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Consultation Paper

Draft regulatory technical standards (RTS)
on the methodology for the identification of global systemically important institutions (G-SII)

Draft implementing technical standards (ITS)
on uniform formats and date for the disclosure of the values of the indicators used for determining the score of the institutions identified as global systemically important institutions (G-SII)

Guidelines
on formats and date for the disclosure of the values of the indicators used for the identification of global systemically important institutions

Consultation Paper on draft regulatory technical standards (RTS) on the methodology for the identification of global systemically important institutions under Directive 2013/36/EU and on draft implementing technical standards (ITS) and on Guidelines on the disclosure of the values of the indicators used for determining the score of the institutions identified as global systemically important institutions (G-SII)

Contents

1. Responding to this consultation

The EBA invites comments on all proposals put forward in this paper and in particular on the specific questions summarised in 5.2.

Comments are most helpful if they:

- respond to the question stated;
- indicate the specific point to which a comment relates;
- contain a clear rationale;
- provide evidence to support the views expressed / rationale proposed; and
- describe any alternative regulatory choices the EBA should consider.

Submission of responses

To submit your comments, click on the ‘send your comments’ button on the consultation page by 28 February 2014. Please note that comments submitted after this deadline, or submitted via other means may not be processed.

Publication of responses

Please clearly indicate in the consultation form whether you wish your comments to be disclosed or to be treated as confidential. A confidential response may be requested from us in accordance with the EBA’s rules on public access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by the EBA’s Board of Appeal and the European Ombudsman.

Data protection

The protection of individuals with regard to the processing of personal data by the EBA is based on Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 as implemented by the EBA in its implementing rules adopted by its Management Board. Further information on data protection can be found under the Legal notice section of the EBA website.

2. Executive summary

Pursuant to Article 131(1) of Directive 2013/36/EU ('the Directive') competent or designated authorities in the Member States will identify European banks representing a higher risk for the global financial system as Global systemically important institutions (G-SIIs). For G-SIIs, higher own funds requirements will apply, depending on their systemic relevance according to which they will be allocated to subcategories ('buckets'). While the Directive outlines certain basic principles of the methodology for identifying G-SIIs and allocating them to subcategories, Article 131(18) sets out a mandate for the present draft RTS to specify this methodology further.

The Directive and the present draft require Member States' authorities to take into account internationally agreed standards for the identification of systemically important institutions. This in particular means the framework for global systemically important financial institutions and established by the Financial Stability Board and developed by the Basel Committee on Banking Supervision (BCBS). The Directive and the further specification of the methodology are designed such that data reported by EU and non-European banks for the BCBS identification process can also be used for the identification pursuant to the Directive. Member States' authorities should ensure that they are identical to those used by the BCBS.

Each year Member States' authorities will calculate an individual score to measure a bank's systemic significance. The Directive defines five categories of indicators to be used in this scoring process, and the draft RTS specify 12 (sub)-indicators falling under these categories. In addition, authorities are required to apply the same parameters for the calculation and the allocation to subcategories: for each year, a sample of large European and non-European banks' 'denominators' calculated on the basis of indicator data of the banks in the sample to normalise the indicator values and make the scores comparable, and cut-off scores between the subcategories.

The indicators are designed to reflect the different aspects of potential negative externalities of an entity's failure and its critical functions for the stability of the financial system. In addition, the Directive empowers Member States' authorities to designate a bank as a G-SII or re-allocate it from a lower to a higher subcategory exercising supervisory judgment. This judgment also refers to the potential impact of a failure and not to the probability that the G-SII will fail.

The identification as a G-SII, i.e. the higher own fund requirement, will apply with a time lag of approximately one year following the publication of the results of the scoring exercise by Member States' authorities, so G-SIIs have time to adjust their own funds to the buffer requirement.

In 2015, the first year of application of the RTS, the scoring process will take place twice: In early 2015 authorities will identify G-SIIs based on a score for 2014. For these G-SIIs, the higher own fund requirement will apply as of 1 January 2016. In the second half of 2015, there will be an update of the scoring. This scoring will be the basis for the own fund requirement as of 1 January 2017.

Article 441 of Regulation (EU) 575/2013 (the 'Regulation') requires G-SIIs to make public the values used for the identification and scoring process pursuant to certain uniform formats and dates set out in the draft ITS. In order to ensure a transparent identification process and a level playing field, in particular before any G-SIIs have been identified, and to enable Member States' authorities to inform themselves about the data of banks authorised in other Member States in the identification process, pursuant to the draft Guidelines other large institutions with an overall exposure of more than EUR 200 billion, which are potentially systemically relevant, will also be subject to the same disclosure requirement.

The feedback statement on this consultation is envisaged to be issued in March 2014. For this purpose the consultation period is shorter than full three months and terminates at 28 February 2014.

The draft RTS is to be finalised by May and submitted to the Commission by 30 June 2014, and the draft ITS by 1 July 2014.

3. Background and rationale

The Directive allows higher own funds requirements to be imposed on G-SIIs in order to compensate for the higher risk they represent for the financial system and the potential impact of their failure on sovereign finance and taxpayers. When defining the identification process, the subcategories and allocation of G-SIIs in subcategories and setting a G-SII buffer capital requirement, the Directive takes into account internationally agreed standards, in particular the framework for global systemically important financial institutions established by the Financial Stability Board following the report ‘Reducing the moral hazard posed by systemically important financial institutions – FSB Recommendations and Time Lines’. Based on these recommendations, the Basel Committee on Banking Supervision (BCBS) developed standards for the methodology for assessing global systemically important banks and for the higher loss absorbency requirement. The scoring process at the BCBS is already taking place. Several Member States which are also represented in the G20 committed to apply a higher own funds requirement to G-SIIs starting in 2016, based on the scoring for 2014.

To reduce the administrative burden for institutions as much as possible, the identification of G-SIIs in the EU is synchronised with the BCBS process, and institutions are supposed to report the same data as reported to the BCBS to Member States’ authorities. The methodology and parameters applied in the scoring process are substantially the same.

To ensure a harmonised methodology, its specification aims at ensuring consistent parameters for the methodology, and common timelines and procedures for the identification process and the coming into effect of the identification. Without specifications on these points, the methodology would be incomplete: in the absence of consistent parameters, the scoring process stipulated in Article 131(2) of the Directive could not be carried out, as the basis for normalisation and making indicators comparable would be lacking. The objectives of harmonisation of the scoring process and the taking into account of international standards could not be achieved. In addition, to ensure comparability of the data used for the scoring and a level application of the buffer requirement across the Union, the specification of the methodology in the draft RTS incorporates not only harmonised parameters such as denominators and cut-off scores, but also timelines for the scoring process and the publication of its results, and for the application of the buffer requirement following this publication.

Uniform and meaningful disclosure requirements are necessary to ensure fair conditions of competition between comparable groups of institutions, resulting in greater convergence of supervisory practices and accurate assessment of risks across the EU. They improve data quality and strengthen market discipline. In this vein, G-SIIs should be subject not only to additional capital requirements, but also to an even greater public scrutiny than average institutions. These disclosure requirements should apply not only to institutions that have already been identified as G-SIIs, but also to large institutions with an exposure above EUR 200 billion, since they also potentially constitute a significantly larger threat to financial stability. Therefore, the draft Guidelines go beyond the requirement in the Regulation which only addresses G-SIIs, and are also aimed at enabling Member States’ authorities to perform the identification and scoring process and disclosure, in particular before any G-SIIs have been identified. The draft Guidelines are addressed to both competent authorities and institutions.

To ensure comparability in order to facilitate the work of Member States' authorities, as well as scrutiny by the public at large, and to achieve the aim of improving data quality and strengthening market discipline, the means of disclosure should also be uniform. Therefore the draft Guidelines go beyond Article 434 of the Regulation and state that all institutions subject to the disclosure requirements should disclose the data concerned in electronic form on their websites. Detailed instructions on how to complete the templates have been included in the draft Guidelines.

The bundle of draft RTS, ITS and Guidelines will be under ongoing review, as the BCBS identification process provides for regular reviews of the identification methodology every three years.

4. Draft regulatory technical standards (RTS) on the methodology for the identification of G-SIIs

COMMISSION DELEGATED REGULATION (EU) No …/..

of XXX

[…]

supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards for the specification of the methodology for the identification of global systemically important institutions and for the definition of subcategories of global systemically institutions

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC[1], and in particular Article 131(18) thereof,

Whereas:

(1) Directive 2013/36/EU empowers competent or designated authorities of the Member States to impose higher own funds requirements on Global systemically important institutions (G-SIIs) in order to compensate for the higher risk that G-SIIs represent for the financial system and the potential impact of their failure on taxpayers. The Directive outlines certain basic principles of a methodology how G-SIIs are to be identified and in a second step allocated to subcategories in accordance with their systemic relevance. In accordance with this allocation they will be assigned an additional Common Equity Tier 1 capital requirement, the G-SII buffer. The methodology of this identification and allocation is based on five categories measuring the systemic significance of a bank for the global financial market, and is further specified in this Regulation.

(2) When defining the identification process, the subcategories and the allocation of G-SIIs in subcategories and setting a G-SII buffer capital requirement, Directive 2013/36/EU takes into account internationally agreed standards, in particular the framework for global systemically important financial institutions established by the Financial Stability Board following the report ‘Reducing the moral hazard posed by systemically important financial institutions – FSB Recommendations and Time Lines’. Based on these recommendations, the Basel Committee on Banking Supervision developed standards for the methodology of assessing global systemically important banks and for the higher loss absorbency requirement. In order to follow the approach of Directive 2013/36/EU, this Regulation should take into account the process elaborated by the Basel Committee on Banking Supervision. As international standards for systemically important financial institutions constantly evolve, this Regulation will need to be updated when changes are made to the international standards.

(3) Directive 2013/36/EU makes clear that the identification and allocation methodology is harmonised in all Member States by the use of uniform and transparent parameters for determining an overall score of an entity to measure its systemic importance. In order to ensure that the sample of European banks and banking groups authorised in third countries serving as a reference to reflect the global financial system are uniform across the Union, the European Supervisory Authority (European Banking Authority)

[1] OJ L 176, 27.6.2013, p. 338.

(EBA) should determine it. Exclusions and additions to the sample based on supervisory judgment should be chosen strictly to ensure its function as a term of reference and must not be based on other grounds.

(4) Timelines and procedures of the G-SIIs identification process should be part of the methodology, as the process should be based on comparable data and should take into account that institutions need clarity as to whether and in which amount a buffer requirement will apply to them. However, since the identification of G-SIIs is to be based on up-to-date data in regard of the sample of large global banking groups some of which are authorised in third countries, the data needed will not be available earlier than in the course of the second half of each year. In order to enable institutions to comply with the requirements resulting from the status as a G-SII, the buffer requirement should take effect as of approximately one year following their identification.

