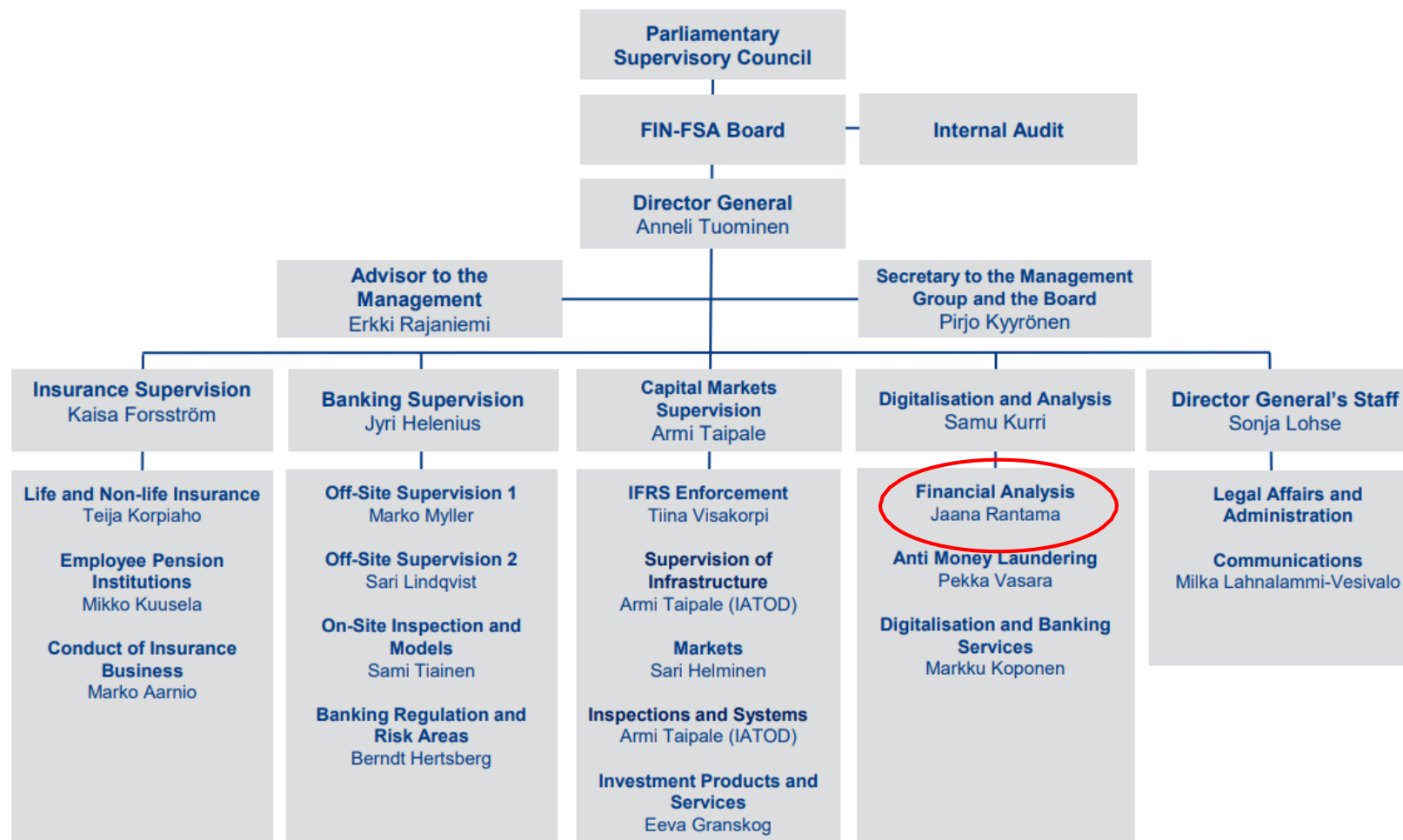


Reporting to FIN-FSA

FIN-FSA webinar 23 September 2020

FIN-FSA organisation



Agenda

1. Reform of reporting system for supervised entities' financial position and risks
2. Validations for reporting
3. Use of secure email in reporting
4. New FIN-FSA data collections
 - 4.1 Patient insurance
 - 4.2 EBA's COVID-19 reporting
5. Key changes in reporting
 - 5.1 EBA DPM 2.10
 - 5.2 EBA DPM 3.0 and 3.1
 - 5.3 Reporting of LTC in bank lending: extended separate survey
 - 5.4 EBA Guidelines on fraud reporting under PSD2
 - 5.5 New capital adequacy requirements for investment firms
 - 5.6 EIOPA DPM 2.5.0
6. Matters to consider in non-life and life insurance companies' reporting
7. Matters to consider in banks' reporting
 - 7.1 COREP ALM - Additional liquidity metrics
 - 7.2 COREP LE - Large exposures

1. Reform of reporting system for supervised entities' financial position and risks

Jussi Eronen



Reform of reporting system for supervised entities' financial position and risks

- The FIN-FSA has launched a reform of the reporting system for supervised entities' financial position and risks
 - Competitive bidding for the reporting system is in progress
 - The provider of the system will be selected in spring 2021
- The system reform concerns the EBA ITS, EIOPA ITS, ESMA and national (Virati) data collections
 - The data collections will be moved into the new system gradually in 2022–2023
 - A more detailed schedule will be made available when the system provider is selected
- Production of the FIN-FSA's reporting applications will be terminated as reporting moves into the new system
 - Web templates completed in the reporter's portal will replace the FIN-FSA's reporting applications, excl. the CSDR7, CSDR9 and MMF surveys

Reform of reporting system for supervised entities' financial position and risks

- If a reporter continues to have a need to use a similar type of application as those provided by the FIN-FSA, there are commercial applications for reporting in XBRL and XML formats available in the markets.
- Adoption of Reporter's Portal
 - The identification and authorisation of reporters takes place through the suomi.fi service
 - Communication between the FIN-FSA and the reporter takes place through the Reporter's Portal
 - Reporter-specific reporting obligations will be shown in the Reporter's Portal.
 - Reporting takes place either through the Reporter's Portal (U2A) or an interface provided to the reporter (A2A).
 - Reporting feedback is provided both through the Reporter's Portal (U2A) and the interface (A2A)

Reform of reporting system for supervised entities' financial position and risks

- National reporting in the reporting system is still made in CSV format.
- A test environment will be made available to reporters, including, for example, up-to-date validations
- There is information in the FIN-FSA website on the [system reform](#)
- Supervised entities will be informed of the progress of the system reform as new information becomes available

Questions related to the new reporting system
may be sent to

NewReportingSystem@fiva.fi



2. Validations for reporting

Jussi Eronen

General on validations for reporting

- Only some of the validation rules have been implemented in the FIN-FSA Reporting Application.
 - Due to the discontinuation of the Reporting Application, only unavoidable version updates to the data collections and error revisions will be made to it.
- It is advisable to check the second feedback email for any reporting errors
- There is a test environment available to reporters
 - Reporters may send reports for validation in the test environment before submitting an official report to the FIN-FSA
 - The email address of the test environment is TK_rahoitus(at)bof.fi
- The reporting system has an allowed time window for reporting. The purpose of this is to prevent unexpected report resubmissions for earlier reference dates.
 - The allowed time window for reporting corresponds to the period starting on the reporting reference date and ending in 45 calendar days after the reporting deadline

Validations for reporting

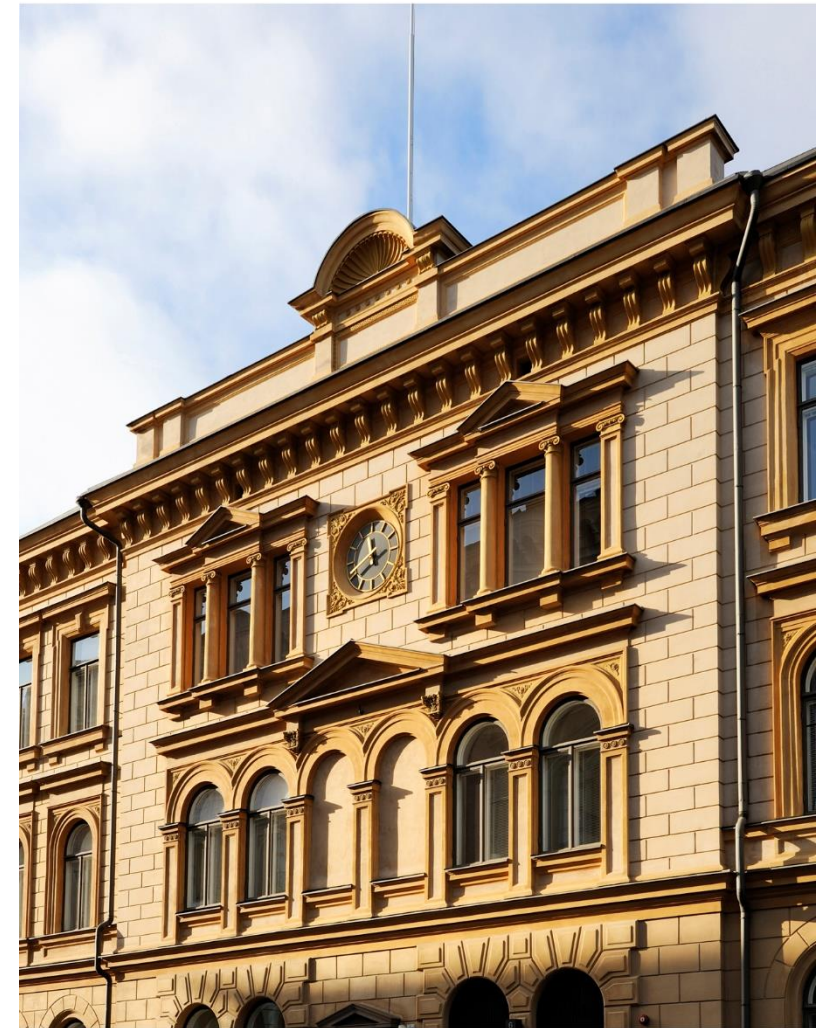
- All incoming reports are subject to a validation of reporting obligation
- Technical format validations for received files
 - In the validation of XBRL files, the requirements of the EBA and EIOPA's Filing Rules documents are taken into account
 - Format validations of XML files based on guidelines published by ESMA
 - Format validations are also made in the context of national validation to check the format of the report
- Content validations of received reports
 - EBA ITS data collections are subject to validations under the EBA Validation Rules list and a validation of reporting obligations at template level
 - The EGDQ validation rules published by the ECB have not been fully implemented in the system
 - EIOPA ITS data collections are subject to validations presented in EIOPA's 'List of Validations' document
 - National reporting is subject to content validations corresponding to those implemented in the workbooks

