EUROPEAN CENTRAL BANK

EUROSYSTEM

AnaCredit Reporting Manual

Part II – Datasets and data attributes

May 2019

About the second edition of the AnaCredit Manual

The AnaCredit Reporting Manual (the "Manual") has been updated. The previous version dated back to November 2016.

Highlights of this edition

The Manual has been updated to acknowledge and incorporate the additional explanations provided in the Q&As published on the ECB's website between July 2017 and December 2018.

The updated Manual also incorporates a number of adjustments to address previous inconsistencies. At the same time, the structure has been reorganised and streamlined. Specifically, some explanatory paragraphs have been moved to different parts of the Manual, and cross-references have been added with a view to facilitating consistency and readability. Moreover, references to the implementing technical standards (ITS) on supervisory reporting have been updated throughout the Manual to keep them in line with the amendments to Commission Implementing Regulation (EU) No 680/2014 (the "amended ITS").

Finally, the format and the language style have been aligned throughout the whole text.

Marked changes

Marked changes: changes have been annotated with revision marks

In order to help trace where amendments other than additional cross-references or minor textual adjustments have been made throughout the text, changes are indicated in the margin of the document, with a brief explanation. Furthermore, where relevant, hyperlinks to the published Q&As are provided there. The Q&As, although rendered redundant by the updated Manual, are still accessible on the ECB website.

Amendments in Part II

- Clarifications have been significantly expanded, incorporating 58 Q&As.
- In addition, in the update:
    - the sections are streamlined and duplicate explanations are removed;
    - the guidance on special reporting values is consolidated in one place in Part II;
    - the references to the ITS are updated, and definitions are added in line with the CRR and the ITS;
    - the information on foreign branches and special funds as counterparties under AnaCredit is consolidated;

- the section on the counterparty reference data attributes is reorganised to follow a standard structure: (i) definition, (ii) reporting qualification, (iii) values and (iv) general reporting instructions, specific cases and examples;
- the sections are fully updated with new and expanded examples and further clarifications.

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AnaCredit Reporting Manual – Part II

1 Contents of Part II

1.1 Overview of Part II

Revision mark: this section is reorganised and streamlined

The AnaCredit Reporting Manual (hereinafter referred to as "the Manual") is organised into three parts following a top-down approach.

The Manual provides detailed information and guidance on AnaCredit reporting requirements. It does not contain any additional requirements and has no binding legal status. The AnaCredit Regulation[1] is the sole legally binding act.

While Part I of the Manual describes the general methodology and Part III presents various case studies and in particular covers special scenarios that require more in-depth explanations, this document, the AnaCredit Reporting Manual – Part II, focuses on the specific data attributes of the reported datasets.

1.2 Structure of the Manual

Revision mark: this section is streamlined, also considering the explanations provided in the former Sections 1.1, 1.2 and 1.3

The structure of Part II follows the AnaCredit logical data model which is introduced in Section 6.2, "*Logical data model – the reporting agent's perspective*", in Part I of the Manual.

Based on the AnaCredit conceptual data model[2] presented in Section 6 in Part I of the Manual, the AnaCredit logical data model contains details about the distinct data entities, which are divided into different reportable datasets.[3] In particular, the logical data model:

- includes all entity tables and relationships between them;
- specifies data attributes for each entity table;
- specifies a primary key for each entity table;
- specifies foreign keys, which identify the relationship between different entity tables.

[1] Regulation (EU) 2016/867 of the European Central Bank of 18 May 2016 on the collection of granular credit and credit risk data (ECB/2016/13) (OJ L 144, 1.6.2016, p. 44).

[2] The AnaCredit conceptual data model is fully described in Part I, Section 6.1, "*Conceptual data model*". The AnaCredit conceptual data model establishes a broad view of what should be considered in AnaCredit reporting, as the data model includes the distinct data entities and the relationships between them. However, the conceptual data model specifies neither data attributes nor primary keys. Nonetheless, choosing a conceptual data model means that dimensions, measures and the granularity of data have been defined.

[3] The entity tables of the logical data model are divided into different reportable datasets. This is described in Part I, Section 6.3, "*Reportable datasets and reporting timeliness*".

Most of the identifying data attributes belong by nature to more than one entity table or dataset respectively, Chapter 2 of this document presents an overview of the internal identifiers for each reporting dataset. In a similar vein, Chapter 2 also provides explanations applicable to several data attributes across the different reportable datasets.

Subsequently, the entity tables are discussed.

Therefore, the description of the identifying data attributes and their allocation to datasets is summarised in a dedicated chapter (Chapter 2).

The instrument entity table is discussed first of all. This entity table comprises the following datasets:

- instrument dataset (Chapter 3);
- financial dataset (Chapter 4);
- accounting dataset (Chapter 5).

Next, in Chapters 6 and 7, the counterparty-instrument entity table is presented, which includes the following datasets:

- counterparty-instrument dataset;
- joint liabilities dataset.

The instrument-protection received entity table is then discussed in Chapter 8, while the protection received entity table is presented in Chapter 9.

Finally, the counterparty entity table is described. It includes the following datasets:

- counterparty default dataset (Chapter 10);
- counterparty risk dataset (Chapter 11);
- counterparty reference dataset (Chapter 12).

For a better understanding of the information provided below, the reader is expected to be familiar with the general AnaCredit methodology as explained in Part I of the Manual.

The table below gives an overview of the available documentation about the reportable datasets.

Table 1 Entity tables, templates and datasets: available documentation

AnaCredit Reporting Manual Part I			AnaCredit Regulation, Annex I		Chapter in AnaCredit Reporting Manual Part II
Entity table in the logical data model	Section	Section 6.3. Reportable Datasets	Dataset name	Template	
Instrument entity table	6.2.2.1	Instrument dataset	Instrument data	1	3
		Financial dataset	Financial data	1	4
		Accounting dataset	Accounting data	2	5
Counterparty-instrument entity table	6.2.2.2	Counterparty-instrument dataset	Counterparty-instrument data	1	6
		Joint liabilities dataset	Joint liabilities data	1	7
Instrument-protection received entity table	6.2.2.3	Instrument-protection received dataset	Instrument-protection received data	2	8
Protection received entity table	6.2.2.4	Protection received dataset	Protection received data	2	9
Counterparty risk/default entity table	6.2.2.5	Counterparty default dataset	Counterparty default data	2	10
		Counterparty risk dataset	Counterparty risk data	2	11
Counterparty reference data entity table	6.2.2.6	Counterparty reference dataset	Counterparty reference data	1	12

1.3 Structure of the chapters on datasets

Revision mark: this section is streamlined as some points are moved up to the previous sections

As stated in the introduction, one chapter is dedicated to each of the ten datasets (Chapters 3 to 12).

Each chapter on datasets is organised into four sections:

- the first section describes general aspects of the dataset concerned and also looks at specific aspects depending on the scope and complexity of the dataset;
- the second section discusses the level of granularity of the dataset;
- the third section provides information on the reporting frequency of the dataset;
- the fourth section introduces the data attributes belonging to the dataset, beginning with a comprehensive table that lists the relevant data attributes, and provides some other important information regarding the dataset.

1.4 Structure of the sections on data attributes

The most extensive section of each chapter on datasets is the fourth section, which covers data attributes. This fourth section breaks down into subsections, each dedicated to a specific data attribute.

Each of these subsections begins with a description of the data attribute.

Where applicable, this is followed by a description of the conditions under which the data attribute is reported (under the heading "*Reporting qualification"*).

Next, the eligible values for an attribute are described under the heading "*Values*".

Finally, under the heading "*Reporting instructions, examples and specific cases*", instructions are provided that relate specifically to the data attribute in question. Examples and specific cases are also provided where necessary and meaningful.

***Revision mark**: the former Section 1.5 containing guidance on the use of special reporting values is consolidated with clarifications from Section 2.3.8 in Part I of the AnaCredit Manual and moved down to Section 2.2*

***Revision mark**: the former Section 1.6 providing rules regarding monetary amounts is moved down*

2 Guidance on internal identifiers, special reporting values, monetary amounts and the use of external code lists

2.1 Guidance on internal identifiers

2.1.1 Overview of internal identifiers

Revision mark: the former Sections 2.1 and 2.2 are renumbered under this section

The reporting requirements of AnaCredit involve ten interrelated reporting datasets. Each dataset stores individual records and consists of a number of data attributes (please refer to Part I, Chapter 6, of the Manual dealing with the data model).

In addition to the data attributes, each reporting dataset includes a number of internal identifiers. These identifiers are a key part of the AnaCredit data model and generally have no meaning outside AnaCredit.[4] They ensure that each entry can be (uniquely) identified by one or a combination of identifiers in the dataset. In this way they help to maintain data integrity and identify the relationship between the datasets. This means that reporting agents report the internal identifiers consistently across all the datasets and across all data transmissions.

Table 2 provides an overview of the internal identifiers for the reporting datasets.

Table 2 Overview of internal identifiers

Reporting dataset	Instrument data	Financial data	Accounting data	Counterparty-instrument data	Joint liabilities data	Instrument protection received data	Protection received data	Counterparty risk data	Counterparty default data	Counterparty reference data
Reporting agent identifier	√	√	√	√	√	√	√	√	√	√
Observed agent identifier	√	√	√	√	√	√	√	√	√	
Counterparty identifier				√	√		√*	√	√	√
Contract identifier	√	√	√	√	√	√				
Instrument identifier	√	√	√	√	√	√				
Protection provider identifier							√*			
Protection identifier						√	√			

(*) Please note that the protection provider identifier appearing in the protection received dataset is the counterparty identifier for the protection provider.

[4] Please note that, in some cases, an internal identifier may be replaced by an external one. For example, NCBs may already require reporting agents to use counterparty identifiers which have been assigned by the relevant NCB (e.g. unique internal NCB code).

2.1.2 Description

2.1.2.1 Reporting agent identifier

Definition: Counterparty identifier for the reporting agent

The reporting agent identifier is the counterparty identifier of the reporting agent which reports the data.

2.1.2.2 Observed agent identifier

Definition: Counterparty identifier for the observed agent

The observed agent identifier is the counterparty identifier of the observed agent (i.e. an institutional unit of the reporting agent) whose data are reported by the reporting agent.

2.1.2.3 Counterparty identifier

Definition: An identifier applied by the reporting agent to uniquely identify each counterparty. Each counterparty has a unique and exclusive counterparty identifier. This means that this value will not change over time and can never be used as the counterparty identifier for any other counterparty.

In general, the reporting agent specifies the counterparty identifier and ensures that it meets the above criteria. However, in countries where an entity register has already been established by the NCB (e.g. for the purpose of running the national credit register) and a unique counterparty identifier has been assigned to each counterparty by the NCB, this identifier is used by all reporting agents at national level.

Reporting qualification

The counterparty identifier is reported for all counterparties.

Values

Alphanumeric: a code consisting of alphabetical and numerical symbols.

General reporting instructions, specific cases and examples

***Revision mark**: the paragraphs in this section are streamlined*

The counterparty identifier is used by a reporting agent to refer to each counterparty (both resident and non-resident) when transmitting AnaCredit data to the respective NCB.

Revision mark: clarifications are added in line with Section 12.4.1

Reporting agents use the counterparty identifier consistently across all data transmissions and always use the unique code for the same counterparty (principle of uniqueness), even if the counterparty is reintroduced into AnaCredit reporting after a period in which it was not subject to reporting, e.g. owing to the impact of the reporting threshold on the data to be transmitted (cf. Section 12.4.1).

Counterparty identifiers consist of a sequence of alphanumeric symbols that are assigned exclusively to a specific counterparty. Moreover, even if a counterparty no longer falls under the AnaCredit reporting requirements, is no longer active or is to be deleted from the system for any reason, a counterparty identifier which was used to identify a counterparty at any point in time is never re-used to identify another counterparty (principle of exclusivity). Together, uniqueness and exclusivity ensure the unique identification of counterparties at the level of a reporting agent.

Note that the above guidance does not limit the national discretion of the relevant NCBs to implement all necessary measures to ensure the unique identification of counterparties at the national level. In particular, as specified in Point 1.2 of Template I in Annex I to the AnaCredit Regulation, NCBs may require reporting agents to use counterparty identifiers which have already been assigned by the relevant NCB and communicated by the latter to the reporting agents (e.g. unique internal NCB codes).

Please also note that changes in the counterparty reference data (such as a change in the legal form of a counterparty) do not result in a new counterparty identifier being assigned to the counterparty.

2.1.2.4 Contract identifier

Definition: An identifier applied by the reporting agent to uniquely identify each contract. Each contract must have one contract identifier. This value will not change over time and cannot be used as the contract identifier for any other contract.

The contract identifier refers to the credit agreement between two or more parties under which the instrument is created. In particular, the contract identifier refers to the legal contract under which instruments are extended by the creditor to the debtor and conditions of the instruments are specified. In accordance with the definition, the contract identifier uniquely identifies a contract within the scope of a reporting agent. This means that each contract identifier is unique for each contract reported by the same reporting agent and, conversely, that a reporting agent always consistently identifies a given contract by the same contract identifier, irrespective of observed agents in relation to which the data are reported. However, with the exception of the syndicated contract identifier, two different reporting agents are not required to use the same contract identifier, even if they refer to the same credit agreement or loan.

In essence, the contract identifier makes it possible to record one or more instruments arising in relation to the same credit contract.

2.1.2.5 Instrument identifier

Definition: An identifier applied by the reporting agent to uniquely identify each instrument under a single contract. Each instrument must have one instrument identifier. This value will not change over time and cannot be used as the instrument identifier for any other instrument under the same contract.

The instrument identifier refers to an instrument created under a contract with a given contract identifier. The instrument identifier together with the contract identifier uniquely identifies an instrument reported in AnaCredit within the scope of a reporting agent as the instrument identifier cannot refer to more than one instrument within the same contract.

***Revision mark**: this section is expanded in line with Q&A 2018/0008*

Both the contract identifier and the instrument identifier are required for all the types of instrument referred to in Article 1(23) of the AnaCredit Regulation. Moreover, Annex IV to the AnaCredit Regulation stipulates that each reporting agent must use a unique contract identifier to identify each contract and a unique instrument identifier to identify each instrument belonging to the respective contract.

No two different reporting agents are required to use the same contract identifier, even if they refer to the same credit agreement or loan

However, with the exception of the syndicated contract identifier, two different reporting agents are not required to use the same contract identifier, even if they refer to the same credit agreement or loan. In particular, when an observed agent sells, or otherwise transfers, an instrument to another creditor, the transferee is not required to use the same contract and instrument identifiers as the transferor.[5]

Please note, however, that if a loan transfer takes place across different observed agents of the same reporting agent, the loan's contract and instrument identifiers remain unchanged, given the provisions of the AnaCredit Regulation regarding the contract identifier, provided that this does not conflict with the requirement for the transferee to uniquely identify all contracts and all instruments under the respective contract.

If more than one contract gives rise to the same instrument, the data are reported at the instrument level, associating the instrument with a single contract (i.e. referring to just one of the several contracts).

Please refer to Section 3.5 of Part III of the Manual for more guidance on contract and instrument identifiers in the case of credit cross limits and similar complex structures under which credit facilities exist with multiple instruments.

Note that while the instrument identifier (in combination with the contract identifier) is used to identify the instrument in the AnaCredit data, the data attribute "type of instrument" categorises the instrument (e.g. revolving credit, deposits, financial leases or trade receivables).

[5] Such a requirement could interfere with the requirement for each contract/instrument identifier combination to be unique at reporting agent level.

2.1.2.6 Protection identifier

Definition: An identifier applied by the reporting agent to uniquely identify each protection used to secure the instrument. Each protection must have one protection identifier. This value will not change over time and cannot be used as the protection identifier for any other protection.

The definition of the protection identifier set out in Annex IV to the AnaCredit Regulation further clarifies that the protection identifier is applied by the reporting agent to uniquely identify each protection used to secure an instrument.

Consequently, each record in the protection received dataset represents an individual protection item and is uniquely identified by a protection identifier at the level of the reporting agent. This means that each protection identifier is unique for each protection item reported by the same reporting agent and, conversely, that a reporting agent always consistently identifies a given protection item by the same protection identifier, irrespective of observed agents in relation to which the data are reported. This protection identifier is not reused by the same reporting agent at any point in time to identify a different protection item, including when it relates to a different observed agent.

2.1.2.7 Protection provider identifier

Definition: Counterparty identifier for the protection provider

***Revision mark**: clarification is added concerning the possibility for protection providers to cede protection items*

The protection provider identifier is the counterparty identifier of the counterparty that grants protection against a contractually agreed negative credit event and that is obliged to make payments, or cede the assets that it has provided as collateral, to the creditor if the debtor fails to meet the obligation to make repayments arising under the instrument secured by the protection item (i.e. when the negative credit event under Article 1(13) of the AnaCredit Regulation occurs).

For instance, in these specific cases, the protection provider is:

- the owner of the physical item/real estate;
- the holder of the security pledged as a protection (and not the issuer of the security itself);
- the policy holder in the case of life insurance policies issued by an insurance company.

For a more specific overview of protection providers whose counterparty identifier is reported as the protection provider identifier, please refer to Section 9.4.1 of this Manual.

Reporting qualification

Revision mark: clarification in line with Q&A 2018/0031 is added in the footnote

If the only protection provider is a natural person, the protection provider identifier is reported as "non-applicable".[6] This is relevant in instances of natural persons acting as protection providers for instruments granted to legal entities as well as in cases where a protection item is jointly provided by a natural person and a legal entity. In the latter case, the protection provider identifier of the legal entity is reported.

2.2 Guidance on the use of "non-applicable" and "not required"

Revision mark: the former Section 1.5 is consolidated with the clarifications from the former Section 2.3.8 in Part I of the AnaCredit Manual which dealt with the special reporting values

Pursuant to the AnaCredit Regulation, there are a total of 88 data attributes and, in principle, all data attributes are mandatory.

However, the AnaCredit Regulation also clarifies that some data attributes are not (or, at the discretion of the NCB, may not be) required under certain circumstances, for instance, in relation to instruments that meet specific conditions (cf. Chapter 7 in Part I of the Manual) or for which a partial derogation was granted under Article 16(1) of the AnaCredit Regulation (cf. Chapter 8 in Part I of the Manual). Consequently, if such circumstances apply, AnaCredit is informed that a given data attribute is not required (in respect of a given observed agent).

Furthermore, certain data attributes do not apply in some situations and/or no information is available even in relation to data attributes that are required to be reported. For example, no accounting information is in principle available for instruments that are not assets of the observed agent. In such cases, which are identified and explained in the Manual, AnaCredit should be informed that a given data attribute is not applicable.

Revision mark: a footnote is added in line with Q&A 2018/0031

In this connection, the special reporting values "non-applicable" and "not required" are introduced and used throughout the Manual.[7]

The general use of these special reporting values (i.e. "not required" and "non-applicable") is explained in Chart 1 below. Specific situations in which a data attribute may be reported as "non-applicable" are a particular subject of this Manual, which deals specifically with data attributes.

Generally, AnaCredit reporting comprises three types of values:

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[6] The value "non-applicable" is reported if the attribute concerned is not subject to a derogation in accordance with the AnaCredit Regulation but no appropriate value in fact exists or can be reported because the concept itself is not applicable in a certain situation (following the clarifications provided in the AnaCredit Reporting Manual). Please refer to Section 2.2 for more guidance on special reporting values.

[7] While the concepts of "not required" and "non-applicable" may seem similar, they are interpreted differently. As a general rule, where information pertaining to an attribute of AnaCredit is not reported as a consequence of derogations applied by NCBs, as provided for in the AnaCredit Regulation, the value "not required" is reported to AnaCredit. For example, as the AnaCredit Regulation does not provide for any derogations in relation to the data attribute "protection provider identifier", the value "non-applicable" is reported in accordance with the clarifications in Section 9.4.1 in cases where the protection provider is a natural person to indicate that there is no protection provider that is reportable to AnaCredit (i.e. no legal entity).

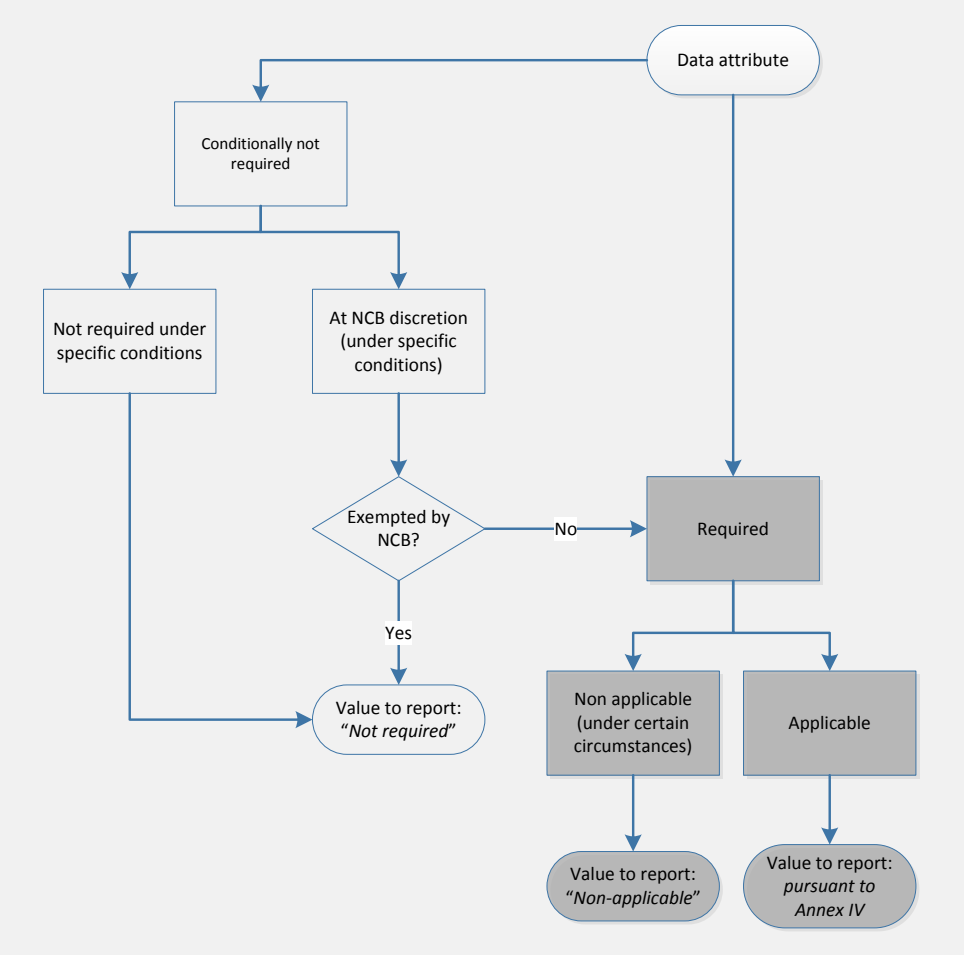
- a value as defined in Annex IV to the AnaCredit Regulation;
- "non-applicable";
- "not required".

Specifically, if a data attribute is not required (i.e. either explicitly specified as such in the AnaCredit Regulation or as decided by the relevant NCB in the circumstances set out in Articles 7 and 16 and Annexes II and III of the AnaCredit Regulation), the data attribute is reported as "not required" in the specific circumstances. Otherwise, a value as specified in Annex IV to the AnaCredit Regulation is reported for a data attribute, unless no value can actually be provided as the data attribute does not apply (in a given situation).

Revision mark: clarification is added that the fact that the use of the value "non-applicable" is restricted to data attributes and circumstances is explicitly mentioned in the Manual

Whereas the use of the value "not required" is objectively prescribed by the AnaCredit Regulation, certain situations in which the use of "non-applicable" is justified are solely referred to in the Manual. Please note that the use of the value "non-applicable" is restricted to the data attributes where this possibility is explicitly mentioned in the Manual. Nevertheless, despite the provisions of the Manual it is reporting agents who are ultimately responsible for determining whether or not "non-applicable" actually applies, and their use of this value is monitored.

Chart 1: The use of special reporting values



Revision mark: the reference to a possible scheme in the actual transmission by the reporting agent is dropped

Please note that "not required" and "non-applicable" are substitutes for exact technical values to be used by reporting agents in certain situations – the exact values, which may depend on the type of data attribute (for example, numerical versus textual data attributes), are not covered in this Manual and are specified by NCBs in a technical specification of the data transmission protocol.

Please also note that, in any event, reporting a data attribute as "non-applicable" means that the data attribute has been carefully considered in a given situation and it has been confirmed that the data attribute does not apply.

2.3 General rules regarding monetary amounts

Revision mark: the former Section 1.6 is moved down to this section

Revision mark: the details regarding the reporting of monetary amounts are dropped

In accordance with the AnaCredit reporting requirements set out in the AnaCredit Regulation, all monetary amounts are reported in euro. All foreign currency amounts are converted into euro at the respective euro foreign exchange reference rates (i.e. the mid-rate) on the reporting reference date.

This means that, as a general rule, an amount is converted into euro at the respective mid-rate at the date to which the amount refers. The vast majority of the amount data attributes refer to the reporting reference date, although there a few exceptions.

Any amount originally denominated in a currency other than euro is converted into euro using the respective exchange rate as at the date to which the amount refers

In connection with the above, the exchange rate applied to convert non-euro amounts into euro is the euro foreign exchange reference rate as at the date to which the amount refers. For example, for the original protection value, it is the exchange rate as of the date of original protection value, while for the annual turnover, it is the exchange rate as of the date to which the annual turnover amount refers (e.g. typically the year-end date up to which the financial statements are prepared).

However, as regards the data attribute "protection value", the value reported may refer either to the reporting reference date or to the valuation date of the protection, depending on whether or not the protection is valued at its notional amount. Please refer to Example 68 in Section 9.4.4 for further details.

Amount data attributes which are reported as amounts and refer to a date other than the reporting reference date are considered fixed as of the date for which they are reported in the sense that once reported they are not updated, even if the respective euro foreign exchange reference rates change after the date.

Table 3 provides an overview of all the data attributes that are reported as amounts, showing the date to which they refer (i.e. the date of the respective euro foreign exchange reference rate used for the conversion).

Table 3 Overview of data attributes that are reported as amounts in euro

Data attribute	Static amounts	Date of the respective euro foreign exchange reference rate
Balance sheet total	√	Date to which the amount reported in the data attribute "balance sheet total" refers
Annual turnover	√	Date to which the amount reported in the data attribute "annual turnover" refers
Commitment amount at inception	√	Inception date as reported in the data attribute "inception date"
Fair value changes due to changes in credit risk before purchase	√	Date of the purchase
Original protection value	√	Date of original protection value as reported in the data attribute "date of original protection value"
Protection value (if the type of protection value is not "notional amount")	√	Date of protection value as reported in the data attribute "date of protection value"
Protection value (if the type of protection value is "notional amount")		Reporting reference date
Transferred amount		Reporting reference date
Arrears for the instrument		Reporting reference date
Outstanding nominal amount		Reporting reference date
Off-balance-sheet amount		Reporting reference date
Accrued interest		Reporting reference date
Accumulated write-offs		Reporting reference date
Accumulated impairment amount		Reporting reference date
Accumulated changes in fair value due to credit risk		Reporting reference date
Provisions associated with off-balance-sheet exposures		Reporting reference date
Cumulative recoveries since default		Reporting reference date
Carrying amount		Reporting reference date
Joint liability amount		Reporting reference date
Protection allocated value		Reporting reference date
Third-party priority claims against the protection		Reporting reference date

The data attributes marked as static data in the above table which were originally denominated in currencies other than euro are converted into euro applying the euro foreign exchange reference rate of the date to which the amounts refer.

2.4 External code lists (ISO, NUTS, etc.)

Revision mark: clarifications on the use of external code lists are included in line with Q&A 2017/0005

For the reporting of several data attributes, AnaCredit refers to external code lists.

The external code lists to which the AnaCredit Regulation refers can change for various reasons. For example, with regard to the NUTS 3 codes, national interests

sometimes require a change in the regional breakdown of a country. Or, regarding the ISO country codes, country names might be amended or even removed from ISO 3166-1 because a country might change a significant part of its name, or a country may divide into two or more new ones, or two or more countries may merge into one.

However, a version of the external code lists is valid for a certain period of time before it is replaced by a newer version (for example, Regulation (EC) No 1059/2003[8] specifies that the NUTS classification must be stable for at least three years). Thus, only one version of a code list is valid at any given moment in time.

In the context of AnaCredit, at a reporting reference date reporting agents report data to AnaCredit using the codes that are valid as of the reporting reference date. In particular, in the case of an amendment to a classification, reporting agents take into account the new classification for any data reported after the amendment and submit updates to any data that are affected by the amendment. However, contrary to the requirement of Article 5(5) of Regulation (EC) No 1059/2003, in the context of AnaCredit, reporting agents are generally not required to update historical data when there is a new classification.

For example, assume that the NUTS 3 classification that is valid at present will be effectively replaced by a new version as of 1 January 2020. Accordingly, any counterparty reference data reported to AnaCredit before 1 January 2020 will be based on the current version of the classification. However, any counterparty reference data reported from 1 January 2020 onwards will need to be based on the amended classification. Furthermore, as the counterparty reference data of a given counterparty are required to be updated if a change takes place, an additional record of the counterparty reference data is reported as of 1 January 2020 for those counterparties whose counterparty reference data were reported before 2020 and which are affected by the change in the classification (to reflect the new classification for these counterparties). Nevertheless, in no instances do the data reported before 2020 have to be changed in line with the amended classification.

In other words, if a new version of an external classification is released, only those counterparties in the counterparty reference data for which the classification has actually changed will have to be updated.

***Revision mark**: Example 1 is added concerning the use of external code lists*

By the same token, at a reporting reference date reporting agents report data to AnaCredit using codes that are valid as of the reporting reference date and any subsequent change to the codes does not imply that backward corrections are required. For an illustration of the reporting, please refer to Example 1.

[8] Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154, 21.6.2003, p. 1).

Example 1: Reporting of data using code lists

Consider a loan denominated in currency AB which is subject to AnaCredit reporting from September 2018. Suppose also that currency AB is split into two currencies A and B as of 1 January 2019. Moreover, suppose that in March 2019 it is ascertained that a backward correction must be made concerning data relating to the loan as at 30 November 2018.

In this case, despite the fact that on March 2019 currency AB does not exist, it is this currency that is used to report retroactively the data concerning 30 November 2018. Conversely, neither currency A nor currency B can be used to report data relating to 30 November 2018 as the currencies were not valid on that reporting reference date.

3 Instrument dataset

This chapter provides explanations of the definitions in the AnaCredit Regulation in relation to the instrument dataset, including the concepts of “contract” and “instrument”. Examples of several product types are used to illustrate the definitions.

3.1 General aspects

3.1.1 Contract

In the context of AnaCredit, a contract is a credit agreement between two or more entities where at least one entity acts as the debtor and at least one other entity acts as the creditor providing the debtor with credit of any amount.

Specific features referred to in a contract which gives rise to an instrument are recorded at the instrument level.

3.1.2 Instrument

In AnaCredit, a credit contract can give rise to one or more instruments. The contract may be managed as a whole even if the instruments under the contract, or the constituent parts of the instruments, have different characteristics.

AnaCredit considers instruments in the way they are typically managed by credit institutions, i.e. it considers instruments as banking products with outstanding balances and credit limits. In this connection, an instrument is a specific instance of credit arising under a contract, with specified characteristics, enabling the debtor to receive from the creditor funds to an amount or value regulated in the contract. Consequently, instruments are typically associated with an account.

In particular, if an observed agent considers a loan under which several drawings are made (possibly with different characteristics, such as different interest rates, etc.) to be one instrument, then the agent reports the loan accordingly without compromising

the AnaCredit data structure. However, if an observed agent considers the different parts of the loan to be different instruments, then the agent reports multiple instruments (which typically exist under the same contract) to AnaCredit, again without compromising the structure of AnaCredit reporting.

In AnaCredit, any instance of credit (i.e. any instrument) that is held or serviced by the observed agent is potentially subject to reporting. However, only those instruments that meet the conditions in Articles 1(23), 4 and 5 of the AnaCredit Regulation are actually reported.

From the perspective of a credit institution, instruments may have a positive or credit balance where the credit institution owes funds to the counterparty; or a negative or debit balance where the counterparty owes funds to the credit institution. This is reflected in the balance sheet, i.e. debit balances are on the assets side while credit balances are on the liabilities side. AnaCredit focuses on the assets side of the balance sheet.

Generally, instruments which are opened with the purpose of holding credit balances are referred to as deposit accounts (not to be confused with the type of instrument "deposits"), while instruments opened with the purpose of holding debit balances are referred to as loan accounts. Some instruments can switch between credit and debit balances (e.g. current accounts, revolving credit other than overdraft and credit card).

3.1.3 Credit limits

A credit limit is the maximum debit balance allowed to stand on an account at any given moment under the terms of the credit agreement.

For details and examples regarding limit structures and multiple instruments with a common credit limit, please refer to Chapter 3 in Part III of the Manual regarding credit facilities and cross-limit structures.

The outstanding nominal amount is the amount drawn under the instrument; the off-balance-sheet amount measures the remaining amount that is contractually agreed and that can be drawn so that the credit limit is not exceeded

For a given instrument reported to AnaCredit, the individual outstanding balances under the instrument are reported in the data attribute "outstanding nominal amount" in the financial dataset, whereas the remaining amount by which the outstanding balance can be still increased within the credit limit associated with the instrument (or group of instruments, following the limit structure of which the instrument is a part) is reported in the data attribute "off-balance-sheet amount" in the financial dataset.

Whether or not there is any undrawn amount (off-balance-sheet amount) for an instrument depends on the credit limit associated with the instrument and the drawing possibilities agreed on in relation to the instrument. In this respect, the following distinction is made:

(a) a revolving credit is an instrument under a contract whereby the outstanding balances are permitted to fluctuate based on the decisions of the debtor to borrow and repay, up to an agreed limit;

(b) a non-revolving credit is a fixed-sum credit under a contract that may be disbursed in one amount or by instalments/tranches, such that the debtor is enabled to receive credit that does not replenish after payments are made (whether in one amount or by instalments/tranches).

Revision mark: a reference to Section 3.4.1 is added

For further details on revolving and non-revolving credit, please refer to the type of instrument "revolving credit other than overdrafts and credit card debt" in Section 3.4.1.

3.1.4 Instruments in debit

The requirements of AnaCredit are interpreted so that, subject to certain exceptions which are thoroughly explained in the relevant sections of the Manual (e.g. as regards transferred assets, certain off-balance-sheet items, etc.), the instruments that are assets for the observed agent meet the definition in Article 1(23) of the AnaCredit Regulation referring to the data attribute "type of instrument".

More specifically, the distinction between instruments subject to AnaCredit reporting and those not subject to reporting is based on the difference between instruments with intrinsic off-balance-sheet amounts (i.e. undrawn amounts), and instruments which are strict off-balance-sheet items. The former are instruments where a drawn amount – the outstanding nominal amount – and an undrawn amount – the off-balance-sheet amount – are part of the same instrument.

Certain types of instrument reported to AnaCredit can only have a positive outstanding nominal amount, but there are also types of instrument for which the outstanding nominal amount may be 0. However, not all instruments reported to AnaCredit may have a positive off-balance-sheet amount. Thus, it may be the case that an instrument reported to AnaCredit has a zero outstanding nominal amount and a positive off-balance-sheet amount, as long as a positive outstanding nominal amount can be drawn on the basis of the credit contract under which the instrument arises, e.g. a credit card where no amount has been drawn.

Instruments which are strict off-balance-sheet items are those where no outstanding amount may exist in combination with the off-balance-sheet amount, rendering this instrument a fully off-balance-sheet item at any time and under any condition. These are commitments which under specific circumstances may be called upon and converted into instruments for which an outstanding nominal amount may be shown, e.g. a guarantee provided by a credit institution.

Revision mark: further clarifications on the types of off-balance-sheet items are added, references to the amended ITS are updated

Strict off-balance-sheet items are loan commitments (other than the "undrawn credit facilities" that are the undrawn amounts of loans), financial guarantees and other commitments as defined in paragraphs 113, 114 and 115 of Part 2 of Annex V to Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014, as amended by Commission Implementing Regulation (EU) 2017/1443 of 29 June 2017 (hereinafter referred to as "the amended ITS"), which do not have outstanding balances, are not considered to be any of the types of instrument referred to in Article 1(23) of the AnaCredit Regulation.

3.1.5 Starting date from which an instrument is reported

An instrument is not reported from the moment when the contract is signed but from the moment when the amount is made available to the debtor (even if it is at that moment entirely off-balance-sheet)

***Revision mark**: the paragraph is expanded with clarifications regarding the point at which the reporting of overdrafts commences*

As regards the date when an instrument is reported, Part I, Section 4.6.6 of the Manual clarifies that an instrument first becomes subject to reporting at the moment at which the creditor enables the debtor to draw funds after entering into a legally binding contract with the debtor, or when funds are disbursed to the debtor for the first time in the case of overdrafts that are not associated with an agreed credit limit (cf. “Overdrafts” in Section 3.4.1).

This means that the instrument is subject to reporting as soon as the instrument is actually created (i.e. when an instrument identifier is assigned, as opposed to when the instrument is originated) by, for example, opening and making operational a dedicated bank account, irrespective of whether or not any funds have been drawn on that date.

The date on which the debtor draws funds for the first time under the instrument, or when funds are disbursed to the debtor for the first time, after entering into a legally binding contract with the debtor, is reported in the data attribute “settlement date”.

For an illustration of the first moment when an instrument is subject to AnaCredit reporting, please consider Example 2.

Example 2: Date from which an instrument is reported

1. Debtor Dbtr#A has instrument Ins#1 vis-à-vis observed agent OA#1. Ins#1 is originated on the basis of contract Cntr#1 issued on 24 March 2019. The instrument type of Ins#1 is "revolving credit other than overdrafts and credit card debt". OA#1 first enables the debtor to draw funds under the instrument on 5 April when the instrument is created in the observed agent's system. No amount has been up until 19 May, the date when the debtor draws a first amount.

Although Ins#1 is already originated (the inception date is 24 March), it is not subject to reporting as of 31 March, as the instrument does not exist yet. The instrument first becomes subject to AnaCredit reporting only as of 5 April, when the debtor is enabled to use this instrument, irrespective of whether or not the debtor uses this instrument on that date. Moreover, the instrument's settlement date applies only when the debtor first draws amounts under the instrument – in this case, 19 May.

The reporting of the instrument to AnaCredit in the period concerned is illustrated in Table 4 on the basis of the instrument dataset. In this context, Ins#1 is reported for the first time on 30 April (not 31 March). Thereafter, the instrument dataset is updated on 31 May with the information about the settlement date.

Table 4 Overview of the reporting of Ins#1 in the period after 24 March

Date	Contract identifier	Instrument identifier	Inception date	Settlement date
30/04/2019	CNTR#1	INS#1	24/03/2019	"Non-applicable"
31/05/2019	CNTR#1	INS#1	24/03/2019	19/05/2019

2. On 29 June 2019 a contract (DpCntr#2) is made between bank BNK#A and observed agent OA#1 that a deposit DPST#2 will be placed by OA#1 with BNK#A with the settlement date (plus two working days as per market conditions) later than the forthcoming reporting reference.

On the reporting reference date 30 June, DPST#2 is not subject to AnaCredit reporting as the deposit has not yet been placed with BNK#A, which is the condition for the instrument to be created (it is a forward deposit). The instrument first becomes subject to AnaCredit reporting on 1 July when it is effectively created. In other words, although originated earlier, the deposit is not reportable until it is settled, i.e. when the funds are placed at BNK#A. The reporting of the deposit in the period between 29 June and 31 July is illustrated in Table 5. Note that in this case the instrument's creation date coincides with its settlement date.

Table 5 Overview of the reporting of DPST#2 in the period after 29 June

Date	Contract identifier	Instrument identifier	Inception date	Settlement date
31/07/2019	DPCNTR#2	DPST#2	29/06/2019	01/07/2019

Revision mark: a further clarification is added in line with Q&A 2018/0010 regarding the point at which the reporting of instruments arising under (multi-product) cross-limits commences

Please note that instruments arising under (multi-product) cross-limits become subject to reporting at the moment at which the creditor, after communicating and legally defining the commitment, creates an eligible instrument giving the debtor the possibility of taking advantage of funds (e.g. if they have been created in the reporting agent's IT system and have been assigned unique identifiers). Conversely, a commitment/offer does not result in any reporting to AnaCredit until an instrument has been created which allows it to be utilised – for example, a credit limit

(regardless of whether it has been communicated to the debtor) which has not resulted in the creation of an eligible instrument, such as a credit card account or an overdraft, is not subject to AnaCredit reporting. For additional information about the point at which a fully off-balance-sheet item becomes subject to reporting, please also refer to Section 3.5 in Part III of the Manual.

3.1.6 End date after which an instrument need not be reported

Instruments that have ceased to exist are in principle not reported beyond their termination date, although there are exceptions

In principle, an instrument stops being reported to AnaCredit if it is no longer held or serviced by the observed agent. In such cases, the requirement to report the instrument ceases on the day on which the observed agent ceases to hold or service the instrument, and the requirement to report until the end of the quarter does not apply. In particular, a fully paid-off instrument is not reported to AnaCredit after the redemption date. In other words, non-existent instruments are not reportable.

However, as an exception to this principle, if a write-off takes place, then the instrument is reported at least until the end of the quarter, even if the instrument is neither held nor serviced by the observed agent after the write-off.

Instruments existing after the final maturity date has passed are not necessarily terminated or outdated

Even if the legal final maturity date of an instrument has passed, this does not necessarily imply that the instrument is terminated and is hence no longer subject to AnaCredit reporting. For example, consider a defaulted instrument which is not paid off by the legal final maturity date: the instrument remains subject to reporting for as arrears exist, because it is still held and/or serviced in this case.

3.1.6.1 Treatment of written-off instruments

***Revision mark**: this section is aligned with Q&A 2017/0002, Q&A 2017/0003 and Q&A 2018/0009*

As explained above, instruments in relation to which a write-off takes place are reported until at least the end of the quarter in which the write-off occurs. Furthermore, the reporting requirements in relation to such instruments depend on whether or not the instrument is still held or serviced by the observed agent.

In particular, a written-off instrument is reported beyond the end of the quarter only if the instrument is still held or serviced by the observed agent and the debtor's commitment amount is equal to or exceeds the reporting threshold of €25,000 (i.e. when the debtor of the written-off instrument also has other instruments vis-à-vis the observed agent and the instruments are subject to reporting).

On the other hand, an instrument that is no longer held or serviced by the observed agent (for example, when it is sold to another counterparty or debt forgiveness applies) and in relation to which a write-off has taken place is reported only until the end of the quarter in which the observed agent ceases to hold or service the instrument. In this case, the only datasets that are reported are the financial dataset (on a monthly basis) and the accounting dataset, while the remaining datasets are, in principle, not reportable. Please note that with regard to the financial and accounting datasets, only very few data attributes are actually applicable during this extended reporting period (so as to make the capturing of the loss incurred by the instrument

possible in AnaCredit); these include, in particular, the "outstanding nominal amount" (which is reported as "0"), the "accumulated write-offs" and the "cumulative recoveries since default", while the vast majority of data attributes no longer apply and are reported using one of the special reporting values (cf. Section 2.2).

***Revision mark**: references to relevant examples are added*

For an illustration of the reporting requirements in relation to such instruments, please refer to Example 21 in Section 4.4.3 which concerns the sale of a non-performing loan to a third party and to Case 13.2 in Chapter 8 in Part III of the AnaCredit Manual which presents an example of reporting in the case of debt forgiveness and write-offs.

3.2 Level of granularity

The instrument dataset is compiled at the level of the instrument itself from the perspective of an observed agent whose data are reported by the reporting agent.

3.3 Reporting frequency

The instrument dataset is reported according to the on-change method. This means that initially the instrument dataset is reported to AnaCredit for all reportable instruments, but subsequently the instrument dataset is only reported for (a) new instruments or (b) instruments for which any of the data attributes in the dataset has changed compared with the data reported previously.[9]

In accordance with the general reporting principle, the information contained in the instrument dataset is considered valid as of the reporting reference date to which the instrument refers.

Please note that, with the passage of time, values of certain data attributes that were previously reported to AnaCredit may become outdated and an update may therefore be necessary. This means that, after the update, the data available at a reporting reference date accurately describe an instrument as of the reporting reference date.

In general, whether or not an observed agent holds or services an instrument as of a reporting reference date is implied by the information reported in the financial dataset. This means that, for an instrument reported in the financial dataset, a record for this instrument is sought in the instrument dataset. Conversely, if an instrument is not reported in the financial dataset as of a reporting reference date, then the instrument is assumed not to be subject to AnaCredit reporting, even if a record for the instrument was submitted previously and exists in the instrument dataset.

[9] Please note that this applies to all AnaCredit datasets which are reported according to the on-change method, and not only to the instrument dataset.

In particular, if at a given reporting reference date, an instrument is reported in the financial dataset, the instrument dataset contains a record which describes the instrument as of the reporting reference date.

If the instrument is further reported in the financial dataset as of a subsequent reporting reference date, and the information in the instrument dataset still accurately describes the instrument as of that date (although the information was only submitted to complement the part of the instrument described in the financial dataset in respect of an earlier reporting reference date), there is no need to report a record in the instrument dataset (as the information is already present and accurate in AnaCredit).

Revision mark: clarification and a reference to Part I are added

However, if later on one or more features of the instrument changes (e.g. the interest rate spread/margin is increased), then in order to have up-to-date information describing the instrument reported in the financial dataset as of the reporting reference date following the change, an update of the instrument dataset is submitted to AnaCredit, sending the complete record with information on the instrument, i.e. sending the values of all data attributes of the instrument dataset, including those that have not changed (cf. Section 6.3.2 in Part I of the Manual).

For an illustration of how the instrument dataset is reported vis-à-vis the financial dataset, please considered the following example.

Example 3: Updating the instrument dataset

At a given reporting reference date, the financial dataset reported in relation to observed agent Bank A with counterparty identifier “Cpty#A” includes an instrument with instrument identifier “Inst#123” arising under a contract with contract identifier “Cntrct#A#2016”. The instrument dataset contains a record which describes the instrument as of the reporting reference date.

Instrument “Inst#123” is reported for the first time as of 30 September 2019. In particular, the following record presented in Table 6 is entered in the financial dataset.

Table 6 Indication of the financial dataset in relation to instrument “Inst#123”

Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount
30/09/2019	CNTRCT#A#2016	INST#123	50,000.00

The information in AnaCredit describing the instrument as at 30 September 2019 needs to be up to date. Therefore, a record is submitted to the instrument dataset in a timely manner so that it can be updated with the information valid as of 30 September 2019. Table 7 illustrates the reporting of the instrument dataset as at 30 September 2019.

Table 7 Indication of the instrument dataset as of September 2019

Reporting reference date	Contract identifier	Instrument identifier	Interest rate spread/margin
30/09/2019	CNTRCT#A#2016	INST#123	0.0075

Instrument “Inst#123” continues to be reported as of 31 October 2019. In particular, the following record is transmitted to AnaCredit in the financial dataset as at 31 October 2019 (Table 8).

However, as no change has actually taken place in relation to any of the data attributes in the instrument dataset since the last time the information was submitted to AnaCredit (i.e. to accompany the financial dataset as of 30 September 2019), the relevant information

available in AnaCredit in respect to these attributes is still up to date and need not be sent again. Instead, in order to describe the instrument reported in the financial dataset as at 31 October 2019, AnaCredit copies the instrument information that was available as at 30 September 2019 (i.e. no record is submitted if no change has occurred in the information already available in AnaCredit).

Table 8 Indication of a record reported in the financial dataset in relation to instrument "Inst#123" as of 31 October

Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount
31/10/2019	CNTRCT#A#2016	INST#123	45,000.00

Instrument "Inst#123" continues to be reported as at 30 November 2019, and the following record is entered in the financial dataset.

Table 9 Indication of the financial dataset on 30 November 2019

Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount
30/11/2019	CNTRCT#A#2016	INST#123	40,000.00

However, the interest rate spread/margin of the instrument (as captured in the instrument dataset) changed in November, and the record of the instrument dataset available in AnaCredit is not up to date. Consequently, an up-to-date record of the instrument dataset (Table 10) needs to be submitted to AnaCredit to accompany the information submitted in the financial dataset with reference to 30 November 2019.

Table 10 Indication of the instrument dataset that is sent to AnaCredit as of 30 November 2019 when a change takes place

Reporting reference date	Contract identifier	Instrument identifier	Interest rate spread/margin
30/11/2019	CNTRCT#A#2016	INST#123	0.0050

In other words, the information in the instrument dataset is submitted in a timely manner in order to keep it up to date at each reporting reference date. As this information accompanies the information reported regularly in the financial dataset, it is consequently necessary to update the dataset so that records which are outdated or new records are submitted to AnaCredit no later than the time of the regular transmission (in which, inter alia, the financial dataset is submitted) for the reporting reference date to which they refer.

In this way, any change in the actual situation that takes place between two consecutive reporting reference dates (i.e. between moments T and T+1) and is still valid at T+1 is accurately reflected in the instrument dataset that refers to the reference date T+1.

3.4 The instrument dataset – data attributes

This dataset is for instruments reported in the financial dataset where for each combination of contract and instrument identifier a record exists in the instrument dataset describing the instrument – either because such a record was submitted in a previous period and all the data attributes contained therein are still up to date, or because such a record is submitted to accompany, inter alia, the record in the

financial dataset. In particular, the following data attributes are available for an instrument on a reporting reference date.

Table 11 Overview of data attributes in the instrument dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Contract identifier	√	String	2.1.2.4
Instrument identifier	√	String	2.1.2.5
Type of instrument		Code list	3.4.1
Inception date		Date	3.4.4
Amortisation type		Code list	3.4.15
Currency		Code list	3.4.3
Fiduciary instrument		Code list	3.4.20
End date of interest-only period		Date	3.4.10
Interest rate cap		Numerical value	3.4.13
Interest rate floor		Numerical value	3.4.13
Interest rate reset frequency		Code list	3.4.9
Interest rate spread/margin		Numerical value	3.4.12
Interest rate type		Code list	3.4.8
Legal final maturity date		Date	3.4.6
Commitment amount at inception		Amount in euro	3.4.21
Payment frequency		Code list	3.4.16
Project finance loan		Code list	3.4.2
Purpose		Code list	3.4.14
Recourse		Code list	3.4.7
Reference rate		Code list	3.4.11
Settlement date		Date	3.4.5
Subordinated debt		Code list	3.4.18
Syndicated contract identifier		String	3.4.17
Repayment rights		Code list	3.4.19
Fair value changes due to changes in credit risk before purchase		Amount in euro	3.4.22

3.4.1 Type of instrument

Definition: Classification of the instrument according to the type of contractual terms agreed between the parties.

This section provides a detailed description of the instrument categories into which reporting agents classify individual financial instruments reported under the AnaCredit Regulation. The classification put forward in the AnaCredit Regulation

does not constitute an exhaustive list of all financial instruments that exist but only categorises eligible instruments.

Revision mark: further clarifications are included in this paragraph

The classification of instruments into the different types of instrument in AnaCredit is based on the intrinsic characteristics of the operations (e.g. whether they are credit limits with or without revolving nature or whether they are disbursed in one instalment, etc.), except those classified as "deposits other than reverse repurchase agreements" where the institutional sector of the debtor (i.e. when the debtor is a monetary financial institution) is also considered.

Instruments of any of the types discussed below are reported to AnaCredit on condition that they fulfil the general criteria triggering the reporting obligation at a given reporting reference date, as explained in Part I, Chapter 5, of the Manual, "*Criteria triggering the reporting obligation*".

Values

For each instrument reported, one of the following values is reported in this data attribute to provide a qualification of the type of the instrument.

Deposits other than reverse repurchase agreements

Definition: Deposits as defined in paragraph 5.79 of Annex A to Regulation (EU) No 549/2013 other than reverse repurchase agreements.

Deposits other than reverse repurchase agreements are transferable deposits as defined in paragraph 5.80 and other deposits (excluding reverse repurchase agreements) as defined in paragraph 5.85 of Annex A to Regulation (EU) No 549/2013.

Revision mark: clarification is added that "deposits" also covers "loans" received by monetary financial institutions

Revision mark: updated references to the amended ITS are provided

Moreover, in accordance with Regulation (EU) No 1071/2013 concerning the balance sheet of the monetary financial institutions sector, it is clarified that loans to monetary financial institutions are also classified as deposits. For this reason, the type of instrument "deposits other than reverse repurchase agreements" also covers any type of deposit or loan (except those that meet the definition of reverse repurchase agreements in paragraphs 85(e), 183 and 184 of Part 2 of Annex V to the amended ITS) when the debtor is a monetary financial institution (i.e. when its institutional sector[10] is central banks, credit institutions, deposit-taking corporations other than credit institutions or money market funds, irrespective of whether or not it is resident in a reporting Member State).

Revision mark: clarification is added regarding repayable margin payments in line with Q&A 2018/0011

In a similar vein, repayable margins payments, which are payments of cash as collateral that cover actual or potential obligations incurred through financial derivatives, are instruments that are subject to AnaCredit reporting and are classified as "deposits other than reverse repurchase agreements" if the holding institution is a monetary financial institution as referred to in the previous paragraph.

[10] For the definition of the data attribute "institutional sector", please refer to Section 12.4.14.

Consequently, the instrument type "deposits other than reverse repurchase agreements" includes:

- (short-term) money market lending to other monetary financial institutions;
- cash collateral, including repayable margin payments deposited in cash under transactions in financial derivatives (for example, in a forex contract) posted by the observed agent to protect the other counterparty against default or settlement risk, on condition that that counterparty is a monetary financial institution;
- any other deposits placed by the observed agent, irrespective of the institutional sector of the counterparty with whom they are deposited, with the exception of deposits which meet the definition of reverse repurchase agreements in paragraphs 85(e), 183 and 184 of Part 2 of Annex V to the amended ITS.

In no case do deposits received by the observed agent fall within the scope of this item. Notably, any inter-bank positions between monetary financial institutions are in general referred to as deposits (cf. paragraph 5.119 of Annex A to Regulation (EU) 549/2013). Taking the perspective of the observed agent, only deposits in debit are subject to reporting (i.e. a debtor owes funds to the observed agent).

Conversely, in line with the requirements laid down in Articles 1(23), 4 and 5 (and as discussed in Chapter 4 in Part I of the Manual regarding instruments within the scope of AnaCredit), deposits which are owed to creditors by the observed agent do not comply with the type of instrument as referred to by the definition because they are liabilities of the observed agent.

***Revision mark**: further clarifications are added regarding the treatment of nostro account balances in line with Q&A 2018/0014*

Note that current accounts of the observed agent held with other credit institutions (such as nostro account balances) fall into the category of deposits and are reported to AnaCredit if the other credit institution owes funds to the observed agent (i.e. when the current account has a debit balance or nostro account balance, as defined in Section 4.6.1 in Part I of the Manual.

Overdrafts

Definition: Overdraft as defined in point 2(1)(c) of the Table in Part 2 of Annex II to Regulation (EU) No 1071/2013 (ECB/2013/33).

***Revision mark**: this paragraph is streamlined following the inclusion of a reference to "deposits other than reverse repurchase agreements"*

In accordance with Regulation (EU) No 1071/2013 (ECB/2013/33), overdrafts are "debit balances on current accounts", i.e. funds provided to debtors[11] in the form of debit balances on current accounts.

Current accounts are created with the primary goal of allowing credit balances, although ordinary debit balances are also allowed

An instrument (a debit balance) classified as an overdraft is necessarily one that arises on a current account, i.e. an account created with the primary goal of allowing credit balances mainly, although ordinary debit balances are also allowed on such an

[11] I.e. debtors other than monetary financial institutions; cf. the clarifications on deposits other than reverse repurchase agreements above.

account. By contrast, a standard loan account or a revolving credit other than an overdraft is primarily intended only to have debit balances.

Please note that the requirement for an overdraft to be associated with a current account distinguishes overdrafts (with a credit limit) from "revolving credit other than overdrafts". In other words, if a credit limit under which the debtor may use and repay funds (i.e. a credit limit of a revolving nature) is not directly assigned to a current account, then such a credit limit is considered a revolving credit other than an overdraft.

Debit balances on current accounts arise with regard to:

- current accounts with a credit limit;
- current accounts with no credit limit.

Where a credit limit is associated with a current account, it is understood that this credit limit was granted under a credit contract which specifies the conditions on which the funds may be used. Such a contract may either be made at the same time as a current account is created or may be an addendum to the current account agreement made after the current account was created.

As regards current accounts which are not associated with a contractually agreed credit limit, debit balances may arise on such accounts in a number of cases, including:

- unauthorised debits;
- *nostro/vostro* accounts.[12]

***Revision mark**: further clarifications are added regarding the settlement date for overdrafts arising on current accounts with an agreed credit limit*

Regarding overdrafts which arise on current accounts with an agreed credit limit (which are of a revolving nature), please note that:

- the inception date is the date on which the credit limit was contractually agreed, rather than the date on which the current account was created (cf. Section 3.4.4);
- the settlement date is the date on which the debtor draws funds under the credit limit for the first time (irrespective of whether or not there is a debit balance on the current account on the reporting reference date); in cases where no funds have been drawn at all in the period between the inception date and the reporting reference date, the settlement date is reported as "non-applicable" (cf. Section 3.4.5);
- the legal final maturity date is the date on which the credit limit will be revoked in accordance with the contract of the credit limit; in cases where the contract does not specify such a date, "non-applicable" is reported (cf. Section 3.4.6).

[12] Cf. the clarifications on deposits other than reverse repurchase agreements above concerning the type of instrument reported to AnaCredit in such cases.

Revision mark: further clarifications are added regarding the inception date for overdrafts arising on current accounts that are not associated with an agreed credit limit

In the case of overdrafts which arise on current accounts that are not associated with an agreed credit limit as such, please note that:

- the inception date is the date since when the current account has been in debit for an uninterrupted period until the reporting reference date, rather than the date on which the current account was created (cf. Section 3.4.4);
- the settlement date coincides with the inception date, which is the date when the debit balance is considered to have been disbursed (cf. Section 3.4.5);
- the legal final maturity date does not in principle exist, as it is not contractually specified (although it is not excluded that such a date may exist in certain cases); as a result, "non-applicable" is reported (cf. Section 3.4.6).

Please note that credit balances on current accounts are not subject to AnaCredit reporting. However, a distinction is drawn between:

- credit balances on current accounts with an agreed credit limit;
- credit balances on current accounts which are not associated with an agreed credit limit.

The reporting of current accounts with an agreed credit limit is triggered by the existence of the credit limit, irrespective of whether the balance on the current account is debit or credit. However, the credit balance is set to 0 (zero) when reported to AnaCredit.

Meanwhile, current accounts which are not associated with an agreed credit limit are subject to AnaCredit reporting only if they are in debit at a reporting reference date. Otherwise, when in credit, they are not overdrafts in accordance with Article 1(23) of the AnaCredit Regulation.

The revolving nature of this type of instrument comes from the fact that the amount of available credit can increase and decrease as funds are drawn and repaid

Current accounts with a credit limit are a banking product (of a revolving nature) that enables the debtor to draw funds directly from the current account up to the specified credit limit amount. Therefore, it is irrelevant whether or not the credit limit has been exceeded, and the total debit balance outstanding on a current account with a credit limit is reported, irrespective of whether or not the specified credit limit has been exceeded, in the data attribute "outstanding nominal amount" in accordance with the AnaCredit Regulation (cf. Section 4.4.9).

Off-balance-sheet amount under overdraft with a credit limit

Funds that can, in accordance with the contract (under which the instrument arises), still be drawn in addition to the outstanding nominal amount, so that the credit limit is not exceeded, are reported as the data attribute "off-balance-sheet amount". In particular, if the outstanding nominal amount exceeds the instrument's credit limit, the off-balance-sheet amount is reported as €0 (cf. Section 4.4.10).

The commitment amount at inception for debit balances on current accounts with a credit limit is the credit limit as at the inception date (cf. Section 3.4.21).

Debit balances on current accounts with no credit limit have no off-balance-sheet amount and are typically payable on call

***Revision mark**: Example 4 is added in line with Q&A 2018/0033*

As regards debit balances with no credit limit, these typically arise without a specific credit contract being created (cf. Example 4 and Example 5). Nevertheless, having regard to the general terms of the current account agreement, the agreement typically provides that, if a debit balance arises on the current account, conditions favouring the creditor typically come into operation – for instance, the debtor is required to repay this (unauthorised) debt immediately. The debit balance is reported as the outstanding nominal amount (cf. Section 4.4.9). As no credit limit exists as such, the off-balance-sheet amount is reported as "non-applicable" because by definition there is no amount that could be additionally drawn by or disbursed to the debtor vis-à-vis the instrument without changing the contract (cf. Section 4.4.10).The commitment amount at inception for debit balances on current accounts with no credit limit is reported as "non-applicable" (cf. Section 3.4.21).

Example 4: Unauthorised debits arising on current accounts

Debit balances on current accounts can arise in current accounts that do not have a credit limit attached. This, for example, can happen owing to fees incurred when opening a deposit account or another product, possibly unrelated to lending activities, the current account may be debited, even if the account holder does not have the funds at his/her/its disposal).

If such a fee is booked in an overdraft account or current account with no credit limit resulting in a debit balance, the fee amount (as part of the outstanding amount) is subject to AnaCredit reporting. This is due to the fact that any unpaid past due interest, penalty fees or other fees charged to the instrument are included in the outstanding nominal amount (cf. Section 4.4.9).

***Revision mark**: clarifications regarding operational overdrafts on currents accounts are added in line with Q&A 2018/0003*

Overdrafts are reported to AnaCredit where the debtor's commitment amount vis-à-vis the observed agent is or exceeds €25,000 at the reporting reference date, regardless of whether such debit balances are operational in nature and only last for short periods of time (e.g. due to mismatches between the settlement dates of transactions related with the activity of custody).

***Revision mark**: further clarifications are added in line with Q&A 2018/0001*

Please also note that, as far as counterparty reference data relating to unauthorised debit balances are concerned, there are no reduced requirements in such cases, even if an unauthorised debit balance (exceeding the reporting threshold of €25,000) is the debtor's only instrument with the observed agent.

Overdrafts are funds in the form of debit balances on current accounts provided to debtors other than Monetary Financial Institutions

Debit balances on current accounts where the debtor is a monetary financial institution are not classified as overdrafts but are instead classified as "deposits other than reverse repurchase agreements".

Credit card debt

Definition: Credit granted via delayed debit cards, i.e. cards providing convenience credit, or via credit cards, i.e. cards providing convenience credit and extended credit.

Credit card debt comprises credit granted via either of the following two types of card:

- delayed debit cards, i.e. cards providing convenience credit (credit granted at an interest rate of 0% in the period between the payment transactions made with the card during one billing cycle and the date at which the debit balances from this specific billing cycle become due);
- credit cards, i.e. cards providing convenience credit and extended credit (credit granted after the due dates of the previous billing cycles have passed, i.e. debit amounts on the card account that have not been settled when this was first possible, for which an interest rate or tiered interest rates usually greater than 0% are charged).

The amount of available credit under credit cards can increase and decrease as funds are drawn and repaid

Credit card debt is considered to be a revolving credit instrument where funds can be repeatedly repaid and drawn up to an agreed credit limit.

***Revision mark**: editorial changes are applied*

The balance outstanding under credit cards is reported in the data attribute "outstanding nominal amount". Funds that can be still drawn under credit cards, on top of the balance outstanding, without exceeding the credit limit, are reported in the data attribute "off-balance-sheet amount". If the outstanding nominal amount exceeds the credit limit of the instrument, the off-balance-sheet amount to be reported is €0.

Reporting in the case of a credit card debt linked to a current account

***Revision mark**: further clarifications are included in Example 5*

As a general practice, credit card debt is recorded on dedicated card accounts and therefore not evident on current accounts, although in certain cases the credit may be debited to a current account of the debtor. In both cases, irrespective of whether or not credit card debt is linked to a current account, credit card debt is reported as a separate instrument. For an illustration of the reporting and how the outstanding nominal amount is determined in the case of a credit card debt linked to a current account, please consider the following example.

Example 5: Credit card debt linked to a current account

DBTR#CC has credit vis-à-vis observed agent OA#1, where DBTR#CC has a current account with a credit limit of €25,000 (OVRDRFT#1) originated under contract Cntr#Ovr and a credit card limit of €5,000 (CC#2) originated under contract Cntr#CC linked to the same current account. According to the billing cycle, any amounts outstanding on the credit card on the 21st day of each month are debited to the current account. In the course of March and April, the following takes place:

- on 28 February, both OVRDRFT#1 and CC#2 have outstanding nominal amounts of €0;
- DBTR#CC has used the credit card to the effect that on 21 March it has an outstanding balance of €1,200, which is then debited to the current account (resulting in a balance of €1,200 that remains unpaid on 31 March);
- thereafter, DBTR#CC continues using the credit card so that on 31 March the card's outstanding balance amounts to €950;
- on 4 April DBTR#CC pays in full the balance outstanding on the current account;
- on 15 April DBTR#CC draws an amount of €5,000 directly from the current account, resulting in an outstanding balance of €5,000;
- in the period between 1 and 21 April, DBTR#CC further uses the credit card so that on 21 April the outstanding balance increases to €3,500, which is then debited to the current account, resulting in a balance of €8,5000 outstanding on the current account;
- DBTR#CC does not use the credit card for the rest of April;
- DBTR#CC neither draws any other amounts from nor pays amounts to the current account for the rest of April.

Both OVRDRFT#1 and CC#2 are reported as separate instruments, with the type of instrument being "overdraft" for the first instrument and "credit card debt" for the second instrument. An overview of the outstanding nominal amount and the off-balance-sheet amount is provided in Table 12.

Table 12 Overview of the amounts across the debtor's instruments

Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Off-balance-sheet amount
28/02/2019	CNTR#OVR	OVRDRFT#1	0.00	25,000.00
28/02/2019	CNTR#CC	CC#2	0.00	5,000.00
31/03/2019	CNTR#OVR	OVRDRFT#1	1,200.00	23,800.00
31/03/2019	CNTR#CC	CC#2	950.00	4,050.00
30/04/2019	CNTR#OVR	OVRDRFT#1	8,500.00	16,500.00
30/04/2019	CNTR#CC	CC#2	0.00	5,000.00

Typically, credit card debt is unsecured, meaning that no protection specific to the credit card is provided. In such cases, no entry in the instrument-protection received dataset is made for a credit card debt instrument.

The debtor to a credit card debt instrument

The debtor to these forms of credit is the entity liable to eventually repay the amounts outstanding on the credit card account in accordance with the credit contract, which not necessarily coincides with the cardholder – for example, in the case of company credit cards, it is typically the company that is liable for the debt as opposed to the person who holds the credit card.

Revolving credit other than overdrafts and credit card debt

Definition: Credit that has the following features: (i) the debtor may use or withdraw funds up to a pre-approved credit limit without giving prior notice to the creditor; (ii) the amount of available credit can increase and decrease as funds are borrowed and repaid; (iii) the credit may be used repeatedly; (iv) it is not credit card debt or overdrafts.

The revolving nature of this type of instrument comes from the fact that the amount of available credit can increase and decrease as funds are drawn and repaid

***Revision mark**: the repeated reference to current accounts and credit card debt is dropped*

Revolving credit other than overdrafts and credit card debt is any instrument, other than a current account with a credit limit or a credit card debt, where funds can be repeatedly repaid and drawn again up to an agreed credit limit. This means that a credit limit is granted, and the debtor is enabled to receive funds from the creditor to an amount such that, taking into account payments made by or to the credit of the debtor, the credit limit is not exceeded.

In the context of AnaCredit, the following types of instrument are considered to be revolving because funds available under the credit limit replenishes after payments are made by the debtor (cf. Section 3.1.3 (a)):

- current accounts with an agreed credit limit (classified as overdrafts in accordance with Article 1(23) of the AnaCredit Regulation);
- credit card debt;
- revolving credit other than overdrafts and credit card debt.

***Revision mark**: clarifications are added regarding revolving trade receivables*

In addition, some instruments that meet the definition of trade receivables may be formalised in contracts with a credit limit which replenishes after payments by the debtor. Consequently, they may have a revolving nature; nevertheless, they are reported to AnaCredit as “trade receivables” instead of “revolving credit other than overdrafts and credit card debt” (cf. the definition of “trade receivables” below).

***Revision mark**: clarifications are added concerning non-revolving credit lines*

The remaining types of instrument as referred to in Article 1(23) of the AnaCredit Regulation are not deemed to be revolving. This includes credit lines other than revolving credit which are not revolving, despite the fact that these instruments may have an undrawn part that may be utilised by the debtor, because funds available under the credit limit do not replenish even if repayments are made by the debtor (cf. Section 3.1.3 (b)).