(5) Directive 2013/36/EU sets forth five categories measuring systemic significance, which are to consist of quantifiable indicators. In order to minimise the administrative burden for institutions and authorities, the categories parallel those applied by the Basel Committee on Banking Supervision. In further defining the quantifiable indicators, this Regulation should follow the same approach. The indicators should be chosen to reflect the different aspects of potential negative externalities of an entity's failure and its critical functions for the stability of the financial system. The reference system for assessing systemic significance should be the global financial markets and the global economy.

(6) The systemic significance of each banking group measured by the indicators on consolidated basis should be expressed as an individual overall score for a certain year measuring its position relative to other entities of the sample. Based on the overall score banks are to be identified as G-SIIs and allocated to the sub-categories to which different capital buffer requirements will apply. When calculating the score as the average of the category scores, each of the five categories should receive a weighting of 20%. Given that on the basis of an analysis of data until and including the year 2013 the substitutability category proved to have a disproportionately high impact on the score for banks that are dominant in the provision of payment, underwriting and asset custody services, a cap should be applied to that category for the purpose of calculating the overall score.

(7) National authorities have the option to use sound supervisory judgment to re-allocate a G-SII from a lower to a higher subcategory or to designate an entity as a G-SII that has an overall score that is lower than the cut-off score of the lowest subcategory. As the objective of this identification by supervisory judgment is the same as the purpose of the regular scoring process, the criterion on which this judgment is to be based should also be the bank's systemic significance for the global financial market and the global economy, in line with the methodology used by the Basel Committee on Banking Supervision. The failure risk of the bank should not be a criterion, as it is already accounted for in other prudential requirements, inter alia in the total risk exposure amount and, where applicable, in further own fund requirements like the systemic risk buffer.

(8) This Regulation is based on the draft regulatory technical standards submitted by the EBA to the Commission.

(9) The EBA has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010.

(10) This Regulation will apply as of 1 January 2015, as the G-SII buffer requirement set forth in Article 131 of Directive 2013/36/EU will apply and be phased in from 1 January 2016. Therefore the identification of G-SIIs has to take place in early 2015 at the latest. Pursuant to Article 162(5) of Directive 2013/36/EU, the G-SII buffer requirement will be phased in over a period of three years: the first step of the requirement should apply as of 1 January 2016 for those G-SIIs which have been identified by national authorities in early 2015, on the basis of data of financial year-ends prior to July 2014. The second step of the G-SII buffer requirement should apply as of 1 January 2017 for those G-SIIs which have been identified by national authorities by the end of 2015 or, at the latest, the beginning of 2016, on the basis of data of preceding financial year-ends prior to July 2015.

HAS ADOPTED THIS REGULATION:

Article 1

Subject matter and scope

This Regulation specifies the methodology in accordance with which the competent authority or the designated authority of a Member State shall identify, on a consolidated basis, a relevant entity as a global systemically important institution (G-SII), and the methodology for the definition of subcategories of G-SIIs and the allocation of G-SIIs to these subcategories in accordance with their systemic significance and, as part of the methodology, timelines and data to be used for the identification.

Article 2

Definitions

For the purpose of this Regulation, the following definitions apply:

(1) 'Relevant entity' means an EU parent institution or EU parent financial holding company or EU parent mixed financial holding company or an institution that is not a subsidiary of an EU parent institution or EU parent financial holding company or EU parent mixed financial holding company.

(2) 'Sample' means a sample of relevant entities and banks authorised in third countries as set out in Article 3(1).

(3) 'Indicator' means one of the quantifiable indicators set out in Article 6 in relation to each of the categories.

(4) 'Indicator value' means for each indicator and for each relevant entity of the sample the individual value of the indicator and for each bank authorised in a third country a comparable individual value publicly disclosed in accordance with internationally agreed standards.

(5) 'Denominator' means for each indicator the total aggregate value of the indicator values of the relevant entities and banks authorised in third countries of the sample.

(6) 'Cut-off score' means a score value determining the lowest boundary and the boundaries between the five subcategories as defined in Article 131(9) of Directive 2013/36/EU.

(7) 'National authority' means in respect of each Member State the authority designated as being in charge of identifying G-SIIs authorised within its jurisdiction pursuant to Article 131(1) of Directive 2013/36/EU.

Article 3

Common parameters for the methodology

1. The EBA shall identify a sample of institutions or groups whose indicator values are to be used as reference values representing the global banking sector for the purpose of calculating the scores, taking into account internationally agreed standards, in particular the sample used by the Basel Committee on Banking Supervision for the identification of global systemically important banks and notify national authorities of the relevant entities included in the sample by 31 of July of each year. The sample shall consist of relevant entities and banks authorised in third countries and comprise the 75 largest of them, based on the total exposure as defined in Article 6(1), and in addition relevant entities that were designated as G-SIIs and banks in third countries that were designated as global systemically important in the previous year. The EBA shall exclude or add relevant entities or banks authorised in third countries, if and to the extent necessary to ensure an adequate reference system for assessing systemic significance reflecting the global financial markets and the global economy, taking into account internationally agreed standards including the sample used by the Basel Committee on Banking Supervision.
2. The national authority shall report the indicator values of each relevant entity with an exposure measure above 200 billion Euro which is authorised within its jurisdiction to the EBA not later than 31 July of each year. The national authority shall ensure that the indicator values are identical to those disclosed by the relevant entity concerned in accordance with the Commission Implementing Regulation (EU) No […/..] and the Guidelines on disclosure of indicators of global systemic importance issued by the EBA and shall use the templates specified therein[2].
3. Based on these indicator values the EBA shall compute the denominators, taking into account internationally agreed standards, in particular the denominators published by the Basel Committee on Banking Supervision for that year, and notify them to national authorities. The denominator of an indicator shall be the aggregate amount of the indicator values across all relevant entities and banks

[2] This includes a specification of the applicable exchange rate.

authorised in third countries in the sample, as reported for the relevant entities pursuant to paragraph 2 and disclosed by the banks authorised in third countries in July of the relevant year.

Q01:	Is it adequate to use the same data as used in the BCBS identification process for the scoring?

Article 4

Identification procedure

1. The national authority shall calculate the scores of the relevant entities that are included in the sample notified by the EBA, which are authorised in its jurisdiction, not later than 15 December of each year. When exercising supervisory judgment to designate a relevant entity as a G-SII in accordance with Article 131(10), letter (b), of Directive 2013/36/EU, the national authority shall communicate by this date a detailed statement in written form on the reasons for its assessment to the EBA.
2. The identification of a relevant entity as a G-SII and the allocation to a subcategory shall take effect as of the 1 January of the second year following the calendar year when the denominators pursuant to Article 3 have been determined.

Article 5

Identification as G-SII and determination of the scores and allocation to subcategories

1. The indicator values shall be based on reported data of the relevant entity of the preceding financial year-end, on consolidated basis, and for banks authorised in third countries on data disclosed in accordance with internationally agreed standards. National authorities may use indicator values of relevant entities whose financial year-end does not coincide with 31 December based on their position as of a date closer to 31 December.
2. The national authority shall determine the score of each relevant entity of the sample as the simple average of the category scores subject to a maximum category score of 500 base points for the category measuring the substitutability. Each category score shall be calculated as the simple average of the values resulting from dividing each of the indicator values of this category by the denominator of the indicator notified by the EBA. The scores shall be expressed in base points and shall be rounded to the nearest whole base point.
3. The lowest cut-off score shall be 130 base points. The subcategories shall be allocated as follows:
   - (i) Subcategory 1 shall encompass scores from 130 to 229 base points,
   - (ii) subcategory 2 shall encompass scores from 230 to 329 base points,
   - (iii) subcategory 3 shall encompass scores from 330 to 429 base points,
   - (iv) subcategory 4 shall encompass scores from 430 to 529 base points, and
   - (v) subcategory 5 shall encompass scores from 530 to 629 base points.
4. The national authority shall identify a relevant entity as a G-SII, if the score is equal to or higher than the lowest cut-off score. Any decision to designate a relevant entity as a G-SII in the exercise of sound supervisory judgment pursuant to Article 131(10) letter (a), of Directive 2013/36/EU shall be based on an assessment whether its failure would have a significant negative impact on the global financial market and the global economy.
5. The national authority shall allocate a G-SII to a subcategory in accordance with its score. Any decision to re-allocate a G-SII from a lower subcategory to a higher subcategory in the exercise of sound supervisory judgment pursuant to Article 131(10) letter (b), of Directive 2013/36/EU shall be based on an assessment whether its failure would have a higher negative impact on the global financial market and the global economy.
6. The judgments mentioned in paragraphs 3 and 4 can be supported by ancillary indicators and shall not take the probability that the relevant entity fails as reference. They shall comprise well documented and verifiable quantitative and qualitative information.

Article 6

Indicators

1. The category measuring the size of the group shall consist of one indicator equal to the total exposure of the group as further specified in the Annex.

2. The category measuring the interconnectedness of the group with the financial system shall consist of the following indicators:

   (a) intra financial-system assets;

   (b) intra financial-system liabilities; and

   (c) securities outstanding;

   each as further specified in the Annex.

3. The category measuring the substitutability of the services or of the financial infrastructure provided by the group shall consist of the following indicators:

   (a) assets under custody;

   (b) payments activity; and

   (c) underwritten transactions in debt and equity markets;

   each as further specified in the Annex.

4. The category measuring the complexity of the group shall consist of the following indicators:

   (a) notional amount of over-the-counter derivatives;

   (b) assets included in the level 3 of fair-value measured in accordance with International Financial Reporting Standards as adopted in Regulation (EC) No 1606/2002; and

   (c) trading and available-for-sale securities;

   each as further specified in the Annex.

5. The category measuring the cross border activity of the group shall consist of the following indicators:

   (a) cross-jurisdictional claims; and

   (b) cross-jurisdictional liabilities;

   each as further specified in the Annex.

Q02:	Are the indicators set out in Art. 6 adequate to reflect systemic relevance of a systemically important institution?

Article 7

Entry into force and transitory provisions

1. This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

   It shall apply from 1 January 2015.

2. In the first year of application of this Regulation, and in partial derogation to Article 3, the following timeline shall be observed. The EBA shall determine an initial sample by 14 January 2015. The national authorities shall report the indicator values based on data for financial year-ends prior to July 2014 of relevant entities of this initial sample to the EBA by 21 January 2015. Based on these indicator values, EBA shall compute the denominators for the year 2014, by 30 January 2015. Without prejudice and in addition to the scores for the year 2015 to be determined later in 2015 based on the denominators for the year 2015, national authorities shall determine scores for the year 2014 in accordance with the timelines set forth in Article 4, based on the respective denominators for the year 2014, and determine G-SIIs, allocate them to subcategories and notify them to the Commission, the ESRB and EBA and publish their names based on these scores for the year 2014. By way of derogation to Article 4(2), the identification of a relevant entity as a G-SII and the allocation to a subcategory based on the scores for the year 2014 shall take effect as of 1 January 2016.