Validation feedback

- The reporting system assigns a status to received reports based on the results of validations made
 1. Rejected, format errors on the report (**Red**)
 2. Rejected, severe content errors on the report (**Orange**)
 3. Received, errors on the report (**Yellow**)
 4. Approved, no errors (**Green**)
- Due to feedback received from the ECB, EIOPA, ESMA or EBA, the reporter may be contacted and requested to submit a revised version of the report
- The automation of validations and their inclusion in supervised entities' own reporting systems is advisable
- Instructions related to reporting are available at the FIN-FSA [website](#)

Questions related to the presentation may be sent to

Jussi.Eronen@fiva.fi



3. Use of secure email in reporting

Mikko Koutaniemi

Use of secure email in reporting

- The automatic feedback messages and reporting helpdesk functions in the FIN-FSA's electronic reporting use secure email as of 15 October 2020
- The FIN-FSA's secure email is the recommended way for supervised entities to send confidential information to the FIN-FSA
 - The use of secure email also allows the receipt of a response message in a confidential manner
 - The service is available at <https://securemail.bof.fi>
- The use of secure email is a temporary arrangement until the reform of the FIN-FSA's reporting system
 - When the Reporter's Portal is completed, communication concerning reporting will take place in the portal

Use of secure email in reporting – what does not change?

- There will be no changes in electronic reporting
 - There will be no changes in the Jakelu distribution service or the FIN-FSA reporting tool (FIVA Tiedonkeruusovellus)
- Reports will be sent to the FIN-FSA via email like before
 - The present encrypted data package continues to be a secure solution
- The content of the automatic feedback messages remains unchanged



Use of secure email in reporting – what changes? (1/2)

- Handling of messages in shared mailboxes
 - If the recipient of an email sent by the FIN-FSA is a shared mailbox, the encrypted email can only be read by the person who first opened the link contained in the message using the same terminal device that was used to open the message for the first time.
 - In this case, the recipient is responsible for forwarding the message to other relevant personnel.
 - However, if there are several persons indicated as recipients whose email addresses are shown in the 'to' field, they all are able to open the encrypted email in the system



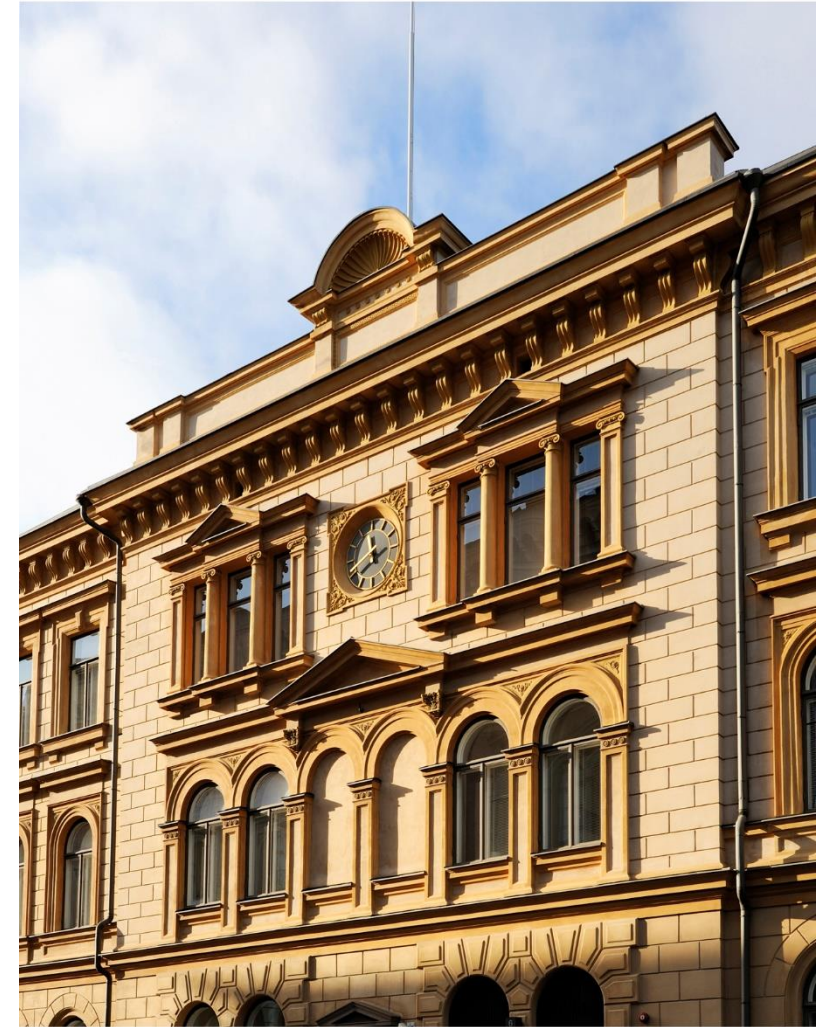
Use of secure email in reporting – what changes? (2/2)

- Retention of secure email messages
 - Messages sent in the secure system are retained in the service for a limited time, and they are subsequently deleted
 - The recipient is responsible for saving messages for future use
- More information on the use of secure email is available at the FIN-FSA [website](#)



Questions related to the presentation may be sent to

Mikko.Koutaniemi@fiva.fi



4. New FIN-FSA data collections

4.1 Patient insurance

Kirsti Svinhufvud



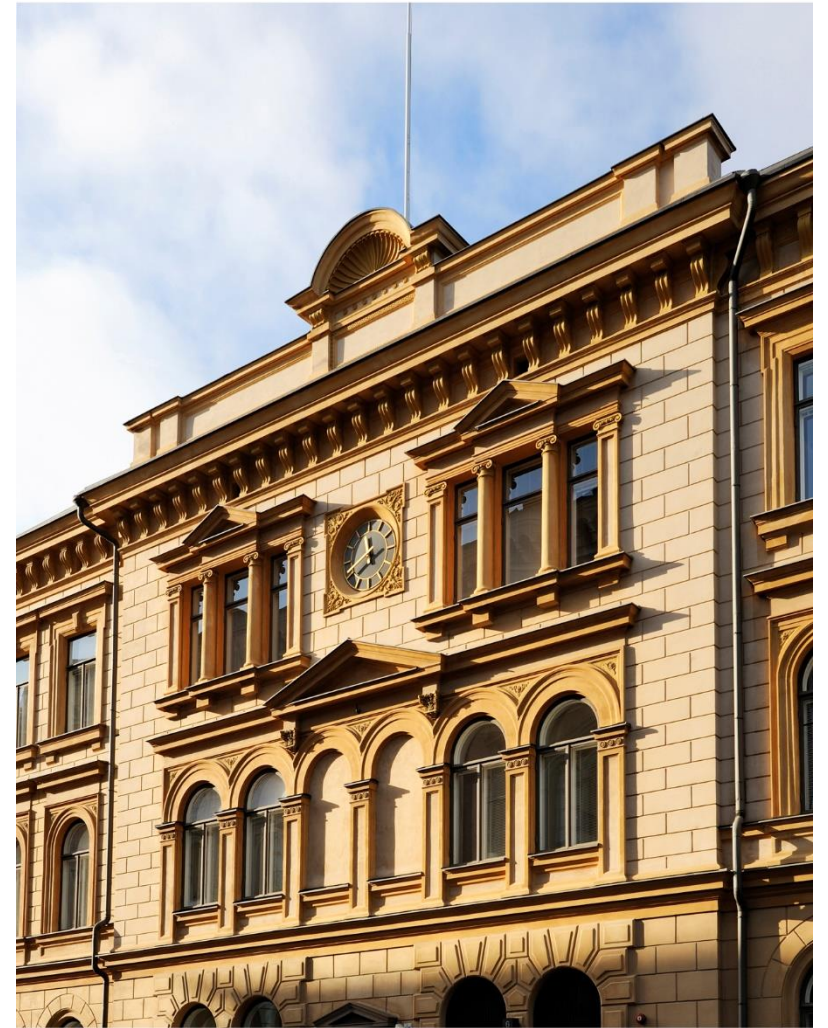
New data collection on patient insurance (1/2)