As an indication, a revolving credit granted on the basis of pledged trade receivables is typically classified as “revolving credit other than overdrafts and credit card debt”. However, a fixed-sum credit which does not entail any off-balance-sheet amount granted on the basis of pledged trade receivables is typically classified as “other loans”.

Part III of the Manual provides clarification regarding the reporting of credit facilities under which different types of instrument exist

Often, multi-product credit facilities under which a number of individual instruments exist, each with possibly different characteristics, are of a revolving nature. Notwithstanding their revolving nature, such multi-product credit facilities are not considered “revolving credit other than overdrafts and credit card debt”. The reporting of credit facilities under which different individual instruments may be

created is clarified in a case study in Part III of the Manual dealing specifically with credit cross-limit structures (multi-product credit facilities). Additionally, general rules regarding such multi-product credit facilities are elaborated on in Section 4.6.3 in Part I of the Manual.

Credit lines other than revolving credit

Definition: Credit that has the following features: (i) the debtor may use or withdraw funds up to a pre-approved credit limit without giving prior notice to the creditor; (ii) the credit may be used repeatedly; (iii) it is not revolving credit, credit card debt or overdrafts.

Credit lines other than revolving credit that are not of a revolving nature

"Credit lines other than revolving credit" are (as the term makes explicit) instruments which are not of a revolving nature, i.e. which do not allow repaid funds to be drawn again. In fact, the amount of available credit can only decrease as funds are drawn, and repaying funds does not increase the available amounts.

Credit lines other than revolving credit involve a credit limit, i.e. the maximum debit balance which is allowed to stand on the instrument's account. The debtor may receive the maximum debit balance in one amount or by instalments (or tranches); however, in contrast to revolving credits, any amount once paid to the debtor always reduces the funds still available to the debtor under the instrument, even though it has been repaid by the debtor. Consequently, credit lines other than revolving credit may not have any off-balance-sheet amount available from a certain moment in time onwards even though such amounts were available in earlier periods of the lifecycle of such instruments.

***Revision mark**: editorial changes are applied*

Please refer to the type of instrument "revolving credit other than overdrafts and credit card debt" above and Section 3.1.3 for guidance regarding the difference between revolving credit and credit lines other than revolving credit. Funds that can still be drawn under "revolving credit other than overdrafts and credit card debt" are reported in the data attribute "off-balance-sheet amount". If the total available credit has been completely drawn, either in one amount or by instalments, the off-balance-sheet amount is reported as €0.

For an illustration of how the outstanding nominal amount and off-balance-sheet amount are reported for this type of instrument, please consider the following example.

Example 6: Credit lines other than revolving credit

On 1 March 2019, observed agent OA#1 contractually agrees with debtor Dbtr#2 a credit line other than revolving credit of €900,000 (Ins#1). In accordance with the contract (Cntr#A), the credit institution first makes the credit line available to the debtor on 15 March 2019, and the debtor agrees to draw this down in full by 1 August 2019 in three instalments of €300,000 each. The following takes place:

- on 22 April 2019, the debtor draws the first tranche;
- on 20 May 2019, the debtor draws the second tranche;
- on 25 June 2019, the debtor repays an amount of €150,000;
- on 3 July 2020, the debtor draws the last tranche.

Table 13 shows a record of the instrument dataset as reported in the initial transmission of Ins#1 on the assumption that no other changes take place, whereas Table 14 shows an analogous record that is submitted as of 30 April following the change in the settlement date. Finally, Table 15 shows the development of the outstanding nominal amount and the off-balance-sheet amount as reported in the entire period concerned.

Table 13 Indication of the instrument data reported as of 31 March

Reporting reference date	Contract identifier	Instrument identifier	Type of instrument	Inception date	Settlement date	Commitment amount at inception
31/03/2019	CNTR#A	INS#1	Credit lines other than revolving credit	01/03/2019	"Non-applicable"	900,000.00

Table 14 Indication of the instrument data subsequently reported as of 30 April

Reporting reference date	Contract identifier	Instrument identifier	Type of instrument	Inception date	Settlement date	Commitment amount at inception
30/04/2019	CNTR#A	INS#1	Credit lines other than revolving credit	01/03/2019	22/04/2019	900,000.00

Table 15 Indication of the financial data reported monthly

Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Off-balance-sheet amount
31/03/2019	CNTR#A	INS#1	0.00	900,000.00
30/04/2019	CNTR#A	INS#1	300,000.00	600,000.00
31/05/2019	CNTR#A	INS#1	600,000.00	300,000.00
30/06/2019	CNTR#A	INS#1	450,000.00	300,000.00
31/07/2019	CNTR#A	INS#1	750,000.00	0.00

Note that Ins#1 is subject to reporting as soon as the debtor is enabled to draw funds, i.e. from 15 March 2019, although no funds have yet been disbursed on that date.

Please note also that although Dbtr#2 repays €150,000 on 25 June, this repayment, unlike in the case of revolving credit, does not increase the amount of available funds (i.e. the off-balance-sheet amount is not affected). Consequently, the off-balance-sheet amount on 30 June is €300,000, rather than €450,000, as repayments do not increase the available funds. The amount of €300,000 in particular reflects the fact that two tranches of the loan have already been paid out and the third one is still to be disbursed.

Any instrument that satisfies the conditions referred to in the definition above is classified as "credit lines other than revolving credit". For instance, a non-revolving credit granted on the basis of pledged trade receivables is typically classified as "credit lines other than revolving credit". Similarly, a non-revolving credit granted to

finance projects is typically classified as “credit lines other than revolving credit”, even when the disbursement of funds for projects depends on the progress of the project. This is because, from the credit risk perspective, there is a possibility that the funds will be disbursed even though prior notice to and the approval of the creditor will typically be necessary.

Revision mark: clarifications about the difference between “credit lines other than revolving credit” and “other loans” are added

The difference between “credit lines other than revolving credit” and “other loans” is that the former includes the possibility to draw the credit limit in one or more instalments, while the latter is necessarily disbursed in one instalment. It should also be noted that if funds available under “credit lines other than revolving credit” are actually disbursed in one instalment, their type of instrument does not change to “other loans” under AnaCredit.

Part III of the Manual provides clarifications regarding the reporting of credit facilities under which different types of instrument exist

Revision mark: this paragraph is consolidated with the clarifications formerly provided above

Credit lines other than revolving credit do not include multi-instrument/multi-product credit facilities that cover different kinds of instrument in which the off-balance-sheet amount is shared between some or all instruments belonging to such a credit facility. The reporting of credit facilities under which different individual instruments may be created is clarified in a case study in Part III of the Manual dealing specifically with credit cross-limit structures (multi-product credit facilities). Additionally, general rules regarding such multi-product credit facilities are elaborated on in Section 4.6.3 in Part I of the Manual.

Reverse repurchase agreements

Definition: Reverse repurchase agreements as defined Part 2, paragraph 85(e) of Annex V to the amended Implementing Regulation (EU) No 680/2014.

Revision mark: the references are updated in line with the amended ITS

Reverse repurchase agreements (reverse repos) are the instruments to be reported to FINREP as reverse repurchase loans as defined in Part 2, paragraphs 85(e), 183 and 184, of Annex V to the amended ITS, where reverse repurchase agreements are transactions in which the credit institution lends cash in exchange for financial assets or gold sold at a given price under a commitment to repurchase the same (or identical) assets at a fixed price on a specified future date.

Revision mark: further clarifications are added on the types of assets that are exchanged for cash under “reverse repurchase agreements”

In the context of AnaCredit, “reverse repurchase agreements” includes any transaction in which the observed agent lends cash in exchange for any financial assets or gold transferred by a third party where there is a commitment to reverse the operation and not merely an option to do so. It is clarified that in all such cases the type of instrument is reported as “reverse repurchase agreements”, even (in the rare cases) where the exchanged asset is not a financial asset or gold (e.g. a commodity).

In particular, reverse repurchase agreements include:

(a) amounts loaned out in exchange for securities temporarily transferred to a third party in the form of securities lending against cash collateral;

(b) amounts loaned out in exchange for securities temporarily transferred to a third party in the form of sale/buy-back agreement (cf. Part III, Section 2.1. of the Manual for more details).

The specific type of a reverse repurchase agreement may be determined by the associated collateral

Whether a given reverse repurchase agreement regards securities or other assets is made explicit on the basis of the protection item linked to the instrument as reported in the instrument-protection received dataset and in the protection dataset. If the assets serving as protection to a reverse repurchase agreement are securities, it is concluded that the reverse repurchase agreement is a transaction in securities.

In all cases, a commitment to repurchase the assets (or assets of the same description) by the transferor (i.e. the counterparty selling the assets) at a specified price on a future date is key for this type of instrument (i.e. constitutes a specific contractual relationship). In other words, a temporary purchase of assets will be classed as "reverse repurchase agreements" only if there is a contractual commitment to reversing the operation and not merely an option to do so.

***Revision mark**: further clarifications are added in line with Part I of the Manual*

In the context of AnaCredit, a reverse repo transaction is economically equivalent to a secured loan (where the sold assets are treated as collateral) (cf. Section 6.1.1 in Part I of the Manual). For that reason, these instruments are reported as follows:

- The cash loaned out in exchange for assets is reported as an instrument. The type of instrument is "reverse repurchase agreements".
- The assets underlying the reverse repo transaction, which in essence collateralise the instrument, are recorded as protection; if the assets are securities, the type of protection is reported as "securities", while if the operation involves the temporary transfer of cash against gold, the type of protection is "gold". Otherwise, if the assets are commodities, the type of protection to be reported is "other physical collateral".
- The counterparty receiving the assets (the credit institution) is the instrument's creditor because it lends the cash in exchange for the assets.
- The counterparty receiving the loan is the instrument's debtor.
- The debtor is the protection provider, because if the protection is exercised, the debtor cedes ownership of the asset to the creditor and absorbs the loss.

No netting in AnaCredit

Please note that AnaCredit reporting is done on an instrument-by-instrument basis without netting of collateral, even in the case of 100% cash-backed instruments. Similarly, when reverse repurchase agreements are reported to AnaCredit, any netting agreements are left out of consideration. For additional information, please refer to Section 2.2.2 in Part III of the AnaCredit Manual.

***Revision mark**: the clarifications on the data attribute "off-balance-sheet amount" are moved down to Section 4.4.10*

It should be also noted that, in line with the clarifications regarding the moment at which an instrument becomes relevant for AnaCredit reporting, as discussed in Section 4.6.6 in Part I of the Manual, forward-starting reverse repurchase agreements, in which no cash has yet been loaned out, are not subject to reporting to AnaCredit until the cash is actually loaned out.

A pool of assets underlying a reverse repurchase agreement is reported in the protection received data at the pool level if the assets are valued at that level

As regards the reporting of a pool of assets (as opposed to a single asset) exchanged under a reverse repurchase agreement in the protection received dataset, the assets may be reported at the pool level or at the individual asset level, depending on the valuation approach applied by the observed agent. Please refer to Section 9.2 dealing specifically with the level of granularity of protection in the protection received dataset.

For more details regarding the reporting of reverse repurchase agreements, please refer to Chapter 2 in Part III of the Manual.

Trade receivables

Definition: Trade receivables as defined in paragraph 85(c) of part 2 of Annex V to the amended Implementing Regulation (EU) No 680/2014.

***Revision mark**: references to the amended ITS are added, including clarification on the meaning of "trade receivables"*

Pursuant to paragraph 85(c) of the amended ITS, the type of instrument "trade receivables" includes loans granted on the basis of bills or other documents that give the right to receive the proceeds of transactions for the sale of goods or provision of services (i.e. on the basis of "trade credit" as defined in Annex A to Regulation (EU) No 549/2013)[13]. This type of instrument includes all factoring and similar transactions, such as acceptances, outright purchase of trade receivables, forfaiting, discounting of invoices, bills of exchange, commercial papers and other claims, on the condition that the credit institution buys the trade receivables (both with and without recourse to the debtor).

***Revision mark**: this paragraph is expanded with additional clarifications regarding receivables that are not "trade receivables"*

Notably, accounts receivable stemming from sales of non-banking products by credit institutions are not trade receivables if the creditor has not bought them from a third party. Furthermore, they are advances other than loans for the credit institution that has sold the non-banking products and, consequently, they are not reported to AnaCredit.

The type of instrument "trade receivables" is distinguished from financing against trade credit (receivables).

***Revision mark**: editorial changes are applied*

While "trade receivables" means purchasing receivables (the factoring client sells the receivables), in financing against receivables credit institutions typically advance funds against a pool of receivables which serve as protection (the seller of the goods keeps the receivables and books the cash that it gets from the credit institution as a loan received). In other words, financing against receivables is an instance of credit that involves the use of receivables as protection for the credit (i.e. the receivables are pledged as a form of funded protection).

***Revision mark**: clarifications are included regarding revolving trade receivables and trade receivables comprising undrawn amounts in line with Q&A 2018/0054*

Some instruments that meet the definition of trade receivables may take the form of a credit line that replenishes after payments are made by the debtor. Consequently, some trade receivables may have a revolving nature. Nevertheless, irrespective of their revolving nature, such instruments are reported to AnaCredit as "trade

[13] Paragraph 5.124 of Annex A to Regulation (EU) No 549/2013 defines "trade credit" as credit extended by the supplier of goods and services to its customers.

receivables" rather than as "revolving credit other than overdrafts and credit card debt".

In addition, in some cases, "trade receivables" can also be disbursed in several instalments, although they do not have a revolving nature. For that reason, depending on the terms of the contract, these instruments may have an off-balance-sheet amount different from zero and therefore the data attribute "off-balance-sheet amount" is reported as a monetary amount different from "non-applicable" in such cases.

The type of instrument reported for loans secured by pledged trade receivables is not trade receivables

Where a credit institution provides financing against receivables – i.e. the receivable is merely pledged but not purchased – the type of instrument reported to AnaCredit for this financing is not trade receivables. Please refer to the type of instrument "revolving credit other than overdrafts and credit card debt" for more information.

***Revision mark**: clarifications are added that the reporting of trade receivables varies depending on which counterparty is the debtor*

Please note that the reporting of trade receivables varies depending on whether the transferor of the trade receivables is considered, in accordance with the applicable accounting standard, to have transferred substantially all the risks and rewards of ownership of the receivables.[14]

The reporting of factoring transactions and other trade receivables, including reporting of individual data attributes, irrespective of whether they are with or without recourse, is clarified in a case study on factoring and other trade receivables in Chapter 5 in Part III of the Manual.

Financial leases

Definition: Financial leases as defined in paragraphs 5.134 to 5.135 of Annex A to Regulation (EU) No 549/2013

***Revision mark**: further clarifications are added concerning financial leases*

The type of instrument "financial leases" applies to all instruments which meet the definition of financial leases as set out in paragraphs 5.134 to 5.135 of Annex A to Regulation (EU) No 549/2013, irrespective of whether the debtor has the right to acquire possession of the asset at the end of the lease period. This means that a financial lease is a contract under which the lessor as legal owner of an asset conveys the risks and benefits of ownership of the asset to the lessee (i.e. the user of the asset). Under a financial lease, the lessor is deemed to provide a loan to the lessee with which the lessee (economically) acquires the asset.

***Revision mark**: the references are updated in line with the amended ITS*

Under IFRS or consistent national GAAP, "financial leases" correspond to "finance leases" as defined in IAS 17 and in FINREP (cf. Part 2, paragraph 85(d) of Annex V to the amended ITS).

***Revision mark**: further clarifications regarding AnaCredit reporting in the case of financial leases are added in line with Q&A 2018/0051*

Financial leases are economically equivalent to collateralised loans from the lessor (i.e. the legal owner of an asset, such as a durable good) to the lessee (i.e. the economic owner of the leased asset, which is the party to whom the lessor lends this

[14] The distinction between recourse and non-recourse is provided as an indication of which counterparty is reported as the debtor.

asset), enabling the lessee to use the asset in return for payment of a rent, where the leased asset is treated as collateral (cf. Section 6.1.1 in Part I of the Manual).

Consequently, the following are considered when reporting financial leases to AnaCredit:

- the financial lease operation is reported as an instrument, with the type of instrument being "financial leases";
- the legal owner of the leased assets (the lessor) is the creditor to the instrument;
- the economic owner of the assets (the lessee) is the debtor to the instrument;
- the lessee is also reported as the protection provider as it absorbs the loss if the protection is exercised (cf. Section 3.3.1 in Part I of the Manual);
- the asset which has been lent to the lessee is recorded as protection and the appropriate protection type is assigned to the protection item.

Please refer to Example 66 in Section 9.4.3 for an illustration of reporting in the case of financial leases.

Please note that operating leases (being such from the perspective of the lessee, although the transaction could qualify as a financial lease for the lessor)[15] are not subject to AnaCredit reporting.

Other loans

Definition: Other loans not included in any of the categories listed above. Loan has the same meaning as defined in paragraphs 5.112, 5.113 and 5.114 of Annex A to Regulation (EU) No 549/2013.

This instrument type is assigned to instruments which meet the definition of a loan as set out in paragraphs 5.112, 5.113 and 5.114 of Annex A to Regulation (EU) No 549/2013 and are not any of the following types of instrument: deposits other than reverse repurchase agreements, overdrafts, credit card debt, revolving credit other than overdrafts and credit card debt, credit lines other than revolving credit, reverse repurchase agreements, trade receivables or financial leases as defined in the AnaCredit Regulation.

***Revision mark**: the clarifications are streamlined, also considering explanations about loans included in the categories listed in the points above*

Any instruments that satisfy all the following conditions are classified as "other loans":

- they are entirely disbursed in one instalment (and therefore have no off-balance-sheet amount at any time); and
- they do not meet the definition of trade receivables, financial leases or reverse repurchase agreements; and

[15] This case arises when the lessor has an additional contract with a third party other than the lessee under which the third party has an unconditional commitment to buy the rent asset in the event that the lessee does not.

- the debtor is not a monetary financial institution.

Revision mark: the sample of instruments meeting the definition of "other loans" is revised, also considering the clarifications provided in Q&A 2018/0011 and Q&A 2018/0013

In particular, the following instruments meet the definition of "other loans":

- outstanding balances stemming from credits as a result of called and unpaid financial and non-financial guarantees given (e.g. if a guarantee given by the observed agent is called and the observed agent is the creditor extending a credit to the counterparty that failed to meet the obligations under the guarantee – cf. Example 7 below and Example 7 in Part I of the Manual);
- loans arising from other commitments given which were converted into on-balance-sheet exposures, unless they meet the definition of any other type of instrument specified in the points above;
- amounts due as a result of unsettled transactions in derivatives with a positive value for the holder;
- instruments resulting from converting financial and non-financial guarantees (and other commitments) received into on-balance-sheet exposures (e.g. if a non-financial guarantee received by the observed agent is called and the guarantor is obliged to pay an amount to the observed agent, an instrument is created in which the creditor is the observed agent and the guarantor now acts as debtor); in this case, the inception date is the date when the contract (on which the non-financial guarantee or other commitment received) was originated and the settlement date is the date on which the observed agent has to recognise the amount as an asset;
- repayable margin payments deposited in cash under transactions in financial derivatives (for example, in a forex contract) posted by the observed agent to protect the other counterparty against default risk, on condition that this counterparty is not a monetary financial institution.

Revision mark: the sample of instruments that are not "other loans" is revised following the clarifications provided in Q&A 2018/0021, Q&A 2018/0019, Q&A 2018/0011

Conversely, it should be noted that the category "other loans" does not include:

- operating leases and sale and leaseback agreements;
- non-revolving loans that are disbursed in two or more instalments, as they are credit lines other than revolving credit;
- treasury products that do not meet the definition of loans, including foreign exchange credit exposures, interest rate swaps and government bonds;
- debt securities (including purchased securities issued as a substitute to extending a loan);
- financial derivatives (for example, currency forward contracts);
- financial guarantees and other commitments given;
- multi-product/multi-instrument credit facilities;
- forward deposits;
- accounts receivable of the observed agent resulting from sales of non-banking products;

- other financial assets that are “advances that are not loans”, as defined in Part 2, paragraph 85(g), of the amended ITS (for example, gross amounts receivable in respect of suspense items – such as funds awaiting investment, transfer, or settlement – and transit items – such as cheques and other forms of payment that have been sent for collection);
- repayable margin payments deposited in non-cash assets (such as securities);
- non-repayable margin payments reducing or eliminating any asset/liability positions which may emerge during the life of a transaction in financial derivatives.

***Revision mark**: the assumptions of Example 7 are expanded to further explain the resultant reporting as shown in the tables*

For an illustration of the reporting obligation in relation to off-balance-sheet exposures once they are converted into instruments that are subject to AnaCredit reporting, please consider the following example.

Example 7: Reporting called guarantees (given by the observed agent)

Counterparty CUST#1, a customer of Bank#A, engages in a commercial relationship with counterparty CPTY#2. In this connection, CUST#1 and Bank#A concluded a contract (CNTRT#1) on 25 November 2018 on the basis of which Bank#A extended a loan (LOAN#1) to its customer (CUST#1) – with a credit limit of a non-revolving nature of €225,000 that can be drawn in one or more instalments on or after 10 December 2018 and must be repaid on 10 December 2019 – and issued a guarantee (GUA#2) in favour of beneficiary CPTY#2. The guarantee is an obligation of Bank#A to pay a sum of money to the beneficiary on behalf its customer (CUST#1) in the event that CUST#1 does not pay the beneficiary (consider, for example, a standby letter of credit).

From the perspective of Bank#A, acting as an observed agent, LOAN#1 (of €225,000 was disbursed on 12 December 2018) is reportable to AnaCredit from December 2018 (because it is the first month in which the debtor is able to drawn the funds, although the contract was extended in November); however, the guarantee given, which is an off-balance-sheet exposure, is not subject to AnaCredit reporting.

Table 16 and Table 17 illustrate the instrument and financial datasets reported as of December 2018.

Please note that the reporting does not cover the guarantee GUA#2 provided in favour of CPTY#2.

Table 16 Indication of the instrument dataset reported as of 31 December

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Type of instrument	Inception date	Settlement date
31/12/2018	BANK#A	CNTRT#1	LOAN#1	Credit line other than revolving credit	25/11/2018	12/12/2018

Table 17 Indication of the financial dataset reported as of 31 December

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount
31/12/2018	BANK#A	CNTRT#1	LOAN#1	225,000.00

In January CUST#1 does not pay CPTY#2 for the delivery of goods and the letter of credit becomes payable. Consequently, an amount of €145,000 is paid under the guarantee by Bank#A to the beneficiary (CPTY#2) on 27 January 2019. Upon the payment by Bank#A under the guarantee, CUST#1 has an obligation to reimburse Bank#A. In this connection, Bank#A recognises the obligation as an instrument reportable to AnaCredit. Bank#A determines that the newly recognised instrument (LOAN#GUA#2), which in fact arises from off-balance-sheet transactions, meets the definition of "Other loans". To reflect this, a record of the instrument dataset concerning LOAN#GUA#2 is reported to AnaCredit as of 31 January.

Table 18 Indication of the instrument dataset reported after the guarantee is called

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Type of instrument	Inception date	Settlement date
31/01/2019	BANK#A	CNTRT#1	LOAN#GUA#2	Other loans	25/11/2018	27/01/2019

After the guarantee is called, two instruments are reported in relation to the debtor (CUST#1). This is illustrated in the financial dataset (Table 19).

Please note that before the guarantee is called, the guarantee constitutes an off-balance-sheet exposure and is not subject to reporting. However, after the guarantee is called and the guaranteed amount paid by the bank, the customer's obligation to reimburse the

payment to the bank is recognised as an instrument reportable to AnaCredit. The fact that the customer (CUST#1) acts as debtor to the instrument is covered in the counterparty-instrument dataset (not shown in this example).

Table 19 Indication of the financial dataset reported after the guarantee is called

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount
31/01/2019	BANK#A	CNTRT#1	LOAN#01	225,000.00
31/01/2019	BANK#A	CNTRT#1	LOAN#GUA#2	145,000.00

3.4.2 Project finance loan

Definition: Identification of project finance

This data attribute is defined at the instrument level for the purposes of identification of project finance loans.

Revision mark: references to the amended ITS are added throughout this section

Annex IV to the AnaCredit Regulation stipulates that the classification of instruments as project finance is in accordance with the amended ITS.

In particular, Part 2, paragraph 89, of Annex V of the amended ITS establishes that project finance loans are loans that fulfil the characteristics of specialised lending exposures as defined in Article 147(8) of Regulation (EU) No 575/2013 of the European Parliament of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (the Capital Requirements Regulation, hereinafter referred to as “the CRR”).

Please note that, in accordance with Article 147(8) of the CRR, a loan is classified as project finance when it possesses the following characteristics:

- the loan is granted to an entity which was created specifically to finance or operate physical assets or is an economically comparable loan;
- the contractual arrangements give the creditor a substantial degree of control over the assets and the income that they generate;
- the primary source of repayment of the obligation is the income generated by the assets being financed, rather than the independent capacity of a broader commercial enterprise.

Project finance may take the form of financing of the construction of a new capital installation, or refinancing of an existing installation, with or without improvements.

In such transactions, the creditor is usually paid solely or almost exclusively out of the money generated by the contracts for the facility’s output, such as the electricity sold by a power plant. The debtor is usually a special purpose entity (SPE) that is not permitted to perform any function other than developing, owning and operating the installation. The consequence is that repayment depends primarily on the project’s cash flow and on the collateral value of the project’s assets.

More details regarding project finance loans are provided in Chapter 4 in Part III of the Manual.

Values

For each instrument reported to AnaCredit, one of the two values is reported.

Project finance loan

The value “project finance loan” is used if the instrument is a project finance loan in accordance with Part 2, paragraph 89, of Annex V to the amended ITS.

Project finance loans are a form of financing that is recovered solely from the income of the project financed. Although this form of financing can regard any of the types of instrument, it is typically relevant for “credit lines other than revolving credit”. This financing may be also provided as “revolving credit other than overdrafts and credit card debt”.

Revision mark: clarification is added about when object/asset-based finance is reported as a “project finance loan”

When object/asset-based finance has the characteristics of project finance, it is subject to AnaCredit reporting, whereby the financed object/asset is reported as a protection item. The type of protection to be reported for this protection item depends on the type of object/asset that is financed by the project finance loan; in most cases, the type of protection is “other physical collateral”.

Non-project finance loan

For instruments which are not project finance loans, the data attribute is reported as “non-project finance loan”.

Please note that finance leases are not project finance loans.

3.4.3 Currency

Definition: currency denomination of instruments, in accordance with the ISO 4217 standard.

This data attribute identifies the currency that is the unit of account, i.e. the currency in which the debt instrument is effectively denominated.

Values

For every instrument reported, the currency is specified by one of the values set out in the ISO 4217 standard.

Note that in the context of AnaCredit, an instrument is defined at such a level that there is only one currency in which the instrument is denominated. Credit agreements which include multiple tranches denominated in different currencies are reported as different instruments within a single contract, and the data attribute currency is the currency in which the instrument is denominated.

Instruments with both principal and interest indexed to a currency are classified and treated as though they are denominated in that currency.

For instruments denominated in one currency but settled in another currency, the currency is the currency in which the instrument is denominated.

This data attribute identifies the currency in which the instrument is denominated and not the currency in which the instrument is reported to AnaCredit (note that in AnaCredit all amounts are reported in euro).

For more information on how foreign currencies are converted into euro please refer to Section 2.3 above.

3.4.4 Inception date

Definition: The date on which the contractual relationship originated, i.e. the date on which the contract agreement becomes binding for all parties

The inception date refers to the date of the legal contract which led to the creation of the instrument.

The inception date is broadly interpreted as the date on which the credit and the debtor agreed to create the instrument

The inception date is the same as the date on which the contract which gives rise to the instrument becomes binding, which is considered for practical reasons to be the signature date rather than the documentation completion date. In this connection, it is clarified that, although the information is provided at the level of an instrument, the inception date means the date on which the contract that gives rise to the instrument is originated.

If an existing contract is amended, the inception date of the contract thus amended does not change. The date on which the contract is thus amended is recorded in the data attribute “date of the forbearance and renegotiation status”

The inception date does not change for an existing instrument, even if an amendment to the contract which has given rise to the instrument is made (for instance if the credit limit of an instrument is increased or decreased), while the amendment date is reported under the data attribute “date of the forbearance and renegotiation status” (cf. Section 5.4.13). Consider for example instruments where the initial contract is modified and the running instruments are adjusted accordingly, rather than a new contract being created and new instruments being issued to replace the existing ones.

The contract may also indicate a future date T+1 on which the instrument will be created, in which case, at the moment T+1 when the instrument becomes relevant for reporting, the date when the contract was signed (i.e. T+0) is considered as the “inception date” because it is the date when the responsibilities became binding (example, forward repurchase agreements).

However, in the case of roll-overs or restructuring, when the existing contract is superseded by a new contract (i.e. where all or some of the conditions have changed), the new instrument that arises is entered as a new record in the instrument dataset (under the new contract). In this record, the inception date on which the new contract was made is reported.

Loan acquisitions in which the economic transfer of the instrument takes place from a transferor to the observed agent, achieved either by transfer of ownership or by sub-participation, do not affect the inception date of the instrument as such. Thus, the initial inception date remains unchanged.

Example 8: Inception date in the case of loan acquisition

Bank#1 originated on 1 June 2016 (contract identifier Con#1) a loan (BnkLn#1) that was disbursed on 25 June 2016. Later, the loan became non-performing, and Bank#1 sold it on 14 December 2018 on the basis of sale contract SlCntr#1 to Bnk#2, which is an observed agent. Bnk#2, which purchased this loan, identifies the loan as NPLn#4. Table 20 provides an illustration of how Bnk#2 reports the loan in the instrument dataset as of 31 December 2018.

Table 20 Indication of the instrument data reported as of 31 March

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Inception date	Settlement date
31/12/2018	BNK#2	CON#1	NPLN#4	01/06/2016	25/06/2016

Please note that the inception date for the instrument is the original inception date rather than the date on which Bnk#2 acquired the loan.

The inception date for any debit balances on current accounts where there is no contractual agreement on a credit limit supporting the debit balance is reported as the actual settlement date on which the current debit balance occurred (cf. the instrument type “overdrafts” in Section 3.4.1).

Revision mark: an illustration of reporting in the case of renegotiation of an existing current account is included in line with Q&A 2018/0002

Please refer to Example 9 for an illustration of reporting in the case of renegotiation of an existing current account and changes to the account’s attributes.

Example 9: Renegotiation of an existing current account and the inception date

A debtor holds current account CA1. Initially (at time t_0), the current account does not have an agreed credit limit, and at time t_1 it goes into debit (i.e. there is an unauthorised debit balance). Thereafter, the credit institution and the debtor agree a credit limit for the current account.

In such instances, the choice of reporting option depends on whether the reporting agent regards moving from an unauthorised overdraft to an agreed overdraft as a renegotiation or a new instrument.

In the former case, the change is reported using the same methodological approach as for any other renegotiated instrument – i.e. the date and status of the renegotiation should be reported, attributes which are renegotiated are adjusted accordingly, and the inception date and the settlement date remain unchanged.

In the latter case, however, the change should be reported as a new instrument – i.e. with a new contract, a new inception date and other data attributes reported in accordance with the conditions in the contract.

Revision mark: further examples are added regarding the inception date of “other loans”

For an illustration of the reporting of the data attribute “inception date” in the case of “other loans”, please refer to the following example.

Example 10: Inception date for “other loans” resulting from off-balance-sheet commitments

For “other loans” that are outstanding balances stemming from credits as a result of called and unpaid financial and non-financial guarantees given, the inception date is the date when the guarantee contract was originated (on which the guarantee was extended), and the settlement date is the date when the guarantor recognises the called amount as an asset (although the amount is disbursed after that date).

In a similar vein, for “other loans” which are amounts due as a result of unsettled transactions in derivatives with a positive value for the holder, both the inception date and the settlement date are the date when the derivative was not settled and, consequently, recognised as a loan.

3.4.5 Settlement date

Definition: The date on which the conditions specified in the contract are or can be executed for the first time, i.e. the date on which financial instruments are initially exchanged or created.

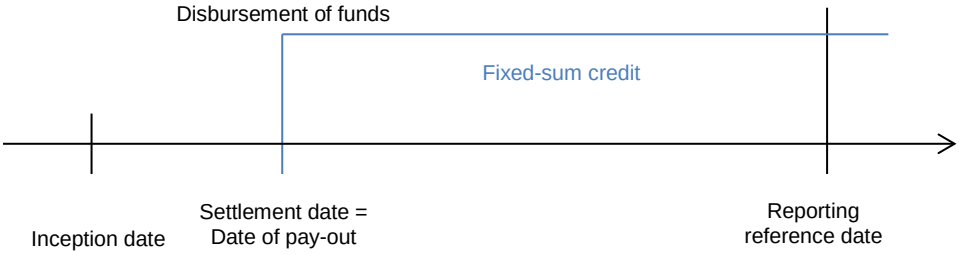
The settlement date of an instrument is the date on which the instrument was used or drawn for the first time after the instrument’s inception date. In that sense, it is the date on which (a part or all) funds are disbursed.

The settlement date refers to the instrument rather than to the contract on the basis of which the instrument is created. In other words, in contrast to the inception date, which is specified in the contract, the settlement date is instrument-specific based on the actual usage of the terms specified under the contract.

***Revision mark**: further clarifications are added in the following examples*

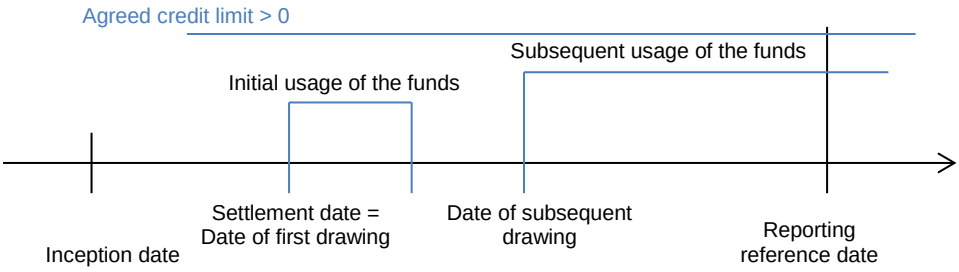
In particular, the settlement date for fixed sum credits is the date of the pay-out of the credit, if such a pay-out has taken place before or on the reporting reference date.

Figure 1 Settlement date for a fixed sum credit



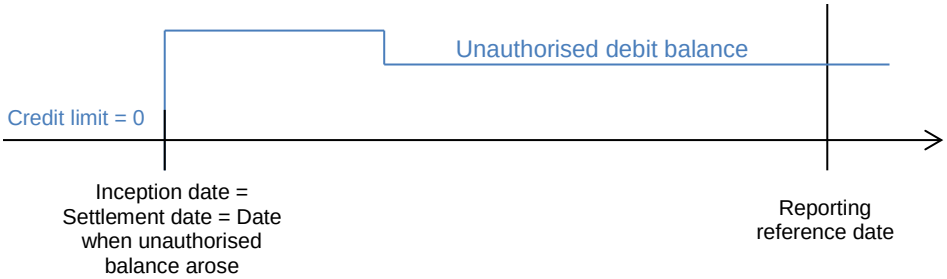
The settlement date for revolving credit instruments, where the debit balance can be replenished by the debtor, is the first date on which the debtor has taken advantage of the funds, irrespective of whether or not the funds are subsequently replenished.

Figure 2 Settlement date for an instrument of a revolving nature



The settlement date for debit balances on current accounts with no credit limit is the date on which the debit balance (as outstanding at the reporting reference date) arose. In this particular case the inception and settlement date are the same.

Figure 3 Settlement date for unauthorised debit balances



If no amount has ever been drawn under the instrument, the settlement date is reported as "non-applicable" at the reporting reference date

In cases where no funds have even been drawn or disbursed under an instrument in the period between the instrument's inception date and the reporting reference date, the settlement date is reported as "non-applicable".

Revision mark: clarification is added concerning the settlement date in the case of acquired instruments

Loan acquisitions in which the economic transfer of the instrument takes place from a transferor to the observed agent, achieved either by transfer of ownership or by sub-participation, do not affect the settlement date of the instrument as such. Thus, in principle, the original settlement date remains unchanged.

Revision mark: the inception date in Table 21 is updated for INST#3

For an illustration of how the settlement date is reported for reporting reference dates before and after an instrument's first usage, please refer to Table 13 and Table 14 in Example 6 where a credit line other than revolving credit is presented. For further examples of the settlement date, please refer also to Example 11 below.

Example 11: Determining the settlement date

Bank A had entered into contract CNT#1 on 5 March for the following three instruments for the reporting period with reference date 31/03/2019:

- a loan (Inst#1) where a fixed sum of €50,000 was disbursed to the customer on 15 March and repayments are made quarterly;
- a financing arrangement with a line of credit (Inst#2) where the instrument has been physically created and funds were made available totalling €100,000 but the client has made no withdrawals yet;
- a revolving line of credit (Inst#3) totalling €150,000 which was first activated (i.e. it can be used for the first time) on 7 March, whereas the client made two withdrawals on 9 and 23 March in the amounts of €30,000 and €40,000 respectively.

Following the stated logic, Table 21 illustrates the settlement dates for the three instruments.

Table 21 Determining the settlement date across products as of 31 March

Reporting date	Contract identifier	Instrument identifier	Outstanding nominal amount *(financial dataset)*	Off-balance-sheet amount *(financial dataset)*	Inception date *(instrument dataset)*	Settlement date *(instrument dataset)*
31/03/2019	CNT#1	INST#1	50,000.00	"Non-applicable"	05/03/2019	15/03/2019
31/03/2019	CNT#1	INST#2	0.00	100,000.00	05/03/2019	"Non- applicable"
31/03/2019	CNT#1	INST#3	70,000.00	80,000.00	05/03/2019	09/03/2019

3.4.6 Legal final maturity date

Definition: The contractual maturity date of the instrument, taking into account any agreements amending initial contracts.

The legal final maturity date is the date by which any funds drawn under the instrument are contractually to be ultimately paid or repaid and any undrawn funds can no longer be drawn.

The legal final maturity date refers to the maturity date specified (if any) in the contract (i.e. valid as of the reporting reference date) that gives rise to the instrument.

Generally, the contract specifies conditions for all instruments that may arise under the contract. Nevertheless, the legal final maturity date may be specifically provided for in the contract for individual instruments.

Note that certain instruments (e.g. some credit cards, stock lending or open reverse repurchase agreements) have no legal final maturity date defined in the contract owing to the fact that the instruments are of a perpetual nature or have an embedded optionality. Therefore, for instruments with no maturity date, the value "non-applicable" is reported.

For instruments repayable on demand or at short notice, the value “non-applicable” is reported. However, if a legal final maturity date is specified for such instruments, then the date is reported.

By convention, for any debit balances on current accounts with no credit limit, the value “non-applicable” is reported as the legal final maturity date.

The legal final maturity date does not determine the final reporting of an instrument to AnaCredit (i.e. an instrument is reported after its legal final maturity if it meets the criteria for being reported).

In contrast with the inception date, the legal final maturity date may change over the lifetime of an instrument as, by amending the contract, the legal final maturity date may be put forward or backward compared with the date originally set. In such cases, the previously reported legal final maturity date is updated, and the change is duly flagged in the data attributes “status of forbearance and renegotiation” and “date of the forbearance and renegotiation status”. However, a change in the legal final maturity date can only be effected by a change in the contract. In the absence of a contractual change, the legal final maturity date is not changed.

***Revision mark**: the reporting reference date in the description below Table 24 is corrected*

In particular, as regards late payments which occur before the legal final maturity date to the effect that the instrument is not paid back by the legal final maturity date, please consider the following example as an illustration of how such late payments affect the legal maturity date.

Example 12: Legal final maturity date in the case of late payments

Observed agent OA#1 has a loan (Loan#D) which was granted to debtor DBTR#4 on the basis of a contract (CNTRC#4) issued on 4 March 2017. The contractually agreed legal final maturity date for Loan#D is 20 September 2018. In the course of 2018, the debtor does not make all the payments it is contractually obliged to make, and by the maturity date the instrument is past due.

Loan#D has been subject to AnaCredit reporting since September 2018. Despite the fact that the legal final maturity date has passed and the instrument has not been repaid yet, the legal final maturity date is not changed, and OA#1 submits the following information in the instrument dataset (Table 22).

Table 22 Legal final maturity date as initially reported

Reporting reference date	Contract identifier	Instrument identifier	Inception date	Legal final maturity date
30/09/2018	CNTRC#4	LOAN#D	04/03/2017	20/09/2018

The legal final maturity date still remains unchanged at the reporting reference date, even though on 25 July OA#1 considers the instrument in default, which is reported in the financial dataset (not shown here).

On 5 October 2018, OA#1 and DBTR#4 agree to modify the distressed loan, and the following forbearance measure is applied: the original tenor of the loan is extended until 20 March 2019. Subsequently, Table 23 illustrates the instrument data that are submitted to AnaCredit as at 31 October 2018:

Table 23 Legal final maturity date as contractually amended

Reporting reference date	Contract identifier	Instrument identifier	Inception date	Legal final maturity date
31/10/2018	CNTRC#4	LOAN#D	04/03/2017	20/03/2019

As the instrument is forborne as of October, OA#1 reports the following information in the financial dataset, where the date of the contractual changes is provided.

Table 24 Forbearance and renegotiation status

Reporting reference date	Contract identifier	Instrument identifier	Status of forbearance and renegotiation	Date of the forbearance and renegotiation status
31/10/2018	CNTRC#4	LOAN#D	Forborne: instruments with other modified terms and conditions	05/10/2018

Please note that a changed legal final maturity date is reported as of 31 October 2018 as a result of the contractual change of this specific condition of the instrument.

3.4.7 Recourse

Definition: Classification of instruments based on the creditor's rights to seize assets other than any protection pledged to secure the instrument.

No recourse

1 For a non-recourse instrument, the value "no recourse" is reported.

An instrument other than trade receivables is non-recourse instrument if its recovery is limited only to the value of the protection pledged to secure the instrument. In particular, if the debtor defaults, the creditor can seize and sell the collateral which is pledged to secure the loan, but if the collateral sells for less than the debt, the creditor cannot seek that deficiency balance from the debtor.

***Revision mark**: clarifications are added about the value "no recourse" in the case of trade receivables in line with Part III of the Manual*

As regards trade receivables, "no recourse" is reported when the observed agent acting as the factor does not retain the full risk of default by the factoring client's customer(s). For more information, please refer to Chapter 5 in Part III of the Manual which deals specifically with factoring and other trade receivables.

Non-recourse debt is typically used to finance commercial real estate, shipping, or other projects with high capital expenditures and long loan periods.

The loans used in project finance are non-recourse loans. In the event that the project defaults, the creditors can use the proceedings out of the received protection for compensation, but have no right to seek compensation beyond the protection received.

Recourse

The value "recourse" is reported for recourse instruments.

An instrument other than trade receivables is a recourse instrument if it is not a non-recourse instrument. More specifically, for instruments other than trade receivables, a recourse instrument is one where the creditor has the right to seize the debtor's assets other than any protection pledged to secure the instrument. With a recourse loan, the debtor is liable for any unpaid debt, and if the debtor defaults the creditor can take action to collect the debtor's assets even after seizing collateral.

***Revision mark**: clarifications are added about the value "recourse" in the case of trade receivables in line with Part III of the Manual*

For trade receivables, the value "recourse" is reported if the risk of default of the debtors of the trade receivables is retained fully or partially by the factoring client (notwithstanding additional protection that may secure the factoring transaction), in which case the factor is able to hold the factoring client liable if the company's customer is unable to pay). For more information about trade receivables, please refer to Chapter 5 in Part III of the Manual which deals specifically with factoring and other trade receivables.

3.4.8 Interest rate type

Definition: Classification of credit exposures based on the base rate for establishing the interest rate for each payment period.

This data attribute identifies the applicable interest rate type.

Reporting qualification

***Revision mark**: clarifications are added concerning instruments for which no interest rate applies*

This data attribute is reported for every instrument reported in the financial dataset. Where the relevant NCB decides, in accordance with Article 7 of the AnaCredit

Regulation, not to collect this data attribute, then the value “not required” is reported. For instruments where no interest rate applies, the value “non-applicable” is reported. In particular, “non-applicable” is reported in the case of trade receivables where the account debtor is reported as the debtor and the interest rate is reported as “non-applicable”.

Values

Unless this data attribute is not required or does not apply, one of the following values is reported.

Fixed

Definition: Scheme defining the interest rates during the life of the exposure which only includes constant rates – numerically constant rate known with certainty at the inception of the exposure – and where the interest rates apply to the whole exposure. The scheme may contain more than one constant interest rate to be applied at different periods during the life of the exposure (e.g. loan with a constant interest rate during the initial fixed rate period, which then changes to a different interest rate, which is still constant, and which was known at the inception of the exposure).

***Revision mark**: further clarifications are added in line with Q&A 2017/0011*

Instruments with an interest rate that is known to both the creditor and the debtor at the date of inception, or that can be revised periodically but where the future interest rates are known to both the creditor and the debtor at the date of inception, are classified as having a fixed interest rate.

Variable

Definition: Scheme defining the interest rates during the life of the exposure which only includes interest rates based on the evolution of another variable (the reference variable) and where the interest rate applies to the whole exposure.

***Revision mark**: further clarifications are added in line with Q&A 2017/0011*

Instruments with an interest rate that is predefined for certain periods during the life of the exposure on the basis of a reference interest rate (e.g. EURIBOR or LIBOR) on specific dates (known as fixing dates) are classified as instruments with a variable interest rate. The key determinant is the fact that, in the case of variable interest rate instruments, neither the creditor nor the debtor knows at the date of inception the value of interest payments during the entire life of the instrument.

Mixed

Definition: Other interest rate type not included in any of the categories listed above.

***Revision mark**: further clarifications are added in line with Q&A 2017/0011*

Instruments which have both a fixed and a variable interest rate over their life are classified as mixed. For example, a loan where for limited periods of time both fixed and variable interest rates interchange can be classified as a mixed interest rate loan.

General reporting instructions, specific cases and examples

Revision mark: the instructions are expanded in line with Q&A 2017/0011 and the instructions applicable to trade receivables

One of the values listed above is always reported when the data attribute "interest rate" is reported for the instrument.

In cases where no interest rate is applicable for the instrument and, consequently, no interest rate type is assigned, the value "non-applicable" is reported.

In particular, in the case of overdrafts with no agreed credit limit, the value "non-applicable" is reported unless an interest rate type is assigned when the debit balance arose, in accordance with the contract set by the creditor.

In a similar vein, in the case of trade receivables where the account debtor is reported as the debtor and the interest rate is reported as "non-applicable", the value "non-applicable" is also reported in the data attribute "interest rate type" (cf. Section 5.4.11 in Part III which deals specifically with interest rates in the case of trade receivables).

The interest rate type can be changed during the lifetime of an instrument by amending the contract under which the instrument is created. The change is reported to AnaCredit accordingly. However, an instrument classified at inception date as "mixed interest rate" does not change later to a "fixed" or "variable" interest rate when the interest rate of the loan changes from fixed to variable or vice versa.

In addition, if a fixed interest rate instrument has an option to be renegotiated within the foreseeable future for the purpose of determining a new fixed interest rate, such an instrument is considered to be of fixed interest rate type, irrespective of the change in the rate of interest.

Please refer to the following example for an illustration of the reporting of the data attribute "interest rate type".

Example 13: Variable interest rate

The data attribute "interest rate type" is reported as "variable" for a loan where an interest rate of 2.7% is charged in the first year (where the rate is calculated by taking the 12-month EURIBOR on a fixed date, e.g. 1 November, plus a spread of 2.4%), after which the interest rate is reset on the first day of each year (following the same EURIBOR formula).

This is based on the fact that, although the interest rate is fixed in any given year during the life of the instrument, the future rates are not known to the parties at the date of inception of the instrument.

3.4.9 Interest rate reset frequency

Definition: Frequency at which the interest rate is reset after the initial fixed-rate period, if any.

This data attribute identifies the interest rate reset frequency.

Reporting qualification

This data attribute is always reported, i.e. there can be no derogations in respect of this data attribute.

For instruments where no interest rate reset applies, the value “non-applicable” is reported. In particular, “non-applicable” is reported for instruments which do not include a contractual agreement to change the interest rate.

Otherwise, one of the following values is reported.

Values

Overnight

Definition: Instrument with a contractual agreement to change the interest rate on a daily basis.

“Overnight” is reported if in accordance with the contract the interest rate can be changed on a daily basis.

Monthly/quarterly/semi-annual/annual

Definition: Instrument with a contractual agreement to change the interest rate on a monthly/quarterly/semi-annual/annual basis.

Please note that Annex IV to the AnaCredit Regulation refers to these four values, and that each is a value in its own right. However, as the values are reported in the same way (where one of the four interest rate reset frequencies is reported), they are described in the Manual within the same category.

For example, “Monthly” is reported if in accordance with the contract the interest rate can be changed on a monthly basis.

At creditor discretion

Definition: Instrument with a contractual agreement by which the creditor has the right to establish the interest rate reset date.

This value is reported if in accordance with the contract the creditor has the right to establish the interest reset date.

Other frequency

Definition: Instrument with a contractual agreement to change the interest rate at a frequency other than any of the categories listed above.

"Other frequency" is reported if in accordance with the contract the interest rate can be changed at a frequency other than overnight, monthly, quarterly, semi-annual, annual or at creditor discretion.

General reporting instructions, specific cases and examples

Note that for instruments which do not include a contractual agreement to change the interest rate, including overnight loans (one day loans) and instruments whose interest rate type is fixed, the value in the data attribute "interest rate reset frequency" is reported as "non-applicable".

An instrument with a mixed interest rate is reported as "non-applicable" during the period of time for which it has a fixed interest rate and with the corresponding value during the period of time for which it has a variable interest rate.

Note that for instruments for which the interest rate is not resettable, the value "non-applicable" is reported.

3.4.10 End date of interest-only period

Definition: The date on which the interest-only period ends. Interest-only instruments are those for which, for a contractually set period, only the interest on the principal balance is paid, with the principal balance remaining unchanged.

For interest-only instruments where, for a set term, the debtor is enabled to pay only the interest on the principle balance, the date reported is the date on which the interest-only period ends and beyond which the debtor is obliged to repay the principal balance. Even if the interest-only period end date has been reached, the original value of the end date is reported unchanged in this field.

For instruments which are not interest-only instruments, the value "non-applicable" is reported.

General reporting instructions, specific cases and examples

***Revision mark**: further clarifications are added in line with Q&A 2018/0005*

The data attribute "end date of interest-only period" indicates whether, on the reporting reference date, the instrument is within a contractually defined period during which the debtor is only paying the interest. If so, the end date of the current interest-only period is reported. If it is not, but an interest-only period has already been completed (and regardless of whether there will be another such period in the future), the end date of the most recent interest-only period is reported. If the instrument is not interest-only on the reporting reference date and has not been at any point in the past, the value to report is "non-applicable", regardless of whether an

interest-only period is due to start at some point in the future (i.e. after the reporting reference date).

Revision mark: clarification is added concerning instruments which are not disbursed yet

For instruments where no principal has yet been disbursed for (thus where no interest-only payments are yet possible), no date is reported until a disbursement (settlement) takes place.

In addition, if an interest-only period has already ended (i.e. the end date of the interest-period is in the past) and the instrument is not interest-only at the reporting reference date, the past end-date is reported (i.e. there is no need to update the instrument dataset).

By way of illustration, the example below considers the case of an instrument with multiple interest-only periods during its lifetime.

Example 14: Instrument with multiple interest-only periods during its lifetime

A five-year instrument is originated on 1 January 2019, and the parties agree that in the second and fourth years of the instrument's life, the debtor will pay only the interest on the principal balance. Thus, the instrument has two contractually defined interest-only periods. This is reported as follows:

- For all reporting reference dates in the first year (i.e. up to 31 December 2019), the "end date of interest-only period" should be reported as "non- applicable", as both interest-only periods are in the future.
- In the second year, the instrument is interest-only on all reporting reference dates, and the "end-date of interest-only period" should be reported as "31 December 2020".
- In the third year, the instrument is not interest-only on any of the reporting reference dates. However, as the instrument was interest-only in the previous year, the end date of the previous interest-only period (i.e. 31 December 2020) still applies.
- In the fourth year, the instrument is interest-only on all reporting reference dates, and the "end date of interest-only period" should be reported as "31 December 2022".
- In the fifth year, the instrument is not interest-only on any of the reporting reference dates. However, the end date of the previous interest-only period (i.e. 31 December 2022) still applies.

Revision mark: further clarifications are added in line with Q&A 2018/0006

It is also clarified that the question of whether an instrument is interest-only on a reporting reference date does not depend on the frequency of the payment of interest and principal. For an instrument to be interest-only, the contract has to specify a period in which only interest is paid.

In other words, if the contract does not set out a period during which only interest on the principal balance has to be paid, the instrument is not interest-only, regardless of the frequency of interest and principal payments.

So, in the absence of explicit provisions in the contract, an instrument is not interest-only on any reporting reference date, even if there are periods during which, effectively, only interest is paid (e.g. in the case of monthly interest payments and quarterly principal payments).

The question of whether the principal balance remains unchanged during a contractually defined interest-only period is irrelevant in this regard, as is the question of whether the debtor makes the required interest payments during the period.

3.4.11 Reference rate

Definition: Reference rate used for the calculation of the actual interest rate. The reference rate code is a combination of the reference rate value and maturity value.

This data attribute identifies the reference rate.

The reference rate code is formed by combining the reference rate value with the maturity value

The following reference rate values are used: EURIBOR, USD LIBOR, GBP LIBOR, EUR LIBOR, JPY LIBOR, CHF LIBOR, MIBOR, OTHER SINGLE REFERENCE RATES, OTHER MULTIPLE REFERENCE RATES.

The following maturity values are used: overnight, one week, two weeks, three weeks, one month, two months, three months, four months, five months, six months, seven months, eight months, nine months, 10 months, 11 months, 12 months.

EONIA is reported as “EURIBOR – OVERNIGHT”.

In the case of a maturity longer than 12 months, the maturity value “12 MONTHS” is reported.

Single reference rates which are not EURIBOR, USD LIBOR, GBP LIBOR, EUR LIBOR, JPY LIBOR, CHF LIBOR or MIBOR, are registered using the value “OTHER SINGLE REFERENCE RATE”.

General reporting instructions, specific cases and examples

Instruments using multiple reference rates are registered using the value “OTHER MULTIPLE REFERENCE RATES”.

For instruments with fixed interest rates, the value “non-applicable” is reported as the reference rate.

In particular, this data attribute is reported in accordance with the following example of six-month EURIBOR.

***Revision mark**: an explanation is added that the presented values do not reflect the technical standards for the reporting*

The six-month EURIBOR is reported as “EURIBOR – SIX MONTHS”, which is formed by stringing together “EURIBOR”, “–” and “SIX MONTHS”.

Please note that the values presented do not reflect the technical standards for the reporting, which are communicated by the relevant NCB.

3.4.12 Interest rate spread/margin

Definition: Margin or spread (expressed as a percentage) to add to the reference rate that is used for the calculation of the interest rate in basis points.

The value to be reported is the margin/spread added to the reference rate to account for the applied interest rate. This applies to interest rates charged for variable-interest loans. The margin or spread is reported with a negative sign when it is deducted from the reference rate.

Values

The margin is expressed as a numerical expression and is reported in basis points as a numerical value. One basis point is equal to 0.01 percentage point and is used to denote the "percentage margin/spread" in a financial instrument. This is illustrated in Example 15.

Example 15: Reporting percentages

Percentage terms	Basis points	Value to report
0.01%	1	0.0001
0.1%	10	0.0010
0.5%	50	0.0050
1%	100	0.0100

Please note that the presented values do not reflect the technical standards for the reporting, meaning that the NCB may require a different degree of precision for the value.

General reporting instructions, specific cases and examples

If no interest rate spread/margin applies, then the value to be reported is "non-applicable".

Revision mark: further clarifications are included in line with Q&A 2017/0011

In particular, the data attribute "interest rate spread/margin" is reported as "non-applicable" in cases where the interest rate type is "fixed".

3.4.13 Interest rate cap/floor

Definition: Maximum/minimum value for the interest rate charged.

This is the maximum (interest rate cap) and the minimum (interest rate floor) interest rate per annum that can be charged on the outstanding nominal amount (or parts thereof).

Values

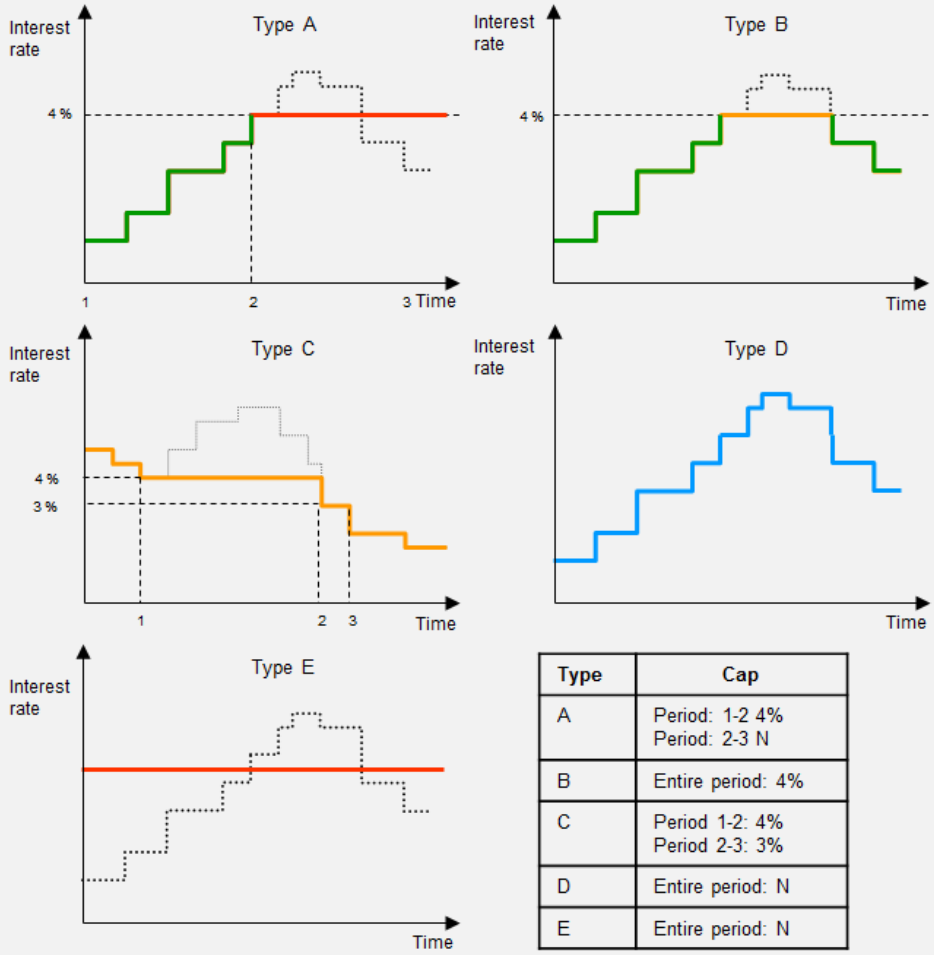
Interest rate cap/floor values are reported in basis points with the same convention as for the attribute "interest rate spread/margin", i.e. they are expressed as a numerical value.

General reporting instructions, specific cases and examples

For instruments where the “interest rate cap” or “interest rate floor” values do not apply, the value “non-applicable” is reported.

Table 25 below shows the interest rates for various interest rate cap and floor structures.

Table 25 Interest rates for different interest rate cap and floor structures



Type	Cap
A	Period: 1-2 4% Period: 2-3 N
B	Entire period: 4%
C	Period 1-2: 4% Period 2-3: 3%
D	Entire period: N
E	Entire period: N

Type A: Variable-rate loan with cap; becomes fixed-interest loan when cap is reached (fixed floater)
Type B: Variable-rate loan with cap; interest rate can fall again (cap floater)
Type C: Variable-rate loan with cap; interest rate can only fall
Type D: Variable-rate loan without cap
Type E: Fixed rate loan

Note: The dotted line shows the interest rate. The green line shows the interest rate when interest rate cap is not reached. The red line shows the fixed interest rate. The yellow line shows the interest rate when interest rate cap is reached, but when the interest rate can fall again. The blue line shows the variable rate without cap.

3.4.14 Purpose

Definition: Classification of instruments according to their purpose.

As a general rule, the value of the attribute "purpose" refers to the contract running at the reporting reference date. In particular, if the initial contract has been changed, the purpose refers to the changed contract.

Please note that a change qualifies only if it is a contractual change, i.e. when the contract is changed.

If the same instrument is used for several purposes, the most relevant one, as determined by the reporting agent, is expected to be reported.

For every instrument reported in the instrument dataset, one of the following values is reported.

Values

Residential real estate purchase

Definition: Financing of residential property. Residential property is defined in Article 4(1)(75) of Regulation (EU) No 575/2013.

According to Article 4(1)(75) of Regulation (EU) No 575/2013 (the CRR), "residential property" means a residence which is occupied by the owner or the lessee of the residence, including the right to inhabit an apartment in housing cooperatives located in Sweden.

***Revision mark**: clarification is added in line with Q&A 2017/0013*

Furthermore, for exposures "secured by mortgages on residential property which is or shall be occupied or let by the owner, or the beneficial owner in the case of personal investment companies" (see Article 125(1)(a) of the CRR), the data attribute "purpose" is reported as "residential real estate purchase", including for loans provided to finance unoccupied residential real estate.

Consequently, the value "residential real estate purchase" is reported for instruments extended for the purpose of purchasing residential property or investing in residential property, including unoccupied residential real estate, buildings and refurbishments thereof. The value is reported irrespective of the protection used to secure the instrument (i.e. whether the instrument used for the purchase of residential property is secured by the purchased residential property, whether it is secured by other forms of assets, or whether it is unsecured).

***Revision mark**: clarification is added in line with Q&A 2018/0036*

Any refurbishment of existing residential real estate, including changes to the external dimensions of the property (length, width, height, etc.), is reported as "residential real estate purchase".

Please note that loans to construction companies for the building of residential property are reported as "construction investment" rather than "residential real estate purchase".

Commercial real estate purchase

Definition: Financing of real estate property other than residential property.

The value “commercial real estate purchase” is reported for instruments extended for the purpose of purchasing commercial property or investing in commercial property, including buildings and refurbishments thereof. The value is reported irrespective of whether the instrument used for the purchase of commercial property is secured by the purchased commercial property or whether instruments for commercial property purchase are secured by other forms of assets or whether they are unsecured.

It is clarified that refurbishment of existing commercial real estate is included under this category.

Margin lending

Definition: Instruments in which an institution extends credit in connection with the purchase, sale, carrying or trading of securities. Margin lending instruments do not include other loans that are secured by collateral in the form of securities.

***Revision mark**: clarifications are added regarding loans secured by securities*

Loans that are secured by securities are not classified as margin lending if they are extended for a purpose other than the purchase, sale, carrying or trading of securities.

Debt financing

Definition: Financing of outstanding or maturing debt. This includes debt refinancing.

If the instrument is extended for the purpose of debt financing, the value “debt financing” is reported, irrespective of the initial purpose for which the refinanced instrument was extended.

The value “debt financing” is not used when the terms and conditions of the instrument are modified as a consequence of forbearance measures. In this case, the original purpose remains unchanged.

Debt financing covers cases in which the debtor is “switching” creditors as well as cases in which the debtor is extending an expiring credit agreement, for example working capital finance, or to gain access to more favourable financing conditions, such as lower interest rates.

Imports/Exports

Definition: Financing of goods and services (purchases, barter and/or gifts) from non-residents to residents/residents to non-residents.

Please note that this section refers to two separate values of the attribute “purpose”, namely:

- imports;
- exports.

Note that for a mixed case where both export and import needs are being addressed, the value “working capital facility” is reported.

Construction investment

Definition: Financing of construction of buildings, infrastructure and industrial facilities.

For instruments extended for the purpose of investing in construction, including the purchase of the land on which the building, infrastructure and industrial facilities are constructed, the value “construction investment” is reported.

As construction investments constitute financing for the purpose of construction, meaning the object does not exist at the time of financing, they are inherently different from the category of “commercial real estate purchase”, which refers to the acquisition/refurbishment of already existing real estate.

Please note that, besides financing towards real estate and project finance, construction investment also concerns other construction investments, such as:

- shipping finance;
- aviation finance;
- financing of energy or infrastructure sector on a long term basis;
- all other types of construction investment (industrial plant, pipeline and others).

Working capital facility

Definition: Financing the cash flow management of an organisation.

This value is for any working capital facility, excluding financing of imports or exports.

However, if the financing is provided for both export and import, then the value “working capital facility” is reported.

Other purposes

Definition: Other purposes not included in any of the categories listed above.

For instruments extended for purposes different from any of the purposes listed above, the value “other purposes” is reported. The value “other purposes” is also reported in the case of debit balances for overdrafts which are current accounts with no credit limit.

3.4.15 Amortisation type

Definition: Type of amortisation of the instrument including principal and interest.

This data attribute identifies the amortisation type applicable to the instrument at the reporting reference date.

Values

For each instrument in the instrument dataset, one of the following values is reported.

French

Definition: Amortisation in which the total amount – principal plus interest – repaid in each instalment is the same.

German

Definition: Amortisation in which the first instalment is interest-only and the remaining instalments are constant, including capital amortisation and interest.

Fixed amortisation schedule

Definition: Amortisation in which the principal amount repaid in each instalment is the same.

Bullet

Definition: Amortisation in which the full principal amount is repaid in the last instalment.

Other

Definition: Other amortisation type not included in any of the categories listed above.

The amortisation types not included in the above values (for example balloon) are reported as “Other”. This in particular regards instruments for which no amortisation applies, for example in the case of overdrafts with no agreed credit limit.

General reporting instructions, specific cases and examples

***Revision mark**: further clarifications are included in line with Q&A 2017/0009*

The amortisation type is determined by the debtor’s obligations towards the creditor (e.g. it sets the minimum payment schedule) as opposed to the options the debtor has in addition to the minimum payment schedule.

For example, if a loan has the French amortisation schedule but the debtor also has the right to redeem the loan partially or in full at any moment during the lifetime of the

instrument, the amortisation type for the instrument is “French” and the option to prepay the instrument is not taken into account as it does not reflect a contractual obligation, regardless of how likely it is that the debtor will prepay.

3.4.16 Payment frequency

Definition: Frequency of payments due, either of principal or interest, i.e. number of months between payments.

This data attribute identifies the payment frequency applicable to the instrument at the reporting reference date.

In the context of AnaCredit, the payment frequency is the frequency of the instalments in which the principal and the interest is repaid.

Values

For each instrument in the instrument dataset, one of the following values is reported.

Monthly/quarterly/semi-annual/annual

Definition: On a monthly/quarterly/semi-annual/annual basis.

Please note that Annex IV to the AnaCredit Regulation refers to these four values, and each is a value in its own right. However, as the values are reported in the same way (where one of the four values is reported in accordance with the actually applied payment frequency) they are described in the Manual within the same category.

If the payment frequency is neither “bullet” nor “zero coupon”, and the frequency of both the principal payments and the interest payments is monthly or quarterly or semi-annual or annual, then the respective value is reported as payment frequency.

Otherwise, if the payment frequency is neither “bullet” nor “zero coupon” and the frequencies of principal and interest payments differ but are both regular, and the higher of the two payment frequencies is monthly or quarterly or semi-annual or annual, then that value is reported in the data attribute “payment frequency”.

Please note that “with a higher frequency” means “more often”. Hence, from among the four categories, monthly is the highest frequency while annually is the lowest.

Bullet

Definition: Amortisation in which the full principal amount is repaid in the last instalment regardless of the interest payment frequency.

Zero coupon

Definition: Amortisation in which the full principal amount and interest is repaid in the last instalment.

Other

Definition: Other payment frequency not included in any of the categories listed above.

If the payment frequency is not any of the payment frequencies referred to in the previous points then the payment frequency to be reported is “Other”. In particular, the value “Other” is reported in the case of overdrafts with no agreed credit limit.

General reporting instructions, specific cases and examples

This data attribute is reported considering the following logical steps.

- If the repayment schedule of the instrument meets the definition of “bullet” or “zero coupon” payment as defined above, then the corresponding value is reported.
- Otherwise, if the payment frequency of the instrument is neither “bullet” nor “zero coupon”, then if the payment frequency is such that the frequency of principal payments and the frequency of interest payments are both the same and are either monthly or quarterly, or semi-annual, or annual, the respective value is reported.
- Otherwise, if the payment frequency of the instrument is neither “bullet” nor “zero coupon”, and the payment frequency of principal payments is not the same as the frequency of interest payments, then the higher of the two payment frequencies is considered. In particular, if the higher frequency is either monthly or quarterly, or semi-annual, or annual, the respective value is reported.
- Otherwise, the value “other” is reported.