Q03:	Are the timelines for the identification process and the coming into force of the buffer requirement adequate and allow for sufficient time to adjust to the buffer requirement?

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission
The President

[For the Commission
On behalf of the President
[Position]

ANNEX

For the purpose of this Regulation the indicators shall be determined as follows:

1. Total Exposure

The total exposure shall be the aggregate of total on-balance sheets items and of total derivative and off-balance sheet items, on consolidated basis, including entities consolidated for accounting purposes but not for risk-based regulatory purposes, less regulatory adjustments.

The total exposure shall generally follow the accounting measure of exposure (however, using the broader scope of consolidation) subject to the following principles:

- on-balance sheet, non-derivative exposures are included in the exposure measure net of specific provisions and valuation adjustments (for example credit valuation adjustments);
- netting of loans and deposits shall not be allowed.
- Physical or financial collateral, guarantees or credit risk mitigation purchased shall not reduce on-balance sheet exposures.

On-balance sheet items shall be the aggregate of

(a) counterparty exposure of derivatives contracts;

(b) gross value of securities financing transactions (SFTs);

(c) counterparty exposure of SFTs;

(d) the maximum of (i) other assets less securities received in SFTs that are recognised as assets and (ii) zero.

Off-balance sheet items shall be the aggregate of

(a) potential future exposure of derivative contracts

(b) notional amount of off-balance sheet items with a 0% Credit Conversion Factor (CCF), less 100% of unconditionally cancellable credit card commitments, less 100% of other unconditionally cancellable commitments

(c) 10% of unconditionally cancellable credit card commitments

(d) 10% of other unconditionally cancellable commitments

(e) notional amount of off-balance sheet items with a 20% CCF

(f) notional amount of off-balance sheet items with a 50% CCF

(g) notional amount of off-balance sheet items with a 100% CCF.

For entities consolidated for accounting purposes but not for risk-based regulatory purposes the indicator value shall be increased by the aggregate of:

(a) on-balance sheet assets

(b) potential future exposure of derivatives contracts

(c) 10% of unconditionally cancellable commitments

(d) other off-balance sheet commitments

less investment value in the consolidated entities.

2. Interconnectedness

For the purpose of the interconnectedness indicators, financial institutions shall be defined as including banks (and other deposit-taking institutions), bank holding companies, securities dealers, insurance companies, mutual funds, hedge funds, pension funds, investment banks, and central counterparties (CCPs). Central banks and other public sector bodies (for example multilateral development banks) shall be excluded, but state-owned commercial banks shall be included.

2.1 Intra Financial System Assets:

Intra Financial System Assets shall be the aggregate of Funds deposited and undrawn committed lines, Holdings of securities issued by other financial institutions, Securities Financing Transactions and Over-the-counter (OTC) derivatives with other financial institutions that have a net positive fair value.

(a) Funds deposited and undrawn committed lines

Funds deposited and undrawn committed lines shall be the aggregate of

(i) Funds deposited with or lent to other financial institutions

(ii) Undrawn committed lines extended to other financial institutions.

(b) Holdings of securities issued by other financial institutions

This item shall reflect all holdings of securities issued by other financial institutions. Total holdings shall be counted at fair value for securities classified as held-for-trading and available-for-sale; held-to-maturity securities shall be counted at amortized cost.

Holdings of securities issued by other financial institutions shall be the aggregate of

(iii) Secured debt securities

(iv) Senior unsecured debt securities

(v) Subordinated debt securities

(vi) Commercial paper

(vii) Certificates of deposit

(viii) the maximum of stock (including par and surplus of common and preferred shares) less offsetting short positions in relation to the specific stock holdings and zero.

(c) Securities Financing Transactions

Securities Financing Transactions shall be the aggregate of net positive current exposure of securities financing transactions with other financial institutions.

The reported value shall not be intended to reflect amounts recorded on the balance sheet. It shall represent the single legally owed amount per netting set. Netting shall only be used where the transactions are covered by a legally enforceable netting agreement. Where these criteria are not met, the gross balance sheet amount shall be counted. Conduit lending transactions shall not be included.

(d) Over-the-counter (OTC) derivatives with other financial institutions that have a net positive fair value

Over-the-counter (OTC) derivatives with other financial institutions that have a net positive fair value shall be the aggregate of

(i) Net positive fair value (including collateral held if it is within the master netting agreement)

(ii) Potential future exposure.

2.2 Intra Financial System Liabilities

Total intra financial system liabilities shall be the aggregate of deposits by financial institutions, securities financing transactions and OTC derivatives with other financial institutions that have a net negative fair value.

(a) Deposits by financial institutions

Deposits by financial institutions shall be the aggregate of
(i) Deposits due to depository institutions
(ii) Deposits due to non-depository financial institutions
(iii) Undrawn committed lines obtained from other financial institutions.

(b) Securities Financing Transactions

Securities Financing Transactions shall be the aggregate of net negative current exposure of securities financing transactions with other financial institutions.

(c) OTC derivatives with other financial institutions that have a net negative fair value

OTC derivatives with other financial institutions that have a net negative fair value shall be the aggregate of
(i) Net negative fair value (including collateral provided if it is within the master netting agreement)
(ii) Potential future exposure.

2.3 Securities Outstanding

The indicator shall reflect the value of outstanding securities issued by the relevant entity. Intra-financial and other activity shall not be distinguished.

Total securities outstanding shall be the aggregate of:

(a) Secured debt securities
(b) Senior unsecured debt securities
(c) Subordinated debt securities
(d) Commercial paper
(e) Certificates of deposit
(f) Equity market capitalization.

3. Substitutability of the services or of the financial infrastructure provided by the group

3.1 Payments Activity

The total payment activity shall be payments made in the reporting year less intragroup payments made in the reporting year. If the result of the difference amounts to a value below zero, the value shall be zero.

The relevant payment value shall be the total gross value of all cash payments sent by the reporting group via large value funds transfer systems, along with the gross value of all cash payments sent through an agent bank (for example using a correspondent or nostro account). Cash payments made on behalf of the relevant entity as well as those made on behalf of customers (including financial institutions and other commercial customers) shall be included. Payments made through retail payment systems shall not be included. Only outgoing payments shall be included. The value shall be calculated in Euro.

3.2 Assets Under Custody

The value of Assets under Custody shall be the value of all assets, including cross-border assets, which the reporting group held as a custodian on behalf of customers, including financial institutions other than the reporting group. Any assets under management or assets under administration which are not also classified as assets under custody shall not be included.

3.3 Underwritten Transactions in Debt and Equity Markets

The total underwritten transactions in debt and equity markets shall be the aggregate of equity underwriting activity and debt underwriting activity.

All underwriting where the bank is obligated to purchase unsold securities shall be included. When the underwriting is on a best-efforts basis (which shall mean that the bank is not obligated to purchase the remaining inventory), only the securities that were actually sold shall be included.

4. Complexity of the group

4.1 Notional Amount of Over-the-Counter (OTC) Derivatives

This indicator shall measure the scope of the reporting group's engagement in OTC derivatives transactions and shall include all types of risk categories and instruments. Collateral shall not be deducted when reporting the notional derivative values.

The total notional amount of over-the-counter (OTC) Derivatives shall be the aggregate of OTC derivatives cleared through a central counterparty and OTC derivatives settled bilaterally.

4.2 Trading and Available-for-Sale Securities

The Trading and Available-for-Sale Securities shall be the total amount of securities in the held-for-trading (HFT) and available-for-sale (AFS) accounting categories less the subset of securities held in those categories that are eligible for classification as high quality liquid assets (HQLA).

4.3 Level 3 Assets

The value of Level 3 Assets shall be the value of all assets that are priced on a recurring basis using Level 3 measurement inputs.

5. Cross border activity of the group

5.1 Cross-Jurisdictional Claims

The value of Cross-Jurisdictional Claims shall be the value of all claims over all sectors that, on an ultimate-risk basis, are cross-border claims, local claims of foreign affiliates in foreign currency, or local claims of foreign affiliates in local currency. Cross-border claims shall extend from an office in one country to a borrower in another country. Local claims of foreign affiliates in foreign and local currency shall extend from the local office of the bank to borrowers in that location.

5.2 Cross-Jurisdictional Liabilities

Total cross-jurisdictional liabilities shall be the aggregate of

(a) Local liabilities in local currency
(b) Foreign liabilities (excluding local liabilities in local currency)
(c) less any foreign liabilities to related offices included in item (b).

5. Draft implementing technical standards (ITS) on uniform standards for the disclosure of indicators used for determining the score of G-SIIs

COMMISSION IMPLEMENTING REGULATION (EU) No …/..

of XXX

[…]

implementing Directive 2013/36/EU of the European Parliament and of the Council laying down implementing technical standards with regard to the uniform formats and date for the disclosure of the values of the indicators used for determining the score of the institutions identified as global systemically important institutions

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, and in particular Article 441(2) thereof,

Whereas:

(1) In order to help ensure global consistency in disclosure and transparency in the process of identification of global systemically important institutions (G-SIIs), such institutions are required to publicly disclose indicator values used in this process.

(2) The disclosure templates used by European Union institutions should take into account international standards, particularly those issued by the Basel Committee on Banking Supervision.

(3) Similarly, in order to ensure consistency and comparability of the collected information, institutions should have as reporting reference date their financial year-end figures of the previous year or any other date close to 31 December agreed with its relevant competent authority.

(4) With the aim of facilitating public access to the disclosed information, also with a view that data from all Member States are needed to perform the identification process, the European Supervisory Authority (European Banking Authority - EBA) shall collect each institution's information and publish them on its own webpage.

(5) This Regulation is based on the draft implementing technical standards submitted by the EBA to the Commission.

(6) The EBA has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010.

HAS ADOPTED THIS REGULATION:

Article 1

Uniform format

Institutions identified as G-SIIs in accordance with Article 131 of Directive 2013/36/EU of the European Parliament and of the Council[3] shall publicly disclose the values of the indicators used for determining the score of the institutions in accordance with the identification methodology referred to in that Article, using the electronic template published on the EBA website which shall take the format specified in the Annex. Competent authorities shall ensure that the indicator values are identical to the ones submitted to the Basel Committee on Banking Supervision.

