting rules, not accounting rules, (applicable for both categories). which means that the summation of the categories are not going to be neither the same, nor add up to the total assets.
Answer	<p>Referring to the instructions (Annex XIII, Part 5: Stable Funding of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting), paragraph 1.1.2 states that the total amount of all own funds and liabilities reported on an institution’s balance sheet shall reflect the size of the institution’s total assets. At the same time, paragraph 2.1.2 stresses that the total amount of assets shall reflect the size of total own funds and liabilities together. Without prejudice of the provision under Article 521(2)(b) of Regulation (EU) No. 575/2013 (CRR) according to which institution shall apply Article 413(1) from 1st January 2016, the objective of reporting on stable funding is to monitor both total Required Stable Funding (RSF) and total Available Stable Funding (ASF).</p> <p>The treatment of derivatives payables and receivables under paragraph 2.1.6 refers clearly to balance sheet items (“An institution will usually have both net derivatives liabilities (i.e. payables) and net derivative assets (i.e. receivables) on its <i>balance sheet</i>”). Off-balance sheet items are not to be taken into account in the reporting templates C 60.00 and C 61.00. All net derivative positions should be calculated according to regulatory netting rules, not accounting rules. Consequently the divergence of total RSF and total ASF could be based predominantly on the difference in regulatory netting rules and accounting rules. It should be acceptable for total RSF to diverge slightly from total ASF.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of</i></p>

	<i>transparency, revisions are highlighted in track changes.</i>
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Question ID	2013_373
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	14/02/2014
Subject matter	Reporting of amounts 'representing claims or guaranteed by multilateral development banks'
Question	There appears a possible inconsistency in relation to the reporting of Row 610 on the outflows template 'representing claims on or guaranteed by multilateral development banks' and the corresponding instructions. In particular, the instructions make reference to 'representing claims on, or claims guaranteed by, the Bank of International Settlements, the International Monetary Fund, the European Union, the European Financial Stability Facility, the European Stability Mechanism or multilateral development bank' and not therefore only multilateral development banks. Can the EBA advise whether there is an error in the reporting template or instructions or whether this is indeed intended to be the case?
Background on the question	Please refer to background provided in the question above.
Answer	The reporting template C 52.00 "Liquidity Coverage- Outflows" in its row 610 refers to "multilateral development banks" other than those subject to a 0% risk weight. The instructions will be amended accordingly.

Question ID	2013_407
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	421
Paragraph	1
Subparagraph	a - b
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	17
Published as Final Q&A	21/03/2014
Subject matter	Doubt about Annex XV - Validation Rules
Question	<p>The validation rules test if the sum of NSFR ({{C 61.00.b, r040, (c010-050}}) is equal to the sum of LCR ({{C 52.00.a, c010, (r020-030}}). In my opinion this condition is NOT always valid.</p> <p>In LCR ({{C 52.00.a, c010, (r020-030}} I have understood to report the AMOUNT of retail deposits which have open maturity OR maturity within 30 days (considering all possible prepayment clauses). This is the amount which has to be multiplied by "at least" 5% in order to calculate the corresponding OUTFLOW.</p> <p>At the same time in LCR ({{C 52.00.a, c010, (r020-030}} we do NOT report the AMOUNT of retail deposits having maturity beyond 30 days without any prepayment clause.</p> <p>Consequently in LCR ({{C 52.00.a, c010, (r020-030}} there is NOT the FULL perimeter of retail deposits.</p> <p>Then it is NOT possible to compare the LCR amount with the NSFR ({{C 61.00.b, r040, (c010-050}}), where the FULL perimeter is actually reported (FULL maturity profile).</p> <p>So, have you considered the possibility to have retail deposits with maturity beyond 30 days without any prepayment clause?</p>
Background on the question	Need to clarify the correct amounts to be reported in LCR ({{C 52.00.a, c010, (r020-030}}).
Answer	<p>In essence, as stated in Annex XIII. Part 2. paragraph 3 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions^{ITS}, non-maturity deposits and deposits with maturity beyond 30 days, that cannot be withdrawn without a penalty as described in Article 421 (5), are exempt from being reported under the outflow template of the liquidity coverage requirement, but should be reported under items providing stable funding template.</p> <p>Consequently r040-r060 of C61.00.b should include deposits that meet the criteria of Article 421 (5), but if not would have been treated according to the rules of Article 421-(1)-421(2).</p> <p>The correct validation rules should therefore be:</p> <ul style="list-style-type: none"> v1541_m: $\text{sum}(\{\{C 61.00.b, r040, (c010-050)\}) \geq \text{sum}(\{\{C 52.00.a, c010, (r020-030)\})$ v1542_m: $\text{sum}(\{\{C 61.00.b, r050, (c010-050)\}) \geq \text{sum}(\{\{C 52.00.a, (r040-050), c010\})$

<ul style="list-style-type: none">• v1543_m: $\text{sum}\{\{C\ 61.00.b, r060, (c010-050)\}\} \geq \text{sum}\{\{C\ 52.00.a, c010, (r060-090)\}\}$• v1548_m: $\text{sum}\{\{C\ 61.00.x, r040, (c010-050)\}\} \geq \text{sum}\{\{C\ 52.00.w, c010, (r020-030)\}\}$• v1549_m: $\text{sum}\{\{C\ 61.00.x, r050, (c010-050)\}\} \geq \text{sum}\{\{C\ 52.00.w, (r040-050), c010\}\}$• v1550_m: $\text{sum}\{\{C\ 61.00.x, r060, (c010-050)\}\} \geq \text{sum}\{\{C\ 52.00.w, c010, (r060-090)\}\}$ <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_431
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	427
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XV, row 1160 - 1178
Published as Final Q&A	21/03/2014
Subject matter	Validation Rules
Question	Can the validation rules (in Annex XV, from row 1160 till 1178) for the template C61.00 'Stable funding - items providing stable funding' be deleted?
Background on the question	There are validation rules foreseen between the template C61.00 'Stable funding - items providing stable funding' and the template C52.00 'Liquidity coverage - outflows'. But the scope of these 2 templates are different. In the template C61.00 we have to mention all the amounts (in several timebuckets), while in template C52.00 we only have to mention the amounts that fall in timebucket 'within one month'. This means that the validation rules can never work, and that the template C61.00 will always be in error at our national bank.
Answer	<ul style="list-style-type: none"> • Validation rules v1536_m and v1537_m are consistency checks between own funds in COREP and Stable Funding and shall be maintained. • Validation rules v1538_m, v1539_m and v1540_m are checks between templates C 51.00 (Liquidity coverage - Liquid assets) and C 60.00 (NSFR - Items requiring stable funding) and shall be maintained. • Deposits reported in templates C 52.00 and C 61.00 include sight and other deposits without maturity received by the institution. The deposits reported in the template C 52.00 refer indeed to the outstanding amount of deposits and not only to the part maturing in less than 30 days. The amounts reported should then be similar. However, as stated in Annex XIII. Part 2. paragraph 3 of the ITS, non-maturity deposits and deposits with maturity beyond 30 days, that cannot be withdrawn without a penalty as described in Article 421 (5), are exempt from being reported under the outflow template of the liquidity coverage requirement, but should be reported under items providing stable funding template. Therefore validation rules v1541_m, v1542_m, v1543_m (also applicable to v1548_m, v1549_m and v1550_m for the reporting in significant currencies) should be changed as follows: <ul style="list-style-type: none"> ○ v1541_m: $\text{sum}(\{\{C 61.00.b, r040, (c010-050)\}) \geq \text{sum}(\{\{C 52.00.a, c010, (r020-030)\})$ ○ v1542_m: $\text{sum}(\{\{C 61.00.b, r050, (c010-050)\}) \geq \text{sum}(\{\{C 52.00.a, (r040-050), c010\})$ ○ v1543_m: $\text{sum}(\{\{C 61.00.b, r060, (c010-050)\}) \geq \text{sum}(\{\{C 52.00.a, c010, (r060-090)\})$ ○ v1548_m: $\text{sum}(\{\{C 61.00.x, r040, (c010-050)\}) \geq \text{sum}(\{\{C 52.00.w, c010, (r020-030)\})$ ○ v1549_m: $\text{sum}(\{\{C 61.00.x, r050, (c010-050)\}) \geq \text{sum}(\{\{C 52.00.w, (r040-050), c010\})$ ○ v1550_m: $\text{sum}(\{\{C 61.00.x, r060, (c010-050)\}) \geq \text{sum}(\{\{C 52.00.w, c010,$