3.4.17 Syndicated contract identifier

Definition: "Contract identifier" applied by the lead arranger of the syndicated contract to uniquely identify each contract. Each syndicated contract will have one "syndicated contract identifier". This value will not change over time and cannot be used by the lead arranger as the contract identifier for any other contract. All creditors participating in the syndicated contract use the same "syndicated contract identifier".

The purpose of this identifier is for AnaCredit to be able to combine the individual shares of the members of the syndicated loan into one loan.

This identifier does not generally need to be the AnaCredit contract identifier as used by the lead arranger (if the lead arranger is subject to AnaCredit reporting). Rather, it is a common identifier that all members of the same syndicated loan use.

Reporting qualification

This data attribute is reported only if the instrument is a syndicated loan. Otherwise, if the instrument is not a syndicated loan, the value "non-applicable" is reported.

General reporting instructions, specific cases and examples

In the context of AnaCredit, syndicated loans are single loan agreements, in which several institutions participate as creditors. The syndicated loan is usually arranged and coordinated by one institution (often called the "lead arranger") and is actually granted by various participants in the syndicate. Participants, including the lead arranger, all report their share of the loan vis-à-vis the debtor, i.e. not vis-à-vis the lead arranger.

In the case of syndicated loans, the value to be reported is the identifier of the contract of the syndicated loan as agreed by all the members of the syndicate, irrespective of whether or not the lead arranger reports to AnaCredit. This means that the observed agents that participate in a syndicated loan report the same syndicated contract identifier to AnaCredit.

Revision mark: further clarifications are included in line with Q&A 2018/0052

In the case of syndicated loans, the value to be reported is the identifier of the contract of the syndicated loan as agreed by all members of the syndicate, irrespective of whether or not the lead arranger reports to AnaCredit. However, the syndicated contract identifier could be reported differently depending on whether or not the lead arranger is a reporting agent under the AnaCredit Regulation. For example:

(a) if the lead arranger is a reporting agent in AnaCredit, the syndicated contract identifier is the identifier applied by the lead arranger to uniquely identify the contract for the purpose of reporting to AnaCredit;

(b) otherwise, the syndicated contract identifier to be reported by all reporting agents participating in a syndicated loan is a combination of the Business

Identifier Code (BIC)[16] of the lead arranger and the inception date of the syndicated loan.

Importantly, irrespective of whether scheme (a) or (b) above is followed, all observed agents which are members of the same syndicated loan use just one scheme and report the same syndicated contract identifier. In this way, the various instruments that finance the syndicated loan and that are reported by each reporting agent (or by the same observed agent when it acts as the servicer and the other creditors are not observed agents) can be brought together in order to understand the structure of the transaction.

Although different shares of a syndicated loan are held by different creditors, the instruments (i.e. the parts of the syndicated loan) that are reported to AnaCredit (i.e. the creditor thereof is subject to AnaCredit reporting) share certain characteristics. For example, the separately reported parts of the syndicated loan have the same inception date.

For more details regarding this attribute, please refer to Chapter 7 in Part III of the Manual dealing specifically with the subject of syndicated loans.

3.4.18 Subordinated debt

Definition: Identification of subordinated debt. Subordinated debt instruments provide a subsidiary claim on the issuing institution that can only be exercised after all claims with a higher status (e.g. deposits/loans) have been satisfied.

This data attribute identifies loans which are subordinated debt.

Reporting qualification

This attribute is always reported with either of the values below.

Values

Subordinated debt

Definition: The instrument is a subordinated debt in accordance with the Table in Annex II to Regulation (EU) No 1071/2013 (ECB/2013/33).

Subordinated debt instruments provide a subsidiary claim on the issuing institution that can only be exercised after all claims with a higher status (e.g. deposits/loans) have been satisfied. This means that if an instrument held by an observed agent and reported to AnaCredit is classified as “subordinated debt”, the claim arising from this

[16] The Business Identifier Code as defined in accordance with ISO 9362. Please note that the code is also known as the SWIFT-BIC, the SWIFT ID or the SWIFT code.

instrument can be exercised by the observed agent only if “more senior” claims have been fully satisfied.

If the instrument is a subordinated debt instrument in accordance with the given definition, the value to be reported in the data attribute “subordinated debt” is “subordinated debt”.

Note that in the context of AnaCredit, the identification of subordinated debt relates to the instruments held or serviced by the observed agent and is thus entirely unrelated to subordinated debt issued by the observed agent.

Please note that the value “subordinated debt” is also reported in the case of partially subordinated amounts.

Non-subordinated debt

Definition: The instrument is not a subordinated debt in accordance with the Table in Annex II to Regulation (EU) No 1071/2013 (ECB/2013/33).

If the instrument is not a subordinated debt in accordance with the given definition, the value to be reported is “non-subordinated debt”.

3.4.19 Repayment rights

Definition: Classification of credit exposures according to the creditor’s rights to claim the repayment of the exposure.

***Revision mark**: editorial changes are applied*

The data attribute “repayment rights” indicates whether the creditor may or may not claim the repayment of the instrument “on demand or at short notice”.

Reporting qualification

For every instrument subject to AnaCredit, one of the two following values is reported.

On demand or at short notice

Definition: Instruments which are repayable on demand or at short notice at the request of the creditor.

***Revision mark**: further clarifications are included regarding debit balances on current accounts*

In AnaCredit, instruments “on demand or at short notice” include the following types of loan:

- balances receivable on demand (call);
- at short notice (by close of business on the day following that on which the demand was made);

- debit balances on current accounts without an agreed credit limit (and similar balances), unless they are not repayable on demand or at short notice;
- loans that are overnight deposits for the borrower (loans to be repaid by close of business on the day following that on which they were granted), regardless of their legal form.

In particular, overnight balances, which are receivable by the creditor, are reported as "on demand or at short notice". These include cash balances at central banks and other demand deposits, depending on the sector of the counterparty.

For overdrafts which are debit balances on current accounts with no credit limit and which are payable on demand, the value "on demand or at short notice" is reported. Meanwhile, debit balances on current accounts with a credit limit which are not payable on demand or at short notice are reported as "other". This includes cases where the credit limit is exceeded and where the excess alone may be payable on demand, but the instrument as a whole is not payable on demand.

Other

Definition: Instruments subject to repayment rights other than on demand or at short notice.

Instruments are reported as subject to "other" repayment rights if they are not payable on demand or at short notice.

General reporting instructions, specific cases and examples

***Revision mark**: further clarifications are included in line with Q&A 2018/0039*

As a general rule, the data attribute does not concern just a part of the current balance outstanding, but rather it covers the right to use the instrument as a whole.

Consequently, the value "other", rather than "on demand or at short notice", is reported even if an instrument is in excess of the assigned credit limit and where the excess alone may be payable on demand, provided that the instrument which is considered as a whole is not immediately payable (depending on the contractual agreement, such an excess may be a breach of covenant rendering the instrument immediately payable).

In the same vein, the data attribute "repayment rights" is not necessarily changed to "on demand or at short notice" even if an amount under the instrument becomes due, unless the instrument's being past due implies that the instrument as a whole is contractually cancelled and becomes immediately payable (in accordance with the contractual agreement, the lack of payment may be considered a breach of covenant resulting in the instrument becoming repayable "on demand or at short notice").

However, as regards debit balances on current accounts without an agreed credit limit (and similar balances), where, typically, the amounts are repayable as soon as they arise, the value "on demand or at short notice" is reported to AnaCredit because the outstanding debit balance is the whole instrument.

The paragraphs below provide an overview of the possible values of the data attribute by type of instrument. Please note that this serves only as a general guideline and exceptions may be possible in practice, depending on actual contractual agreements.

- The value “other” is typically reported in the data attribute “repayment rights” for “revolving credit other than overdrafts and credit card debt”, “credit lines other than revolving credit”, “financial leases” and “trade receivables” because, in principle, such instruments are neither payable on demand, nor repayable by close of business on the day following that on which they were granted.
- The value “on demand or at short notice” is typically reported in the data attribute “repayment rights” for reverse repurchase agreements when they are repayable by close of business on the day following the trading date; otherwise, they are reported under the value “other”.
- Regarding open reverse repurchase agreements (i.e. where no legal final maturity date is defined in the contract owing to the fact that they are of a perpetual nature) which can be terminated on any day after the trading date (by either party, provided the party gives notice before an agreed daily deadline), the value “on demand or at short notice” is reported in the data attribute “repayment rights”, despite the fact that they roll over every day.

3.4.20 Fiduciary instrument

Definition: Identification of instruments in which the observed agent acts in its own name but on behalf of and with the risk borne by a third party.

All instruments will be reported as fiduciary, with the observed agent acting in its own name but for the account and at the risk of its customers, irrespective of whether the observed agent additionally provides other services.

Reporting qualification

This data attribute is always reported, i.e. every instrument subject to AnaCredit reporting is flagged as either fiduciary or non-fiduciary.

Value

One of the two values is reported.

Fiduciary instrument

Definition: Value to be used if the instrument is held in a fiduciary capacity.

Revision mark: clarification is added that instruments held in a fiduciary capacity are only classified as “fiduciary instruments” if they are reported by the trustee, not by the trustor

The value “fiduciary instrument” is reported if the observed agent is the trustee of the instrument held in a fiduciary capacity.

"Fiduciary instrument" refers to the activities where the observed agent acts in its own name but for the account and at the risk of its customers, i.e. are instruments made in the name of the observed agent (the trustee) on behalf of a third part (the trustor). With fiduciary instruments, the observed agent provides services such as custody asset management for a structured entity or portfolio management on a discretionary basis. All fiduciary instruments are labelled "fiduciary instrument", irrespective of whether the observed agent additionally provides other services.

Note that the observed agent is reported as the servicer to a fiduciary instrument, whereas the trustor is reported as the creditor to a fiduciary instrument.

Typically, fiduciary instruments are instruments that have been used in a fiduciary capacity since inception (i.e. have been originated as fiduciary), although an instrument may be held in a fiduciary capacity following a contractual change after its inception.

Instruments serviced by the observed agent where at a certain moment in the lifetime of the instrument the observed agent ceases to act as creditor do not become fiduciary instruments.

Non-fiduciary instrument

Definition: To be used if the instrument is not held in a fiduciary capacity.

Revision mark: clarification is added that instruments held in a fiduciary capacity are only classified as "fiduciary instruments" if they are reported by the trustee, not by the trustor

Otherwise, if the observed agent does not hold the instrument in a fiduciary capacity, the value "non-fiduciary instrument" is reported in the data attribute. In particular, instruments subject to (traditional) securitisation do not become fiduciary and are to be reported as "non-fiduciary", unless they have been fiduciary instruments since their origination.

3.4.21 Commitment amount at inception

Definition: Observed agent's maximum exposure to credit risk on the inception date of the instrument, without taking into account any protection held or other credit enhancements. Total commitment amount on the inception date is established during the approval process and is intended to restrict an observed agent's amount of credit risk to a given counterparty for the relevant instrument.

The amount reported in this data attribute is the amount committed by the creditor under the instrument. In particular, it is the agreed credit limit (if any), that is contractually agreed between the debtor and the creditor, and above which the debit balances of the instrument/instruments may not rise in accordance with the contract.

Reporting qualification

Revision mark: clarifications are added regarding the reporting qualification of the data attribute

This data attribute is always reported. However, if no maximum exposure is contractually defined, the value "non-applicable" is reported.

General reporting instructions, specific cases and examples

For fixed-sum credits, the commitment amount is the fixed sum specified in the contract giving rise to the instrument, irrespective of whether the amount is drawn in one amount or by instalments (tranches).

For debit balances without an agreed credit limit and for trade receivables with no recourse (cf. Section 5.4.9 in Part III of the Manual) the value "non-applicable" is reported.

Commitment amount at inception is not subject to updates, also in the case of contractual changes thereof

Contractual changes in the commitment amount are not subject to AnaCredit reporting in the sense that the commitment amount at inception is not updatable. For example, consider a fixed-sum credit where at inception a commitment amount was contractually agreed but the debtor later decides to adjust this amount downwards. And although the contract is amended accordingly, the change does not trigger any updates of the commitment amount at inception.

Example 16: Commitment amount at inception

Credit Institution C enters into a contract (Cont#1) with Debtor D on 10 December 2018 to extend a fixed-amount loan of €200,000 (Inst#1) to be drawn in two instalments. On 20 February 2019, the first instalment of €100,000 is paid out. In May 2019, Debtor D communicates to C that it will not draw any additional funds, and as of 29 May 2019 the initial contract is changed and the repayment schedule is adjusted.

The instrument is initially reported to AnaCredit as of February 2019. This is presented in Table 26.

Table 26 Relevant data attributes reported as of 28 February 2019

Reporting reference date	Contract identifier	Instrument identifier	Commitment amount at inception	Inception date	Settlement date
28/02/2019	CONT#1	INST#1	200,000.00	10/12/2018	20/02/2019

Under the condition that no changes other than those mentioned above take place after the initial reporting of the instrument, no updates of the instrument dataset are required, not even as of 31 May 2019 despite the contractual change. However, it is expected that the decrease in the commitment amount will be reflected in such data attributes as the off-balance-sheet amount reported in the financial dataset or in the accounting dataset in which the renegotiation flag is raised in the accounting dataset as of 31 May 2019.

Table 27 Relevant data attributes in the accounting dataset after the contractual change of the commitment amount

Reporting reference date	Contract identifier	Instrument identifier	Status of forbearance and renegotiation	Date of the forbearance and renegotiation status
30/06/2019	CONT#1	INST#1	Renegotiated instrument without forbearance measures	29/05/2019

Note that the contractual change does not affect the commitment amount at inception.

Revision mark: the clarifications regarding the commitment amount at inception for instruments drawn under limit structures are adjusted in line with Q&A 2018/0032

For multiple instruments drawn under the "limit structures", the commitment amount at inception is allocated to each such instrument as appropriate, whereby a distinction is made between lump-sum loans and instruments which are not lump-sum loans. This means that:

- the commitment amount at inception for lump-sum loans under the cross-limit is the amount of funding disbursed (taking into consideration that such instruments do not have an off-balance-sheet amount);
- for instruments under the cross-limit that are not lump-sum loans (irrespective of whether or not they are of a revolving nature), the commitment amount at inception is reported as "non-applicable".

For more details regarding reporting multiple instruments arising under a multi-instrument credit facility, refer to Chapter 3 in Part III of the Manual, which deals specifically with this subject.

Revision mark: clarifications are added in line with Q&A 2018/0034 concerning deposits which are current accounts between banks

In relation to deposits which are current accounts between banks, if on the inception date a maximum deposit amount is contractually defined which limits the observed agent's exposure to credit risk, this amount is effectively the "commitment amount at inception". Otherwise this data attribute is reported as "non-applicable".

3.4.22 Fair value changes due to changes in credit risk before purchase

Definition: The difference between the outstanding nominal amount and the purchase price of the instrument at the purchase date. This amount should be reported for instruments purchased for an amount lower than the outstanding amount due to credit risk deterioration.

The variable is reported for any instrument that was purchased (by the creditor holding the instrument at the reporting reference date) at a discount and the discount was due to the instrument's higher credit risk at the purchase date, irrespective of whether or not the instrument is still non-performing as of the reporting reference date, and irrespective of the accounting portfolio in which the instrument is classified.

In such cases, the value to be reported is the outstanding nominal amount at the purchase date (disregarding any write-offs made up to the purchase date) minus the purchase price. If not readily available, the value to be reported may be replaced by the outstanding nominal amount at the purchase date minus the initial accounting recognition amount.

The amount of fair value changes due to changes in credit risk before purchase is a positive number (i.e. greater than 0), clearly indicating the decreased value of the instrument at the purchase date.

In the case of a pool of instruments transferred according to an overall purchase price, the fair value changes due to changes in credit risk are suitably allocated to each instrument in the pool.

Otherwise, if the instrument was not purchased (but was originated by the reporting agent) or the instrument was not purchased at a discount due to credit risk, the data attribute is reported as “non-applicable”.

It is clarified that a discount endorsed by any previous creditor (which is typically not available to the current creditor) is not accounted for in this data attribute. More specifically, in the case of instruments that had been purchased (at a discount) by a previous creditor and later on re-purchased, also at a discount, by the observed agent, it is only the latter discount, i.e. the discount of the observed agent, that is covered in the fair value changes due to changes in credit risk before purchase.

For an illustration of how this data attribute is reported, refer to Example 22 in Section 4.4.3, which deals with a purchase of a non-performing loan.

4 Financial dataset

4.1 General aspects

1 The financial data describe the instrument's financial development.

2 The data reported are the actual data reflecting the situation of the instrument at the
3 reporting reference date.

4.2 Level of granularity

4 The level of granularity for the financial data is the instrument itself.

4.3 Reporting frequency

5 The financial dataset is reported on a monthly basis.

6 For those reporting agents that have been granted a derogation by the relevant NCB
7 in accordance with Article 16(2) of the AnaCredit Regulation, the financial dataset
8 may be reported on a quarterly basis (cf. Section 8.2 in Part I of the Manual for more
9 details).

4.4 The financial dataset – data attributes

10 This dataset is applicable for instruments subject to AnaCredit reporting. For each
11 such instrument, the following data attributes are reported.

Table 28 Overview of data attributes in the financial dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Contract identifier	√	String	2.1.2.4
Instrument identifier	√	String	2.1.2.5
Interest rate		Numerical	4.4.1
Next interest rate reset date		Date	4.4.2
Default status of the instrument		Code list	4.4.4
Date of the default status of the instrument		Date	4.4.5
Transferred amount		Amount in euro	4.4.3
Arrears for the instrument		Amount in euro	4.4.6
Date of past due for the instrument		Date	4.4.7
Type of securitisation		Code list	4.4.8
Outstanding nominal amount		Amount in euro	4.4.9
Accrued interest		Amount in euro	4.4.11
Off-balance-sheet amount		Amount in euro	4.4.10

4.4.1 Interest rate

Definition: Annualised agreed rate or narrowly defined interest rate in accordance with Regulation (EU) No 1072/2013 of the European Central Bank (ECB/2013/34).

Disagio, defined as the difference between the nominal amount of the loan and the amount received by the debtor, is considered as an interest payment at the start of the contract (time t0)

Regulation (EU) No 1072/2013 (ECB/2013/34) defines the annualised agreed rate (AAR) as "*the interest rate that is individually agreed between the reporting agent and the household or non-financial corporation for a deposit or loan, converted to an annual basis and quoted in percentages per annum. The AAR covers all interest payments on deposits and loans, but no other charges that may apply. Disagio, defined as the difference between the nominal amount of the loan and the amount received by the customer, is considered as an interest payment at the start of the contract (time t0) and is therefore reflected in the AAR*".

The narrowly defined effective rate (NDER) is defined as "*the interest rate, on an annual basis, that equalises the present value of all commitments other than charges (deposits or loans, payments or repayments, interest payments), future or existing, agreed by the reporting agents and the household or non-financial corporation. The NDER is equivalent to the interest rate component of the annual percentage rate of charge (APRC) as defined in Article 3(i) of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC. The NDER uses successive approximation and can therefore be applied to any type of deposit or loan, whereas the AAR is only applicable to deposits and loans with regular capitalisation of interest payments*".

Although both definitions refer to loans extended to households and non-financial corporations, this data attribute is reported for all instruments regardless of the sector of the debtor.

More information on the methodology for calculating the interest rate can be found in the Manual on MFI interest rate statistics.[17]

Reporting qualification

This data attribute is reported for each instrument. There can be no derogations in accordance with Article 7 of the AnaCredit Regulation in respect of this data attribute.

***Revision mark**: clarification is included concerning cases of instruments for which no interest rate applies*

Consequently, a percentage interest rate is reported, including in cases where there is no explicit interest rate. However, in the case of instruments for which no interest rate applies, the interest is reported as "non-applicable" (this specifically concerns certain types of trade receivables).

Values

A percentage interest rate with two decimals is reported as a numerical value. Both positive and negative values are admitted.

[17] The Manual on MFI interest rate statistics can be found in the Statistics section of the ECB's website.

For an illustration, consider the following examples.

Example 17: Reporting percentage interest rates as numerical values

A percentage interest rate with two decimal places is reported as a numerical value with four decimal places.

Percentage interest rates are reported as numerical values as follows:

- An interest rate of 3.57% on an annual basis is reported as 0.0357.
- An interest rate of -0.5% on an annual basis is reported as -0.005.
- An interest rate of 0% is reported as 0.

Please note that the presented values do not reflect the technical standards for the reporting, meaning that the NCB may require a different degree of precision for the value.

General reporting instructions, specific cases and examples

In accordance with the requirements for MFI interest rate statistics, the interest rate to be reported is as follows.

If there is an amount outstanding at the reporting reference date, then:

- the interest rate referring to the outstanding amount is the weighted average interest rate applied to the outstanding amount at the reporting reference date;
- the weighted average interest rate is the sum of the AAR/NDER multiplied by the corresponding outstanding amounts and divided by the total outstanding amount.

To that extent, undrawn amounts are not considered for the calculation of the weighted interest rate.

Revision mark: a reference is added to Part III of the Manual

Please refer to Examples 8 and 9 in Section 4.3.2 in Part III of the Manual for an illustration of the reporting of interest rates.

For instance, for a credit card debt for which the outstanding nominal reported at the reference date is a “convenience credit”, the interest rate of 0% is to be reported as 0; for those credit card debts which at the reporting reference data comprise both an “extended credit” and a “convenience credit”, the weighted average of the respective interest rates charged is reported.

Otherwise, if the outstanding amount is 0 (zero) at the reporting reference date, then reporting agents provide the weighted average interest rate applied to the maximum amount (considering the credit limit but disregarding any possibility to exceed the credit limit) that could be outstanding under the instrument; in other words, in the case of instruments with an undrawn amount available, the interest rate is reported although the whole amount is undrawn.

In accordance with the MIR statistics, penalties in the form of special fees are not covered by the AAR/NDER (the fees are not part of the outstanding amount either).

Please also note that in the calculation there is no differentiation between the ordinary interest rate and the penalty interest rate. For instance, if the outstanding amount includes an excess amount (above the credit limit) and a penalty interest rate is charged on the excess amount, this is considered in the calculation of the weighted average interest rate; in other words, if a penalty is charged in the form of higher interest rates, this penalty is also reflected in the (weighted average) interest rate to be reported. If the penalty is applied in the form of fees or other non-interest components, it is not covered.

***Revision mark**: clarification concerning the reporting in the case of trade receivables is added in line with Section 5.4.11 in Part III of the Manual*

In the case of instruments for which no interest rate applies, the interest is reported as “non-applicable”. In particular, in the case of instruments that are trade receivables where the account debtor is reported as the debtor, the interest rate is reported as “non-applicable” (unless the factor is entitled to charge interest on late payment directly to the account debtor). However, please note that, although there is no explicit interest rate, instruments with disagio or zero-coupon instruments are not considered instruments for which no interest rate applies (implying that a value other than “non-applicable” is reported).

Regarding the interest rate for loans with step up/step down provisions whereby the interest rates are increased or decreased when the debtor’s credit rating is upgraded above or downgraded below certain levels, it is the actual interest rate (at the reference date) that is reported.

In the case of a current account overdraft, calculating the interest rate may require weighting of the higher rate (charged when the debit balance exceeds the agreed credit limit) with the “normal” usage interest rate proportionally to the overdraft total debit balance, where the weighted average interest rate is the sum of the AAR/NDER multiplied by the corresponding amounts and divided by the sum of the corresponding amounts.

Please note that penalties in the form of special fees are not included in the calculation of the AAR/NDER (for example, a loan of €110,000 is issued at a discount of €10,000 for a tenor of one year; the loan was repaid with a delay for which a penalty of €5,000 was charged so that eventually the debtor repaid €115,000; however, the penalty amount of €5,000 is not taken into account for the calculation of the NDER, which is estimated to be €10,000/€100,000 = 10%).

Please also note, however, that any unpaid penalties and other fees are added to the outstanding nominal amount at a reporting reference date, and therefore are accounted for when calculating the outstanding weighted average interest rate (although they are not covered in the AAR/NDER which are thus averaged).

4.4.2 Next interest rate reset date

Definition: The date when the next interest rate reset, as defined in Part 3 of Annex I to Regulation (EU) No 1071/2013 (ECB/2013/33), takes place.

An interest rate reset is understood as a change in the interest rate of an instrument which is provided for in the contract.

Instruments subject to an interest rate reset include, inter alia, loans with variable interest rates which are periodically revised in accordance with the evolution of an index, e.g. EURIBOR, loans with interest rates which are revised on a continuous basis, i.e. floating rates, and loans with interest rates which are revisable at the credit institution's discretion.

Reporting qualification

This data attribute is reported unless an observed agent is a foreign branch which is not resident in any reporting Member State and has been granted a derogation in accordance with Article 7 of the AnaCredit Regulation. In cases of such derogations, the value "not required" is reported.

In addition, in the case of instruments which do not include a contractual agreement to change the interest rate (i.e. the interest rate is not resettable), including overnight loans (one day loans), the value "non-applicable" is reported.

Revision mark: clarification is included concerning instruments not subject to a future interest rate reset

It is clarified that, to simplify the reporting, the value "non-applicable" is also reported when the instrument is not subject to a future interest rate reset, although, in accordance with Annex IV to the AnaCredit Regulation, the value to be reported is the legal final maturity of the instrument.

Values

Unless "non-applicable" is reported, a date is reported indicating the day on which the next change in the interest rate of an instrument as provided in the contract will take place.

General reporting instructions, specific cases and examples

Unless "non-applicable" is reported, the next interest rate reset date should not be earlier than the reporting reference date.

In particular, the following applies:

- if provided for in the contract, the date is as specified therein;
- otherwise, if no date is specified in the contract, but the contract (also taking account of general terms and conditions) provides for such a possibility (for instance, revised on notice or on a continuous basis), then, as a convention, it is the reporting reference date (i.e. the date is rolled over on a monthly basis);

- otherwise, if the instrument is not subject to a future interest rate reset, then "non-applicable" is reported;
- similarly, in the case of instruments for which the last interest rate reset date has already passed, the value "non-applicable" is reported.

In the case of fixed interest rate instruments – where the data attribute "interest rate type" in the instrument dataset is reported as "fixed" – a distinction is broadly made between the following two cases:

- a fixed interest rate has been contractually agreed for the entire life of the instrument; in such cases, the value "non-applicable" is reported;
- an interest rate has been contractually fixed only until a specific future date *t* after which the fixed interest rate can be reset; in such cases, the future date *t* is reported in this data attribute.

4.4.3 Transferred amount

Definition: Transferred amount of the economic ownership of the financial asset.

This data attribute captures the part of the outstanding nominal amount that has been transferred to another creditor.

Please note that this data attribute refers to the amount transferred to third parties rather than amounts acquired from third parties.

This data attribute is primarily relevant in the case of transferred instruments, and in particular transferred as part of a traditional securitisation scheme.

Transferred instruments are those that have been granted or acquired by the observed agent and legally transferred (sold) to third parties but are still subject to AnaCredit reporting vis-à-vis the observed agent because it retains the servicing rights of the instrument, regardless of whether the amount reported is in the balance sheet of the observed agent (i.e. regardless of whether the instrument is entirely or partially recognised in the balance sheet). Please refer to Section 6.1.2 for more information concerning instruments with multiple creditors.

Reporting qualification

This data attribute is always reported, i.e. there can be no derogations in respect of this data attribute.

Values

The transferred amount is reported in euro.

If an instrument is not transferred, i.e. if no amount of the instrument has been transferred, zero is reported under this data attribute.

***Revision mark**: clarifications are included regarding the meaning of fully and partially transferred instruments*

Otherwise, if an instrument is fully transferred (i.e. the whole outstanding nominal amount is transferred) or partially transferred (i.e. a percentage of the outstanding nominal amount is transferred), the "transferred amount" is the transferred part of the "outstanding nominal amount" of the instrument (as reported at a reporting reference date) rather than the amount transferred at the transfer date. In other words, at any reporting reference date, the transferred amount specifies the part of the outstanding nominal amount which is not held by the observed agent which transferred (the part of) the instrument.

In any case, on a given reporting reference date, the amount reported in this data attribute does not exceed the outstanding nominal amount.

The transferred amount is the accumulated transferred amount

The transferred amount includes the part(s) of the outstanding nominal amount that have been transferred prior to or at a reporting reference date, i.e. including all amounts transferred at or before the reporting reference date, and not only the amounts transferred after the previous reporting reference date.

The transferred amount does not include the accrued interest.

Regarding instruments that are fully transferred (sold) to a third party and are no longer serviced by the observed agent, the observed agent does not report such instruments to AnaCredit any longer after the transfer date, irrespective of whether or not the transfer date is a quarter-end date.

***Revision mark**: a reference to Part I is included concerning the reporting of written-off instruments*

However, in the case of transferred instruments for which a write-off has occurred, the observed agent reports such instruments until at least the quarter-end date of the quarter in which the transfer takes place – i.e. extended quarter-end reporting applies. "Extending" the reporting in this way is necessary in order to capture the amount received (the price) for the transfer of a written-off instrument. The amount received (i.e. the sale price) is in such cases considered to be recoveries and is reported in the data attribute "cumulative recoveries in default". For more information concerning the reporting of written-off instruments, please refer to Section 5.2.2 in Part I of the Manual and Section 3.1.6.1 above which deal specifically with extended quarter-end reporting.

Please note that partially transferred instruments may be reported following one of the two broadly defined approaches:

- the bank splits a partially transferred instrument into multiple parts which are then considered individual instruments upon the transfer;
- the bank does not split a partially transferred instrument into parts and the partially transferred instrument continues to be just one instrument.

Bank splits a partially transferred instrument into multiple parts

In the case of a transferred instrument with multiple creditors (i.e. where two or more creditors hold different parts of the instrument), where the observed agent actually perceives each transferred part as a separate instrument, each part is reported as an individual instrument accordingly.

All the transferees are recorded in the counterparty-instrument dataset as creditors to the instrument parts

In fact, each of the transferred parts represents an instrument in its own right, with the observed agent reporting each part as long as it retains the servicing rights over the part (the observed agent does not act as creditor to this transferred part of the instrument), and the transferred amount equals the outstanding nominal amount reported for the part.

Revision mark: the clarifications regarding instruments that are not split is removed from this point

If the instrument is not split because of a partial transfer to multiple creditors, the transferred amount of the instrument represents the total of all parts transferred, irrespective of the creditor to which instrument parts were transferred.

However, regarding the non-transferred instrument part, where the observed agent acts as both creditor and servicer, the transferred amount is 0 (as this instrument part is not considered a transferred instrument).

Bank does not split a partially transferred instrument into parts

In cases where the partially transferred instrument is not split, the transferred amount of the instrument represents the total of all parts transferred irrespective of the creditor to which instrument parts were transferred.

All the transferees are recorded in the counterparty-instrument dataset as creditors to the instrument

From the perspective of the observed agent which has transferred an instrument to other creditors, where the observed agent continues to act as servicer of the instrument, all the creditors to which the parts of the instrument are transferred are reported in the counterparty-instrument dataset.

By contrast, taking the perspective of those creditors to whom the parts of the instrument are transferred, if they are observed agents for AnaCredit themselves, they report their parts of the transferred instrument.

The following instruments are considered transferred regardless of the value in the data attribute “balance sheet recognition”:

- traditional securitisations when the servicer is the observed agent;
- other instruments sold, on condition that they remain serviced by the observed agent.

By contrast, the following instruments are not considered as transferred:

- instruments subject to synthetic securitisations;
- instruments used as collateral to issue covered bonds;
- fiduciary loans;
- syndicated loans.

Syndicated loans are not considered as transferred instruments

Please note that syndicated loans are not considered as transferred instruments, because each member of a syndicated loan which is an observed agent in the context of AnaCredit reports only its own share in the syndicated loan.

The reporting of accounting-related data in the case of transferred instruments

The reporting of any accounting-related data (such as the carrying amount) is restricted only to the part of the instrument (outstanding) which the observed agent recognises in its balance sheet

***Revision mark**: the reference to accrued interest is removed as, in line with Section 4.4.11, the data attribute "accrued interest" is also reported in cases of no interest accrual in accordance with the accounting standard*

As a general rule, although the instrument dataset tends to describe the instrument as a whole (e.g. the transferred amount is included in the outstanding nominal amount), the reporting of any accounting-related data (such as carrying amount, etc.) is restricted only to the part of the instrument (outstanding) which the observed agent recognises in its balance sheet. Any part of the instrument which is not recognised by the observed agent is excluded from all of the accounting-related data attributes (which go beyond the attributes in the accounting dataset) so as to remain in line with the accounting policies and the general ledger of the reporting institution. To that extent, it is the amount that was transferred itself which is always subject to reporting in the designated attribute of the AnaCredit financial dataset.

Transferred amount for instruments in traditional securitisation

The following stylised examples of the treatment of securitisation transactions within the AnaCredit framework serve as an illustration of how instruments transferred in a traditional securitisation are reported in the context of AnaCredit. To that extent, these examples deal with the general methodology of reporting for the individual transferred instruments rather than the specifics of securitisation transactions which are covered in Chapter 6 in Part III of the Manual dealing with the specifics of securitisation transactions.

The transferred amount reflects the part of the outstanding nominal amount that has been physically (in terms of balance sheet recognition) transferred from one creditor to another or others. It is therefore the amount which was derecognised in the balance sheet of the transferor for the benefit of the transferee.

Example 18 presents the reporting in the case of a fully transferred loan in a securitisation transaction.

Example 18: Fully transferred loan to a financial vehicle corporation (FVC) in a securitisation transaction

Credit institution Bank#A extends a loan Ins#1 to debtor Deb#1 on the basis of contract Con#A. On 15 October, Bank#A fully transfers the loan to an FVC (FVC#X) in traditional securitisation (true sale). Throughout the whole time considered, Bank#A acts as servicer. From the perspective of Bank#A as an observed agent, the reporting of the data is illustrated in Table 29 and Table 30 (before the transfer) and in Table 31 and Table 32 (after the transfer).

Table 29 Indication of the financial dataset before the transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
30/09/2018	BANK#A	CON#A	INS#1	50,000.00	0.00

Table 30 Indication of the counterparty-instrument dataset before the transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
30/09/2018	BANK#A	CON#A	INS#1	BANK#A	Creditor
30/09/2018	BANK#A	CON#A	INS#1	BANK#A	Servicer
30/09/2018	BANK#A	CON#A	INS#1	DEB#1	Debtor

Upon the true sale of the asset, FVC#X assumes the role of creditor of the instrument, while Bank#A ceases to act as creditor as reflected in Table 32.

Table 31 Indication of the financial dataset after the transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
31/10/2018	BANK#A	CON#A	INS#1	50,000.00	50,000.00

Table 32 Indication of the counterparty-instrument dataset after the transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
31/10/2018	BANK#A	CON#A	INS#1	FVC#X	Creditor
31/10/2018	BANK#A	CON#A	INS#1	BANK#A	Servicer
31/10/2018	BANK#A	CON#A	INS#1	DEB#1	Debtor
31/10/2018	BANK#A	CON#A	INS#1	BANK#A	Originator

In this case, Bank#A continues servicing the instrument and, in light of the fact that FVC#X is not an observed agent, Bank#A continues the reporting even after the transfer of the instrument, with the transferred amount indicating that the entire outstanding nominal amount has been transferred to the FVC.

Any payment received after the transfer affects both the outstanding nominal amount and transferred amount. For example, Table 33 gives an illustration of how a payment by Deb#1 of €1,000 on 29 November is reflected in both amounts.

Table 33 Indication of the financial dataset after the transfer with payments received

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
30/11/2018	BANK#A	CON#A	INS#1	49,000.00	49,000.00

Bank#A continues to report the instrument as long as it meets the general criteria for reporting (including the threshold of €25,000 commitment of the debtor). The FVC, which is not an observed agent, does not report the instrument to AnaCredit at all, not even after the transfer.

Subsequently, Example 19 illustrates the reporting in the case of a loan which has been partially transferred to an FVC in a securitisation transaction where the observed agent does not split the instrument upon transfer.

Example 19: Loan which has been partially transferred to an FVC in a securitisation transaction – bank does not split the instrument upon transfer

Credit institution Bank#A extends a loan Ins#1 to debtor Deb#1 on the basis of contract Con#A. On 15 October, Bank#A transfers 40% of the loan to an FVC (FCV#X) in traditional securitisation.

For reporting purposes, Bank#A does not split the transferred instrument. Throughout the observed time period, Bank#A acts as servicer of the loan. From the perspective of Bank#A as an observed agent, the reporting of the data is illustrated in Table 29 and Table 30 above (the situation before the transfer) and in Table 34 and Table 35 below, where after the transfer Bank#A still considers Ins#1 as one instrument.

Table 34 Indication of the financial dataset after the partial transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
31/10/2018	BANK#A	CON#A	INS#1	50,000.00	20,000.00

Table 35 Indication of the counterparty-instrument dataset after the partial transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
31/10/2018	BANK#A	CON#A	INS#1	BANK#A	Creditor
31/10/2018	BANK#A	CON#A	INS#1	BANK#A	Servicer
31/10/2018	BANK#A	CON#A	INS#1	DEB#1	Debtor
31/10/2018	BANK#A	CON#A	INS#1	FVC#X	Creditor
31/10/2018	BANK#A	CON#A	INS#1	BANK#A	Originator

Bank#A continues the reporting after the transfer as it continues to service the instrument, whereas FVC#X is not an observed agent. However, both the FVC and the bank act as creditor of Ins#1. The transferred amount specifies the part of the outstanding nominal amount which is not held by Bank#A (the originator) as it is held by the FVC.

Any payment received after the transfer affects the outstanding nominal amount and, depending on the securitisation contract, may also affect the transferred amount. For the purpose of this example, it is assumed that any payment received after the transfer affects both amounts proportionally. Consequently, payments are distributed pro rata in the transferred amount. For example, a payment by Deb#1 of €1,000 on 29 November 2018 is reflected in full in the outstanding nominal amount while only 40% of it (i.e. €400) affects the transferred amount. This is illustrated in Table 36.

Table 36 Outstanding and transferred amounts after the partial transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
30/11/2018	BANK#A	CON#A	INS#1	49,000.00	19,600.00

Bank#A continues to report the instrument as long as it meets the general criteria for reporting (including the threshold of €25,000 commitment of the debtor). The FVC, which is not an observed agent, does not report the instrument to AnaCredit at all, even after the transfer.

Example 20: Securitisation transaction – a loan partially transferred to an FVC – bank splits the instrument upon the transfer

On the basis of contract Con#A, Bank#A extends Ins#1 to debtor Deb#1. On 15 October, Bank#A transfers 40% of Ins#1 to an FVC (FVC#X) in a traditional securitisation.

For reporting purposes, Bank#A splits the partially transferred instrument into respective parts Ins#1#6 and Ins#1#4 which together replace the original instrument. Throughout the observed time period, Bank#A acts as servicer of the instrument as a whole.

From the perspective of Bank#A as an observed agent, the reporting of the data is illustrated in Table 29 and Table 30 above (the situation before the transfer) and in Table 37 and Table 38 below (after the transfer).

Table 37 Indication of the financial dataset after the partial transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
31/10/2018	BANK#A	CON#A	INS#1#6	30,000.00	0.00
31/10/2018	BANK#A	CON#A	INS#1#4	20,000.00	20,000.00

Table 38 Indication of the counterparty-instrument dataset after the partial transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
31/10/2018	BANK#A	CON#A	INS#1#6	BANK#A	Creditor
31/10/2018	BANK#A	CON#A	INS#1#6	BANK#A	Servicer
31/10/2018	BANK#A	CON#A	INS#1#6	DEB#1	Debtor
31/10/2018	BANK#A	CON#A	INS#1#4	FVC#X	Creditor
31/10/2018	BANK#A	CON#A	INS#1#4	BANK#A	Servicer
31/10/2018	BANK#A	CON#A	INS#1#4	DEB#1	Debtor
31/10/2018	BANK#A	CON#A	INS#1#4	BANK#A	Originator

Bank#A continues servicing both parts of the original Ins#1, and since FVC#X is not an observed agent, Bank#A reports two instruments in the instrument dataset. Ins#1#4 is the part of the instrument that is transferred (in which the FVC assumes the creditor's role) and is treated as a fully transferred instrument for which a transferred amount matching the outstanding nominal amount is reported. Meanwhile, Ins#1#6 is the part that is not transferred and therefore 0 is reported as the transferred amount.

For the purpose of this example, it is assumed that any payment received after the transfer affects both amounts proportionally. For example, a payment by Deb#1 of €1,000 on 29 November 2018 is taken pro rata and reduces the outstanding nominal amount of Ins#1#6 by €600 and the outstanding nominal amount of Ins#1#4 by €400. In relation to Ins#1#4, the payment is also reflected in the transferred amount. This is illustrated in Table 39.

Table 39 Outstanding and transferred amounts after the partial transfer

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
30/11/2018	BANK#A	CON#A	INS#1#6	29,400.00	0.00
30/11/2018	BANK#A	CON#A	INS#1#4	19,600.00	19,600.00

Bank#A continues to report the split parts of the original instrument as long as they together meet the general criteria for reporting. Because the FVC is not an observed agent, it does not report the instrument to AnaCredit at all, even after the transfer.

Transferred amount for sold instruments

The following examples serve as an illustration of how instruments transferred in a sale (other than securitisation) are reported under AnaCredit.

Revision mark: Example 21 (former Example 13) is updated in line with Q&A 2018/0009 and Q&A 2017/0003

In particular, Example 21 depicts how the transferred amount is reported for a non-performing loan that is sold (not securitised) to a third party and where the selling institution ceases to act as servicer of the loan after the sale.

Example 21: Sale of a non-performing loan to a third party (servicing stops)

Credit institution Bank#B extends a non-performing loan Ins#3 to debtor Deb#3 on the basis of contract Con#7. On 15 October Bank#B entirely sells off the loan to a third-party buyer (BUYER#T) for a fraction (i.e. 15%) of its nominal amount, and at the same time Bank#B writes off the remaining part of the loan. Bank#B ceases to act as servicer of the loan after the sale.

From the perspective of Bank#B as an observed agent, the reporting before the sale is analogous to the case illustrated in Example 18 above and is not shown here. After the sale, Bank#B acts as neither creditor nor servicer of Ins#3, but, owing to the fact that a write-off occurs, Bank#B reports Ins#3 until the end of the quarter (i.e. until 31 December 2018).

The obligation to report Ins#3 after the sale exists irrespective of whether or not the buyer is a credit institution and is triggered by extended quarter-end reporting (cf. Section 5.2.2 in Part I of the Manual). The reporting of the transferred amount and the accumulated write-offs in the extended period in the accounting dataset is presented in Table 40 and Table 41.

Table 40 Indication of the financial dataset after the sale

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
31/10/2018	BANK#B	CON#7	INS#3	0.00	Non-applicable[18]
31/11/2018	BANK#B	CON#7	INS#3	0.00	Non-applicable
31/12/2018	BANK#B	CON#7	INS#3	0.00	Non-applicable

Please note that at the moment of sale, BUYER#T acquires the ownership of the instrument and assumes the roles of creditor and servicer while Bank#B ceases to act as creditor. Consequently, as the instrument is considered non-existing from the seller's perspective, in accordance with Section 3.1.6.1, the counterparty-instrument dataset is not reported after the sale.

Bank#B continues reporting the instrument in the financial dataset until 31 December 2018, with the values as reported on 31 October 2018 being repeated as of 30 November and 31 December 2018. Thereafter, Bank#B stops reporting Ins#3.

Table 41 Indication of the accounting dataset after the sale

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Accumulated write-offs	Cumulative recoveries since default
31/12/2018	BANK#B	CON#7	INS#3	85,000.00	15,000.00

Accumulated write-offs, which are part of the accounting dataset, are reported only as of quarter-ends. Therefore, the information that €85,000 has been written off is reported to AnaCredit only as of 31 December 2018, as no reporting of the accounting dataset takes place for October and November. The cumulative recoveries since default are reported as of 31 December 2018 and amount to €15,000 (under the assumption that no additional recoveries were obtained before or after the sale of the instrument on 15 October 2018).

If Bank#B continues to service the instrument after the sale, then Bank#B would report the instrument beyond 2018, provided that BUYER#T is not a credit institution.

[18] The value "non-applicable" in this case is due to the general instructions on extended quarter-end reporting, cf. Section 5.2.2 in Part I of the Manual.

1 2 *Revision mark: the clarifications and the accumulated impairment amount in Table 45 (former Table 46) are updated in accordance with Q&A 2018/0049*

Conversely, Example 22 illustrates the reporting of a sold instrument from the perspective of the buyer.

Example 22: Purchase of a non-performing loan by an observed agent

In line with description of Example 21 above, on 15 October credit institution CI#2 purchases from Bank#B a non-performing loan (Loan#10) which was extended by Bank#B to debtor Deb#3 on the basis of contract Con#7. The purchase price amounts to a fraction (i.e. 15%) of the loan's outstanding nominal amount (€100,000 throughout the whole period considered). At the purchase date, CI#2 becomes the sole creditor and servicer of Loan#10, i.e. Bank#B ceases to act as servicer of the loan after the sale.

From the perspective of CI#2 as an observed agent, CI#2 reports Loan#10 irrespective of whether Bank#2 still reports the sold instrument to AnaCredit.

In particular, CI#2 reports the instrument dataset, with the difference between the outstanding nominal amount and the purchase price of the instrument at the purchase date being reported. This difference amounts to €85,000. This is illustrated in Table 42.

Table 42 Indication of the instrument dataset after the purchase

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Fair value changes due to changes in credit risk before purchase
31/10/2018	CI#2	CON#7	LOAN#10	85,000.00

Table 43 provides information about the outstanding nominal amount and the transferred amount (0) and Table 44 about the counterparties involved in the instrument. While the instrument dataset is – as long as no changes occur – reported only as of 31 October, both the financial and the counterparty-instrument datasets are reported (with the same values) also in November and December (not shown).

Table 43 Indication of the financial dataset after the purchase

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
31/10/2018	CI#2	CON#7	LOAN#10	100,000.00	0.00

Table 44 Indication of the counterparty-instrument dataset after the purchase

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
31/10/2018	CI#2	CON#7	LOAN#10	CI#2	Creditor
31/10/2018	CI#2	CON#7	LOAN#10	CI#2	Servicer
31/10/2018	CI#2	CON#7	LOAN#10	DEB#3	Debtor

CI#2 recognises the loan in its balance sheet at its fair value at the acquisition date, which is equal to the acquisition price (€15,000), in conformity with the applicable accounting rules (assumed to be the IFRS). Note that since CI#2 has not incurred any impairment or write-off since the purchase, €0 is reported for both the accumulated impairment amount and the accumulated write-offs. This is illustrated in Table 45.

Table 45 Indication of the accounting dataset after the purchase

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Type of impairment	Accumulated impairment amount	Carrying amount	Accumulated write-offs
31/12/2018	CI#2	CON#A	LOAN#10	Stage 3 (IFRS)	0.00	15,000.00	0.00

Please note that the accounting dataset is reported only as of quarter-ends.

4.4.4 Default status of the instrument

Definition: Identification of the default status of the instrument. Categories describing the situations in which an instrument can be described as being at default in accordance with Article 178 of Regulation (EU) No 575/2013.

This data attribute identifies instruments in default in accordance with the CRR.

Revision mark: a reference to the Guidelines on the application of the definition of default is added

For details on the definition of default, please refer to the European Banking Authority (EBA) Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013 (EBA/GL/2016/07).

Reporting qualification

This data attribute is reported unless the observed agent is not subject to capital requirements (i.e. it is a credit institution under Article 4(1)(1) of the CRR which is exempted from capital requirements under Article 2 of the CRD IV) and has been granted a derogation by the relevant NCB in accordance with Annex II to the AnaCredit Regulation. In cases of such derogations, the value “not required” is reported.

In addition, in relation to instruments where the reporting agent applies the definition of default in accordance with Article 178 of the CRR at the counterparty level rather than at the level of an individual instrument, the default status of the instrument is reported as “non-applicable” (cf. Section 10.4.1).

Values

1. Not in default – Instrument not in default in accordance with the CRR
2. Default because unlikely to pay – Instrument in default because the debtor is unlikely to pay in accordance with Article 178(1)(a) of the CRR but the instrument is not more than 90/180 days past due.
3. Default because more than 90/180 days past due – Instrument in default because the debt is more than 90/180 days past due in accordance with Article 178(1)(b) of the CRR but the debtor has not been classified as unlikely to pay.
4. Default because both unlikely to pay and more than 90/180 days past due – Instrument in default both because it is considered that the debtor is unlikely to pay and because the debt is more than 90/180 days past due in accordance with Article 178(1)(a) and (b) of the CRR.

General reporting instructions, specific cases and examples

The criteria to be applied for reporting this data attribute are the same as those used by the reporting agent for the calculation of the minimum capital requirement in accordance with the CRR.

If the default status is not assessed at the level of the instrument but at the level of the debtor, the value “non-applicable” is reported – refer to Example 37 through to Example 41 in Section 5.4.9 for more details. Please refer also to Chapter 10, which deals specifically with the default status of the counterparty.

Revision mark: editorial changes are applied

More specifically, only one of the four values listed above is reported for instruments whose default status is assessed at the instrument level. This is only possible for instruments that are classified as retail exposures for CRR purposes if the credit institution exercises the option provided by the last sentence of Article 178(1) of the CRR. In all other cases, where default is not defined at the level of the individual instrument but rather at the level of the counterparty (refer to Section 10.4.1), the value “non-applicable” is reported.

Please note that a special case arises if, in accordance with Article 178(1) of the CRR, the option to apply the definition of default at the level of an instrument is exercised only for a subset of instruments extended to a counterparty, while this option is not exercised for other instruments extended to the same counterparty. This scenario implies that default is assessed both at instrument and at counterparty level. For instruments that are assessed at the instrument level, the default status of the instrument is reported accordingly. However, for other instruments, for which the reporting agent applies the definition of default at the counterparty level, the data attribute “default status of the instrument” is reported as “non-applicable”. For an extensive example regarding the interrelation of the data attributes “default status of the instrument”, “default status of the counterparty” and “performing status of the instrument” in this complex situation, please refer to Section 5.4.9.

The default status of the instrument/counterparty may change after the moment on which a default actually started (e.g. from “unlikely to pay” to “90 days past due”, or both). In this connection, note that the data attribute “cumulative recoveries since default” is calculated taking into account the beginning of the default status – in other words, all recoveries are accounted for over the actual duration of a default, which spans the period between the moment the default actually started and the moment at which it ended, as opposed to when it was updated for the last time.

Moreover, the number of days past due at a given reporting reference date for all instruments (including instruments in default) is captured by the data attribute “date of past due for the instrument” (or for other instruments of the same debtor).

4.4.5 Date of the default status of the instrument

Definition: The date on which the default status, as reported in the data attribute “default status of the instrument”, is considered to have occurred

This data attribute identifies the date on which the default status of the instrument in accordance with the CRR was changed/applied.

Reporting qualification

This data attribute is fully synchronised with the data attribute “default status of the instrument”. Accordingly, this data attribute is reported as “non-applicable” wherever the corresponding data attribute “default status of the instrument” is reported “non-applicable”.

In particular, “non-applicable” is reported if a reporting agent does not apply the definition of default at the level of an individual instrument.

If the observed agent is not subject to capital requirements under the CRR, and the reporting agent has been granted a derogation by the respective NCB, and the “default status of the instrument” is hence “not required”, then the value reported for the “date of the default status of the instrument” is consequently also “not required”.

For details regarding the reporting qualification of the default status of the instrument, please refer to Section 4.4.4 above.

Values

Unless reported as “non-applicable” or “not required”, a date is reported indicating the day on which the default status of the instrument as reported in the corresponding data attribute has occurred. In particular, the reported date is not later than the reporting reference date.

General reporting instructions, specific cases and examples

As regards instruments for which the value in the data attribute “default status of the instrument” is “not in default”, the date on which the instrument is considered to have gone out of default is reported, provided that the instrument has been in default before.

Otherwise, if the instrument has never been in default in accordance with the CRR since its origination, the value in the data attribute “date of the default status of the instrument” is the inception date of the contract which gives rise to the instrument.

4.4.6 Arrears for the instrument

Definition: Aggregated amount of the principal, interest and any fee payment outstanding at the reporting date, which is contractually due and has not been paid (past due).

***Revision mark**: clarification is added that only the part of the outstanding nominal amount that is past due is reported in this attribute, unless the total outstanding nominal amount is past due*

This data attribute captures only the amount that is actually past due at a reporting reference date rather than the total outstanding nominal amount of an instrument, even though an instrument is deemed past due if only a part of the outstanding nominal amount is past due.

No materiality threshold has to be considered in order to report the amount in arrears.

Reporting qualification

This data attribute is always reported, i.e. there can be no derogations in respect of this data attribute.

Values

Amounts of arrears for the instrument are reported in euro.

General reporting instructions, specific cases and examples

If at the reporting reference date any payable amount of the instrument is past due, then a positive amount (i.e. larger than 0) is reported in this data attribute.

Revision mark: editorial changes are applied

An instrument is past due as of the reporting reference date if any amount arising under the instrument has not been (fully) paid on the date it was due (i.e. the date on which the amount should have been paid) and remains (fully or partially) unpaid at the reporting reference date.

Otherwise, if an instrument is not past due at the reporting reference date (i.e. when there is no single payment arising under the instrument that is past due at the reporting reference date), the value 0 is reported.

The data attribute “arrears for the instrument” only takes into account the amounts in arrears (i.e. those that are contractually due but have not been paid) at a reporting reference date relating to the instrument.

The amount of arrears of the instrument is the part of the nominal outstanding amount that is legally past due. It includes principal, interest, penalty fees and other fees charged to the instrument and claimable expenses that are due under the terms and conditions of the contract and are pending collection on the reporting reference date.

The amount in arrears does not include any accrued interest because accrued interest amounts are not past due.

Revision mark: further clarifications are included in line with Q&A 2017/0010

The amount in arrears for the instruments is reported regardless of whether the amount has been transferred or not. However, in the case of a partially transferred instrument, where both the transferor and the transferee are observed agents, the amount of arears which corresponds to the part being held by a specific observed agent is reported by that observed agent.

Whether or not a (partial) transfer of an instrument includes the transfer of the arrears (and to what extent) depends on provisions of the contract between the parties involved in the transfer. This means in particular that if, for example, the contract between two observed agents states that only one of them bears the full amount of arrears, this has to be reflected in the reported data. In cases where the arrears are shared between the observed agents (e.g. pro rata), the amount in arrears corresponding to their share of the instrument is reported.

Revision mark: the clarifications are adjusted in line with Q&A 2018/0038 concerning Case 13(2)

If a positive amount is reported in the data attribute "arrears for the instrument" (i.e. the arrears for the instrument are greater than zero), the data attribute "date of past due for the instrument" is reported as well (i.e. it cannot take on the value "non-applicable"), indicating the earliest date since when an amount has remained unpaid under the instrument for an uninterrupted period until at least the reporting reference date.

Overdrafts with no credit limit are generally immediately payable and are therefore in arrears as soon as debit balances arise, unless a different scheme agreed by the counterparties involved applies.

4.4.7 Date of past due for the instrument

Definition: The date on which the instrument became past due in accordance with Part 2.96 of Annex V to the amended Implementing Regulation (EU) No 680/2014. This is the latest such date prior to the reporting reference date and it is to be reported if the instrument is past due on the reporting reference date.

According to the amended ITS (Part 2, paragraph 96, of Annex V), financial assets qualify as past due when counterparties have failed to make a payment when contractually due. Note that past due occurs as soon as the instrument is not paid at the payment due date.

Reporting qualification

This data attribute is always reported, i.e. there can be no derogations in accordance with Article 7 of the AnaCredit Regulation in respect of this data attribute.

Please note that a date is reported if at the reporting reference date the instrument is past due. Otherwise, if an instrument is current and the amount in arrears is 0 (as opposed to past due when the amount in arrears is larger than 0) at the reporting reference date, the date of past due for the instrument is reported as "non-applicable".

Values

Revision mark: further clarifications are included concerning the date of past due for the instrument

Unless "non-applicable" is reported, the date reported in this data attribute is the date on which the instrument became past due and since which an amount has remained unpaid under the instrument for an uninterrupted period of time until at least the reporting reference date.

General reporting instructions, specific cases and examples

Revision mark: further clarifications are included concerning the date of past due for the instrument

If a positive amount is reported in the data attribute "arrears for the instrument" (i.e. arrears for the instrument are greater than zero), the data attribute "date of past due for the instrument" is reported as well (i.e. it cannot hold the value "non-applicable"),

indicating the date since when the instrument has been in arrears for an uninterrupted period until at least the reporting reference date.

No materiality threshold is considered in establishing whether any amount arising under the instrument is due at the reporting reference date.

Revision mark: clarification is added that past due may also arise at the reporting reference date

Consequently, if the instrument is past due at the reporting reference date, a date on or prior to the reporting reference date is reported.

By contrast, if the instrument is not past due at the reporting reference date (i.e. when the amount in the data attribute "arrears for the instrument" is reported as zero), then the data attribute "date of past due for the instrument" is reported as "non-applicable".

If the amount of arrears for the instrument is reduced to zero, the date of past due for the instrument is reset to "non-applicable".

Revision mark: Example 23 is expanded with further clarifications concerning the date of past due

For an illustration of how the date of past due should be determined, consider the following example.

Example 23: Past due instrument

An instrument is not past due on 2 September. However, a payment is contractually required to be received on 3 September, and as no payment is received on that date, the instrument becomes past due on 3 September. It remains so until 10 September, when the pending payment is made and the instrument ceases to be past due. However, as a payment which is contractually expected to be received by 21 September is not made by then, the instrument again becomes past due on 21 September and remains so from that date until at least 1 October.

As of 30 September, the amount remains unpaid, so the instrument is considered past due, and the date of past due for the instrument at this reporting reference date is 21 September, which is in fact the date on which the instrument became past due.

In October, a payment which is contractually expected to be received by 10 October is not made by then. Therefore, the amount past due increases, but the date of past due for the instrument is still 21 September, because it is the earliest date since when, for an uninterrupted period, there have been unpaid amounts.

Finally, if later on the creditor only receives the payment that was due by 21 September (but receives no payment that was due by 10 October), the instrument is still considered past due and the date of past due is still 21 September. However, the amount past due decreases.

This data attribute is fully aligned with the data attribute "arrears for the instrument", which defines the amount irrespective of any materiality thresholds or alike and takes into account any amount that is past due (such as aggregate amount of principal (if past due), interest due and any fee payment outstanding at the reporting date, which is contractually due and has not been paid).

In addition, please note the following clarifications:

- for deposit accounts and reciprocal accounts included in "deposits other than reverse repurchase agreements", unlimited overdrafts and other call loans, the

date is either the date of the observed agent's first demand for reimbursement or the first whole or partial settlement of unpaid interest, whichever occurred first;

- for loans arising from off-balance-sheet exposures (amounts recorded as assets on the balance sheet as a result of default by counterparties in relation to an off-balance-sheet exposure such as an unsettled transaction in derivatives), the date is the date of the first default by the transaction counterparty (for example, the date of the first non-payment of a guaranteed loan or of the commissions payable by the guarantor) that resulted in amounts pending resolution by the counterparty or its guarantors being recorded in respect of the asset on the reporting reference date, irrespective of whether the observed agent's cash disbursement date is later;
- for trade receivables, the date is the maturity of the first unpaid document pending collection;
- in the case of revolving instruments (such as a credit limit in a current account) where the credit limit is exceeded by an amount and the contract stipulates that in such cases the excess amount is immediately due, the date on which the excess occurred is the date of past due;
- however, in the case of revolving instruments for which the agreed credit limit is exceeded by an amount but the contract does not stipulate that in such cases it is immediately past due (but rather requires that such an excess is paid off by a specific future date), the instrument is not past due unless the excess is not paid by the specific date.

Revision mark: the paragraph is expanded with further clarifications concerning the date of past due

"Past due" for an instrument describes the status of any contractual payments relating to the instrument. Specifically, according to the definition of past due, an instrument is considered past due when the debtor (or debtors or guarantors if relevant) has failed to make any payment in relation to the instrument (being the principal, interest or a fee payment) when the payment is contractually due. This means that past due occurs as soon as the instrument is unpaid on the date that it was contractually due (as opposed to 30, 60 or 90 days past due – in which case the instrument is typically considered in default). Whether an amount is past due is assessed no later than on the next day after it was due.[19] For instance, if an amount is due on 30 March (at the end of the day) but not paid, the date of past due is reported as "31 March" as of the reporting reference date of 31 March.

In relation to the past due status of the instrument, the reporting agents report the date on which the instrument became past due – this is the data attribute "date of past due for the instrument". The number of days past due can then be computed by comparing this date (on which the past due occurred) with the reporting reference date. For an illustration of how the amount in arrears is computed, please refer to the following example.

[19] Intraday assessment is also possible, for example, if an amount is contractually due at 12 noon and it is not paid before or at 12 noon, it is past due immediately after 12 noon. In this is case, by convention, the instrument is already one day past due at the end of the day.

Example 24: Past due and amounts in arrears

On 31 December 2019, the total debt under an instrument amounts to €100. The debtor was expected to pay the principal amount of €10 and the interest amount of €5 by 15 December 2019 but failed to do so (and still has not done so by 31 December 2019). The instrument is therefore considered to be past due (as of 31 December 2019) with the date of past due for the instrument being 15 December 2019.

Furthermore, as regards the past due status of the instrument, under the data attribute "arrears for the instrument" the reporting agent reports only the amount that is past due (as opposed to the total debt amount of the instrument).

Consequently, the arrears for the instrument to be reported as of 31 December 2019 amount to €15 = (the principal amount of €10 due and the interest amount of €5).

In addition, please note that if a loan of €250 principal with the maturity date of 30 November 2019 is not paid back by that date, and neither is the interest amount of €12, then, the outstanding nominal amount and the amount in arrears of the loan as of 1 December 2019 is €250 + €12 = €262, as both the principal and the interest are contractually due as of 30 November 2019.

The reason for reporting solely the amount that is past due and not the total debt of an instrument in arrears is that the unpaid amount itself (i.e. the arrears for the instrument) is a relevant piece of information and is worth specifying explicitly, while the total amount due of an instrument is captured in the outstanding nominal amount.

Again, for the sake of completeness, please note that the amount of €0 for "arrears for the instrument" is reported if the instrument is not past due at the reporting date.

4.4.8 Type of securitisation

Definition: Identification of the securitisation type, in accordance with Article 242(13) and (14) of Regulation (EU) No 575/2013.

This data attribute captures the type of securitisation, if any, to which the instrument has been subject.

Revision mark: further clarifications are added that securitisation is defined in accordance with the CRR

In AnaCredit, the data attribute "type of securitisation" is reported at the instrument level, indicating whether the instrument is subject to a tranched securitisation in accordance with the CRR.

Securitisations can be traditional or synthetic. In accordance with Article 242(13) of the CRR, a traditional securitisation means a securitisation involving the economic transfer of the exposures being securitised. This is accomplished by the transfer of ownership of the securitised exposures from the originator institution to an FVC or through sub-participation by an FVC. The securities issued by the FVC do not represent payment obligations of the originator institution.

By contrast, in accordance with Article 242(14) of the CRR, a synthetic securitisation means a securitisation where the transfer of risk is achieved by the use of credit

derivatives or guarantees, and the exposures being securitised remain exposures of the originator institution.

For more guidance regarding the reporting of instruments subject to securitisation, please refer to Chapter 6 in Part III of the Manual, which deals specifically with this subject.

Reporting qualification

This data attribute is always reported, i.e. there can be no derogations in accordance with Article 7 of the AnaCredit Regulation in respect of this data attribute.

Values

1. Traditional securitisation: instrument which is securitised in a traditional securitisation
2. Synthetic securitisation: instrument which is securitised in a synthetic securitisation
3. Not securitised: instrument which is not securitised either in a traditional or synthetic securitisation

General reporting instructions, specific cases and examples

Note that if the value “traditional securitisation” is reported in the data attribute “type of securitisation”, a positive amount is reported in the data attribute “transferred amount”.

Note also that if the value “synthetic securitisation” is reported in this data attribute:

a) the value in the data attribute “balance sheet recognition” is not reported as “entirely derecognised”;

b) the fact that the instrument is subject to a synthetic securitisation does not affect the amount reported under the data attribute “transferred amount (i.e. if prior to the securitisation the transferred amount was zero, it is also reported as zero upon securitisation);

c) the observed agent reports the instrument in the instrument-protection received dataset and the protection received (i.e. the securitisation transaction) in the protection received dataset.

If an instrument is sold to a third party in a manner other than by a securitisation transaction, and the observed agent retains the servicing rights of the instrument, the value in the data attribute “type of securitisation” is “not securitised”. However, a positive value is reported in the data attribute “transferred amount”.

Please note that an instrument subject to securitisation is not marked as a fiduciary instrument. However, in certain circumstances where fiduciary instruments may be subject to securitisation, such fiduciary instruments are marked as securitised.

For more information regarding instruments subject to securitisation, please refer to Chapter 6 in Part III of the Manual which deals specifically with this subject.

4.4.9 Outstanding nominal amount

Definition: Principal amount outstanding at the end of the reporting reference date, including unpaid past due interest but excluding accrued interest. The outstanding nominal amount must be reported net of write-offs and write-downs as determined by the relevant accounting practices.

Broadly speaking, the outstanding nominal amount of an instrument at a given reporting reference date sums up the payments by or to the debtor which have been made vis-à-vis the instrument in the period from the origination of the instrument until the reporting reference date.

Reporting qualification

This data attribute is always reported, i.e. there can be no derogations in accordance with Article 7 of the AnaCredit Regulation in respect of this data attribute.

Values

The outstanding nominal amount is reported in euro.

General reporting instructions, specific cases and examples

Please note that for all instruments subject to AnaCredit reporting, the outstanding nominal amount is reported without netting of any collateral, even in the case of 100% cash-backed instruments.

Please note that any due interest, penalty fees or other fees charged to the instrument and claimable expenses due are included in the outstanding nominal amount, irrespective of whether or not they are past due.

In particular, the outstanding nominal amount of an instrument includes the following items when the amounts are pending collection at the reporting reference date and have not been written-off:

- principal not yet past due arising under the instrument;
- principal past due arising under the instrument;
- any unpaid interest past due relating to the instrument;
- any unpaid penalty fees or other fees charged to the instrument;
- claimable expenses past due and called in relation to the instrument that are due under the terms and conditions of the contract.

Please note that with the exception of any principal not yet due at the reporting reference date, the remaining four types of amounts referred to above are amounts due which account for the instrument being past due and are therefore added together and reported in the data attribute “arrears for the instrument” at the reporting reference date.

Claimable expenses that occur in relation to the instrument are included in the outstanding nominal amount. In particular, if claimable costs are incurred in the process of debt collection in relation to an instrument, these costs are reported as part of the instrument in relation to which they have been incurred (i.e. they are included in the outstanding amount if not paid off). In no case are such costs reported as a separate, newly originated loan.

The outstanding nominal amount does not include:

- accrued interest, as this is not to be added to the outstanding amount;
- any amounts written off, as these are to be deducted from the outstanding nominal amount;
- any amounts of protection, as these amounts do not reduce the outstanding nominal amount (e.g. cash collateralised instruments).

With regard to the relationship between the outstanding nominal amount and the accumulated impairments/accumulated changes in fair value due to credit risk, the outstanding nominal amount is reported using the gross amount, i.e. the outstanding nominal amount is not to be affected (reduced) by impairments or changes in fair value.

In other words, under AnaCredit, reporting net of impairments is not allowed (even if it is done so by all reporting monetary financial institutions in a given country for the purposes of the balance sheet statistics under Regulation (EU) No 1071/2013 (ECB/2013/40). Please note, however, that at the present stage of AnaCredit the outstanding nominal amount is to be net of any write-offs made in relation to the instrument.

In the case of instruments acquired by an observed agent, it is the amount that the debtor is contractually obliged to repay that is reported as the outstanding nominal amount, as opposed to the amount actually paid by the observed agent (acquisition price).

With regard to the relationship between the outstanding nominal amount and the transferred amount, the outstanding nominal amount includes the transferred amount as reported in the data attribute “transferred amount”. In particular, the data attribute “outstanding nominal amount” also includes any amounts whose ownership has been transferred to a third party and, consequently, the outstanding nominal amount is not less than the amount reported in the data attribute “transferred amount”.

If an entire instrument, or a part of an instrument, were transferred to a credit institution resident in a reporting Member State, the new creditor would have to report the entire outstanding nominal amount or the part of the outstanding nominal

amount that it had acquired. Therefore, the transferor would not report this amount in accordance with Article 4 of the AnaCredit Regulation.