Article 2

Date of disclosure

The institutions referred to in Article 1 shall publicly disclose the financial year-end information specified in that Article no later than four months after each financial year-end. Competent authorities may allow institutions whose financial year-end does not coincide with 31 December to report indicator values based on their position closer to 31 December. In any case, disclosure of the information shall occur no later than 31 July.

Article 3

Disclosure location

Institutions shall publish the values of the indicators specified in the template, preferably in the document containing information required by Part Eight of Regulation (EU) No 575/2013 in accordance with article 434 of the that Regulation. If the disclosures are not included in this document, they shall provide a direct reference to the completed disclosures on the institution’s website or to the document in which they are made available. At the time of publication by the institutions, competent authorities shall send the templates to EBA for centralisation purposes on EBA’s website.

Article 4

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

[It shall apply immediately]

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission
The President

[3] OJ L 176, 27.6.2013, p. 338.

[For the Commission
On behalf of the President

[Position]

ANNEX – Data required to identify G-SIIs

Identification of Global Systemically Important Institutions

Information to be disclosed, in accordance with Regulation (EU) No X/X

A) General Information

1a)	Country code	
1b)	Institution name	
1c)	Conversion rate (to euros)	
[redacted]		
1f)	Reporting currency (ISO code)	
[redacted]		
1h)	Accounting standard	

B) Size indicator

B.1) On-balance sheet indicator

		Amount	Comments
2a)	Counterparty exposure of derivatives contracts - Method 1		
2b)	Counterparty exposure of derivatives contracts - Method 2		
2c)	Gross value of securities financing transactions (SFTs)		
2d)	Counterparty exposure of SFTs		
2e)	Other assets		
2f)	Securities received in SFTs that are recognised as assets		
2g)	**Total on-balance sheet items**	=IF(COUNTIF(K20:K25,"ý")=0,SUM(H20,H22,H23,MAX((H24-H25),0)),"")	

B.2) Derivatives and off-balance sheet items

		Amount	Comments
3a)	Potential future exposure of derivative contracts - Method 1		
3b)	Potential future exposure of derivative contracts - Method 2		
3c)	Notional amount of off-balance sheet items with a 0% CCF		
3d)	Unconditionally cancellable credit card commitments		
3e)	Other unconditionally cancellable commitments		
3f)	Notional amount of off-balance sheet items with a 20% CCF		
3g)	Notional amount of off-balance sheet items with a 50% CCF		
3h)	Notional amount of off-balance sheet items with a 100% CCF		
3i)	**Total off-balance sheet items**	=IF(COUNTIF(K30:K37,"ý")=0,SUM(H30,((H33+H34)*0.1),(H32-(H33+H34)),H35,H36,H37,),"")	
	Entities consolidated for accounting purposes but not for risk-based regulatory purposes		
3j)	On-balance sheet assets		
3k)	Potential future exposure of derivatives contracts		
3m)	Unconditionally cancellable commitments		
3n)	Other off-balance sheet commitments		
3p)	Investment value in consolidated entitites		
3q)	Regulatory adjustments		
3r)	**Total exposures**	=IF(COUNTIF(K30:K37,"ý")=0,SUM(H30,((H33+H34)*0.1),(H32-(H33+H34)),H35,H36,H37,),"")	

C) Interconnectedness indicators

C.1) Intra-financial system assets

		Amount	Comments
4a)	Funds deposited with or lent to other financial institutions		
4b)	Undrawn committed lines extended to other financial institutions		
	Holdings of securities issued by other financial institutions:	Amount	Comments
4c)	Secured debt securities		
4d)	Senior unsecured debt securities		
4e)	Subordinated debt securities		
4f)	Commercial paper		
4g)	Certificates of deposit		
4h)	Stock (including par and surplus of common and preferred shares)		
4i)	Offsetting short positions in relation to the specific stock holdings included in item 4h		
	Securities Financing Transactions:	Amount	Comments
4j)	Net positive current exposure of securities financing transactions with other financial institutions		
	Over-the-counter (OTC) derivatives with other financial institutions that have a net positive fair value	Amount	Comments
4k)	Net positive fair value (include collateral held if it is within the master netting agreement)		
4m)	Potential future exposure		
4n)	Fair value of collateral that is held outside of the master netting agreements		
4p)	**Total intra-financial system assets**	=IF(COUNTIF(K55:K70,"ý")=0,H55+H56+SUM(H58:H62)+MAX((H63-H64),0)+H66+H68+H69,"")	

C.2) Intra-financial system liabilities

		Amount	Comments
5a)	Deposits due to depository institutions		
5b)	Deposits due to non-depository financial institutions		
5c)	Undrawn committed lines obtainedfrom other financial institutions		
	Securities Financing Transactions:	Amount	Comments
5d)	Net negative current exposure of securities financing transactions with other financial institutions		
	OTC derivatives with other financial institutions that have a net negative fair value:	Amount	Comments
5e)	Net negative fair value (include collateral provided if it is within the master netting agreement)		
5f)	Potential future exposure		
5g)	Fair value of collateral that is provided outside of the master netting agreements		
5h)	**Total intra-financial system liabilities**	=IF(COUNTIF(K75:K83,"ý")=0,SUM(H75:H77)+H79+H81+H82,"")	

C.3) Securities outstanding

		Amount	Comments
6a)	Secured debt securities		
6b)	Senior unsecured debt securities		
6c)	Subordinated debt securities		
6d)	Commercial paper		
6e)	Certificates of deposit		
6f)	Equity market capitalization		
6g)	**Total securities outstanding**	=IF(COUNTIF(K88:K93,"ý")=0,SUM(H88:H93),"")	
6h)	Book value of equity		

D) Substitutability/Financial institution infrastructure indicators

D.1) Payments activity

Payments made in the reporting year:		Amount (in specified currency)	Amount (in million euros)	Comments
7a)	Australian dollars			
7b)	Brazilian real			
7c)	Canadian dollars			
7d)	Swiss francs			
7e)	Chinese yuan			
7f)	Euros			
7g)	Pound sterling			
7h)	Hong Kong dollars			
7i)	Indian rupee			
7j)	Japanese yen			
7k)	Swedish krona			
7m)	United States dollars			
7n)	**Total payments activity**		=IF(AND(COUNTIF(K102:K113,"ý")=0,ISNUMBER(H13)),IF(SUM(H102:H113)>=0,SUM(H102:H113),""),"")	

Intragroup payments made in the reporting year:		Amount (in specified currency)	Amount (in million euros)	Comments
7p)	Australian dollars			
7q)	Brazilian real			
7r)	Canadian dollars			
7s)	Swiss francs			
7t)	Chinese yuan			
7u)	Euros			
7v)	Pound sterling			
7w)	Hong Kong dollars			
7x)	Indian rupee			
7y)	Japanese yen			
7z)	Swedish krona			
7aa)	United States dollars			
7ab)	**Total intragroup payments activity**		=IF(AND(COUNTIF(K117:K128,"ý")=0,ISNUMBER(H13)),IF(SUM(H117:H128)>=0,SUM(H117:H128),""),"")	

			Amount (in million euros)
7ac)	**Total payments activity without intragroup payments**		=IF(AND(ISNUMBER(H114),ISNUMBER(H129)),MAX(H114-H129,0),"")

Supplementary payments data (payments made as a correspondent for other banks):		Amount (in specified currency)	Amount (in million euros)	Comments
7ad)	Australian dollars			
7ae)	Brazilian real			
7af)	Canadian dollars			
7ag)	Swiss francs			
7ah)	Chinese yuan			
7ai)	Euros			
7aj)	Pound sterling			
7ak)	Hong Kong dollars			
7am)	Indian rupee			
7an)	Japanese yen			
7ap)	Swedish krona			
7aq)	United States dollars			
7ar)	**Total payments made as a correspondent for other banks**		=IF(AND(COUNTIF(K136:K147,"ý")=0,ISNUMBER(H13)),IF(SUM(H136:H147)>=0,SUM(H136:H147),""),"")	

D.2) Assets under custody

		Amount	Comments
8a)	Value of assets held as custodian on behalf of customers		

D.3) Underwritten transactions in debt and equity markets

		Amount	Comments
9a)	Equity underwriting activity		
9b)	Debt underwriting activity		
9c)	**Total underwriting activity**	=IF(COUNTIF(K156:K157,"ý")=0,SUM(H156:H157),"")	

E) Complexity indicators

E.1) Notional amount of over-the-counter (OTC) derivatives

		Amount	Comments
10a)	OTC derivatives cleared through a central counterparty		
10b)	OTC derivatives settled bilaterally		
10c)	**Total notional amount of OTC derivatives**	=IF(COUNTIF(K164:K165,"ý")=0,SUM(H164:H165),"")	

E.2) Trading and available-for-sale (AFS) securities

		Amount	Comments
11a)	Held-for-trading (HFT) securities		
11b)	AFS securities		
11c)	**Value of trading and AFS securities**	=IF(COUNTIF(K170:K171,"ý")=0,SUM(H170:H171),"")	
11d)	Trading and AFS securities that meet the definition of Level 1 assets		
11e)	Trading and AFS securities that meet the definition of Level 2 assets, with haircuts		
11f)	**Total value of trading and AFS securities less Level 1 and Level 2 securities**	=IF(AND(COUNTIF(K173:K174,"ý")=0,ISNUMBER(H172)),MAX(H172-SUM(H173:H174),0),"")	
11g)	Total stock of Level 1 assets, subject to operational requirements		
11h)	Securities in item 11g that are trading or AFS securities		
11i)	Total stock of Level 1 assets, with haircuts and subject to operational requirements		
11j)	Securities in item 11i that are trading or AFS securities		
11k)	Adjustment to stock of high quality liquid assets (HQLA) due to caps on Level 2B and total Level 2 assets		
11m)	Amount of item 11k attributable to trading and AFS securities	=IF(COUNTIF(K176:K180,"ý")=0,IF(AND(SUM(H176,H178)<>0,H180>=0),SUM(H177,H179)*(H180/SUM(H176,H178)),""),"")	
11n)	**Total value of trading and AFS securities less stock of HQLA**	=IF(AND(COUNTIF(K176:K180,"ý")=0,ISNUMBER(H172)),MAX(H172-MAX(H177+H179-H181,0),0),"")	
11p)	Held-to-maturity securities		

E.3) Level 3 assets

		Amount	Comments
12a)	Assets valued using Level 3 measurement inputs		

F) Cross-Jurisdictional activity indicators

F.1) Cross-Jurisdictional claims

		Amount	Comments
13a)	Total foreign claims on an ultimate risk basis		

F.1) Cross-Jurisdictional liabilities

		Amount	Comments
14a)	Foreign liabilities (excluding local liabilities in local currency)		
14b)	Any foreign liabilities to related offices included in item 14a		
14c)	Local liabilities in local currency		
14d)	**Total cross-jurisdictional liabilities**	=IF(COUNTIF(K197:K199,"ý")=0,MAX(H197-H198,0)+H199,"")	

G) Anciliary indicators

		Amount	Comments
15a)	Total liabilities		
15b)	Retail funding		
15c)	**Wholesale funding dependence ratio**	**=IF(AND(COUNTIF(K206:K207,"ý")=0,H206<>0),(H206-H207)/H206,"")**	

		Amount	Comments
15d)	Foreign net revenue		
15e)	Total net revenue		
15f)	Total gross revenue		
15g)	Peak equity market capitalisation		
15h)	Gross value of cash lent and gross fair value of securities lent in securities financing transactions (SFTs)		
15i)	Gross value of cash borrowed and gross fair value of securities borrowed in SFTs		
15j)	Gross positive fair value of OTC derivatives transactions		
15k)	Gross negative fair value of OTC derivatives transactions		
15m)	Number of jurisdictions		
15n)	Unsecured settlement/clearing provided		

6. EBA Guidelines on disclosure of indicators of global systemic importance

Status of these Guidelines

1. This document contains Guidelines issued pursuant to Articles 16 and 22(3) of Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (‘*the EBA Regulation*’). In accordance with Article 16(3) of the EBA Regulation, competent authorities and financial institutions must make every effort to comply with the Guidelines.