	<p>(r060-090))</p> <ul style="list-style-type: none">• Validation rules regarding secured financing transactions do not ask for equality, but only requires secured transaction reported in template C 61.00 to be equal or higher than transactions reported in template C 52.00. Therefore validation rules v1544_m, v1545_m, v1546_m (also applicable to v1551_m, v1552_m, v1553_m for the reporting in significant currencies) shall be left unchanged.• The same applies to v1547_m (total) and v1554_m (significant currencies) regarding derivative payables. The amount reported in template C 52.00 only comprises payables within a 30 day period calculated on a net basis and net of received collateral constituted by liquid assets in template C 52.00, while collateral constituted by liquid assets is not excluded in template C 61.00 but comprises payables for all maturity buckets. Therefore these validation rules shall be maintained.
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Question ID	2013_438
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	3
Subparagraph	a
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XII, C.51.00
Published as Final Q&A	21/03/2014
Subject matter	Reporting of liquid assets as per annex III CRR
Question	Should items under lines 3.1, 3.2, 3.9 and 3.10 in section 3 of the C51.00 template be reported up to their amount, as items under 1.1, 1.2, 1.5 and 1.6 lines, or at their market value as specified in the template?
Background on the question	Instructions pertaining to template C51.00 (Liquid Assets) specify that the items under lines 3.1, 3.2, 3.9 and 3.10 shall be reported, as it is the case for lines 1.1, 1.2, 1.5 and 1.6, up to their amount, while the template asks for their market value instead (cf. the columns where these lines have to be reported are named "Market value" and "Value according to Article 418 of CRR").
Answer	In the C 51.00 template (Liquid Assets), the items under lines 3.1, 3.2, 3.9 and 3.10 shall be reported up to their amount, as specified in the instructions, and not at their market value as the headings of the template suggests.

Question ID	2013_439
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	3
Subparagraph	a
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XII, C.51.00
Published as Final Q&A	21/03/2014
Subject matter	Reporting of liquid assets as per annex III CRR
Question	In the C51.00 liquid assets template, should columns 030 and 040 be greyed out for rows 340 to 360 and columns 010 and 020 be greyed out for rows 370 to 390?
Background on the question	Items reported under rows 340 to 360 are assets of extremely high liquidity and credit quality. There is no purpose to report any of those assets in columns 030 and 040, which are only used for assets of high liquidity and credit quality. In a similar way, items reported under rows 370 to 390 are of high liquidity and credit quality. There is no purpose to report any of those assets in columns 010 and 020, which are only used for assets of extremely high liquidity and credit quality.
Answer	<p>Transferable assets of extremely high liquidity and credit quality reported under rows 340 to 360 in C 51.00 are obviously of extremely high liquidity and credit quality, and have to be reported only in columns 010 and 020 of this template. Therefore, columns 030 and 040 should be greyed out in lines 340 to 360 in C.51.00.</p> <p>In a similar way, transferable assets of high liquidity and credit quality should be reported only in columns 030 and 040, as assets of extremely high liquidity and credit quality would have already been reported above. Therefore, for the sake of clarity, columns 010 and 020 shall be greyed out in lines 370 to 390 of the C.51.00 template in the next available version of the Regulation (EU) No 680/2014 – ITS on supervisory reportingITS on Supervisory reporting.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_466
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Art. 116 & Art. 120
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Art. 116 & Art. 120
Published as Final Q&A	21/03/2014
Subject matter	0% Risk Weight Exposure Public Sector Entities
Question	In reference to the requirement under ID 3.3.4 transferable securities with a 0% risk weight... representing claims on or claims guaranteed by non-central government public sector entities (Annex XII – Liquidity ration template). Under Chapter 2, Title II of Part Three, Exposures to public sector entities shall be assigned a risk weight as per Art. 116 or as per Art. 116(2) shall treat in accordance with Art. 120. In any case, none of this guidance indicates a 0% Risk Weigh for public sector entities.
Background on the question	The only time that I can see public sector entities attracting a 0% RW is in Art. 116(4), and even then, if the public sector entities are treated as exposure to that jurisdiction central government which may attracting a 0% Risk Weigh, it would then be reported under 3.3.2. claims guaranteed by sovereigns
Answer	Items reported under section 3 of the template C.51.00 are those listed in Annex III of the Regulation (EU) n°575/2013 (CRR). Claims on or guaranteed by non-central government public sector entities with a 0% risk weight shall be reported in line 3.3.4. This might happen when exposures to these public sector entities are treated as exposures to the central government, regional government or local authority in whose jurisdiction they are established according to article 116 paragraph 4 of the CRR. In this case, they still have to be reported as exposures to PSE and not as exposures to sovereigns, even if they benefit from the treatment of sovereigns. In a similar way, exposures to regional governments or local authorities with a 0% risk weight shall still be reported as such and not as exposures to sovereigns. Claims on or guaranteed by non-central government public sector entities with a 20% risk weight shall be reported in line 3.5.4.