Accrued interest is not part of the outstanding nominal amount

***Revision mark**: a further clarification is added concerning accrued interest in the case of zero-coupon instruments*

As regards the separate reporting of any accrued interest in the data attribute ”accrued interest”, please note that, for example, in the case of zero-coupon instruments, such as reverse repurchase agreements or trade receivables purchased at a discount, the nominal outstanding amount is in principle not the amount actually disbursed to the debtor, as the outstanding nominal amount is normally adjusted to exclude the accrued interest. In fact, accrued interest represents the difference which is realised between the amount which was disbursed to the debtor (the nominal value) and the face value of the zero coupon instrument is interpreted as an interest payment (to be accrued over time at a constant interest rate between the settlement date and the maturity date). At the moment of maturity, the accrued interest is considered realised (i.e. it becomes interest due and, if not paid off, is added to the outstanding nominal amount).

For an illustration of the relationship between the outstanding nominal amount and the accrued interest, refer to Example 25 and Example 26 in Section 4.4.11, which deals specifically with the data attribute “accrued interest”.

Concerning the reporting in the case of a change in contract which leads to an increase in the outstanding nominal amount as a result of additional funds being disbursed to the debtor (i.e. for increases other than unpaid interest or claimable expenses), it is clarified that such a change qualifies as a renegotiation for commercial reasons and is to be marked accordingly in the data attribute “status of forbearance and renegotiation”.

As regards the relationship between the type of instrument and the outstanding nominal amount, please note that:

- in the case of revolving instruments (such as a credit card debt), the outstanding nominal amount of an instrument reported to AnaCredit may equal zero if no amounts have been withdrawn at the reporting reference date;
- by contrast, the outstanding nominal amount of instruments reported to AnaCredit which have no off-balance-sheet amount cannot be equal to zero at any reporting reference date. However, this does not apply to instruments which have been fully written off, as in such cases the outstanding nominal amount reported to AnaCredit is zero.

4.4.10 Off-balance-sheet amount

Definition: Total nominal amount of off-balance-sheet exposures. This includes any commitment to lend before considering conversion factors and credit risk mitigation techniques. It is the amount that best represents the institution's maximum exposure to credit risk without taking into account any protection held or other credit enhancements.

The off-balance-sheet amount of an instrument is the undrawn amount available under the instrument.

An amount larger than 0 is reported if the instrument's outstanding nominal amount may be increased by drawings by the debtor or disbursement to the debtor in accordance with the provisions of the contract, without the need for changing the contract or other credit enhancements. In such cases, the off-balance-sheet amount is the total amount that can be still drawn under this instrument in addition to the outstanding nominal amount so that the commitment amount (the credit limit, if relevant) is not exceeded.

If the outstanding nominal amount exceeds the amount which was committed in accordance with the contract under the instrument, the off-balance-sheet amount to be reported is €0.

Otherwise, if no amount can be drawn by or disbursed to the debtor without contractual changes, the off-balance-sheet amount of the instrument is reported as "non-applicable", i.e. there is no undrawn amount available under the instrument in accordance with the contract.

Reporting qualification

This data attribute is always reported, i.e. there can be no derogations in accordance with Article 7 of the AnaCredit Regulation in respect of this data attribute.

Values

Off-balance-sheet amounts are reported in euro.

General reporting instructions, specific cases and examples

The off-balance-sheet amount is the available undrawn amount of the instrument at the reporting reference date.

The off-balance-sheet amount does not include any amount effectively withdrawn by or disbursed to the debtor.

For the following types of instrument as defined in Article 1(23) of the AnaCredit Regulation: credit card debt, revolving credits other than overdrafts and credit card debt, credit lines other than revolving credit and overdrafts with a credit limit, and trade receivables with recourse:

a) a positive amount is reported if there is any available amount at the reporting reference date that can be withdrawn vis-à-vis the instrument;

b) otherwise, zero is reported if there is no available amount, given that there had been an off-balance-sheet amount that could have been withdrawn vis-à-vis the instrument at the reporting reference date.

For example, for loans which have a fixed disbursement schedule (typically being credit lines other than revolving credit) where the total amount is disbursed to the debtor in a number of subsequent instalments (tranches) whose disbursement may or may not depend on additional conditions (such as progress of the project for which the financing is provided), the still-to-be disbursed amount is reported as the off-balance-sheet amount. Please note that as subsequent instalments are disbursed, the off-balance-sheet amount is adjusted (i.e. lowered) accordingly and is reported as 0 as soon as the total amount has been disbursed. For an illustration of the reporting in such cases, consider Example 6 in Section 3.4.1, which deals specifically with credit lines other than revolving credit.

For any other types of instrument, “non-applicable” is in principle reported in the data attribute “off-balance-sheet amount” as those instruments do not intrinsically link with an off-balance-sheet amount. For example, in the case of reverse repurchase agreements where funds are typically exchanged in a one-off transaction, the off-balance-sheet amount is “non-applicable”.

Revision mark: further clarifications regarding the reporting of off-balance-sheet amounts for instruments such as financial leases or reverse repurchase agreements are included in line Q&A 2018/0050

However, while for reverse repurchase agreements or financial leases (and some other types of instrument) “non-applicable” is in principle reported in the data attribute “off-balance-sheet amount”, exceptions are possible. Conversely, the statement that “non-applicable” is typically reported should not be interpreted as meaning that the off-balance-sheet amount should not be reported for reverse repurchase agreements or financial leases when there is one. For example, if financial leases, which can also be of a revolving nature, are part of a credit cross-limit, the data attribute “off-balance-sheet amount” for the financial leases should be reported following the general guidance applicable to off-balance-sheet amounts for cross-limits.

For guidance regarding the reporting of off-balance-sheet amount in the case of instruments under a credit cross-limit (such as multi-product credit lines), please refer to Chapter 3 in Part III of the Manual, which specifically deals with the subject.

4.4.11 Accrued interest

Definition: The amount of accrued interest on loans at the reporting reference date as defined in Regulation (EU) No 1071/2013 (ECB/2013/33). In accordance with the general principle of accruals accounting, interest receivable on instruments should be subject to on-balance sheet recording as it accrues (i.e. on an accruals basis) rather than when it is actually received (i.e. on a cash basis).

AnaCredit requires that interest is recorded on an accruals basis for the instrument to which it relates.

Reporting qualification

The accrued interest attribute is mandatory except if the observed agent is a foreign branch that is not resident in a reporting Member State and has been granted a derogation by the relevant NCB in accordance with Article 7 of the AnaCredit Regulation.

Values

Amounts of accrued interest are reported in euro.

General reporting instructions, specific cases and examples

This data attribute is in principle reported in accordance with the applied accounting standard when the instrument is recognised as an asset on the balance sheet. In this case, the accrued interest is calculated according to the relevant accounting standard.

Please note, however, that this data attribute is also reported in cases of no accrued interest in accordance with the accounting standard.

In particular, when the instrument is not recognised in the balance sheet (e.g. in the case of instruments in relation to which the observed agent is the servicer but not the creditor), the accrued interest is calculated according to the contractual agreements.

The accrued interest is reported for all instruments irrespective of whether they are measured at amortised cost or at fair value in the financial statements.

***Revision mark**: further clarifications are included in line with Q&A 2018/0040*

As regards the reporting of accrued interest in the case of trade receivables, please note the following:

- the data attribute “accrued interest” is non-applicable in the case of non-recourse trade receivables;
- in the case of trade receivables with recourse where the exposure is to the factoring client, the accrued interest is reported in accordance with Annex IV to the AnaCredit Regulation.

For more information regarding trade receivables, refer to Section 5.4.12 in Part III of the Manual.

For an illustration of how this data attribute is reported in the case of an interest-only loan, please consider the following example.

Example 25: The relationship between accrued interest and outstanding nominal amount in the case of an interest-only instrument

On 29 April 2016, observed agent OA#1 extends a loan (Loan#2) of €250,000 to debtor Dbtr#2. In accordance with the contract (Cntrct#A), the debtor will repay only interest on a monthly basis and will repay the principal on 30 April 2024.

The reporting of the outstanding nominal amount and the accrued interest in the period between September and December 2018 is illustrated in Table 46. In this period, the applied interest rate is 3% per annum. The interest accrues monthly and is payable on the 10th day of each month. The debtor makes the interest payments on time.

Table 46 Outstanding nominal amount and accrued interest in the financial dataset

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Accrued interest
30/09/2018	OA#1	CNTRCT#A	LOAN#2	250,000.00	625.00
31/10/2018	OA#4	CNTRCT#A	LOAN#2	250,000.00	625.00
30/11/2018	OA#4	CNTRCT#A	LOAN#2	250,000.00	625.00
31/12/2018	OA#4	CNTRCT#A	LOAN#2	250,000.00	625.00

Given the fact that Dbtr#2 pays in the year 3% interest rate on €250,000, the monthly interest payments amount to €625. Since the interest is paid monthly, the outstanding nominal amount remains unchanged over the entire period considered.

This data attribute is also reported in cases where there is no explicit interest rate.

For instruments with no explicit interest rate, accrued interest represents the difference which is realised between the amount which was disbursed to the debtor (nominal value) at a moment in time *t* and the value that was paid back by the debtor at a moment *t* + x (i.e. at the maturity, the accrued interest is considered realised and is added to the nominal value).

Example 26: The relationship between accrued interest and outstanding nominal amount in the case of a disagio

On 30 September 2018, observed agent OA#4 cashes €97,000 to Debtor#U. In accordance with the contract (Cntrct#1), the debtor will repay €100,000 on 1 January 2019. The instrument is identified with disagio#1 subject to AnaCredit reporting. The instrument is reported for four consecutive reporting reference dates.

The reporting of the outstanding nominal amount and the accrued interest is illustrated in Table 47.

Table 47 Outstanding nominal amount and accrued interest in the financial dataset

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Accrued interest
30/09/2018	OA#4	CNTRCT#1	DISAGIO#1	97,000.00	0.00
31/10/2018	OA#4	CNTRCT#1	DISAGIO#1	97,000.00	1,000.00
30/11/2018	OA#4	CNTRCT#1	DISAGIO#1	97,000.00	2,000.00
31/12/2018	OA#4	CNTRCT#1	DISAGIO#1	97,000.00	3,000.00

Given that over the entire tenor of the instrument the total interest charge amounts to €3,000 and (in this example, for simplification) the interest is accrued proportionally to the time elapsed (instead of financially), with the total interest becoming payable on 1 January 2019, the following holds:

- On 30 September (i.e. at time = 0), the outstanding nominal amount is exactly €97,000, and no interest is accrued yet.
- On 31 October, (i.e. at time = 1/3), the outstanding nominal amount is still €97,000, and 1/3 of the total interest is accrued; this amounts to €1,000.
- On 30 November, (i.e. at time = 2/3), the outstanding nominal amount is €97,000, and another 1/3 of the total interest is accrued; this now amounts to €2,000.
- On 31 December, (i.e. at time = 3/3), the outstanding nominal amount is €97,000, and a further 1/3 of the total interest is accrued, resulting in €3,000 of accrued interests.
- On 1 January 2019, the accrued interest becomes due and is capitalised (i.e. is added to the outstanding nominal amount).

Revision mark: editorial changes are applied; a reference to Part III is added concerning accrued interest in the case of trade receivables

In particular, for specific types of instrument, such as, but not limited to, zero coupon instruments, the accrued interest amount at the date of maturity of the instrument represents the difference between the price which was paid in order to acquire the debt instrument (which is then captured in the "outstanding nominal amount" and "carrying amount" data attributes of AnaCredit) and the face value ultimately capitalised at the date of maturity. Other examples include trade receivables where the accrued interest on the maturity date is the difference between the face values of the receivables and the payment amount (for an illustration of the reporting of accrued interest in the case of trade receivables, please refer to Example 20 in Section 5.4.12 in Part III of the Manual). Please note that the difference is reported in the data attribute "accrued interest" as if it had been accrued at a constant rate over the period of time between the acquisition date and the maturity date.

Revision mark: further clarifications are added in line with Q&A 2018/0004

Please note that accrued interest is not included in the outstanding nominal amount. However, accrued interest becomes payable at a certain point in time, and, if it is not paid, it becomes interest due, which is included in the outstanding nominal amount.

This in particular regards instruments originated at a discount or zero-coupon instruments where the difference between the outstanding nominal amount of the instrument and the amount received by the debtor is considered as an interest payment.

Please note that AnaCredit and FINREP requirements are consistent as regards the need to record interest on an accruals basis.

This amount is reported even if the instrument has been transferred or derecognised.

Interest is recorded on an accruals basis for the instrument to which it relates. Consequently, the accrued interest relates to the outstanding nominal amount(s) over a specific period of time, irrespective of whether or not any part of the instruments has been transferred to another creditor (other than a resident credit institution).

Please note that the difference between the nominal amount of the instrument and the amount received by the customer (i.e. the “disagio”) is considered as an interest payment at the start of the contract and is reported in this attribute as it is accrued.

In this respect, the following general rules need to be considered.

- In the case of instruments that have no interest payments and are issued at a considerable discount to par value (for example, zero coupon instruments issued at discount), most of the discount represents the equivalent of the interest accrued during the life of the instrument.
  Thus, for zero coupon instruments, the difference between the face value and the purchase price is reported as the accrued interest, taking into account the fact that at the moment of purchase the accrued interest amounts to 0 and accrues over time to reach the difference between the face value and the purchase price at the maturity date.
- Similarly, for purchased receivables the difference between the face values of the receivables and the payment amount can be interpreted as the interest payment (to be accrued over time between the settlement date and the maturity date).

***Revision mark**: clarifications are included concerning periodically payable interest*

Unless capitalised earlier, the accrued interest is considered realised at the maturity of the instrument and is added to the outstanding nominal value (if it is not paid).

If interest is payable periodically (e.g. monthly), the interest accrual starts anew in the subsequent period. The interest is added to the outstanding nominal amount if it is not paid when it is due.

5 Accounting dataset

5.1 General aspects

The primary goal of the accounting dataset is to describe the development of the instrument in accordance with the relevant accounting standard. In addition, the dataset also includes data attributes that are at present required by other reporting frameworks (i.e. FINREP) with the same timeliness and granularity (e.g. performing status, sources of encumbrance, status of forbearance and renegotiation).

For certain data attributes of the accounting dataset, a value “non-applicable” is reported if the instrument is not an asset of the observed agent, owing to the fact that no actual assignment to any of the reporting values can be made. This includes, for example, cases of fully derecognised loans being serviced according to Annex II to the AnaCredit Regulation. For details on each data attribute and the reporting specifics, please consider the dedicated sections of this chapter.

For intracompany loans, the same data attributes of the accounting dataset are reported as for the “fully derecognised instruments being serviced” defined in Table I in Annex II to the AnaCredit Regulation. For the non-relevant data attributes a value of “non-applicable” is reported.

5.1.1 Accounting standard to be followed

The AnaCredit Regulation requires that the data be reported following the accounting standard of the observed agent’s legal entity.

In particular, if the observed agent’s legal entity is subject to Regulation (EU) 2015/534 (ECB/2015/13), the data are reported in accordance with the accounting standard – International Financial Reporting Standards (IFRS) or national generally accepted accounting principles (GAAP) – applied to fulfil the requirements under Regulation (EU) 2015/534 (ECB/2015/13) by the observed agent’s legal entity.

***Revision mark**: clarifications regarding the accounting standard to be followed are included in line with Q&A 2018/0041*

The accounting standard applied by foreign branches of credit institutions need not be the same as the accounting standard of the legal entity to which the foreign branch belongs. For example, banking laws in some reporting Member States prescribe that, at an unconsolidated (solo) level, the national GAAP have to be applied. This provision is also applicable to foreign branches resident in such Member States of credit institutions resident in any other country (irrespective of whether or not it is a reporting Member State), which means that the foreign branches apply the national GAAP of the reporting Member State even if the legal entity of which they form part and which is resident in another country applies IFRS at an unconsolidated level.

Notably, the accounting standard not only determines which instruments are assigned to which accounting portfolios, but also provides other relevant rules in

accordance with which the instrument is recognised in the balance sheet, the carrying amount is established, etc.

Consequently, in order to ensure that AnaCredit data of observed agents relating to the same reporting agent are reported according to the same accounting standard, the AnaCredit Regulation requires that the data be reported according to the accounting standard of the observed agent's legal entity.

However, when the observed agent is a foreign branch resident in a reporting Member State of a credit institution not resident in a reporting Member State, the applicable accounting standard is the accounting standard applied by the observed agent in the country in which it is resident, rather than the accounting standard applied by the legal entity to which the foreign branch belongs.

5.1.2 The reporting of accounting-related data in the case of partially transferred instruments

Revision mark: this paragraph is aligned with the clarifications provided in Section 4.4.11

The reporting of any accounting-related data (such as carrying amount, etc.) in the case of (partially) transferred instrument is restricted only to the part of the instrument (outstanding) which the observed agent recognises in its balance sheet. Please refer to Section 4.4.3 for more information on transferred instruments.

5.2 Level of granularity

The level of granularity for data included in this dataset is the instrument, and therefore each record is identified through the instrument identifier, the contract identifier and the identifier of the reporting and observed agent.

5.3 Reporting frequency

The accounting dataset is reported on a quarterly basis. This means that at a quarter-end reporting reference date the accounting dataset is reported for all instruments that are subject to AnaCredit reporting.

5.4 The accounting dataset – data attributes

This dataset applies for instruments reported in the financial dataset. For each instrument, the following data attributes are reported.

Table 48 Overview of data attributes in the accounting dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Contract identifier	√	String	2.1.2.4
Instrument identifier	√	String	2.1.2.5
Accounting classification of instruments		Code list	5.4.1
Balance sheet recognition		Code list	5.4.2
Accumulated write-offs		Amount in euro	5.4.4
Accumulated impairment amount		Amount in euro	5.4.5
Type of impairment		Code list	5.4.6
Impairment assessment method		Code list	5.4.7
Sources of encumbrance		Code list	5.4.3
Performing status of the instrument		Code list	5.4.9
Date of the performing status of the instrument		Date	5.4.10
Provisions associated with off-balance-sheet exposures		Amount in euro	5.4.11
Status of forbearance and renegotiation		Code list	5.4.12
Date of the forbearance and renegotiation status		Date	5.4.13
Cumulative recoveries since default		Amount in euro	5.4.14
Carrying amount		Amount in euro	5.4.16
Prudential portfolio		Code list	5.4.15
Accumulated changes in fair value due to credit risk		Amount in euro	5.4.8

5.4.1 Accounting classification of instruments

Definition: Accounting portfolio where the instrument is recorded in accordance with the accounting standard – IFRS or national GAAP – under Regulation (EU) 2015/534 (ECB/2015/13) applied by the observed agent's legal entity.

The data attribute "accounting classification of the instruments" contains information about the accounting portfolio in which the instrument is classified in accordance with the accounting standard – IFRS or national GAAP – under Regulation (EU) 2015/534 (ECB/2015/13) applied by the observed agent's legal entity.

Reporting qualification

This data attribute is reported for all instruments in the scope of AnaCredit. In particular, if an instrument is an asset in accordance with the accounting standard, then one of the values as listed below is reported. Note that the possible values of the data attribute depend on whether the accounting standard applied is the International Financial Reporting Standards or national Generally Accepted

Accounting Principles. Depending on the accounting standard, the values of other attributes, such as the carrying amount and accrued interest, may vary.

Otherwise, if an instrument is not an asset in accordance with the applied accounting standard, then the value "non-applicable" is reported.

***Revision mark**: the following values have been aligned with the amended ITS, taking into account the changes regarding IFRS 9*

Values for IFRS accounting portfolios and accounting portfolios under national GAAPs consistent with IFRS

1. *Cash balances at central banks and other demand deposits (IFRS)* – Cash balances at central banks and other demand deposits in accordance with IFRS-IAS 1.54 (i). This includes:
    - cash balances at central banks – balances receivable on demand at central banks (Part 2.2 of Annex V to the amended ITS);
    - other demand deposits – balances receivable on demand with credit institutions (Part 2.3 of Annex V to the amended ITS).
2. *Financial assets held for trading (IFRS)* – Financial assets held for trading in accordance with IFRS 7.8(a)(ii), IFRS 9, Appendix A and Part 1.15(a) of Annex V to the amended ITS.
3. *Non-trading financial assets mandatorily at fair value through profit or loss (IFRS)* – Non-trading financial assets mandatorily at fair value through profit or loss in accordance with IFRS 7.8(a)(ii), IFRS 9.4.1.4 and Part 1.15(b) of Annex V to the amended ITS.
4. *Financial assets designated at fair value through profit or loss (IFRS)* – Financial assets measured at fair value through profit and loss in accordance with IFRS 7.8(a)(i), IFRS 9.4.1.5 and Part 1.15(c) of Annex V to the amended ITS.
5. *Financial assets at fair value through other comprehensive income (IFRS)* – Financial assets measured at fair value through other comprehensive income due to business model and cash-flows characteristics in accordance with IFRS 7.8(d), IFRS 9.4.1.2A and Part 1.15(d) of Annex V to the amended ITS.
6. *Financial assets at amortised cost (IFRS)* – Financial assets measured at amortised cost in accordance with IFRS 7.8(h), IFRS 9.4.1.2 and Part 1.15(e) of Annex V to the amended ITS.

Note that IAS 39 portfolios are included here – the reason being that a country which had not adopted IFRS 9 and had implemented IAS 39 previously could still use the IAS 39 portfolios as a part of the national GAAP portfolios, and not within the IFRS accounting portfolios

Values for accounting portfolios under national GAAPs not consistent with IFRS 9/IAS 39

1. *Cash balances at central banks and other demand deposits (GAAP)* – Cash balances at central banks and other demand deposits in accordance with IFRS – IAS 1.54(i). This includes:
    a) cash balances at central banks – balances receivable on demand at central banks (Part 2.2 of Annex V to the amended ITS);

b) other demand deposits – balances receivable on demand with credit institutions (Part 2.3 of Annex V to the amended ITS).

2. *Trading Financial assets (GAAP)* – Trading financial assets in accordance with national GAAP based on Council Directive 86/635/EEC on the annual accounts and consolidated accounts of banks and other financial institutions (Banks Accounting Directive – BAD) (not consistent with IFRS 9/IAS 39), in accordance with Parts 2.16(a) and 2.17 of Annex V of the amended ITS.

3. *Non-trading non-derivative financial assets measured at fair value through profit or loss (GAAP)* – Non-trading non-derivative financial assets measured at fair value through profit or loss in accordance with national GAAP (not consistent with IFRS 9/IAS 39), in accordance with Part 2.16(b) of Annex V of the amended ITS.

4. *Non-trading non-derivative financial assets measured at fair value to equity (GAAP)* – Non-trading non-derivative financial assets measured at fair value to equity in accordance with national GAAP (not consistent with IFRS 9/IAS 39), in accordance with Part 2.16(c) of Annex V of the amended ITS.

5. *Non-trading debt instruments measured at a cost-based method (GAAP)* – Non-trading *non-derivative financial assets* measured using a cost-based method in accordance with national GAAP (not consistent with IFRS 9/IAS 39), in accordance with Parts 2.16(d) and 2.19 of Annex V of the amended ITS.

6. *Other non-trading non-derivative financial assets (GAAP)* – Other non-trading non-derivative financial assets in accordance with national GAAP (not consistent with IFRS 9/IAS 39), in accordance with Parts 2.16(e) and 2.20 of Annex V of the amended ITS.

Please note that the following accounting portfolios are not included in FINREP since 2018. However, they are kept in the Manual for information about how to report them in the new accounting portfolios of FINREP for entities applying national GAAPs

Values for accounting portfolios under national GAAPs consistent with IAS 39

1. *Cash balances at central banks and other demand deposits (GAAP)* – Cash balances at central banks and other demand deposits in accordance with IFRS – IAS 1.54(i). This includes:

   a) cash balances at central banks – balances receivable on demand at central banks (Part 2.2 of Annex V to the amended ITS);

   b) other demand deposits – balances receivable on demand with credit institutions (Part 2.3 of Annex V to the amended ITS).

2. *Financial assets held for trading (GAAP)* – Financial assets held for trading in accordance with national GAAP (consistent with IAS 39).

3. *Financial assets designated at fair value through profit or loss (GAAP)* – Financial assets designated at fair value through profit or loss in accordance with national GAAP (consistent with IAS 39).

4. *Available-for-sale financial assets (GAAP)* – Available-for-sale financial assets in accordance with national GAAP (consistent with IAS 39).

5. *Loans and receivables (GAAP)* – Loans and receivables in accordance with national GAAP (consistent with IAS 39).

6. *Held-to-maturity investments (GAAP)* – Held-to-maturity investments in accordance with national GAAP (consistent with IAS 39).

General reporting instructions, specific cases and examples

The accounting classification is closely linked with the data attributes regarding impairment and changes in fair value due to credit risk as well as the prudential portfolio. The table below provides an overview of the possible combinations of certain data attributes according to the accounting classification of instruments.

Please note that the table serves only as general guideline and exceptions may be possible in practice.

Table 49 Indication of certain relevant reporting combinations according to accounting classification

Accounting classification of instruments	Impairment	Accumulated changes in fair value due to credit risk	Prudential portfolio
Cash balances at central banks and other demand deposits	Possible	Possible	Non-trading book
Financial assets held for trading		Possible	Trading book
Non-trading financial assets mandatorily at fair value through profit or loss		Possible	Non-trading book
Financial assets designated at fair value through profit or loss		Possible	Non-trading book
Financial assets at fair value through other comprehensive income	Possible		Non-trading book
Financial assets at amortised cost	Possible		Non-trading book
Cash balances at central banks and other demand deposits	Possible	Possible	Non-trading book
Trading financial assets		Possible	Trading book
Non-trading non-derivative financial assets measured at fair value through profit or loss		Possible	Non-trading book
Non-trading non-derivative financial assets measured at fair value to equity	Possible	Possible	Non-trading book
Non-trading debt instruments measured using a cost-based method	Possible		Non-trading book
Other non-trading non-derivative financial assets	Possible		Non-trading book

5.4.2 Balance sheet recognition

Definition: Balance sheet recognition of the financial asset.

1 This data attribute classifies the reported instruments pursuant to their balance sheet
2 recognition in accordance with Annex III and Template 15 in Annex IV to the ITS.

Reporting qualification

3 This data attribute is always reported, i.e. there can be no derogations in respect of
4 this data attribute. More specifically, for any instrument reported in the financial
5 dataset, irrespective of the type of instrument, one of the following three values is
6 reported to AnaCredit.

Values

Entirely recognised

Definition: Instrument entirely recognised, in accordance with the amended Implementing Regulation (EU) No 680/2014.

7 This value is reported for instruments which are recognised for its total amount in the
8 balance sheet.

Recognised to the extent of the institution's continuing involvement

Definition: Instrument recognised to the extent of the institution's continuing involvement, in accordance with Annex III and IV Template 15 Cell M3 of the amended Implementing Regulation (EU) No 680/2014.

Revision mark: a reference to IFRS 9 is added

9 This value is reported if (a part of) the instrument is recognised in the balance sheet
10 to the extent of the observed agent's legal entity continuing involvement in
11 accordance with paragraphs 3.2.6(c)(ii) and 3.2.16 of IFRS 9.

Revision mark: further clarifications are included in line with Q&A 2018/0042

12 This value is reported when the instrument has been fully or partially transferred and
13 the observed agent neither transfers nor retains substantially all the risks and
14 rewards of ownership of the transferred instrument, and it continues recognising the
15 instrument to the extent of its continuing involvement (i.e. to the extent to which it is
16 exposed to changes in the value of the transferred instrument).

Entirely derecognised

Definition: Instrument entirely derecognised, in accordance with the amended Implementing Regulation (EU) No 680/2014.

17 This value is reported if the instrument is not recognised in the balance sheet.

This data attribute classifies the reported instruments according to their balance sheet recognition in accordance with the criteria of the ITS. The term “is recognised under the relevant accounting standard” has the same meaning as “is an asset” in the balance sheet. This means that assets are either entirely recognised or recognised to the extent of the institution’s continuing involvement.

***Revision mark**: further clarifications are included in line with Q&A 2018/0042*

As stated in the Manual, the value “entirely recognised” is reported for instruments which are recognised for their total amount in the balance sheet in accordance with the applicable accounting standard (cf. Section 12.4.23).

As far as the value “recognised to the extent of the institution’s continuing involvement” is concerned, this value is reported if (a part of) the instrument is recognised in accordance with the applicable accounting standard to the extent of the observed agent’s legal entity’s continuing involvement in accordance with paragraphs 3.2.6(c)(ii) and 3.2.16 of IFRS 9. In particular, this value is only reported when the instrument has been fully or partially transferred and the observed agent neither transfers nor retains substantially all the risks and rewards of ownership of the transferred instrument, and it continues recognising the instrument to the extent of its continuing involvement (i.e. to the extent to which it is exposed to changes in the value of the transferred instrument).

Please note that in FINREP, in accordance with paragraph 3.2.2 of IFRS 9, the instrument is always split into the part that has not been transferred and the part that has been transferred, and the institution’s continuing involvement refers exclusively to the part of the financial asset that has been transferred. Nevertheless, in the context of AnaCredit, where a partially transferred instrument may be reported as a single instrument (i.e. the instrument is reported as a single instrument with two or more creditors and no distinction is made between the transferred part of the instrument and the retained part), the value “recognised to the extent of the institution’s continuing involvement” is also used to identify such partially transferred instruments.

Please also note that the value “entirely derecognised” is reported if the instrument is not recognised in the balance sheet in accordance with the applicable accounting standard. However, contrary to amended Implementing Regulation (EU) No 680/2014, under AnaCredit, the value “entirely derecognised” is also used for instruments that are reported because they are serviced by the observed agent, although the observed agent has never before recognised them (e.g. in the case of fiduciary loans that are not recognised as assets).

An instrument may be classified as recognised by the observed agent, although it is not its economic owner. For example, in the case of fiduciary loans, an instrument may, in some national GAAPs, be recognised in the financial statement of the observed agent which is the legal, but not economic, owner (i.e. the trustee), in accordance with the national accounting standard.

Revision mark: the clarifications are enhanced in line with Q&A 2018/0042, also taking into consideration whether or not the instrument is split

Consequently, considering the above clarifications, the following principles are provided as an indication of how the data attribute "balance sheet recognition" is reported:

1. a fully written-off instrument: such an instrument is reported as "entirely derecognised" after the write-off takes place as the instrument is no longer recognised in the balance sheet;

2. a partially written-off instrument: this instrument is still reported as "entirely recognised" until the moment it becomes fully written-off;

3. an instrument subject to a synthetic securitisation: the observed agent which is the originator reports such an instrument as "entirely recognised";

4. an instrument that is an intracompany loan: the observed agent which is the institutional unit granting the loan reports the instrument as "entirely derecognised", as intracompany loans are not recognised in the balance sheet of the observed agent's legal entity;

5. an instrument subject to a full transfer (i.e. where the total outstanding nominal amount of the instrument has been transferred) in a traditional securitisation or a transfer other than a traditional securitisation: the observed agent which acts as servicer of the instrument, independently if it was the originator, reports the transferred instruments as:

   a) "entirely derecognised" when the originator transfers substantially all the risks and rewards of ownership of the instrument, or when it neither transfers nor retains substantially all the risks and rewards of ownership of the instrument and it has not retained control (cf. paragraphs 3.2.6(a) and 3.2.6(c)(i) of IFRS 9);

   b) "entirely recognised" when the observed agent as originator retains substantially all the risks and rewards of ownership of the instrument (cf. paragraphs 3.2.6(b) of IFRS 9); or

   c) "recognised to the extent of the institution's continuing involvement" when the observed agent neither transfers nor retains substantially all the risks and rewards of ownership of the transferred instrument, and it continues recognising the instrument to the extent of its continuing involvement; please note that an observed agent is deemed to have "continuing involvement" not because it continues to service the instrument but because it bears part of the credit risk of the instrument; in particular, the reporting is as follows:

      (i) when the observed agent does not split the instrument, it reports the instrument with the value "recognised to the extent of the institution's continuing involvement";

      (ii) when the observed agent splits the instrument, it reports:

         - the instrument that represents the part of credit risk that it retains as creditor with the value "entirely recognised", and

- the instrument(s) that represent the part(s) derecognised for having different creditor(s) with the value “entirely derecognised”;

6. an instrument subject to a partial transfer (i.e. where only part of the outstanding nominal amount of the instrument has been transferred): depending on whether or not the observed agent, which acts as servicer, splits the instrument into the transferred part(s) and the non-transferred part, the reporting of these instruments in both cases is as follows:

   (a) when for the reporting purposes the observed agent splits the instrument into different parts, it reports the value “entirely recognised”:

      (i) for the transferred part of the instrument, in accordance with point 5 concerning instruments subject to a full transfer where the part is not further split, and

      (ii) for the retained part of the instrument;

   (b) when the observed agent does not split the instrument into different parts, it reports:

      (i) the instrument as “recognised to the extent of the institution’s continuing involvement”, provided that:

         1. the observed agent neither transfers nor retains substantially all the risks and rewards of ownership of the transferred instrument, or

         2. the observed agent transfers substantially all the risks and rewards of ownership of the transferred part of the instrument, or

      (ii) the instrument as “entirely recognised” when the observed agent retains substantially all the risks and rewards of ownership of the transferred part of the instrument;

7. an instrument that is a fiduciary transaction:

   (a) the trustee reports the instrument as “entirely recognised” only when it is recognised in accordance with the applicable accounting standard;

   (b) if the instrument is not recognised in accordance with the applicable accounting standard, the trustee reports the instrument as “entirely derecognised” only where the trustor is not a credit institution or a part of a credit institution resident in a reporting Member State; and

   (c) where the trustor is another observed agent and the trustee does not recognise the instrument in accordance with the applicable accounting standard, the trustee does not report the instrument; instead, the trustor, as the economic owner of the instrument, reports it as “entirely recognised”.

Entirely derecognised instruments which are serviced but not held by the observed agent, and only such instruments, are "fully derecognised instruments being serviced" in accordance with Annex II of the AnaCredit Regulation.

Revision mark: intracompany loans are not considered to be "fully derecognised instruments being serviced"

In particular, fiduciary loans which are not treated as assets by a trustee which is the observed agent are always treated as "fully derecognised loans being serviced" according to Annex II of the AnaCredit Regulation.

However, fully written-off loans which are held by the observed agent and are not recognised in the balance sheet (i.e. the data attribute "balance sheet recognition" is reported as "entirely derecognised") do not meet the definition of "fully derecognised instruments being serviced" in accordance with Annex II of the AnaCredit Regulation. In other words, "fully derecognised instruments being serviced" and "entirely derecognised instruments" are related but not fully overlapping terms. For more clarification regarding the difference between these terms, please refer to Section 7.4.3 in Part I of the Manual.

The reporting of the data attribute is illustrated using the following examples.

Example 27: Written-off loans

This example presents a month-by-month overview of the relevant data reported to AnaCredit between 31 December 2018 and 31 March 2019 in relation to a written-off loan.

Credit Institution C extends a bullet loan in the amount of €100,000 to debtor D on 10 December 2018. On 20 February 2019, C fully writes off the loan as D has filed for bankruptcy. The balance sheet recognition is "entirely derecognised after the write-off". However, as the written-off loan is still held by C, the instrument does not qualify for the specific reporting requirements of "fully derecognised instruments being serviced" as per Annex II of the AnaCredit Regulation, even though it is classified as "entirely derecognised".

Table 50 Month-by-month overview of data reported for a written-off loan

Reporting reference date	Fully derecognised instrument being serviced according to Annex II of the AnaCredit Regulation	Outstanding nominal amount *(financial dataset)*	Balance sheet recognition *(accounting dataset)*	Accumulated write-offs *(accounting dataset)*	Carrying amount *(accounting dataset)*
31/12/2018	No	100,000.00	Entirely recognised	0.00	100,000.00
31/01/2019	No	100,000.00	-	-	-
28/02/2019	No	0.00	-	-	-
31/03/2019	No	0.00	Entirely derecognised	100,000.00	0.00

Please note that the values of the accounting dataset are reported only as of quarter-end dates (otherwise a dash "-" is shown).

Please note also that in the context of AnaCredit eligible instruments that are written-off are reported to AnaCredit until the end of the quarter in which the debtor's commitment amount falls below the reporting threshold of €25,000. Therefore, depending on the debtor's commitment amount, the written-off instrument may or may not be reported to AnaCredit after 31 March 2019 (e.g. if at 30 April the debtor's commitment amount exceeds €25,000 because of other instruments, the written-off instrument is still reported at the reporting reference date).

Example 28 below presents a month-by-month overview of the relevant data reported to AnaCredit in relation to a loan subject to a traditional securitisation where the originator acts as servicer.

Example 28: Traditional securitisation

Credit Institution C extends a bullet loan in the amount of €100,000 to debtor D on 10 December 2018. On 20 February 2019, C fully transfers the loan to FVC T (traditional securitisation), which meets the criteria to be entirely derecognised in accordance with the relevant accounting standard. C remains the servicer of the instrument.

Table 51 Month-by-month overview of data reported for a traditionally securitised loan

Reporting reference date	Fully derecognised instrument being serviced according to Annex II of the AnaCredit Regulation	Outstanding nominal amount *(financial dataset)*	Balance sheet recognition *(accounting dataset)*	Type of securitisation *(financial dataset)*	Carrying amount *(accounting dataset)*
31/12/2018	No	100,000.00	Entirely recognised	Not securitised	100,000.00
31/01/2019	No	100,000.00	-	Not securitised	-
28/02/2019	Yes	100,000.00	-	Traditional securitisation	-
31/03/2019	Yes	100,000.00	Entirely derecognised	Traditional securitisation	Not required
30/04/2019	Yes	100,000.00	-	Traditional securitisation	-
31/05/2019	Yes	100,000.00	-	Traditional securitisation	-
30/06/2019	Yes	100,000.00	Entirely derecognised	Traditional securitisation	Not required

Please note that the values of the accounting dataset are reported only as of quarter-end dates (otherwise a dash "-" is shown).

In addition, as per Table 1 in Annex II of the AnaCredit Regulation, the data attribute "carrying amount" is not required for instruments which are fully derecognised instruments being serviced, hence the value "not required" is reported to AnaCredit.

Please note that the reporting of the instrument continues beyond 20 February, as after the transfer C acts as servicer of the instrument and the creditor, FVC T, is not a credit institution.

For an illustration of what the requirements are in cases where the originator in a traditional securitisation does not act as servicer, please consider the following example.

Example 29: Traditional securitisation – the observed agent does not act as servicer

1. Observed agent, Credit Institution C, extends a loan to Debtor D on 10 December 2018. Institution S (which is not a credit institution), a subsidiary of C, acts as servicer of this loan. The loan is an asset on the balance sheet of C.
2. On 20 February 2019, C fully transfers the loan to FVC T (traditional securitisation), which meets the criteria to be entirely derecognised in accordance with the relevant accounting standard. From that moment on, the loan is no longer an asset on the balance sheet of C, but is an asset on the balance sheet of the FVC T (which is not a credit institution). S remains the servicer of the instrument.

In connection with the loan, C acts as creditor until 20 February and is therefore required to report the loan to AnaCredit. However, after C fully transfers to FVC T it does not act as creditor to the loan anymore.

By contrast, S, which acts as servicer to the loan, both up to and after the moment that C transfer the loan to FVC T, is not a credit institution and is therefore not subject to AnaCredit reporting.

Consequently, the loan is not subject to AnaCredit reporting after it is transferred to the FVC T, as C acts neither as creditor nor as servicer, while neither S, which acts as servicer, nor the FVC T, which acts as creditor, is subject to AnaCredit. In other words, given the fact that the instrument has not been written off, the last reporting reference date for the instrument is 31 January 2019 (when it is reported by Credit Institution C). However, if the instrument were written off before being transferred, then Credit Institution C would have to report the instrument (at least) until 31 March 2019.

Please note, however, that if C had any servicing activities in relation to the instrument, then it would be considered to be acting as servicer, and the instrument would be subject to AnaCredit reporting.

Example 30 below presents a month-by-month overview of the relevant data reported to AnaCredit in relation to a loan subject to a synthetic securitisation.

Example 30: Synthetic securitisation

Credit Institution C extends a bullet loan in the amount of €100,000 to debtor D on 10 December 2018. On 20 February 2019, C fully transfers the loan following a synthetic securitisation.

Table 52 Month-by-month overview of selected data attributes reported for a loan subject to synthetic securitisation

Reporting reference date	Fully derecognised instrument being serviced according to Annex II of the AnaCredit Regulation	Outstanding nominal amount *(financial dataset)*	Balance sheet recognition *(accounting dataset)*	Type of securitisation *(financial dataset)*	Carrying amount *(accounting dataset)*
31/12/2018	No	100,000.00	Entirely recognised	Not securitised	100,000.00
31/01/2019	No	100,000.00	-	Not securitised	-
28/02/2019	No	100,000.00	-	Synthetic securitisation	-
31/03/2019	No	100,000.00	Entirely recognised	Synthetic securitisation	100,000.00
30/04/2019	No	100,000.00	-	Synthetic securitisation	-
31/05/2019	No	100,000.00	-	Synthetic securitisation	-
30/06/2019	No	100,000.00	Entirely recognised	Synthetic securitisation	100,000.00

Please note that the values of the accounting dataset are reported only as of quarter-end dates (otherwise a dash "-" is shown).

Please note also that the specific reporting requirements for "fully derecognised instruments being serviced" in Annex II of the AnaCredit Regulation are not applicable as the instrument remains "entirely recognised".

Example 31 presents a month-by-month overview of the relevant data reported to AnaCredit in relation to an intracompany loan.

Example 31: Intracompany loan

Credit Institution C extends a bullet loan in the amount of €100,000 to its foreign branch D on 10 December 2018.

Table 53 Month-by-month overview of data reported for an intracompany loan

Reporting reference date	Fully derecognised instrument being serviced according to Annex II of the AnaCredit Regulation	Outstanding nominal amount *(financial dataset)*	Balance sheet recognition *(accounting dataset)*	Carrying amount *(accounting dataset)*
31/12/2018	No	100,000.00	Entirely derecognised	Non-applicable
31/01/2019	No	100,000.00	-	-
28/02/2019	No	100,000.00	-	-
31/03/2019	No	100,000.00	Entirely derecognised	Non-applicable

Please note that the values of the accounting dataset are reported only as of quarter-end dates (otherwise a dash "-" is shown).

The data attribute "carrying amount" does not apply in the case of intracompany loans which are not assets in the balance sheet; therefore the value "non-applicable" is reported.

Please note also that the specific reporting requirements for "fully derecognised instruments being serviced" in Annex II of the AnaCredit Regulation are not applicable as the instrument is held by the credit institution, although it remains "entirely derecognised".

Example 32 presents a month-by-month overview of the relevant data reported to AnaCredit in relation to a fiduciary instrument not being recognised in the balance sheet.

Example 32: Fiduciary loan not recognised in the balance sheet

Credit Institution C extends a bullet loan amounting to €100,000 to debtor D on 10 December 2018 on behalf of a third party (which is not a credit institution). The loan is a fiduciary loan which C does not recognise on its balance sheet.

Table 54 Month-by-month overview of data reported for a synthetically securitised loan

Reporting reference date	Fully derecognised instrument being serviced according to Annex II of the AnaCredit Regulation	Outstanding nominal amount *(financial dataset)*	Balance sheet recognition *(accounting dataset)*	Fiduciary instrument *(financial dataset)*	Carrying amount *(accounting dataset)*
31/12/2018	Yes	100,000.00	Entirely derecognised	Fiduciary instrument	Not required
31/01/2019	Yes	100,000.00	-	Fiduciary instrument	-
28/02/2019	Yes	100,000.00	-	Fiduciary instrument	-
31/03/2019	Yes	100,000.00	Entirely derecognised	Fiduciary instrument	Not required
30/04/2019	Yes	100,000.00	-	Fiduciary instrument	-
31/05/2019	Yes	100,000.00	-	Fiduciary instrument	-
30/06/2019	Yes	100,000.00	Entirely derecognised	Fiduciary instrument	Not required

Please note that the values of the accounting dataset are reported only as of quarter-end dates (otherwise a dash "-" is shown).

Please note also that the specific reporting requirements for "fully derecognised instruments being serviced" of Annex II of the AnaCredit Regulation applies as the instrument is serviced by C and is not recognised in the balance sheet of C.

Revision mark: the description of Example 33 is updated to match with its contents

Example 33 presents a month-by-month overview of the relevant data reported to AnaCredit in relation to a fiduciary loan recognised in the balance sheet of the credit institution acting as servicer.

Example 33: Fiduciary loan recognised in the balance sheet

Credit Institution C extends a bullet loan in the amount of €100,000 to debtor D on 10 December 2018 on behalf of a third party. The loan is a fiduciary loan and C recognises the loan on its balance sheet.

Table 55 Month-by-month overview of data reported for a fiduciary loan

Reporting reference date	Fully derecognised instrument being serviced according to Annex II of the AnaCredit Regulation	Outstanding nominal amount *(financial dataset)*	Balance sheet recognition *(accounting dataset)*	Fiduciary instrument *(financial dataset)*	Carrying amount *(accounting dataset)*
31/12/2018	No	100,000.00	Entirely recognised	Fiduciary instrument	100,000.00
31/01/2019	No	100,000.00	-	Fiduciary instrument	-
28/02/2019	No	100,000.00	-	Fiduciary instrument	-
31/03/2019	No	100,000.00	Entirely recognised	Fiduciary instrument	100,000.00
30/04/2019	No	100,000.00	-	Fiduciary instrument	-
31/05/2019	No	100,000.00	-	Fiduciary instrument	-
30/06/2019	No	100,000.00	Entirely recognised	Fiduciary instrument	100,000.00

Please note that the values of the accounting dataset are reported only as of quarter-end dates (otherwise a dash "-" is shown).

Please also note that the specific reporting requirements for "fully derecognised instruments being serviced" of Annex II of the AnaCredit Regulation do not apply as, although the instrument is a fiduciary loan, it is recognised in the balance sheet of C. Therefore, the data attribute "carrying amount" is reported.

5.4.3 Sources of encumbrance

Definition: Type of transaction in which the exposure is encumbered in accordance with Implementing Regulation (EU) No 680/2014. An asset will be treated as encumbered if it has been pledged or if it is subject to any form of arrangement to secure, collateralise or credit enhance any instrument from which it cannot be freely withdrawn

This data attribute identifies the type of transaction in which the exposure is encumbered in accordance with Annexes XVI and XVII (on reporting on asset encumbrance) to the amended ITS. An asset will be treated as encumbered if it has been pledged or if it is subject to any form of arrangement to secure, collateralise or credit enhance any instrument from which it cannot be freely withdrawn.

Reporting qualification

This data attribute is not reported for “fully derecognised instruments being serviced” as defined in Annex II to the AnaCredit Regulation, so in such cases the value “not required” is reported. Otherwise, one of the following values is reported.

Values

Central bank funding

Definition: Central bank funding (of all types), in accordance with the EBA’s implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

This value is reported for instruments used as collateral for all types of liabilities of the reporting institution in which the counterparty of the transaction is a central bank. Assets that have been pre-positioned with central banks are not to be treated as encumbered assets unless the central bank does not allow withdrawal of any asset placed without prior approval.

Exchange traded derivatives

Definition: Exchange traded derivatives in accordance with the EBA’s implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

This value is reported for instruments used as collateral for derivatives of the reporting institution that are financial liabilities, insofar as these derivatives are listed or traded on a recognised or designated investment exchange and they entail asset encumbrance for that institution.

Over-the-counter derivatives

Definition: Over-the-counter derivatives in accordance with the EBA’s implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

This value is reported for instruments used as collateral for derivatives of the reporting institution that are financial liabilities, insofar as these derivatives are traded over-the-counter and they entail asset encumbrance for that institution.

Deposits – repurchase agreements other than to central banks

Definition: Repurchase agreements other than to central banks in accordance with the EBA's implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

This value is reported for instruments sold under a repurchase agreement of the reporting institution in which the counterparty of the transaction is not a central bank. For tri-party repurchase agreements, the same treatment is followed as for the repurchase agreements insofar as these transactions entail asset encumbrance for the reporting institution.

Deposits other than repurchase agreements

Definition: Deposits other than repurchase agreements in accordance with the EBA's implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

This value is reported for instruments used as collateral for deposits other than repurchase agreements of the reporting institution in which the counterparty of the transaction is not a central bank.

Debt securities issued – covered bonds securities

Definition: Covered bonds securities issued in accordance with the EBA's implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

This value is reported for instruments which are used as collateral for covered bonds. In cases where the observed agent has retained some of the debt securities issued, either from the issuance date or thereafter as a result of a repurchase, instruments used as collateral for these retained securities are not included under this item.

Debt securities issued – asset-backed securities

Definition: Asset-backed securities (ABSs) issued in accordance with the EBA's implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

This value is reported for instruments which are used as collateral for asset-backed securities issued by the reporting institution. In cases where the observed agent has retained some of the debt securities issued, either from the issuance date or thereafter as a result of a repurchase, instruments used as collateral for these retained securities are not included under this item.

Debt securities issued – other than covered bonds and ABSs

Definition: Debt securities issued other than covered bonds and ABSs in accordance with the EBA's implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

1 This value is reported for instruments which are used as collateral for debt securities
2 issued by the reporting institution other than covered bonds and ABSs. In cases
3 where the observed agent has retained some of the debt securities issued, either
4 from the issuance date or thereafter as a result of a repurchase, instruments used as
5 collateral for these retained securities are not included under this item.

Other sources of encumbrance

Definition: Other sources of encumbrance in accordance with the EBA's implementing technical standards on asset encumbrance reporting as referred to in Article 99(5) and Article 100 of Regulation (EU) No 575/2013.

6 This value is reported for instruments which are subject to encumbrance and where
7 the source of encumbrance is other than the ones listed above.

No encumbrance

Definition: Instrument which has not been pledged or it is not subject to any form of arrangement to secure, collateralise or credit enhance any instrument from which it cannot be freely withdrawn.

8 This value is reported for instruments that are not subject to encumbrance at all.

General reporting instructions, specific cases and examples

9 For instruments which are not subject to encumbrance at all, the value "no
10 encumbrance" is reported.

11 Otherwise, encumbered instruments, irrespective of whether they are fully or only
12 partially encumbered, are reported to AnaCredit as encumbered by proving the
13 respective source of encumbrance.

14 As a general principle, instruments which are being placed at facilities that are not
15 used and can be freely withdrawn are not considered encumbered.

16 If an instrument is subject to multiple sources of encumbrance at the same time, the
17 source of encumbrance associated with the largest part of the instrument is reported.
18 If this information cannot be determined, any one of the sources is reported.

19 Instruments pledged that are subject to any restrictions in withdrawal, for instance
20 assets that require prior approval before withdrawal or replacement by other assets,
21 are considered encumbered. The definition is not based on an explicit legal
22 definition, such as title transfer, but rather on economic principles, as the legal

frameworks may differ across countries in this respect. The definition is, however, closely linked to contractual conditions.

Instruments pledged in the following transactions are reported as encumbered (please also refer to Part 1.7 of Annex XVII to the ITS).

- Instruments used as collateral subject to various collateral agreements, for instance collateral placed for the market value of derivatives transactions.
- Instruments used as collateral for financial guarantees. It should be noted that if there is no impediment to withdrawal of collateral, such as prior approval, for the unused part of guarantee, then only the used amount should be allocated (on a pro-rata allocation).
- Instruments placed as collateral with clearing systems, central counterparty clearing houses and other infrastructure institutions as a condition for access to service. This includes default funds and initial margins.
- Instruments used as collateral for central bank facilities. Pre-positioned assets should not be considered encumbered, unless the central bank does not allow withdrawal of any assets placed without prior approval.
- Underlying instruments from securitisation structures where the financial instruments have not been derecognised from the institution's financial assets (synthetically securitised instruments).
- Instruments in cover pools used for covered bond issuance. The instruments that are underlying covered bonds count as encumbered, except in certain situations where the institution holds the corresponding covered bonds ("own-issued bonds").

In the case of pledged portfolios of instruments where only a part of the amount of the portfolio is actually encumbered (in the case of central bank funding, by the withdrawal of funds accordingly), if the asset encumbrance can be established at a single instrument level, then the reporting agents report this information on the granularity of a single instrument. In other cases, it is the entire portfolio that is considered as encumbered, implying that all instruments in the portfolio are flagged as encumbered in the context of AnaCredit. In general, it is acknowledged that an instrument flagged as encumbered in the accounting dataset may be only partially encumbered and therefore the information will be read as "instrument subject to (partial) encumbrance".

Example 34: Instruments subject to encumbrance

Credit institution C extends a loan of €100,000 to debtor D. Later, C pledges the loan as collateral in order to receive funds from its central bank. The agreement with the central bank states that the loan cannot be transferred to another party as long as the loan extended to C by the central bank has not been repaid. Therefore, when reporting the loan held by C, the data attribute "sources of encumbrance" is reported with the value "central bank funding".

5.4.4 Accumulated write-offs

Definition: Cumulative amount of principal and past due interest of any debt instrument that the institution is no longer recognising because they are considered uncollectible, independently of the portfolio in which they were included. Write-offs could be caused both by reductions in the carrying amount of financial assets recognised directly in profit or loss and by reductions in the amounts of the allowance accounts for credit losses set off against the carrying amount of financial assets.

1 Please note that in the context of AnaCredit, write-off and write-down have the same
2 meaning. Moreover, please note that an asset may also be partly written off.

Reporting qualification

3 This data attribute is not reported for “fully derecognised instruments being serviced”
4 as defined in Annex II of the AnaCredit Regulation, so in such cases the value “not
5 required” is reported. Examples of such instances would include but not be limited to
6 written-off loans and loans derecognised due to being subject to securitisations.

7 Otherwise, an amount in euro as specified in Annex IV of the AnaCredit Regulation is
8 reported.

Values

9 The amounts of accumulated write-offs are reported in euro.

General reporting instructions, specific cases and examples

10 In cases where the instrument has not been subject to a write-off in the period
11 between the inception date of the instrument and the reporting reference date, the
12 value zero is reported.

13 Where there are recoveries in the period between the write-off and the reporting
14 reference date, the accumulated write-offs amount is updated (decreased) to take
15 account of the recovery, provided that the instrument is subject to reporting to
16 AnaCredit at the respective reporting reference dates after the recovery. For an
17 illustration of how this is reported to AnaCredit, please refer to Example 45 in
18 Section 5.4.14.

19 Fully written-off instruments need not be reported to AnaCredit after the end of the
20 quarter in which the debtor’s commitment amount (for all eligible instruments of the
21 debtor) falls below the threshold of €25,000 (including as a result of a write-off which
22 affects the debtor’s commitment amount), even if the instrument continues to exist
23 after the write-off. For an illustration, please refer to Example 27 above and to
24 Section 5.2.2 in Part I of the Manual and in Section 3.1.6.1 above which deal
25 specifically with extended quarter-end reporting.

26 A written-off instrument which ceases to exist after being written off (e.g. as a result
27 of debt forgiveness or the sale of the instrument at a loss to a third party) is reported

only until the end of the quarter in which the instrument is written-off and need not be reported thereafter.

Revision mark: further clarifications are included concerning the reporting of accrued interest which keeps on accruing after a write-off

The "accumulated write-offs" increase whenever an additional amount is written-off, also including the writing-off of interest that is due. Notably, if the instrument is not put on interest non-accrual, interest keeps accruing also after a write-off. If the thus accrued interest becomes due and is not paid, it is included in the outstanding nominal amount (and also in the amount in arrears). Consequently, any subsequent write-offs of the unpaid interest due result in an increase in the "accumulated write-offs".

In the case of write-offs assessed at the level of the debtor, the write-off amount is redistributed as appropriate to all individual instruments which were considered when establishing the debtor's write-off amount, including instruments which are not within the scope of AnaCredit.

5.4.5 Accumulated impairment amount

Definition: The amount of loss allowances that are held against or are allocated to the instrument on the reporting reference date. This data attribute applies to instruments subject to impairment under the applied accounting standard.
Under IFRS, the accumulated impairment relates to the following amounts:
(i) loss allowance at an amount equal to 12-month expected credit losses;
(ii) loss allowance at an amount equal to lifetime expected credit losses.
Under GAAP, the accumulated impairment relates to the following amounts:
(i) loss allowance at an amount equal to general allowances;
(ii) loss allowance at an amount equal to specific allowances.

In the case of instruments subject to impairment, a positive amount of accumulated impairment amount is reported if credit losses are expected for the instrument or if general or specific allowances are associated with the instrument (or a portfolio to which the instrument belongs) in accordance with the respective accounting standard.

Reporting qualification

This data attribute is not reported for fully derecognised instruments being serviced as defined in Annex II of the AnaCredit Regulation, so in such cases the value "not required" is reported.

Additionally, if for the data attribute "type of impairment" the value reported is "non-applicable" (which covers cases where the instrument is "not subject to impairment"; please refer to Section 5.4.6 for details), the accumulated impairment amount is reported as "non-applicable".

In all other cases, an amount of loss allowances that is held against or is allocated to the instrument is reported. This includes cases where the amount of loss allowances is 0 (zero).

Revision mark: further clarifications are included concerning the reporting of the accumulated impairment amount in the case of national GAAPs

In particular, the accumulated impairment amount is always reported with an amount for:

- financial assets at amortised cost or at fair value through other comprehensive income (according to IFRS 9 classification);
- for financial assets classified as available-for-sale, loans and receivables and held to maturity (in accordance with national GAAPs consistent with IAS 39); and
- for financial assets classified at a cost-based method or other non-trading non-derivative financial assets (in accordance with national GAAPs not consistent with IFRS 9/IAS 39).

Revision mark: further clarifications are added in line with Table 49 in Section 5.4.1

In addition, in accordance with Table 49 in Section 5.4.1, which serves as an indication of relevant reporting combinations according to the accounting classification, the accumulated impairment amount (other than "non-applicable") may also be reported for instruments classified as cash balances at central banks and other demand deposits or at fair value to equity.

Values

Amounts of accumulated impairment are reported in euro.

General reporting instructions, specific cases and examples

Revision mark: the clarifications are aligned with the accounting classification, distinguishing between IFRS 9 (and national GAAPs consistent with IFRS) and national GAAPs not consistent with IFRS

The data attribute "accumulated impairment amount" is not applicable to instruments classified, in accordance with IFRS 9 or IFRS 9-consistent national GAAP, as:

- "financial assets held for trading",
- "non-trading financial assets mandatorily at fair value through profit or loss" or
- "financial assets designated at fair value through profit or loss".

Similarly, this data attribute is not applicable to instruments classified, in accordance with national GAAPs not consistent with IFRS 9/IAS 39, as:

- "trading financial assets"; or
- "non-trading non-derivative financial assets measured at fair value through profit or loss".

Finally, this data attribute is not applicable to instruments classified, in accordance with national GAAPs consistent with IAS 39, as:

- "financial assets held for trading"; or
- "financial assets designated at fair value through profit or loss".

If the data attribute "accumulated impairment amount" is reported, the data attributes "type of impairment" and "impairment assessment method" further specify which type and method (IFRS stages 1, 2 or 3, or, in the case of GAAP, specific or general

allowances; individually or collectively assessed) were used in order to calculate the accumulated impairment amount.

Please note that the definition of loss allowance under IFRS describes three stages as referred to in the data attribute “type of impairment”, with the value “loss allowance at an amount equal to lifetime expected credit losses” corresponding to both Stage 2 and Stage 3, as it is a lifetime expected loss that is estimated under IFRS for these two stages.

In the case of instruments for which the impairment is collectively assessed (where the data attribute “impairment assessment method” is reported as “collectively assessed”), the accumulated impairment amount that is determined for the total pool of instruments (to which the instrument is assigned for the purpose of the collective assessment) is allocated as appropriate to the individual instrument on the basis that only collectively assessed impairment amounts that are relevant for AnaCredit eligible instruments within the pool assessed are included in the re-distribution (in order to avoid excessive impairments).

***Revision mark**: the accumulated impairment amount is adjusted in the example*

For an illustration of how the data attribute “accumulated impairment amount” is reported, including with regard to its relationship with other accounting dataset data attributes, please consider the following example.

Example 35: Accumulated impairment amount

Credit Institution C acquires a balloon loan (Inst#1) originated under contract Con#1 with a nominal value of €100,000 and with a fair value adjustment due to credit risk at the acquisition date of €10,000. On 30 September 2018 the gross and net carrying amount are equal to the acquisition price, i.e. €90,000.

By 31 December 2018, the loan's nominal amount is €100,000, but an impairment allowance of €20,000 has been booked by C. The net carrying amount is consequently €70,000 (€90,000 - €20,000).

Credit institution C applies IFRS and the loan is subject to impairment (it is an asset of C accounted for at amortised cost).

The instrument is reported to AnaCredit and the reporting is presented in the tables below. The outstanding nominal amount remains unchanged over the entire period considered.

The initial fair value adjustment of €10,000 is reported in the data attribute "fair value changes due to changes in credit risk before purchase" in the instrument dataset as of 30 September.

Table 56 Selected data attributes of the instrument and financial datasets

Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Fair value changes due to changes in credit risk before purchase
30/09/2018	CON#1	INST#1	100,000.00	10,000.00

The respective data attributes in the accounting dataset are presented in Table 57.

Table 57 Accounting dataset as of 30 September (selected data attributes only)

Reporting reference date	Contract identifier	Instrument identifier	Accumulated impairment amount	Accumulated changes in fair value due to credit risk	Carrying amount
30/09/2018	CON#1	INST#1	0.00	"Non-applicable"	90,000.00

The reporting as of 31 December of the accounting dataset is shown in Table 58. Because no changes occur to any data attribute in the instrument dataset, the dataset is not reported at this reporting reference date.

Table 58 Accounting dataset as of 31 December (selected data attributes only)

Reporting reference date	Contract identifier	Instrument identifier	Accumulated impairment amount	Accumulated changes in fair value due to credit risk	Carrying amount
31/12/2018	CON#1	INST#1	20,000.00	"Non-applicable"	70,000.00

Because Inst#1 is subject to impairment, the data attribute "accumulated changes in fair value due to credit risk" is reported as "non-applicable".

Please also note that it is the net carrying amount that is reported in the data attribute "carrying amount".

5.4.6 Type of impairment

Definition: Type of impairment.

This data attribute indicates the type of impairment to which the instrument is subject.

Reporting qualification

In the case of “fully derecognised instruments being serviced” as defined in Annex II of the AnaCredit Regulation, the value “not required” is reported.

In addition, if in accordance with the accounting standard, the instrument is not subject to impairment, the value “non-applicable” is reported.

Similarly, the value “non-applicable” is also reported in the case of instruments that are not recognised in the balance sheet.

In all other cases, one of the values as specified below is reported.

Values

Stage 1 (IFRS)

Revision mark: the description of the stages is enhanced in line with IFRS 9; respective references are added

This value is reported if the instrument is not impaired and its credit risk has not increased significantly since initial recognition and a loss allowance at an amount equal to 12-month expected credit losses is raised against the instrument under IFRS. Only for instruments subject to impairment under IFRS 9 or IFRS 9-consistent national GAAPs (cf. paragraph 5.5.5 and Appendix 9 of IFRS 9).

Stage 2 (IFRS)

This value is reported if the instrument is not impaired, but it has had a significant increase in credit risk since initial recognition and a loss allowance at an amount equal to lifetime expected credit losses is raised against the instrument under IFRS. Only for instruments subject to impairment under IFRS 9 or IFRS 9-consistent national GAAPs (cf. paragraph 5.5.3 and Appendix 9 of IFRS 9).

Stage 3 (IFRS)

This value is reported if the instrument is credit impaired (including purchased or credit-impaired instruments) in accordance with IFRS 9 or IFRS 9-consistent national GAAPs (cf. paragraph 5.5.3 and Appendix 9 of IFRS 9).

General allowances (GAAP)

Revision mark: clarification is added that these values are relevant for accounting standards not consistent with IFRS 9

This value is reported if the instrument is subject to impairment in accordance with an applied accounting standard not consistent with IFRS 9 and no specific loss allowances are raised against the instrument (unimpaired).

Specific allowances (GAAP)

This value is reported if the instrument is subject to impairment in accordance with an applied accounting standard not consistent with IFRS 9 and specific loss allowances are raised, irrespective of whether these allowances are individually or collectively assessed (impaired).

General reporting instructions, specific cases and examples

The value “non-applicable” is reported both for instruments that are not subject to impairment in accordance with the accounting standard (e.g. for instruments measured or designated at fair value through profit or loss under IFRS) and for instruments that are not recognised in the balance sheet.

Otherwise, if an instrument is subject to impairment on either a collective or individual basis, one of the values listed above, depending on the accounting standard applied, is reported. This also includes cases when the accumulated impairment amount is determined to be zero for a given instrument (or a portfolio of instruments).

5.4.7 Impairment assessment method

Definition: The method by which the impairment is assessed, if the instrument is subject to impairment in accordance with applied accounting standards. Collective and individual methods are distinguished.

This data attribute identifies the impairment assessment method in accordance with which the accumulated impairment amount is established for an instrument, if the instrument is subject to impairment in accordance with the accounting standard.

Reporting qualification

This data attribute is reported as either “individually assessed” or “collectively assessed” unless the value reported in the data attribute “accumulated impairment amount” is “non-applicable”, i.e. where the instrument is not subject to impairment in accordance with an applied accounting standard and the impairment assessment method is reported as “non-applicable”.

Please note that this data attribute is also applicable in the case of general allowances, in which case the value “collectively assessed” is reported.

***Revision mark**: further clarifications are added concerning the value “not required”*

Please also note that the data attributes “accumulated impairment amount” and the impairment assessment method are reported as “not required” in the case of “fully derecognised instruments being serviced” as defined in Annex II of the AnaCredit Regulation.

In all other cases, one of the following values is reported.

Values

1. Individually assessed – To be used if the instrument is subject to impairment in accordance with an applied accounting standard and is individually assessed for impairment.

2. Collectively assessed – To be used if the instrument is subject to impairment in accordance with an applied accounting standard and is collectively assessed for

impairment by being grouped together with instruments with similar credit risk characteristics.

General reporting instructions, specific cases and examples

An instrument can be impaired on the basis of either an individually made assessment or a collectively made assessment. An instrument cannot be subject at the same time to an individual and a collective assessment of impairment.

For instruments subject to impairment in accordance with the applicable accounting standard, the "accumulated impairment amount" may be either 0 (zero) or a positive value.

Similarly to the data attributes "accumulated impairment amount" and "type of impairment", the data attribute "impairment assessment method" is reported as "non-applicable" for instruments that are "not subject to impairment" in accordance with the applied accounting standard (e.g. instruments that are measured at fair value though profit or loss).

5.4.8 Accumulated changes in fair value due to credit risk

Definition: Accumulated changes in fair value due to credit risk in accordance with Part 2.46 of Annex V to Implementing Regulation (EU) No 680/2014.

***Revision mark**: a reference to the amended ITS is added*

This data attribute is in accordance with Part 2.69 of Annex V to the amended ITS. The accumulated changes in fair value due to credit risk are calculated by adding all negative and positive changes in fair value due to credit risk that have occurred since recognition of the debt instrument.

Reporting qualification

***Revision mark**: further clarifications are added concerning the value "not required"*

This data attribute is not reported for "fully derecognised instruments being serviced" as defined in Annex II of the AnaCredit Regulation. For such instruments, including those that are not recognised in the balance sheet or which are not measured at fair value through profit or loss in accordance with the accounting standard, the value "not required" is reported.

In all other cases, an amount of accumulated changes in fair value due to credit risk is reported.

Values

Amounts of accumulated changes in fair value due to credit risk are reported in euro.

A positive amount reported under this data attribute means that the fair value of the instrument has decreased since the recognition of the instrument.

General reporting instructions, specific cases and examples

Revision mark: the instructions are streamlined

According to the AnaCredit Regulation, the data attribute "accumulated changes in fair value due to credit risk" is reported for exposures measured at fair value through profit or loss in accordance with the accounting standard.

If the fair value of the instrument has deteriorated due to changes in creditworthiness (a negative change) since the recognition of the instrument, a positive amount is reported for the data attribute.

For an instrument whose creditworthiness (or whose debtor's creditworthiness) has not changed (i.e. it has neither deteriorated nor improved) compared with the initial recognition, 0 (zero) is reported in this data attribute.

This data attribute is intended to reflect changes in fair value solely due to changes in credit risk. However, changes in fair value may be also caused by other factors, whose effects may not be readily (if at all) isolated from the effects of changes in credit risk.

In this respect, if the reporting agent considers a particular factor to have an effect on the creditworthiness, then a change in fair value as a result of this particular factor may be considered when determining this data attribute, assuming that a change in the fair value has indeed taken place due to credit risk (e.g. credit rating from an External Credit Assessment Institution).

To this extent, if the reporting agent is able to measure the change in fair value due to this particular credit risk event, then that amount is delivered.

This data attribute captures changes in fair value due to credit risk, provided that the effects of credit risk on the fair value can be isolated from other factors

By contrast, if changes in credit risk take place in parallel to changes in factors other than credit risk that also affect the fair value but the reporting agent is not able to (readily) isolate the effects of such factors from the effects of credit risk on the fair value, the total change in fair value can be considered as a proxy measure of accumulated changes in fair value due to credit risk.