- New Patient Insurance Act (948/2019) will enter into force on 1 January 2021
 - The FIN-FSA must publish a report on patient insurance at least every three years (statistical study)
 - It includes each company's patient insurance result for at least five previous years
- Patient insurance belongs to insurance class 13, General liability
 - The FIN-FSA has not collected separate data on patient insurance before
- The new data collection is used to collect data necessary for a statistical study
- The data collection concerns companies pursuing patient insurance (members of the Patient Insurance Centre)
 - At present, there are 9 members of the Patient Insurance Centre, 2 of which are EEA branches
- The first statistical study is likely to be published in 2024 concerning years 2021–2023

New data collection on patient insurance (2/2)

- The data collection is scheduled to take effect on 31 December 2020
 - The first data collection would refer to 31 Dec 2020 and only cover data on technical provisions.
 - Full reporting as of 2021
- Annual reporting in connection with financial statement data
 - Finnish companies to submit data 10 days before the release of the auditor's report, however at the latest on 31 March
 - Foreign EEA companies by 30 April
- Data will be collected broken down by customer group
 - Separately for public- and private-sector insurance
 - Policies granted by insurance companies and those received from the Patient Insurance Centre (run-off) separately
- Data will be collected using both figures reported by the Patient Insurance Centre to the companies and figures used by the companies in accounting
- The contents are available in more detail in the consultation service (lausuntopalvelu.fi)
 - Revision of FIN-FSA regulations and guidelines 1/2011 out for consultation from 15 June to 10 August 2020 in the consultation service

Questions related to the presentation may be sent to
ViratiHelpdesk@fiva.fi



4.2 EBA's COVID-19 reporting

Tommi Aarnio



EBA's Covid-19 reporting (1/2)

- On 2 June 2020, the EBA published [Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis](#)
 - The package contains 11 reporting templates, eight of which are only reported at the discretion of the competent authority.
 - For the time being, **the FIN-FSA's requirement for LSIs: only three mandatory templates (F 90.01, F 91.01 ja F 91.05) must be reported**

Overview of EBA-compliant moratoria (legislative and non-legislative)

F 90	F 91	F 92	F 93
F 90.01	F 91.01	F 92.01	F 93.01
F 90.02	F 91.02		F 93.02
F 90.03	F 91.03		
	F 91.04		
	F 91.05		

"Information on loans and advances subject to EBA-compliant moratoria (legislative and non-legislative)"

Information on newly originated loans and advances subject to public guarantee schemes in the context of the COVID-19 crisis

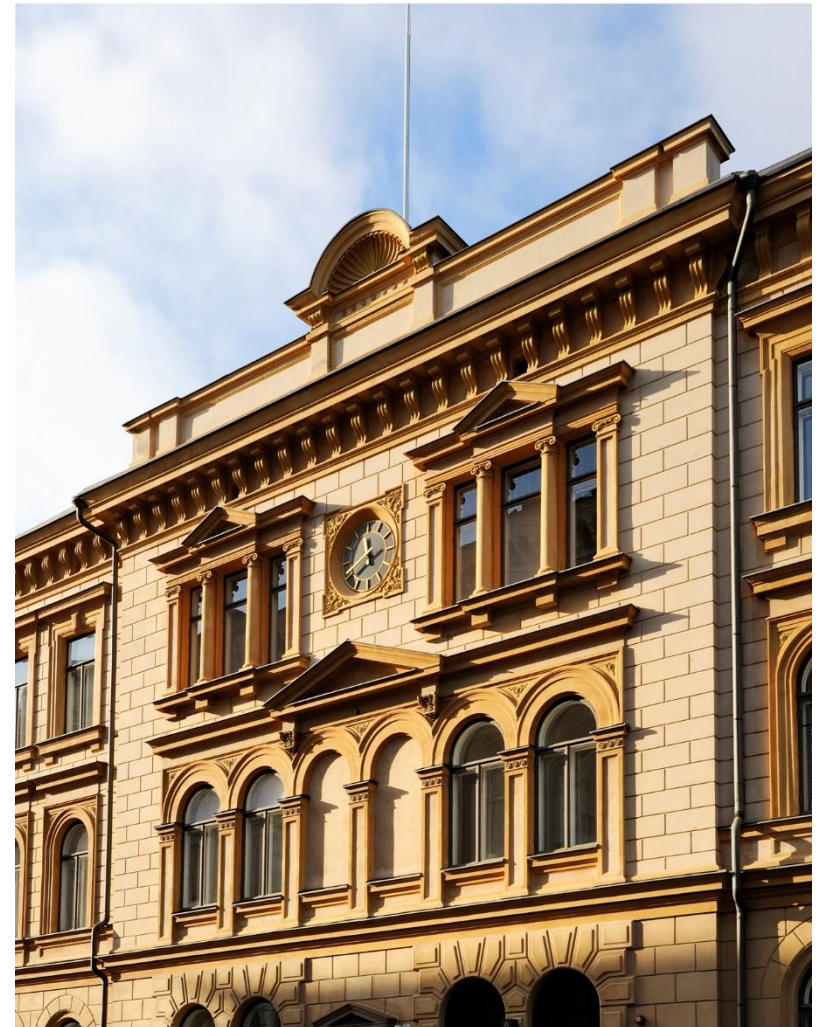
EBA's COVID-19 reporting (2/2)

- In accordance with EBA guidelines, the first reporting is made as at 30 June 2020
 - However, the FIN-FSA postponed the start so that **the first reporting takes place as at 30 September 2020**
- **Reporting takes place at the highest levels of consolidation**, but not on a sub-consolidation group or solo level, if data is reported at the level of consolidation group.
- **Data submission in the XBRL format**
 - The demo version of the reporting application is already available for download in the Jakelu distribution service
 - The production version and test environment of the reporting application will be available at the latest at the beginning of October

Useful links on further information on the topic:

- [COVID-19-reporting templates](#)
- [Instructions for reporting exposures subject to COVID-19 response](#)
- [FIN-FSA supervision release of 25 June 2020 – 41/2020](#)

Questions related to the presentation may be sent to
EBAReportingHelpdesk@fiva.fi



5. Key reporting changes

5.1 EBA DPM 2.10

Tommi Aarnio, Erika Penttilä



EBA DPM 2.10

- The DPM version will take effect on 31 December 2020
 - As an exception, the Initial Market Valuation for Supervisory Benchmarking Portfolios (SBP IMV) takes effect on 30 September 2020
- Changes:
 - Reporting of funding plans
 - Reporting for benchmarking of internal models
 - Reporting of data concerning remuneration
 - Technical changes to reporting concerning resolution (data to be collected by the Financial Stability Authority)
- A new technical package will be introduced into the DPM 2.10 version for COVID-19 reporting
- The production version of the reporting application and the test environment will be available in November-December
- [Link to the EBA's Reporting framework 2.10 website](#)

Changes to the reporting of funding plans

- Based on the [Guidelines on harmonised definitions and templates for funding plans of credit institutions under Recommendation \(ESRB/2012/2\) of 20 December 2012 of the European Systemic Risk Board](#)
 - The FIN-FSA has published a [supervision release](#) on the subject on 30 June 2020.
- **The first reporting reference date under the Guidelines is 31 December 2020, and related data must be submitted at the latest on 15 March 2021**
- **In Finland, the reporting obligation only concerns SI banks** (significant institutions under the ECB's direct supervision)
- Some noteworthy changes to the contents
 - Definitions and breakdowns harmonised with those used in FINREP reporting
 - Market funding must be broken down in more detail than previously based on the level of seniority

Changes to reporting for benchmarking of internal models

- **Entry into force as a rule on 31 December 2020, as an exception SBP IMV (30 September 2020)**
- No new portfolios or data points in credit risk models compared to the 2020 exercise
 - Marginal changes for example in the reporting of counterparties and RWA under the standardised approach in certain special cases
- As regards market risk, the reporting guidelines or templates do not involve significant changes compared to the 2020 exercise
 - However, the guidelines now clarify how foreign exchange risk must be taken into account in the portfolios
 - Minor changes or clarifications pertaining to several instruments based on suggestions received during the consultation or detected typing errors
 - The reporting templates or the reporting instructions have not changed to any material degree, but minor revisions have been made to improve the quality of the text
 - In addition, there are minor technical revisions, such as the introduction of four-digit row and column references (e.g. '010' replaced by '0010')