Question ID	2013_274
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XII, C 51.00 & C 53.00
Published as Final Q&A	28/03/2014
Subject matter	Reporting of repos and reverse repos with underlying liquid asset collateral
Question	Clarification on the reporting of repos and reverse repos with underlying collateral which is eligible for inclusion in the liquid asset buffer is needed. In particular, CRR Article 416 allows for unencumbered assets obtained through reverse repo transactions to be included within the pool of liquid assets and greater clarity is needed therefore on how these should be reported on C51.00 and C53.00.
Background on the question	The reporting of collateral obtained under repo and reverse repo transactions which is eligible for inclusion in the liquid assets buffer is not clear.
Answer	<p>Liquid assets received through secured lending and capital market-driven transactions shall be reported in one of the six sections of the relevant template C 51.00 taking into account the appropriate valuation with reference to Art. 418 of Regulation (EU) No 575/2013 (CRR) (see Q&A 322). Assets restricted by Art. 416 (2) (b) of the CRR shall not be considered liquid assets.</p> <p>With reference to C 52.00, ID 1.2.2 (rows 120 to 950), the column “Amount due” shall comprise the total amount of the secured lending and capital market-driven transactions maturing over the next 30 days whereas in the column “Value according to Art. 418 CRR” the relevant market value of the assets that are provided as collateral under the secured lending and capital market-driven transactions specified in the “Amount due” column after the appropriate haircut should be reported. Both amounts are needed for determining the outflows for this type of transactions in accordance with the provisions in Article 422(2) of the CRR. The amounts reported in the “amount due” column should not be identified with the “outflows” for the purpose of monitoring the LCR.</p> <p>With reference to C 53.00, ID 1.6 (rows 120 to 930), the column “Amount due” shall comprise the total amount of the secured lending and capital market-driven transactions maturing over the next 30 days whereas the column “market value of the asset securing the transaction” shall correspond to the market value of assets received as collateral for the secured lending and capital market-driven transactions specified in the “Amount due” column net of the haircuts applicable in accordance with Article 418 of the CRR. The heading of the columns c020, c040 and c060 in C 53.00 will be changed to “Value according to Art. 418 CRR” in next available version of the Regulation (EU) No 680/2014 – ITS on Supervisory Reporting of institutions ITS on Supervisory reporting to avoid the confusion about its content. Both amounts are needed for determining the inflows for this type of transactions in accordance with the provisions in Article 425(2)(d) of the CRR. The amounts reported in the “amount due” column should not be identified with the “inflows” for the purpose of monitoring the LCR.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final</i></p>

	<p><i>ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_322
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	424
Paragraph	5
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XII, C52.00 r1260-1330, c020
Published as Final Q&A	28/03/2014
Subject matter	Reporting of credit & liquidity facilities art 424.(5)
Question	What amount should be included in the column 'outflow', rows 1260-1330 of template C.52 ?
Background on the question	<p>According to article 424.5, institutions shall report the maximum amount that can be drawn of other undrawn committed facilities and undrawn committed liquidity facilities within the next 30 days.</p> <p>In template C52 these facilities are included in rows1260-1330. Two columns need to be completed: the 'amount' and 'outflow' column. The maximum amount referred to in article 424.5 will be included in column 'amount'. However, as there is no outflow percentage provided for these facilities, it is unclear what amount is to be reported in the outflow column (if to be completed).</p>
Answer	The “Outflow” column for rows 1260-1330 in template C 52.00 (Liquidity Coverage – Outflows) should be left empty during the monitoring period since the Regulation (EU) No. 575/2013 (CRR) does not prescribe any particular outflow rate for the undrawn committed credit and liquidity facilities that fall under Article 424(5) of the CRR.

Question ID	2013_380
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	28/03/2014
Subject matter	Reporting treatment of forward starting trades
Question	Further clarification on the reporting treatment of forward starting trades would be appreciated. A forward starting trade will have two cash flows, one at the start and one at the maturity of the trade. For example, a forward starting deposit will have an inflow at the start to reflect the deposit being received, while an outflow at maturity to reflect the repayment of the deposit. It is not clear, however, how the flows should be reported.
Background on the question	Please refer to the background provided in the question.
Answer	In deciding about in- and outflow rates the type of the forward starting financial product is crucial. Derivatives captured in Annex II of Regulation 575/2013/EU (CRR) -are treated according to Articles 422(6) and 423(1) to (3) of the CRR. All in- and outflows expected over the 30 day horizon are taken into account on a net basis and an eventual net outflow shall be multiplied by 100%. If the financial products are not included in Annex II, their in- and outflows have to be reported separately and the inflows are subject to the 75% cap. The inflows should be reported only if they are not past due and the institution has no reason to expect a non-performance within the 30-day time horizon according to Article 425(2) of the CRR.

Question ID	2013_406
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Various
Published as Final Q&A	28/03/2014
Subject matter	Inconsistent wording/references between reporting templates and ITS
Question	There are several inconsistencies between the reporting templates and ITS (examples given below) and it would be useful to understand whether the EBA intends to review and update the documents where needed.
Background on the question	<p>Inconsistencies we have identified can be summarised as follows:</p> <p>Q1: Row 710-730 of template C51.00 (Liquid Assets) references 'non-residential MBS' whereas the ITS reference 'asset backed securities'. It is not clear therefore whether 4.4 is supposed to include commercial mortgage backed securities as well as other asset backed securities.</p> <p>Q2: Row 820 of C51.00 references 'funds based on the assets reported in 4.5-4.10' whereas the ITS mentions 'funds based on the assets reported in 4.6-4.10'.</p> <p>Q3: Row 780 of C51.00 refers to gold, whereas ITS refer to 4.7 gold not reported under 3.1.2 (it also references article 414(4)(a) whereas this should read 416(4)(a)).</p>
Answer	<p>Q1: ID 4.4, row 710-730 of C51.00 refers to 'non-residential MBS' whereas the ITS reference 'asset backed securities'. It is not clear therefore whether 4.4 is supposed to include commercial mortgage backed securities as well as other asset backed securities.</p> <p>The information in the instructions relating to the rows: 250-270, 280-300, 710-730 and 740-760 have not been updated accordingly to changes made in the template. The instructions should be amended to reflect the information in the template where non-residential mortgage back instruments (row 250-270 and 710-730) and residential mortgage backed securities (row 280-300 and 740-760) are reported in separate rows.</p> <p>Q2: ID 4.11, row 820 of C51.00 states 'funds based on the assets reported in 4.5-4.10' whereas the instructions under ID 4.11 refers to 'funds based on the assets reported in 4.6-4.10'.</p> <p>The reporting template should be changed to read: 4.6-4.10</p> <p>Q3: ID 4.7, row 780 of C51.00 refers to "gold", whereas the instructions under ID 4.7 refer to "gold not reported under 3.12". The legal reference should read CRR Art. 416(4)(a) and Art. 509(3)(c).</p> <p>The different reporting lines reflect different fulfillment of the operational criteria for the same asset type. Gold has to be reported according to:</p> <ul style="list-style-type: none"> ○ ID 3.12 with reference to Annex III, point 12 of the CRR when it meets the conditions of Art 416 (1)(b) and (d) but not the operational requirements of Article 417(b) and (c); and according to ○ ID 4.7 with reference to Articles 416(4)(a) and 509(3)(c) of the CRR, when it

	<p>meets the operational requirements of Article 417(b) and (c) but not the conditions of Article 416(1)(b) and (d).</p> <p>The template should be changed to read “gold not reported above under 3.1.2” (instead of gold). and the legal references in the instructions should be changed to “Articles 416(4)(a) and 509(3)(c) of the CRR” (instead of Article 414(4)(a)).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_548
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Article 415
Published as Final Q&A	04/04/2014
Subject matter	Article 415 and the treatment of forward starting collateral swaps
Question	<p>Article 415 states "The reporting formats shall include all the necessary information and shall allow EBA to assess whether secured lending and collateral swap transactions where liquid assets referred to in points (a), (b) and (c) of Article 416(1) have been obtained against collateral that does not qualify under points (a), (b) and (c) of Article 416(1) have been properly unwound."</p> <p>I assume "collateral swaps" referred to above does not include forward starting collateral swaps. I.e. collateral swaps that have not yet had an initial exchange of paper.</p>
Background on the question	An answer on this question is required for clarification on the population of Section C 54 under the EBA LCR template.
Answer	<p>Article 415(1) second paragraph of the Regulation (EU) No. 575/2013 (CRR) states that "The reporting formats shall include all the necessary information and shall allow EBA to assess whether secured lending and collateral swap transactions where liquid assets referred to in points (a), (b) and (c) of Article 416(1) have been obtained against collateral that does not qualify under points (a), (b) and (c) of Article 416(1) have been properly unwound."</p> <p>Article 415(1) of the CRR does not explicitly differentiate between forward and spot contracts. Regarding the legal text, the assets must have already been obtained by the institution, which means not only that a contract has been entered into but also that the collateral must have effectively been changed.</p>