For an illustration of how the data attribute "accumulated changes in fair value due to credit risk" is reported, please consider the following example.

Example 36: Accumulated changes in fair value due to credit risk

Inst#1, granted by an observed agent to a counterparty X, is recognised at fair value through profit and loss (Inst#1). At inception, the fair value amount was €1,000,000.

Six months later, in September 2019, there has been a deterioration in the credit rating of the counterparty (S&P downgrade from AA+ to BBB+), which has been recognised by the observed agent as deterioration in the creditworthiness of the counterparty (and consequently of Inst#1).

On 30 September the fair value of Inst#1 is determined to be €950,000. The drop in fair value, however, was caused not only by the credit risk worsening but also by changes in the interest rate. However, the observed agent is unable to separate out the exact effect of the credit risk worsening from the effect of the interest rate change.

Table 59: Overview of the relevant data attributes relating to the change in fair value of the instruments

Reporting reference date	Instrument identifier	Balance sheet recognition	Performing status of the instrument	Accumulated changes in fair value due to credit risk
31/03/2019	INST#1	Entirely recognised	Performing	0.00
30/09/2019	INST#1	Entirely recognised	Performing	50,000.00

5.4.9 Performing status of the instrument

Definition: The instrument is to be classified on the reporting reference date under one of the following categories: performing or non-performing, in accordance with Implementing Regulation (EU) No 680/2014.

1 This data attribute identifies the performing status of instruments.

Reporting qualification

Revision mark: the paragraph is corrected, taking into account that, at national discretion, NCBs may grant a derogation in respect of this data attribute to observed agents not subject to capital requirements

2 This data attribute is reported for all instruments subject to AnaCredit reporting.
3 However, in accordance with Article 7 of the AnaCredit Regulation, NCBs may grant
4 a derogation in respect of this data attribute to observed agents not subject to capital
5 requirements. If a derogation in respect of this data attribute is granted at national
6 level, the value “not required” is reported.

Values

7 1. Non-performing – Instruments classified as non-performing in accordance with
8 the definition of the amended ITS.

9 2. Performing – Instruments which are not classified as non-performing in
10 accordance with the definition of the amended ITS.

General reporting instructions, specific cases and examples

This data attribute serves to identify the performing status of an instrument even if the instrument is not recognised in the balance sheet, applying in all cases the criteria of the amended ITS for its classification as performing or non-performing.

***Revision mark**: further clarifications are included concerning the reporting of this data attribute*

Please note that under AnaCredit, the data attribute "performing status of the instrument" is also reported for instruments classified in the accounting portfolios "financial assets held for trading" and "trading financial assets", applying the criteria specified in the amended ITS. In a similar vein, this data attribute is also reported for instruments that are not recognised in the balance sheet.

Instruments recognised in the balance sheet in accordance with the accounting standard are reported with the value used for their classification in FINREP Template 18. For further details regarding the classification as non-performing, refer to Part 2, paragraphs 213 to 239, of Annex V to the amended ITS.

***Revision mark**: further clarifications are included concerning the reporting of this data attribute in relation to written-off instruments*

For written-off instruments subject to reporting to AnaCredit that are not recognised in the balance sheet, the value "non-performing" is reported, including in extended quarter-end reporting (cf. Section 5.2.2 in Part I of the Manual).

For written-off instruments that remain recognised in the balance sheet (e.g. in the case of partial write-offs), the attribute is reported regarding the recognised part (which is generally "non-performing").

The reporting of this data attribute is further illustrated using the following examples of the performing status of the instrument in connection with the default status on a counterparty level and/or an instrument level.

In particular, Example 37 illustrates the reporting in the case of a "transaction-based" assessment in line with paragraph 226 of Annex V to the amended ITS applying the definition of default at the level of an individual instrument in line with Article 178(1) of the CRR.

Example 37: Performing status of the instrument – "transaction-based" assessment

A reporting agent considers a debtor (DEBT#1) with two instruments (INS#1 and INS#2), both classified as retail exposures under the CRR, and uses the option provided in Article 178(1) of the CRR for calculating the own funds requirement. The assessment of the performing status is therefore "transaction-based" in line with paragraph 226 of Part 2 of Annex V to the ITS.

Both instruments were originated on 31 December 2017 and the reporting agent determines that:

a) INS#1 is not and has not been in default at any moment, but has been classified as non-performing since 12 September 2019;

b) INS#2 is considered to be in default on 20 September 2019 because it is more than 90 days past due and is hence non-performing.

Table 60 provides an overview of the data attributes "default status of the instrument" and "performing status of the instrument" as well as the corresponding dates to be reported as of 30 September 2019 in the financial and accounting datasets respectively.

Table 60 Overview of the relevant data attributes relating to the performing and default status of the instruments

Reporting reference date	Instrument identifier	Default status of the instrument	Date of the default status of the instrument	Performing status of the instrument	Date of the performing status of the instrument
30/09/2019	INS#1	Not in default	31/12/2017	Non-performing	12/09/2019
30/09/2019	INS#2	Default because more than 90/180 days past due	20/09/2019	Non-performing	20/09/2019

Please note that because Inst#1 has not been in default since it was originated, the date of the default status is the inception date of the instrument, which is 31 December 2017 (which means that the instrument's default status has been "not in default" since the inception date).

Please note that because the reporting agent applies the definition of default at the level of an individual credit facility in line with Article 178(1) of the CRR, the data attribute "default status of the counterparty" does not apply and, in accordance with the explanation provided in Chapter 10 dealing with the counterparty default dataset, the data attributes "default status of the counterparty" and "date of the default status of the counterparty" are not reported in this case.

Example 38 illustrates the reporting in the case of "a debtor-based" assessment in line with paragraph 226 of Part 2 of Annex V to the amended ITS applying the definition of default at the level of a debtor.

Example 38: Performing status of the instrument – "debtor-based" assessment

A reporting agent considers a debtor (DEBT#1) with two instruments (INS#1 and INS#2), both classified as retail exposures under the CRR and both originated on 31 December 2017. The reporting agent does not use the option provided by Article 178(1) of the CRR for calculating the own funds requirement. The assessment of the performing status is therefore "debtor based" in line with paragraph 226 of Annex V to the amended ITS.

The reporting agent determines:

a) INS#1 is not past due, but because the assessment of the performing status is "debtor based" and INS#2 is more than 90 days past due, INS#1 is non-performing;

b) INS#2 is more than 90 days past due on 20 September 2019 and is therefore considered non-performing.

Table 61 provides an overview of the data attributes "default status of the instrument" and "performing status of the instrument" as well as the corresponding dates as of 30 September 2019 in the financial and accounting datasets, respectively. Because the reporting agent applies the definition of default at the level of a debtor, the data attribute "default status of the instrument" is reported as "non-applicable".

Table 61 Overview of the relevant data attributes relating to the performing status of the instruments

Reporting reference date	Instrument identifier	Default status of the instrument	Date of the default status of the instrument	Performing status of the instrument	Date of the performing status of the instrument
30/09/2019	INS#1	"Non-applicable"	"Non-applicable"	Non-performing	20/09/2019
30/09/2019	INS#2	"Non-applicable"	"Non-applicable"	Non-performing	20/09/2019

Table 62 provides an overview of the data in the counterparty default dataset.

Table 62 Overview of the data attributes relating to the default status of the debtor

Reporting reference date	Counterparty identifier	Default status of the counterparty	Date of the default status of the counterparty
30/09/2019	DEBT#1	Default because more than 90/180 days past due	20/09/2019

Example 39 illustrates the reporting in the case of non-retail exposures under the CRR, applying the definition of default at the level of a debtor.

Example 39: Performing status of the instrument – non-retail exposures

A reporting agent has a portfolio consisting of three debtors (DEBT#1, DEBT#2 and DEBT#3) which are assigned to the following exposure classes:

- DEBT#1: corporate exposure (INS#1) not in default and performing (since the inception date of INS#1, which is the only instrument of DEBT#1);
- DEBT#2: corporate exposure (INS#2) non-performing and in default because unlikely to pay (since 15 September 2019), which is the only instrument of DEBT#2;
- DEBT#3: exposure to central government/central banks (INS#3) not in default and performing (since the inception date of INS#3, which is the only instrument of DEBT#3);
- Ins#1 and Ins#2 were originated on 11 May 2018, while Ins#3 was originated on 21 January 2019.

Table 63 provides an overview of the data attributes "default status of the instrument" and "performing status of the instrument" as well as the respective dates as of 30 September 2019 in the financial and accounting datasets, respectively. Because the reporting agent applies the definition of default at the level of a debtor, the data attribute "default status of the instrument" is reported as "non-applicable".

Table 63 Overview of the relevant data attributes relating to the performing status of the instruments

Reporting reference date	Instrument identifier	Default status of the instrument	Date of the default status of the instrument	Performing status of the instrument	Date of the performing status of the instrument
30/09/2019	INS#1	"Non-applicable"	"Non-applicable"	Performing	11/05/2018
30/09/2019	INS#2	"Non-applicable"	"Non-applicable"	Non-performing	15/09/2019
30/09/2019	INS#3	"Non-applicable"	"Non-applicable"	Performing	21/01/2019

Table 64 provides an overview of the data in the counterparty default dataset.

Table 64 Overview of the relevant data attributes relating to the default status of the debtors

Reporting reference date	Counterparty identifier	Default status of the counterparty	Date of the default status of the counterparty
30/09/2019	DEBT#1	Not in default	"Non-applicable"
30/09/2019	DEBT#2	Default because of unlikely to pay	15/09/2019
30/09/2019	DEBT#3	Not in default	"Non-applicable"

In the case of counterparties which have not been in default with the reporting agent for the entirety of the business relationship, including at the reporting reference date, "non-applicable" is reported as the date of the default status of the counterparty. For more details regarding the counterparty default dataset please refer to Chapter 10 below.

Example 40 illustrates the reporting in the case of a "transaction-based" assessment in line with paragraph 226 of Annex V to the amended ITS applying the definition of default at the level of a debtor.

Example 40: Performing status of the instrument – the definition of default at the level of a debtor

A reporting agent has a portfolio consisting of one debtor (DEBT#1) with the instruments described below. The reporting agent does not use the option provided by Article 178(1) of the CRR for calculating the default status at the level of the instrument. However, the assessment of the performing status is "transaction-based" in line with paragraph 226 of Annex V to the amended ITS.

Knowing that INS#2 accounts for more than 20% of the gross carrying amount of all on-balance sheet exposures of the debtor, the reporting agent determines the following.

- INS#1: retail exposure not in default; this exposure would be performing if it were evaluated on its own. However, as INS#2 is (a) more than 90 days past due and (b) accounts for more than 20% of the gross carrying amount of all on-balance-sheet exposures of the debtor, paragraph 227 of Part 2 of Annex V to the amended ITS applies and INS#1 is non-performing;
- INS#2: exposure secured by mortgages on immovable property in default because more than 90 days past due (since 15 September 2019) and hence non-performing.

Table 65 provides an overview of the data attributes "default status of the instrument" and "performing status of the instrument" as well as the respective dates as of 30 September 2019 in the financial and accounting datasets respectively. Because the reporting agent applies the definition of default at the level of a debtor, the data attribute "default status of the instrument" is reported as "non-applicable".

Table 65 Overview of the relevant data attributes relating to the performing status of the instruments

Reporting reference date	Instrument identifier	Default status of the instrument	Date of the default status of the instrument	Performing status of the instrument	Date of the performing status of the instrument
30/09/2019	INS#1	"Non-applicable"	"Non-applicable"	Non-performing	15/09/2019
30/09/2019	INS#2	"Non-applicable"	"Non-applicable"	Non-performing	15/09/2019

Table 66 provides an overview of the data in the counterparty default dataset.

Table 66 Overview of the relevant data attributes relating to the default status of the debtors

Reporting reference date	Counterparty identifier	Default status of the counterparty	Date of the default status of the counterparty
30/09/2019	DEBT#1	Default because more than 90/180 days past due	15/09/2019

Please refer to Chapter 10 below for more details regarding the reporting of the data attributes "date of the default status of the counterparty" and "default status of the counterparty".

Example 41 illustrates the reporting in the case of a "transaction-based" assessment in line with paragraph 226 of Annex V to the amended ITS applying the definition of default at the level of an individual credit facility in line with Article 178(1) of the CRR.

Example 41: Performing status of the instrument – the definition of default at the level of an individual credit facility

A reporting agent has a portfolio consisting of one debtor (DEBT#1) with the instruments described below. The reporting agent uses the option provided by Article 178(1) of the CRR for calculating the default status at the level of the individual instrument. The assessment of the performing status is also "transaction-based" in line with paragraph 226 of Annex V to the amended ITS.

Knowing that INS#2 accounts for more than 20% of gross carrying amount of all on-balance sheet exposures of the debtor, the reporting agent determines the following.

- INS#1: retail exposure not in default; this exposure would be performing if it were evaluated on its own. However, as INS#2 is (a) more than 90 days past due and (b) accounts for more than 20% of the gross carrying amount of all on-balance sheet exposures of the debtor, paragraph 227 of Part 2 of Annex V to the amended ITS applies and INS#1 is non-performing; in this respect, it does not matter that the assessment of default status is at the level of the instrument and the default status of the instrument is thus "not in default", because paragraph 227 of Part 2 of Annex V to the amended ITS applies regardless of the default status of the instrument.
- INS#2: retail exposure in default because more than 90 days past due (since 20 September 2019) and hence non-performing.
- Ins#1 was originated on 29 March 2018.

Table 67 provides an overview of the data attributes "default status of the instrument" and "performing status of the instrument" as well as the corresponding dates as of 30 September 2019 in the financial and accounting datasets respectively.

Table 67 Overview of the relevant data attributes relating to the performing and default status of the instruments

Reporting reference date	Instrument identifier	Default status of the instrument	Date of the default status of the instrument	Performing status of the instrument	Date of the performing status of the instrument
30/09/2019	INS#1	Not in default	29/03/2018	Non-performing	20/09/2019
30/09/2019	INS#2	Default because more than 90/180 days past due	20/09/2019	Non-performing	20/09/2019

Because the reporting agent applies the definition of default at the level of an individual credit facility in line with Article 178(1) of the CRR, the data attribute "default status of the counterparty" in the counterparty default dataset does not apply. Please refer to Chapter 10 below for more details regarding the reporting of the data attributes "date of the default status of the counterparty" and "default status of the counterparty".

Revision mark: Example 42 (former Example 34) is revised in line with Q&A 2018/0055

Example 42 deals with the complex situation of default and performance status in the case of counterparties that have both instruments whose default status is assessed at the counterparty level and (retail) instruments that are assessed at the instrument level. In particular, it illustrates the reporting in the case of a "transaction-based" assessment in line with paragraph 226 of Annex V to the amended ITS when the

definition of default applies at the level of the individual credit facility in line with Article 178(1) of the CRR only for a subset of instruments.

Example 42: Performing status of the instrument – mixed exposures

A reporting agent has a portfolio consisting of one debtor (DEBT#1) with four instruments. For the two non-retail instruments, the default status is assessed at the level of the counterparty. For the two retail instruments, the reporting agent uses the option provided by Article 178(1) of the CRR and assesses the default status at the level of the individual credit facility. The assessment of the performing status is "transaction-based" in line with paragraph 226 of Annex V to the amended ITS. As of 30 September 2019, the reporting agent determines:

- INS#1 is a retail exposure, originated on 15 April 2017, which is not more than 90 days due;
- INS#2 is a retail exposure, originated on 6 October 2018, which is not more than 90 days past due, but has been non-performing since 10 July 2019;
- INS#3 is a non-retail exposure which is more than 90 days past due as of 20 August 2019;
- INS#4 is a non-retail exposure, originated on 29 January 2019, which is not more than 90 days past due.

In the retail portfolio, the default status is assessed at the level of the individual instrument. However, in this example, all instruments whose default status is assessed at the level of the instrument are set to "default because unlikely to pay" (see paragraph 90 of the EBA Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013 (EBA/GL/2016/07)). In the non-retail portfolio, where the default status is assessed at the level of the whole counterparty, the default status of DEBT#1 is "default because more than 90/180 days past due". As regards the performing status, all the instruments of DEBT#1, including the retail instruments INS#1 and INS#2, are classified as "non-performing".

The values are reflected in the financial dataset as shown in Table 68.

Table 68 The performing and default status of the instruments of DEBT#1

Reporting reference date	Instrument identifier	Default status of the instrument	Date of the default status of the instrument	Performing status of the instrument	Date of the performing status of the instrument
30/09/2019	INS#1	Default because unlikely to pay	20/08/2019	Non-performing	20/08/2019
30/09/2019	INS#2	Default because unlikely to pay	20/08/2019	Non-performing	10/07/2019
30/09/2019	INS#3	Non-applicable	Non-applicable	Non-performing	20/08/2019
30/09/2019	INS#4	Non-applicable	Non-applicable	Non-performing	20/08/2019

As regards the default status of the counterparty in the counterparty default dataset, DEBT#1 is reported as "default because more than 90/180 days past due" with the date 20 August 2019. This is shown in Table 69 (the counterparty default dataset).

Table 69 The default status of the counterparty of DEBT#1

Reporting reference date	Counterparty identifier	Default status of the counterparty	Date of the default status of the instrument
30/09/2019	DEBT#1	Default because more than 90/180 days past due	20/08/2019

5.4.10 Date of the performing status of the instrument

Definition: The date on which the performing status as reported in "performing status of the instrument" is considered to have been established or changed.

This data attribute indicates when the performing status as reported in the performing status of the instrument has started.

Reporting qualification

Revision mark: the paragraph is corrected taking into account that, at national discretion, NCBs may grant a derogation in respect of this data attribute to observed agents not subject to capital requirements

This data attribute is reported for all instruments subject to AnaCredit reporting. However, in accordance with Article 7 of the AnaCredit Regulation, NCBs may grant a derogation in respect of this data attribute to observed agents not subject to capital requirements. If a derogation in respect of this data attribute is granted at national level, the value "not required" is reported.

Values

This data attribute is reported as a date indicating the day on which the status as reported in the data attribute "performing status of the instrument" is considered to have arisen.

General reporting instructions, specific cases and examples

The reporting of the date of the performing status of the instrument is in accordance with the following principles:

- The date of the performing status of the instrument at a given reporting reference date is no later than the reporting reference date.
- For instruments that have always been performing since the inception date, it is the inception date of the contract which gives rise to the instrument that is reported as the date of the performing status (meaning that the instrument has been performing since the inception).
- For an instrument that was non-performing up to day *t* and then became performing as of *t* + 1 day and is still so at a reporting reference date, *t* + 1 day is reported.

5.4.11 Provisions associated to off-balance-sheet exposures

Definition: The amount of provisions for off-balance-sheet amounts.

This data attribute provides information on the amount of provisions (if any) associated with off-balance-sheet amounts (of instruments for which there is an off-balance-sheet amount) that can be converted to assets in the balance sheet.

Reporting qualification

This data attribute is not required for “fully derecognised instruments being serviced” as defined in Annex II of the AnaCredit Regulation, so in such cases the value “not required” is reported.

Values

Amounts of provisions associated to off-balance-sheet exposures are reported in euro.

General reporting instructions, specific cases and examples

Provisions can only arise if an off-balance-sheet amount has been recorded for the reported instrument.

“Provisions associated to off-balance-sheet exposures” may be reported if the credit institution has granted a credit limit to a debtor which cannot be cancelled unconditionally at any time without notice or that does not effectively provide for automatic cancellation due to deterioration in a debtor’s creditworthiness.

Revision mark: the paragraph is streamlined, taking into consideration the clarifications provided in Section 4.4.10 dealing specifically with the off-balance-sheet amount

If the off-balance-sheet amount for an instrument is reported as “non-applicable”, the data attribute “provisions associated to off-balance-sheet exposures” for the instrument is also reported as “non-applicable”. Please refer to Section 4.4.10 for information about when the off-balance-sheet amount is reported as “non-applicable”.

5.4.12 Status of forbearance and renegotiation

Definition: Identification of forborne and renegotiated instruments.

This data attribute is intended to capture all modifications of the instrument’s terms and conditions, irrespective of whether or not the modifications meet the forbearance criteria as laid down in the amended ITS.

Specifically, this data attribute identifies: (i) instruments forborne in accordance with the amended ITS and (ii) instruments which are not forborne in accordance with the amended ITS but are otherwise renegotiated according to Regulation (EC) No 290/2009.

The value reported represents the latest status of the instrument since an instrument may pass through multiple statuses over its life.

Reporting qualification

This data attribute is reported for all instruments subject to AnaCredit reporting, and there can be no derogations in accordance with Article 7 of the AnaCredit Regulation

in respect of this data attribute. In particular, for an instrument reported in the financial dataset, one of the following values is reported.

Values

Forborne: instruments with modified interest rate below market conditions

This value is reported if forbearance measures apply to instruments with modified terms and conditions in accordance with Part 2, paragraph 240 et seq. of the amended ITS, including at least a modification of the interest rate below market conditions.

Revision mark: further clarifications are added, also taking into consideration that the ITS have been amended

This category is defined in accordance with the treatment of rates below market conditions specified in Part 2.VII.28 of Annex I to Regulation (EU) No 1072/2013 (ECB/2013/34).

This value is not reported when the forborne instrument meets the conditions for discontinuing its identification as forborne in accordance with Part 2, paragraphs 256 and 257, of Annex V of the amended ITS.

Forborne: instruments with other modified terms and conditions

Revision mark: further clarifications are added, also taking into consideration that the ITS have been amended

This value is reported if forbearance measures apply to instruments with modified terms and conditions in accordance with Part 2, paragraph 240 et seq., of Annex V to the amended ITS, excluding the modification of the interest rate below market conditions.

This value is not reported when the forborne instrument meets the conditions for discontinuing its identification as forborne in accordance with Part 2, paragraphs 256 and 257, of Annex V of the amended ITS.

Forborne: totally or partially refinanced debt

This value is reported for refinanced debt in accordance with Annex V to the amended ITS.

Revision mark: further clarifications are added, also taking into consideration that the ITS have been amended

Part 2, paragraph 244 of Annex V to the amended ITS, defines refinancing as the use of debt contracts to ensure the total or partial payment of other debt contracts the current terms of which the debtor is unable to comply with.

The value “forborne: totally or partially refinanced debt” is used to identify the new contract (“refinancing debt”) granted as part of a refinancing transaction which qualifies as a forbearance measure, as well as the old re-paid contract that is still outstanding (cf. Part 2, paragraph 265, of Annex V to the amended ITS).

This value is not reported when the forborne instrument meets the conditions for discontinuing its identification as forborne in accordance with Part 2, paragraphs 256 and 257, of Annex V of the amended ITS.

Renegotiated instrument without forbearance measures

This value is reported for instruments whose financial conditions have been modified, but without applying forbearance measures in accordance with Annex V to the ITS.

Not forborne or renegotiated

This value is reported if it is considered that, in accordance with the amended ITS, forbearance measures do not apply to the instrument (because it has not been forborne at any moment, or the instrument meets the conditions for discontinuing its identification as forborne), and nor has the instrument been otherwise renegotiated.

General reporting instructions, specific cases and examples

***Revision mark**: the clarifications are enhanced in line with Q&A 2018/0043, also taking into consideration that the ITS have been amended*

This data attribute serves to identify whether the instrument is classified as forborne or has been renegotiated, even when it is not recognised in the balance sheet. The criteria for classifying the instruments as forborne are the same as in the amended ITS. The five values mentioned above describe the applicable statuses in which an instrument can be classified concerning its status of forbearance and renegotiation.

Notably, the ITS does not regulate renegotiated instruments that are not forborne. Nonetheless, all admissible statuses of forbearance and renegotiation under which an instrument can be classified are clarified in this Section.

Specifically, please note that under AnaCredit, instruments classified in the accounting portfolios “financial assets held for trading” and “trading financial assets” are also reported as forborne or not forborne, applying the criteria set out in the amended ITS for the instruments classified in other accounting portfolios. Along the same lines, this data attribute is also reported, applying the same criteria, for instruments not derecognised.

According to Annex V to the amended ITS, for the purposes of Annex III and IV, Template 19 (“*Forborne exposures*”), forborne exposures are debt contracts in respect of which forbearance measures have been extended. Forbearance measures according to Part 2, paragraph 240 of Annex V to the amended ITS consist of concessions to a debtor facing or about to face difficulties in meeting its financial commitments (“financial difficulties”). For details concerning concessions, see Part 2, paragraphs 241 to 243 of Annex V to the amended ITS.

For details of when an exposure is treated as forborne, see Part 2, paragraphs 240 to 268 of the Annex V to the amended ITS. Moreover, Annex V therein says that a modification involving repayments made by taking possession of collateral is to be treated as a forbearance measure when the modification constitutes a concession.

- As regards the category “forborne: instruments with modified interest rate below market conditions”, this value is reported if forbearance measures apply to instruments with modified terms and conditions in accordance with Part 2, paragraph 240 et seq., of the amended ITS, including at least a modification of the interest rate below market conditions, where the latter is defined in

accordance with the treatment of rates below market conditions set out in Part 2.VII.28 of Annex I to Regulation (EU) No 1072/2013 (ECB/2013/34). Notably, this value is not reported when the forborne instrument meets the conditions for discontinuing its identification as forborne in accordance with Part 2, paragraphs 256 and 257, of Annex V of the amended ITS.

- As regards the category "forborne: instruments with other modified terms and conditions", this value is reported if forbearance measures apply to instruments with modified terms and conditions in accordance with Part 2, paragraph 240 et seq., of Annex V to the amended ITS, excluding a modification of the interest rate below market conditions (as referred to in the point above). However, this value is not reported when the forborne instrument meets the conditions for discontinuing its identification as forborne in accordance with Part 2, paragraphs 256 and 257, of Annex V of the amended ITS.
- Regarding "forborne: totally or partially refinanced debt", this value is reported for refinanced debt in accordance with Annex V to the amended ITS. Part 2, paragraph 244, of Annex V to the amended ITS defines refinancing as the use of debt contracts to ensure the total or partial payment of other debt contracts, the current terms of which the debtor is unable to comply with. Please note that the value "forborne: totally or partially refinanced debt" is used to identify the new contract ("refinancing debt") granted as part of a refinancing transaction which qualifies as a forbearance measure, as well as the old repaid contract that is still outstanding (see Part 2, paragraph 265, of Annex V to the amended ITS). Again, this value is not reported when the forborne instrument meets the conditions for discontinuing its identification as forborne in accordance with Part 2, paragraphs 256 and 257, of Annex V of the amended ITS.
- Regarding "renegotiated instrument without forbearance measures", this value is reported for instruments whose financial conditions have been modified, but without applying forbearance measures in accordance with Annex V to the amended ITS.
- "Not forborne or renegotiated" is reported if it is considered that, in accordance with the amended ITS, forbearance measures do not apply to the instrument (because it has not been the subject of forbearance measures at any moment, or the reporting of its forborne status has been discontinued), and if the instrument has not been otherwise renegotiated.

Please note that an instrument may, over its lifetime, go through different statuses (e.g. from "not forborne or renegotiated" starting at moment *t* through "renegotiated without forbearance measures" starting at moment *t* + x to "forborne: totally or partially refinanced debt" starting at moment *t* + x + y). However, this data attribute captures the latest status of the instrument, i.e. the status that still applies at the reporting reference date.

***Revision mark**: further clarifications are included as to when an instrument ceases to be recognised as forborne*

This being said, the identification of an instrument as forborne is discontinued when it meets the conditions specified in Part 2, paragraphs 256 and 257 of the amended ITS. When this happens, the instrument is reported as "not forborne or renegotiated" because it does not meet the definition of "renegotiated instrument without

forbearance measures" (i.e. the instrument has been renegotiated, but with forbearance measures). In this case, the date on which the forborne status is discontinued is reported as "date of the forbearance and renegotiation status". When this date is different from the inception date of the instrument, it means that the instrument was previously classified as forborne, but it has now met the conditions for the forborne status to be discontinued. Please refer to Example 43 in Section 5.4.13 for an illustration of the reporting in such cases.

Please note that, while the amended ITS provide specific requirements regarding when a forborne instrument can cease to be reported as forborne, the AnaCredit Regulation does not impose any conditions as to when a renegotiated instrument without forbearance measures may be considered as "not forborne or renegotiated". In this connection, it is clarified that, unless any forbearance measures apply in accordance with the amended ITS, once considered renegotiated without forbearance measures an instrument should remain so until its maturity.

Instruments which are not subject to forbearance but whose financial conditions have been otherwise modified, excluding automatic prolongations (i.e. without any active involvement of the debtor), are reported as "renegotiated instrument without forbearance measures".

In particular, existing contracts that are renegotiated solely for commercial reasons and where no forbearance measures apply in accordance with the amended ITS are considered as renegotiated without forbearance measures.

Prolongations of existing contracts that are carried out automatically without any active involvement of the debtor and do not involve any renegotiation of the terms and conditions of the contract, including but not limited to the interest rate, are not considered as renegotiated. Such a prolongation might have an impact on specific attributes of AnaCredit such as the legal final maturity date. However, it is not generally expected that a renegotiation without a substantial change of the nature of instrument (e.g. simple prolongation of the repayment period) will result in a new assignment of unique identification attributes.

Given the general guidance on renegotiation based on the explanation of the definition, if any material element of a revolving instrument is changed for reasons other than forbearance, then the revolving instrument is reported as "renegotiated instrument without forbearance measures". For instance, renegotiation of the interest rate (or spread) in response to a lower rate offered by other banks is considered as a sufficient reason to report the instrument as "renegotiated instrument without forbearance measures" for such a qualification, since such a change is considered material.

In the case of instruments refinanced in full where forbearance measures in accordance with the amended ITS apply (e.g. when a debt restructuring takes place) and the original instrument (or instruments) is effectively redeemed and replaced with one or more new instruments (identified by new contract and instrument identifiers), it is clarified that only the new instrument (or instruments) is reported (while the original instrument (or instruments) in fact no longer exists and cannot

therefore be subject to AnaCredit reporting). However, it is necessary to flag the new instrument(s) as forborne (by reporting the appropriate forborne value) directly from the inception date.

Similarly, as regards renegotiation without forbearance measures (e.g. an increase in the commitment amount or a lower interest rate purely for commercial reasons), it is clarified that these may be carried out in one of the two following broadly defined approaches.

- The original instrument continues to exist but certain conditions of the instrument have been changed (e.g. an increase in the commitment amount or a lower interest rate).
- The original instrument ceases to exist, and a new instrument (with a new instrument identifier) is created instead for the purposes of redemption of the previous instrument. The conditions of the new instrument are different from those of the original one (e.g. the new instrument is associated with a lower interest rate).

Please note that in the context of AnaCredit it is necessary for both the modified instrument in the former case and the newly created instrument in the latter case that the value “renegotiated instrument without forbearance measures” is reported in the data attribute “status of forbearance and renegotiation”; in the latter case, the second loan clearly results from the overall debt being renegotiated.

__Revision mark__: further clarifications are included in line with Q&A 2018/0002 relating to renegotiation of existing current accounts

It is clarified that when an instrument reported as an unauthorised overdraft changes to an agreed overdraft, maintaining the same contract and instrument identifiers, the instrument is reported using the same methodological approach as for any other renegotiated instrument – i.e. the date and status of the renegotiation should be reported, attributes which are renegotiated should be adjusted accordingly, and the inception date and settlement date should remain unchanged. However, if the change implies the creation of a new instrument with a new contract, the new instrument is reported, with new contract and instrument identifiers, and the inception date and other data attributes are reported in accordance with the conditions in the new contract.

__Revision mark__: further clarifications are added in line with Q&A 2018/0004 concerning deferrals of payment on the basis of a bilateral agreement

Consider, for example, a case in which, at a moment during the life of an instrument, a creditor and a debtor bilaterally agree that payments of both the principal and the interest are deferred until the next month (or later) and the debtor only pays a fee instead. In such cases, the deferral of payment as a result of a bilateral agreement between the creditor and the debtor constitutes a renegotiation (i.e. a change in financial conditions). Please note that a renegotiation entails a contractual change in which the debtor is actively involved. This has several implications for AnaCredit reporting, including the following:

- First, since the bilateral agreement between the debtor and the creditor changes the financial conditions of the initial contract, and thus changes the instrument, this modification has to be reflected in the data attribute “status of forbearance and renegotiation”.

- In the same vein, the data attribute “date of the forbearance and renegotiation status” captures the date on which the bilateral agreement becomes effective. If, in the following month, the parties agree to defer the payment obligation for a second time (again, in return for a fee), the attribute “date of the forbearance and renegotiation status” is updated to reflect the new agreement.
- Second, the change to the interest payment date means that the accrued interest will not become due until a later date. Subsequently, an amount is likely to be reported as “accrued interest” for the reference reporting date for which the interest payment has been deferred in line with the bilateral agreement. It should be noted that interest will, in this case, be accrued over a longer period of time as a result of the deferral of payment (cf. Section 4.4.11 dealing specifically with accrued interest).
- Third, if the agreed fee is not paid by the reference date, it is added to the outstanding nominal amount (as well as to the arrears for the instrument if it has also become due).
- Furthermore, all other aspects of the bilateral agreement that affect the instrument have to be reported accordingly. For example, if, in the period concerned, the instrument is interest-only (in which case, the end date of that period has to be reported) and if the end date coincides with the payment date prior to deferral, the end date of the interest-only period has to be adjusted if the bilateral agreement also affects the end date.
- However, where an instrument is not interest-only, simply deferring payment of the principal and the interest to a future period (e.g. the following month) does not affect per se the data attribute “end date of interest-only period”.
- Similarly, deferring payment of both the principal and the interest to a future period does not mean that the instrument becomes past due and a positive amount is reported for “arrears”.

5.4.13 Date of the forbearance and renegotiation status

Definition: The date on which a forbearance or renegotiation status as reported under “status of forbearance and renegotiation” is considered to have occurred.

The data attribute “date of forbearance and renegotiation status” is reported as the date on which the respective status as reported in the data attribute “status of forbearance and renegotiation” at the reporting reference date is considered to have occurred.

In the case of instruments which have not had a change of status since the moment of inception, the date of the status of forbearance and renegotiation equals the date of inception of the instrument.

Reporting qualification

This data attribute is reported for each instrument included in the financial dataset. There can be no derogations in accordance with Article 7 of the AnaCredit Regulation in respect of this data attribute.

Values

This data attribute is reported as a date indicating the day on which the status as reported in the data attribute "status of forbearance and renegotiation" at the reporting reference date is considered to have occurred.

General reporting instructions, specific cases and examples

For each of the values of the data attribute "status of forbearance and renegotiation", the date of forbearance and renegotiation status is filled in with the date on which the respective status is considered to have occurred.

For example, if an instrument is considered to be "forborne: instruments with other modified terms and conditions", then the date is reported on which the terms and conditions of the instrument were thus modified.

By contrast, if an instrument is no longer considered "forborne: instruments with other modified terms and conditions", then the date on which the forbearance ceased and the instrument was considered to be "not forborne or renegotiated" is reported.

Moreover, instruments which have not been considered to have been forborne or otherwise renegotiated at any moment in time since they have been originated until the reporting reference date are reported as "not forborne or renegotiated", and the inception date of the instrument is reported as the date of forbearance and renegotiation status as of the reporting reference date.

***Revision mark**: further clarifications are included concerning the status "not forborne or renegotiated"*

Consequently, when an instrument is classified as "not forborne or renegotiated" and the date reported as "date of the forbearance and renegotiation status" is different from the inception date of the instrument, it means that the instrument has been previously classified as forborne, but it has met the conditions for the classification as forborne to be discontinued.

If an instrument is renegotiated without forbearance measures (e.g. the interest rate is lowered purely for commercial reasons) on date *t* prior to the reporting reference date, *t* is reported as the date of the status of forbearance and renegotiation. However, if at a later moment *t* + x, the instrument is once again renegotiated without forbearance measures (e.g. the credit line is increased purely for commercial reasons), *t* + x is reported as the date of the status of forbearance and renegotiation at the first reporting reference date after the second renegotiation.

The reporting of the data attributes "status of forbearance and renegotiation" and "date of the forbearance and renegotiation status" is illustrated using the following example.

Example 43: Status of forbearance or renegotiation and the corresponding date

Instrument Ins#1 has the inception date 4 February 2017. The instrument is renegotiated without forbearance measures on 15 March 2018 (for the first time since its origination). Thereafter, the instrument is forborne with a modified interest rate below market conditions on 10 August 2018. It also becomes non-performing on 10 August 2018, and its status changes to performing on 30 September 2020. The criteria for discontinuing the forbearance classification in accordance with Annex V to the amended ITS are fulfilled on 1 October 2020. Ultimately, the instrument is not considered to be forborne any longer. The instrument is subject to reporting to AnaCredit over the entire time span considered.

The table below presents a quarter-by-quarter overview of the relevant data reported to AnaCredit between 31 March 2018 and 31 December 2020.

Table 70 Overview of data relating to the status of forbearance and renegotiation and to the performing status of an instrument

Reporting reference date	Instrument identifier	Status of forbearance and renegotiation	Date of the status of forbearance and renegotiation	Performing status of the instrument	Date of the performing status of the instrument
31/03/2018	INS#1	Renegotiated instrument without forbearance measures	15/03/2018	Performing	04/02/2017
30/06/2018	INS#1	Renegotiated instrument without forbearance measures	15/03/2018	Performing	04/02/2017
30/09/2018	INS#1	Forborne: instruments with modified interest rate below market conditions	10/08/2018	Non-performing	10/08/2018
31/12/2018	INS#1	Forborne: instruments with modified interest rate below market conditions	10/08/2018	Non-performing	10/08/2018
…	…	…	…	…	…
30/09/2020	INS#1	Forborne: instruments with modified interest rate below market conditions	10/08/2018	Performing	30/09/2020
31/12/2020	INS#1	Not forborne or renegotiated	01/10/2020	Performing	30/09/2020

As a result, each of the statuses of the data attribute "status of forbearance and renegotiation categories", including the category "renegotiated instrument without forbearance measures", along with the respective date of forbearance and renegotiation status, is carried over from one reporting reference date to another until a new status, such as the status "not forborne or renegotiated", is considered to occur.

Please note that in the period between 31 December 2018 and 30 September 2020 no changes take place.

5.4.14 Cumulative recoveries since default

Definition: The total amount recovered since the date of default.

This data attribute indicates the amount of recoveries received in relation to a defaulted instrument during the latest default period (i.e. from the start of the latest

default of the instrument until the reporting reference date) and only during that period (i.e. the accumulation period).

It is clarified that the term “default” in the definition of the data attribute refers to default in accordance with Article 178 of the CRR.

Reporting qualification

Revision mark: the repeated clarifications are streamlined

There can be no derogations in accordance with Article 7 of the AnaCredit Regulation in respect of this data attribute.

Consequently, an amount is reported if the instrument has been in default prior to or on the reporting reference date. Otherwise, “non-applicable” is to be reported.

Values

Unless “non-applicable” is reported, amounts of cumulative recoveries since default are reported in euro. Foreign currency amounts are converted into euro at the respective ECB euro foreign exchange rates (i.e. the mid-rate) on the reporting reference date.

The amounts are reported in euro.

General reporting instructions, specific cases and examples

Revision mark: further clarifications regarding recoveries to be considered are included

The following specific rules apply in relation to this data attribute.

- If an instrument is in default in accordance with Article 178 of the CRR at a reporting reference date, then all recoveries (i.e. all inflows) of the outstanding nominal amount of the instrument, which includes, in addition to the principal, interest and other claimable expenses capitalised (cf. Section 4.4.9), since the start of the default until the reporting reference date are added up and reported as of the reporting reference date.
- Otherwise, if an instrument is no longer in default at a reporting reference date, then all recoveries (i.e. all inflows irrespective of the source of recoveries) since the start of the default until the end of the default (i.e. the accumulation period) are added up and reported as of the reporting reference date.
- If, in accordance with Article 178 of the CRR, the definition of default is only applied at the level of a counterparty rather than at the level of an individual instrument, the accumulation period for the instrument starts when the counterparty default is considered to have occurred.
- In the case of a mixed counterparty/instrument level of the assessment of the default status, the date of the default status of the counterparty is only relevant for those instruments whose default status is assessed at the level of the counterparty and not for those (retail) instruments to which the last sentence of Article 178(1) of the CRR applies.

- For the purposes of calculating the cumulative recoveries after default, all recoveries are taken into account irrespective of their source; for example, the data attribute takes into account any voluntary cash repayments, any proceeds from liquidation of collateral, amounts received as a result of calling guarantees, etc. Moreover, recoveries from any protection securing the instrument are included in this data attribute.
- However, the cumulative recoveries after default should be reported net of any recovery costs – for example, if a cost is incurred when realising proceeds from collateral (e.g. liquidating a real estate property which serves as protection), only the proceeds as reduced by the costs of the liquidation process are reported in this data attribute.
- Any carrying-over of recoveries from the end of one default to the start of the next default is not reported as "cumulative recoveries since default"; more specifically, the cumulative recoveries since default is set to zero and the accumulation starts anew whenever a new default starts.

Conversely, "non-applicable" is reported in relation to an instrument if:

- the instrument has never been in default since the inception, on condition that the definition of default is applied in accordance with the CRR at the level of an instrument;
- any debtor to the instrument has never been in default for the entirety of the business relationship with the observed agent, on condition that the definition of default is applied at the level of a counterparty.

***Revision mark**: this paragraph is expanded with clarifications on when the accumulation period starts*

Please note that the start of a default to be considered in the calculation of this data attribute is the first date on which the instrument was classified as in default in the current accumulation period (see above). The date of the default status of the instrument/counterparty may change after the default actually started (e.g. when the default status changes from "default because unlikely to pay" to "default because more than 90 days past due") (cf. Section 4.4.5). However, even in such cases, the data attribute "cumulative recoveries since default" always refers to the initial date of default as the starting point, i.e. this attribute always refers to cumulative recoveries over the entire period during which the instrument/counterparty has been in default and not simply to the period since the latest change in the default status. This is especially relevant in cases where observed agents update the default status over the duration of the same default.

The cumulative recoveries since default are also reported in the period when there is no longer default. The aim of this reporting is in particular to capture recoveries that were received just before the moment at which the instrument was considered not in default, which otherwise would not be captured if the amount recovered was required to be set to 0 during periods of non-default.

The costs incurred in obtaining the recovery are considered when determining the amount of recoveries. Additionally, the recoveries which have been collected are then considered in the outstanding nominal amount once the client has recovered.

For the purposes of calculating cumulative recoveries, the following applies:

- All recoveries since the date of default are taken into account, irrespective of their source; for example, this data attribute takes into account any voluntary cash repayments, any proceeds from liquidating collateral, amounts received as a result of calling guarantees, proceeds from selling the instrument (please refer to Section 4.4.3 for more details), etc., provided that they were received during the period of default.
- If an instrument (or, where applicable, the debtor of an instrument) is in default at the reporting reference date, then the amount of recoveries received in the period since the start of the default is reported. If no recoveries have been received since the start of the default, the amount reported is zero.
- Any amounts received after the default period ends are considered regular repayments and are thus not be accounted for in cumulative recoveries since default.
- Amounts of recoveries since default are not accumulated over multiple defaults of one and the same instrument (i.e. in cases where an instrument defaults, recovers and then defaults again). Accordingly, no carrying-over of recoveries from one default to another takes place under AnaCredit. Instead, every time a new default starts, the cumulative recoveries since default are set to zero and the accumulation starts anew.

***Revision mark**: further clarifications are added in the description of the example*

For an illustration of how the recoveries are accumulated across multiple defaults of the same instrument, please consider the following example.

Example 44: Cumulative recoveries since default through multiple defaults

A loan (Inst#1) with an inception date 4 February 2017 is considered to be in default as of 10 August 2018 because the debtor is deemed unlikely to pay and the instrument is non-performing.

By 31 December 2018, of the total outstanding nominal amount of €100,000 since inception, an amount of €20,000 has been recovered at a recovery cost of €5,000 (€2,000 for legal costs and €3,000 for all other expenses incurred due to the recovery process); the outstanding nominal amount of the instrument is reduced by the amount of the net cumulative recovery, i.e. €15,000.

On 10 July 2019, the debtor recovers and the instrument is considered not in default according to the debtor-level definition of default and performing as of 15 July 2019.

However, as of 30 September 2020 the debtor is deemed unlikely to pay again and is consequently considered to be in default according to the definition of default at debtor level and the instrument is considered to be non-performing.

Table 71 provides an illustration of how the relevant attributes are reported at selected reporting reference dates after March 2018.

Table 71 Overview of data relating to the cumulative recoveries since default

Reporting reference date	Instrument identifier	Cumulative recoveries since default	Outstanding nominal amount	Performing status of the instrument	Default status of the counterparty	Date of the default status of the counterparty
31/03/2018	INST#1	"Non-applicable"	100,000.00	Performing	Not in default	"Non-applicable"
…	…	…	…	…	…	…
30/09/2018	INST#1	0.00	100,000.00	Non-performing	Default because unlikely to pay	10/08/2018
31/12/2018	INST#1	15,000.00	85,000.00	Non-performing	Default because unlikely to pay	10/08/2018
30/09/2019	INST#1	15,000.00	85,000.00	Performing	Not in default	15/07/2019
31/12/2019	INST#1	15,000.00	85,000.00	Performing	Not in default	15/07/2019
31/03/2020	INST#1	15,000.00	85,000.00	Performing	Not in default	15/07/2019
30/06/2020	INST#1	15,000.00	85,000.00	Performing	Not in default	15/07/2019
30/09/2020	INST#1	0.00	85,000.00	Non-performing	Default because unlikely to pay	30/09/2020

Note that no changes occur in the period from September 2019 to September 2020.

Please also note that with the start of the second default, the cumulative recoveries are reset to 0 and the accumulation starts anew. In other words, the amount which was already collected during the first default period is excluded in the second default.

Please note that the amount recovered during the first default period is also reported when the debtor no longer in default (as of 30 September 2019).

The data attribute "cumulative recoveries since default" is always recorded at instrument level and refers either to the default of the instrument (if applied at this level) or the default of the counterparty (if default is not applied at the level of instrument).

In accordance with Section 3.1.6, an instrument is reported at least until the end of the quarter in which the debtor's commitment amount falls below the reporting threshold of €25,000 as a result of a write-off.

"Cumulative recoveries since default" are reported also for written-off instruments

In particular, defaulted instruments that cease to exist because of a write-off (for example, after a recovery process with partial repayment) are reported until the end of the quarter in which the instrument ceases to exist. Consequently, the amount of recoveries since default is reported as of the quarter-end reporting reference date (even if the instrument is not in default at the last calendar day of the quarter during which the repayment has taken place).

Please note that recoveries may be received both before and after a (partial or full) write-off. Both are taken into account when calculating the cumulative recoveries.

For an illustration of how this data attribute is reported when there are partial write-offs, please consider the following example.

Example 45: Cumulative recoveries in the case of partial write-offs

An instrument (Inst#1) with an outstanding nominal amount of €100,000 has been in default since 1 June 2017. No recoveries have been received since then, although the observed agent holding the instrument expects to recover only €30,000. In this connection, on 15 September 2018 a decision is taken to partially write off the instrument (no write-offs made beforehand), with an amount of €70,000 being written off. Thereafter, in the course of December 2018 an amount of €50,000 is recovered.

Table 72 presents the reporting as of 30 September and 31 December 2018, taking into account the proceeds received after the write-off.

Table 72 Cumulative recoveries since default and accumulated write-offs

Reporting reference date	Instrument identifier	Cumulative recoveries since default	Outstanding nominal amount	Accumulated write-offs
30/09/2018	INST#1	0.00	30,000.00	70,000.00
31/12/2018	INST#1	50,000.00	0.00	50,000.00

Please note that at 30 September the cumulative recoveries are 0, as no amount has been recovered yet. The outstanding nominal amount is €30,000 as a write-off was made in the amount of €70,000 as reflected in the data attribute "accumulated write-offs".

However, by 31 December an amount of €50,000 has been recovered (as reflected in the cumulative recoveries since default). The amount recovered has led to a full repayment of the outstanding nominal amount of €30,000 and a partial reversal of the write-off made in September. Accordingly, the accumulated write-offs are lowered to €50,000 and the outstanding nominal amount set to €0.

Note that the nominal outstanding amount decreases by the recovered amounts.

The cumulative recoveries are reported taking into consideration any costs incurred in the recovery process (legal, etc.). If the institution has multiple instruments with the counterparty and takes into account the amounts collected at the debtor level, then it is expected that the total amount collected is allocated in a suitable way among different instruments of the debtor, thereby excluding those which are not considered as defaulted (and/or out of the scope of AnaCredit).

5.4.15 Prudential portfolio

Definition: Classification of exposures in the trading book as defined in Article 4(1)(86) of Regulation (EU) No 575/2013.

This data attribute identifies whether the instruments are included in the trading book for prudential purposes.

Therefore, the value of this attribute depends on the actual classification of the instrument in the trading or in the non-trading book for capital ratio purposes and not on the type of instrument or the accounting classification of the instrument.

Reporting qualification

This data attribute is not reported for “fully derecognised instruments being serviced” as defined in Annex II of the AnaCredit Regulation, so in such cases the value “non-applicable” is reported.

In addition, for instruments which are not recognised in the balance sheet of the observed agent’s legal entity in accordance with the accounting standard, the value “non-applicable” is reported.

In all other cases, one of the two values as specified below is reported.

Values

1. Trading book – Instruments in the trading book
2. Non-trading book – Instruments not in the trading book

General reporting instructions, specific cases and examples

In accordance with Article 4(1)(86) of the CRR, instruments in the trading book are all financial instruments held by the observed agent either with trading intent or in order to hedge positions held with trading intent.

Generally, instruments classified as “financial assets held for trading” or “trading financial assets” in according with the accounting standard are held in the trading book. However, please note that there may be exceptions, particularly with regard to national GAAP (see, for example, Part 2.128 of Annex V to the amended ITS in the case of financial derivatives).

5.4.16 Carrying amount

Definition: The carrying amount in accordance with Annex V to Implementing Regulation (EU) No 680/2014.

The carrying amount means the amount to be reported on the asset side of the balance sheet. The carrying amount of financial assets includes accrued interest.

This data attribute captures the net carrying amount of assets as reported in accordance with the applied accounting standard.

Reporting qualification

This data attribute is not reported for "fully derecognised instruments being serviced" as defined in Annex II of the AnaCredit Regulation. Hence, in such cases, the value "not required" is reported.

Otherwise, if an instrument is not recognised in the balance sheet of the observed agent's legal entity in accordance with the accounting standard, the value "non-applicable" is reported.

In all other case, the net carrying amount of the instrument is reported.

Values

The carrying amount is reported in euro.

General reporting instructions, specific cases and examples

If the reporting agent is subject to Regulation (EU) 2015/534 (ECB/2015/13), it is expected that the carrying amount is reported as the amount used to fulfil the requirements of this Regulation.

***Revision mark**: an explanation is added concerning the carrying amount*

The "carrying amount" is the amount of the instrument recognised as an asset in the balance sheet, i.e. after deducting any accumulated impairment (referred to as the "net carrying amount") for instruments measured at amortised cost and the fair value for instruments measured at fair value through profit and loss or other comprehensive income.

The amount of accrued interest as included in carrying amount is defined in accordance with the data attribute "accrued interest" in the financial dataset.

6 Counterparty-instrument data

6.1 General aspects

Pursuant to the AnaCredit Regulation, reporting agents report relevant data for all instruments satisfying the conditions defined in Articles 1(23), 4 and 5.

The counterparty-instrument dataset identifies counterparties that take on certain roles vis-à-vis an instrument reported in the instrument dataset.

Specifically, for every instrument reported to AnaCredit in the instrument dataset, all counterparties that, from the perspective of the observed agent, take any of the following roles in relation to the instrument are reported in the counterparty-instrument dataset:

- the creditor to the instrument;
- the servicer to the instrument;
- the debtor to the instrument.

In addition, if the instrument reported to AnaCredit is subject to a traditional securitisation transaction within the meaning of Regulation (EU) No 1071/2013 (ECB/2013/33), the transferor of the instrument to the securitisation structure is also be reported in the counterparty-instrument dataset:

- the originator (the transferor) of the instrument.

In AnaCredit, the existence of one or more creditors and debtors to an instrument implies that the instrument bears credit risk

AnaCredit captures instruments that give rise to credit risk. Taking the perspective of an observed agent, an instrument recorded in the instrument dataset either gives rise to credit risk to the observed agent or (does not give rise to credit risk to the observed agent but it) is serviced by the observed agent.

In either case, the counterparties that are creditors, debtors or servicers to such instruments are all recorded in the counterparty-instrument dataset.

Only the roles of creditors, debtors, servicers and, if relevant, originators are subject to reporting in the counterparty-instrument dataset

In accordance with the AnaCredit data model, each counterparty identifier reported in the counterparty-instrument dataset is recorded in the counterparty reference dataset so that it is possible to retrieve up-to-date counterparty related data for creditors, debtors, servicers and, if relevant, originators to the instrument concerned.

The roles of protection providers, head office undertakings, and immediate and ultimate parent undertakings are not subject to reporting in the counterparty-instrument dataset

Conversely, counterparties that do not take on any of the three (or four, if relevant) roles referred to above are not reported in the counterparty-instrument dataset. This means that counterparties whose activity as (i) protection providers, (ii) head office undertakings (of a foreign branch acting as a debtor or protection provider), (iii) immediate parent undertakings (of a debtor or protection provider) and (iv) ultimate parent undertakings (of a debtor or protection provider) that are recorded in the protection received dataset and/or the counterparty reference dataset are not recorded in the counterparty-instrument dataset.

Consequently, for each instrument recorded in the instrument dataset, the counterparty-instrument dataset contains information about which counterparties constitute the creditor, the servicer, the debtor and, if relevant, the originator vis-à-vis the instrument, by recording the counterparty identifier of the respective counterparty.

At least one debtor, at least one creditor and at least one servicer are always identified and reported to AnaCredit whenever the instrument is reported to AnaCredit

In other words, in line with the AnaCredit data model, for each instrument recorded in the instrument dataset there are in principle at least three records reported in the counterparty-instrument dataset. This applies for any instrument reported to AnaCredit, including intracompany loans, written-off loans, or fiduciary instruments.

6.1.1 All counterparties are reported

Any counterparty acting as creditor, servicer, debtor or originator vis-à-vis an instrument is subject to reporting

If an instrument is reported, then all counterparties (and in particular all debtors) to the instrument are subject to AnaCredit reporting

In accordance with point 4.2 of Template 1 in Annex I to the AnaCredit Regulation, the counterparty-instrument data describe the role of all counterparties to each instrument (though the reporting of natural persons is waived). Consequently, any counterparty, other than a natural person, taking on any of the four roles is subject to reporting in this dataset.

In particular, any debtor (other than a natural person) which is jointly liable for an instrument that is reported to AnaCredit is recorded in the counterparty-instrument dataset, even though the debtor's commitment amount is below the reporting threshold of €25,000.

For an illustration of the obligation, please consider the following example.

Example 46: Reporting of debtors vis-à-vis an instrument reportable to AnaCredit

As of 30 September 2018, observed agent OA#1 extends:

- loan INST#1 (contract CNT#1) with the outstanding nominal amount of €40,000 to debtor DBTR#B;
- loan INST#04 (contract CTRT#2) with the outstanding nominal amount of €15,000, where DBTR#B and OBLGR#A share liability, with DBTR#B liable for €10,000 and OBLGR#A liable for €5,000; and
- loan INST#9 (contract CNT#3) with the outstanding nominal amount of €7,000 to debtor OBLGR#A.

Both OBLGR#A and DBTR#B are legal entities and neither has other instruments vis-à-vis OA#1. All the loans have one of the types of instrument referred to in Article 1(23) of the AnaCredit Regulation and by definition do not have the off-balance-sheet amount (reported as "non-applicable").

The observed agent determines, in accordance with Article 5 of the AnaCredit Regulation, that:

- the commitment amount of debtor OBLGR#A is €22,000, which is the sum of the outstanding nominal amounts of INST#4 (€15,000) and INST#9 (€7,000);
- the commitment amount of debtor DBTR#B is €55,000, which is the sum of the

outstanding nominal amounts of the instrument in which DBTR#B acts as debtor, i.e. INST#1 and INST#4.

Consequently, the observed agent establishes that both INST#1 and INST#04 are subject to AnaCredit reporting because the debtor's commitment amount exceeds the reporting threshold of €25,000, whereas INST#9 is not subject to reporting as the debtor's commitment amount does not reach the reporting threshold. This is reflected accordingly in the financial dataset as of the reporting reference date (Table 73).

Table 73 Indication of the financial dataset

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount	Off-balance-sheet amount
30/09/2018	OA#1	CNT#1	INST#1	40,000.00	"Non-applicable"
30/09/2018	OA#1	CTRT#2	INST#04	15,000.00	"Non-applicable"

For the instruments subject to reporting, the observed agent reports all the counterparties involved in the instruments in the counterparty-instrument dataset, and in particular all the debtors, irrespective of whether or not the commitment amount of all the debtors reaches the reporting threshold. This is presented in Table 74.

Table 74 Indication of the counterparty-instrument dataset

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
30/09/2018	OA#1	CNT#1	INST#1	OA#1	Creditor
30/09/2018	OA#1	CNT#1	INST#1	OA#1	Servicer
30/09/2018	OA#1	CNT#1	INST#1	DBTR#B	Debtor
30/09/2018	OA#1	CTRT#2	INST#4	OA#1	Creditor
30/09/2018	OA#1	CTRT#2	INST#4	OA#1	Servicer
30/09/2018	OA#1	CTRT#2	INST#4	DBTR#B	Debtor
30/09/2018	OA#1	CTRT#2	INST#4	OBLGR#A	Debtor

The reason for reporting INST#04 is that all instruments vis-à-vis OA#1 in which debtor DBTR#B is involved have to be reported, i.e. both INST#1 and INST#4. If this is the case, DBTR#B is reported twice, once in relation to INST#1 and once in relation to INST#04. Furthermore, since INST#4 is reported, OBLGR#A also has to be reported in relation to the instrument, even though the commitment amount of this debtor does not reach the reporting threshold. However, since the commitment amount of debtor OBLGR#A is less than €25,000, INST#9 is not subject to reporting.

Revision mark: an explanation is included in line with Section 5.2.1.2 in Part I of the Manual

As clarified in Section 5.2.1.2 in Part I of the Manual, the actual amount up to which an individual debtor is liable in respect of a given instrument is irrelevant in consideration of the definition of the debtor's commitment amount in Article 5(2) of the AnaCredit Regulation, which refers to the sum of the commitment amounts (i.e. outstanding nominal amount plus off-balance-sheet amount) for all eligible instruments of a debtor, instead of the sum of the parts of the commitment amounts of the instruments for which the debtor is liable (cf. Section 5.2.1.2 in Part I of the Manual).

6.1.2 Multiple creditors

Plurality of creditors and transferred instruments

As in any other dataset, all counterparties identified in the counterparty-instrument dataset are recorded in the counterparty reference dataset, in accordance with the general reporting principles

***Revision mark**: editorial changes are applied*

All creditors are identified in the counterparty-instrument dataset, irrespective of whether the reporting agent reports the instrument to AnaCredit because it relates to the observed agent's activity as a creditor (under Article 4(1)(a)(i) of the AnaCredit Regulation) or its activity as a servicer (under Article 4(1)(a)(ii) to (iv) of the AnaCredit Regulation). This means that the observed agent may not be the only creditor identified in relation to an instrument reported to AnaCredit.

***Revision mark**: further clarifications are included concerning instruments with multiple creditors*

In particular, the case of multiple creditors holding parts of one and the same instrument exists in relation to transferred loans, where, after the economic ownership of an instrument has been partially transferred to a third party, the observed agent chooses to continue reporting to AnaCredit the instrument as a single instrument (i.e. it does not split the instrument into its parts). In this case, all the counterparties holding parts of the instrument are reported as creditors.

The definition of transferred instruments goes beyond instruments subject to a securitisation and also includes instruments that have otherwise been transferred in terms of the collection of principal and interest from the debtor (cf. Section 4.4.3).

The general principle is that a counterparty acquiring the economic ownership of transferred instruments originally held by the observed agents becomes a creditor and is recorded as such in the counterparty-instrument dataset.

***Revision mark**: further clarifications are added concerning the role of creditor*

Accordingly, an observed agent which holds an instrument is a creditor; if later on the observed agent transfers the instrument to a third party and the observed agent does not hold the instrument any more, the observed agent ceases to be the creditor of the instrument (cf. Section 3.2.2.1 in Part I of the Manual) and the third party becomes a creditor from the moment of transfer onwards. However, if the transfer is such that the observed agent continues to hold a part of the instrument, the observed agent and the third party are both creditors of the instrument.

***Revision mark**: the clarifications on the reporting of transferred instruments are streamlined; a reference is provided to Section 4.4.3 which deals specifically with the matter*

In the special case of an instrument transferred to more than one creditor, the creditors are captured via the counterparty-instrument dataset. Moreover, in cases where the reporting agent splits such an instrument into separate parts, only one creditor is reported for each part of the instrument via the counterparty-instrument dataset insofar as the parts are subject to AnaCredit reporting. Please refer to Section 4.4.3 for more information on the reporting of transferred instruments.

***Revision mark**: an explanation concerning syndicated loans is added in line with Chapter 7 in Part III of the Manual*

In a similar vein, syndicated loans are also loans with multiple creditors. However, under AnaCredit requirements, loan shares of syndicate loan creditors are reported separately, each with only one creditor. Please also refer to Chapter 7 in Part III of the Manual which deals specifically with syndicated loans.

Conversely, an observed agent which purchases an instrument giving rise to credit risk becomes a creditor to the instrument.

A counterparty assuming the credit risk of an instrument by providing protection (e.g. a guarantee) is a protection provider, not a creditor. Protection providers are not identified in the counterparty-instrument dataset but instead in the protection received dataset

Any counterparty that assumes the credit risk of an instrument through the use of credit derivatives, guarantees or any similar mechanism, but is not the economic owner of the instrument, is not a creditor and is not recorded in the counterparty-instrument dataset as such. Consequently, if an observed agent holding an instrument transfers the risk associated with an instrument to a third party through the use of a guarantee, the observed agent nonetheless continues to be the creditor to the instrument while the third party becomes a protection provider to the instrument.

6.1.3 Plurality of debtors

In the context of AnaCredit, debtors are fully or partially jointly liable debtors when they are united in making repayments arising under one and the same instrument under the same contract.[20]

(a) Relating to instruments with fully jointly liable debtors

(i) The creditor may claim repayments from any one of the fully liable debtors until the full amount has been repaid.

(ii) If one fully liable debtor has repaid the amount in full or in part, the liability of the other fully liable debtor(s) to the creditor is discharged to the extent of such repayment.

(b) Concerning instruments with partially jointly liable debtors

(i) The creditor may claim from any partially liable debtor only that part of the repayment for which the debtor is liable and the partially liable debtor is bound to repay only to that extent.

(ii) Partially liable debtors carry separate liabilities vis-à-vis the creditor for their own shares. They may also be liable in equal shares if the contract or the law provides so.

In the case of a plurality of debtors (joint debtors), the instrument is reported as one instrument in the instrument dataset and multiple records are entered in the counterparty-instrument dataset, one for each existing debtor.

Note that in the case of fully liable debtors, which are frequently encountered in practice, the creditor may claim the whole amount from any of the debtors without having to involve all the debtors. In contrast, there can also be cases of partial but not fully liable debtors. In terms of AnaCredit, the treatment of such cases does not significantly differ from the general principle already presented, where for each joint debtor, the joint liability amount is determined on the basis of the actual amount the debtors are liable for.

[20] Please refer to Part I of the Manual for a general description of a plurality of debtors.

By contrast, in the case of partially liable debtors, the creditor may claim from each partially liable debtor only that part of the repayment for which the debtor is liable. This means that the partially liable debtors carry separate liabilities vis-à-vis the creditor for their own shares. A lack of payment by one debtor does not affect the obligations of the other partially liable debtors.

Instruments with a plurality of debtors versus instruments with debtors and guarantors

A question arises as to the difference between (i) a multi-debtor instrument where debtors are fully (or partially) liable and (ii) a single debtor instrument with a guarantor that is also liable for the full (or part of the) amount if the debtor does not pay.

Although the answer depends on how the obligations of the parties are defined exactly vis-à-vis the creditor (as a guarantor does not mean the same as a debtor), in certain situations there appears to be no clear boundary because the two types of instrument are identical from an economic perspective.

Generally, in case (ii) above, the fact that a guarantee is provided by the one counterparty to the other suggests that there is a certain relationship between these counterparties (e.g. economic interconnectedness). Although the counterparties may be slightly different from the creditor's point of view, both have to have sufficient creditworthiness.

Briefly, in AnaCredit both types of instrument are collected, i.e.:

(a) instruments where there are debtors fully liable vis-à-vis the creditor, and where both debtors have the unconditional obligation to make repayments arising under the instrument;

(b) instruments where there is a debtor and a guarantor, and where the debtor has the obligation to make payments arising under the instrument in the first place, whereas the protection provider grants protection against the event of the debtor's failure to meet its obligation.

In any case, the information in AnaCredit makes it possible to identify what kind of instruments they are and to analyse them jointly or separately, depending on the purpose.

Instruments granted to civil-law partnerships

Depending on the national law, civil-law partnerships which are a party to an instrument may or may not meet the definition of legal entity as defined in Article 1(5) of the AnaCredit Regulation.

In this context, it is clarified that a civil-law partnership which, according to the national law, is considered to be a legal entity in the sense of Article 1(5) referred to above is reported to AnaCredit as one counterparty.

On the other hand, instruments granted to civil-law partnerships which do not qualify as legal entities according to the national law are considered a group of joint debtors, with only those members which are legal entities in accordance with Article 1(5) being subject to AnaCredit reporting. Furthermore, such an instrument is subject to AnaCredit reporting only if at least one of the members is a legal entity.

Please refer to Section 12.4.13 dealing specifically with legal forms which qualify as a legal entity in the context of AnaCredit.

For an illustration of how civil-law partnerships are considered in the context of AnaCredit, please consider the following examples.

Example 47: Civil-law partnership meets the definition of a legal entity

A loan is extended to a partnership under civil law. In the country where the partnership is registered, the partnership is a legal entity in accordance with Article 1(5) of the AnaCredit Regulation.

In this case, the loan is considered an instrument where the partnership as a whole is the debtor. In this connection, the counterparty reference data relating to the partnership is reported.

The individual members of the partnership are not recognised at all as counterparties, and are not reported to AnaCredit, regardless of whether or not they are legal entities. In particular, only one debtor is reported in the joint liabilities dataset, namely the partnership itself. As none of the partners is considered to be a counterparty to the instrument, no counterparty reference data are therefore required for any of them.

In the following case, a partnership under civil law between a legal entity and a natural person is considered.

Example 48: Civil-law partnership does not meet the definition of a legal entity

A loan is extended to a partnership under civil law. The partnership is made between a natural person (NP#1) and a legal entity (LgEty#A). In the country where the partnership is registered, the partnership is not a legal entity in accordance with Article 1(5) of the AnaCredit Regulation.

In this case, the loan is considered an instrument where the partners, rather than the partnership, are joint debtors.

Since one of the partners is a legal entity, the instrument is subject to AnaCredit reporting in accordance with Article 4(1)(b). Consequently, the individual joint debtors are reported in the counterparty-instrument dataset. However, owing to the fact that no natural persons are reported to AnaCredit, there is no data record for partner NP#1 (and hence no counterparty reference data for this partner).

By contrast, a data record is reported for the legal entity (partner LgEty#A) in the counterparty-instrument dataset (and hence the counterparty reference data for this partner is reported).

6.1.4 No natural persons

In accordance with Article 4.1(b) of the AnaCredit Regulation, reporting agents report only instruments "where at least one debtor is a legal entity or is part of a legal entity as defined in Article 1(5)". This article establishes that "'legal entity' means any entity which, under the national law to which it is subject, can acquire legal rights and obligations". Additionally, points 1.6 and 4.3 of Annex I indicate that "in the case of natural persons being affiliated with instruments reported to AnaCredit, no record for the natural persons is reported."

Consequently, in the case of natural persons being affiliated with instruments reported to AnaCredit, no record for the natural persons is recorded in the counterparty-instrument dataset.

For example, if a natural person is a joint debtor to an instrument reported to AnaCredit (and the other joint debtor is a legal entity), the counterparty-instrument dataset does not include the record in which the natural person would be identified as debtor. However, all other counterparties that are legal entities, and their respective roles to the instrument, are recorded in the counterparty-instrument dataset.

As regards civil-law partnerships in particular, these may be reported to AnaCredit as a counterparty (as opposed to the member of the association being counterparties reportable to AnaCredit), depending on whether the national law considers such associations as legal entities.