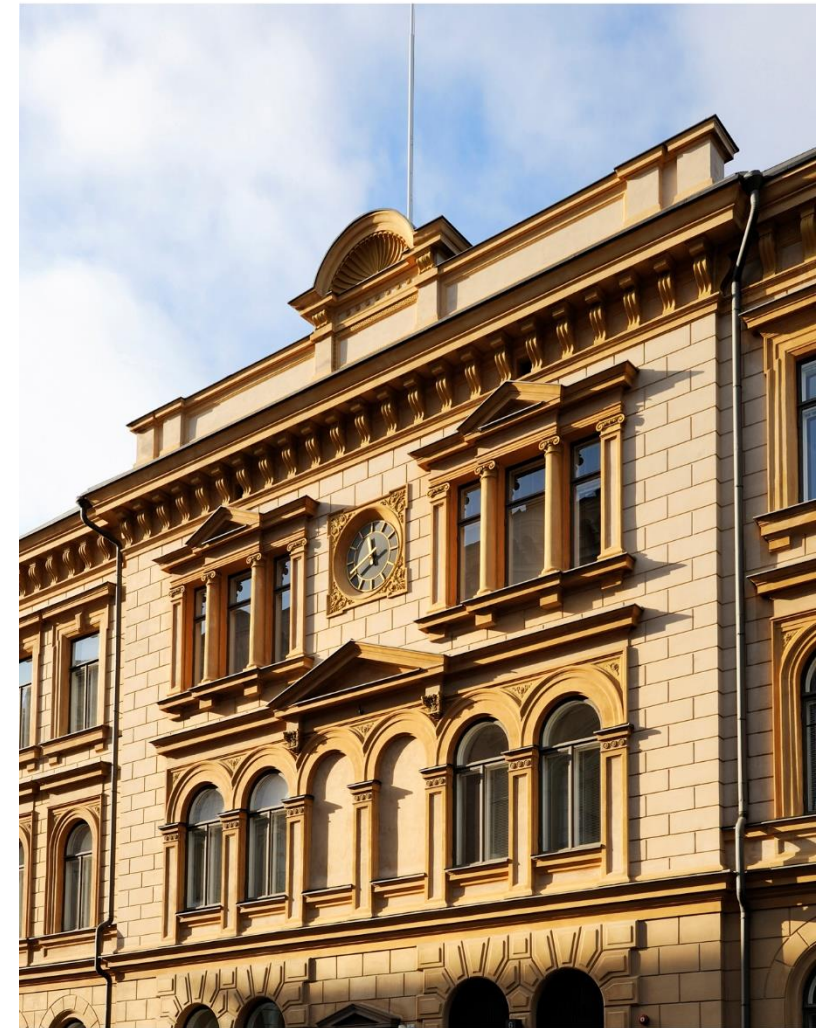
Data on remuneration: high earners (EUR 1 million or more)

- EBA Guidelines on the data collection exercise regarding high earners EBA/GL/2014/07
 - Template R 04.00: Data on remuneration of high earners
- Reporting annually as at 31 December by 30 June
 - Reporters comprise credit institutions and investment firms at the highest level of consolidation
 - Reporting must also include companies outside the scope of application of the CRD
 - Does not apply to a branch from an EEA member state
- Reporting in the XBRL format (previously Excel)
- Credit Institutions Act, chapter 8, section 16(1)
- FIN-FSA's authority to issue regulations
 - Credit Institutions Act, chapter 8, section 16(2)

Data on remuneration: benchmarking

- EBA Guidelines on the remuneration benchmarking exercise EBA/GL/2014/08
 - Issued to authorities
 - Template R 01.00: Information on the remuneration of all staff
 - Template R 02.00: Information on the remuneration of identified staff
 - Template R 03.00: Information on identified staff remunerated EUR 1 million or more per financial year, by payment class
- Reporting annually as at 31 December by 30 June
 - **Entities under the reporting obligation to be specified separately** – highest level of consolidation
 - Reporting must also include companies outside the scope of application of the CRD
 - Does not apply to a branch from an EEA member state
- Reporting in the XBRL format (previously Excel)
- Credit Institutions Act, chapter 8, section 16(1)
- FIN-FSA's authority to issue regulations
 - Credit Institutions Act, chapter 8, section 16(2)

Questions related to the presentation may be sent to
EBAReportingHelpDesk@fiva.fi



5.2 EBA DPM 3.0 and 3.1

Marika Männistö



EBA DPM 3.0

- Tentative technical documentation to be published in October 2020
- EBA DPM 3.0 will enter into force on 30 June 2021
- Reporting application to be published in early summer 2021
- The version implements changes related to CRR2/CRD5, BRRD2 and IFR standards
- Changes upcoming to all existing modules
- New modules
 - Already includes the new COREP FRTB module (prudential regulation and reporting on the trading book), which does not enter into force until September 2021
 - New reporting framework for G-SII indicators (Global Systemically Important Institution)
 - New MREL/TLAC module (data collection of the Financial Stability Authority)
- [Link to the EBA website](#)

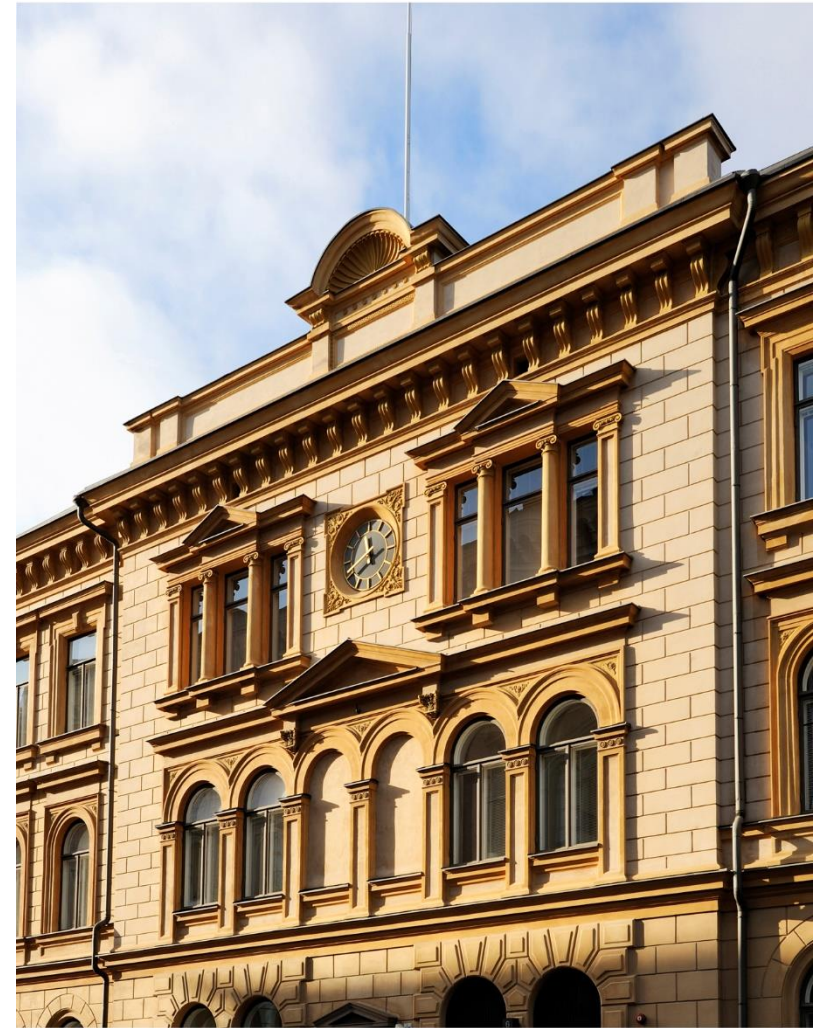
EBA DPM 3.0

Framework	Module	New templates	Templates deleted	Template modified
COREP	corep_of	Counterparty Credit Risk (C 34.01...C 34.11), Backstop (C 35.01, C 35.02, C 35.03)	no	Capital adequacy (C 01, 03, 04, 05.01), group solvency (C 06.02), Credit risk (C 07.00 to C 08.02, C 09.01, C 09.02, C 10.01, C 10.02, C 14.00 and C 14.01) All templates: move to four digit row and column numbers
COREP	corep_le	no	Large Exposures (C 30.00, C 31.00)	C 26.00, C 27.00, C 28.00
COREP	corep_lr	no	Leverage Ratio (C 41.00, C42.00)	All templates: move to four digit row and column numbers
COREP	corep_frtb (new)	C 90.00, C 91.00		
COREP	corep_lcr (deleted)			
COREP	corep_lcr_da	no	no	C 77.00 (technical amendments) All templates: move to four digit row and column numbers
COREP	corep_nsfr	Net stable funding ratio (C 80.00...C 84.00)	C 60.00, C 61.00	All templates: move to four digit row and column numbers
COREP	corep_alm	no	no	C 67.00 (technical amendments)
FINREP	finrep	no	no	F 04.03.1, F 04.04.1, F 07.01, F 09.01.1, F 12.0, F 12.01, F 13.01, F 18.00, F 20.03, F 20.04, F40.01, F 40.02, F 42.00 All templates: move to four digit row and column numbers
AE	AE	no	no	F 32.01-04, F 34.00, F 36.01-02
MREL_TLAC (new)	MREL_TLAC(new)	M 01.00 - M07.00		
G-SII (new)	G-SII (new)	G 01.00		