Question ID	2013_114
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Article 415
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XII, C 51.00
Published as Final Q&A	11/04/2014
Subject matter	Liquidity: Reporting on liquid assets Annexe XII; C51.00
Question	<p>Let's take a French bank that have an LCR >100% with a liquidity buffer composed by German government bonds.</p> <p>For report C 51.00 (liquidity buffer) the German government bonds should be reported only to 1 of the 6 reporting blocs. As a consequence, German government bonds will be reported in line 340 since they are of extremely high liquidity and of high credit quality. Nothing will be reported into line 440 neither 040. It is that what you expect?</p>
Background on the question	Different possibilities remain to report an extremely highly liquid asset into the liquidity buffer.
Answer	<p>The level of LCR is irrelevant here to determine how and where a given asset has to be reported in C 51.00. It should only depend on the specific characteristics of this asset and to whether it fulfills the operational requirements of Articles 416 and 417 or not.</p> <p>As stated in paragraph 2 in Annex XIII part 1 of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsDraft ITS on Supervisory reporting, assets shall be reported on one of the six sections in C 51.00. The instructions purpose when stating that “All items, with the exception of those referred to in sections 3.1, 3.2 and 3.9, must satisfy the conditions as set out in the last paragraph of that Annex” does not imply that other assets have to be reported twice.</p> <p>The purpose of “supplementary reporting of liquid assets” is the collection of data for evaluating whether or not these assets should be included as liquid assets. Duplicate reporting would hamper that analysis.</p> <p>In the abovementioned example, German government bonds, being transferable assets that are of extremely high liquidity and credit quality, shall only be reported in C 51.00 template in row 340.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_154
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	418
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XII and XIII Liquidity ratios templates and instructions
Published as Final Q&A	30/04/2014
Subject matter	Liquidity: Market value of assets and payments due on liquid assets not reflected in the market value of the asset
Question	Which value is to be reported for liquid assets, the clean price or the dirty price? (CRR Articles 418(1) and 425(7)).
Background on the question	Example: A T-bill with a face value of 100m GBP with a 3% annual coupon, the next coupon payment will fall within the next 30 days. Let's say the clean price is 100m GBP, the dirty price (including accrued interest) is 102.8m GBP.
Answer	For the purpose of the liquidity reporting (templates C 51.00 to C 61.00 of Annex XII), the market value of a liquid asset shall be its "dirty price" (OPTION 1). In the example given, the reporting should be as follows if the asset also matures over the next 30 days: <ul style="list-style-type: none"> the market value of the liquid assets amounts to 102.8 m GBP (its "dirty price") and should be reported in {C 51.00, r040, c010}; the difference between the payments due on liquid assets over the next 30 days (103 m GBP) and its market value (102.8 m GBP) amounts to 0.2 m GBP and should be reported in {C 53.00, r970, c010}.

Question ID	2013_277
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XIII. C 51.00; C 53.00
Published as Final Q&A	30/04/2014
Subject matter	Treatment of repos and reverse repos collateralised by commodities
Question	<p>The current guidance for Section 1.6 of the reporting template, Monies due from secured lending and capital market driven transactions as defined in Article 192, contains the following statement:</p> <p>'Therefore, any transaction in which the institution has provided a collateralised loan in cash, such as reverse repurchase transactions as defined in Article 4(59) of Regulation (EU) No 575/2013, expiring within 30 days, shall be reported in this section'.</p> <p>The ITS guidance states that this section relates to rows 120-930, however we not believe that these rows contain categories that cover the treatment of repos and reverse repos collateralized by commodities stocks such as aluminum, nickel, carbon credits etc. Clarification is therefore needed on the reporting of such transactions.</p>
Background on the question	A field already exists within the Basel reporting template for the reporting of repo and reverse repo transactions that are collateralised by 'other' collateral such as commodities and commodities related transactions.
Answer	<p>The next available version of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionsITS on Supervisory shall add a new row in Section 1.6 of C 53.00 template (Liquidity Reporting – Inflows) for the reporting for the monies due from secured lending and capital market driven transactions collateralised by assets other than those listed in rows 120-930.</p> <p>As long as the above mentioned amendment is not implemented, this type of transactions shall be reported in row 980 (“Other inflow”).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_378
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	415
Paragraph	1
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	N/A
Published as Final Q&A	30/04/2014
Subject matter	Inclusion of transactions between trade and settlement dates
Question	<p>We would welcome clarification on the reporting of transactions between trade and settlement dates. Firms apply typically a contractual approach which results in inflows and outflows being grossed up and subject to the 75% inflow cap - this means that a liquid asset requirement of 25% applies to trades that settle to a zero position or have a net cash flow of zero.</p> <p>For example, a bank might enter a trade to purchase a \$100m bond from counterparty A, settlement at t+3. The bank also enters into an addition trade to sell the same bond to counterparty B with settlement also occurring at t+3. Both cash flows will occur on day 3 and net to zero and the balance sheet position will also be zero. However, if the inflows and outflows were reported separately then the 75% inflow cap would apply.</p>
Background on the question	Please refer to the background provided in the question above.
Answer	Each business transaction has to be seen as a single separate transaction within the LCR framework. Therefore a grossing up of in- and outflows is applied, apart from derivatives payables and receivables in application of Article 422.6 of the CRR. Eventually inflows could be subject to the 75% inflow cap. There is no need for a prudential easing in form of a netting provision for a sample of unsettled trades.

Question ID	2013_673
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	413
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	413
Published as Final Q&A	30/04/2014
Subject matter	Capital deductions
Question	The NSFR return (tab 60) requires us to report in row 1310 (ID 1.13) the "assets deducted from own funds not requiring stable funding" in 'age' buckets. How do we age capital deductions?
Background on the question	The NSFR return (tab 60) requires us to report assets deducted from capital, in 'age' buckets. How do we age capital deductions?
Answer	<p>Consistent with the treatment of own funds after deductions in rows 010 and 020 in C 61.00 (Stable funding – Items providing stable funding), assets deducted from own funds, that do not require stable funding shall be reported in the ‘after 12 months’ bucket, that is in {C 60.00, r1310, c050}.</p> <p>To appropriately take into account this treatment in C60.00 (Stable funding – Items requiring stable funding), the irrelevant maturity buckets (row 1310, col 010 to 040 in C 60.00) shall be greyed out in next available version of the Regulation (EU) No 680/2014 – ITS on Supervisory Reporting of institutionsITS on Supervisory reporting, consistently with the greyed maturity buckets in C 61.00 (rows 010 and 020, col 010 to 040).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2014_725
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	422
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XIII, C.52.00
Published as Final Q&A	30/04/2014
Subject matter	Reporting Market Value in liabilities resulting from secured lending and capital market driven transactions as defined in Article 192 (C 52.00 template)
Question	What is the difference between Market Value in column 010 and values in columns 030, 050, 080 and 100?
Background on the question	<p>In "Annex XIII Instructions outflows" doesn't describe data to fulfill in column 010 "Market Value" for rows 120-950. On the other hand columns 030, 050, 080 and 100 are described as the value according to Article 418 REGULATION (EU) NO 575/2013 of the asset securing the transaction.</p> <p>We have three options:</p> <ul style="list-style-type: none"> - Column 010 is the sum of Columns 030, 050, 080 and 100 - Column 010 is total Market value before applying haircuts according to Article 418 - Column 010 is total Market Value and Columns 030, 050, 080 and 100 are outflows from liabilities resulting from secured lending
Answer	<p>The "market value" to be reported in column 010 of C 52.00 template for rows 120 to 950 refers to the market value of the collateral securing the transaction, as observed at the reporting reference date by the reporting institution.</p> <p>The "value according to Art. 418 CRR" to be reported in column 030, 050, 080 or 100 of C 52.00 template for rows 120 to 950 is the market value of the collateral securing the transactions according to article 418 of the Regulation (EU) No 575/2013 (CRR), where it is defined as "<i>its market value, subject to appropriate haircuts that reflect at least the duration, the credit and liquidity risk and typical repo haircuts in periods of general market stress. The haircuts shall not be less than 15% for the assets referred to in point (d) of Article 416(1).</i>"</p>