Data reported in the counterparty-instrument dataset in cases where a natural person is acting as a counterparty to the instrument

In accordance with the general rule that no data relating to natural persons are reported to AnaCredit, no records are entered in the counterparty-instrument dataset for counterparties that are natural persons. This in particular concerns natural persons who are debtors to instruments reported in the instrument dataset, which is the most likely situation to be actually encountered when reporting to AnaCredit.

In principle, an instrument in which a natural person is a debtor can be reported to AnaCredit only under a specific situation, i.e. when a plurality of debtors exists and a natural person is one of the (partial or joint) debtors where at least one other debtor is not a natural person.

For an illustration of how the reporting of the counterparty-instrument dataset is done in relation to an instrument reported in the instrument dataset where one of the debtors is a natural person, please consider the following example.

Example 49: Reporting the counterparty-instrument dataset in the case of natural persons as co-borrowers

In this example, a joint liability exists, and one of the debtors is a natural person. An instrument with instrument identifier “MixLbltyIns” arises under a contract with contract identifier “C#MixLblty”. The nominal outstanding amount of €100,000 is reported in the financial dataset for the instrument as of 31 March 2019. The instrument is held and serviced solely by Counterparty Bank#1 with counterparty identifier “Cpty#A”.

Counterparty A with counterparty identifier “LegalEntity#1” and counterparty B with counterparty identifier “Person#B” are the only debtors to the instrument and, as stipulated by the contract, both counterparties are jointly liable for the total outstanding amount. Counterparty A is a legal entity while Counterparty B is a natural person.

In this situation, the actual number of debtors is two. However, the debtor who is a natural person is not recorded in the counterparty-instrument dataset. Thus, only the debtor that is not a natural person is recorded in the dataset. The other counterparties which as creditor and servicer roles are also recorded in the dataset accordingly.

Note that it is not possible to read from the information reported solely in the counterparty-instrument dataset that the actual number of debtors in this instrument is (at least) two. However, this can be concluded from the fact that in such a situation a record is reported in the (joint) liability dataset.

Table 75 Overview of counterparties registered in the counterparty-instrument dataset

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Counterparty role	Subject to reporting
31/03/2019	CPTY#A	C#MIXLBLTY	MIXLBLTYINS	Creditor	Yes
31/03/2019	CPTY#A	C#MIXLBLTY	MIXLBLTYINS	Servicer	Yes
31/03/2019	LEGALENTITY#1	C#MIXLBLTY	MIXLBLTYINS	Debtor	Yes
31/03/2019	PERSON#B	C#MIXLBLTY	MIXLBLTYINS	Debtor	No

Note also that the last record in Table 75 which relates to the instrument concerned is not reported to AnaCredit. In fact, natural persons would not even be assigned a counterparty identifier for reporting to AnaCredit. For illustration purposes, the record is shown in the dataset, but it should be expressly noted that this record is not subject to reporting under AnaCredit.

6.2 Level of granularity

The level of granularity for the counterparty-instrument data is the “counterparty-instrument” combination and each record is uniquely identified by the combination of the following data attributes:

(i) reporting agent identifier;

(ii) observed agent identifier;

(iii) counterparty identifier;

(iv) contract identifier;

(v) instrument identifier;

(vi) counterparty role.

The counterparty-instrument dataset is compiled at the level of an observed agent, i.e. it takes the perspective of an observed agent whose data are reported by the reporting agent.

The counterparty identifier refers to a counterparty that takes on any of the roles mentioned in Section 6.1 in relation to an instrument.

The contract identifier and the instrument identifier both uniquely identify the instrument subject to reporting at the level of the observed agent.

The counterparty role is the role a counterparty takes on in relation to the instrument.

6.3 Reporting frequency

In accordance with the general reporting principle regarding datasets reported on-change (cf. Section 6.3.2 in Part I of the Manual which deals specifically with reporting methods, frequencies and timeliness), the information contained in the counterparty-instrument dataset is considered valid as of the reporting reference date to which it refers.

This means that the data accurately describes a relevant situation at a given reporting reference date.

***Revision mark**: the examples are re-formatted*

For an illustration of how the counterparty-instrument dataset is reported to AnaCredit over time, please consider the following example.

Example 50: Reporting the counterparty-instrument dataset over time

If, on 31 March 2019, Bank A, with counterparty identifier “Cpty#A”, is the creditor and the servicer to an instrument with instrument identifier “Inst#123”, arising under contract with a contract identifier “Cntrct#A#2016”, to which the borrower, with counterparty identifier “OBLGR#B1”, is the debtor, then the counterparty-instrument dataset contains the following information as of the applicable reporting reference date.

Table 76 The counterparty-instrument dataset as of March

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Counterparty role
31/03/2019	CPTY#A	CNTRCT#A#2016	INST#123	Creditor
31/03/2019	CPTY#A	CNTRCT#A#2016	INST#123	Servicer
31/03/2019	OBLGR#B1	CNTRCT#A#2016	INST#123	Debtor

In the course of April 2019 the same instrument becomes subject to a traditional securitisation within the meaning of Regulation (EU) No 1075/2013 (ECB/2013/40), where the instrument is transferred to counterparty FVC S, with counterparty identifier “FVC#S”, and to which counterparty “Cpty#A” retains servicing rights. The up-to-date data describing the situation as of 30 April 2019 is presented in Table 77.

Table 77 The counterparty-instrument dataset as of April

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Counterparty role
30/04/2019	CPTY#A	CNTRCT#A2016	INST#123	Servicer
30/04/2019	OBLGR#B1	CNTRCT#A2016	INST#123	Debtor
30/04/2019	FVC#S	CNTRCT#A2016	INST#123	Creditor
30/04/2019	CPTY#A	CNTRCT#A2016	INST#123	Originator

This in particular means that, following the reporting method relevant for the counterparty instrument dataset, only the changed records need to be transmitted with reference to 30 April 2019, whereas any unchanged records do not need to be transmitted. This is illustrated in Table 78.

Table 78 Overview of the reporting obligation as of April

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Counterparty role	What to report?
30/04/2019	CPTY#A	CON#A2016	INST#123	Servicer	Record not changed compared with 31/03, no need to report (update) this record
30/04/2019	OBLGR#B1	CON#A2016	INST#123	Debtor	Record not changed compared with 31/03, no need to report (update) this record
30/04/2019	FVC#S	CON#A2016	INST#123	Creditor	Record changed compared with 31/03; an update is submitted as of 30/04
30/04/2019	CPTY#A	CON#A2016	INST#123	Originator	Record changed compared with 31/03; an update is submitted as of 30/04

The counterparty-instrument dataset is up to date as of each reporting reference date

Obviously, from the above illustration, the information in the counterparty-instrument dataset is updated in a timely manner in order to keep the information up to date at each reporting reference date. Consequently, it is necessary to update the dataset with a monthly frequency, meaning that records which are not valid any more, or new records, which describe the situation at a given reporting reference date, are submitted to AnaCredit no later than 30 (or 35) working days after the reporting reference date to which they refer.

Generally, any change in the actual situation that takes place between two consecutive reporting reference dates (i.e. between moments T and T+1) and is still valid at T+1 is thus accurately reflected in the counterparty-instrument dataset that refers to the moment T+1.

6.4 The counterparty-instrument dataset – data attributes

This dataset is required for instruments reported in the financial dataset. For each pair of counterparty and instrument, the following data attributes are reported.

Table 79 Overview of data attributes in the counterparty-instrument dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Counterparty identifier	√	String	2.1.2.3
Contract identifier	√	String	2.1.2.4
Instrument identifier	√	String	2.1.2.5
Counterparty role		Code list	6.4.1

6.4.1 Counterparty role

Definition: Role of the counterparties in an instrument.

The roles that counterparties assume in relation to an instrument recorded in the instrument dataset are recorded in the counterparty-instrument dataset.

Values

For each combination of a counterparty and an instrument, one of the following values is reported in this data attribute to provide a qualification of the role that the counterparty takes in relation to the instrument.

Creditor

Pursuant to Article 1(11), “creditor” means the counterparty bearing the credit risk of an instrument, other than a protection provider.

There is always a creditor in any instrument in AnaCredit

In particular, counterparties that lend funds to debtors and thus give rise to the creation of one or more of the instruments referred to in Article 1(23) of the AnaCredit Regulation are creditors. Consequently, the creditor is the counterparty that has the right to receive payments from the debtor. Additionally, counterparties that acquire ownership of credit obligations (transferees) from a creditor (a transferor) become creditors themselves, although they have not directly lent funds to the debtors, irrespective of the economic function they perform according to the contract, e.g. securitisations with an FVC or other loan transfers in which the transferee acquires the legal ownership of the loan, where the FVC and the buyer are the creditors (cf. Chapter 6 in Part III of the Manual).

For each instrument reported to AnaCredit the creditor is explicitly identified and reported.

All creditors to an instrument in AnaCredit are reported, not only the main creditor

In the case of instruments where there is more than one creditor, all the creditors have to be recorded in the counterparty-instrument dataset (e.g. partially securitised assets). Please refer to Section 6.1.2 for more information on instruments with multiple creditors.

The distinction between a creditor and a protection provider

The distinction between a creditor and a protection provider is that, under a credit contract, a creditor has the right to receive a payment or a series of payments from a debtor, while a protection provider either provides funded protection under Article 4(1)(58) of the CRR or promises to assume the obligations of the debtor if the debtor fails to do so, i.e. provides unfunded protection under Article 4(1)(59) of the CRR. After a contractually agreed negative credit event takes place and the protection provider cedes ownership of the funded protection to the creditor or pays the creditor directly, the protection provider often has the right to recover that money from the debtor and is entitled to take an assignment of the creditor's right against the debtor. Please refer to Section 3.3.1 in Part I of the Manual for more details on the distinction between creditor and protection provider.

Debtor

Pursuant to Article 1(12), "debtor" means "the counterparty which has the unconditional obligation to make repayments arising under the instrument". Additionally, Annex IV specifies that the "debtor" is "the counterparty generating the credit risk of an instrument, other than the protection provider".

There is always a debtor in any instrument in AnaCredit

In general, the creditor provides funds to the debtor or has confirmed to the debtor in legally binding terms that it will make available funds to the debtor under the assumption (enforced by contract) that the debtor will return equivalent funds.

***Revision mark**: further clarifications are included concerning the relationship between the creditor and the debtor*

However, in some cases, the (original) creditor does not provide funds directly to the debtor but it has a right to receive payments from the debtor. For example, if a guarantor pays amounts to a third party in the event of default of the debtor, the guarantor subsequently becomes the creditor to the debtor. This also happens with trade receivables when the creditor purchases receivables without recourse to the factoring client, because, in this case, the debtor is the customer that has bought the goods (or has received the services) and pays the receivables, while the observed agent has provided the funds to the factoring client of the receivables.

An instrument giving rise to credit risk may have one or more debtors from which the creditor has the right to receive a payment or a series of payments. If there are several debtors, a plurality of debtors occurs. Please refer to Section 6.1.3 for more details on plurality of debtors.

The counterparty-instrument dataset encompasses all debtors, fully or partially liable. However, no record is reported in the counterparty-instrument dataset for debtors who are natural persons.

All non-natural person debtors have to be recorded in the counterparty-instrument dataset

Servicer

Pursuant to Article 1(14), the term "servicer" is the counterparty that is responsible for the administrative and financial management of the instrument.

Beside the debtor(s) and the creditor(s), the servicer of an instrument is also recorded in the counterparty-instrument dataset.

Revision mark: further clarifications and Example 51 are added in line with Q&A 2018/0007

Under AnaCredit, the servicer is the counterparty which is responsible for the active management of the instrument on a day-to-day basis (e.g. collecting principal and interest payments from debtors), even if it does not have the decision-making power in respect of that instrument. Please consider the following example for an illustration.

Example 51: "Servicer" responsible for the administrative and financial management of an instrument

An instrument is originated by a credit institution and then transferred to another institution. Under the contract between the originating credit institution (the transferor) and the institution which acquires the instrument (the transferee), the transferee has all of the decision-making power in respect of the instrument. However, the administrative processing continues to be performed by the transferor.

Let's assume that the transferee is a "bad bank" and, being a public entity, is not required to report to AnaCredit. The instrument's former creditor (i.e. the transferor), which acts as the servicer of the instrument, is required to report to AnaCredit on the serviced instrument. That credit institution carries out all day-to-day business in respect of the instrument on behalf of the "bad bank".

Even though that credit institution does not have any decision-making power in respect of the instrument being serviced, the work that it carries out is included in the definition of servicing. Consequently, it is that credit institution (rather than the new creditor, which is not a reporting agent in the AnaCredit framework) which is required to report to AnaCredit on the instrument in question.

The role of "servicer" is defined more broadly than in Regulation (EU) No 1071/2013 (ECB/2013/33), where it is restricted to managing instruments underlying a securitisation or instruments that have otherwise been transferred in terms of the collection of principal and interest from the debtor. In other words, the term "servicer" in the sense of Regulation (EU) 1071/2013 (2013/33) is subsumed in the AnaCredit definition.

The servicer is identified for each instrument, not only for securitised or otherwise transferred instruments or fiduciary instruments

The AnaCredit requirements stipulate that for each instrument recorded in the instrument dataset it is necessary to identify and record the servicer to the instrument as well as the counterparty-instrument dataset.

Usually, the roles of creditor and servicer are held by one and the same counterparty, i.e. the creditor, which holds an instrument, is also responsible for the administrative and financial management of the instrument. However, the counterparties taking on these two roles need not coincide.

Revision mark: further clarifications are added concerning held-but-not-serviced instruments

For instance, by selling or otherwise transferring rather than holding the instruments, the previous owner of the instrument in general ceases to be the creditor to the instruments, but it normally (although not necessarily) retains servicing rights. In this case, the servicer and the creditor are different counterparties, and both are recorded in the counterparty-instrument dataset from the moment of transfer onwards (provided that the new economic owner is not an observed agent – cf. Section 4.4 in Part I of the Manual).

From the perspective of an observed agent, considering the fact that every instrument in AnaCredit either gives rise to credit risk to the observed agent or is serviced by the observed agent, the observed agent always assumes at least one of the two roles; often the observed agent acts as both the creditor and the servicer of the instrument.

Note that in some cases credit institutions may have their whole administration organised by third parties (e.g. commercial corporations). Consequently, if an instrument held by a credit institution is actually administered by a third party, the third party is identified as the servicer to such instruments and reported in the counterparty-instrument dataset, as well as in the counterparty reference data.

Originator

Definition: Counterparty in a securitisation transaction as defined in Article 1(3) of Regulation (EU) No 1075/2013 (ECB/2013/40).

In the case of instruments recorded in the instrument dataset that are subject to a (traditional or synthetic) securitisation transaction within the meaning of Regulation (EU) No 1071/2013 (ECB/2013/33), it is required that the counterparty-instrument dataset also identifies the counterparty acting as the originator to such a securitisation transaction.

Such an entity is the transferor of ownership over an instrument or a pool of instruments and the credit risk of the instrument or pool of instrument to the FVC.

Whether or not an instrument is subject to a securitisation is indicated accordingly in the data attribute “type of securitisation” in the financial dataset.

For instruments subject to a securitisation, the identification of the originator in the counterparty-instrument dataset is mandatory

Consequently, for such instruments, where the data attribute “type of securitisation” assumes either of the two values “traditional securitisation” or “synthetic securitisation”, the counterparty that is the originator in the securitisation transaction is recorded in the counterparty-instrument dataset.

Conversely, if an instrument is not subject to a securitisation transaction, the counterparty-instrument dataset does not contain the role of the originator.

Note that, as regards securitised instruments, the originator typically continues to service the securitised instruments.

7 Joint liabilities dataset

7.1 General aspects

The joint liabilities dataset is not to be reported if there is actually only one debtor to the instrument

In the context of AnaCredit, the joint liabilities dataset is required for instruments with a plurality of debtors, i.e. instruments where there are multiple debtors.

The joint liabilities dataset is reported only for instruments which have a plurality of debtors (including natural persons acting as debtors, though no records of natural persons are actually reported).

No records are reported in the joint liabilities dataset if there is only one actual debtor to the instrument

In the case of instruments where there is only one debtor, no data record at all is reported in the joint liabilities dataset. In other words, the joint liabilities dataset is not reported where there is only one debtor of an instrument (i.e. only one counterparty is liable for the instrument, disregarding protection providers).

7.1.1 Reporting instructions, examples and specific cases

Debtors are fully or partially jointly liable debtors when they are united in making repayments arising under one and the same instrument under the same contract.

The joint liabilities dataset is closely linked to the counterparty-instrument dataset and records the amount for which each debtor is liable in relation to the outstanding nominal amount as reported in the financial dataset as at the reporting reference date.

A plurality of debtors arises where the multiple joint debtors are either fully or partially liable (cf. Section 7.4 below) in relation to a single instrument.

The joint liabilities data have to be provided only in relation to instruments where there are actually two or more debtors

In line with the AnaCredit data model, for each instrument recorded in the instrument dataset where the actual number of debtors is at least two, there is at least one record entered in the joint liabilities dataset. In other words, the liability amount is reported only in relation to instruments where there are actually multiple debtors (although only one may be effectively reported to AnaCredit owing to the general principle that no data relating to natural persons are reported).

The information contained in the joint liabilities dataset enables the indebtedness of each single debtor to be accurately calculated. This information is often needed for the calculation of statistics by the type of debtor.

The data are reported for both fully and partially liable debtors

The joint liabilities data have to be reported irrespective of whether the debtors to the instrument are fully or partially jointly liable.

7.1.1.1 The reporting obligation of guarantors acting as protection providers

In AnaCredit a clear distinction is made between a debtor and a guarantor (i.e. a protection provider). Guarantees received (by the observed agent) are subject to reporting if they serve as protection securing one or more instruments reported to AnaCredit. As opposed to counterparties directly involved in the instrument (e.g. the creditor or debtor), the protection provider is not reported in the counterparty-instrument dataset.

This means that until such a guarantee is called, it is reported in the instrument-protection received dataset. However, as soon as a received guarantee is called and the amount arising under the guarantee is not (yet) paid by the guarantor, the observed agent recognises a debt of the guarantor, and the debt as an instrument (not protection) is subject to the general reporting requirements for instruments. Please note that until the guaranteed amount is paid, depending on the contractual agreement between the parties involved, the guarantor may substitute the original debtor,[21] or the guarantor may be considered jointly liable along with the original debtor vis-à-vis the instrument.

Revision mark: the header in Table 82 is corrected

As a broadly illustration of the reporting obligation that exists before and after a received guarantee is called, please consider the following example.

[21] The substitution may materialise in several ways, for example, the guarantor may act as debtor of the original instrument, or vis-à-vis a new instrument that substitutes the original one.

Example 52: Reporting called guarantees (received by the observed agent)

A contract (Con#1) is concluded between an observed agent (Bank#1), a debtor (DBTR#A) and a guarantor (GUA#B), where Bank#1 grants a fixed-term loan (Loan#1) to DBTR#A secured by a financial guarantee (GUA#1) provided by a guarantor (CPTY#B). Loan#1 is subject to AnaCredit reporting. The reporting of the loan as of 31 May 2019 is illustrated in Table 80, while the fact that DBTR#A is liable for Loan#1 is reflected in the counterparty-instrument dataset (Table 81).

Table 80 Indication of the financial dataset reported as of 31 May

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Outstanding nominal amount
31/05/2019	BANK#1	CON#1	LOAN#1	275,000.00

Table 81 Indication of the counterparty-instrument dataset reported as of 31 May

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
31/05/2019	BANK#1	CON#1	LOAN#1	BANK#1	Creditor
31/05/2019	BANK#1	CON#1	LOAN#1	BANK#1	Servicer
31/05/2019	BANK#1	CON#1	LOAN#1	DBTR#A	Debtor

Furthermore, the fact that Loan#1 is secured by the financial guarantee provided by guarantor CPTY#B is reflected in the instrument-protection received (Table 82) and the protection received (Table 83) datasets.

Table 82 Indication of the instrument-protection received dataset as of 31 May

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Protection identifier
31/05/2019	BANK#1	CON#1	LOAN#01	GUA#1

Table 83 Indication of the protection received dataset as of 31 May

Reporting reference date	Observed agent identifier	Protection identifier	Protection type	Protection provider identifier
31/05/2019	BANK#1	GUA#1	Financial guarantee other than credit derivatives	CPTY#B

The reporting changes after the guarantee is called.

In June Loan#1 goes into default owing to financial difficulties of DBTR#A, and by the end of the month creditor Bank#1 calls the guarantee. The guarantee is not immediately paid and therefore Bank#1 recognises a (no longer conditional) payment obligation on the part of guarantor CPTY#B in relation to instrument Loan#1. Since the guarantee is not yet paid, and under the assumption that the guarantor is considered jointly liable vis-à-vis the instrument, the obligation of debtor DBTR#A in relation to Loan#1 still exists (i.e. the original debtor remains). Hence, both DBTR#A and CPTY#B act as joint debtors vis-à-vis Loan#1 as of 30 June. This is illustrated in Table 84.

In addition, because DBTR#A and CPTY#B act as joint debtors, the joint liabilities dataset (not shown) shows the amounts for which both debtors are liable (after the guarantee is called the guarantor is added as a debtor of the loan where it is liable up to the guaranteed amount).

Please note that after the guarantee is called in June, the protection item is liquidated and therefore no longer reported in the instrument-protection received dataset (as this protection item no longer secures the instrument).

Thereafter, in the course of July CPTY#B pays its obligation towards Bank#1 in relation to Loan#1 and from the perspective of Bank#1, Loan#1 is fully paid and closed (it is no longer subject to reporting).

Please note that this example focuses solely on the recognition/derecognition of certain reporting obligations, and leaves other more detailed aspects aside.

Table 84 Indication of the counterparty-instrument dataset reported after the guarantee is called

Reporting reference date	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
30/06/2019	BANK#1	CON#1	LOAN#1	BANK#1	Creditor
30/06/2019	BANK#1	CON#1	LOAN#1	BANK#1	Servicer
30/06/2019	BANK#1	CON#1	LOAN#1	DBTR#A	Debtor
30/06/2019	BANK#1	CON#1	LOAN#1	CPTY#B	Debtor

If CPTY#B (the guarantor) is also an observed agent, the observed agent may also record a claim on the debtor on its balance sheet. The claim needs to be reported to AnaCredit, where relevant. The reporting is illustrated in Example 7 in Section 3.4.1, where a guarantee given by an observed agent is called.

7.1.1.2 Data reported in the joint liabilities dataset with natural persons involved

No record at all is entered in the joint liabilities dataset for debtors who are natural persons

As with the counterparty-instrument dataset, no entries are made in the joint liabilities dataset for debtors (counterparties) that are natural persons. In other words, in the case of natural persons who are debtors to an instrument reported in the instrument dataset, no record at all is entered in the joint liabilities dataset.

Furthermore, in accordance with the general rule that no data relating to natural persons are reported to AnaCredit, no records are entered in the counterparty-instrument dataset for counterparties that are natural persons (which act as joint debtor of the instrument besides a legal entity). This in particular concerns natural persons who are debtors to instruments reported in the instrument dataset.

Note that an instrument to which a natural person is a debtor can be reported to AnaCredit only if a plurality of debtors exists where at least one other debtor is not a natural person.

Whether or not the joint liabilities data are reported to AnaCredit (if the concerned instrument is reported) depends on the actual number of debtors (as of the reporting reference date to which the data refers), and not only on the number of non-natural person debtors.

For an illustration of how to report the joint liabilities dataset in relation to an instrument where one of the debtors is a natural person, please consider the following example.

Example 53: Reporting the joint liabilities in the case of natural persons as co-borrowers

This example strictly corresponds to Example 49 above, which focuses on the counterparty-instrument dataset in the case of a natural person being involved as a debtor, whereas this example illustrates the reporting of the joint liabilities dataset.

A legal entity with counterparty identifier "LegalEntity#1" and a natural person with counterparty identifier "Person#B" are the only debtors to the instrument and, as stipulated by the contract, both counterparties are jointly liable for the total outstanding amount.

Again, in the situation concerned, the actual number of debtors is two. Therefore, the (joint) liabilities dataset is reported. However, the debtor who is a natural person is not to be reported in the (joint) liabilities dataset, as no data relating to natural persons is reported to AnaCredit. Consequently, only the debtor that is not a natural person is recorded in this dataset.

As regards the amount to be reported, this information is derived from the fact that this is a full joint liability, meaning that each joint debtor is fully liable for the outstanding nominal amount. The outstanding nominal amount is reported in the financial dataset and amounts to €100,000 as of the reporting reference date.

Please note that although the natural-person debtor is not recorded in the dataset, it can in general be concluded from the (single) record reported in the joint liabilities dataset that there is at least one more debtor (presumably a natural person) liable for (a part of) the outstanding nominal amount in addition to the debtor reported in this dataset. Owing to the fact that this record is reported, a conclusion can be drawn that there are actually at least two debtors liable for the instrument.

Table 85 Determining data reportable in the joint liabilities dataset

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Joint liability amount	Subject to reporting
31/03/2019	LEGALENTITY#1	C#MIXLBLTY	MIXLBLTYINS	100,000.00	Yes
31/03/2019	PERSON#B	C#MIXLBLTY	MIXLBLTYINS	100,000.00	No

Please note that the last record in the dataset which relates to the instrument concerned is not to be reported to AnaCredit. For illustration purposes, however, the record is shown in the dataset.

7.2 Level of granularity

The relevant information is compiled for the combination of the counterparty (debtor) and the instrument

The level of granularity for the joint liabilities dataset is the "counterparty-instrument" combination, which exactly matches the level of granularity of the counterparty-instrument dataset. Specifically, the information in this dataset is recorded at the level of (a) the reporting agent identifier, (b) the observed agent identifier, (c) the counterparty identifier, (d) the contract identifier, and (e) the instrument identifier. The joint liabilities dataset and the counterparty-instrument dataset stem from one and the same entity table, i.e. the counterparty-instrument entity table as referred to in Part I, Chapter 6, of the Manual on the data model and reportable datasets. However, the entity table is ultimately split up into two reportable datasets owing to the different reporting methods and timeliness that have been adopted for the different pieces of information contained therein.

Effectively, a record is reported in the counterparty-instrument dataset for every combination of an instrument and a counterparty, other than a natural person, which takes the role of debtor in the multi-debtor instrument.

A record is reported only if there are actually two or more debtors to an instrument

In the case of multi-debtor instruments (i.e. instruments to which there is more than one debtor), as a general rule, for all counterparties for which the counterparty role is "debtor" in the counterparty-instrument dataset, the same number of debtors is recorded in the joint liabilities dataset as of the same reporting reference date, with the respective liability amount reported for each debtor. This in particular includes a situation where there is just one debtor recorded in the counterparty-instrument dataset owing to the fact that any debtors who are natural persons are not subject to reporting.

7.3 Reporting frequency

The joint liabilities dataset is reported on a monthly basis.

***Revision mark**: the reference to possible quarterly reporting for small reporting agents is deleted as it is not specific to this data attribute*

All records in the joint liabilities dataset are reported on a monthly basis, including records in which any piece of information does not change from one month to the other.

In this way, the information in the dataset remains accurate and up to date for each reporting reference date and keeps up with the changes in the nominal outstanding amount of the instrument concerned.

7.4 The joint liabilities dataset – data attributes

This dataset is applicable for instruments reported in the financial dataset. For each pair of counterparty and instrument, the following data attributes are reported.

Table 86 Overview of data attributes in the joint liabilities dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Counterparty identifier	√	String	2.1.2.3
Contract identifier	√	String	2.1.2.4
Instrument identifier	√	String	2.1.2.5
Joint liability amount		Amount in euro	7.4.1

7.4.1 Joint liability amount

Definition: Outstanding nominal amount for which each debtor is liable in relation to a single instrument where there are two or more debtors.

The joint liability amount is defined as the part of the amount as reported in the data attribute "outstanding nominal amount" for which each debtor is liable in relation to a single instrument where there are two or more debtors.

More specifically, the joint liability amount is the part of the (or the total) outstanding nominal amount reported in the financial dataset in relation to an instrument (with multiple actual debtors) for which each debtor is liable vis-à-vis this instrument. In other words, the joint liability amount for a debtor vis-à-vis an instrument is the total or a fraction of the outstanding nominal amount reported for the instrument.

Reporting qualification

The joint liability amount is reported only for instruments which have a plurality of debtors (including natural persons acting as debtors, though no record is reported for natural persons). In such cases, a record is reported in the counterparty-instrument dataset for every combination of an instrument and a counterparty which is a legal entity taking the role of debtor in the instrument.

In the case of instruments where there is only one debtor, no data record at all in the joint liabilities dataset is reported.

Values

The joint liability amount is a monetary amount in euro. The reported value is a non-negative real number.

General reporting instructions, specific cases and examples

The joint liability amount captures the amount that a debtor is liable for in relation to an instrument's outstanding nominal amount reported in the financial dataset in which there are actually two or more debtors involved, irrespective of the fact that natural persons are not subject to reporting

The joint liability amount for each debtor corresponds to the amount that each debtor is liable for in relation to the instrument, as specified in the contract giving rise to the instrument, taking into account that no debtor alone is liable for more than the outstanding debt at a given reporting reference date. Consequently, for a given reporting reference date, the joint liability amount recorded for each debtor in an instrument in the joint liabilities dataset does not exceed the nominal outstanding amount reported in relation to the instrument in the financial dataset that date. This means that the joint liability amount reported for each debtor cannot exceed the outstanding nominal amount.

In particular, if the outstanding nominal amount reported in the financial dataset is €0 (zero), e.g. for an overdraft, the joint liability amount to be reported for each (multiple) debtor is also €0.

Please note that in the case of a plurality of debtors in relation to one and the same instrument, the actual sum of the joint liability amounts in relation to the total

outstanding amount is always ≥ 100%. However, as regards data reported to AnaCredit, the sum of the joint liability amounts as reported to AnaCredit may be less than 100% due to the fact that no data are reported for a debtor which is a natural person.

For an illustration of how the joint liability amount is reported vis-à-vis the instrument's outstanding nominal amount, please refer to the following example:

Example 54: Joint liability amount compared to the outstanding nominal amount

On 1 March 2018, observed agent (OA#1) originates a contract (Con#1) for a credit line other than revolving credit (Ins#9) of €1 million which can be used by two debtors Deb#A and Deb#B, both jointly and severally liable for the total amount. The debtors are first enabled to draw the funds from 20 March 2018 and the first disbursement takes place on 14 April 2018, when €475,000 is drawn. Deb#A and Deb#B have no other loans vis-à-vis OA#1.

The instrument is first subject to AnaCredit reporting as of 31 March 2018, with the counterparty-instrument and joint liabilities datasets also being submitted alongside the instrument dataset. The reporting is illustrated in Table 87 and Table 88.

Table 87 Indication of the financial dataset of 31 March

Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Off-balance-sheet amount
31/03/2018	CON#1	INS#9	0.00	1,000,000.00

Table 88 Indication of the joint liabilities dataset of 31 March

Reporting reference date	Contract identifier	Instrument identifier	Counterparty identifier	Joint liability amount
31/03/2018	CON#1	INS#9	DEB#A	0.00
31/03/2018	CON#1	INS#9	DEB#B	0.00

Following the drawing under the instrument in April, the information is updated as illustrated in Table 89 and Table 90.

Table 89 Indication of the financial dataset of 30 April

Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Off-balance-sheet amount
30/04/2018	CON#1	INS#9	475,000.00	525,000.00

Table 90 Indication of the joint liabilities dataset of 30 April

Reporting reference date	Contract identifier	Instrument identifier	Counterparty identifier	Joint liability amount
30/04/2018	CON#1	INS#9	DEB#A	475,000.00
30/04/2018	CON#1	INS#9	DEB#B	475,000.00

Please note that in the case of multi-debtor instruments, it is the instrument's commitment amount – defined as the sum of the outstanding nominal amount and the off-balance-sheet amount of an instrument – and not the maximum amount for which a given debtor is actually liable, that is considered when determining whether or not the reporting threshold of €25,000 has been reached (or exceeded) vis-à-vis a given debtor (cf. Chapter 5 in Part I of the Manual on the criteria triggering the reporting).

7.4.1.1 The case of fully liable joint debtors

In the case of fully liable joint debtors, the creditor may claim repayments from any one of the fully liable debtors until the full repayment has been reached. If one joint debtor has repaid the debt in full or in part, which leads to a change in the nominal outstanding amount reported in the financial dataset, the liability to the creditor of the other fully liable debtor(s) is logically discharged to the extent of such repayment. Note that in many cases of fully liable joint debtors frequently encountered in practice, the creditor may claim the whole payment from any of the debtors without having to involve all the debtors.

Example 55 illustrates the reporting of the joint liability amount in the case of two debtors fully liable for one and the same instrument.

Example 55: Reporting of fully liable debtors in the counterparty-instrument and the joint liabilities datasets

This example involves an instrument with instrument identifier “Jnlblty#Ins#1”, arising under a contract with contract identifier “Cntrct#A16”. The nominal outstanding amount of €50,000 is reported in the financial dataset for the instrument as of 31 March 2019. The instrument is held and serviced solely by counterparty “Cpty#A”.

Counterparty “Borrower-A” and counterparty “Obligor#B” are the only debtors to the instrument and, as stipulated by the contract, are each fully liable for the total outstanding debt arising under the instrument. Both “Dbtr#A” and “Obligor#B” are legal entities.

Given that the debtors are fully liable for the total outstanding amount, the liability of each of the two debtors is established to be 100%. Consequently, the joint liability amount is determined to be €50,000 for each debtor.

The following tables illustrate the reporting of the counterparty-instrument dataset (Table 91) and the (joint) liabilities dataset (Table 92):

Table 91 Counterparty-instrument dataset

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Counterparty role
31/03/2019	CPTY#A	CNTRCT#A16	JNLBLTY#INS#1	Creditor
31/03/2019	CPTY#A	CNTRCT#A16	JNLBLTY#INS#1	Servicer
31/03/2019	DBTR#A	CNTRCT#A16	JNLBLTY#INS#1	Debtor
31/03/2019	OBLIGOR#B	CNTRCT#A16	JNLBLTY#INS#1	Debtor

Table 92 Joint liabilities dataset

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Joint Liability amount
31/03/2019	DBTR#A	CNTRCT#A16	JNLBLTY#INS#1	50,000.00
31/03/2019	OBLIGOR#B	CNTRCT#A16	JNLBLTY#INS#1	50,000.00

In the instrument/financial datasets, the instrument is reported as a single instrument. However, the instrument is broken down into two records in the joint liabilities dataset, where each debtor is recorded with a 100% liability amount for the instrument.

7.4.1.2 The case of partially liable joint debtors

In the case of partially liable joint debtors, the creditor may claim from any partially liable debtor only that part of the repayment for which the debtor is liable. It is possible that partially liable debtors are liable for equal shares. The actual sum of the individual shares can be either equal to the full outstanding nominal amount or exceed the outstanding nominal amount (although because of the fact that no shares are reported for debtors being natural persons, the sum of the joint liability amounts reported in the joint liabilities dataset may be less than 100% of the outstanding nominal amount). In any case, a failure to pay of one debtor does not affect the obligations of the other partial debtors beyond the amount they are liable for. This means that the partially liable debtors carry separate liabilities vis-à-vis the creditor for their own shares.

The joint liability amounts for partially jointly liable debtors are reported in the joint liabilities dataset similarly to the case of fully jointly liable debtors, i.e. the liability amounts for which the partially jointly liable debtors are individually liable are reported in separate records. For an illustration of the reporting of partial liabilities (i.e. partially jointly liable debtors), please consider the following example.

Example 56: Reporting of partial debtors in the joint liabilities datasets

In this example, a partial liability of two debtors is considered. An instrument with instrument identifier “PRTLBLTY#INS2” arises under a contract with contract identifier “CNTLBLTY#1”. The nominal outstanding amount of €100,000 is reported in the financial dataset for the instrument as of 31 March 2019. The instrument is held and serviced solely by Counterparty Bank A with counterparty identifier “Cpty#A”.

Counterparty “DBTR#1A” and counterparty “DBTR#2B” are the only debtors to the instrument and, as stipulated by the contract, both counterparties are only partially liable for the total outstanding amount: DBTR#1A is liable for €70,000 and DBTR#2B is liable for €40,000. Both debtors are legal entities.

Both debtors are reported in both the counterparty-instrument (not shown below) and the joint liabilities datasets.

In this situation, the liability of the debtors is initially limited by the following amounts:

1. €70,000 for DBTR#1A (which accounts for 70% of the instrument’s debt outstanding at the reporting reference date);
2. €40,000 for DBTR#2B (which accounts for 40% of the instrument’s debt outstanding at the reporting reference date).

Table 93 illustrates the reporting of the joint liabilities dataset in this situation:

Table 93 Joint liabilities dataset

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Joint liability amount
31/03/2019	DBTR#1A	CNTLBTY#1	PRTLBLTY#INS2	70,000.00
31/03/2019	DBTR#2B	CNTLBTY#1	PRTLBLTY#INS2	40,000.00

Clearly, if debtors are partial debtors in a partial liability contract, then each of them is liable only up to a contractually specified extent.

Continuing with Example 56 above, if in the course of April 2019, Counterparty B repays the total amount that it is liable for (i.e. €40,000), and there are no repayments by Counterparty A, then the situation as of 30 April 2019 is reflected as follows in the joint liabilities datasets (Example 57):

Example 57: Reporting of partial debtors in the joint liabilities datasets, continued

In this example, the situation presented in Example 56 above changes as follows:

In the course of April 2019, DBTR#2B, which is a partially liable debtor to the instrument concerned, repays €40,000, i.e. the total amount the counterparty is liable for vis-à-vis the instrument. There are no other changes to the situation, and DBTR#1A has not made any payments. The situation as of 30 April 2019 has therefore evolved to the following effect.

- Having repaid €40,000, which is the maximum amount for which DBTR#2B was liable, this counterparty is no longer liable vis-à-vis the instrument concerned, i.e. DBTR#2B is not the debtor to the instrument as of 30 April 2019. Consequently, DBTR#2B is not reported either in the counterparty-instrument dataset or in the (joint) liabilities dataset.
- After €40,000 has been repaid, the (remaining) outstanding nominal amount of €60,000 is reported in the financial dataset as of 30 April 2019.
- DBTR#1A, who is liable up to €70,000 vis-à-vis the instrument as of 30 April 2019, is liable for the total remaining outstanding nominal amount, which is €60,000, meaning that the counterparty is liable for 100% of the outstanding nominal amount.
- DBTR#1A is reported in the counterparty-instrument dataset.
- Given the fact that the plurality of debtors ceases to exist, the joint liabilities dataset is not to be reported as of 30 April 2019; the absence of the specific debtor from the joint liabilities dataset (which is reported on a monthly basis) implies that, as of 30 April 2019, the previously reported debtor is no longer a debtor to the instrument as of this date.

Table 94 Indication of the reporting requirements for the joint liabilities dataset

Reporting reference date	Counterparty identifier	Contract identifier	Instrument identifier	Joint liability amount	Subject to reporting
30/04/2019	DBTR#1A	CNTLBTY#1	PRTLBLTY#INS2	60,000.00	No
30/04/2019	DBTR#2B	CNTLBTY#1	PRTLBLTY#INS2	0.00	No

Please note that the table above represents only a logical illustration of the situation, as the records are not subject to reporting.

In the instrument/financial datasets, the instrument is reported as a single instrument. The outstanding nominal amount reported in the financial dataset as of 30 April 2019 is €60,000. Since there is only one debtor to the instrument, the (joint) liabilities dataset is not to be reported as of 30 April 2019. The liability amount of the single debtor, which accounts for 100% of the remaining debt is equal to the outstanding nominal amount reported in the financial dataset.

8 Instrument-protection received dataset

8.1 General aspects

The instrument-protection received dataset describes the relationship between an instrument and a protection item that is used to secure this instrument.

While the protection received dataset captures the protection item as a whole, irrespective of how a protection item is linked to an instrument (or many instruments), the instrument-protection received dataset specifies how a given protection item relates to a given instrument and to what extent, based on the reporting agent's consideration, the protection value can be used to offset the debt that has arisen or may arise under the instrument if the debtor fails to satisfactorily pay any amount that it is obliged to pay under the terms of the contract that created the instrument.

Specifically, besides the protection value itself as reported in the protection received dataset, the reporting agent is expected to consider any existing own or third-party claims relating to the protection item that affect or may affect the value that can be effectively allocated to a given instrument.

Please also note that AnaCredit stipulates that whenever (proceeds from) a given protection may be used to offset an instrument (i.e. the use of a protection item in relation to an instrument is not prohibited by the contract or by law), the link between the instrument and the protection is always reported in the instrument-protection received dataset. This also includes cases where no protection value of a given protection item can be effectively allocated to an instrument (e.g. because of a third-party priority claim exceeding the protection value).

On the other hand, if a given protection item cannot be used to offset an instrument reported to AnaCredit, the protection item is not reported in the instrument-protection received dataset vis-à-vis the instrument. In particular, if an instrument reported to AnaCredit is unsecured (i.e. there is no protection that can be used in relation to an instrument), then no protection is reported in the instrument-protection received dataset vis-à-vis the instrument at all (i.e. no record in the dataset that would relate to the instrument is reported at all).

Protection items which are not linked to any reported instrument via the instrument-protection received dataset are not reported in AnaCredit at all.

For an indication of how protection items may be connected with individual instruments, consider the following example.

Example 58: Multiple protection items securing multiple instruments

1. Observed agent (OA#1) has extended under a contract (Con#1) three instruments to a legal entity (Debtor#A): (i) an investment loan (Inst#1), (ii) an overdraft (Inst#2) and (iii) a guarantee given (Inst#3), the last of which is not reportable to AnaCredit.

2. OA#1 has received two protection items: (i) a mortgage claim in an amount of €4 million on commercial real estate (CRE#1) with a market value of €6 million, fully owned by Debtor#A and (ii) a financial guarantee (GUA#2) provided by Cpy#G for an amount of €2 million.

3. Both protection items can be used to offset any debt that may arise under any of the three instruments, and there are no third-party priority claims on either of these protection items.

The instruments subject to AnaCredit reporting are reported in the instrument dataset (not shown). The protection items are reported in the protection received dataset (for details regarding the reporting of this dataset please refer to Chapter 9). This is presented in Table 95 as of 30 September 2018.

Table 95 Protection items available in relation to the three instruments

Reporting reference date	Protection provider identifier	Protection identifier	Protection value	Type of protection	Type of protection value
30/09/2018	DEBTOR#A	CRE#1	6,000,000.00	Commercial real estate collateral	Market value
30/09/2018	CPY#G	GUA#2	2,000,000.00	Financial guarantee other than credit derivatives	Notional amount

In accordance with point 3 above, the value of each protection item can be used in relation to each of the three instruments. This is reflected in the instrument-protection received dataset, where each of the two protection items is linked with each of the reportable instruments.

Please note that Inst#3 is not subject to AnaCredit reporting and is therefore not reported in the instrument-protection received dataset.

As regards the protection allocated value, OA#1 takes account of the following:

- although the protection value of the real estate collateral is €6 million, only €4 million can be eventually claimed;
- although Inst#3 is not reported, OA#1 allocates €1.2 million of the protection items' value to this instrument (not shown);
- any protection value allocated to an instrument diminishes the protection value that may be allocated to other instruments.

In this connection, the total amount of protection that OA#1 may allocate to Inst#1 and Inst#2 is €4 million + €0.8 million = €4.8 million. Subsequently, OA#1 allocates the remaining value of GUA#2 of €0.8 million and €3 million of CRE#1 to Inst#1 and €1 million of CRE#1 to Inst#2, while there is no more value of GUA#2 remaining to be allocated to Inst#2. This is shown in Table 96.

Please note that the instrument-protection received dataset includes all links between an instrument and a protection item which exists to secure this instrument, regardless of whether it is possible to allocate any positive value to an instrument (consider the pair Inst#2 and GUA#2).

Table 96 Reporting the instrument-protection received dataset

Reporting reference date	Contract identifier	Instrument identifier	Protection identifier	Protection Allocated value
30/09/2018	CON#1	INST#1	CRE#1	3,000,000.00
30/09/2018	CON#1	INST#1	GUA#2	800,000.00
30/09/2018	CON#1	INST#2	CRE#1	1,000,000.00
30/09/2018	CON#1	INST#2	GUA#2	0.00

Revision mark: the inception date is corrected in Table 97

For an illustration of how protection is reflected in the instrument-protection received dataset, depending on whether or not the protection may be used to offset the instrument, consider the following example.

Example 59: Instruments with and without protection

An observed agent (OA#2) has extended to a legal entity (DBTR#B) under a contract (CNT#1) issued on 21 March 2017 a loan (LOAN#1) secured with a mortgage on a commercial real estate property (CRE#99), and under contract CNT#2, originated on 16 June 2018, a credit card debt (CC#2) which is unsecured. The commercial real estate protection cannot be used to offset any debt arising under CC#02 and the protection value allocated to LOAN#1 is €100,000. Both LOAN#01 and CC#02 are subject to AnaCredit reporting and DBTR#B has no other instruments vis-à-vis OA#2

The instruments are reported in the instrument dataset (Table 97), while the information about whether or not the instruments are secured is provided in the instrument-protection received dataset. Accordingly, only LOAN#1 is reported as secured by the commercial real estate, whereas no record at all is reported for the credit card debt, thus indicating that the instrument is unsecured (Table 98).

Table 97 Indication of the instrument dataset

Reporting reference date	Contract identifier	Instrument identifier	Type of instrument	Inception date
30/09/2018	CNT#1	LOAN#1	Other loans	21/03/2017
30/09/2018	CNT#2	CC#2	Credit card debt	16/06/2018

Table 98 Reporting the instrument-protection received dataset

Reporting reference date	Contract identifier	Instrument identifier	Protection identifier	Protection Allocated value
30/09/2018	CNT#1	LOAN#1	CRE#1	100,000.00

The instrument-protection received dataset includes all links between an instrument and a protection item which exists to secure a given instrument, and only such links. Conversely, if no protection item exists which secures a given instrument, the instrument is not recorded in the instrument-protection received dataset.

8.2 Level of granularity

The level of granularity is the combination of the individual instrument and the individual protection item. Each record is uniquely identified by (a) the reporting agent identifier, (b) the observed agent identifier, (c) the contract identifier, (d) the instrument identifier, and (e) the protection identifier.

These data describe all the protection received in relation to the instrument that the protection is securing.

More specifically, the instrument-protection received dataset is compiled so that it captures the link between an instrument and a protection item whenever the usage of (proceeds from) the given protection is explicitly or implicitly allowed (i.e. is not prohibited contractually or by law) to offset any debt that arises or may arise in relation to the instrument.

8.3 Reporting frequency

This dataset is reported on a monthly basis, with complete records submitted irrespective of whether or not changes take place compared with previously reported data.

8.4 The instrument-protection received dataset – data attributes

This dataset is applicable for instruments reported in the financial dataset in relation to which the creditor has received protection to offset any debt that arises or may arise in relation to the instrument. For each pair of protection and instrument, the following data attributes are reported:

Table 99 Overview of data attributes in the instrument-protection received dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Contract identifier	√	String	2.1.2.4
Instrument identifier	√	String	2.1.2.5
Protection identifier		String	2.1.2.6
Protection allocated value		Amount in euro	8.4.1
Third-party priority claims against the protection		Amount in euro	8.4.2

8.4.1 Protection allocated value

Definition: The maximum amount of the protection value that can be considered as credit protection for the instrument. The amount of the existing third parties or observed agent priority claims against the protection must be excluded in the protection allocated value.

In the context of AnaCredit, the protection allocated value is the maximum amount of the protection value that can be considered as credit protection for the instrument. The amount of the existing third-party priority claims against the protection or priority claims against the protection of other instruments relating to the same or another observed agent within the scope of the reporting agent is excluded when deriving the protection allocated value.

Specifically, AnaCredit stipulates that, in order to determine a protection allocated value, an observed agent follows the collateral allocation principles that it uses internally for the risk management purposes. In this respect, AnaCredit does not provide any standard allocation algorithm according to which observed agents determine the protection allocated value.

Observed agents are free in the protection value allocation process and are allowed to allocate independently from FINREP or COREP

***Revision mark**: editorial changes are applied*

Conversely, observed agents are not required to report the protection allocated value in accordance with Part 2 of Annex V to the amended ITS, irrespective of whether or not the protection item in question is eligible for credit risk mitigation in accordance with the CRR. In particular, under AnaCredit the protection allocated value (or the sum of the protection allocated values of all protection items if the instrument is secured by more than one protection items) may exceed the outstanding nominal amount of the instrument that the protection secures.

The reason why AnaCredit does not require the protection allocated value to be determined in accordance with the ITS is that a broader approach to protection is taken in the context of AnaCredit than in the CRR, where every protection item which secures the instrument is reported, irrespective of its eligibility for the calculation of the minimum capital requirements in accordance with the CRR/ITS. Consequently, it is not advisable to require that the allocation be carried out in accordance with the CRR/ITS while the scope of the protection that can be allocated and the required reporting frequencies are different across the frameworks.

Similarly, AnaCredit does not require that a specific prioritisation of protection items (in cases where several protection items secure a particular instrument) or prioritisation of instruments (in cases where one protection item is associated with several instruments) be carried out. In this connection, it is clarified that banks can choose their own prioritisation rules to allocate received protection items to instruments.

The AnaCredit requirement stipulates in particular that the allocation logic applied by an observed agent also takes into consideration amounts of the protection values that the observed agent allocates to other instruments which, owing to the limited scope of AnaCredit, are not subject to AnaCredit reporting (e.g. strict off-balance-sheet instruments). Please refer to Example 58 in Section 8.1 for an illustration of this requirement.

The allocated protection value takes the notional protection value as a starting point and considers additional factors affecting the maximum amount of the protection value which can actually be considered to secure the instrument

In the context of AnaCredit, a distinction is made between the protection value taken in principle at its notional amount and the allocated protection value which takes the notional amount only as a starting point and then considers additional factors affecting the maximum amount of the protection value which can actually be considered as protection for the instrument (e.g. the mortgage inscription value, any third-party priority claims, the quality or marketability of the protection, other instruments secured with this protection, etc.).

Reporting qualification

The protection allocated value is to be reported for every combination of a protection item and an instrument that the protection item secures.

Values

The protection allocated value is a monetary amount in euro. The reported value is a non-negative real number.

If a protection item is contractually assigned not to a particular instrument but to a debtor, this implicitly means that the protection item is linked to all instruments in relation to which this counterparty assumes the role of the debtor. Consequently, AnaCredit requires that a record is reported for each combination of the protection item and an instrument in relation to the debtor in the instrument-protection received dataset.

By analogy, any protection item linked to a contract that gives rise to one or more instruments, rather than to individual instruments themselves, is reported in the instrument-protection received dataset in relation to every instrument that arises under the contract and that is subject to AnaCredit reporting.

In both cases, the allocation of the protection value to the individual instruments secured by the protection item via the protection allocated value is carried out as in the standard case, where a protection item is explicitly linked to instruments rather than to a debtor or contract. In particular, any value of the protection item allocated to one instrument of a debtor to which this protection item is attached decreases the allocated value of the same protection item used to secure another instrument in relation to the same debtor.

All protection items received to secure instruments – and not only those that are eligible for the calculation of the minimum capital in accordance with the CRR – are allocated. Furthermore, it is clarified that, if a given protection item can be used to secure an instrument, then the instrument-protection received dataset includes such a link, irrespective of the protection allocated value, even if the protection allocated value amounts to 0.

For an illustration of how the dataset is reported in such cases, also taking account of an internal allocation process versus an allocation in accordance with the CRR, consider the following example.

Example 60: Multiple protection items securing multiple instruments

Observed agent (OA#1), which is (part of) a supervised credit institution under the CRR, has three instruments for Debtor#X originated under contract Con#1: Inst#1, Inst#2 and Inst#3, each with an outstanding nominal amount of €10 million as of 30 September 2018.

OA#1 has received two protection items, each assigned to Debtor#X (i.e. each covering all instruments of Debtor#X):

- Prot#1 with a protection value of €15 million;
- Prot#2 with a protection value of €3 million.

For internal risk management purposes, OA#1 considers the total of €18 million as the maximum amount that can be used as protection for the instruments of Debtor#X; Prot#1 and Prot#2 are allocated as follows to the instruments of Debtor X using the OA#1 protection allocation routine:

- Prot#1: €10 million is allocated to Inst#1 and €5 million is allocated to Inst#2;
- Prot#2: €3 million is allocated to Inst#2.

For the calculation of the minimum capital requirement OA#1 applies a haircut of 50% on both protection items, and thus adjusted protection values are allocated to the instruments of Debtor#X as follows:

- Prot#1: €7.5 million (= €15 million x [1 – 50%]) is allocated to Inst#1;
- Prot#2: €1.5 million (= €3 million x [1 – 50%]) is allocated to Inst#1.

As in the context of AnaCredit, the reporting of the instrument-protection received dataset follows the collateral allocation principles that OA#1 internally utilises for the risk management purposes, irrespective of the allocation in accordance with the CRR. Therefore, the allocation scheme described in point 3 above is reported to AnaCredit (i.e. values without applying haircuts). In addition, a record is reported for each combination of the protection item and an instrument in relation to the debtor even if the allocated protection value for such combination is determined by the observed agent to be 0. The reporting is depicted in Table 100.

Table 100 Reporting the instrument-protection received dataset

Reporting reference date	Contract identifier	Instrument identifier	Protection identifier	Protection allocated value
30/09/2018	CON#1	INST#1	PROT#1	10,000,000.00
30/09/2018	CON#1	INST#1	PROT#2	0.00
30/09/2018	CON#1	INST#2	PROT#1	5,000,000.00
30/09/2018	CON#1	INST#2	PROT#2	3,000,000.00
30/09/2018	CON#1	INST#3	PROT#1	0.00
30/09/2018	CON#1	INST#3	PROT#2	0.00

Please note that the instrument-protection dataset includes all links between protection items associated at the level of a debtor and instruments of a debtor, irrespective of whether or not the protection allocated value is larger than 0.

As explained in Chapter 9, the protection identifier represents the protection item (e.g. real estate property) rather than a claim on the protection item.

Please note, however, that any many-to-many relationship between protection items and instruments which may occur in relation to the claims is also relevant in the context of AnaCredit. In particular, the existence of such claims is implicitly captured in the requirements formulated in respect of the protection allocated value: if the creditor's right to proceeds from liquidating a protection item (vis-à-vis an instrument) is limited by the amount specified in a claim, this limitation is considered when determining the maximum amount of the protection value that can be considered as credit protection for the instrument.

As regards which other factors, besides the protection value, are taken into consideration by an observed agent when determining the protection allocated value, consider the example of a loan secured by a mortgage inscription for an amount lower than the market value/long-term sustainable value.

Example 61: Mortgage inscription value affecting the protection allocated value

1. An observed agent (OA#1) has granted a loan of €1 million (Inst#1) to Debtor#1 for the purchase of residential real estate (RRE#1).
2. OA#1 has received (from Debtor#1) a mortgage on the financed property. The market value of the property is estimated to be €2 million, but the mortgage inscription value is €1.2 million.

RRE#1 is reported in the protection received dataset in connection with Inst#1. The "protection value" reported therein is the market value of €2 million. It is the only protection securing Inst#1. However, for the calculation of the protection allocated value, OA#1 also takes into account the mortgage inscription value, which affects the maximum amount of the protection value that can be considered as credit protection for Inst#1. This is because, in the event of a default of Debtor#1, followed by a liquidation, OA#1 is only entitled to maximum of €1.2 million (i.e. up to the mortgage inscription value) of the property liquidation/sales value, which may actually be higher than the inscription amount.

Therefore, the "protection allocated value" does not exceed the mortgage inscription value as it is the maximum amount that OA#1 could recover if the protection is realised.

Please note that a mortgage inscription value may not be the only factor that affects the protection allocated value. Other relevant factors include:

- a third-party priority claim that exists in relation to the protection item;
- the market conditions at which the protection item could be liquidated (a fair value of debt securities that would be obtained on the stock exchange or other organised financial market if the debt securities were to be liquated);
- the quality of the protection concerned (e.g. a portfolio of impaired loans pledged whose high notional amount is in principle not a good reflection of the maximum amount that an observed agent could consider as credit protection for the instrument);
- the quality of the issuer of the protection (e.g. for corporate bonds, information is used for the issuer of the bond and remaining tenor).

Please note that protection items are always reported only once in the protection received dataset (which records the information on the value of each item of collateral), irrespective of how many instruments they secure (which is reflected in the instrument-protection received dataset). Hence, there is no double-counting of the protection in the protection received dataset.

8.4.2 Third-party priority claims against the protection

Definition: The maximum amount of any existing higher ranked liens with respect to third parties other than the observed agent against the protection.

The third-party priority claim against the protection is the maximum amount of any existing higher ranked liens with respect to third parties other than the observed agent against the protection.

Reporting qualification

This data attribute is to be reported for every combination of a protection item and an instrument that it secures.

Values

This data attribute is a monetary amount in euro. The reported value is a non-negative real number.

General reporting instructions, specific cases and examples

The third-party priority claim against the protection is the total amount of all third-party claims on the protection item with higher ranked liens compared to the reported instrument.

Instruments granted by third-party credit institutions (observed agents) which give rise to the third-party priority claims on the protection securing a reported instrument are not subject to AnaCredit reporting from the perspective of the reporting agent of the observed agent that extended the reported instrument (unless the third party is another observed agent within the scope of the same reporting agent). This is because only instruments held or serviced by an observed agent are reportable.

The third-party claims against the protection available to an observed agent are typically based on the information as recorded at the inception of an instrument rather than at a reporting reference date. Therefore, this data attribute in AnaCredit is quite static, as it is not expected to change regularly. It would tend to be updated when the claim of the third party on the protection item as such no longer exists with the third party. Nevertheless, the third-party priority claim may be updated on an ongoing basis if observed agents have up-to-date information in this respect.

The amount of the third-party priority claims against the protection is typically a feature of the protection item itself rather than of the instrument-protection

combination vis-à-vis an observed agent. Therefore, in cases where multiple instruments are reported that are secured by the same protection item, it is common to report the same amount for the data attribute "third-party priority claim" for each instrument-protection combination. However, this is not necessarily the case, as the observed agent may have several liens on the same protection item in relation to different instruments, with third-party creditors also having (intermediate) liens.

The third-party priority claim to an instrument is the maximum amount of any existing higher ranked liens with respect to third parties where higher ranked liens are to be determined on the basis of the lowest priority claim the creditor has for that instrument against the protection (if the creditor has multiple claims with mixed-rank liens on the same property).

For an illustration of how the instrument-protection received dataset may be reported in the presence of multiple claims (with mixed ranks) on the same protection item, including the reporting of the third-party priority claim, please consider the following example.

Example 62: Multiple mortgage claims on a single property with third-party claims

This example concerns the perspective of observed agent (OA#1).

1. On 5 August 2016 OA#1 makes a contract Con#6 to extend a first-lien loan in the amount of €100,000 (Inst#1) to a legal entity (Cpy#A). The loan is secured by a mortgage claim of €400,000 on commercial real estate (CRE#1). The market value of the property is established to be €950,000.
2. On 23 June 2017, a credit institution (OtherBank) extends a second-lien loan of €150,000 (Inst#2) to Cpy#A on the basis of a mortgage inscription amount of €300,000 on the same commercial real estate (CRE#1); at the origination of the loan, the market value of the property is established to be €950,000.
3. On 7 September 2018 OA#1, on the basis of contract Con#8 extends a loan of €500,000 (Inst#3) to Cpy#A. The loan is secured by a third-lien mortgage on the commercial real estate CRE#1 (with a mortgage claim of €500,000). The market value established at the origination of Inst#3 is €1 million.
4. As of 30 September 2018, the outstanding nominal amounts of the loans extended by OA#1 are €100,000 and €500,000 for Inst#1 and Inst#3, respectively. The real estate collateral is exclusively owned by Cpy#A. OA#1 has no insight into the outstanding nominal amount of Inst#2 extended by OtherBank.

The real estate collateral is reported to AnaCredit as of 30 September 2018 in connection with Inst#1 and Inst#2. This reporting is depicted in Table 101 (selected data attributes only).

Table 101 Commercial real estate CRE#1 in the protection received dataset

Reporting reference date	Protection provider identifier	Protection identifier	Protection value	Type of protection
30/09/2018	CPY#A	CRE#1	1,000,000.00	Commercial real estate collateral

Please note that it is the immovable property itself, not the mortgage claim on the property, which is considered a protection item in relation to both instruments.

As regards the allocation of the protection value to the two instruments, OA#1 calculates as follows in the event that Cpy#A defaults:

- it is assumed that the commercial real estate collateral will be realised in the market and the liquidation will give €1 million of proceeds;
- having a first-lien of €400,000 on the protection, OA#1 allocates €100,000 of it to Inst#1 and the remaining €300,000 to Inst#3;
- from the remaining proceeds of €600,000, OA#1 subtracts the claim of OtherBank of €300,000, which has a prior lien over its other claim, and allocates additional €200,000 of the protection value to Inst#3 (up to the lien amount).

This allocation is reported in the instrument-protection received dataset, which is depicted in Table 102.

Table 102 Protection allocated value in the instrument-protection received dataset

Reporting reference date	Contract identifier	Instrument identifier	Protection identifier	Protection allocated value	Third-party priority claim
30/09/2018	CON#6	INST#1	CRE#1	100,000.00	0.00
30/09/2018	CON#8	INST#3	CRE#1	500,000.00	300,000.00

Please note that the third-party priority claim is the maximum amount of any existing higher ranked liens with respect to third parties (i.e. other than the observed agent), where higher ranked liens are to be determined on the basis of the lowest priority claim OA#1 has against the protection (as in this case there are multiple claims with mixed-rank liens on the same property).

Please also note that in this case OA#1 own prior liens are not accounted for in the third-party priority claim reported for Inst#3.

Last but not least, the instrument (Inst#2) extended by the third-party credit institution is not reported vis-à-vis OA#1, as only instruments held or serviced by the observed agent are subject to AnaCredit reporting. In this connection, the actual amount that could be eventually claimed by the third-party credit institution (as the loan is substantially lower than the mortgage inscription) is not taken into account by OA#1.

Please note that, when determining the protection allocated value in relation to Inst#3 in Example 62, both the third-party priority claims and the amount of the protection value allocated to Inst#1 have been taken into consideration. This is necessary, as otherwise an amount larger than actually allocable would be dispensed to the instrument. This goes against the definition of the protection allocated value as the maximum amount of the protection value that can be considered as credit protection for the instrument. The amount of the existing third parties or observed agent priority claims against the protection is excluded in the protection allocated value.

9 Protection received dataset

9.1 General aspects

The protection received dataset describe the characteristics of any protection (both funded and unfunded) that serves to secure the repayment of instruments reported in the instrument dataset.

For the purposes of AnaCredit data collection, protection received data comprise data on any kind of protection that is linked to any reported instrument via the instrument-protection received table.

Protection items that are not linked to any instrument reported under AnaCredit requirements do not have to be reported.

A protection item is recorded in the protection received dataset if it is considered by the reporting agent to be an assurance or coverage against a negative credit event that may arise in relation to an instrument, in accordance with Article 1(24) of the AnaCredit Regulation. In other words, protection serves as a creditor's protection against a debtor's default where the value of the protection can be used to pay the loan if the debtor fails to satisfactorily pay any amount that it is obliged to pay under the terms of the contract.

Consequently, AnaCredit considers that any item accepted by the reporting agent as security and providing assurance or coverage against the credit risk arising under a contract or an instrument is reported. In particular, all protection items considered as such by reporting agents are reported irrespective of whether or not they are eligible for credit risk mitigation in the calculation of the minimum capital requirements under the CRR or reported as collateral under Annex V to the amended ITS. Similarly, protection is reported regardless of the loan/collateral ratio.

If a protection item is contractually assigned not at the level of a particular instrument but at the level of a debtor or a contract, this implicitly means that the protection item is linked to all instruments of the debtor or all instruments existing under the contract. Consequently, such protection is reported as a single record in the protection received dataset, whereas the instrument-protection received dataset includes a record for every combination of this protection item with any instrument of the debtor (or of the contract, respectively) that is reported to AnaCredit.

Each protection has one protection identifier. This identifier will not change over time and cannot be used as the protection identifier for any other protection.

Each protection item has a value and the total protection value without considering any (regulatory) haircuts is reported.

Each protection item is assigned one type of protection as referred to in Article 1(24) of the AnaCredit Regulation.

9.1.1 Relationship with the counterparty risk/default datasets

Revision mark: the definition of "unfunded credit protection" is added in line with Article 4(1)(59) of the CRR

As regards the relationship between the protection received entity table and the counterparty risk/default entity table, the counterparty risk/default entity table is applicable for those protection providers which are at the same time the protection issuers of the protection (i.e. when the provider of the protection and the issuer of the protection coincide). This situation happens in the case of unfunded credit protection as defined in Article 4(1)(59) of the CRR, i.e. "a technique of credit risk mitigation where the reduction of the credit risk on the exposure of an institution derives from the obligation of a third party to pay an amount in the event of the default of the borrower or the occurrence of other specified credit events".

Revision mark: the definition of "financial guarantee" is added in line with the amended ITS

In particular, regarding protection providers of a "financial guarantee" as defined in the amended ITS, the counterparty which is the protection provider of such a protection item and is recorded in the protection received entity table is also recorded in the counterparty risk/default entity table. In accordance with paragraph 114 of Annex V to the amended ITS, financial guarantees are defined "as contracts that require the issuer to make specified payments to reimburse the holder of a loss it incurs, because a specified debtor fails to make payment where due in accordance with the original or modified terms of a debt instrument". Please note that thus defined "financial guarantee" corresponds to the following types of protection as defined in Annex IV of the AnaCredit Regulation: "financial guarantees other than credit derivatives" and "credit derivative", to the extent the credit derivative meets the definition of a "financial guarantee" (cf. Section 9.4.3).

9.2 Level of granularity

The level of granularity is the individual protection item, which may be linked to multiple instruments.

The protection identifier represents a protection item (e.g. real estate property or debt securities) that is used to secure payments arising under one or more instruments.

A protection item refers to a specific property rather than a debtor's (or third party's) pledge of specific property. In particular, the level of protection will not be lower than the level of property (as opposed to a claim on the property). Please note, however, that a protection item may entail several properties (e.g. a pool of securities or a pool of trade receivables) but in no case will the protection level be lower than the property level. For more guidance on the level at which protection is considered please refer to the following example.

Example 63: Level of protection – multiple mortgage claims on single property

1. On 17 September 2018 observed agent (OA#1) extends a loan of the amount of €300,000 (Inst#1) to a legal entity (Cpy#A). The loan is secured by a mortgage claim of €500,000 on commercial real estate (CRE#1).
2. During the loan acceptance process, the market value of the real estate was established to be €1,000,000 following a third-party appraisal. The property is exclusively owned by Cpy#A.
3. In addition, the information available in the cadastre shows a third-party credit institution's claim of €150,000 on the real estate which was made in 2016.

The real estate collateral is reported to AnaCredit as of 30 September 2018 in connection with Inst#1. This reporting is depicted in Table 103 (selected data attributes only).

Table 103 Reporting property as protection

Reporting reference date	Protection provider identifier	Protection identifier	Protection value	Type of protection
30/09/2018	CPY#A	CRE#1	1,000,000.00	Commercial real estate collateral

Please note that it is the immovable property itself, not the mortgage claim on the property, which is considered a protection item in relation to Inst#1. Therefore it is the property that is reported in the protection received dataset.

Furthermore, as regards the protection value, it is the total amount of the protection item that is reported in the dataset rather than the mortgage claim of €500,000. Similarly, the protection value is reported without taking account of the third-party priority claim that exists in relation to the protection item (i.e. the immovable property).

Please note, however, that both claims (i.e. the actual claim of OA#1 and the third-party priority claim) are taken into consideration when determining the protection allocated value as reported in the instrument-protection received dataset, which is defined to be "the maximum amount of the protection value that can be considered as credit protection for the instrument. The amount of the existing third parties or observed agent priority claims against the protection is excluded in the protection allocated value".

For more guidance regarding the protection allocated value, please refer to Chapter 8, which deals specifically with the instrument-protection received dataset.

Revision mark: further clarifications concerning the reporting of baskets of protection, including Example 64, are added in line with Q&A 2017/0012

Please note that AnaCredit does not stipulate at which level "bundled protection items" (i.e. a basket of protection that includes several individual items) are reported. In this respect, it is clarified that in the case of protection items which entail several individual items, each of which could be considered a separate protection item (e.g. a pool of securities or a pool of trade receivables), the level of granularity depends on the approach that the reporting agent takes to value such protection items.

More specifically, for bundled protection items which are valued and considered by the reporting agent as one multi-name protection item (hereinafter referred to as "the valuation principle"), the reporting granularity of the protection item is the same, and the reporting agent does not need to report the individual items separately. However, it is possible to make use of the convenience of reporting one multi-name protection item only if a basket consists of "like" elements, e.g. if it consists solely of debt securities or solely of equities.