EBA DPM 3.1 – preliminary information

- Publication schedule December 2020
- DPM 3.1 will possibly take effect on 30 September 2021
- FIN-FSA reporting application to be produced
- Includes
 - New prudential and reporting requirements for investment firms
 - New prudential regulation and reporting concerning the trading book (FRTB)
 - Changes to reporting concerning resolution data
 - Changes to reporting for benchmarking of internal models
- [Link to the EBA website](#)

Questions related to the presentation may be sent to
EBAReportingHelpdesk@fiva.fi



5.3 Reporting of LTC in bank lending: extended separate survey

Sampo Alhonsuo

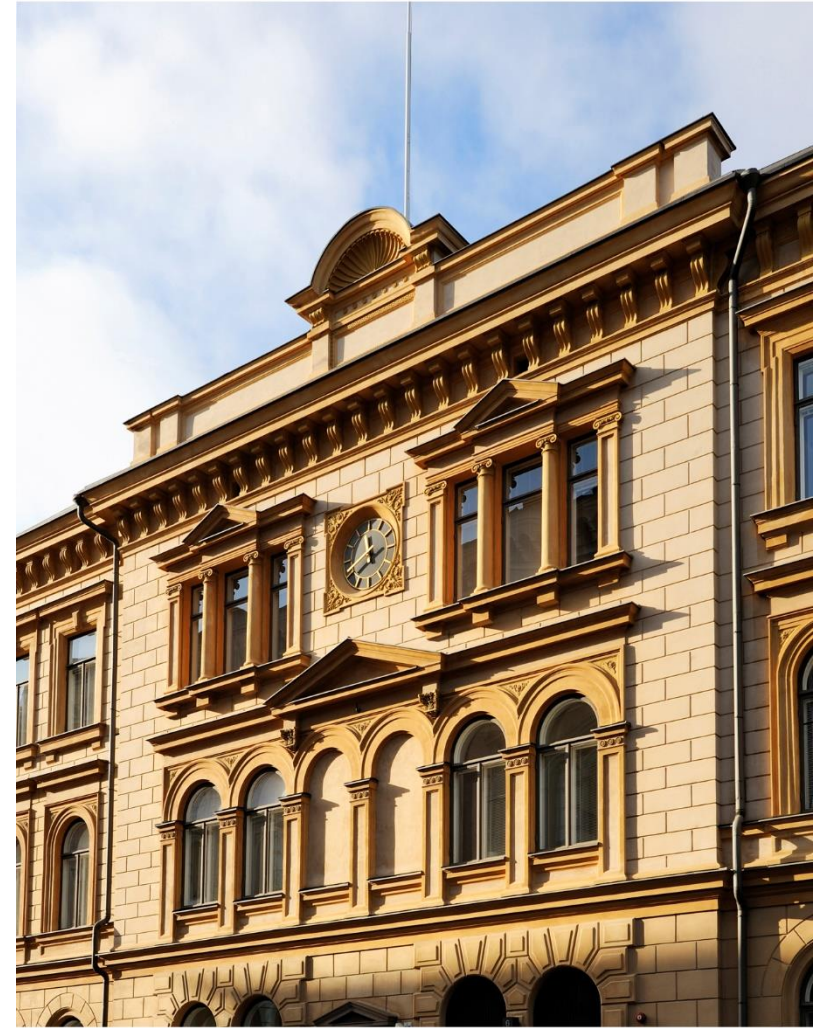


Reporting of LTC in bank lending: extended separate survey

- In autumn 2020, there will be a fourth separate survey in addition to the quarterly LTC reporting
 - The extended survey complements the data needed in macroprudential analysis, and the data collection is also based on international and EU-level recommendations
 - The survey enables the calculation of ratios based on the borrower's income (e.g. debt or loans relative to income)
 - Concerns new credit extended in the period 1 April 2019 – 30 June 2020
- The reporting template to be completed is identical with the template sent in April 2019.
 - The desired information content is specified and described in more detail in the Excel workbook
 - The survey template will be sent to banks immediately after the webinar
 - Submission by 19 November 2020

Questions related to the presentation may be sent to

Sampo.Alhonsuo@fiva.fi



5.4 EBA guidelines on fraud reporting under PSD2

Heli Mäkitalo



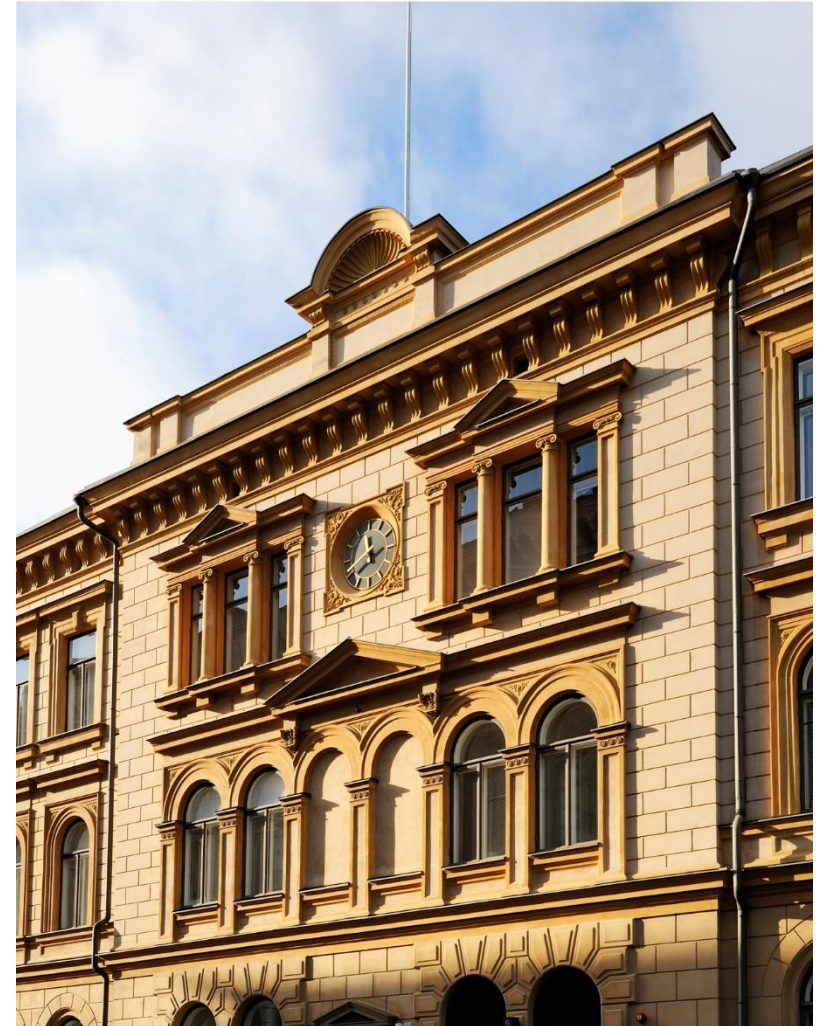
Changes in reporting of fraud data by payment service providers

- On 22 January 2020, the EBA published minor updates and revisions to Guideline EBA/GL/2018/05
- The changes are related to the breakdowns of data on card and e-money payment transactions (FIN-FSA workbook MF03, MF04 and MF06) and the corresponding validation rules.
 - In addition, two new categories were added to the data breakdowns on non-strong customer authentication:
 - ‘Merchant initiated transactions’
 - ‘Other’
 - The changes apply to payment transactions initiated and executed as from 1 July 2020
- The FIN-FSA will publish the updated workbook in the Jakelu distribution service during the rest of 2020 and communicate when they are available
 - Reporting must be made with the updated templates for the first time by 28 February 2021 (concerning payment transactions executed between 1 July and 31 December 2020)
- Furthermore, a few previously incorrect wordings in the EBA Guidelines were also revised.