Question ID	2014_717
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	416
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Not Applicable
Article/Paragraph	416/1
Published as Final Q&A	27/06/2014
Subject matter	Collateral Swaps Scope
Question	C54 of the LCR covers the collateral swaps. Should this template should only include transactions undertaken by the liquidity management function that are reported in the assets template.
Background on the question	No clear guidance exists on whether the collateral Swaps template (C54) should be all collateral swaps or only those undertaken by the liquidity management function.
Answer	<p>With reference to Art. 415(1) second paragraph of the Regulation (EU) No 575/2013 (CRR), EBA is authorized to obtain information on collateral swap transactions in general. There is no restriction to transactions undertaken by the liquidity management function only.</p> <p>Rather, all collateral swap transactions have to be taken into account where collateral qualifying as liquid assets under points (a), (b) or (c) of Article 416(1) of the CRR are exchanged against collateral that do not qualify as liquid assets under points (a), (b) or (c) of Article 416-1 CRR .</p> <p>According to Art. 417(c) of the CRR, in the context of operational requirements, liquid assets have to be controlled by a liquidity management function. This requirement formulates a condition for assets to be reported as liquid assets rather than a condition for transactions conducted with those liquid assets.</p>

8. DPM

Question ID	2013_326
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	2
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex III, F 12.00
Published as Final Q&A	21/03/2014
Subject matter	Movements in allowances
Question	<p>Assume that we have an opening balance with a collective allowance of 25 (25 % x 100) for an unimpaired loan. The loan becomes impaired and therefore we make a specific allowance of 100 (100 % x 100) during the period. The collective allowance is re-calculated to 0 CU (25% x 0) at end of period. How shall it be reported:</p> <ul style="list-style-type: none"> · Specific allowance on row 090/column 020 of 100? · Collective allowance on row 320/column ??? of -25? · Giving a net on row 530/column 060 of 75, or?
Background on the question	<p>Assume that we have an opening balance with a collective allowance of 25 (25 % x 100) for an unimpaired loan. The loan becomes impaired and therefore we make a specific allowance of 100 (100 % x 100) during the period. The collective allowance is re-calculated to 0 CU (25% x 0) at end of period.</p> <p>It is not clear how allowances should be reported in the templates, se question above.</p>
Answer	<p>According to the sign convention described in paragraph 9 of Annex V of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions^{ITS}, every data point (cell) has a “base item” to which the credit debit attribute is allocated. As all data points in template F 12.00 are described in the DPM as Assets, the opening and closing balance of the allowances (and increases of allowances) should be reported as negative and the decreases of allowances should be reported in positive. Taking into account the above-mentioned criteria, the reporting of the example given shall be as follows:</p> <ul style="list-style-type: none"> • First, concerning the opening balance, it shall be reported the collective allowance (it is understood that the example in the question does not refer to a specific allowance collectively assessed) for -25 in row 320/column 010 • Second, the recognition of the loan as impaired implies that the collective allowance shall have a closing balance of 0 while the specific should have a value

	<p>of 100. Therefore, row 320/column 070 shall show a value of 0 and row 090/column 070 of -100</p> <ul style="list-style-type: none">• To reach these closing amounts, there is an increase in the specific allowance of 75 (-75 in row 090/column 020) and a transfer between allowances of 25 (-25 in row 090/column 050, and the opposite entry, +25, in row 320/column 050). <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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Question ID	2013_601
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Table 20.5, 8.1, 15, 16.1 and 16.7
Published as Final Q&A	30/04/2014
Subject matter	Validation Rules
Question	<p>German Question (Deutsche Frage): Wie sind in den Validation Rules zu Tabelle F 20.05 die Ergänzungen der Tabellenbezeichnungen um die Buchstaben „a“ und „b“ zu interpretieren? Dies betrifft auch die Tabellen F 08.01, F 15.00, F 16.01 und F 16.07.</p> <p>English Question: In the validation rules for table F 20.05, how should the fact that the letters ‘a’ and ‘b’ have been added to the table names be interpreted? This applies also to tables F 08.01, F 15.00, F 16.01 and F 16.07.</p>
Background on the question	Validation Rules
Answer	<p>German Answer (Deutsche Antwort): Die Buchstaben, die den Vorlagenbezeichnungen in Anhang XIV der Verordnung (EU) Nr. 680/2014 – TDS für die aufsichtlichen Meldungen der Institute (TDS) technischen Durchführungsstandards für das bankaufsichtliche Meldewesen hinzugefügt werden, stehen für die verschiedenen Bestandteile, in die eine Vorlage zu Zwecken des Data Point Modelling (DPM) aufgeteilt wird. Diese Aufteilung muss auch bei der Definition der Validierungsvorschriften in Anhang XV der technischen Durchführungsstandards TDS berücksichtigt werden. Insbesondere Vorlage F 20.05 wird in zwei Tabellen aufgeteilt: F 20.05.a (von Spalte 010 bis 020) und F 20.05.b (Spalte 030). Die auf der EBA-Website veröffentlichte Excel-Datei DPM Table Layout and Data Point Categorisation zeigt den Inhalt der einzelnen Tabellen und dient als Anhaltspunkt dafür, wo in den einzelnen Vorlagen die Aufteilungen für die DPM vorgenommen werden.</p> <p>English Answer: The letters added to the template names in Annex XIV of the Regulation (EU) No 680/2014 – ITS on Supervisory Reporting of Institutions ITS on Supervisory reporting (ITS) represent the different parts in which a template is split for the Data Point Modelling purposes (DPM). This split has also to be taken into account for the definition of the Validation Rules in the Annex XV of the ITS. In particular, template F 20.05 is split into two tables: F 20.05a (from column 010 to 020) and F 20.05b (column 030). The excel file DPM Table Layout and Data Point Categorisation published on the EBA website shows the content of each of the tables and is the guide to follow the splits</p>

	<p>made for each template in the DPM.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
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9. Validation Rules

