The correct use of filing indicators

CSSF

Commission de Surveillance
du Secteur Financier

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I. Introduction

The present note, file "Identification of Reporting Requirements" (IRR) containing the rules applicable to generate reporting requirements as well as a file describing the masterdata attributes:

https://www.cssf.lu/wp-content/uploads/Description_of_the_master_data_attributes.xlsx

are all available in the documentation section of chapter "Common European reporting" at the following page:

https://www.cssf.lu/en/prudential-reporting-credit-institutions/

Filing indicators (abbreviated "FI" throughout the rest of the document) are elements indicating reporting templates to be used by banks to signal which templates of reporting modules they intend to report/not to report.

In the framework of European harmonized reporting, the ECB is applying a set of rules to the banks' signaletic data (what is called Masterdata[1]) to obtain the precise list of filling indicators Significant Institutions and Less Significant Institutions have to report to CSSF/ECB/EBA.

Direct link to file **Identification of Reporting Requirements (IRR)**:

https://www.cssf.lu/wp-content/uploads/Identification_rep_requirements_checks_2nd_level_completeness.xlsx

For more information on the technical use of filing indicators, please refer to the "Usage of Filing Indicators" sheet of the abovementioned "IRR" document and to Chapter 5, Section 3, paragraph 3.1.25 of the reporting requirements handbook for credit institutions available on our website:

https://www.cssf.lu/wp-content/uploads/Reporting_requirements_final.pdf

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[1] *The SI and LSI masterdata refer to the signaletic attributes that are kept up-to-date at NCA and ECB levels. It covers all signaletic data of a SI/LSI (LEI code, MFI code, financial year end, accounting framework, scope of prudential reporting, scope of prudential reporting for liquidity, methods used for credit risk, market risk, operational risk, IRB credit risk equity, waivers on reporting…). The document "Description of the masterdata attributes" is published to ease the reading of the abovementioned "Identification of Reporting Requirements" document. Note that the Masterdata will not be shared individually with each bank. We assume that each bank knows its own signaletic.*

The ECB is generating reporting requirements for every Significant Institution and Less Significant Institution by applying the rules specified in the abovementioned file on the banks' signaletic (the Masterdata).
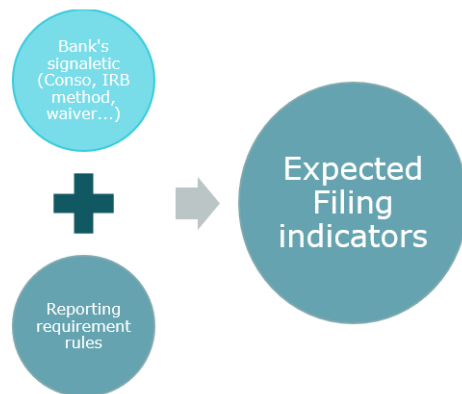
The above diagram shows that because of their impact on the reporting requirements and applicable filing indicators, it is of a major importance that banks report changes in their activities or signaletic characteristics immediately to the CSSF's line supervisor in charge.

II. Usage of Filing Indicators

Following the new EBA XBRL Filing rules v5.2, missing filing indicators will not be allowed anymore. **From submission date 1 January 2023**, irrespective of the reference date, each template will need to be declared explicitly as positive or negative, applicable also for all resubmissions.

There are 6 types of templates a reporting institution can report:

(i) **Mandatory templates ("M" in IRR document containing the rules)**

The filing indicator associated to a mandatory template shall always be present with filed="true"

Ex: FI C_01.00 is always expected with filed="true" for a bank reporting COREP solvency.

The filing indicator shall be present.

(ii) **Always not expected templates (N)**

The filing indicator associated to a non-required template shall always be negative.

Ex: FI C_06.01 shall always be negative for an entity reporting on individual basis.

(iii) Masterdata dependent template (U):

The value/presence of the filing indicator depends on the signaletic of the reporting institution.

Ex: ~~I~~if a bank is only using the SA approach for Credit Risk, the bank shall ~~not~~ report negatively FI C_08.01 to signal it is not using the IRB approach for Credit Risk.

(iv) Threshold based templates (U):

The filing indicator associated to a threshold based template shall always be present with filed="true" or filed="false" depending if the bank reaches the threshold defined in the ITS on reporting or not. In other words, the reporting institution has to signal whether it is below or above the threshold.

Ex:

Regulation (EU) No 2021/451 stipulates that if a bank's non-domestic exposures represent 10% or more of its total exposures ({C_04.00;r850;c010} ≥ 10% {C_04.00;r860;c010}), it should provide the geographical breakdown of assets by residence of the counterparty by populating template F_20.04.

A bank which is above that 10% threshold shall report FI F_20.04 with filed="true" whereas a bank below that threshold shall report FI F_20.04 with filed="false".

(v) Activity based templates (U):

It is the same functioning as Threshold based templates.

The filing indicator associated to an activity based template shall always be present with filed="true" or filed="false" depending if the bank is active in that activity.

In other words, the reporting institution has to signal whether it is active or not in a specific type of activities.

For instance if a bank has reported risk exposure amounts for settlement/delivery by populating cell {C 02.00;r490;c010}, it has to report FI C_11.00 with filed="true".

(vi) Voluntary templates (U):

It is the same functioning as threshold based templates.

The filing indicator associated to a voluntary based template shall always be present with filed="true" or filed="false" depending if the bank chooses to report the template or not.

Important Remarks:

1) In addition to being one of the 6 types of templates presented above, templates can have a semi-annual or annual frequency. A Bank shall report FI with filed="false" when the template shall not be reported for the current quarter (for instance when the current period is March, the filling indicator related to a semi-annual or annual template shall be reported with filed="false").

2) Where reporting obligations are dependent on multiple factors the individual categories can be combined for any specific template, e.g. Master Data dependent / Activity based.

Filing indicator matrix

The table that summarizes the Filing Indicator logic applied at CSSF level is presented in sheet "FI matrix" of file Identification of Reporting Requirements (link provided in page 1 of this document).

Syntax

The correct syntax of filing indicator with parameter "filed" set to true is:

```
<find:filingIndicator
contextRef="CT_1">C_00.01</find:filingIndicator> or
```

```
<find:filingIndicator                                contextRef="CT_1"
find:filed="true">C_00.01</find:filingIndicator>
```

The correct syntax of filing indicator with parameter filed set to false is:

```
<find:filingIndicator                                contextRef="CT_1"
find:filed="false">C_54.00</find:filingIndicator>
```