Useful links

- [Updated EBA Guideline](#)
- [Separate document on changes/revisions made to the above guideline](#)
- [Additional information and guidelines at the EBA website](#)

Questions related to the presentation may be sent to
ViratiHelpdesk@fiva.fi



5.5 New prudential reporting requirements for investment firms

Jussi Eronen



New prudential requirements for investment firms

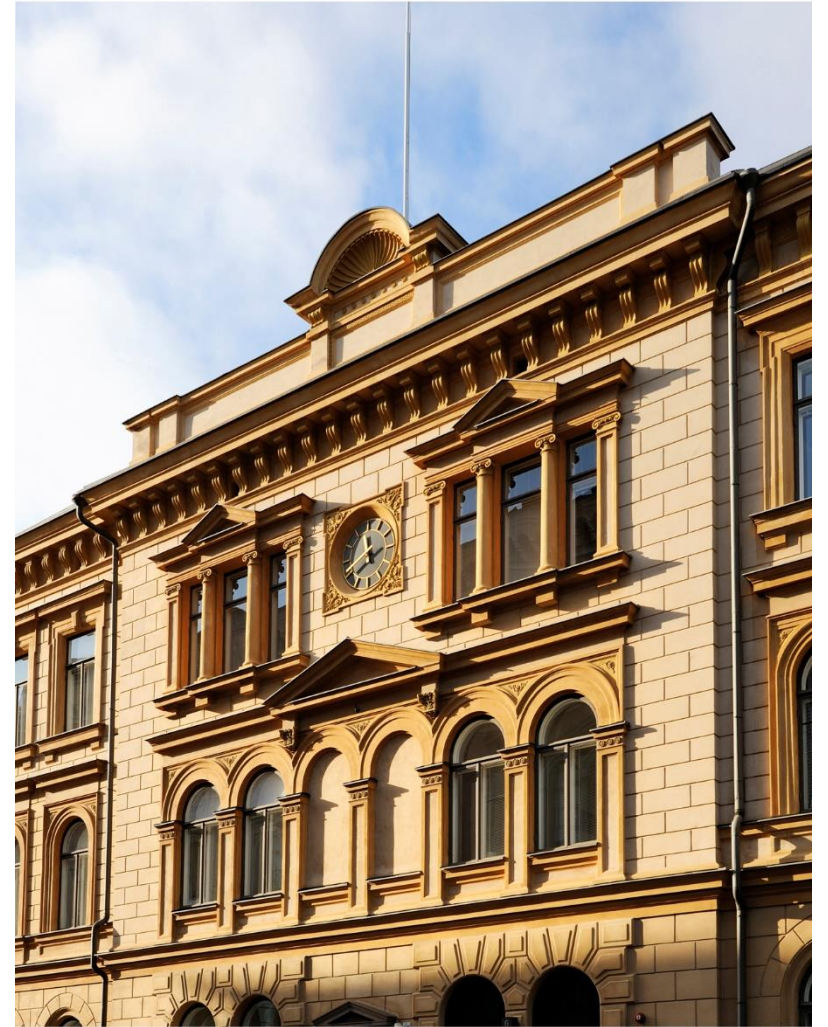
- IFD/IFR - [Directive 2019/2034](#) and [Regulation 2019/2033](#) apply as of 26 June 2021
- The EBA website contains, among other things, a [roadmap](#) and [draft lower-level provisions, which were out for consultation in the summer](#)
- All investment firms will calculate and report business performance key figures (so-called K-factors) more extensively than before in order to know which provisions and own funds requirement apply to the firm.
- The publication date of the final ITS is December 2020
- Part of EBA DPM 3.1 version, where the EBA publishes the technical package, taxonomy and validation rules based on the ITS
- Reporting takes place in the XBRL format

New reporting requirement requirements for investment firms

- The first reporting reference date is 30 September 2021, quarterly reporting
- Replaces current COREP reporting
 - FINREP, FA and FT reporting will continue unchanged
- FIN-FSA reporting application to be produced
- Top-level reportable data
 - Own funds
 - Own funds requirement calculations
 - Fixed overheads
 - Level of activity under IFR Article 12(1)
 - Key figures describing the business ('K-factors')
 - Concentration risk
 - Liquidity data

[Link to the EBA website](#)

Questions related to the presentation may be sent to
EBAReportingHelpdesk@fiva.fi



5.6 EIOPA DPM 2.5.0

Mikael Lukjanov

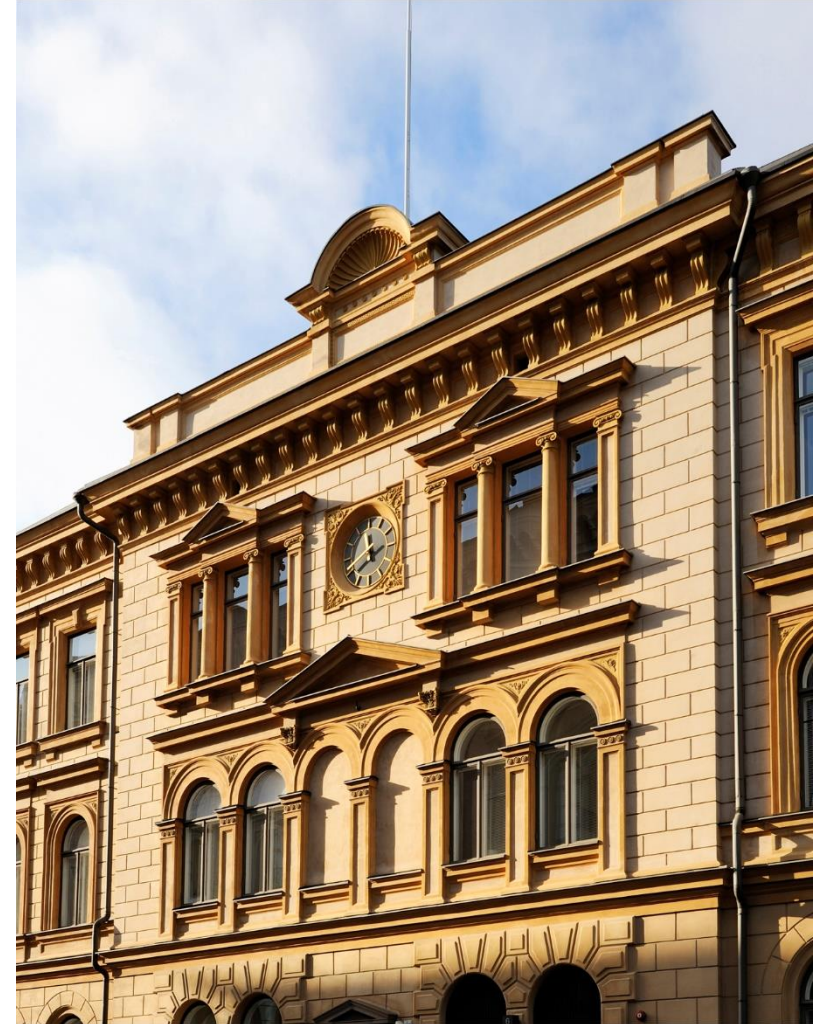


Solvency II taxonomy/DPM 2.5.0

- EIOPA published a new taxonomy on 15 July, and it will apply as of 31 December 2020
- 2.5.0 does not involve significant changes
- There are 54 new validations, some of which are the same but apply to different columns

#	Modifications in the Annotated templates comparing to 2.4.0 Hotfix	Release
1	Addition of the missing information 'DI/Year to Date' in Z-axis in template S.04.01.01.	2.5.0
2	Relabelling a wide set of items due to the dash change from '-' to '·'.	2.5.0
3	Removal of the crossed-out cells C0110-C0120/R0640-R0690 in S/SR.25.01-03.01.04 tables and the cross-out cells C0130/R0600-R0630 in S/SR.25.01-03.01.05 tables due to technical reasons. To compare the changes, please check with the previous version of Annotated templates.	2.5.0
4	Crossing-out rows R0293-R0298 in templates S/SR.26.01.01/04 that are not reportable.	2.5.0
5	Addition of Ad hoc XBRL technical fields in template SPV.01.02.20.	2.5.0

Questions related to the presentation may be sent to
S2Helpdesk@fiva.fi



6 Matters to consider in life and non-life insurance companies' reporting

Kirsti Svinhufvud

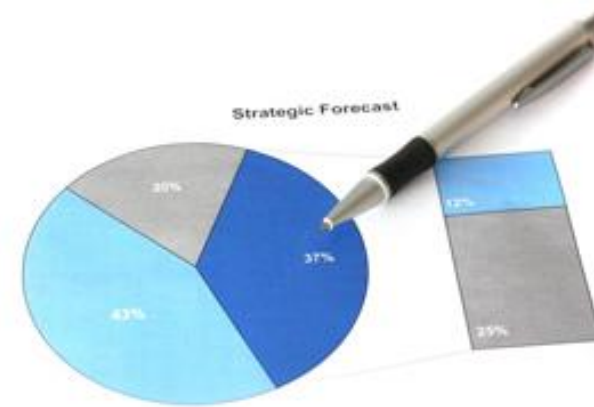


Matters to consider in life and non-life insurance companies' reporting (1/3)

- In the spring and summer, we have sent revision requests concerning both Vakra and Solvency II reporting
- The revision requests are based on manual sensibility and logic validations, which are not included in the automatic validations for the taxonomy or receipt of reporting
- Reasons for revision requests:
 - Failure to complete all data in accordance with the reporting instructions
 - The data is used by the FIN-FSA and EIOPA (SII reporting) for various purposes, both at the company level and on an aggregated basis
 - At the company level, when looking at the report as a whole, the contents may be adequate even when reported incompletely, but the shortcomings may make the aggregated data unusable if all companies have not reported the data concerned
 - Failure to comply with valid regulation in the calculation of Solvency II data in accordance with transitional provisions
 - Amendment of Solvency II Delegated Regulation (EU) 2019/981 takes effect gradually, partly in 2019 and partly in 2020
 - Inconsistent data presented in different data collections for Vakra reporting
 - For example, the VM report, data collections on statutory classes, income statement and balance sheet reports