Question ID	2013_152
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS - Annex XV Validation formulas
Published as Final Q&A	14/02/2014
Subject matter	Validation Rules - Mistakes in the Annex XV
Question	<p>- In the validation rules file, a confusion is made between rows and columns in excel columns 'H' and 'I'.</p> <p>- The validation rule for row item 330 of the FINREP template F 01.01 is missing.</p>
Background on the question	I'm trying to add the validation formulae in the regulatory reporting module of the Moody's Analytics solution Risk foundation.
Answer	<p>The Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutionscurrent version of the Draft ITS on Supervisory reporting has corrected the error in the references to columns and rows in its -Annex XV.</p> <p>The validation rule for row item 330 of the F 01.01 shall be $r330 = r340 + r350$ as defined in the Data Point Model hierarchies.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_165
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	ITS - Annex XV Validation formulas
Published as Final Q&A	14/02/2014
Subject matter	FINREP validation rules - references to missing rows
Question	<p>In the Validation Formulae (Appendix XV), there are many rows referred to that do not exist in the template (Appendix III). For example, in table 1.1 it is referred to rows 091, 092, 093, 094, 095, 171, 172, 173, 174, 175, 176, 177, 178, 231, 232, 233, 234, 235, 236 and 237, which do not exist in the template. There are many other similar examples.</p> <p>How should we interpret/handle these validation rules?</p>
Background on the question	We want to check that validation rules are followed before data is submitted, but it's difficult if not all rules are applicable.
Answer	The referred rows are in Annex IV – templates for non-IFRS reporters. The DPM includes both sets of templates in an integrated manner.

Question ID	2013_231
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XV
Published as Final Q&A	14/02/2014
Subject matter	Annex XV Validation formulae, "≡" vs "="
Question	<p>We would like to know what the differences are, for the validation formulae purpose, between the symbols "≡" and "=" . E.g.: Validation {F 20.04, r140, c030} ≡ {F 20.07, r190, c020} (without ID). Does this validation mean that the value of both "boxes" or "line items" is the same or, on the contrary, that the "concept" they both refer to is the same?</p> <p>We thought it was the first option until we bumped into this question. If it were the second alternative, should it appear in the majority of validation links?</p>
Background on the question	A precise guideline is need in regard to this question.
Answer	<p>The symbol "≡", when comparing two cells, refers to cells that respond to the same concept and thus share the same combination of members in the dimensions used to be defined in the DPM. Consequently, they have to be reported only once. They are added in the Annex XV of the Regulation (EU) No 680/2014 – ITS on supervisory reporting of institutions (ITS)Draft ITS on Supervisory reporting for information purposes but are not a validation rule themselves (as they are reported only once, the equality will always work). The symbol "≡" is never used for comparing more than two cells.</p> <p>The symbol "=" is applied to cells that are not defined in the same way in the DPM (they can respond or not to the same concept) but must have the same value. Consequently, they have to be reported separately. They are included in the Annex XV of the Draft ITS for validation purposes.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_514
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	Annex XV
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XV - Validation Formulae
Published as Final Q&A	04/04/2014
Subject matter	Inconsistency in validation rules
Question	<p>1) Between v0532_m and v0533_m. The validation rule is different but they impact the same range of rows (040-090). We believe this range should be removed from rule v0532_m.</p> <p>2) Validation v0534_m sets {c450} = {c440}. We believe the rule should be {c450} >= {c440}.</p> <p>Can you please confirm our understanding in both of these cases?</p>
Background on the question	We have been analysing the validation rules published in your website - Annex XV (Validation formulae) regarding the final ITS on supervisory reporting. For C13.00 there seem to be some inconsistencies.
Answer	<p>1) Rows 040-090 are greyed out for columns 350 and 360 and rows 430-540 are greyed out for columns 330-390. Nevertheless, since the blank cells in v0532_m will be treated as zero according to Annex XV-DPM Validation formulae (see: http://www.eba.europa.eu/regulation-and-policy/supervisory-reporting/implementing-technical-standard-on-supervisory-reporting-data-point-model-), there is no need to remove rows 040-090 and rows 430-540 from the validation rule.</p> <p>2) Validation rule v0534_m for rows (010;020) should read {c440} >= {c450}. Indeed, columns 440 and 450 of CR SEC IRB refer respectively to the total risk weighted exposure amount before cap/after cap, before/after applying the limits specified in Article 260 of CRR (Article 265 of CRR has also to be considered).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>

Question ID	2013_601
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Table 20.5, 8.1, 15, 16.1 and 16.7
Published as Final Q&A	30/04/2014
Subject matter	Validation Rules
Question	<p>German Question (Deutsche Frage): Wie sind in den Validation Rules zu Tabelle F 20.05 die Ergänzungen der Tabellenbezeichnungen um die Buchstaben „a“ und „b“ zu interpretieren? Dies betrifft auch die Tabellen F 08.01, F 15.00, F 16.01 und F 16.07.</p> <p>English Question: In the validation rules for table F 20.05, how should the fact that the letters ‘a’ and ‘b’ have been added to the table names be interpreted? This applies also to tables F 08.01, F 15.00, F 16.01 and F 16.07.</p>
Background on the question	Validation Rules.
Answer	<p>German Answer (Deutsche Antwort): Die Buchstaben, die den Vorlagenbezeichnungen in Anhang XIV der Verordnung (EU) Nr. 680/2014 – TDS für die aufsichtlichen Meldungen der Institute (TDS) technischen Durchführungsstandards für das bankaufsichtliche Meldewesen hinzugefügt werden, stehen für die verschiedenen Bestandteile, in die eine Vorlage zu Zwecken des Data Point Modelling (DPM) aufgeteilt wird. Diese Aufteilung muss auch bei der Definition der Validierungsvorschriften in Anhang XV der technischen Durchführungsstandards TDS berücksichtigt werden. Insbesondere Vorlage F 20.05 wird in zwei Tabellen aufgeteilt: F 20.05.a (von Spalte 010 bis 020) und F 20.05.b (Spalte 030). Die auf der EBA-Website veröffentlichte Excel-Datei DPM Table Layout and Data Point Categorisation zeigt den Inhalt der einzelnen Tabellen und dient als Anhaltspunkt dafür, wo in den einzelnen Vorlagen die Aufteilungen für die DPM vorgenommen werden.</p> <p>English Answer: The letters added to the template names in Annex XIV of the Regulation (EU) No 680/2014 – ITS on supervisory reporting/ITS on Supervisory reporting of institutions (ITS) represent the different parts in which a template is split for the Data Point Modelling purposes (DPM). This split has also to be taken into account for the definition of the Validation Rules in the Annex XV of the ITS. In particular, template F 20.05 is split into two tables: F 20.05a (from column 010 to 020) and F 20.05b (column 030). The excel file DPM Table Layout and Data Point Categorisation published on the EBA website shows the content of each of the tables and is the guide to follow the splits made for each template in the DPM.</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the</i></p>

	<i>references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i>
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10.Asset Encumbrance