2. The Guidelines set out the EBA’s view of appropriate supervisory practices within the European System of Financial Supervision or of how Union law should be applied in a particular area. The EBA therefore expects all competent authorities and financial institutions to whom the Guidelines are addressed to comply with them. The competent authorities to whom the Guidelines apply should comply by incorporating them into their supervisory practices as appropriate (e.g. by amending their legal framework or their supervisory processes), including where the Guidelines are directed primarily at institutions.

Reporting requirements

3. In accordance with Article 16(3) of the EBA Regulation, the competent authorities must notify the EBA as to whether they comply or intend to comply with these Guidelines, or otherwise with reasons for non-compliance, by dd.mm.yyyy. In the absence of any notification by this deadline, the competent authorities will be considered by the EBA to be non-compliant. Notifications should be sent by submitting the form provided at Section 5 to: compliance@eba.europa.eu with the reference ‘EBA/GL/201x/xx’. Notifications should be submitted by persons with appropriate authority to report compliance on behalf of their competent authorities.

4. Notifications will be published on the EBA website, in line with Article 16(3).

Contents

[…]

Title I – Subject matter, scope and definitions

5. The Guidelines concern the annual disclosure of the values of the indicators used for determining the score of institutions in accordance with the methodology for identifying global systemically important institutions set out in Article 131 of Directive 2013/36/EU. They seek to ensure the consistent application of the implementing technical standards, specifying the uniform formats and date for that disclosure, adopted pursuant to Article 441 of Regulation (EU) No 575/2013 and to encourage the disclosure by a wider range of institutions, taking into account the systemic risk posed by them. The Guidelines take into account the process agreed by the Basel Committee on Banking Supervision for identifying global systemically important institutions.

6. The Guidelines apply to institutions ('relevant institutions') which observe a leverage ratio exposure measure exceeding EUR 200 billion using the reference exchange rate published by the ECB applicable at the financial year-end, and to competent authorities within the meaning of Article 4(40) of Regulation (EU) No 575/2013, including the European Central Bank with regard to matters relating to the tasks conferred on it by Regulation (EU) No 1024/2013.

Title II – Disclosure by institutions

7. The competent authorities should ensure that the relevant institutions disclose publicly, on an annual basis, the values of the indicators used for determining the score of institutions in accordance with the identification methodology referred to in Article 131 of Directive 2013/36/EU.

8. The competent authorities should ensure that the disclosure is made using the electronic template published for this purpose on the EBA website and in accordance with the implementing technical standards adopted pursuant to Article 441 of Regulation (EU) No 575/2013, taking into account the instructions set out in the Annex to the Guidelines. Pending the application of such implementing technical standards, the relevant institutions should publicly disclose the financial year-end information no later than four months after each financial year-end. The competent authorities may allow relevant institutions whose financial year-end does not coincide with 31 December to report indicator values based on their position closer to 31 December. In any case, disclosure of the information should occur no later than 31 July, for the first time in 2014.

9. The competent authorities should ensure that the indicator values are identical to those submitted to the Basel Committee on Banking Supervision.

Title III – Communication of disclosed values of indicators

10. The relevant institutions should publish their individual templates on their websites. Insofar as possible, these templates should also be included in the document containing information requested by Part Eight of Regulation (EU) 575/2013 of 26 June 2013, or a reference should be made in this document to the website where the templates are disclosed. The competent authorities should ensure that the disclosures made by the relevant institutions are provided to them when the disclosure is made.

11. The competent authorities should provide to the EBA the values of the indicators when they are publicly disclosed in the format required by the implementing technical standards adopted pursuant to Article 441 of Regulation (EU) No 575/2013 for centralisation purposes on the EBA website.

Title IV – Final provisions and implementation

12. These Guidelines shall apply after their publication on the EBA website.

13. The competent authorities should notify the EBA whether or not they and the relevant institutions in their jurisdiction have complied with the disclosure requirements included in Title II.

Annex – Instructions for completion of the disclosure template in accordance with ITS pursuant to Article 441 of Regulation (EU) No 575/2013

1. Data should only be entered in the orange cells.
2. Data is required for all collected metrics.
3. Where data constraints exist, quantitative data on a 'best-efforts' basis may be provided. In case of doubt, the relevant national supervisor should be consulted on how to proceed. Where estimates have been used, the 'Comments' column should contain the word 'Estimated'.
4. Cells may be assigned a value of zero if one of the following two cases applies:
    a) The reporting group's activity regarding the requested metric is truly zero. In this case, the 'Comments' column should contain the words 'Confirmed zero'.
    b) The requested value cannot be provided due to insufficient data granularity, but has been included on a separate line within the same panel. In this case, the 'Comments' column should contain the words 'Lack of breakdown', and information regarding the location of the aggregate figure should be provided in the 'Comments' column.
5. Under no circumstances should text (e.g. 'n/a' or 'none') be entered into a data cell.
6. Institutions are free to choose the reporting currency used, but the EBA strongly advises the use of the same currency used to submit similar information to the Basel Committee of Banking Supervision. Similarly, the exchange rate to be applied should be the same. The reporting currency should be used for all values in the workbook except for the payments data in panel D1, which are reported using the original currency of the payment.
7. Institutions should also indicate the unit used for reporting (1, 1,000 or 1,000,000). The same unit should be used for all amounts throughout the workbook. This applies also to the payments data in panel D1. When choosing the reporting unit, it should be considered that the worksheet shows all amounts as integers.
8. Data should be reported as of financial year-end, assuming this date is equal to end-December. Suitable alternatives could be discussed with the relevant national supervisor and with the EBA if it serves the objective of reporting data closer to end-December.

Data workbook

Panel A, section 1, items 1a to 1h: General data

Item	Label	Description
1a	Country code	
1b	Institution name	
1f	Reporting currency (ISO code)	Three-character ISO code for currency
1g	Unit (1, 1000, 1000000)	Units in which results are reported
1h	Accounting standard	Accounting standard used (e.g. IFRS, US GAAP)

Panel B, section 2, items 2a to 2f: On-balance sheet items

Item	Label	Description
2a	Counterparty exposure of derivatives contracts – Method 1	Report the counterparty risk exposure of derivatives after applying the regulatory netting standards based on the Basel II framework (not the accounting rules for netting). Data should not include any other credit risk mitigation effects. Derivatives traded OTC, on an exchange and through a CCP, should all be included. Collateral received (whether cash or non-cash) should not be netted against the (net) derivatives position (the net derivatives position is the (positive) difference between positive and negative fair values of derivatives in a netting). Where the applicable accounting standards permits an institution to net payables (to return cash collateral) from the corresponding derivative asset, the institution should first gross-up the derivative asset before calculating the net replacement cost in the formula in paragraphs 186 and 187 of the Basel II framework (which provides the formula for calculating the counterparty credit risk under the Current Exposure Method). Using this same formula, all institutions should set the value of the volatility adjusted collateral amount (CA) to zero. If a derivatives transaction is not covered under a qualifying Basel II netting agreement, the derivative exposure amount should be reported on a gross basis.
2b	Counterparty exposure of derivatives contracts – Method 2	Report the counterparty risk exposure of derivatives using Basel II netting standards. Cash collateral received for daily margining under a qualifying Basel II netting agreement should be applied to reduce the net exposure amount (no netting is permitted for other collateral received or initial margin). Derivatives traded OTC, on an exchange and through a CCP, should all be included.
2c	Gross value of securities financing transactions (SFTs)	Report the gross value (net of specific provisions and valuation adjustments) of SFTs (SFTs include transactions such as repurchase agreements, reverse repurchase agreements, security lending and borrowing, and margin lending transactions, where the value of the transaction depends on market valuations and the transaction itself is often subject to margin agreements) assuming no accounting netting or credit risk mitigation effects. SFT assets should be reported with no recognition of accounting netting of (cash) payables against (cash) receivables as permitted under relevant accounting standards. In situations where the relevant accounting standards require the institutions to recognise as an asset the security received in a SFT, the value of such a security must be reported in item 2f. SFTs traded OTC, on an exchange and through a CCP, should all be included.
2d	Counterparty exposure of SFTs	Report the counterparty exposure of SFTs. Data should not include any other credit risk mitigation effects. SFTs traded OTC, on an exchange and through a CCP, should all be included. For SFTs, the counterparty exposure value is determined as the total fair value amount of securities and cash lent to a counterparty for all transactions included in a qualifying Basel II netting agreement (a qualifying netting agreement is a netting agreement that meets the requirements under paragraphs 173 and 174 of the Basel II framework), less the total fair value amount of cash and securities received from

		the counterparty for those transactions, floored at zero (institutions should apply the following part of the formula as set out in paragraph 176: $E^* = \max \{0, [(\Sigma(E) - \Sigma(C))]\}$. Therefore, for the scope of the leverage ratio, the haircuts for Es (the net position in a given security) and Efx (the net position in a currency) should not be considered. Where no qualifying Basel II netting agreement is in place, the counterparty exposure value of SFT must be calculated on a transaction-by-transaction basis (i.e. each SFT is treated as its own netting set).
2e	Other assets	Report the value of any other assets not specifically identified in any of the rows above (e.g. liquid assets as defined under the liquidity coverage ratio, exposures to own securitisations that meet the accounting criteria for derecognition and which are not consolidated on the institution's balance sheet, securitised exposures that do not meet the accounting criteria for derecognition or which are consolidated on the institution's balance sheet, failed and unsettled transactions, and more generally any other accounting assets not included under derivatives or SFT items). This includes any instrument (including cash) borrowed or lent through an SFT when it is reported on the accounting balance sheet. Report the data using the sum of accounting values (net of specific provisions and valuation adjustments), assuming there are no accounting netting or credit risk mitigation effects (i.e. gross values).
2f	Securities received in SFTs that are recognised as assets	Report the value of securities received in an SFT that are recognised as an asset under the applicable accounting standards. For example, under US GAAP, a security transferor must recognise a security received in a securities lending transaction as an asset if the transferor has the right to hypothecate the security, but has not done so.