Matters to consider in life and non-life insurance companies' reporting (2/3)

- Examples of incomplete reporting which hinders the use of sector data
 - S.17.01, section 'BE without VA', not completed if the undertaking does not apply VA
 - S.19.01; in accordance with the reporting instructions, 'Total + currencies' is reported for large lines of business and only 'Total' for minor business lines. Examples of incomplete reporting:
 - only Total
 - EUR and currencies, no Total
 - Only EUR, no Total



Matters to consider in life and non-life insurance companies' reporting (3/3)

- S.06.02 List of assets
 - EIOPA monitors the validity of security-by-security reporting and collects statistics on errors by country
 - The reporter must ensure that identifying codes, such as country and sector codes, have been completed as comprehensively as possible and they do not vary from a quarter to another

Information on assets

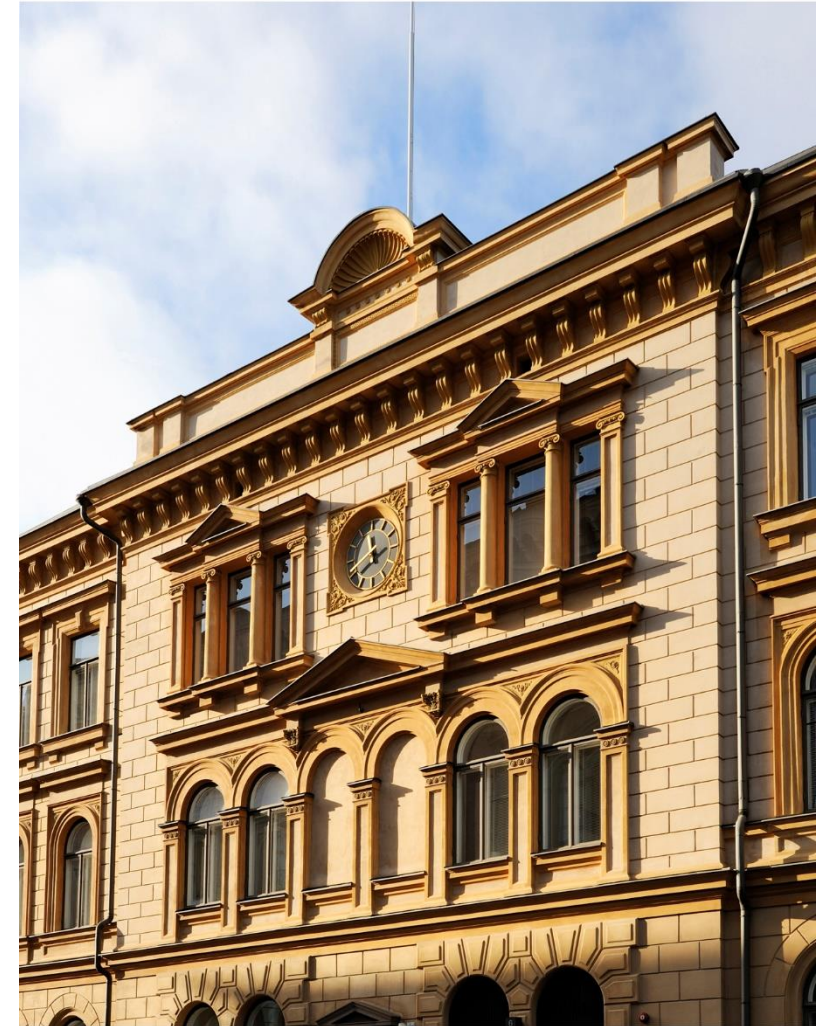
Asset ID Code	Asset ID Code type	Item Title	Issuer Name	Issuer Code	Type of issuer code	Issuer Sector	Issuer Group	Issuer Group Code	Type of issuer group code	Issuer Country	Currency	CIC	Infrastructure investment
C0040	C0050	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300

- The reporter is ultimately responsible for data obtained from an external provider
- Large errors are visible in Finland's statistics as a whole
- Target: submit one correct report to save working time!

Questions related to the presentation may be sent to

S2Helpdesk@fiva.fi

VIRATihelpdesk@fiva.fi



7 Matters to consider in banks' reporting

7.1 COREP ALM - Additional liquidity metrics

Marja Risku



Problems in data quality

- COREP ALM, or additional liquidity metrics, refers to additional reporting necessary in the assessment of banks' liquidity position and funding risks
 - Consists of 6 templates (C 66.00 – C 71.00)
- Reporting continues to involve shortcomings and errors
 - Data is altogether missing from several rows, some errors occur regularly and some randomly
 - Inconsistent data in different templates and reports
 - Wrong sign
 - Data does not correspond to data obtained from the bank in another context
 - DATA VALIDATION!
- Reporting instructions have been interpreted incorrectly
 - Reporting instructions: <https://eba.europa.eu/regulation-and-policy/liquidity-risk/implementing-technical-standards-its-amending-its-on-additional-liquidity-monitoring-metrics>
 - EBA Q&A: https://eba.europa.eu/single-rule-book-qa/search?field_legal_act_topic%5B%5D=631&items_per_page=20

Reporting of refinancing operations with central bank in template C66.01.a

- Example: TLTRO (€100,000), collateralised by a level 1 covered bonds (€110,000)

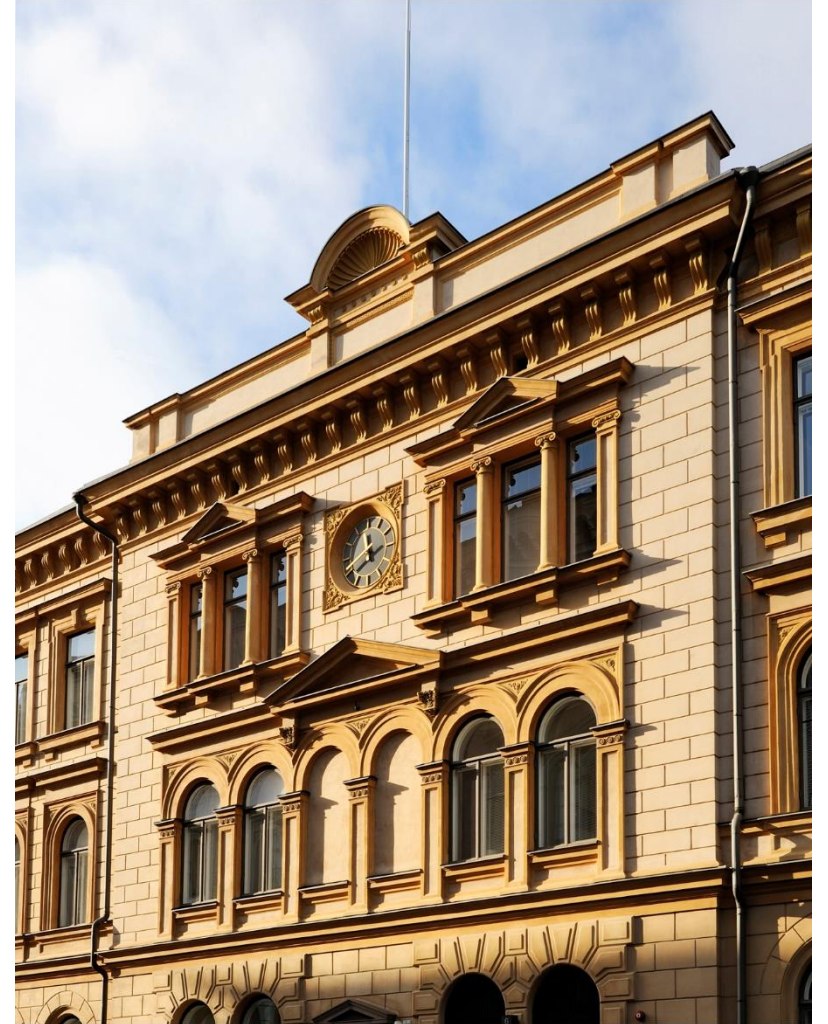
	0005 OUTFLOWS	
0060	Liabilities resulting from secured lending and capital market driven transactions collateralised by:	100 000
0070	Level 1 tradable assets	100 000
0130	Level 1 covered bonds (CQS1)	100 000
	0729 COUNTERBALANCING CAPACITY	
0750	Level 1 tradable assets	110 000
0810	Level 1 covered bonds (CQS1)	110 000
1070	Net change of Counterbalancing Capacity	110 000

- “Where an institution has entered into a repo transaction, the asset which has been repoed out shall be re-entered as a security inflow in the maturity bucket where the repo transaction matures. Correspondingly, the cash outflow following from the maturing repo shall be reported in the relevant cash outflow bucket in item 1.2.”