Question ID	2013_468
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	100
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	2.1.1. (16v) Derivatives (liabilities)
Published as Final Q&A	21/03/2014
Subject matter	Reporting of derivatives
Question	In the Asset Encumbrance template derivatives with a negative market value should be reported. Have the value of the derivatives be reported after netting?
Background on the question	In the respective bank, derivatives with the same counterparty are netted and collateral is only posted if a negative value results after netting.
Answer	<p>The reporting of assets and liabilities in the templates of asset encumbrance is generally based on the FINREP methodology, implying that it stems from the accounting framework. Consequently, the reporting of derivatives shall follow the same principles as their reporting in FINREP (see Annex V of the Draft ITS on supervisory reporting).</p> <p>To confirm this approach, in the validation rules of the templates on asset encumbrance, the total amount of assets reported in row 010 (columns 010 and 060) template F32.01 must equal the amount reported as “total assets” in template F01.01 of FINREP. That means that there may not be any divergent treatment in the recognition of assets and liabilities between FINREP and asset encumbrance. Paragraph 14, bullet point v of the Draft ITS on Supervisory reporting of asset encumbrance takes this approach when it states that:</p> <p>Collateralised derivatives with a negative fair value are reported as follows:</p> <ul style="list-style-type: none"> • The carrying amount of the derivative is reported as a source of encumbrance in {TF32.04; r020; c010} <p>The collateral (initial margins required to open the position and any collateral placed for the market value of derivatives transactions) are reported as follows:</p> <ul style="list-style-type: none"> • If it is an asset of the reporting institution: its carrying amount is reported in {TF32.01; *; c010} and {AE-SOU; r020; c030}; its fair value is reported in {AE-ASS; *; c040}. • If it is collateral received by the reporting institution, its fair value is reported in {TF32.02; *; c010}, {TF32.04; r020; c030} and {TF32.04; r020; c040}. <p>Regarding the potential for netting different derivative transactions, in case of institution applying IFRS, the principles in paragraphs 42 to 50 and AG38-AG39 of IAS 32 shall apply. If the institution does not follow IFRS but national accounting standards, the national rules for netting apply.</p>

	<p>DISCLAIMER: The present Q&A on Supervisory reporting is provisional. It will be reviewed after the respective Implementing Regulation is in force and published in the Official Journal, which may differ from the text of the relevant draft ITS to which it relates.</p>
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Question ID	2013_491
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	100 and 95a
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	5.2. Template: AE-CB Issuance, covered bonds issuance
Published as Final Q&A	28/03/2014
Subject matter	Reporting of Collateral of Covered Bonds
Question	In the template for the Covered Bonds Issuances, the collateral has to be reported separately for each CB. The respective bank, however, has one cover pool backing several issuances. Should this cover pool be broken down proportionally on each CB or is no breakdown required?
Background on the question	A cover pool with different issuances is backing all those issuances together. It is not possible to assign parts of the pool to each issuance.
Answer	<p>For Part D, the item to be reported separately in template F 35.00 as sets of rows 010 to 040 has to be determined along the perimeter of the protective measures applicable to the reporting institution's covered bond(s) as per the respective national covered bond regime(s). For instance, starting from one arbitrary covered bond in circulation, the reporting item would be constructed from the cover pool backing that covered bond and would expand to all other covered bonds backed by that same cover pool. The definitive perimeter of the reporting item has to reflect the perimeter of each applicable covered bond regime (e.g. depending on whether the applicable covered bond regime would avail a preferential claim of covered bond investors to the portion of a mortgage exceeding a loan-to-value necessary for cover pool eligibility or not, the reporting item would have to include such portion or must not include it).</p> <p>Example 1 – reporting at solo level: Reporting institution is a German Pfandbrief bank; Pfandbriefe in circulation are for each of the types of mortgage Pfandbriefe (Hypothekenspfandbriefe) and public sector Pfandbriefe (Öffentliche Pfandbriefe) multiple issues of bearer bonds (Inhaberpfandbriefe) – different ISINs – and multiple registered Pfandbriefe (Namenspfandbriefe). Since the German Pfandbrief Act applies its protective measures – especially the ring-fencing mechanism in case of insolvency of the issuer – along the perimeter of types of Pfandbriefe in circulation of an issuer (i.e. liabilities from Pfandbriefe of a given type in circulation including cover pool derivatives registered to that type of Pfandbrief's cover pool, and cover assets registered to that type of Pfandbrief's cover pool), the items to be reported were one public sector Pfandbrief cover pool and one mortgage Pfandbrief cover pool. Therefore, in the example given of a bank with several issuances of covered bonds backed by only one cover pool, the cover pool should not be broken down proportionally on each covered bond</p> <p>Example 2 – reporting at consolidated level: Within the reporting group the only issuers of UCITS-compliant covered bonds are a Danish bank – issuer of SDOs separately covered by real estate mortgage loans in three distinct capital centres – and a German bank – issuer of mortgage Pfandbriefe. For the reporting in relation to the Pfandbriefe, the reporting would be effected</p>

	<p>mutatis mutandis as in the first example; since the Danish covered bond regime's protective measures apply at the level of each capital centre (e.g. the balance principle), in respect of the Danish subsidiary three separate SDO capital centres were to be reported.</p> <p>DISCLAIMER: The present Q&A on Supervisory reporting is provisional. It will be reviewed after the respective Implementing Regulation is in force and published in the Official Journal, which may differ from the text of the relevant draft ITS to which it relates.</p>
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Question ID	2013_675
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	99
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Annex XVII, Chapter 2.2
Published as Final Q&A	30/04/2014
Subject matter	Definition of collateral for Table F 32.02 and clarification of table structure
Question	<p>Is it correct, that rows 140-230 of table F 32.02 refer to the type of collateral received (e.g. Loans on demand received as a collateral, or equity instruments received as collateral) and not to the collateralized asset class?</p> <p>Does collateral include all kind of risk mitigation received (Guarantees, Mortgages, Securities, Equity Instruments)?</p>
Background on the question	<p>For some collateral it may be difficult to provide a Fair Values, since it might be received, but no frequent market value can be observed. These instruments are usually not eligible for asset encumbrance transactions. Therefore some banks opted not to include these received collaterals (e.g. Mortgages) in previous reporting exercises. But since chapter 2-2- of Annex XVII defines table F 32.02 as "All classes of collateral received" we would assume this does not exclude any collateral.</p> <p>Regarding personal guarantees: they are risk mitigating instruments, but are different from material collateral like securities or mortgages and cannot be used for asset encumbrance.</p>
Answer	<p>F 32.02 template classifies the collateral received by the reporting entity by nature of the asset received as collateral. It is important to note that receiving this collateral shall not lead to its recognition in balance sheet, as it would then be reported in F 32.01 template. Collateral received is further broken down into that which has been re-used (encumbered) by the reporting entity and that which is not encumbered, be it because the reporting entity is contractually not entitled to re-use the collateral received or simply because it has been decided so.</p> <p>All kind of collateral received, shall be reported in F 32.02 template. That means that mortgages received shall be reported but guarantees, among other alternative sources of credit mitigation techniques, shall not.</p> <p>DISCLAIMER:</p> <p>The present Q&A on Supervisory reporting is provisional. It will be reviewed after the respective Implementing Regulation is in force and published in the Official Journal, which may differ from the text of the relevant draft ITS to which it relates.</p>

