

**COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER**

In case of discrepancies between the French and the English text, the French text shall prevail

Luxembourg, 29 July 2013

To all credit institutions

**CIRCULAR CSSF 13/570
as amended by Circular CSSF 14/586**

Re: Supervisory reporting requirements applicable to credit institutions as from 2014

Ladies and Gentlemen,

1. This circular aims to draw the credit institutions' attention to the recent developments with respect to the supervisory reporting applicable as from 2014 in the European Union.
2. Pursuant to Regulation (EU) No 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (CRR), the European Banking Authority (EBA) developed draft implementing technical standards¹ specifying uniform formats, frequencies, dates as well as definitions for supervisory reporting purposes.
3. EBA published the above-mentioned draft ITS on Supervisory Reporting under ²:
<http://www.eba.europa.eu/regulation-and-policy/supervisory-reporting/implementing-technical-standard-on-supervisory-reporting-corep-corep-large-exposures-and-finrep->
4. "In addition to its publication, the EBA submitted the draft ITS on Supervisory Reporting to the European Commission for approval. Once adopted by the European Commission, the ITS on Supervisory Reporting will be published in the form of a European Regulation directly applicable in all EU Member States. Consequently, the ITS on Supervisory Reporting, once adopted by the European Commission, will not be transposed into national law by the CSSF.

¹ hereafter Implementing Technical Standard (ITS) on Supervisory Reporting

² www.eba.europa.eu > Regulation and policy > Supervisory reporting

Given the delays in the adoption of the draft ITS on Supervisory Reporting, the European Commission services published on 8 January 2014 a draft version of the future European regulation transposing the ITS on Supervisory Reporting available at:

http://ec.europa.eu/internal_market/bank/regcapital/legislation_in_force_en.htm#implementing³

5. The draft ITS on Supervisory Reporting covers the new "extended COREP reporting⁴" and the new FINREP reporting⁵.

The new "extended COREP reporting", which shall be established on an individual basis and a consolidated basis (or on a sub-consolidated basis, respectively), consists of the following reporting elements:

- a. Own funds and own funds requirements (Article 99 of the CRR)
- b. Losses stemming from lending collateralised by immovable property (Article 101 of the CRR)
- c. Information on large exposures (Article 394 of the CRR)
- d. Leverage ratio (Article 430 of the CRR)
- e. Liquidity reporting (Article 415 of the CRR)

The new "FINREP reporting" covers the reporting on financial information (Article 99 of the CRR) to be established on a consolidated basis (on a sub-consolidated basis, respectively).

The current draft ITS on Supervisory Reporting will be supplemented during the course of the year to also cover the reporting on "asset encumbrance" and "forbearance and non performing exposures".

6. The implementation of the new reporting on financial information on an individual basis is a particular case, insofar as it is not covered by the scope of application of the CRR.

Pending the implementation of a banking supervision at the European Central Bank within the context of the Single Supervisory Mechanism (SSM), which is likely to have an impact on the layout of the reporting as regards financial information on an individual basis (FINREP), the CSSF will maintain its current supervisory reporting scheme on financial information⁶ at individual level.

The CSSF will set out its view on this aspect once a decision within the context of the SSM has been taken in this respect.

7. For the purpose of improving harmonisation at the European level, EBA also

³ Amended by Circular CSSF 14/586

⁴ COREP stands for Common Reporting

⁵ FINREP stands for Financial Reporting

⁶ Tables B1.1, B1.6, B2.1, B2.5

developed technical reporting solutions such as the data point model (including also the verification rules) as well as an XBRL taxonomy. These technical solutions are also available on EBA's website under^{7 8} :

<http://www.eba.europa.eu/regulation-and-policy/supervisory-reporting/implementing-technical-standard-on-supervisory-reporting-corep-corep-large-exposures-and-finrep->

8. In order to enable credit institutions to be appropriately prepared for these new reporting requirements, the CSSF also wishes to already announce that the reporting elements, as mentioned above, are to be established in accordance with the IFRS accounting standards pursuant to Article 24(2) of the CRR subject to possible amendments as described above.
9. Insofar as institutions shall comply with the requirements of the CRR, the date of implementation of the new supervisory reporting scheme, as defined in the annexe, will be 1 January 2014, except for the reporting on financial information to be established on a consolidated basis (or on a sub-consolidated basis, respectively). Indeed, the draft of the ITS on Supervisory Reporting provides that, for financial information, the date of application will be 1 July 2014.
10. The reporting, as described in the **annexe**, is to be communicated to the CSSF, in accordance with the data point model in the XBRL format.
11. As regards the tables currently in force which are likely to be replaced by the ITS, the CSSF will set out its view after the final adoption of the ITS on Supervisory Reporting by the European Commission.
- “12. The document “Draft Reporting requirements for credit institutions” includes all the recurring data requests to banks. The draft version is available under:

<http://www.cssf.lu/en/supervision/banks/legal-reporting/>”⁹

COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER

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⁷ www.eba.europa.eu > Regulation and policy > Supervisory reporting

⁸ Annexes XIV and XV of the draft ITS on Supervisory Reporting

⁹ Added by Circular CSSF 14/586

Annexe:

1. The following elements are covered by the draft ITS on Supervisory Reporting.

a. Reporting on own funds and own funds requirements (Section 1 of the draft ITS)

- Art. 5: Reporting by credit institutions on an individual basis
- Art. 6: Reporting by credit institutions on a consolidated basis
- Tables and instructions: Annexes I and II of the draft ITS

b. Reporting on financial information on a consolidated basis (Section 2 of the draft ITS)

- Art. 9: Reporting by credit institutions publishing consolidated accounts in accordance with Article 4 of Regulation (EC) No 1606/2002 (IAS Regulation) and by credit institutions publishing consolidated accounts on the basis of the IAS regulation.
- Art. 10: Reporting by credit institutions publishing consolidated accounts by virtue of Article 99(3) of the CRR
- Tables and instructions: Annexes III and V of the draft ITS

c. Reporting on losses stemming from lending collateralised by immovable property (Chapter 4 – Art. 12 of the draft ITS)

- Art. 12: Reporting by credit institutions on a consolidated basis and on an individual basis
- Art. 12: Reporting by the branches of a credit institution to the competent authority of the host Member State
- Tables and instructions: Annexes VI and VII of the draft ITS

d. Reporting of information on large exposures (Chapter 5 – Art. 13 of the draft ITS)

- Art. 13: Reporting by credit institutions on a consolidated basis and on an individual basis
- Tables and instructions: Annexes VIII and IX of the draft ITS

e. Reporting on the leverage ratio (Chapter 6 of the draft ITS)

- Art. 14: Reporting by credit institutions on a consolidated basis and on an individual basis
- Tables and instructions: Annexes X and XI of the draft ITS

f. Reporting of information on liquidity (Chapter 7 of the draft ITS)

- Art. 15: Reporting by credit institutions on a consolidated basis and on an individual basis on the liquidity coverage requirement (LCR)
- Art. 16: Reporting by credit institutions on a consolidated basis and on an individual basis on stable funding (NSFR)
- Tables and instructions: Annexes XII and XIII of the draft ITS