An example of such protection items includes a pool of securities received which are valued and considered by the creditor as a single protection item; in such a case, the pool of securities is reported as one (bundled) protection item in a single record in the protection received dataset with a value reflecting the total value of the securities included therein, as opposed to reporting each individual security within this pool (each with a separate protection identifier).

Conversely, protection items with different characteristics are considered to be different protection items and are reported separately to AnaCredit.

With regard to the question of which features should match in order to be able to consider protection items to be alike (and thus reportable as one multi-name protection item), these include the type of protection, the type of protection value, the protection valuation approach (otherwise the valuation principle is not possible), maturity considerations and, where relevant, the real estate collateral location.

Since granularity is an inherent objective of AnaCredit, it is expected that granular information on the composition of baskets of protection will gradually become available in reporting agents' systems

However, in the specific case of centrally cleared repurchase agreements, where reporting agents may not always have sufficiently detailed information about such bundled protection (and obtaining it would involve substantial costs), protection items of different types may be bundled, provided that they are indeed valued and considered by the reporting agent as one multi-name protection item. Nevertheless, since granularity is an inherent objective of AnaCredit, it is expected that granular information on the composition of baskets of protection will gradually become available in reporting agents' systems.

For an illustration of the reporting of baskets of protection, please consider the following example.

Example 64: Baskets of protection and the protection type

An instrument reported to AnaCredit is secured by a basket comprising both debt securities and equities. Initially the basket includes more debt securities than equities, but over time the composition changes and the basket includes more equities than debt securities. Should the type of protection be changed to "equity and investment fund shares or units" for the existing protection or should it be considered as a new protection item with a new protection identifier?

Under AnaCredit, bundled protection items (i.e. a basket of protection which comprises several individual items) may be reported as one multi-name protection item, provided that the bundled protection items are valued and considered by the reporting agent as one protection item ("the valuation principle").

In the specific case in question, from the beginning the protection items are reported separately to AnaCredit rather than as one multi-name protection item. Thus the debt securities and equities are reported as separate protection items (possibly with the debt securities being one bundled protection item and the equities another, in accordance with the valuation principle) under the corresponding type of protection.

If over time more equities are added to secure the instrument, the additional equities may either be considered a new protection item with a new protection identifier or they may be reported under the existing protection item (cf. Section 2.3.3 in Part III of the Manual). However, the latter option is available only if this is consistent with the valuation principle for reporting bundled protection items.

On the other hand, if for the valuation and consequent utilisation the reporting agent uses a look-through approach for such bundled protection items, then such protection is reported to AnaCredit at the level of individual items included in the basket.

9.2.1 Uniqueness of protection identifier at the level of a reporting agent

An individual protection item is uniquely identified by a protection identifier at the level of a reporting agent, cf. Section 2.1.2.6. This means that the same protection identifier of a protection item is used by whichever observed agent of the same reporting agent whose data include instruments secured by the protection item.

A single protection item which is used as protection by different observed agents within the scope of the same reporting agent is therefore identified with the same (and common) protection identifier across the different observed agents.

For an illustration of how a protection item common across multiple observed agents of the same reporting agent is reported, consider the following example.

Example 65: Unique identification of protection at the level of reporting agent

1. A credit institution (RepAgt#1) consists of the domestic part (OA#1/DOM) and a foreign branch (OA#2/FB).
2. On 17 September 2018 OA#1/DOM grants a short-term lending cross-limit to a legal entity (IntCpy#1) which is internationally active. In accordance with the contract, the credit cross-limit can be used by any subsidiary of IntCpy#1.
3. The cross-limit is secured by a financial guarantee (GUA#1) provided by IntCpy#1. The guaranteed amount is €5,000,000.
4. On 2 October, OA#1/DOM extends under the short-term lending cross-limit a loan (Loan#1/A) to a legal entity (Cpy#A) which is a subsidiary of IntCpy#1.
5. On 19 October OA#2/FB extends under the short-term lending cross-limit a loan (Loan#2/B) to a legal entity (Cpy#B) which is a subsidiary of IntCpy#1.

In this situation, both Loan#1/A and Loan#2/B which relate to two different observed agents of the same reporting agent are secured with the same protection item (GUA#1).

In connection with Loan#1/A, OA#1/DOM reports the guarantee in the protection received dataset. The reporting as of 31 October 2018 is depicted in Table 104.

Table 104 Protection received dataset reported in relation to OA#1/DOM

Reporting reference date	Observed agent identifier	Protection provider identifier	Protection identifier	Protection value	Type of protection	Type of protection value
31/10/2018	OA#1/DOM	INTCPY#1	GUA#1	5,000,000.00	Financial guarantee other than credit derivatives	Notional amount

Meanwhile, OA#2/FB reports the same protection item in connection with Loan#2/B. This is presented in Table 105.

Table 105 Protection received dataset reported in relation to OA#2/FB

Reporting reference date	Observed agent identifier	Protection provider identifier	Protection identifier	Protection value	Type of protection	Type of protection value
31/10/2018	OA#2/FB	INTCPY#1	GUA#1	5,000,000.00	Financial guarantee other than credit derivatives	Notional amount

In this situation, when there is one protection item linked with multiple instruments relating to different observed agents of the same reporting agent, the common protection is reported in the protection received datasets of all the observed agents concerned, with the observed agents replicating the information regarding the common protection item (i.e. they report identical information for the whole record with the exception of the observed agent identifier).

Irrespective of the fact that the same protection item may be reported multiple times in the protection received dataset (including in relation to different reporting agents, e.g. many unrelated credit institutions may have mortgage claims on the same real estate property), the protection allocated values and the third-party priority claims as reported in the instrument-protection received dataset in relation to different instruments are required to accurately reflect the actual situation, i.e. the reported value takes into

account the fact that it is one and the same protection item, and, in particular, if a part of the protection value is allocated to one instrument, the maximum amount of the protection allocable to other instruments is reduced accordingly. In other words, the risk of double-counting the protection allocated value is mitigated thanks to the definitions of the protection allocated value and the third-party priority claims.

9.3 Reporting frequency

The information contained in the protection received dataset describes the protection regularly reported in the instrument-protection received dataset as of a reporting reference date. However, rather than being regularly reported, the information in the protection received dataset is submitted to AnaCredit once and updated whenever changed. This applies both to new records (i.e. when new/additional protection was received as security for the repayment of any instrument reported in AnaCredit) and to changed records (i.e. when a change takes place regarding a protection item for which the protection-received dataset was reported previously).

In both cases, the records are reported no later than the monthly transmission of the instrument-protection received relevant for the reporting reference date on or before which the change came into effect.

9.4 The protection received dataset – data attributes

The protection received dataset is applicable for protection items which are reported in the instrument-protection received dataset. For each protection item, the following data attributes are reported.

Table 106 Overview of data attributes in the protection received dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Protection identifier	√	String	2.1.2.6
Protection provider identifier	√	String	2.1.2.7
Type of protection		Code list	9.4.3
Protection value		Amount in euro	9.4.4
Type of protection value		Code list	9.4.5
Protection valuation approach		Code list	9.4.6
Real estate collateral location		Code list	9.4.7
Date of protection value		Date	9.4.8
Maturity date of the protection		Date	9.4.2
Original protection value		Amount in euro	9.4.9
Date of original protection value		Date	9.4.10

9.4.1 Protection provider identifier

Definition: Counterparty identifier for the protection provider. If the protection provider is not a legal entity, the protection provider identifier is not required to be reported.

The counterparty that provides protection securing an instrument is reported in the protection received dataset. No data regarding the role of protection provider are entered into the counterparty-instrument dataset.

The protection provider identifier is the counterparty identifier of the counterparty that grants protection against a contractually agreed negative credit event and/or that is obliged to make payments to the creditor if the debtor fails to meet the obligation to make repayments arising under the instrument secured by the protection item (i.e. when the negative credit event under Article 1(13) of the AnaCredit Regulation occurs). Table 107 gives an overview of the counterparty (if any) that typically serves as the protection provider for a given type of protection in the general case.

Reporting qualification

The protection provider identifier is reported unless the counterparty which provides the protection item is not a legal entity or a part of a legal entity under Article 1(5) of the AnaCredit Regulation (i.e. if the protection provider is a natural person).

If the protection provider is a natural person, the value “non-applicable” is reported as the protection provider identifier in relation to the protection item. Moreover, this protection provider, which represents a natural person, is not linked to any counterparty reference data record because no counterparty reference data for natural persons are reported to AnaCredit (cf. Section 12 on counterparty reference data).

Reporting in the case of a plurality of protection providers

In some cases, protection may be provided by several protection providers (e.g. by joint guarantors or in the case of property jointly owned by two or more counterparties). Such a situation is referred to as plurality of protection providers (of one protection item).

A plurality of protection providers is not the same as a plurality of protection items, as the latter refers to several protection items being provided in relation to one instrument.

***Revision mark**: an explanation is added concerning guarantees provided by several guarantors*

Furthermore, a plurality of protection providers (of one protection item) does not concern cases where, because of clearly limited liabilities and/or other specifics, there are in fact several protection items, each with a single protection provider, rather than just one protection item with several protection providers. For example, a guarantee of €100 provided by two guarantors where each guarantor is liable for €50 only and a payment made by one of them does not reduce the liability of the other guarantor is reported as two separate guarantees of €50 each.

It is clarified that in the case of a plurality of protection providers, reporting agents are recommended to identify all protection providers and record them all in their respective systems, although only one of them can actually be recorded in the protection dataset at this stage of AnaCredit.

In this connection, reporting agents are advised to select which one to report to AnaCredit, basing their choice on reasonable and risk prudent considerations (examples: subordination of liabilities, size of the contribution to the joint protection). In cases where there is a natural person acting as joint protection provider with a non-natural person, it is always the latter that is reported to AnaCredit.

Suitable enhancements to the reporting scheme are envisaged as part of the future development of AnaCredit in order to capture each of joint protection providers. This can be achieved specifically by introducing a new entity table describing, inter alia, the relationship between protection and counterparty, as with the counterparty-instrument dataset.[22]

Protection items extended from the head office to its branch

***Revision mark**: clarifications are added in line with Q&A 2018/0030 concerning protection items extended from a head office to its branch*

Generally, legal entities are liable for contractual obligations of their branches and under certain circumstances they may step in to take over their branches' activities. Sometimes a protection item (such as a financial guarantee) may be explicitly extended from the head office to its branch.

Please note the following clarifications about when assurances from the head office to its branches are considered a form of protection that is reported to AnaCredit.

In accordance with the AnaCredit Regulation, "protection" is defined as "assurance or coverage against a negative credit event, by means of any item listed in the data attribute 'type of protection' as defined in Annex IV".

Furthermore, protection items which are "financial guarantees other than credit derivatives" are defined in accordance with the amended ITS.

Therefore, if the protection extended from the head office to its branch takes the form of financial guarantees and fulfils the definition criteria for the protection type "financial guarantees other than credit derivatives", such protection items are reported as financial guarantees in AnaCredit.

On the other hand, if an item does not fulfil these criteria, but the reporting agent considers it to be protection as defined in Article 1(24) of the AnaCredit Regulation, the item is reported, and the data attribute "type of protection" is assigned to it in accordance with the specific definitions of protection items in AnaCredit.

It should be noted that the legal circumstances under which legal entities are implicitly liable for the contractual obligations of their branches do not imply that this

[22] A new entity table is envisaged with a view to bridging the protection received data with the counterparty reference date, so that besides the relationship between protection and counterparty, additional attributes can be included such as the amount provided by each protection provider and the maturity date of each protection provider's commitment in relation to the same protection contract.

is recognised as “protection” reportable to AnaCredit (this is implicit from the fact that the branch belongs to the legal entity – cf. Section 12.4.4).

Values

The protection provider identifier is a code consisting of alphabetical and numerical symbols. In cases where a protection item reported to AnaCredit is provided by a natural person, the value “non-applicable” is reported.

General reporting instructions, specific cases and examples

The counterparty considered as a protection provider for a given protection item is largely dependent on the type of the protection itself. In general, for physical assets, equity and real estate, the protection provider is the ownership holder of the protection item.

For instance, in these specific cases, the protection provider is:

- the owner of physical collateral typically entitled to pledge the collateral;
- the legal owner of the physical item/real estate;
- the holder of the security pledged as a protection as opposed to the issuer of the security;
- the policy holder in the case of life insurance policies issued by an insurance company.

Typically, in the case of physical collateral, it is the debtor that pledges such collateral. However, the protection provider may also be a third party if the protection is pledged by a party different from the debtor. Consider for instance a case in which a company owned by a parent company receives a loan, and where the payment of the loan is secured by a real estate property belonging to the parent company. In this case, the owner of the property, i.e. the parent company, is reported as the protection provider and not the debtor.

***Revision mark**: further clarifications are included concerning the distinction between a creditor and protection provided in line with Article 1(11) of the AnaCredit Regulation*

Nevertheless, the reporting agent verifies on an individual basis whether a counterparty that bears the credit risk if a given protection item is used qualifies for reporting. This applies most notably in cases of “other protection”. In any case, the protection provider must be a counterparty that is different from the creditor, as the existence of protection implies that the credit risk is transferred from the creditor to another counterparty and the loss in the event of a default is absorbed by the other counterparty (cf. Articles 1(11) and 1(13) of the AnaCredit Regulation).

Table 107 Protection provider by the type of protection

Type of protection	Protection provider
Gold	Owner(s) of the gold
Currency and deposits	Owner(s) of the currency and deposits
Securities	Holder(s) of the debt security
Loans	Creditor(s) of the pledged loans
Equity and investment fund shares or units	Holder(s) of the equity and investment fund shares or units
Credit derivatives (e.g. CDS)	Holder(s) of the credit derivative/protection issuer(s)
Financial guarantees other than credit derivatives	Guarantor(s)/protection issuer(s)
Trade receivables	Owner(s) of the trade receivables
Life insurance policies pledged	Holder(s) of the life insurance policy
Residential real estate collateral	Owner(s) of the residential real estate
Offices and commercial premises	Owner(s) of the offices or commercial premises
Commercial real estate collateral	Owner(s) of the commercial real estate
Other physical collateral	Owner(s) of the physical collateral
Other protection	Determined on an individual basis

Revision mark: further clarifications are included in line with Q&A 2018/0051 concerning the protection provider in the case of financial leases and reverse repurchase agreements

Please note that in the case of:

- financial leases, the legal owner of the leased assets is the lessor (i.e. the creditor), while the economic owner, which is also reported as the protection provider, is the lessee;
- reverse repurchase agreements, the legal owner of the assets used as collateral is the creditor, because it has purchased them from the debtor, while the economic owner, which is also reported as the protection provider, is the debtor.

9.4.2 Maturity date of the protection

Definition: The contractual maturity date of the protection, which is the earliest date at which the protection may terminate or be terminated, taking into account any agreements amending initial contracts.

The maturity date of the protection is a date which, generally, is contractually specified. It is the earliest date beyond which the protection is not legally valid, taking into account any agreements amending initial contracts.

Reporting qualification

The maturity date of the protection is reported for each protection received record. If no specific date is provided in the credit contract (or no such date arises from the general legal framework), “non-applicable” is reported as the value for “maturity date of protection”.

Values

Unless “non-applicable” is reported, the maturity date of the protection is reported as a date indicating the day on which the protection will be terminated or may be terminated.

General reporting instructions, specific cases and examples

The maturity date of the protection is not a property of the received protection item itself (e.g. the expiry date of a debt security pledged as protection) but of its function as protection securing a reported instrument (e.g. the date upon which the debt security may be withdrawn from serving as protection for the reported instrument). If the protection is used to secure multiple instruments and in relation to each instrument, it is contractually specified that the protection cannot be used beyond the maturity date of the instrument, the reported maturity date of the protection is the earliest of all the maturity dates specified in any of the contracts.

Additionally, when the reporting reference date reaches or is after the earliest protection maturity date, then “maturity date of protection” is changed/rolled over to the next such date, i.e. the maturity date of the next reported instrument to which the protection item is linked, unless the maturity date is unspecified for the instruments.

If the credit contract expressly specifies that the protection can be legally pledged for an unlimited period of time, then “non-applicable” is reported. Similarly, if no specific date is provided in the credit contract (or no such date arises from the general legal framework), “non-applicable” is reported as the “maturity date of protection”. Please note that the “non-applicable” value is understood such that no specific maturity date has been contractually agreed. For example, if a protection item is pledged “until further notice”, the value “non-applicable” is reported.

Physical collateral, gold, equity shares and real estate collateral do not expire in the same way that, for example, a debt instrument does. However, the contract establishing that those physical goods, equity shares or property may be used as protection for a specific instrument may set a maturity date upon which the function of these goods or property as protection may terminate or be terminated. This date is reported. If no such provision exists in the contract, and the instrument gives no such information either, the value “non-applicable” is reported.

If trade receivables are used as collateral, the end of the limitation period sets an upper limit for the maturity date, but it is not necessarily the contractually agreed maturity date. If a maturity date has been contractually specified, this value is reported. If no maturity date has been specified in the contract, the value “non-applicable” is reported rather than the end of the limitation period.

***Revision mark**: further clarifications are added in line with Q&A 2018/0029*

Please note that the maturity date of the protection need not change even if the creditor has the right to execute the protection, such as when the loan secured by the protection matures or goes into default. Moreover, in such cases the protection item is reported for as long as the creditor has the right to execute the protection

(e.g. the right to call the guarantee securing the existing instrument), even if the "maturity date of the protection" was not updated in the above-mentioned case.

9.4.3 Type of protection

Definition: Type of protection received, irrespective of its eligibility for credit risk mitigation.

Please note that the eligibility referred to in the definition regards the eligibility of the protection in accordance with the CRR.

Reporting qualification

The type of protection is filled in for each data record in the protection received dataset.

General reporting instructions, specific cases and examples

Revision mark: clarification is added concerning the protection received

The protection received in the form of (pledged) assets may be explicit (e.g. mortgages or securities pledged as collateral) or implicit (e.g. financial leases and reverse repurchase agreements) in the contract.

Financial leases

The leased assets in financial leases function as implicit protection. Hence, the protection is reported as a protection item under the applicable type of protection.

Revision mark: further clarifications are included in line with Q&A 2018/0051; Example 66 (former Example 55) is amended, where the protection provider is the debtor (the lessee), which is the economic owner of the leased assets

In the context of AnaCredit, financial leases are economically equivalent to protected loans from the lessor (i.e. the legal owner of an asset such as a durable good) to the lessee (i.e. the economic owner of the leased asset, which is the party to whom the lessor lends this asset), enabling the lessee to rent the asset, where the leased asset is treated as collateral (cf. Section 6.1.1 in Part I of the Manual).

Consequently, please note that in the case of financial leases:

- the legal owner of the leased assets (the lessor) is the creditor;
- the economic owner (the lessee) is the debtor; and
- the lessee is also reported as the protection provider.

For an illustration of how to report protection in the case of financial leases, consider the following example:

Example 66: Protection in the case of instruments classified as financial lease

Observed agent (OA#1) is a resident credit institution that extends an instrument (Inst#1) to a legal entity (LESSEE#A) with the following arrangements (CNTRCT$FL):

1. LESSEE#A requires financing of an equipment and machinery to be used in relation to its activity;
2. the lessor (OA#1) purchases the required equipment and machinery;
3. LESSEE#A will have use of the assets during the lease for which it will pay a series of instalments;
4. OA#1 will recover a large part or all of the cost of the equipment and machinery plus earn interest from the instalments paid by LESSEE#A;
5. LESSEE#A has the option to acquire ownership of the equipment and machinery.

At 30 April 2019, the following information is reported to AnaCredit in connection with Inst#1:

Table 108 Instrument dataset for the financial lease (selected data attributes)

Reporting reference date	Contract identifier	Instrument identifier	Type of instrument
30/04/2019	CNTRCT$FL	INST#1	Financial leases

Table 109 Instrument-protection received dataset for the financial lease (selected data attributes)

Reporting reference date	Contract identifier	Instrument identifier	Protection identifier
30/04/2019	CNTRCT$FL	INST#1	PROT#1

Table 110 Protection received dataset for the financial lease (selected data attributes)

Reporting reference date	Protection identifier	Type of protection	Protection provider identifier
30/04/2019	PROT#1	Other physical collateral	LESSEE#A

Please note that in the case of financial leases, the identification of the commercial product is done vis-à-vis the type of instrument in the instrument dataset, whereas the leased asset is captured in the protection received dataset, where it is classified as the type of protection corresponding to the leased asset (in this case “other physical collateral”). The link between the leased asset and the instrument is captured in the instrument-protection received dataset.

In addition, in this case, the protection provider is the debtor which is the economic owner of the leased assets.

Reverse repurchase agreements

Revision mark: further clarifications are included concerning the protection provided in the case of reverse repurchase agreement in line with Q&A 2018/0051

The financial assets that are part of a reverse repurchase agreement function as implicit collateral (cf. Section 6.2 in Part I of the Manual). Hence, they are to be reported as protection items of the applicable type of protection, i.e. securities; equity and investment fund shares or units, gold or other assets. For further details regarding reverse repurchase agreements please refer to Chapter 2 in Part III of the Manual.

Please note that, in the case of reverse repurchase agreements, the counterparty receiving the assets is the creditor and the counterparty receiving the loan is the

debtor. Moreover, the protection provider is the debtor, because it remains the economic owner of the assets given as collateral to the creditor and will hence absorb the loss in the event of a default (cf. Section 9.4.1).

Residential vs. commercial real estate collateral vs. offices and commercial premises

Article 4(1)(75) of the CRR provides a definition of residential property but no definition of commercial property.

"Residential property" is described as a "residence which is occupied by the owner or the lessee of the residence, including the right to inhabit an apartment in housing cooperatives located in Sweden". In the context of AnaCredit, "commercial immovable property" encompasses any immovable property that is not a "residential property" within the meaning of Article 4(1)(75) of the CRR. Consequently, any real estate property that is not residential real estate is considered to be commercial property, with a further distinction made between (i) commercial real estate and (ii) offices and commercial premises as types of protection.

If a property has a mixed residential and commercial use (such as office/apartment or retail outlet/apartment), it is to be classified according to its dominant use.

Amongst commercial properties, the distinction between the types of protection "offices and commercial premises" and "commercial real estate collateral" is based on the relationship between the collateral and the creditworthiness of the debtor.

In accordance with Article 126 of the CRR, the type of protection "offices and commercial premises" means real estate property other than residential real estate, where the debtor's creditworthiness does not materially depend on any cash flow generated by the property, and the property's value does not materially depend on the quality of the debtor, while "commercial real estate collateral" is immovable property other than residential real estate which does affect the creditworthiness of the debtor (i.e. if the proceeds received from it affect the creditworthiness of the debtor).

Financial derivative contracts involving cash deposits

__Revision mark__: clarifications concerning financial derivatives involving cash deposits are included in line with Q&A 2018/0012 and Q&A 2018/0013

Where a financial derivative contract involves a party requiring a deposit to compensate for the risk of non-delivery/non-settlement, repayable margin payments deposited in cash by the reporting agent under such agreements generally qualify as instruments reportable under AnaCredit (cf. the clarifications on "deposits other than reverse repurchase agreements" and "other loans" in Section 3.4.1).

However, it should be noted that, unlike the securities in reverse repurchase agreements, the financial derivative itself does not serve as protection for the instrument (i.e. the repayable margin payment) and is not, therefore, reported to AnaCredit as protection. The reason is that the financial derivative does not constitute "protection" as defined by Article 1(24) of the AnaCredit Regulation, as it does not serve as insurance against a negative credit event in relation to the repayable margin payment.

Values

Revision mark: the clarifications are streamlined

AnaCredit gives a broad definition of "protection" and does not stipulate or pre-empt a creditor's decision as to which items may be accepted as protection in relation to an instrument, contract or debtor.

Under AnaCredit, the meaning of protection goes beyond collateral recognised for FINREP purposes under Section 12 of Part 2 of Annex V to the ITS

In particular, the data attribute "type of protection" in AnaCredit is aimed at a classification of whichever physical or non-physical, funded or unfunded items an observed agent accepts as collateral or guarantee securing a reported instrument, regardless of the loan/collateral ratio (commonly referred as "loan-to-value") or its eligibility as collateral in accordance with the CRR.

Moreover, in the context of AnaCredit, each protection item is assigned a type of protection, i.e. a classification of protection into a list of several categories defined in the subsequent points. This classification is aimed at a clear identification of the protection category for each protection item and is independent of classifications under different reporting frameworks that may serve different purposes, e.g. in the context of credit risk mitigation in accordance with the CRR.

Gold

Definition: Gold in accordance with Regulation (EU) No 575/2013.

A protection item which fulfils the definition of gold as referred to in the CRR is assigned this type of protection. The value "gold" includes gold bullion held in own vault and on an allocated basis to the extent backed by bullion liabilities.

Gold is recorded in the protection received dataset, irrespective of whether or not it qualifies as eligible collateral in accordance with the CRR.

Currency and deposits

Definition: Currency and deposits as defined in paragraph 5.74 of Annex A to Regulation (EU) No 549/2013.

The value "currency and deposits" comprises currency in circulation and deposits, both in national currency and in foreign currencies, as defined in paragraph 5.74 of Annex A to Regulation (EU) No 549/2013.

Securities

Definition: Securities as defined in paragraph 5.89 of Annex A to Regulation (EU) No 549/2013.

The value "securities" is restricted to debt securities, which are negotiable financial instruments serving as evidence of debt, in accordance with Regulation (EU) No 549/2013. Accordingly, the type of protection "securities" may relate to a single debt security or a basket (portfolio) of debt securities.

Loans

Definition: Loans as defined in paragraph 5.112 of Annex A to Regulation (EU) No 549/2013.

The value "loans" comprises funds extended by creditors to debtors, as defined in paragraph 5.112 of Annex A to Regulation (EU) No 549/2013.

Equity and investment fund shares or units

Definition: Equity and investment fund shares or units as defined in paragraph 5.139 of Annex A to Regulation (EU) No 549/2013.

The value "equity and investment fund shares or units" comprises residual claims on the assets of the institutional units that issued the shares or units, as defined in paragraph 5.139 of Annex A to Regulation (EU) No 549/2013.

Credit derivatives

Definition: Credit derivatives that are: credit derivatives meeting the definition of financial guarantees (as defined in paragraph 114(b) of Part 2 of Annex V to the amended Implementing Regulation (EU) No 680/2014), and credit derivatives other than financial guarantees (as defined in paragraph 129(d) of Part 2 of Annex V to the amended Implementing Regulation (EU) No 680/2014). Credit derivatives include the eligible credit derivatives indicated in Article 204 of Regulation (EU) No 575/2013.

The value "credit derivatives" comprises both credit derivatives meeting the definition of financial guarantees as defined in paragraph 114(b) of Part 2 of Annex V to the amended ITS and credit derivatives other than financial guarantees as defined in paragraph 129(d) of Part 2 of Annex V to the amended ITS.

Credit derivatives are recorded in the protection received dataset, irrespective of whether or not they qualify as eligible collateral in accordance with the CRR.

Financial guarantees other than credit derivatives

Definition: Financial guarantees other than credit derivatives, in accordance with the amended Implementing Regulation (EU) No 680/2014.

The value "financial guarantees other than credit derivatives" comprises guarantees having the character of credit substitute and irrevocable standby letters of credit having the character of credit substitute, as defined in paragraphs 114(a) and 114(c) of Part 2 of Annex V to the amended ITS.

Trade receivables

Definition: Trade receivables as defined in paragraph 85 (c) of part 2 of Annex V to the amended Implementing Regulation (EU) No 680/2014.

Revision mark: an explanation is included concerning "trade receivables" as protection under AnaCredit

In the context of the data attribute "type of protection", the value "trade receivables" refers to the bills or other documents that give the right to receive the proceeds of transactions for the sale of goods or provision of services, as defined in paragraph 85(c) of Part 2 of Annex V to the amended ITS, that are pledged as a form of funded protection.

As opposed to the instrument type "trade receivables" which are trade receivables purchased by a credit institution (and are reported in the instrument dataset accordingly), the type of protection "trade receivables" refers to those trade receivables themselves which are not instruments in the context of AnaCredit but are a protection item which is pledged by the owner of the trade receivables to secure a loan granted by the credit institution to the owner or a third party (i.e. financing against trade receivables).

Revision mark: further clarifications are included concerning the difference between instruments being "trade receivables" and protection "trade receivables"

In the case of instruments that are "trade receivables" in accordance with Article 1(23) of the AnaCredit Regulation, the trade receivables purchased by the creditor are not reported as a protection item securing the instruments. The reason is that, in this case, the purchased trade receivables alone constitute an instrument "trade receivable" under which the creditor is entitled to receive a payment.

For more details on the instrument type "trade receivables" please refer to Trade receivables in Section 3.4.1 and Chapter 5 in Part III of the Manual.

Life insurance policies pledged

Definition: Life insurance policies pledged to the lending institutions in accordance with Regulation (EU) No 575/2013.

The value "life insurance policies pledged" comprises life insurance policies pledged to the creditor as referred to in the CRR.

Life insurance policies pledged are recorded in the protection received dataset, irrespective of whether or not they qualify as eligible collateral in accordance with the CRR.

Residential real estate collateral

Definition: Residential property as defined in Article 4(1)(75) of Regulation (EU) No 575/2013.

The value "residential real estate collateral" comprises residences occupied by the owner or the lessee of the residence, as defined in the CRR.

The value takes into account both an actual pledge on residential real estate and a residential real estate mandate.

Real estate mandates are defined as the right to seize a designated real estate. They are included in the real estate collateral categories if they are recognised as credit protection by the respective reporting agent.

Any residential real estate collateral items are reported, irrespective of whether or not they qualify as eligible collateral in accordance with the CRR.

Revision mark: clarifications are included concerning unoccupied residential real estate in line with Q&A 2017/0013

Please note that in accordance with Article 125(1)(a) of the CRR the residential real estate collateral also includes unoccupied residential real estate.

Offices and commercial premises

Definition: Offices and commercial premises in accordance with Regulation (EU) No 575/2013.

The value "offices and commercial premises" comprises real estate other than residential real estate that qualifies as "offices or other commercial premises" for the purposes of Article 126(1) of the CRR. For further details please refer to the EBA Q&A 2014_1214 regarding the recognition of real estate as commercial property.

In determining whether a property other than residential real estate collateral meets the description of "offices or other commercial premises" in accordance with the CRR, consideration is to be given to the dominant purpose of the property in question, which should meet the following conditions:

- "the value of the property shall not materially depend upon the credit quality of the borrower" (Article 126(2)(a) of the CRR);
- "the risk of the borrower shall not materially depend upon the performance of the underlying property or project", i.e. "the repayment of the facility shall not materially depend on any cash flow generated by the underlying property serving as collateral" (Article 126(2)(b) of the CRR).

Commercial real estate collateral

Definition: Real estate property other than residential property, offices and commercial premises.

The value "commercial real estate collateral" comprises any real estate collateral other than residential real estate collateral under Article 4(1)(75) of the CRR and other than offices and commercial premises for the purposes of Article 126(1) of the CRR.

Instruments secured by mortgages on real estate property are not restricted to instruments secured by residential properties or offices or other commercial premises.

"Commercial real estate collateral" is recorded in the protection received dataset, irrespective of whether or not it qualifies as eligible collateral in accordance with the CRR.

Other physical collateral

Definition: Other physical collateral in accordance with Regulation (EU) No 575/2013 and not included in the previous values.

The value "other physical collateral" comprises any physical object other than real estate and other than gold that is pledged to secure a reported instrument.

Any other physical collateral items are recorded in the protection received dataset, irrespective of whether or not they qualify as eligible collateral in accordance with the CRR.

Other protection

Definition: Other protection not included in any of the categories listed above.

The value "other protection" comprises all other non-physical collateral that is used to secure a reported instrument.

In particular, any assurance or coverage against a negative credit event relating to an instrument reported to AnaCredit which does not meet the definition of the types of protection as listed above is reported as "other protection".

Any such assurance or coverage is reported in the protection received dataset, irrespective of whether or not it qualifies as eligible collateral in accordance with the CRR.

9.4.4 Protection value

Definition: The amount of the protection value as established for the relevant "Type of protection value" following the valuation approach.

***Revision mark**: clarification is included concerning the latest valuation date*

The protection value is the monetary value of the protection item that was established at the latest valuation date prior to or at the reporting reference date under the chosen value type and protection valuation approach (cf. Section 9.4.5 and Section 9.4.6).

The protection value reflects the total value of the protection, which secures a reportable instrument, being either its notional amount, if relevant, or otherwise an amount that best represents the value of the protection, established at the latest valuation, for which the protection is taken into account at a reporting reference date (cf. Section 9.4.5 and Table 3 in Section 2.3).

The total protection value without considering any (regulatory) haircuts is reported.

Reporting qualification

The protection value is reported for each protection item received.

Values

The protection value is a monetary amount in euro. The reported value is a non-negative real number.

General reporting instructions, specific cases and examples

Revision mark: further clarifications are included concerning the protection value

The "protection value" is the value of the protection item as established following the protection valuation approach (as reported in the data attribute "protection valuation approach") for the type of protection value (as reported in the "type of protection value" data attribute).

The protection value is based on the most recent valuation carried out prior to or at the reporting reference date. For protection items valued at their notional amount, the date of the protection value is the reporting reference date.

For each protection item that is reported as a separate record in the protection received dataset, a single protection value is reported, which is the protection item's total value, established under a certain valuation approach.

For a bundled protection item (for example a basket of securities) that was valued as one multi-name protection item, the protection value is in accordance to the valuation approach (cf. Section 9.2).

The total (gross) protection value is reported without applying any (regulatory) haircuts (i.e. deductible percentage that is applicable if certain conditions are met). In other words, no haircuts are applied to protection values.

In particular, the protection value of a protection item reported under AnaCredit may be larger than the value reported for FINREP purposes (cf. Part 2, Section 12, of Annex V to the amended ITS) because the latter is required to be capped at the carrying amount of the instrument that the protection secures.

Revision mark: further clarifications are included concerning the relationship between the protection value and the allocated protection value

Furthermore, when the protection value is the notional (nominal) amount (as in the case of debt instruments and financial guarantees), this amount is not adjusted, even when the amount that could potentially be recovered from the protection is lower than the notional due to the inherent credit risk of the protection. However, the amount of the impairment of the protection is considered for the purpose of reporting the "protection allocated value" (cf. Section 8.4.1). For an illustration of which value to report, consider the following example.

Example 67: Reporting the protection value

1. Observed agent (OA#1) is a (part of a) credit institution supervised under the CRR. In March 2019, the observed agent extends a loan of €250,000 (Inst#1) to a legal entity (SmallCpy#A). The loan is secured by a financial guarantee (Gua#1) provided by a natural person (Guarantor#NP) and by a debt security (Sec#2) pledged by SmallCpy#A. There are no other protection items securing Inst#1.
2. The guaranteed amount, being the maximum amount Guarantor#NP would have to pay if the guarantee is called on equals €150,000. However, the protection provider does not qualify as an eligible protection provider and the guarantee is not eligible for credit risk mitigation in accordance with the CRR.
3. The nominal amount of the debt security is $100,000. As the debt security is denominated in a currency different from the currency of the loan and there is a requirement to apply a currency mismatch haircut of 10% in accordance with the CRR. As of 31 March 2019 the EUR/USD exchange rate is 1.2.

In connection with Inst#1, both the financial guarantee and the debt security pledged are considered as protection securing Inst#1 and reported accordingly to AnaCredit.

As regards the guarantee, the protection is not eligible for the CRR, and a haircut of 100% is applied to the guarantee amount in the context of the CRR. However, for AnaCredit purposes, the total guarantee amount is reported as it secures Inst#1.

At 31 March, the protection value of the debt security is €120,000, and although the amount of the protection adjusted for the currency mismatch haircut of 10% is €108,000 for the purposes of the CRR, it is the total protection value of the debt security that is reported to AnaCredit. This reporting is depicted in Table 111.

Table 111 Protection value in the case

Reporting reference date	Protection identifier	Type of protection	Protection provider identifier	Protection value	Type of protection value
31/03/2019	GUA#1	Financial guarantee other than credit derivatives	"Non-applicable"	150,000.00	Notional amount
31/03/2019	SEC#2	Securities	SMALLCPY#A	120,000.00	Notional amount

Please note that for the purposes of AnaCredit, all protection items are reported, irrespective of their eligibility for credit risk mitigation in accordance with the CRR.

Please also note that there is no requirement to apply any haircuts to the protection value. In particular, there is no requirement to apply a currency mismatch haircut when converting another currency of the protection into the instrument's currency in relation to the potential exchange rate loss.

In line with the general rule that an amount denominated in a currency other than euro is converted into euro using the respective exchange rate as of the date to which the amount refers, the following clarification is given.

- If a protection item is valued at its notional amount, then the date of protection value is the reporting reference date, and the foreign currency exchange rate as of the reporting reference date is applied to convert the amount into euro. In such cases, this data attribute is updated whenever the exchange rate changes (from one reporting reference date to another).
- If a protection item is not valued at a notional amount (but instead at fair value, for instance), then the exchange rate on the date of protection value is used to

convert the original protection currency into euro and, consequently, the protection value is not updated at a reporting reference date unless an evaluation of the protection takes place.

For an illustration of how often this dataset is reported to AnaCredit, consider the following example which takes into account possible implications of changes in foreign exchange rates on the reporting obligation.

Example 68: Reporting frequency of the protection received dataset

On 17 March 2019 observed agent (OA#1) – a foreign branch in the United Kingdom – extends a loan (Inst#1) to a legal entity (Cpy#A). At the origination, the loan is secured by a financial guarantee (GUA#1) provided by a legal entity (PP#G) and by real estate collateral (RE#1) belonging to a legal entity (PP#TrPty). There are no other protection items securing the instrument. The guarantee amounts to £50,000 and the real estate collateral, which was evaluated on 11 February 2019, has a market value of £75,000.

1. Since Inst#1 is secured both by the financial guarantee and by the real estate, both protection items are reported in the protection received dataset as of 31 March 2019. As regards the protection value, the foreign exchange (FX) rate as of 11 February 2019 (EUR/GBP=0.75) is used for the real estate and the FX rate as of 31 March 2019 (EUR/GBP=0.8) is used for the guarantee. This reporting is depicted in Table 112.

Table 112 Indication of the protection received dataset as of March

Reporting reference date	Protection provider identifier	Protection identifier	Protection value	Date of protection value	Type of protection value
31/03/2019	PP#G	GUA#1	62,500.00	31/03/2019	Notional amount
31/03/2019	PP#TRPTY	RE#1	100,000.00	11/02/2019	Market value

2. As of 30 April, the EUR/GBP currency exchange rate is 0.9; consequently, the notional amount of the guarantee is equivalent to €55,555.56 as of the month-end date. Therefore, the protection value reported as of March is updated by submitting a record relating to the guarantee. As regards the real estate protection, the FX rate as of 11 February 2019 is also applied as of 30 April: as the date of protection value is the date of the latest evaluation, the FX rate of the date of protection value is used. Consequently, the record on the real estate is not reported as of 30 April 2019. The reporting requirement is presented in Table 113.

Table 113 Indication of the protection received dataset as of April

Reporting reference date	Protection provider identifier	Protection identifier	Protection value	Date of protection value	Type of protection value
30/04/2019	PP#G	GUA#1	55,555.56	30/04/2019	Notional amount

Please note that, in this example, on 30 April 2019 the protection value of the guarantee is updated to reflect the change in FX rate (in order to capture the impact). However, it is not necessary to update the value each month based solely on FX fluctuations unless the FX rate triggers a new evaluation based on the techniques applied by the reporting agent.

Consequently, while the record on the guarantee is updated, there is no need to send a record on the real estate protection as its euro-denominated value does not change.

9.4.5 Type of protection value

Definition: Identification of the type of value provided in the data attribute "Protection value".

The attribute "type of protection value" identifies, with reference to an exhaustive list, the type of the reported value of the protection item as reported in the data attribute "protection value".

Reporting qualification

The type of protection value is to be reported for each protection item reported in the protection received dataset.

General reporting instructions, specific cases and examples

This data attribute is used for identifying the type of the protection value that corresponds to the protection value as reported in the data attribute "protection value".

In the context of AnaCredit, the protection value reflects the total value of the protection and is either its notional amount, if available, or otherwise an amount that best represents the value at which the protection may be taken into account at a reporting reference date, i.e. the value established in the most recent valuation.

Revision mark: further clarifications are included concerning the types of protection value

Consequently, AnaCredit provides for two general types of protection value (notional amount and fair value). In principle, under AnaCredit a notional amount is reported for protection items that are debt instruments or financial guarantees and credit derivatives, while a fair value is reported for equity instruments and non-financial protection items. In particular, protection items such as gold or other physical collateral are valued at their fair values, whereas protection in the form of real estate collateral is reported at either its market value or long-term sustainable values, with the market value being the equivalent of the fair value in relation to real estate, while long-term sustainable values are determined in a prudent assessment of real estate taking into account its long-term aspects.

Revision mark: further clarifications are added in line with Q&A 2018/0027 concerning the difference between the market value and the long-term sustainable value

For the purpose of reporting the data attribute "type of protection value", it is therefore important to consider the scope of the appraisal when considering which "type of protection value" to report for real estate protection items. In particular, the following guidance should be noted:

- if the appraisal aims to estimate the spot value taking into consideration market conditions, then "market value" is reported;
- if the appraisal aims to estimate the market value ignoring cyclical factors, then "long-term sustainable value" is reported.

Finally, the category "other protection value" is reported only in cases where the protection value available to reporting agents does not meet the definition of any of the explicit types of protection value.

Table 114 provides an indication of the type of protection value that would typically be expected for a given type of protection.

Table 114 Applicable type of protection value by type of protection

Type of protection	Type of protection value
Gold	Fair value
Currency and deposits	Notional amount
Securities	Notional amount
Loans	Notional amount
Equity and investment fund shares or units	Fair value
Credit derivatives	Notional amount
Financial guarantees other than credit derivatives	Notional amount
Trade receivables	Notional amount
Life insurance policies pledged	Notional amount
Residential real estate collateral	Market value/long-term sustainable value
Offices and commercial premises	Market value/long-term sustainable value
Commercial real estate collateral	Market value/long-term sustainable value
Other physical collateral	Fair value
Other protection	Notional amount/fair value (determined per protection item)

More detailed guidance regarding the type of protection value is provided below where the specific values of this data attribute are discussed one by one.

Values

For each protection item reported in the protection received dataset one of the following values is reported to provide a qualification of the protection value reported in the data attribute “protection value”.

Notional amount

Definition: The nominal or face amount contractually agreed that is used to calculate payments in the event that the protection is executed.

The notional amount is the nominal or face amount contractually agreed that is used to calculate payments in the event that the protection is executed. This comprises all value types possessing this property, even if they are typically addressed by a specific technical term different from notional value. For example, the surrender value established as the type of protection value for life insurance policies under Article 212(2) of the CRR is also to be identified as a notional value for AnaCredit purposes. In other words, all value types that are equivalent to a notional value are reported as “notional value” under the type of protection value, even if a different terminology has been in used.

For an indication of the types of protection for which the type of protection value is typically a notional amount, consider the following examples:

- the protection value of financial guarantees other than credit derivatives is the notional value (e.g. the guaranteed amount);
- the protection value of loans serving as protection is the notional value (i.e. the nominal amount), irrespective of whether the loans are performing or non-performing;
- the notional amount is reported for debt securities issued at par, irrespective of whether or not fair values are available for these securities (including in cases where their fair values are obtainable on the stock exchange or other organised financial markets);
- the protection value of trade receivable is the notional value of the trade receivables;
- for debt securities (bonds) on which interest is paid regularly or deep-discounted or zero-coupon bonds on which little or no interest is paid, the values are reported at their notional (nominal) amount;
- for currency, the valuation is the notional value of the currency;
- for deposits, the values to be reported are notional (nominal) values:
- for life insurance policies pledged, the protection value is the surrender value of the protection (as opposed to the insured amount), while the type of protection value is “notional amount”, being equal to the amount built up to date in relation to the policy.

Please note, however, that any such protection items (including currency and deposits) which are in a currency different from euro are converted to euro at the respective ECB euro foreign exchange rates (i.e. the mid-rate) on the date of protection value as reported in the data attribute “date of protection value”. For protection items valued at notional amount, it is the reporting reference date (cf. Table 3 in Section 2.3). In particular, the type of protection value is “notional amount” in the case of financial guarantees other than credit derivatives.

__Revision mark__: clarifications are added in line with Q&A 2018/0028 on protection value for financial guarantees

This in particular implies that for financial guarantees in which the individual guarantee covers a percentage of the outstanding nominal amount rather than the absolute value, the attribute “protection value” is updated as the instrument is being repaid. More specifically, given that the protection value reflects the conditions of the contract relating to the specific financial guarantee and, where indicated, elements of the instrument, it follows that if the protection secures a part of the principal (as a percentage), then the protection value is updated as the principal is repaid.

__Revision mark__: further clarifications are included concerning the relationship between the protection value (for items of protection valued at their notional amount) and the protection allocated value

Please also note that for protection items such as debt securities the protection value is the nominal amount even if, because of the credit risk, the fair value is lower. In such cases, however, the fair value of the protection (instead of the nominal amount) should the considered in the calculation of the “protection allocated value”.

Fair value

Definition: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To be used if the protection is not immovable property.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

In the case of real estate protection, the term fair value is referred to as the market value. Consequently, fair value is not used for real estate protection.

As regards certain types of protection for which there is no notional amount, or where valuing them at their notional amount is inappropriate, AnaCredit stipulates that such protection items are valued at their fair values. This relates in particular to non-financial protection items such as “other physical collateral”.

For an indication of types of protection for which the type of protection value is a fair value, consider the following examples:

- gold is to be valued at the price established in organised gold markets;
- listed shares are valued at their fair value, represented by the mid-market price observed on the stock exchange or other organised financial markets;
- unlisted shares are valued at their fair value, which will be estimated;
- other equity instruments and investment fund shares/units are valued at their fair values;
- leased assets other than real estate collateral are valued at their fair value.

Please note that in the case of any real estate collateral, the applicable type of protection value is either market value or long-term sustainable value as further discussed in the subsequent sections.

Market value

Definition: The current “market value” of immovable property as defined in Article 4(1)(76) of Regulation (EU) No 575/2013. To be used if the protection is immovable property when the market value is reported in the data attribute “Protection value”.

The market value is a value type to be used only for real estate collateral.

***Revision mark**: further clarifications are added in line with Q&A 2018/0027 concerning the market value*

In the context of AnaCredit, the term “market value” is an equivalent of fair value in relation to real estate properties and means “the estimated amount for which the property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”, as defined in Article 4(1)(76) of the CRR. This means that if the appraisal aims to

estimate the spot value taking into consideration market conditions, then “market value” is reported.

Long-term sustainable value

Definition: The “mortgage lending value” of immovable property as defined in Article 4(1)(74) of Regulation (EU) No 575/2013. To be used if the protection is immovable property when the “mortgage lending value” is reported in the data attribute “Protection value”.

The long-term sustainable value is a value type to be used only for real estate collateral.

Revision mark: further clarifications are added in line with Q&A 2018/0027 concerning the long-term sustainable value

The mortgage lending value as the value of immovable property is “determined by a prudent assessment of the future marketability of the property taking into account long-term sustainable aspects of the property, the normal and local market conditions, and the current use and alternative appropriate uses of the property”, as defined in Article 4(1)(74) of the CRR. This means that if the appraisal aims to estimate the market value ignoring cyclical factors, then “long-term sustainable value” is reported.

If both a market value and a long-term sustainable value are available for real estate property, the market value is reported to AnaCredit.

Other protection value

Definition: Other protection value not included in any of the categories listed above.

Other protection values comprise value types not included in any of the categories listed above. Only value types that differ from the definition of the above values are included in this category, while value types that differ only as regards the name (such as the surrender value in the case of life insurance policies pledged) are mapped to the respective value type.

9.4.6 Protection valuation approach

Definition: Type of protection valuation; method used to determine the protection value.

The protection valuation approach identifies the type of the protection valuation (or the method used to determine the protection value) from among an exhaustive list of values this data attribute may assume.

The type of valuation approach is in particular relevant for protection items which are valued at their fair values (or market or long-term sustainable values in the case of real estate collateral).

Reporting qualification

The protection valuation approach is to be reported for each protection received record.

General reporting instructions, specific cases and examples

The reporting agent reports the valuation method that was used to establish the protection value as reported in the data attribute “protection value”.

Please note that if the type of protection value is “notional amount”, the protection valuation approach does not in fact apply, and therefore the value “other type of valuation” is reported.

Otherwise, if the protection is not valued at its notional amount, then the valuation approach that was undertaken in the latest valuation is reported. In this connection, AnaCredit distinguishes between four broadly defined categories:

- mark-to-market valuation;
- counterparty estimation;
- creditor valuation;
- third-party valuation.

AnaCredit does not specify a priority as regards the protection valuation approach because there is no intention to restrict the choice of the reporting agents for the appropriate protection valuation approach and thereby to impose an additional constraint.

Accordingly, AnaCredit does not require reporting agents to change or enhance (any step in) the process of protection valuation. On the contrary, this data attribute is intended to indicate which kind of valuation process reporting agents actually have in place.

For the sake of consistency, under the term creditor valuation, it is also presumed that the actual valuation is performed by a reporting agent by means of a quantitative valuation model (rather than by an appraiser as such) following a methodology applied by the reporting agent. Similarly, third-party valuation, besides valuations carried out by appraisers, includes also valuations by means of quantitative techniques and methodologies over which neither the debtor nor the creditor have any control.

However, reporting agents will naturally face constraints as regards the available valuation approaches. For example, a quoted price, which is the most recent price at which an investment (or any other type of asset) has traded in an active market, will only be available for a subset of protection items which are traded in an active market.

Values

Mark-to-market

Definition: Mark-to-market is a valuation method whereby the protection value is based on unadjusted prices quoted at an exchange for identical assets and liabilities in an active market.

For protection items whose fair value reported in the data attribute "protection value" has been established in organised markets, "mark-to-market" is reported as the protection valuation approach. This in particular regards the following protection items:

- gold is valued at the price established in organised gold markets;
- listed shares are valued at their fair value, represented by the mid-market price observed on the stock exchange or other organised financial markets.

Counterparty estimation

Definition: Counterparty estimation is a valuation method whereby the valuation is carried out by the protection provider.

For protection items whose value (other than a notional amount) reported in the data attribute "protection value" has been established by the protection provider, other than the creditor, "counterparty estimation" is reported.

This in particular may regard equity and investment fund shares/units that are valued at their fair values.

Creditor valuation

Definition: Creditor valuation is a valuation method whereby the valuation is carried out by the creditor. The valuation may be undertaken by an external or staff appraiser who possesses the necessary qualifications, ability and experience to execute a valuation and who is not independent from the credit decision process.

For protection items whose fair value (or market or long-term sustainable value in the case of real estate collateral) has been established by the creditor (or by a methodology which is controlled by the creditor), then the protection valuation approach is reported as "creditor valuation".

This in particular may regard the following cases:

- unlisted shares valued at their fair value which is estimated on the basis of a methodology controlled by the creditor;
- leased assets valued at their fair value following a valuation methodology controlled by the creditor where the asset value is calculated with the use of asset valuation curves;

- commercial real estate valued at a long-term sustainable value which was based on an appraisal carried out by an appraiser hired by the creditor;
- residential real estate valued at its market value which was based on an appraisal carried out by an appraiser hired by the creditor.

Third-party valuation

Definition: Third-party valuation is a valuation method in which the valuation is provided by an appraiser who is independent of the credit decision process.

For protection items whose fair value (or market or long-term sustainable value in the case of real estate collateral) has been established by a third party (or by a methodology which is not controlled by the creditor), then the protection valuation approach is reported as “third-party valuation”.

This in particular may regard the following cases:

- unlisted shares valued at their fair value which is estimated on the basis of a methodology not controlled by the creditor;
- leased assets valued at their fair value following a valuation methodology not controlled by the creditor where the asset value is calculated with the use of asset valuation curves;
- commercial real estate valued at its market value following a valuation carried out by a third-party appraiser, over which the creditor has no control;
- residential real estate valued at its market value following a quantitative valuation technique (using a publicly available house price index) developed by a third party over which the creditor has no control.

Other type of valuation

Definition: Other type of valuation is any other type of valuation that is not included in the previous categories of valuation approaches.

If the protection value is the notional amount of the protection, as reported in the data attribute “type of protection value”, the protection valuation approach is reported as “other type of valuation”.

9.4.7 Real estate collateral location

Definition: Region or country where the collateral is located.

The real estate collateral location is the region or the country where the real estate collateral is located.

Reporting qualification

The real estate collateral location is to be reported only in the case of protection items for which the data attribute "type of protection" is reported in the protection received dataset as any of the three types of real estate collateral:

- residential real estate collateral;
- offices and commercial premises;
- commercial real estate collateral.

Otherwise, if the type of protection is not any of the real estate collateral types, the value "non-applicable" is reported.

Values

For real estate collateral located in a reporting Member State, the value is the code of the Nomenclature of Units for Territorial Statistics (NUTS) 3 region where the real estate collateral is located.

In the context of AnaCredit, the conversion to NUTS 3 region is done centrally by the ECB on the basis of postal codes. Therefore, reporting agents are expected to report a postal code of the location of real estate collateral rather than the NUTS 3 code determined by the postal code, unless postal codes are not generally available in the country where the real estate collateral is located. In the latter case, reporting agents are expected to report a NUTS 3 code (if available) or the ISO country code of the location of the real estate collateral.

Revision mark: further clarifications are included in line with Q&A 2017/0004

For real estate collateral not located in any reporting Member State, the value is the ISO 3166-1 alpha-2 code of the country where the real estate collateral is located. It is also clarified that for real estate collateral located in a country that has a specific, separate alpha-2 code in the ISO 3166 standard, the specific two-letter code of the country is reported. This also applies in cases where the country is a subdivision of another country.

Example 69: ISO country codes for the real estate collateral location

In accordance with the ISO 3166 standard – codes for the representation of names of countries and their subdivisions – the United States of America includes one district, 50 states and six outlying areas. As regards the six outlying areas, they all have separate country code entries in the standard. For example, Puerto Rico, which is an outlying area of the United States, has the country code "PR".

The AnaCredit Regulation stipulates that the counterparty's country is reported as an ISO 3166 alpha-2 code. ISO 3166 is the international standard for country codes and the codes of their subdivisions. The standard is intended for use in any application requiring the expression of current country names in coded form. An alpha-2 code is a two-letter code that represents a country name.

Under AnaCredit, for counterparties located in a country that has a specific, separate alpha-2 code in the ISO 3166 standard, the specific two-letter code of the country is reported.

This means that the separate country code in the ISO 3166 standard is reported for counterparties established in any of the six outlying areas, rather than the country code of the United States.

For example, for real estate collateral located in Puerto Rico, the data attribute "real estate collateral location" is reported as "PR".

General reporting instructions, specific cases and examples

In relation to protection items which are not any of the real estate collateral types, the value "non-applicable" is reported.

In the case of real estate collateral, the real estate collateral location is the region of a country where the real estate collateral is located, taking the account of the following:

- if a postal code is available, then the location is identified by the two-digit ISO code of the country, a dash, and the postal code of the area where the real estate is located is reported;
- if no postal code is in use in the relevant country, but the NUTS3 codes are in use, then (the country and) the NUTS3 code of the region where the real estate collateral is located is (are) reported;
- if neither a postal code nor a NUTS3 code is available, a two-digit ISO code of the country where the real estate collateral is located is reported.

Revision mark: further clarifications concerning the use of external code lists are included in line with Q&A 2017/0005

Reporting agents update this data attribute in the event of an amendment of the NUTS 3 code of the country where the real estate collateral is located (cf. Section 2.4).

For an illustration of how the real estate collateral location is reported to AnaCredit, consider the following example.

Example 70: Reporting of the real estate collateral location

1. In March 2019, an observed agent (OA#1) extends a loan (Inst#1) to a legal entity. The loan is secured by commercial real estate collateral (RealEst#1) and a financial guarantee (Gua#2).
2. The real estate collateral is located in Frankfurt am Main, Germany. The area of the city where the property is located has the following postal code: 60311.

In connection with Inst#1, both the real estate collateral and the financial guarantee are reported in the protection received dataset at 31 March 2019. The reporting of the data attribute "real estate collateral location" in the protection received dataset is depicted in Table 115.

Table 115 Real estate collateral location

Reporting reference date	Protection identifier	Type of protection	Real estate collateral location
31/03/2019	REALEST#1	Commercial real estate collateral	DE-60311
31/03/2019	GUA#2	Financial guarantee other than credit derivatives	"Non-applicable"

9.4.8 Date of protection value

Definition: The date on which the latest appraisal or valuation of the protection was carried out prior to the reporting reference date.

The date of the protection value is the date on which the latest appraisal or valuation of the protection was carried out prior to the reporting reference date, i.e. the date on which the amount reported in the attribute "protection value" of the value type reported in the attribute "type of protection value" was established under the valuation method reported in the attribute protection valuation approach.

Reporting qualification

The date of the protection value is to be reported for each protection item reported in the protection received dataset.

Values

This data attribute is reported as a date indicating the day on which the protection value as reported in the data attribute "protection value" is considered to have been established.

General reporting instructions, specific cases and examples

As regards protection items which are valued at their fair values (or market or long-term sustainable values in the case of real estate collateral), the date of the protection value is the date on which the latest appraisal or valuation of the protection was carried out prior to the reporting reference date. More specifically, it is the date on which the amount reported in the attribute "protection value" of the value type reported in the attribute "type of protection value" was established under the valuation method reported in the attribute "protection valuation approach".

***Revision mark**: clarification is included in line with Table 3 – protection items valued at their notional amount*

In the case of protection items which are valued at their notional amount, the date of protection value is the reporting reference date.

For an illustration of how the date of protection value is reported, consider the following example.

Example 71: Reporting of the data attribute "date of protection"

1. On 11 May 2011 an observed agent (OA#1) extends a loan (Inst#55) to a legal entity for a tenor of ten years. The loan is secured by commercial real estate collateral (CRE#1) and a financial guarantee (Gua#2) provided by a third-party legal entity (GUARANTOR#AA).
2. The maximum amount GUARANTOR#AA would have to pay if the guarantee is called on equals €500,000. The guarantee can be revoked only if the loan is repaid in full.
3. On 28 April 2011, just prior to the loan origination, the real estate was evaluated by a third-party appraiser not related to OA#1 where the market value of the protection was established to be €380,000.
4. On 15 March 2014 and 14 October 2016 the market value of the real estate collateral is re-evaluated by a third-party appraiser; taking into account the local market conditions, the protection value is estimated to be €400,000 and €425,000, respectively.
5. Inst#55 is subject to AnaCredit reporting as of 30 September 2018.
6. In October 2018 OA#1 opts for a quantitative valuation of the real estate collateral where the protection value is regularly estimated following a methodology developed by OA#1 on the basis of a publically available house price index. Accordingly, the real estate value is estimated to grow by 0.5% month-to-month.

In connection with Inst#55, both the real estate collateral and the financial guarantee are reported in the protection received dataset at 30 September 2018. The reporting of the protection received dataset is depicted in Table 116.

Table 116 Indication of the protection received dataset as of 30 September

Reporting reference date	Protection identifier	Type of protection	Protection value	Type of protection value	Protection valuation approach	Date of protection value
30/09/2018	CRE#1	Commercial real estate collateral	425,000.00	Market value	Third-party valuation	14/10/2016
30/09/2018	GUA#2	Financial guarantee other than credit derivatives	500,000.00	Notional amount	Other type of valuation	30/09/2018

As of October 2018, the data concerning the real estate collateral change compared with the previous periods are therefore subject to reporting. In addition, the data regarding the financial guarantee are also reported as for protection valued at notional amount; the date of protection value is the reporting reference date. Accordingly, the reported records as of October, November and December are illustrated in Table 117.

Table 117 Subsequent reporting of the protection received dataset

Reporting reference date	Protection identifier	Type of protection	Protection value	Type of protection value	Protection valuation approach	Date of protection value
31/10/2018	CRE#1	Commercial real estate collateral	427,125.00	Market value	Creditor valuation	31/10/2018
31/10/2018	GUA#2	Financial guarantee other than credit derivatives	500,000.00	Notional amount	Other type of valuation	31/10/2018
30/11/2018	CRE#1	Commercial real estate collateral	429,260.63	Market value	Creditor valuation	30/11/2018
30/11/2018	GUA#2	Financial guarantee other than credit derivatives	500,000.00	Notional amount	Other type of valuation	30/11/2018
31/12/2018	CRE#1	Commercial real estate collateral	431,406.93	Market value	Creditor valuation	31/12/2018
31/12/2018	GUA#2	Financial guarantee other than credit derivatives	500,000.00	Notional amount	Other type of valuation	31/12/2018

9.4.9 Original protection value

Definition: The original protection value is the monetary value of the protection item that was established at the date when the protection item was originally received as a credit protection.

1 This data attribute captures the value of the protection at the origination date.

Reporting qualification

2 The original protection value is to be reported for each protection item reported in the
3 protection received dataset. In particular, a value is always reported for protection
4 items securing any instrument reported to AnaCredit that was originated on or after 1
5 September 2018. However, NCBs may decide not to collect the original protection
6 value for a protection item, if all instruments reported to AnaCredit within the scope
7 of the observed agent which are secured by the protection item were originated prior
8 to 1 September 2018. Should this happen, the value “not required” is reported for
9 such protection items.

Values

10 The original protection value is a monetary amount in euro. The reported value is a
11 non-negative real number.

General reporting instructions, specific cases and examples

12 In the case of a protection item securing the same instrument, the original protection
13 value will remain unchanged throughout the entire life of the instrument. This
14 includes cases where the same protection is pledged to secure another instrument
15 which is originated some period after the first instrument was originated.

16 For an illustration of how the original protection value and the corresponding date are
17 reported, consider the examples below.

18 The original protection value is not updated owing to the changes in exchange rates.

19 In particular, Example 72 depicts the reporting in the case of protection which is
20 pledged once.

Example 72: Reporting of the data attribute “original protection value” in the case of a single pledge

Further considering the case of Example 71 above, Table 118 presents the reporting of the original protection value and the date of original protection value in relation to the real estate collateral and the financial guarantee from September through to December 2018.

Table 118 Protection received dataset in the case of a single pledge

Reporting reference date	Protection identifier	Type of protection	Protection value	Date of protection value	Original protection value	Date of original protection value
30/09/2018	CRE#1	Commercial real estate collateral	425,000.00	14/10/2016	380,000.00	28/04/2011
30/09/2018	GUA#2	Financial guarantee other than credit derivatives	500,000.00	30/09/2018	500,000.00	11/05/2011
31/10/2018	CRE#1	Commercial real estate collateral	427,125.00	31/10/2018	380,000.00	28/04/2011
30/11/2018	CRE#1	Commercial real estate collateral	429,260.63	30/11/2018	380,000.00	28/04/2011
31/12/2018	CRE#1	Commercial real estate collateral	431,406.93	31/12/2018	380,000.00	28/04/2011

Please note that after the initial reporting, records of the protection received dataset are reported to AnaCredit only if a change takes place compared with the data reported previously. In this connection, the financial guarantee (Gua#2) is only reported at 30 September (initial reporting) and is not subject to reporting thereafter.

As regards the real estate collateral, this protection item is reported as of each reporting reference date in the reporting period concerned, because the protection value changes on a monthly basis (as the protection value is updated on the basis of a house price index), which triggers the reporting of the entire dataset in relation to the protection item.

Example 73 illustrates the reporting of the original protection value taking account of multiple pledges of the same protection.

Example 73: Reporting of the data attribute "original protection value" in the case that the same protection is pledged multiple times

1. On 28 November 2018 an observed agent OA#99 extends a loan (Loan#1) to a legal entity and accepts a pledge of a commercial real estate property (REPRO#6) as protection for the loan. At the origination of the loan, the original protection value of the property amounted to €750,000, which was established by a physical appraisal carried out on 15 July 2018.
2. On 11 May 2019 OA#66 extends another loan (Loan#2) to the legal entity. The real estate property (REPRO#66) is pledged as protection for the loan and OA#66 considers the protection value as established on 15 July 2018 valid and accurate also as of May 2019.
3. On 25 April 2020, OA#99 extends an additional loan (Loan#3) to the legal entity, accepting the same real estate property (REPRO#6) as protection. For the loan acceptance, however, OA#99 had the real estate property re-evaluated, and on 4 April 2020 the protection value was established to be €699,000 following a physical appraisal.

Table 119 presents relevant data attributes of the protection received dataset. The reporting of the protection is initially triggered in connection with Loan#1 and thereafter also in relation to Loan#2 and Loan#3. Once originated, all the loans continue to be reported beyond 30 April 2020. The connection between the protection and the loans is reported in the instrument-protection received dataset which is reported on a monthly basis (not shown).

Table 119 Protection received dataset in the case of multiple pledges

Reporting reference date	Protection identifier	Type of protection	Protection value	Date of protection value	Original protection value	Date of original protection value
30/11/2018	REPRO#6	Commercial real estate collateral	750,000.00	15/07/2018	750,000.00	15/07/2018
30/04/2020	REPRO#6	Commercial real estate collateral	699,000.00	04/04/2020	750,000.00	15/07/2018

Please note that after the initial reporting, records of the protection received dataset are reported to AnaCredit only if a change takes place compared with the data reported previously. In this connection, the real estate collateral is initially reported as of 30 November 2018 and it is not reported thereafter until 30 April 2020 when a change to the protection value takes place for the first time. Please note also that the original protection value is not updated.

It is further clarified that the use of the protection in relation to the loans is captured throughout the entire period in the instrument-protection received, which continues to be reported from 30 November 2018 onwards for each reporting reference date, irrespective of whether or not changes occur to the data therein.

For details refer to Example 61 in Section 8.4.2, which relates to multiple mortgage deeds/claims on a single property.

Finally, Example 74 illustrates the reporting of the original protection value in cases where the same protection is used in relation to the multiple instruments, but over different periods of time (which do not overlap).

Example 74: Reporting of the data attribute "original protection value" in the case that the same protection is pledged multiple times

1. On 28 September 2018 observed agent OA#99 extends a loan (Loan#A) for one year to a legal entity for which a commercial real estate property (CRE#1) is pledged. At the origination of the loan, the original protection value of the property amounts to €200,000, which was established by a physical appraisal carried out on 1 August 2018.
2. After one year, i.e. by 30 September 2019, Loan#A is entirely redeemed and the pledge on the real estate is recalled shortly after.
3. On 2 February 2020, OA#99 extends a new two-year loan (Loan#B) to the legal entity, accepting the same real estate property (CRE#1) as protection for the loan. At the same time, the real estate property is re-evaluated, with the protection value established to be €250,000 as at 25 January 2020.

Table 120 presents the reporting of the original protection value when it is used in relation to Loan#A, while Table 121 depicts the reporting in connection with Loan#B.

Table 120 Reporting of protection CRE#1 in relation to Loan#A

Reporting reference date	Protection identifier	Type of protection	Protection value	Date of protection value	Original protection value	Date of original protection value
30/09/2018	CRE#1	Commercial real estate collateral	200,000.00	01/08/2018	200,000.00	01/08/2018

Please note that, after the initial reporting with reference to 30 September, no records of the protection received dataset are reported to AnaCredit because no changes take place compared with the data reported originally. However, the instrument-protection received dataset, where the real estate collateral is associated with Loan#A, is reported for each month as long as Loan#A exists, i.e. until September 2019.

In February 2020 when Loan#B is issued, the commercial real estate is once again subject to reporting as it secures the instruments. In this connection, the instrument-protection received dataset is reported monthly from 29 February 2020, whereas the protection item itself is reported in the protection received dataset which is in turn reported with reference to 29 February 2020 with updated data attributes.

Table 121 Reporting of protection CRE#1 in relation to Loan#B

Reporting reference date	Protection identifier	Type of protection	Protection value	Date of protection value	Original protection value	Date of original protection value
29/02/2020	CRE#1	Commercial real estate collateral	250,000.00	25/01/2020	250,000.00	25/01/2020

Please note that after the initial reporting with reference to 29 February 2020, no records of the protection received dataset are reported to AnaCredit as long as no changes take place over the life of the loan compared with the data reported originally. However, the instrument-protection received dataset (not shown), where the real estate collateral is associated with Loan#B, is reported for each month until the loan is paid off.

9.4.10 Date of original protection value

Definition: The date of original protection value is the date on which the latest appraisal or valuation of the protection was carried out prior to its initial receipt as credit protection.

This data attribute captures the date of the original valuation of the protection as reported in the data attribute “original protection value”.

Reporting qualification

The date of original protection value is to be reported for each protection received record. The date is reported for protection items securing any instrument reported to AnaCredit originating at or after 1 September 2018. For a protection item which secures only instruments reported to AnaCredit which were originated prior to 1 September 2018, NCBs may decide not to collect the date of the original protection value of any such protection item.