Panel B, section 3, items 3a to 3h and 3j to 3q: Derivatives and off-balance sheet items

Item	Label	Description
3a	Potential future exposure of derivative contracts – Method 1	Report the potential future exposure of derivatives when applying the current exposure method and Basel II netting standards. Data should not include any credit risk mitigation effect other than the regulatory netting. The add-on for credit derivatives should be calculated according to the full text of paragraph 707, including the footnote. This implies that the add-on of sold CDS subject to close-out should be capped at unpaid premiums, while the add-on for sold CDS not subject to close-out should not be included. Paragraph 707 should be applied to all credit derivatives, whether they are included in the banking book or in the trading book. When calculating the add-on for netted transactions (ANet in the formula in paragraph 96(iv) of Annex IV of the Basel II framework), banks should not consider in the net replacement the cost of the collateral received, irrespective of the treatment of the collateral by the applicable accounting standards.
3b	Potential future exposure of derivative contracts – Method 2	Report the potential future exposure of derivatives when applying the current exposure method and Basel II netting standards. Data should not include any credit risk mitigation effect other than the regulatory netting. When applying paragraph 707 of the Basel II framework to calculate the add-on for credit derivatives, the treatment provided by the footnote should not be applied. Therefore, for all sold CDS, banks should calculate the add-on at 5% or 10%, depending on the nature (qualifying or not-qualifying) of the reference obligation.

		Paragraph 707 should be applied to all credit derivatives, whether they are included in the banking book or in the trading book. When calculating the add-on for netted transactions (ANet in the formula in paragraph 96(iv) of Annex IV of the Basel II framework), banks should not consider in the net replacement the cost of the collateral received, irrespective of the treatment provided by the applicable accounting standards.
3c	Notional amount of off-balance sheet items with a 0% CCF	Report the notional value of off-balance sheet items that would be assigned a 0% credit conversion factor (CCF) as defined in the standardised approach to credit risk in the Basel II framework, i.e. commitments that are unconditionally cancellable at any time by the bank without prior notice (UCC), or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness (see paragraph 83 of the Basel II framework and the footnote to this paragraph). Please note that rows 3d and 3e do not total row 3c, since the latter includes commitments that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness, but are not UCC.
3d	Unconditionally cancellable credit cards commitments	Report the notional value of credit cards commitments that are unconditionally cancellable at any time by the bank without prior notice (UCC) that would receive a 0% CCF under the standardised approach to credit risk. Credit card commitments that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness but are not UCC should not be included in this row.
3e	Other unconditionally cancellable commitments	Report the notional value of other commitments that are unconditionally cancellable at any time by the bank without prior notice that would receive a 0% CCF under the standardised approach to credit risk. Commitments that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness but are not UCC should not be included in this row.
3f	Notional amount of off-balance sheet items with a 20% CCF	Report the notional value of off-balance sheet items that would be assigned a 20% CCF as defined in the standardised approach to credit risk (see paragraphs 83 and 85 of the Basel II framework and footnote to paragraph 83).
3g	Notional amount of off-balance sheet items with a 50% CCF	Report the notional value of off-balance sheet items that would be assigned a 50% CCF as defined in the standardised approach to credit risk (see paragraphs 83, 84(ii) and 84(iii) of the Basel II framework). This includes liquidity facilities and other commitments to securitisations incorporating the changes according to the Enhancements, i.e. the CCF for all eligible liquidity facilities in the securitisation framework is 50% regardless of the maturity. OBS exposures to originated securitisations should be included only if the securitisations have met the accounting criteria for derecognition (to avoid double counting).
3j	On-balance sheet assets	Report the total on-balance sheet assets for entities consolidated for accounting purposes, but not for risk-based regulatory purposes.
3k	Potential future exposure of derivatives contracts	Report the potential future exposure of derivatives when applying the current exposure method and Basel II netting standards for entities consolidated for accounting purposes, but not for risk-based regulatory purposes.
3m	Unconditionally cancellable commitments	Report the notional value of unconditionally cancellable commitments for entities consolidated for accounting purposes, but not for risk-based regulatory purposes.
3n	Other off-balance sheet commitments	Report the notional value of other off-balance sheet commitments for entities consolidated for accounting purposes, but not for risk-based regulatory purposes.

3p	Investment value in the consolidated entities	Report the accounting value of the investment in the consolidated entities. For financial entities, only the portion of the investment not deducted from banks' capital should be included. For the investments in securitisation and commercial entities, the full investment value should be included.
3q	Regulatory adjustments	This includes the amount of regulatory adjustments from Tier 1 as reported in the 'DefCapB3' worksheet of the Basel III implementation monitoring reporting template and cell J122 of the leverage ratio worksheet in the same template. Please ensure that you take the figure for end-year (i.e. use v.2.5.x of the template). These are the adjustments to Tier 1 and CET1 capital under the fully phased-in Basel III framework.

Panel C, section 4, items 4a to 4n: Intra-financial system assets

Item	Label	Description
4a	Funds deposited with or lent to other financial institutions	Report all funds deposited with or lent to other financial institutions (i.e. financial institutions outside the reporting group). Lending should include all forms of term/revolving lending, acceptances of other banks, and other extensions of credit to financial institutions. Deposits should include balances due from financial institutions. Do not include margin accounts.
4b	Undrawn committed lines extended to other financial institutions	Report the nominal value of all undrawn committed lines extended to other financial institutions.
4c	Secured debt securities	Report the total holdings of secured debt securities (e.g. covered bonds).
4d	Senior unsecured debt securities	Report the total holdings of senior unsecured debt securities.
4e	Subordinated debt securities	Report the total holdings of subordinated debt securities.
4f	Commercial paper	Report the total holdings of commercial paper of unaffiliated financial institutions.
4g	Certificates of deposit	Report the total holdings of certificates of deposit due from unaffiliated financial institutions.
4h	Stock (including par and surplus of common and preferred shares)	Report total equity holdings, including common and preferred shares.
4i	Offsetting short positions in relation to the specific stock holdings included in item 4h	Report the fair value of the reporting group's liabilities resulting from short positions held against the stock holdings included in item 4h.
4j	Net positive current exposure of securities financing transactions with other financial institutions	You should include the following: (a) net positive reverse repurchase agreement exposure, where the value of the cash provided exceeds the fair value of the securities received; (b) net positive repurchase agreement exposure, where the fair value of the securities provided exceeds the value of the cash received; (c) net positive securities lending exposure, where the fair value of securities lent exceeds the value of cash collateral received (or the fair value of non-cash collateral received); and (d) net positive securities borrowing exposure, where the value of cash collateral provided (or the fair value of non-cash collateral provided) exceeds the fair value of securities borrowed. The reported value is not intended to reflect amounts recorded on the balance sheet. Rather, it represents the single legally owed amount per netting set. Netting should only be used where the transactions are covered by a legally enforceable netting agreement (see paragraph 173 under the Basel II framework). Where these criteria are not met, the gross balance sheet amount should be reported. Do not include conduit lending transactions. Where balance sheet amounts must be used (i.e. for transactions that are not under an eligible netting agreement),

		banks should report on the basis of the accounting standard they have specified in Panel A, item 1h.
4k	Net positive fair value (include collateral held if it is within the master netting agreement)	Report the sum of net positive fair value OTC derivative exposures netted only where legally enforceable and in accordance with Basel II regulatory netting rules (i.e. designated, legally enforceable, netting sets or groups). Only netting sets with a positive value should be included. Netting sets where the net result is negative should be captured in item 5e. Basel II defines netting sets in Annex 4 of the Basel II framework. Include collateral held only if it is within the master netting agreement (i.e. pursuant to legally enforceable Credit Support Annexes (CSAs)). If applicable, net opposing collateral positions (e.g. initial margin posted with variation margin held). Deduct the net collateral position from the underlying obligation only if it reduces the overall exposure. If the net collateral exceeds the payment obligation due to the bank, record a fair value of zero for the netting set.
4m	Potential future exposure	Report the amount of potential future exposure (PFE), calculated, using the current exposure method, for the derivatives included in item 4k. Include the PFE for any netting sets with a fair value of zero.
4n	Fair value of collateral held outside the master netting agreements	Report the fair value of collateral held in relation to the OTC contracts reported in item 4k that is not under a legally enforceable Credit Support Annex (CSA). Do not net against collateral provided, unless it is legally nettable.

Panel C, section 5, items 5a to 5g: Intra-financial system liabilities

Item	Label	Description
5a	Deposits due to depository institutions	Report total deposits due to (i.e. deposited by) depository institutions.
5b	Deposits due to non-depository financial institutions	Report total deposits due to non-depository financial institutions.
5c	Undrawn committed lines obtained from other financial institutions	Report the nominal value of all undrawn committed lines obtained from other financial institutions.
5d	Net negative current exposure of securities financing transactions with other financial institutions	Should include: (a) net negative reverse repurchase agreement exposure, where the fair value of securities received exceeds the value of the cash provided; (b) net negative repurchase agreement exposure, where the value of the cash received exceeds the fair value of the securities provided; (c) net negative securities lending exposure, where the value of cash collateral received (or the fair value of non-cash collateral received) exceeds the fair value of securities lent; and (d) net negative securities borrowing exposure, where the fair value of securities borrowed exceeds the value of cash collateral provided (or the fair value of non-cash collateral provided). The reported value is not intended to reflect amounts recorded on the balance sheet; rather, it represents the single legally owed amount per netting set. Netting should only be used where the transactions are covered by a legally enforceable netting agreement (see paragraph 173 of the Basel II framework). Where these criteria are not met, the gross balance sheet amount should be reported. Do not include conduit lending transactions. Where balance sheet amounts must be used (i.e. for transactions that are not under an eligible netting agreement), banks should report on the basis of the accounting standard they have specified in Panel A, item 1h.