Question ID	2014_718
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	100
Paragraph	0
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	2 / Part A
Published as Final Q&A	30/04/2014
Subject matter	How to report reverse repo operations in Part A template AE-ASS (C 31.01) and/or AE-COLL (C 32.02)
Question	<p>The instructions say that the all the assets of the reporting institution must be reported in the template AE-ASS and it corresponds to the total assets registered in the balance sheet. At the same time, they also specify that collateral which has been received by the reporting institution through a reverse repo, should be reported in the template AE-COL.</p> <p>A reverse repo is registered as a cash loan in the balance sheet. How should a reverse repo be reported in the Part A of the reporting: as a loan in the template AE-ASS (such as its accounting treatment) or as collateral received depending on the breakdown (eg. equity, debt security...) in the template AE-COL? Or should it be reported in the 2 templates AE-ASS and AE-COL?</p> <p>Please note that if a reverse repo should be reported exclusively in the template AE-COL, the row 010 of the template AE-ASS will not correspond to the total assets registered in the balance sheet (i.e. the reverse repo is reported as a loan in the balance sheet).</p>
Background on the question	<p>The instructions say that the all the assets of the reporting institution must be reported in the template AE-ASS and it corresponds to the total assets registered in the balance sheet. At the same time, they also specify that collateral which has been received by the reporting institution through a reverse repo, should be reported in the template AE-COL.</p> <p>A reverse repo is registered as a cash loan in the balance sheet. How should a reverse repo be reported in the Part A of the reporting: as a loan in the template AE-ASS (such as its accounting treatment) or as collateral received depending on the breakdown (e.g. equity, debt security...) in the template AE-COL? Or should it be reported in the 2 templates AE-ASS and AE-COL?</p> <p>Please note that if a reverse repo should be reported exclusively in the template AE-COL, the row 010 of the template AE-ASS will not correspond to the total assets registered in the balance sheet (i.e. the reverse repo is reported as a loan in the balance sheet).</p>
Answer	<p>The amount of the finance granted in a 'reverse repo' should be reported in C 32.01 (AE-ASS template) as a non-encumbered loan. The collateral received in this 'reverse repo' transaction should be reported in C 32.02 (AE-COLL template).</p> <p>When it is reused, the collateral received in this transaction should be reclassified as encumbered on template AE-COLL. The encumbrance of the collateral received in a</p>

	<p>'reverse repo' transaction do not change the classification of the loan (to which is associated) as non-encumbered in template AE-ASS.</p> <p>DISCLAIMER: The present Q&A on Supervisory reporting is provisional. It will be reviewed after the respective Implementing Regulation is in and published in the Official Journal, which may differ from the text of the relevant draft ITS to which it relates.</p>
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Question ID	2014_732
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting
Article	1
Paragraph	
Subparagraph	
EBA technical standards & guidelines	Draft ITS on Supervisory Reporting
Article/Paragraph	Asset encumbrance template
Published as Final Q&A	30/04/2014
Subject matter	Template questions
Question	<p>- Regarding the material currencies in the F 34.00contingent encumbrance template (Line 7): Should the currencies be specified according to ISO codes (EUR, USD, GBP, etc.) or should the currencies be left unspecified (currency 1, currency 2, etc.)?</p> <p>- Regarding the covered bonds issuance template: what kind of purpose serves the cover pool identifier – should this be some kind of ISIN number for the cover pool? The specifications in the accompanying instructions are a bit vague. Should a bank fill in the aggregate numbers of their outstanding covered bonds in this sheet or should the sheet be duplicated for each covered bond separately?</p>
Background on the question	Template clarification.
Answer	<p>Specification of significant currencies: Significant currencies, the amount of additional asset encumbrance in reaction to whose depreciation is to be reported in F 34.00 (AE-CONT) columns 030 <i>et seq.</i>, are to be specified per the respective significant currency’s ISO code in the respective column’s header. Specification is required to directly enable supervisory comparisons along the time axis, as well as cross comparisons. The Data Point Model, Annex XIV of the Draft ITS on supervisory reporting, already envisages a field for each reporting institution to insert the ISO code of each significant currency, even if such a possibility seems not to be explicitly open in the reporting templates.</p> <p>Cover Pool Identifier: The cover pool identifier is meant to denote the entirety of items (cover pool liabilities, as the case may be, including coverable contingent liabilities in cover pool derivatives, as well as cover assets) to which the respective covered bond regime would apply its protective measures (especially any kind of ring-fencing mechanism effective upon issuer insolvency in order to effect the preferential claim of certain covered bond holders over certain cover assets, cf. answer to question 2013_491).</p> <p>Accordingly, the cover pool identifier to be chosen for reporting at the issuer’s solo level should closely correspond to the typology of the respective covered bond regime; e.g. in case of a German Pfandbrief issuer “Hypothekenpfandbriefe” (mortgage covered bonds according to German Pfandbrief Act) or “Öffentliche Pfandbriefe” (public sector covered bonds according to German Pfandbrief Act), if the issuer has made use of its license accordingly. As far as terminology is concerned it would appear useful to reflect the corresponding terminology of the respective statutory covered bond regime; at the consolidated level, the solo-level cover pool identifier is to be supplemented by a component identifying the covered bond issuer (e.g. “Bank_A-Öffentliche Pfandbriefe”) and, especially in case of cross-border groups, might benefit from a more general explanatory addition (e.g. “Bank_A-Öffentliche</p>

	<p>Pfandbrief_ [public_sector_CB]). As a general rule, identifiers or components thereof should be non-ambiguous and be used consistently.</p> <p>Individual sets of reporting items in F 35.00 (AE-CB): As mentioned above, the perimeter of the respective covered bond regime’s protective measures (especially the ring-fencing mechanism conveying a preferential claim of covered bond holders to a defined group of assets in case of issuer default) delineates the entirety of items that are to be grouped to form one identifiable “cover pool”. Take, for example, a German Pfandbrief bank that in accordance with the law has in circulation a variety of mortgage covered bonds (Hypothekendarlehenpfandbriefe) – securities with different ISINs as well as registered covered bonds with different counterparties – as well as a variety of public sector covered bonds (Öffentliche Darlehenpfandbriefe) – same setting. Since according to the German Darlehenpfandbrief Act all creditors (incl. counterparties holding in-the-money derivatives registered to a specific cover pool) of one type of Darlehenpfandbrief, like for instance Hypothekendarlehenpfandbriefe or Öffentliche Darlehenpfandbriefe, would have a preferential claim on all cover assets registered to that type of Darlehenpfandbrief’s cover pool, the German Darlehenpfandbrief bank would have to report one Hypothekendarlehenpfandbrief and one Öffentlicher Darlehenpfandbrief. Neither were it adequate to aggregate these into one single “Darlehenpfandbrief”, since creditors of the Öffentliche Darlehenpfandbrief would not have a preferential claim over the cover assets registered to the Hypothekendarlehenpfandbrief-cover pool, and vice versa, nor to report multiple Hypothekendarlehenpfandbriefe – e.g. along ISINs – since their respective creditors share into the preferential claim over the same single pool of cover assets registered to that type of Darlehenpfandbrief. The reporting of multiple “identified cover pools” thus would have to be effected by reporting F 35.00 separately for differently identified “cover pool” (so-called z-axis → 1x F 35.00 for “Hypothekendarlehenpfandbrief” plus 1x F 35.00 for “Öffentlicher Darlehenpfandbrief”).</p> <p>DISCLAIMER: The present Q&A on Supervisory reporting is provisional. It will be reviewed after the respective Implementing Regulation is in force and published in the Official Journal, which may differ from the text of the relevant draft to which it relates.</p>
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