



# Consultation on Reporting of Asset Encumbrance and Forbearance and Non-Performing Exposures

Public Hearing

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# BTS in the context of EU legislation

## Common rulebook

Maximum harmonisation

...but proportionate to different financial institutions

EU legislators  
Sectoral Directives

EU Commission  
'Implementing legislation'

EBA to  
provide advice

EBA developing binding technical  
standards

# Binding Technical Standards

## The EBA regulation (EU) No 1093/2010:

- > Article 8(1): one of the EBA's tasks is to develop draft regulatory (RTS) and implementing technical standards (ITS).
- > Article 15(1): The EBA shall submit draft ITS to the Commission for the endorsement and shall conduct **open public consultation before submitting draft ITS to the Commission.**
- > Within 3 months of receipt of a draft ITS, the Commission shall decide whether to endorse it.
- > The Commission shall not change the content of a draft ITS prepared by the EBA without prior coordination with the EBA.
- > Article 15(4). The implementing technical standards shall be adopted by means of regulations or decisions. They shall be published in the *Official Journal of the European Union* and shall enter into force on the date stated therein.

# Mandate

## Article 95a CRR – reporting of all forms of encumbrance of assets:

*Institutions shall report to the competent authorities the level, at least in aggregate terms, of their repurchase agreements, securities lending and all forms of encumbrance of assets.*

- > EBA shall include this information in the implementing technical standard on reporting of Article 95 paragraph 2.
- > Mandate relates to COREP reporting in article 95. Hence the scope will follow COREP. All entities subject to COREP reporting will be subject to asset encumbrance reporting.
- > ESRB recommendation of Feb 20 on providing templates also hereby fulfilled

## Article 95 (2) CRR – reporting of financial information to the extent necessary to obtain a comprehensive view of the risk profile of an institution's activities

- > Information on forbearance and non-performing exposures will be reported by institutions subject to FINREP

# ITS on supervisory reporting, building blocks

Own Funds

COREP, FINREP (incl. Forbearance and Non-performing exposures)

Liquidity

Leverage ratio

Asset encumbrance

Mortgage exposures

Large exposures

# ITS development process



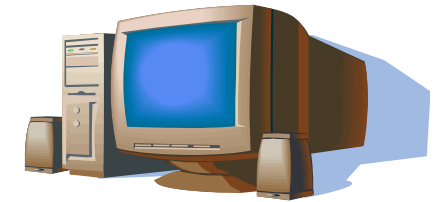
## Data definitions

- Data sheets (bi-dimensional)
- References
- Data definitions



## Data point model

- Standardisation of data
- Multi-dimensional
- Focus on analytical data use
- Validation rules



## Taxonomy

- Multi-dimensional
- Integrated validation rules