5e	Net negative fair value (include collateral provided if it is within the master netting agreement)	Report the sum of net fair value OTC derivative liabilities netted only where legally enforceable and in accordance with Basel II regulatory netting rules (i.e. designated, legally enforceable, netting sets or groups). Only netting sets with a negative value should be included here. Netting sets where the net result is positive should be captured in item 4k. Basel II defines netting sets in Annex 4 of the Basel II framework. Include collateral provided only if it is within the master netting agreement (i.e. pursuant to legally enforceable Credit Support Annexes (CSAs)). If applicable, net opposing collateral positions (e.g. initial margin held with variation margin posted). Deduct the net collateral position from the underlying obligation only if it reduces the overall exposure. If the net collateral exceeds the payment obligation owed to the counterparty, record a fair value of zero for the netting set.
5f	Potential future exposure (PFE)	Report the amount of the PFE, calculated using the current exposure method, for the derivatives included in item 5e.
5g	Fair value of collateral provided outside the master netting agreements	Report the fair value of collateral posted in relation to the negative OTC contracts reported in item 5e that is not under a legally enforceable Credit Support Annex (CSA). Do not net against collateral taken, unless it is legally nettable.

Panel C, section 6, items 6a to 6f and 6h: Securities outstanding

Item	Label	Description
6a	Secured debt securities	Report the value of all outstanding secured debt securities (e.g. covered bonds).
6b	Senior unsecured debt securities	Report the value of all outstanding senior unsecured debt securities.
6c	Subordinated debt securities	Report the value of all outstanding subordinated debt securities.
6d	Commercial paper	Report the total holdings of all outstanding commercial paper issued by the reporting group.
6e	Certificates of deposit	Report the value of all outstanding certificates of deposit issued by the reporting group.
6f	Equity market capitalisation	Report the equity market capitalisation as of 31 December. The equity market capitalisation for a given day is defined as the closing share price multiplied by the number of shares outstanding on that day.
6h	Book value of equity	Report the book value of equity, including ordinary and preferred (premium) shares. Do not include certificates of mutual banks.

Panel D, section 7, items 7a to 7m, 7p to 7aa and 7ad to 7aq: Payments activity

Item	Label	Description
7a to 7m	Payments made in the reporting year (breakdown by currency)	Report the total gross value of all cash payments sent by the reporting group via large value funds transfer systems, along with the gross value of all cash payments sent through an agent bank (e.g. using a correspondent or nostro account), over the calendar year in each indicated currency. Payments should be reported regardless of purpose, location, or settlement method. This includes – but is not limited to – cash payments associated with derivatives, securities financing transactions, and foreign exchange transactions. Do not include the value of any non-cash items settled in connection with these transactions. Include cash payments made on behalf of the

		reporting entity as well as those made on behalf of customers (including financial institutions and other commercial customers). Do not include payments made through retail payment systems. Only include outgoing payments (i.e. exclude payments received). Include the amount of payments made into CLS. Other than CLS payments, do not net any outgoing wholesale payment values, even if the transaction was settled on a net basis (i.e. all wholesale payments made into large value funds transfer systems or through an agent must be reported on a gross basis). Retail payments sent through large value funds transfer systems or through an agent may be reported on a net basis. If precise gross totals are unavailable, known overestimates may be reported. Please report values in their original currencies, using the reporting unit specified in Panel A, item 1g.
7p to 7aa	Intragroup payments made in the reporting year	Of the values reported in items 7a-7m, provide separately the subset of intragroup transactions (i.e. transactions made within or between entities within the reporting group) that were sent in the reporting year through a large value funds transfer system or an agent bank (e.g. when a payment is sent to a subsidiary through an external institution). Note that these numbers should be a subset of the numbers reported in items 7a-7m.
7ad-7ar	Payments made as a correspondent for other banks	Of the values reported in items 7a-7m, provide separately the subset of payments which were sent in the reporting year as a correspondent for other banks. Do not include transactions on behalf of entities within the reporting group. Note that these numbers should be a subset of the numbers reported in items 7a-7m.

Panel D, section 8, item 8a: Assets under custody

Item	Label	Description
8a	Value of assets held as a custodian on behalf of customers	Report the value of all assets, including cross-border assets that the reporting group has held as a custodian on behalf of customers, including other financial firms (i.e. financial institutions other than the reporting group). Do not include any assets under management or assets under administration which are not also classified as assets under custody. For the purposes of this report, a custodian is defined as a bank or other organisation that manages or administers the custody or safekeeping of stock certificates, debt securities, or other assets for institutional and private investors.

Panel D, section 9, items 9a to 9b: Underwritten transactions in debt and equity markets

Item	Label	Description
9a	Equity underwriting activity	Report the total value of all types of underwritten equity instruments, excluding transactions with subsidiaries and/or affiliates and self-led transactions. This includes all types of equity market transactions such as initial public offerings, additional offerings of common stocks, units, depositary receipts (e.g. American depositary receipts (ADRs) and Global depositary receipts (GDRs)), and rights offerings. Also include equity-linked transactions such as convertible bonds, convertible preferred bonds, and exchangeable bonds. Include all types of transactions at all maturities. Do not differentiate transactions between front-end, back-end, and best-effort transactions. Do not differentiate with regard to maturity, currency, or market of issuance. Equity securities with embedded derivatives should be included, while stand-alone derivatives underwriting should be excluded. With regard to the delineation between securities with embedded derivatives and stand-alone derivatives, use the already existing definitions in IFRS or US GAAP. In case the reporting is based on a national accounting standard where the distinction does not exist, the IFRS definition should be used.
9b	Debt underwriting activity	Report the total value of all types of debt instruments underwritten, excluding intra-group or self-led transactions. This includes all types of underwriting transactions relating to debt securities. The value should include both secured debt instruments (e.g. covered bonds, asset-backed security (ABS) transactions, etc.) and unsecured debt instruments. Include all types of transactions at all maturities. Do not differentiate transactions between front-end, back-end, and best-effort transactions. Do not differentiate with regard to maturity, currency, or market of issuance. Do not differentiate between sovereign and corporate debt. Debt securities with embedded derivatives should also be included. For more detail on embedded derivatives, refer to the instructions for item 9a. Instruments that could be allocated to either item 9a or 9b (e.g. bonds with warrants attached) should not be double-counted. Reporting institutions may set the delineation at their own discretion.

Panel E, section 10, items 10a to 10b: Notional amount of OTC derivatives

Item	Label	Description
10a	OTC derivatives cleared through a central counterparty	Report the notional amount outstanding of OTC derivative positions which were cleared through a central counterparty. Include all types of risk categories and instruments (e.g. foreign exchange, interest rate, equity, commodities, and credit default swaps (CDS)).
10b	OTC derivatives settled bilaterally	Report the notional amount outstanding of OTC derivative positions which were settled bilaterally (i.e. without the use of a central counterparty). Include all types of risk categories and instruments (e.g. foreign exchange, interest rate, equity, commodities, and CDS).

Panel E, section 11, items 11a to 11b, 11d to 11e, 11g to 11m and 11p: Trading and AFS securities

Item	Label	Description
11a	Held-for-trading securities (HFT)	Report the market value of all securities classified as HFT, which includes any securities for which the fair value option is elected (designated at fair value (DaFV)). Securities that are intended to be held principally for the purpose of selling them in the near term should be classified as trading assets. Trading activity includes active and frequent buying and selling of securities for the purpose of generating profits on short-term fluctuations in price. Securities held for trading purposes must be reported at fair value. Do not include loans, derivatives, and non-tradable assets (e.g. receivables).
11b	Available-for-sale securities (AFS)	Report the market value of all securities classified as AFS. All securities not categorised as trading securities, or held-to-maturity (HTM) should be reported as AFS. Do not include loans, derivatives, and non-tradable assets (e.g. receivables).
11d	Trading and AFS securities that qualify as Level 1 assets	Report the market value of all trading and AFS securities that qualify as Level 1 assets according to paragraphs 50(c), 50(d) and 50(e) of the Basel III LCR.16 Include qualifying securities even if they do not fulfil the LCR operational requirements outlined in paragraphs 31-40.17.
11e	Trading and AFS securities that qualify as Level 2 assets, with haircuts	Report the value, after applying haircuts, of all trading and AFS securities that qualify as Level 2 assets according to paragraphs 52 and 54 of the Basel III LCR.18. Include qualifying securities even if they do not fulfil the LCR operational requirements outlined in paragraphs 31-40.19. Level 2A, Level 2B RMBS, and Level 2B non-RMBS assets should be reported with haircuts of 15%, 25%, and 50%, respectively.
11g	Total stock of Level 1 assets, subject to operational requirements	Report the market value of all Level 1 assets as defined in paragraphs 50(c), 50(d) and 50(e) of the Basel III LCR.20. This value can be found in cell H19 of the 'LCR' worksheet of the Basel III implementation monitoring reporting template.
11h	Securities in item 11g that are trading or AFS securities	Report the market value of Level 1 assets that are designated as trading or AFS securities. This value should be a subset of item 11g.
11i	Total stock of Level 2 assets, with haircuts and subject to operational requirements	Report the value, after applying haircuts, of all Level 2 assets as defined in paragraphs 52 and 54 of the Basel III LCR and observing the operational requirements outlined in paragraphs 31-40.21. Level 2A, Level 2B RMBS, and Level 2B non-RMBS assets should be reported with haircuts of 15%, 25%, and 50%, respectively. The values can be found in cells H32, H40, and H43 of the 'LCR' worksheet of the Basel III implementation monitoring reporting template.
11j	Securities in item 11i that are trading or AFS securities	Report the value, after applying haircuts, of all Level 2 assets that are designated as trading or AFS securities. This value should be a subset of item 11j.
11k	Adjustment to stock of high-quality liquid assets (HQLA) due to caps on Level 2B and total Level 2 assets	Report the total adjustment to the stock of HQLA due to the caps on Level 2B assets and total Level 2 assets. These values can be found in cells cell H48 and H49 of the 'LCR' worksheet of the Basel III implementation monitoring reporting template.
11p	Held-to-maturity securities (HTM)	Report the market value of all securities classified as held-to-maturity (HTM). This item includes all debt securities that an institution has the positive intent and ability to hold to maturity.

Panel E, section 12, item 12a: Level 3 assets

Item	Label	Description
12a	Assets valued using Level 3 measurement inputs	Report the value of all assets that are priced on a recurring basis using Level 3 measurement inputs. Internationally-recognised accounting standards commonly use a three-level fair value hierarchy that prioritises inputs used to measure fair value based on observability. Level 3 fair value measurement inputs, while not readily observable in the market, are used to develop an exit price for the asset (or liability) from the perspective of a market participant. Therefore, Level 3 fair value measurement inputs should reflect the reporting group's own assumptions about the assumptions that a market participant would use in pricing an asset (or liability) and should be based on the best information available under the given circumstances. The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, then this is considered a Level 3 measurement. If the accounting standard designated in item 1h does not have an equivalent definition of Level 3 assets, consult national supervisor for further guidance.