Examples of other items to be taken into account

- Counterbalancing capacity C 66 (C 71):
 - Only unencumbered assets are reported.
 - Only cash flows based on contracts valid on the reporting date are reported.
 - The liquidity reserve is reported in net terms: inflows as positive figures and outflows as negative.
 - Inflows may not be accounted for twice.
 - Tradable assets only include assets traded in large, deep and active repo or cash markets characterised by a low level of concentration.
- Prices for Various Lengths of Funding (C 69.00):
 - Volumes and prices of funding received in the reporting period and remaining available at the end of the reporting period are reported.
 - Volume and spread of sight deposits are only reported if the depositor has not had a sight deposit in the previous reporting period or the amount of deposit has increased from the previous reference date, in which case the increase is considered new funding.
 - Spread refers to the spread at the end of the period.

Questions related to the presentation may be sent to
EBAReportingHelpdesk@fiva.fi



7.2 COREP LE - Large exposures

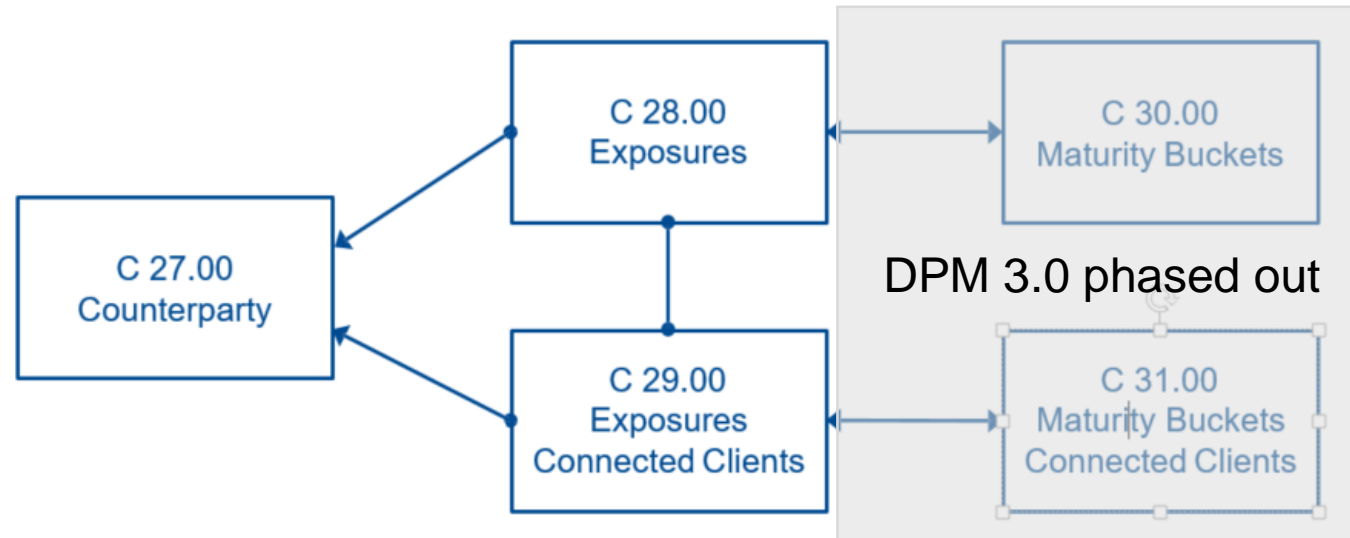
Peter Palmroos



Matters to consider in reporting of large exposures

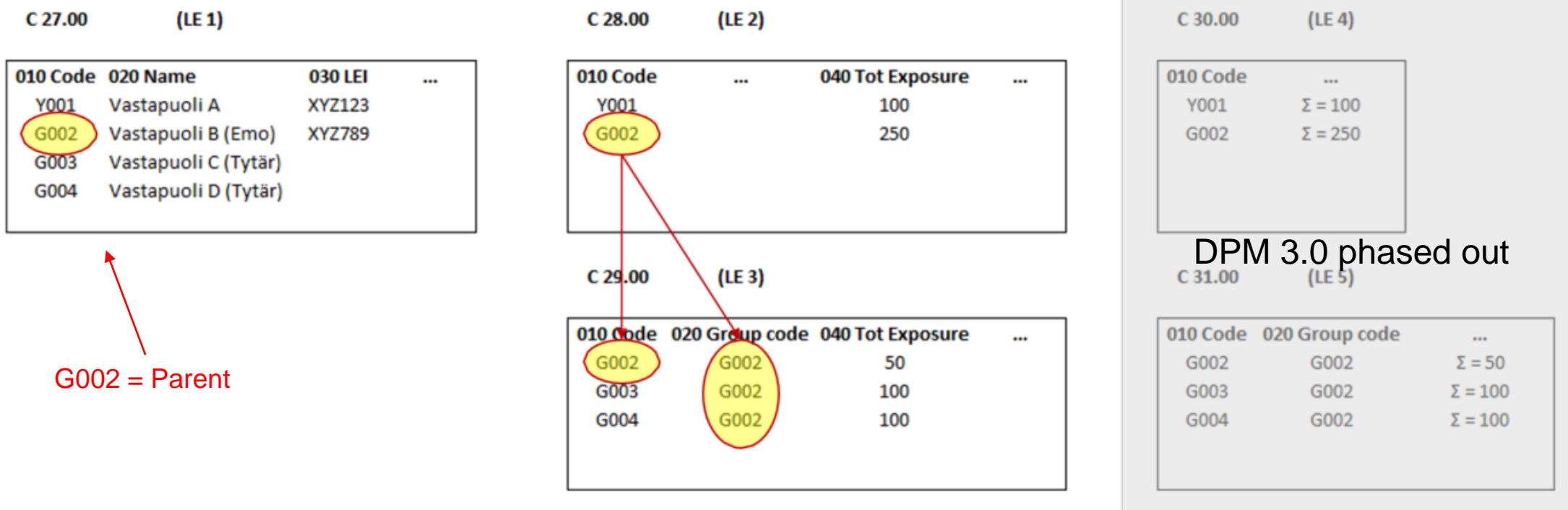
- Some errors and deficiencies still occur in Large Exposures (COREP LE) reporting
- DPM 3.0 causes changes to the COREP LE templates
 - Templates C 30.00 and C 31.00 will be phased out
 - Changes in the capital specifications in templates C 28.00 and C 29.00
- Reported LE data will be used, besides the supervision of large exposures, also in the modelling of systemic risks and contagion risks in the domestic banking sector
 - The objective of the modelling of systemic and contagion risks is to find out the sensitivity of the whole sector to various internal and external shocks as well as the potential spread of contagions within the banking sector
 - The results of the systemic risk analyses will not be used for sanctions purposes and the results will not lead to intervention in the operation of individual banks

Templates and relationships between them



- Each row in templates 28 and 29 corresponds to a row in template 27
- Data on each counterparty reported in template 27 is found either in template 28 or 29 and the 'parent counterparties' of groups of connected clients are found in both
- Each row in template 28 corresponds to a row in template 30, and similarly, each row in template 29 corresponds to a row in template 31
- Groups of connected clients are reported on a consolidated basis in template 28 and broken down by counterparty in template 29

Example of inter-template dependencies and identification of rows



- For the use of data on groups of connected clients, it is important that the Group code corresponds to the Code of the parent counterparty or the most significant counterparty within the group of connected clients

How many counterparties must be reported?

- Every reporting institution reports both at solo and consolidation level:
 - Large exposures under Article 392 CRR
 - It must be noted that under EU 2019/876, only Tier 1 is taken into account in the calculation
 - All counterparties (including groups of connected clients) with exposures equalling or exceeding EUR 300 million
 - Ten (10) largest banking counterparties (see definition in Article 394 CRR)
 - Ten (10) largest unregulated financial sector entities (see definition in Article 394 CRR)
- In addition to the above, IRBA banks report twenty (20) largest counterparties at the consolidated level*
 - 20 is the minimum, and it only applies if:
 - the 20 largest includes
 - 10 banking counterparties and
 - 10 unregulated financial sector entities, and
 - All large exposures (Article 392) are with the abovementioned counterparty groups
- Every reporting institution may report large exposures in the same extent as IRBA banks
- The reporting of more counterparties than the required minimum is not an error
 - The data is used in assessing the sensitivity of the Finnish banking sector to contagion and its contagion channels

* In this context, consolidated level refers to the highest level of reporting for individual entities (e.g. 201)

Other matters to consider

- The counterparty code (010 Code) must remain constant over time
- The identifier for a group of connected clients (020 Group Code) is the parent undertaking's code (010 Code) or the identifier of the most significant entity within the group
- In aggregation, the figures reported for groups of connected clients in template C 29.00 must match the figures reported in template C 28.00
- If a bank reports both at the solo and consolidation level, the exposures at the consolidation level may not be lower than those reported at the solo level
- If the exposures to a single counterparty at the solo level also exceed the customer exposure limit at the consolidation level, the counterparty must be reported at both levels
- The counterparty data corresponding to each C 28.00 and C 29.00 row must be reported in template C 27.00

Contact request

- In order to sort out any errors and deviating practices, **all banks reporting Corep C 27.00 – C 29.00 are requested to submit the contact information for persons responsible for COREP LE reporting** (name, email address and telephone) to the FIN-FSA
- **Deadline for the submission of contact information is 2 October 2020**
- FIN-FSA contact person

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Thank you!