Panel F, section 13, item 13a: Cross-jurisdictional claims

Item	Label	Description
13a	Total foreign claims on an ultimate risk basis	Report the value of all claims over all sectors that, on an ultimate-risk basis, are cross-border claims, local claims of foreign affiliates in foreign currency, or local claims of foreign affiliates in local currency. Cross-border claims extend from an office in one country to a borrower in another country. Local claims of foreign affiliates in foreign and local currency extend from the local office of the bank to borrowers in that location. Claims include deposits and balances placed with other banks, loans and advances to banks and non-banks, and holdings of securities and participations. Since these data refer to consolidated activities, they exclude all intra-office claims.

Panel E, section 14, items 14a to 14c: Cross-jurisdictional liabilities

Item	Label	Description
14a	Foreign liabilities (excluding local liabilities in local currency)	Report the sum of all foreign liabilities. Figures are reported by offices in each individual jurisdiction to the relevant central bank for the compilation of the BIS consolidated international banking statistics (see column 'Total positions, Liab.' in Table 8A of the Statistical Annex of the BIS Quarterly Review).
14b	Any foreign liabilities to related offices included in item 14a	Report the value of any liabilities included in item 14a that are to the reporting group's own foreign offices. Figures are reported by offices in each individual jurisdiction to the relevant central bank for the compilation of the BIS consolidated international banking statistics (see column 'Total positions, of which: vis-à-vis related offices, Liab.' in Table 8A of the Statistical Annex of the BIS Quarterly Review). Note that this figure should be a subset of item 14a.

14c	Local liabilities in local currency	Report the value of all foreign-office liabilities in local currency. This figure is reported by internationally active banks to the central bank in their home jurisdiction for the compilation of the BIS consolidated international banking statistics (see Column M of Table 9A of the Statistical Annex of the BIS Quarterly Review).

Panel G, section 15, items 15a to 15b and 15d to 15n: Ancillary indicators

Item	Label	Description
15a	Total liabilities	Report total liabilities, excluding own funds and capital as well as various costs incurred that are still due (e.g. income tax payable, wages payable, etc.).
15b	Retail funding	Report total deposits less the sum of (i) deposits from depository institutions; (ii) deposits from central banks; and (iii) deposits and certificates of deposit not held by retail customers or small businesses.
15d	Foreign net revenue	Report the net revenue from all foreign offices. For purposes of this item, a foreign office of a reporting group is a branch or consolidated subsidiary located outside the organisation’s home country (i.e. the country where the reporting group is headquartered). Branches or consolidated subsidiaries located in territories or possessions of the home country are considered foreign offices. Net revenue is defined as interest income plus noninterest income minus interest expense.
15e	Total net revenue	Report total net revenue, which is defined as interest income plus noninterest income minus interest expense.
15f	Total gross revenue	Report the total gross revenue, which is defined as interest income plus noninterest income.
15g	Peak equity market capitalisation	Report the peak equity market capitalisation over the reporting period (i.e. over the 12 months preceding the reporting date specified in Panel A, item 1e). The peak equity market capitalisation for a given day is defined as the closing share price multiplied by the number of shares outstanding on that day.
15h	Gross value of cash lent and gross fair value of securities lent in securities financing transactions (SFTs)	Report the gross value of all cash lent and the gross fair value of all securities lent in SFTs. The reported value should not include any counterparty netting and should only represent transactions completed by the reporting group on its own behalf. The value should capture the gross value of the outgoing legs of all SFTs, including any variation margin provided. Do not include any conduit lending transactions.
15i	Gross value of cash borrowed and gross fair value of securities borrowed in SFTs	Report the gross value of all cash borrowed and the gross fair value of all securities borrowed in SFTs. The reported value should not include any counterparty netting and should only represent transactions completed by the reporting group on its own behalf. The value should capture the gross value of the incoming legs of all SFTs, including any variation margin held. Do not include any conduit lending transactions.
15j	Gross positive fair value of over-the-counter (OTC) derivatives transactions	Report the gross positive fair value of all OTC derivative transactions. The reported value should not include any counterparty netting.
15k	Gross negative fair value of OTC derivatives transactions	Report the gross negative fair value of all OTC derivative transactions. The reported value should not include any counterparty netting.
15m	Number of jurisdictions	Report the number of countries, including the home jurisdiction, where the reporting group has either a branch or a subsidiary. The jurisdiction should be determined using the physical address of the branch or subsidiary.

15n	Unsecured settlement/clearing lines provided	Report the total amount of committed, unsecured intraday credit lines extended to the reporting group's customers. This should include, but is not limited to, lines extended for cash overdrafts, securities clearing, and transaction lines (e.g. FX settlement limits). As this item is limited to intraday credit lines, exclude any lines with maturities exceeding one day.

	Questions relating to the draft Guidelines
Q04:	Are the template and the instructions clear and sufficiently comprehensive to enable institutions to complete the disclosure process?

7. Accompanying documents

7.1 Draft cost-benefit analysis / impact assessment

The problem

After the outbreak of the recent financial crisis, a number of large internationally active credit and financial institutions transmitted shocks to their counterparts, the financial markets and eventually affected the real economy. To deal with this, the G20, the Financial Stability Board and the Basel Committee on Banking Supervision (BCBS), and consequently the EU co-legislators have initiated the work to develop the appropriate framework to identify global and other systemically relevant institutions and require them to set aside additional capital buffers to increase their resilience to financial crises and prevent them from transmitting shocks to the rest of the economy.
The current IA attempts to jointly evaluate the impact of both the RTS and the ITS on the various stakeholders, as the ITS is considered to be the materialisation of the RTS and thus the natural consequence of the ITS.

Regulatory objectives

The regulatory objective that has to be safeguarded is the financial stability of the European banking system. The operational objective to achieve financial stability comprises the increase of capital buffers for globally systemic important institutions (G-SII). Likewise, the additional buffer will partially mitigate or entirely eliminate the kick-off effects by the failure of G-SIIs to the rest of the banking system and the real economy. Going one step backwards, the set of G-SIIs should be defined along with their relative significance. The RTS further specifies the methodology set out in general terms in the Directive.

The baseline of the analysis

The Macroeconomic Assessment Group's (MAG) paper on 'Assessment of the macroeconomic impact of higher loss absorbency for globally systemically important banks' (Bank for International Settlements, October 2011, www.bis.org/publ/bcbs202.htm) presents a methodology for defining systemically important banks (SIBs) and assessing their importance for the global banking system and the real economy. The paper presents a concise methodology for defining the G-SIBs and assessing their significance for the resilience of the international banking system. The methodology is then applied to the 75 largest global banks which proxy the global banking sector. The methodology for identifying G-SIIs pursuant to the Directive and the RTS is very close to this methodology. As a consequence, the impact assessment of the RTS on specifying the methodology for identifying G-SIIs and assigning them to sub-categories depends on the results produced by the aforementioned BIS report.

The options considered

Regarding Article 131 (18)

The options considered for setting up the methodology for defining the EU G-SIIs within the framework of the identification process set out in Article 131(2) were the following:

i) establishing and validating a methodology from scratch for defining the EU G-SIIs using completely different indicators, data and parameters for the identification and scoring process; and,

ii) taking into account the already established internationally accepted methodology for identifying the G-SIIs, as suggested by the BIS paper, by using an in substance identical set of indicators, data and parameters, where applicable.

The first option would involve a higher administrative burden on the institutions and require higher resources for authorities, as well as a higher need for coordination among the EU Member States to achieve a harmonised scoring process with comparable outcomes, which would be time-consuming. The process would probably lead to very similar results to the FSB/BCBS process as far as Member States are concerned, which already take part in that exercise. The second option would be easily implemented. The BCBS methodology for defining G-SIIs is well-structured and agreed among the supervisors in whose jurisdictions the largest international banks are established. From the European perspective, the sample used by the BCBS paper includes the EU G-SIIs in the five largest economies of the EU (DE, FR, UK, IT, ES), rendering the representation of the EU banks in the sample sufficient.

Having considered the above, the preferred option would be the second, in line with the requirements of the Directive.

Regarding Article 441 (2)

The decision on specifying the uniform formats and date for the initial publication of the list of EU G-SIIs will follow the format of other similar supervisory data, while the date will be aligned with dates for publication under the BCBS identification process, which are already established in several Member States.

Regarding the frequency of (potentially) updating the list of EU G-SIIs to get aboard the economic developments in the EU banking sector, the following frequencies of updating the list were considered:

i) Semiannual

ii) Annual

It is proposed that the list is updated on an annual basis. The reasoning behind this proposal is to allow potential financial decisions (e.g. mergers and acquisitions among banks) or economic developments (natural deleveraging due to the shrinkage of an economy) to be concluded or established.

Cost-benefit analysis of the preferred option

The cost-benefit analysis that follows focuses on the costs and benefits that arise from the implementation of the preferred option for the RTS and ITS, without considering the costs and benefits already assessed in the Directive which has taken into account the impact assessment of the BCBS paper on the global GDP.

Costs

The additional costs from implementing the technical standards are administrative and comprise the cost of producing the list of G-SIIs. Although, due to the lack of data, this cannot expressed in monetary terms, the anticipated time for initially creating the list of G-SIIs is estimated at 30 man days, i.e. one employee dealing with it for 30 full days. However, this is going to drop to 20 man days for every update of the list thereafter, amid the experience acquired from the first application of the methodology.

Benefits

The benefits can be assessed in terms of opportunity cost from not investing time and resources in developing a new methodology, other than that proposed by the BCBS paper, for those Member States where the process has already been established. By following the proposal of the BCBS paper, the NSAs and the EBA will save resources from being assigned to the establishment and validation of a new methodology.

Q05:	Do you agree with our analysis of the impact of the proposals in this CP? If not, can you provide any evidence or data that would explain why you disagree or might further inform our analysis of the likely impacts of the proposals?

7.2 Overview of questions for the consultation

	Questions relating to the draft RTS
Q01:	Is it adequate to use the same data as used in the BCBS identification process for the scoring?
Q02:	Are the indicators set out in Article 6 adequate for reflecting the systemic relevance of a systemically important institution?
Q03:	Are the timelines for the identification process and the coming into force of the buffer requirement adequate, and do they allow for sufficient time for adjusting to it?

	Questions relating to the draft Guidelines
Q04:	Are the template and the instructions clear and sufficiently comprehensive for enabling institutions to complete the disclosure process?

	Questions relating to the impact assessment
Q05:	Do you agree with our analysis of the impact of the proposals in this CP? If not, can you provide any evidence or data that would explain why you disagree or might further inform our analysis of the likely impacts of the proposals?