Values

This data attribute is reported as a date indicating the day on which the value as reported in the data attribute “original protection value” is considered to have been established.

10 Counterparty default dataset

10.1 General aspects

The counterparty default dataset serves to identify the default status of the counterparty in accordance with Article 178 of the CRR.

10.1.1 Reporting qualification

The counterparty default dataset is, in principle, applicable for all debtors and protection providers of unfunded types of protection[23] which are at the same time the issuers of the protection (in particular, if the protection item is a financial guarantee as defined in the amended ITS).

However, the counterparty default dataset is exclusively relevant for counterparties reported to AnaCredit for which the data attribute "default status of the counterparty" is applicable as specified in Section 10.4.1.

Conversely, the counterparty dataset need not be reported (i.e. no records at all need be reported) for counterparties which are neither debtors nor protection providers, or for debtors and protection providers for which the data attribute "default status of the counterparty" is not applicable.

Consequently, unless the data attribute "default status of the counterparty" is reported for a counterparty as of a given reporting reference date, no record at all is reported to AnaCredit in the counterparty default dataset in relation to the counterparty at the reporting reference date.[24]

Revision mark: further clarifications are included concerning cases where the default definition is applied at the level of the instrument

In particular, when a counterparty only has retail exposures and, in accordance with Article 178 of the CRR, the reporting agent applies the definition of default at the level of the instrument rather than the debtor, no record at all is reported for that counterparty in the counterparty default dataset (cf. Section 4.4.4).

For an illustration of how the counterparty default dataset is to be reported consider the following example.

[23] I.e. unfunded protection under Article 4(1)(59) of the CRR to which the protection provider is at the same time the protection issuer.

[24] Please note that no records are to be reported at all in the counterparty default dataset if the data attributes therein are not subject to AnaCredit reporting. By accommodating such a reporting scheme, the reporting of the dataset's internal identifiers for the mere purpose of reporting that the data attributes are not required/applicable is avoided. The reasoning is that if there is no value to be reported, nothing is reported at all. The same reporting scheme is also followed in relation to the counterparty risk dataset as described in Section 11.1.1.

Example 75: Reporting the counterparty default dataset

1. Observed agent (OA#1) is a (part of a) credit institution supervised under the CRR. In March 2019 the observed agent extended a loan (Inst#1) to a legal entity (CPY#A). The loan is secured by a financial guarantee provided by a legal entity (GUARANTOR#G) and by securities pledged by a legal entity (ThirdParty#1). CPY#A was earlier in default in the course of 2016 but was classified not in default in accordance with the CRR on 14 December 2018. GUARANTOR#G has not been classified in default in accordance with the CRR for the entirety of its business relationship with OA#1 to date.

In connection with Inst#1, the debtor is reported in the counterparty-instrument dataset, while the protection providers of both protection items are reported in the protection received dataset as of 31 March 2019. However, the reporting of the default status of the counterparty is required only in relation to the debtor (CPY#A) and the guarantor (GUARANTOR#G), whereas no default status is required for the protection provider (ThirdParty#1) of the securities because ThirdParty#1 is not the issuer of the securities. Ultimately, since the reporting of the default status for ThirdParty#1 is not subject to AnaCredit reporting, the counterparty default dataset is populated only for the debtor and the guarantor and no record at all is reported for the other protection provider. This reporting is depicted in Table 122.

Table 122 Counterparty default dataset for the case

Reporting reference date	Counterparty identifier	Default status of the counterparty	Date of the default status of the counterparty
31/03/2019	CPY#A	Not in default	14/12/2018
31/03/2019	GUARANTOR#G	Not in default	“Non-applicable”

2. Observed agent (OA#XY) is supervised under the CRR and applies the definition of default at the level of an instrument rather than at the level of a counterparty in accordance with Article 178 of the CRR. In March 2019 the observed agent extends a loan (Loan#2) to a legal entity (SmallCpy#B).

While the debtor (SmallCpy#B) is reported in the counterparty-instrument dataset in connection with Loan#2 as of 31 March 2019, the default status of the counterparty is not required as the definition of default is applied at the level of the loan. Consequently, the counterparty default dataset is not reported at all for the debtor (i.e. no record in the counterparty default dataset is reported for the counterparty) as of the reporting reference date.

10.2 Level of granularity

The information in this dataset is compiled at the level of counterparty. Consequently, each record is uniquely identified by the combination of the following attributes:

- reporting agent identifier;
- observed agent identifier;
- counterparty identifier.

10.3 Reporting frequency

The dataset is reported on a monthly basis.

Revision mark: the reference to Article 16(2) is deleted, as the possibility to report on a quarterly basis is not specific to this data attribute

10.4 The counterparty default dataset – data attributes

The counterparty default dataset is applicable for counterparties for which the default status of the counterparty is reported. In such cases, the following data attributes are reported.

Table 123 Overview of data attributes in the counterparty default dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Counterparty identifier	√	String	2.1.2.3
Default status of the counterparty		Code list	10.4.1
Date of the default status of the counterparty		Date	10.4.2

10.4.1 Default status of the counterparty

Definition: Identification of the default status of the counterparty. Categories describing the motives for which the counterparty can be in default in accordance with Article 178 of Regulation (EU) No 575/2013.

The identification of the default status of the counterparty is done at the level of a counterparty.

Reporting qualification

Revision mark: a reference is added to the CRR concerning providers of unfunded protection and to the CRD IV concerning supervised entities

This data attribute is subject to AnaCredit reporting for counterparties reported to AnaCredit which are:

- debtors;
- protection providers of unfunded protection under Article 4(1)(59) of the CRR, on condition that they are at the same time the issuer of the protection (particularly if the protection item is a financial guarantee as defined in the amended ITS).

However, this data attribute is not reported to AnaCredit if:

- the observed agent is not subject to capital requirements (i.e. is not supervised under the CRD IV or is a foreign branch of an entity not supervised under the

CRD IV) and has been granted a derogation by the relevant NCB in accordance with Article 7 of the AnaCredit Regulation;

- all the debtor's instruments reported to AnaCredit are "fully derecognised instruments being serviced", and the observed agent has been granted a derogation by the relevant NCB in accordance with Article 7 of the AnaCredit Regulation from reporting this data attribute in relation to the debtor;
- all instruments secured by the protection issued by the protection provider are "fully derecognised instruments being serviced", and the observed agent has been granted a derogation by the relevant NCB in accordance with Article 7 of the AnaCredit Regulation from reporting this data attribute in relation the protection provider;
- the reporting agent applies, in the case of retail exposures, the definition of default laid down in Article 178 of the CRR at the level of an instrument rather than in relation to the total obligations of a debtor.

In particular, the relevant NCB may grant a derogation in respect of this data attribute if the observed agent is not subject to capital requirements. This accounts for observed agents of those credit institutions under Article 4(1)(1) of the CRR which are exempted from capital requirements under Article 2 of the CRD IV.

One of the following four values is reported for a given debtor or a protection provider that is subject to reporting.

Values

1. Not in default
   - The counterparty does not fulfil the default definition in accordance with Article 178 of the CRR.
2. Default because unlikely to pay
   - The counterparty is classified to be in default because payments are unlikely in accordance with Article 178(1)(a) of the CRR.
3. Default because more than 90/180 days past due
   - In accordance with Article 178(1)(b) of the CRR, the counterparty is classified to be in default because the counterparty is past due more than 90/180 days on any material credit obligation to the credit institution, the parent undertaking under Article 4(1)(15) of the CRR or any of its subsidiaries.
   - Competent authorities may replace the 90 days with 180 days for exposures secured by residential property or SME commercial immovable property in the retail exposure class, as well as for exposures to public sector entities.
   - For the purpose of indications of the past due criterion on a counterparty, see Article 178(2)(a) to (e) of the CRR. The materiality of a credit obligation past due will be assessed at the level of the counterparty. A threshold will be

defined by the competent authorities in their jurisdictions. This threshold will reflect a level of risk that the competent authority considers to be reasonable.

- The sum of all amounts past due that are related to a counterparty needs to be established on a daily basis, to allow for cross-checks with the materiality threshold set by the competent authority in accordance with Article 178(2)(d) of the CRR.

4. Default because both unlikely to pay and more than 90/180 days past due

- The counterparty is classified in default when both of the following have taken place:
- the counterparty is classified to be in default because payments are unlikely in accordance with Article 178(1)(a) of the CRR;
- the counterparty is classified to be in default because the counterparty is past due more than 90/180 days on any material credit obligation in accordance with Article 178(1)(b) of the CRR.

General reporting instructions, specific cases and examples

This data attribute relates to counterparties.

Revision mark: the reference to the Guidelines on the application of the definition of default is updated

For details on the definition of default, please refer to the EBA Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013 (EBA/GL/2016/07).

Revision mark: the clarifications on the reporting of the data attribute "default status of the counterparty" in cases where the default definition is applied at the level of instrument are streamlined

Please note that in the case of retail exposures where the definition of default laid down in Article 178 (in connection with Article 127) of the CRR is applied at the level of an instrument rather than at the level of a debtor, the data attribute "default status of the counterparty", which in that case does not apply, is not reported to AnaCredit.

Please also note that a special case arises if, in accordance with Article 178(1) of the CRR, the option to apply the definition of default at the level of an instrument is exercised only for a subset of instruments extended to a counterparty, while this option is not exercised for other instruments extended to the same counterparty. This scenario implies that default is assessed both at instrument and counterparty level. In such cases, the default status of the counterparty is subject to AnaCredit reporting.

For an illustration of the reporting of the data attribute "default status of the counterparty", including in connection with the data attribute "performing status of the instrument", please refer to Examples 37 to 41 in Section 5.4.9, and to Example 76 in Section 10.4.2.

10.4.2 Date of the default status of the counterparty

Definition: The date on which the default status, as reported in the data attribute "Default status of the counterparty", is considered to have arisen.

This data attribute captures the date on which the default status as reported in the data attribute "default status of the counterparty" is considered to have arisen.

Reporting qualification

This data attribute is reported only if the data attribute "default status of the counterparty" is subject to AnaCredit reporting as explained under the heading "*Reporting qualification*" in Section 10.4.1 above.

Conversely, if the default status of the counterparty is not reported, the date of the default status of the counterparty is not reported either.

Values

If subject to reporting, this data attribute is reported as a date indicating the day on which the status as reported in the data attribute "default status of the counterparty" is considered to have arisen.

However, in the case of counterparties which are considered by the reporting agent not to have been in default in accordance with Article 178 of the CRR since the beginning of the relationship (until the reporting reference date) and for which the default status of the counterparty is reported as "not in default", and only in such cases, the data attribute "date of the default status of the counterparty" is reported as "non-applicable".

General reporting instructions, specific cases and examples

If subject to reporting at a reporting reference date, the date of the default status of the counterparty is no later than the reporting reference date.

If no default is considered to have occurred with regard to a counterparty prior to the reporting reference date, the date of the default status of the counterparty is reported as "non-applicable".

In particular, in the case of counterparties which are protection providers – for which the default status of the counterparty is subject to reporting (please refer to Section 10.4.1) – and which are not classified as being in default in accordance with Article 178 of the CRR, the default status of the counterparty is reported as "not in default", while the date of the default status is reported as "non-applicable".

If a counterparty which was in default earlier has not been in default since then and is not in default at a reporting reference date, the default status of the counterparty is reported as "not in default", and the date of the default status of the counterparty at the reporting reference date is the date as of which the counterparty ceased to be in

default. For an illustration of how the date of the default status of the counterparty is to be reported, consider the following example.

Example 76: Reporting the default status of the counterparty

Observed agent (OA#1) is a (part of a) credit institution supervised under the CRR and applies the definition of default in accordance with Article 178 of the CRR at the level of a counterparty. The observed agent has a parent undertaking (CredInst#A) (under Article 4(1)(15) of the CRR) which is a credit institution under Article 4(1)(1) of the CRR. The parent undertaking of the legal entity has no other subsidiaries than the observed agent.

1. At 31 March 2019, a legal entity (DEBTOR#1) has a credit obligation (Loan#1) to OA#1. The loan is secured with a financial guarantee provided by counterparty GUARANTOR#T. GUARANTOR#T has no direct credit obligation to OA#1 but has one to CredInst#A. Neither DEBTOR#1 nor GUARANTOR#T has been classified in default in accordance with the CRR for the entirety of the business relationship with OA#1 and its parent undertaking CredInst#A.

In the context of AnaCredit, DEBTOR#1 is reported to AnaCredit vis-à-vis OA#1 in connection with Loan#1 (as reported in the counterparty-instrument dataset). GUARANTOR#T acts as protection provider to Loan#1 and is reported in the protection received dataset. The data attribute "default status of the counterparty" is required for both DEBTOR#1 and GUARANTOR#T. The reporting is depicted in Table 124.

Table 124 Counterparty default dataset for the case as of 31 March

Reporting reference date	Counterparty identifier	Default status of the counterparty	Date of the default status of the counterparty
31/03/2019	DEBTOR#1	Not in default	"Non-applicable"
31/03/2019	GUARANTOR#T	Not in default	"Non-applicable"

2. The situation described in 1 above continues unchanged until 15 September 2019, when OA#1 classifies DEBTOR#1 in default because payments are unlikely in accordance with Article 178(1)(a) of the CRR.

As of 30 September, DEBTOR#1 and GUARANTOR#T are reported in the counterparty default dataset as follows:

Table 125 Counterparty default dataset for the case as of 30 September

Reporting reference date	Counterparty identifier	Default status of the counterparty	Date of the default status of the counterparty
30/09/2019	DEBTOR#1	Default because unlikely to pay	15/09/2019
30/09/2019	GUARANTOR#T	Not in default	"Non-applicable"

3. On 24 January 2020 GUARANTOR#T becomes past due more than 90 days on the obligation to CredInst#A and is classified in default in accordance with Article 178(1)(b) of the CRR. The counterparty default dataset reported in relation to OA#1 is presented in Table 126.

Table 126 Counterparty default dataset for the case as of 31 January 2020

Reporting reference date	Counterparty identifier	Default status of the counterparty	Date of the default status of the counterparty
30/09/2019	DEBTOR#1	Default because unlikely to pay	15/09/2019
30/09/2019	GUARANTOR#T	Default because more than 90/180 days past due	24/01/2020

11 Counterparty risk dataset

11.1 General aspects

The dataset captures the assessment of the counterparty's credit risk in accordance with the CRR.

11.1.1 Reporting qualification

The counterparty risk dataset is exclusively relevant for counterparties reported to AnaCredit for which the data attribute "probability of default" is applicable as specified in Section 11.4.1 below.

Conversely, the counterparty risk data are not reported (i.e. no records at all are reported) for counterparties which are neither debtors nor protection providers, or for debtors and protection providers for which the PD is not applicable.

Specifically, unless the data attribute "probability of default" in the counterparty risk dataset is reported for a counterparty as of a given reporting reference date, no record at all is to be reported to AnaCredit in the respective dataset in relation to the counterparty at the reporting reference date.

For an illustration of how the counterparty risk dataset is to be reported, consider the following example.

Example 77: Reporting the counterparty risk dataset

1. An observed agent (OA#1) is a (part of a) credit institution supervised under the CRR. In March 2019 the observed agent extends a loan (Inst#1) to a legal entity (Cpy#A) for which a PD of 1.35% is estimated in accordance with the IRB approach of the CRR. The loan is secured by a financial guarantee provided by a legal entity (Guarantor#G) and by securities pledged by a legal entity (ThirdParty#1). A PD of 0.75% is estimated in accordance with the IRB approach for the guarantor, and no PD is required to be estimated for the provider of the securities.

In connection with Inst#1 the debtor is reported in the counterparty-instrument dataset, while the protection providers of both protection items are reported in the protection received dataset. However, the reporting of PD is required only in relation to the debtor (Cpy#A) and the guarantor (Guarantor#G), whereas no PD is required for the protection provider (ThirdParty#1) of the securities because ThirdParty#1 is not the issuer of the protection. Ultimately, since the reporting of the PD for ThirdParty#1 is not subject to AnaCredit reporting, as of 31 March 2019 the counterparty risk dataset is populated only for the debtor and the guarantor and no record at all is reported for ThirdParty#1.

Table 127 Counterparty risk dataset

Reporting reference date	Counterparty identifier	Probability of default
31/03/2019	CPY#A	0.0135
31/03/2019	GUARANTOR#G	0.0075

2. Observed agent (OA#XY) is supervised under the CRR but does not estimate PD in accordance with the IRB approach. In March 2019 the observed agent extends a loan (Loan#2) to a legal entity (Cpy#B).

The debtor is reported in the counterparty-instrument dataset in connection with Loan#2. However, since the observed agent does not estimate a PD for the debtor in accordance with the IRB approach of the CRR, the PD is not required and the counterparty risk dataset is not reported at all for the debtor (i.e. no record in the counterparty risk dataset is reported).

11.2 Level of granularity

The level of granularity for the counterparty risk dataset is the counterparty. Consequently, each record is uniquely identified by the combination of the following attributes:

- reporting agent identifier;
- observed agent identifier; and
- counterparty identifier.

In the case of natural persons being affiliated with instruments reported to AnaCredit, no record for the natural persons is reported.

11.3 Reporting frequency

The records are reported on a monthly basis.

However, in accordance with point 9.6 of Annex I to the AnaCredit Regulation, the relevant NCB may decide to collect the counterparty risk data on a quarterly basis

11.4 The counterparty risk dataset – data attributes

The counterparty risk dataset is applicable for counterparties for which the PD is reported. In such cases, the following data attributes are reported.

Table 128 Overview of data attributes in the counterparty risk dataset

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Observed agent identifier	√	String	2.1.2.2
Counterparty identifier	√	String	2.1.2.3
Probability of default		Numerical	11.4.1

11.4.1 Probability of default

Definition: The counterparty's probability of default over one year, determined in accordance with Articles 160, 163, 179 and 180 of Regulation (EU) No 575/2013.

This data attribute captures the probability of default of the counterparty as established in accordance with the CRR.

Reporting qualification

This data attribute is subject to AnaCredit reporting for counterparties reported to AnaCredit which are:

- debtors;
- protection providers, on condition that they are at the same time the issuers of the protection (in particular, if the protection item is a financial guarantee as defined in the ITS).

However, the reporting of this data attribute to AnaCredit is not required if:

- the reporting agent is not required to determine PD estimates for debtors and protection providers concerned in accordance with the IRB approach of the CRR;
- the relevant NCB decides not to collect this data attribute from individual reporting agents in accordance with Article 7 of the AnaCredit Regulation.

Revision mark: clarification is included concerning "fully derecognised instruments being serviced"

In particular, the relevant NCB may decide not to require this data attribute when:

- the observed agent is not subject to capital requirements (i.e. is not supervised under the CRD IV or is a foreign branch of an entity not supervised under the CRD IV). This accounts for those credit institutions under Article 4(1)(1) of the

CRR which are exempted from capital requirements under Article 2 of the CRD IV;

- all the debtor's instruments reported to AnaCredit are "fully derecognised instruments being serviced" in accordance with Annex II to the AnaCredit Regulation.

Values

Revision mark: clarification is included concerning the value to report

If the data attribute is reported to AnaCredit, it is a number ranging from 0 to 1, rounded up to six decimal places, where a value of 0.05 denotes a PD of 5%.

For an illustration of how the probability of default is reported, consider the following example.

Example 78: Reporting PDs to AnaCredit

The counterparty PD is reported to AnaCredit as follows:

If the PD is equal to 2.53%, the value 0.0253 is reported.

If the PD equals 0.03569%, then the value 0.000357 is reported.

General reporting instructions, specific cases and examples

The probability of default (PD) is calculated in accordance with the requirements specific to PD estimation as laid down in the CRR.

Revision mark: further clarifications are added concerning the reporting of counterparty PD

In the case of PDs produced at the instrument level (the "product PD"), the counterparty's PD at the reporting reference date is reported as the exposure-weighted average PD (where the exposure is the outstanding nominal amount) across the PDs of all instruments of the counterparty reported to AnaCredit at the reporting reference date.

If, for a given counterparty, a reporting agent estimates PDs for both the counterparty and (some of) the products of the counterparty, it is the counterparty's PD that is reported to AnaCredit in the data attribute. For an illustration of how the PD is reported in such cases, consider the following example.

Example 79: Reporting PD where both product and counterparty PDs are estimated

1. A counterparty PD has been estimated for a small company for the assessment of loans extended in relation to the counterparty's business activities. In addition, the counterparty also has a residential mortgage loan (for reasons not related to the counterparty's business activities), where the PD is estimated specifically for the mortgage loan (the product PD).

In this case, the counterparty PD that is estimated for the counterparty is reported to AnaCredit.

2. A small company is a debtor in a residential mortgage loan for which a product PD has been estimated. At a given moment in time, the mortgage loan is reported to AnaCredit and the debtor does not have any other instruments.

In this case, the product PD is reported to AnaCredit.

3. A small company is a debtor in two residential mortgage loans for which product PDs have been estimated. At a given reporting reference date, the mortgage loans amount to €150,000 and €85,000 and the product PD are 1.35% and 1.45%, respectively. Both loans are reported to AnaCredit and the debtor does not have any other instruments.

In this case, the exposure-weighted product PD is reported to AnaCredit.

4. Considering further the situation of the debtor referred to in point 2 above, an additional loan is extended to the debtor at a later moment in time in relation to the debtor's business activities, and a PD has been assigned to the debtor at counterparty level.

In this case, it is the counterparty PD that is reported to AnaCredit at this later moment in time (thus replacing the product PD associated with the residential mortgage loan).

In the case of project finance or specialised lending as referred to in Article 147(8) of the CRR (e.g. ship finance or other project finance), the PD is applicable to entities which correspond to the object financed. More specifically, the debtor is a special purpose entity (SPE) that is not permitted to perform any function other than developing, owning and operating the object, and the creditor is usually paid solely or almost exclusively out of the money generated by the contracts for the object's output, such as the electricity sold by a power plant (cf. Section 3.4.2). The consequence is that repayment depends primarily on the project's cash flow and on the collateral value of the project's assets. In such cases, the PD is applicable to the SPE which corresponds to the object financed, including when there are several instruments extended to the SPE.

12 Counterparty reference dataset

The exact identification of all counterparties involved in the instruments reported to AnaCredit and the completeness and quality of their reference information is a necessary prerequisite to unfold the whole potential of a granular credit dataset such as AnaCredit.

It is important to note the AnaCredit Regulation leaves the NCBs the option not to collect from individual reporting agents some specific reference data attributes (i.e. those marked with an “N” in Tables 2 and 3, Annex III). Moreover, in accordance with Article 9 of the AnaCredit Regulation, depending on national specificities, NCBs might collect from their reporting agents only part of the reference data attributes listed in the AnaCredit Regulation, e.g. when they have access to alternative sources (e.g. national business registers) providing the same information in a comparable or better quality. Against this background, it should be clarified that these two options are ignored in the present chapter, with the assumption being made that all mandatory attributes are provided to the NCB by reporting agents. As a result, for a clear understanding of the actual reporting requirements applicable in each country, reporting agents are advised to refer to the national reporting instructions or to consult the respective NCB.

12.1 General aspects

12.1.1 Reporting principles regarding the counterparty reference data

Only legal entities or parts of legal entities according to Article 1(5) of the AnaCredit Regulation are recorded as counterparties in AnaCredit. A list of legal forms, together with information on whether or not they qualify as legal entities for the purposes of AnaCredit, is included in the “List of legal forms” (for details on the list of legal forms, see Section 12.4.13).

__Revision mark__: the clarifications concerning the scope of counterparty reference data for legal entities are aligned with Q&A 2018/0044

It should be noted that in the AnaCredit data model, a legal entity is undistinguishable from its head office and domestic part. In addition, if a legal entity has foreign branches, each foreign branch (under the “one country, one branch” principle) is deemed a distinct institutional unit, linked to the legal entity via the “head office undertaking identifier” data attribute. Moreover, if there are one or more foreign branches, the scope of counterparty reference data for legal entities is broader than for their head offices/domestic parts where the counterparty reference data reported in relation to the legal entity also include information relating to the foreign branches, despite the fact that the legal entity is identified by the head office/domestic part. Consider for example the data attribute “balance sheet total”, which refers to the legal entity as a whole and, consequently, includes information for all of its foreign branches.

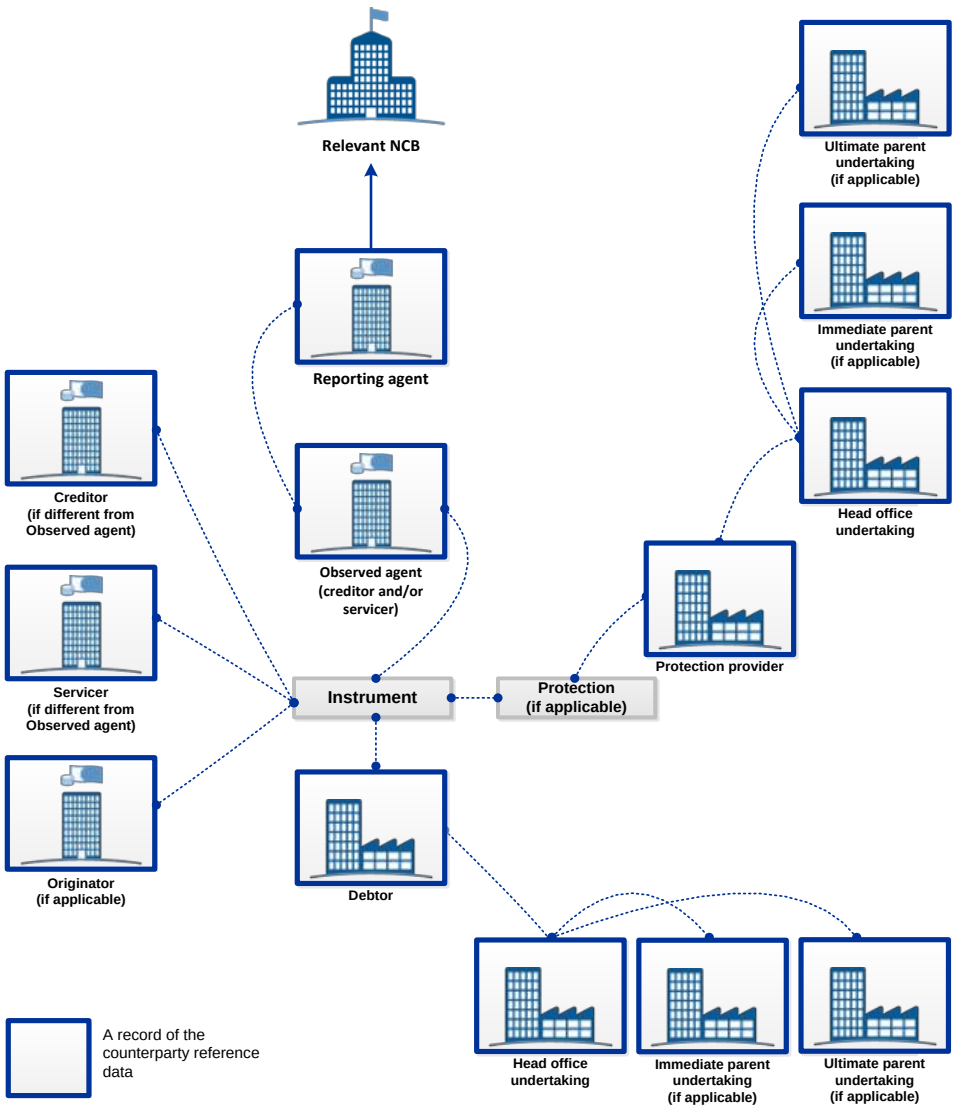
The counterparties for which counterparty reference data are reported (albeit to varying extents, depending, for example, on the specific role) are all legal entities or foreign branches of legal entities that are counterparties to an instrument reported to

AnaCredit. This includes providers of protection to such an instrument, or entities that have an affiliation (e.g. as parent undertaking) with a counterparty to such an instrument, i.e.:

- reporting agents;
- observed agents acting as
    - creditors;
    - servicers;
- counterparties to an instrument or to protection securing an instrument acting as
    - creditors;
    - servicers;
    - originators;
    - debtors;
    - protection providers;
- Other parties that have an affiliation with a party to an instrument (affiliated population), i.e.
    - head office undertakings of debtors and protection providers;
    - immediate parent undertakings of debtors and protection providers;
    - ultimate parent undertakings of debtors and protection providers.

This population can be illustrated as follows:

Figure 4: Counterparties for which a counterparty reference data record is generally submitted (blue squares)



As a result, the counterparty reference data include:

1. One data record for the reporting agent.
2. One data record for the observed agent.
3. One data record for each counterparty playing any of the following roles in the instrument:
   (i) creditor:
   (ii) servicer;
   (iii) debtor.
4. Where relevant (i.e. when an instrument is secured with protection or is subject to a securitisation), one data record for each counterparty playing any of the following roles:
   (i) originator;
   (ii) protection provider.
5. The AnaCredit Regulation stipulates that the head office undertaking identifier is always reported for counterparties that are foreign branches. Nevertheless, it is recommended that the head office undertaking identifier is also reported in the data record of the legal entity (represented by the head office undertaking), in which case the same counterparty identifier is reported twice.
6. The AnaCredit Regulation also stipulates that the immediate parent undertaking identifier and the ultimate parent undertaking identifier are reported for all counterparties which are resident in a reporting Member State. As a result, a distinct counterparty reference data record is reported for each of the following affiliates to a counterparty to an instrument (where relevant):
   (i) head office undertaking;
   (ii) immediate parent undertaking;
   (iii) ultimate parent undertaking.

__Revision mark__: repeated references to the link between special funds and their managing financial companies in the context of counterparty reference data are streamlined in light of the clarifications provided in Section 12.2.2.2

It is worth noting that a special fund and its managing financial corporation are deemed to have a relationship similar to that between a foreign branch and the legal entity to which it belongs (see also Section 12.2.2.2). Therefore, it is recommended that a counterparty reference data record is submitted for the managing financial corporation representing the “head office undertaking” of the special fund (when the latter acts as debtor or protection provider).

While the concept of “head office undertaking” relates to the relationship between a foreign branch and the legal entity of which it is part, the concepts of “immediate parent undertaking” and “ultimate parent undertaking” relate merely to legal entities (for further information, see following sections). Therefore, no information on the immediate parent undertaking or the ultimate parent undertaking is reported in the data record of a counterparty which is a foreign branch.

Head office undertaking

The head office undertaking is the legal entity of which the foreign branch is a legally dependent part

As explained, AnaCredit reporting is based on the concept of institutional units as counterparties. If it has no foreign branches, the legal entity corresponds to a single institutional unit. If it has foreign branches, the head office undertaking/domestic part represents the legal entity, and each foreign branch is a distinct institutional unit linked to the legal entity via the head office undertaking relationship (cf. Section 3.4.1 in Part I of the Manual).

If the debtor or the protection provider is a foreign branch or special fund, the counterparty reference data report will include a record for the head office undertaking

The AnaCredit Regulation (Annex IV) states that the data attribute "head office undertaking identifier" is reported only for debtors or protection providers that are foreign branches. Furthermore, it is recommended (cf. Section 3.4.1.3.1 in Part I of the Manual) that the "head office undertaking identifier" is also reported for counterparties which are special funds, given that they are considered similarly to a foreign branch of the financial corporation that manages them.

***Revision mark**: Section 12.2.2.2 clarifies that the treatment of special funds is analogous to the treatment of foreign branches; hence, repeated references to the link between special funds and their managing financial companies in the context of counterparty reference data are dropped*

Consequently, if a counterparty acting as a debtor or protection provider is a foreign branch (or a special fund), the counterparty reference data include a record on the debtor or protection provider itself, and a record for its head office undertaking (which represents the legal entity of which the foreign branch is part). In the counterparty reference data record of the foreign branch, the counterparty identifier of the head office undertaking is reported in the data attribute "head office undertaking identifier", which allows the necessary link to be made between the foreign branch and the legal entity of which the branch is part.

If the counterparty acting as debtor or protection provider is the head office undertaking representing the legal entity, it is still recommended that the counterparty identifier of the counterparty itself be reported in the data attribute "head office undertaking identifier". In this case, however, no additional counterparty reference data report is required for the head office undertaking because it coincides with the debtor or protection provider itself.

Finally, to avoid the reporting of redundant information, the head office undertaking identifier is reported as "not required" in the counterparty reference data record of the immediate parent undertaking and ultimate parent undertaking (this is illustrated in the following examples).

Immediate parent undertaking

If an immediate parent undertaking exists for (the head office undertaking of) the debtor or protection provider, a separate data record is reported for the immediate parent undertaking.

The counterparty identifier of the immediate parent undertaking is reported in the data attribute "immediate parent undertaking identifier" of the debtor's (or protection provider's) counterparty reference data, unless the debtor (or protection provider) is a foreign branch or a special fund, in which case the "immediate parent undertaking identifier" is only reported in the record of the head office undertaking.

While each foreign branch in scope of AnaCredit is part of a legal entity (represented by the head office undertaking), not every legal entity has an immediate parent undertaking. If no immediate parent undertaking exists, the counterparty identifier of the head office undertaking itself is reported as the "immediate parent undertaking identifier" in the head office undertaking's counterparty reference data record.

Please refer to Section 3.4.2 in Part I of the Manual for more information on immediate parent undertakings.

Ultimate parent undertaking

If an ultimate parent undertaking exists for the (head office undertaking of the) debtor or protection provider, a separate data record is reported for the ultimate parent undertaking.

The counterparty identifier of the ultimate parent undertaking is reported in the data attribute "ultimate parent undertaking identifier" of the debtor's (or protection provider's) counterparty reference data, unless the debtor is a foreign branch or a special fund, in which case the "ultimate parent undertaking identifier" is only reported in the record of the head office undertaking.

If the head office undertaking (representing the legal entity) does not have an immediate parent undertaking (and therefore no ultimate parent undertaking either), the counterparty identifier of the head office undertaking of the debtor (or protection provider) itself is reported in the data attributes "immediate parent undertaking identifier" and "ultimate parent undertaking identifier" of the head office undertaking's counterparty reference data. In this case, no distinct record is submitted for the immediate parent undertaking or ultimate parent undertaking.

If the immediate parent undertaking does not have a parent undertaking (i.e. the immediate and ultimate parent undertakings coincide), the counterparty identifier of the immediate parent undertaking of the debtor (or protection provider) itself is reported in the data attributes "immediate parent undertaking identifier" and "ultimate parent undertaking identifier" of the head office undertaking's counterparty reference data report.

Please refer to Section 3.4.3 in Part I of the Manual for more information on ultimate parent undertakings.

12.1.1.1 Reporting obligation – examples

The following example illustrates the reporting obligation in the case of a debtor with no parent undertakings.

Example 80: Debtor with no parent undertakings

The observed agent (OA), which is a foreign branch of the reporting agent (RA), extends an instrument to a counterparty (debtor D), which is a legal entity with no immediate or ultimate parent undertaking. The instrument is protected by a guarantee of a protection provider (PP), which is a legal entity.

In this case, counterparty reference data are submitted for the following counterparties:

- reporting agent (RA);
- observed agent (OA) acting as creditor and servicer (one record in the counterparty reference data, but two roles of the observed agent in the counterparty-instrument dataset);
- debtor (D);
- protection provider (PP).

Revision mark: the description in the example is streamlined

The following example illustrates the reporting requirements in the case of a debtor with an immediate parent undertaking and an ultimate parent undertaking.

Example 81: Debtor with an immediate and an ultimate parent undertaking

The observed agent (OA) extends an instrument to a counterparty which is a foreign branch (debtor D). The OA is a foreign branch of the reporting agent (RA). The instrument is protected by a guarantee of protection provider (PP), which is a legal entity with no immediate parent undertaking. The debtor D has a head office undertaking (which represents the legal entity of which debtor D is part), an immediate parent and an ultimate parent undertaking.

In this case, counterparty reference data are submitted for the following counterparties:

- reporting agent (RA);
- observed agent (OA) acting as creditor and servicer (one record in the counterparty reference data, but two roles in the counterparty-instrument dataset);
- debtor (D);
- head office undertaking of the debtor D;
- immediate parent undertaking (of the legal entity of which debtor D is part);
- ultimate parent undertaking (of the legal entity of which debtor D is part);
- protection provider (PP).

The following example illustrates the reporting requirements in the case of a debtor with immediate and ultimate parent undertakings, and a protection provider with just one parent undertaking (which is then both the immediate and the ultimate parent undertaking).

Example 82: Debtor with an immediate and an ultimate parent undertaking and protection provider with an immediate and ultimate parent undertaking

The observed agent (OA) extends an instrument to a counterparty which is a foreign branch (debtor D). The instrument is protected by a guarantee provided by protection provider PP, which is a foreign branch. The legal entity of which PP is part (represented by the head office undertaking) has only one parent (i.e. the immediate parent is also the ultimate parent). The legal entity of debtor D, which is represented by its head office undertaking, has an immediate parent undertaking and an ultimate parent undertaking.

In this case, counterparty reference data are submitted for the following counterparties:

- reporting agent = observed agent (OA) acting as creditor and servicer (one record in the counterparty reference dataset, but two roles in the counterparty-instrument dataset);
- debtor (D);
- head office undertaking of debtor D;
- immediate parent undertaking (of the legal entity of which debtor D is part);
- ultimate parent undertaking (of the legal entity of which debtor D is part);
- protection provider (PP);
- head office undertaking of the protection provider PP, representing the legal entity of which protection provider PP is part;
- immediate parent undertaking (= ultimate parent undertaking) of the legal entity of which protection provider PP is part.

The following example illustrates the reporting requirements in a case where an instrument is held by one counterparty and serviced by another, the debtor to the instrument has immediate and ultimate parent undertakings, and there is a protection provider which provides protection to the instrument.

Example 83: Instrument serviced and held by two different counterparties

The observed agent (OA) is the creditor of an instrument to a counterparty which is a foreign branch (debtor D). The OA is a foreign branch of the reporting agent (RA). The instrument is protected by a guarantee provided by protection provider PP, which is a legal entity (the legal entity does not have an immediate parent). Debtor D belongs to a legal entity (represented by its head office undertaking) which has an immediate parent undertaking and an ultimate parent undertaking. The instrument is serviced by counterparty C, which is a legal entity.

In this case, counterparty reference data are submitted for the following counterparties:

- reporting agent (RA);
- observed agent (OA) acting as creditor (one record in the counterparty-instrument dataset);
- counterparty C acting as servicer (one record in the counterparty-instrument dataset);
- debtor (D);
- head office undertaking of debtor D;
- immediate parent undertaking (of the legal entity of which debtor D is part);
- ultimate parent undertaking (of the legal entity of which debtor D is part);
- protection provider (PP).

The following example illustrates the reporting requirements in the case of an instrument subject to a securitisation which is held by one counterparty while another counterparty acts as servicer and originator.

Example 84: Instrument held by one counterparty and serviced by another counterparty which also acts as originator

The observed agent (OA) is the creditor of an instrument to a counterparty which is a foreign branch (debtor D). The OA is a foreign branch of the reporting agent (RA). The instrument is protected by a guarantee provided by protection provider PP, which is a legal entity (which does not have an immediate or ultimate parent undertaking). Debtor D belongs to a legal entity (represented by its head office undertaking) which has no immediate parent undertaking or ultimate parent undertaking. The instrument was originated by counterparty C, which still services the instrument.

Based on this situation, counterparty reference data are submitted for the following counterparties:

- reporting agent (RA);
- observed agent (OA) acting as creditor (one record in the counterparty-instrument dataset);
- counterparty C acting as servicer and originator (one record in the counterparty reference dataset, but two roles in the counterparty-instrument dataset);
- debtor (D);
- head office undertaking of debtor D;
- protection provider (PP).

12.1.1.2 Counterparty reference data in relation to debtors and protection providers – examples

In general, the counterparty reference data of a debtor or protection provider include, in addition to the counterparty identifier of the debtor or protection provider itself, the counterparty identifiers of (i) its legal entity (represented by a head office undertaking), (ii) the immediate parent undertaking of the legal entity of which the counterparty is part, and (iii) the ultimate parent undertaking of the legal entity of which the counterparty is part. However, whether or not additional counterparty reference data are reported for any of these affiliated counterparties depends on a number of factors.

Note that, for a given instrument reported to AnaCredit, the counterparty reference dataset includes records referring to the reporting agent, the observed agent, the creditor, the servicer and the debtor to the instrument. However, in the examples below, the emphasis is only on the counterparty identifiers in the counterparty reference data relating to the debtor and to the affiliated parties, leaving out the other counterparties.

The following example illustrates the reporting requirements relating to the counterparty identifiers in the case of a debtor being a legal entity with no parent undertaking.

Example 85: Counterparty identifiers in relation to a debtor with no immediate or ultimate parent undertaking

The debtor (counterparty identifier = Cty#DE100) is a legal entity resident in Germany. The debtor has no parent undertaking.

Table 129 provides an overview of the counterparty reference data related to the debtor (the other records are ignored in this example).

Table 129 Overview of data relating to the identification of a debtor which is a legal entity

Counterparty	Counterparty identifier	Head office undertaking identifier	Immediate parent undertaking identifier	Ultimate parent undertaking identifier
Debtor	CTY#DE100	*CTY#DE100*	CTY#DE100	CTY#DE100

Please note that both the legal entity and the head office undertaking (which represents the legal entity) are identified by the same counterparty identifier. In this case, since the debtor is a legal entity (not a foreign branch), the reporting of the head office undertaking identifier (in italics) is recommended, although it is not strictly mandatory.

Moreover, since the legal entity has no immediate or ultimate parent undertaking, the counterparty identifier of the legal entity itself is also reported both in the data attribute “immediate parent undertaking identifier” and in the data attribute “ultimate parent undertaking identifier”.

Since all the affiliates’ counterparty identifiers refer to the same counterparty, the counterparty reference data include only one record in this case.

The following example illustrates the reporting requirements for the counterparty identifiers in the case of a debtor being a foreign branch of a legal entity with no immediate or ultimate parent undertaking.

Example 86: Counterparty identifiers in relation to a debtor with no immediate or ultimate parent undertaking

The debtor is a French branch (counterparty identifier = Cty#FR001) of a German legal entity, which is identified by the counterparty identifier Cty#DE100. The German legal entity of which the debtor is part (represented by the head office undertaking of the debtor) has no immediate or ultimate parent undertaking.

The following table below provides an overview of the counterparty reference data related to the debtor. Note that in this case the counterparty reference data of both the debtor and the debtor's head office undertaking are reported.

Table 130 Overview of data relating to the identification of the debtor and its head office undertaking

Counterparty	Counterparty identifier	Head office undertaking identifier	Immediate parent undertaking identifier	Ultimate parent undertaking identifier
Debtor	CTY#FR001	CTY#DE100	"Not required"	"Not required"
Head office undertaking	CTY#DE100	*CTY#DE100*	CTY#DE100	CTY#DE100

In this example, the counterparty reference data of the debtor include its own counterparty identifier (Cty#FR001) as well as the (distinct) identifier of the head office undertaking (Cty#DE100). Since the debtor is a foreign branch, the immediate parent undertaking identifier and the ultimate parent undertaking identifiers are both reported as "not required" in this data report.

However, as in this case counterparty CTY#DE100 is affiliated with the debtor, the counterparty reference dataset also includes a record for the legal entity of the debtor (represented by the head office undertaking). In this connection, the record relating to the legal entity (as represented by the head office undertaking) is identified by the counterparty identifier of the head office undertaking of the legal entity of which the foreign branch (the debtor) is part. Furthermore, information on the immediate and ultimate parent undertakings is recorded in this report, because it relates to the relationship between legal entities. Please note that since the counterparty is a legal entity (not a foreign branch), the reporting of the head office undertaking identifier (in italics) is recommended, although it is not strictly mandatory.

Therefore, as it is explained in Section 3.4.2 in Part I of the Manual, if, in the case of foreign branches, the legal entity of which the foreign branch is a legally dependant part does not have an immediate parent undertaking, the counterparty identifier of the head office undertaking of the debtor itself is reported as the immediate parent undertaking identifier, which in this case is Cty#DE100. The same reasoning applies to the ultimate parent undertaking of the debtor, whose identifier is Cty#DE100.

The following example illustrates the reporting requirements relating to the counterparty identifiers in the case of a debtor being a foreign branch of a legal entity with an immediate parent undertaking which is also the ultimate parent undertaking.

Example 87: Counterparty identifiers in relation to a debtor with an immediate parent undertaking which is also the ultimate parent undertaking

The debtor is located in France and is a foreign branch (counterparty identifier = Cty#FR001) of a German legal entity, which is identified by the counterparty identifier (Cty#DE100). The German legal entity has an immediate parent undertaking, identified by the counterparty identifier (Cty#DE200), which is also the ultimate parent undertaking and is also resident in Germany.

In this case, the counterparty reference data records relating to the debtor, the legal entity of which debtor is part (represented by the head office undertaking) and the legal entity's immediate parent undertaking are reported. An overview of the data is provided in Table 131.

Table 131 Overview of data relating to the identification of the debtor, its head office undertaking and the debtor's immediate parent undertaking

Counterparty	Counterparty identifier	Head office undertaking identifier	Immediate parent undertaking identifier	Ultimate parent undertaking identifier
Debtor	CTY#FR001	CTY#DE100	"Not required"	"Not required"
Head office undertaking	CTY#DE100	*CTY#DE100*	CTY#DE200	CTY#DE200
Immediate parent undertaking	CTY#DE200	"Not required"	"Not required"	"Not required"

The record of counterparty reference data relating to the debtor includes the counterparty identifier of the debtor itself (Cty#FR001), as well as the identifier of the legal entity of which the debtor is part (represented by the head office undertaking (Cty#DE100). Since the debtor is a foreign branch, the immediate and ultimate parent undertaking identifiers are reported as "not required" in the reference data report of the debtor.

As regards the counterparty reference data of the head office undertaking (which represents the legal entity of which the debtor is part), it is identified by the counterparty identifier of the legal entity of which the foreign branch (the debtor) is part. Please note that since in the record of the head office undertaking the counterparty is a legal entity (not a foreign branch), the reporting of the head office undertaking identifier (in italics) is recommended, although it is not strictly mandatory. In this connection, the counterparty identifier of the immediate parent undertaking (Cty#DE200) of the legal entity of which the debtor is part is reported in the data attribute "immediate parent undertaking identifier" in the record of the head office undertaking of the debtor.

Finally, since the immediate and ultimate parent undertakings of the legal entity of the debtor coincide (i.e. the immediate parent undertaking is the only parent undertaking), the counterparty reference data of the immediate parent undertaking include only its own counterparty identifier, while the data attributes "head office undertaking identifier", "immediate parent undertaking identifier" and "ultimate parent undertaking identifier" are reported as "not required".

The following example illustrates the reporting with regard to the counterparty identifiers in the case of a debtor being a foreign branch of a legal entity with both an immediate and an ultimate parent undertaking (distinct from the immediate parent undertaking).

Example 88: Counterparty identifiers in relation to a debtor with an immediate and an ultimate parent undertaking

The debtor is located in France and is a foreign branch (counterparty identifier = Cty#FR001) of a German legal entity, which is identified by the counterparty identifier (Cty#DE100). The German legal entity has an immediate parent undertaking, identified by the counterparty identifier (Cty#DE200), and an ultimate parent undertaking, identified by the counterparty identifier (Cty#IT400). The legal entity of which the debtor is part (as represented by the head office undertaking) and the immediate parent undertaking are both resident in Germany, while the ultimate parent undertaking is resident in Italy.

In this case, the counterparty reference data record of the debtor, the identifiers of the legal entity of which the debtor is part (represented by the head office undertaking) and the legal entity's immediate and ultimate parent undertakings are reported.

Table 132 Overview of data attributes relating to the identification of the debtor, its head office undertaking and the immediate and ultimate parent undertakings

Counterparty	Counterparty identifier	Head office undertaking identifier	Immediate parent undertaking identifier	Ultimate parent undertaking identifier
Debtor	CTY#FR001	CTY#DE100	"Not required"	"Not required"
Head office undertaking	CTY#DE100	*CTY#DE100*	CTY#DE200	CTY#IT400
Immediate parent undertaking	CTY#DE200	"Not required"	"Not required"	"Not required"
Ultimate parent undertaking	CTY#IT400	"Not required"	"Not required"	"Not required"

As in the previous example, since the debtor is a foreign branch, the counterparty identifier of the legal entity of which the debtor is part (as represented by the head office undertaking Cty#DE100) is reported in the record of the debtor, while the counterparty identifiers of the immediate and ultimate parent undertakings are reported as "not required".

Given that the legal entity of which the debtor is part (as represented by the head office undertaking) is identified in the record of the debtor, the counterparty reference data include a record on the legal entity (i.e. the record on the head office undertaking). Furthermore, the record on the legal entity includes the counterparty identifiers of the immediate and ultimate parent undertakings of the legal entity. In this connection, the counterparty identifier of the immediate parent undertaking (Cty#DE200) is reported in the data attribute "immediate parent undertaking identifier" and the counterparty identifier of the ultimate parent undertaking (Cty#IT400) is reported as the "ultimate parent undertaking identifier" in the record of head office undertaking which represents the legal entity of which the debtor is part. Please note that since in the record of the head office undertaking the counterparty is a legal entity (not a foreign branch), the reporting of the head office undertaking identifier (in italics) is recommended, although it is not strictly mandatory.

Finally, since the immediate and ultimate parent undertakings are identified in the record relating to the head office undertaking, additional records of the counterparty reference data are reported for both the immediate and ultimate parent undertakings. In these records, the data attributes "head office undertaking identifier", "immediate parent undertaking identifier" and "ultimate parent undertaking identifier" are reported as "not required".

12.1.1.3 A counterparty playing different roles

In AnaCredit, the same counterparty can play multiple roles in relation to different instruments issued by the same or by different observed agents. For example, a credit institution may act as creditor, debtor, protection provider, originator or servicer in different transactions. Moreover, it may be reported as the legal entity of which the debtor is part (as represented by the head office undertaking), the legal entity's immediate parent undertaking and the legal entity's ultimate parent undertaking in other transactions. The roles played by the various counterparties are recorded in the respective counterparty-instrument datasets, not in the counterparty reference datasets.

Revision mark: further clarifications are included in the description of Example 89

Please refer to Example 89 for an illustration of the reporting in the case of debtors with no immediate or ultimate parent undertaking.

Example 89: Counterparty identifiers in relation to a debtor with no immediate or ultimate parent undertaking

A counterparty in this example (Cty#100) is a legal entity with no immediate or ultimate parent undertaking. This counterparty acts as a debtor in one instrument (instrument 1) and as protection provider in relation to another instrument (instrument 2). The debtor of instrument 2 (Cty#800) is another legal entity, which has no immediate or ultimate parent undertakings.

These roles are recorded in the counterparty-instrument dataset, in the data attribute "counterparty role" (in relation to instrument 1) and in the protection received dataset (in relation to instrument 2). Note that other roles regarding the instrument (e.g. observed agent and reporting agent) are also reported, but these are beyond the scope of the present example.

The following counterparty reference data have to be submitted in relation to instruments 1 and 2, respectively.

Table 133 Overview of data relating to the identification of the debtor in relation to Instrument 1

Counterparty	Counterparty identifier	Head office undertaking identifier	Immediate parent undertaking identifier	Ultimate parent undertaking identifier
Debtor	CTY#100	*CTY#100*	CTY#100	CTY#100

Table 134 Overview of data relating to the identification of the debtor and the protection provider in relation to Instrument 2

Counterparty	Counterparty identifier	Head office undertaking identifier	Immediate parent undertaking identifier	Ultimate parent undertaking identifier
Debtor	CTY#800	*CTY#800*	CTY#800	CTY#800
Protection provider	CTY#100	*CTY#100*	CTY#100	CTY#100

Please note that since neither the debtor nor the protection provider are foreign branches, the reporting of the head office undertaking identifiers (in italics) in the respective reference data is recommended, although not strictly mandatory.

Counterparty Cty#100 takes two different roles (one in relation to each instrument); when both instruments are reported by the same reporting agent (even if they are held or serviced by its different observed agents), the reporting agent only reports one record in the counterparty reference dataset relating to Counterparty Cty#100.

12.1.2 The reporting obligation for counterparty reference data depending on the role and residency of the counterparty

Revision mark: editorial changes are applied

As explained above, the reporting obligation of counterparty reference data varies with the type of counterparty, i.e. depending on whether the counterparty is a legal entity or a foreign branch. Moreover, while in general applicable to any counterparty, the specific set of attributes which is eventually reported depends on the role and the country of residency of the counterparty. This section provides further clarification on the reporting requirements detailed in Annex III to the AnaCredit Regulation.

Revision mark: editorial changes are applied

The relevant distinction as regards residency is whether or not the counterparty is resident in a reporting Member State. Tables 2 and 3 in Annex III to the AnaCredit Regulation set out in detail, for the various roles of the counterparty (creditor, debtor, etc.), the list of reference data attributes requested in the respective cases (Table 2 for counterparties resident in reporting Member States and Table 3 for counterparties not resident in reporting Member States).

Depending on the residency of the counterparty and on national arrangements, the relevant NCB of the reporting agent may have access to alternative sources of reference information on counterparties (e.g. a national business register). The possibility for an NCB to make use of such alternative sources is explicitly acknowledged in Article 9(2) of the AnaCredit Regulation. As a result, in some countries, and within the limits established in the Regulation, the relevant NCB may decide to request that respective reporting agents report, e.g. for counterparties resident in the same country, only a subset of the data attributes listed in the AnaCredit Regulation. This is further illustrated below.

Revision mark: editorial changes are applied

As explained, the counterparty reference data relating to the legal entity of which the foreign branch is part are also reported in the record of the counterparty reference data relating to a foreign branch. The specific reporting requirements for the legal entity, in turn, depend on the role of the foreign branch in the instrument at stake. For instance, a larger set of attributes is generally requested when the foreign branch acts as a debtor rather than as a servicer. Please note that counterparties that are immediate and ultimate parent undertakings are, by definition, legal entities and their counterparty reference data are reported accordingly. By contrast, counterparties taking on all other roles may also be foreign branches or special funds.

Revision mark: the clarifications on LEIs and national identifiers are aligned with Q&A 2018/0044

As another general rule, please note that the unique identification of counterparties is an essential feature of AnaCredit. Therefore, as set out in Article 9 of the AnaCredit Regulation, the legal entity identifier (LEI) or, if an LEI is not available, a national identifier from the list of national identifiers (for details on the list of national identifiers, see Section 12.4.3) is always reported for any counterparty in addition to the (mandatory) counterparty identifier, unless otherwise decided by the relevant NCB. This applies irrespective of the role or residency of the counterparty.

12.1.3 Actual reporting requirements for special categories of counterparty

Revision mark: editorial changes are applied

As explained in Sections 12.1.1 and 12.1.2, the actual reporting requirements of counterparty reference data depend not only on whether the counterparty is a legal entity or a foreign branch, but also on the role and the residency of the counterparty.

It is important to note that further deviations from the general reporting requirements can also arise for special categories of counterparties. For instance, while all data attributes listed in the counterparty reference data are applicable (and hence requested) in the case of a counterparty which is a legal entity constituted under corporate (private) law, for other counterparties the reporting of certain data attributes may not be meaningful. This may be the case, for instance, for the "immediate parent undertaking identifier", "ultimate parent undertaking identifier", and "balance sheet total" or "annual turnover" of an entity belonging to the public sector.

As a result, similarly to what was explained for the possible derogations and exemptions granted by each relevant NCB (i.e. given the "N"s in Tables 2 and 3 in Annex III to the AnaCredit Regulation and the possibility of relying on alternative data sources), for a clear understanding of the actual reporting requirements for each category of counterparty, reporting agents are invited to consult the respective NCB, as such special cases can also vary considerably from country to country, reflecting the different national legal and institutional frameworks.

12.1.3.1 Monetary and financial institutions (MFIs)

Revision mark: further clarifications on reporting in the case of MFIs are included in line with Q&A 2017/0008

Revision mark: the link to the list of MFIs (daily data) is updated

The official list of MFIs is published on the ECB's website,[25] which is updated on a daily basis. Unless otherwise decided by the relevant NCB, only the counterparty identifier, is reported for (non-debtor) counterparties included in the list, while all other counterparty reference data attributes are reported as "not required". This means that for a counterparty which is included in the list of MFIs, the RIAD code (i.e. the "counterparty identifier") is the only data attribute from the counterparty reference dataset reported to the relevant NCB as the remaining data attributes may be obtained from other sources under Article 8(5) of the AnaCredit Regulation.

However, the above does not apply to counterparties included in the list of MFIs and acting as debtors, for which the general requirements apply (unless otherwise decided by the relevant NCB). More specifically, "reduced" reporting requirements do not apply if the "counterparty role" is as a debtor. Therefore, for an MFI that is a debtor, the general reporting obligations regarding the reference data attributes are applicable (Table 2 and 3 in the Annex to AnaCredit Regulation).

[25] The list of MFIs is available via the ECB's Market Information Dissemination (MID) system and can be accessed at https://www.ecb.europa.eu/stats/financial_corporations/list_of_financial_institutions/html/elegass.en.html

12.1.3.2 International organisations

Revision mark: further clarifications are included in line with Q&A 2017/0008 and Q&A 2018/0045

International organisations are listed in the "list of international organisations" (the list of international organisations can be found on the ECB's website[26]).

Unless otherwise decided by the relevant NCB, only the counterparty identifier (i.e. the RIAD code, as indicated in Column E in the list itself) is reported for these entities, while all other counterparty reference data attributes are reported as "not required".

This simplified reporting of AnaCredit counterparty reference data applies irrespective of the role of the counterparty vis-à-vis reportable instruments. Moreover, reporting agents are informed by the relevant NCB about the counterparty identifier to be used for each international organisation included in the list.

Revision mark: clarifications are included in line with Q&A 2018/0045

Please note that the ECB provides the "list of international organisations" (available on the ECB's AnaCredit webpage) exclusively in the context of AnaCredit. Thus the list should be seen merely in the context of the AnaCredit reporting obligations concerning the counterparty reference data. It is neither an exhaustive nor a legally binding list of such organisations, and it is not intended for purposes other than AnaCredit. Nonetheless, the list is regularly updated.

12.1.3.3 No data on natural persons

According to Template 1, paragraph 1.6, in Annex I to the AnaCredit Regulation, "in the case of natural persons being affiliated with instruments reported to AnaCredit, no record for the natural persons must be reported". This means that in no case will a record of counterparty reference data referring to a natural person be reported to AnaCredit.

12.1.4 Reporting requirements

This section summarises the actual reporting requirements derived from the principles elaborated in the previous sections.

12.1.4.1 General requirements

Counterparty reference data reports are transmitted for all counterparties which are linked to instruments as described in Part I, Chapter 3, of the Manual, or provide protection to secure such instruments, or are affiliated with such counterparties.

Counterparty reference data do not cover counterparties which are natural persons

[26] https://www.ecb.europa.eu/stats/money_credit_banking/anacredit/html/index.en.html

However, in the case of counterparties which are natural persons (linked with an instrument reported to AnaCredit or providing protection), no counterparty reference data are reported.

A single counterparty may be linked to several instruments or take different roles in relation to one an instrument. However, the counterparty reference data of one counterparty are reported only once (at all levels, i.e. reporting agent, NCB, European System of Central Banks), thus guaranteeing the uniqueness in the respective counterparty reference dataset.

The level of granularity for the counterparty reference data is the counterparty. Each record is uniquely identified by the counterparty identifier on the reporting agent level. The counterparty data describe the characteristics of the counterparty.

The counterparty identifier is unique and exclusive for each counterparty

For each reporting agent, each counterparty identifier is unique for each counterparty, and each counterparty is always identified with the same counterparty identifier. This identifier is never reused by the same reporting agent to refer to a different counterparty. NCBs may communicate to their reporting agents the set of counterparty identifiers to be used for the AnaCredit reporting.

12.1.4.2 Specific requirements

The information required for each type of counterparty is indicated in Annex III of the AnaCredit Regulation and further described in this chapter.

Not all data attributes need to be reported for all roles or types of counterparties. The reporting obligation varies depending on the type of counterparty and on whether or not the counterparty is resident in a reporting Member State.

As regards the roles of counterparties, Tables 2 and 3 in Annex II to the AnaCredit Regulation define specific reporting requirements for each data attribute in the counterparty reference data described in Template 1 in Annex I to the Regulation.

Table 2 specifies the requirements for counterparties resident in a reporting Member State, while Table 3 specifies the requirements for counterparties not resident in a reporting Member State across all types of counterparties. For details regarding the application of the specific requirements, please refer to Chapter 7 in Part I of the Manual, which deals with the reduced data requirements.

***Revision mark**: a reference is added to Part III of the Manual about the reporting of counterparty reference data in the case of trade receivables*

Please also refer to Section 5.4.20 in Part III of the Manual for additional information about the reporting of counterparty reference data in the case of trade receivables where the counterparty is the account debtor.

12.2 Level of granularity

Article 1(10) of the AnaCredit Regulation implies that for legal entities with foreign branches, the reporting is based on the concept of the “institutional unit”. This means

that the legal entity is deemed to be composed of one institutional unit represented by the head office undertaking, and one for each foreign branch (to be considered as one foreign branch per country only). Each foreign branch is linked to the legal entity (of which it is part) via the information on the "head office undertaking identifier". Where there are no foreign branches, the only existing institutional unit coincides with the whole legal entity.

Consequently, the AnaCredit reporting relates to legal entities or foreign branches of legal entities, with the legal entity being represented by the head office undertaking. Given the multi-purpose nature of the dataset, the availability of information on relationships (head office undertaking, foreign branches, special funds) and group structures (immediate parent undertaking, ultimate parent undertaking) is of particular importance for the overall usability and informative value of the data.

As described in Sections 2.2.1 and 3.2 in Part I of the Manual, some of the counterparty reference data reported in the data record of a head office undertaking refer to the legal entity as a whole, and not to the distinct institutional units of which it is formed. For example, the data attribute "status of legal proceedings" refers to the legal entity as a whole (a bankruptcy always affects the whole legal entity and is not limited to one or more of its individual institutional units), while the data attribute "institutional sector" relates to the single institutional unit to which the counterparty reference data report refers. This topic is addressed in more detail in the next section.

12.2.1 Counterparty reference data in the case of legal entities

AnaCredit head office undertakings represent legal entities. This means, for example, that the name and address reported for a head office undertaking are always those of the legal entity. As a consequence, the counterparty reference data record of the head office undertaking includes data attributes which refer to the legal entity as a whole (cf. Section 12.1.1 for details).

As explained, the "counterparty identifier" of a legal entity always coincides with the "head office undertaking identifier". This is also true for counterparties which are reporting agents, because the record always refers to their respective head office undertakings.

Similarly, the immediate and ultimate parent undertaking identifiers also refer to the respective legal entities as represented by the head office undertakings. This means that for affiliated counterparties acting as immediate or ultimate parent undertakings, only the counterparty reference data record for the legal entity is reported (and not for any foreign branches it may have). As usual, the counterparty reference data also include some data attributes that refer to the legal entity as a whole.

12.2.2 Counterparty reference data in the case of foreign branches and special funds

12.2.2.1 Foreign branches as counterparties

Revision mark: Section 12.2.2 is restructured to better present the subject of foreign branches and special funds as counterparties under AnaCredit

As explained in detail in Section 2.1.3.2 in Part I of the Manual, a foreign branch is defined in accordance with the concept of a "single branch" referred to in Article 2(3) of Regulation (EC) No 2533/98.

Whenever the counterparty reference data of a foreign branch are reported, an additional counterparty reference data record is reported for the legal entity (represented by the head office undertaking) of the foreign branch.

Please note that in relation to a single counterparty, the same counterparty identifier is used in every dataset in which the counterparty is referred to. In particular, if a counterparty is a foreign branch, the counterparty identifier of the foreign branch (not of its head office undertaking) is used in the counterparty risk dataset and in the counterparty default dataset for the counterparty, even though the data attributes in these datasets are established at the level of the legal entity to which the counterparty belongs. The correct reassignment of these datasets is performed in the ECB's systems.

For information about which data attributes in the counterparty reference data record of the foreign branch are reported in relation to the foreign branch, please refer to Table 135 in Section 12.2.2.3 which deals specifically with the applicability and scope of the counterparty reference data for foreign branches and special funds.

Treatment of foreign branches covering multiple branch offices

Revision mark: this point is added to consolidate the clarifications in Sections 12.4.8 to 12.4.11

As explained in Section 2.1.2 in Part I of the Manual, under AnaCredit a foreign branch may consist of a single branch office or several branch offices in different locations in the same country.

If more than one branch office of the same legal entity is established in the same country, it is necessary that a single address of the foreign branch is reported. In such cases, the single address reported (in the data attributes: "address: city/town/village", "address: postal code", "address: county/administrative division", "address: street") is at the discretion of the reporting agent.

12.2.2.2 Special funds as counterparties

Revision mark: Section 12.2.2.2 is added, consolidating instructions relevant for special funds

Special funds are defined as unincorporated investment funds comprising investment portfolios owned by a group of participants and whose management is undertaken by other financial corporations.

One investment company may manage several special funds, each constituting a separate institutional unit

Under AnaCredit, special funds and their managing financial corporations are deemed to have a similar relationship to each other as foreign branches and head office undertakings. In contrast to foreign branches, however, there can be multiple special funds under one managing financial corporation which are resident in the same country.

Special funds are therefore reported to AnaCredit in a similar manner to the reporting of foreign branches, where it is recommended that the managing financial corporation of a special fund be identified as the head office undertaking.

More specifically, although the AnaCredit Regulation does not currently require a link between the special fund and the managing financial corporation, reporting agents are advised to identify the managing financial corporation of a special fund and report it to AnaCredit, together with the link, in the same way as for the head office undertaking of foreign branches.

This means that, for each investment fund, including sub-funds (see the treatment of funds made up of different internal sub-funds below), the counterparty identifier of the management company of the investment fund/sub-fund is reported in the data attribute "head office undertaking identifier", and a counterparty reference data record is submitted for the management company representing the fund where that fund acts as a counterparty under AnaCredit (e.g. as a debtor or a protection provider).

For information about which data attributes in the counterparty reference data record of the special fund are reported in relation to the special fund, please refer to Table 135 in Section 12.2.2.3 which deals specifically with the applicability and scope of the counterparty reference data for foreign branches and special funds.

Treatment of funds made up of different internal sub-funds

***Revision mark**: further clarifications are included in line with Q&A 2018/0023*

When an investment fund segregates its assets into different sub-funds in such a way that shares/units relating to each sub-fund are independently backed by different assets, each sub-fund is regarded as an independent investment fund (see Article 4.2 of Regulation (EU) No 1075/2013 concerning statistics on the assets and liabilities of investment funds) and reported to AnaCredit in its own right with its own counterparty identifier.

Such funds and sub-funds are institutional units that are separate from the managing financial corporation.

Against this background, each sub-fund is regarded under AnaCredit as an individual investment fund. More specifically, AnaCredit regards each sub-fund as a counterparty in its own right (hence with its own counterparty identifier), regardless of how many sub-funds there are in the same country. This is consistent with the fact that each sub-fund typically has its own LEI code.

Furthermore, in view of the above (i.e. given that each sub-fund is regarded as a counterparty in its own right), loans granted to sub-funds are reported individually, without any aggregation (e.g. at the level of the umbrella fund).

12.2.2.3 Applicability and scope of the counterparty reference data for foreign branches and special funds

Revision mark: Table 135 (former Table 131) is updated in line with Q&A 2018/0044

The applicability and scope of the counterparty reference data for foreign branches and special funds are different than for legal entities.

The following table illustrates which data attributes in the counterparty reference data record of the foreign branch or special fund are reported in relation to the foreign branch or special fund if it is a counterparty under AnaCredit.

Table 135 General applicability and scope of the reference data attributes for foreign branches and special funds

Counterparty reference data attributes	Is a value for this data attribute generally reported in the reference data record of a counterparty which is a foreign branch or special fund?
Counterparty identifier	Yes, and it refers to the foreign branch or special fund only
Legal entity identifier (LEI)	Yes, if existing, and it refers to the foreign branch or special fund only
National identifier	Yes, and it refers to the foreign branch or special fund only
Head office undertaking identifier	Yes, and it is the same for all foreign branches of the same legal entity or the same for all special funds managed by the same managing financial corporation
Immediate parent undertaking identifier **Ultimate parent undertaking identifier**	No, this information is only applicable at the legal entity level of the foreign branch or managing financial corporation and is therefore reported in the counterparty reference data record of the head office undertaking/managing financial corporation
Name **Address: street** **Address: city/town/village** **Address: county/administrative division** **Address: postal code** **Address: country**	Yes, and it refers to the foreign branch or special fund only
Legal form	For foreign branches: no, as it is reported in the counterparty reference data record of the head office undertaking (representing the legal entity to which the foreign branch belongs) For special funds: yes, and it exclusively refers to the special fund
Institutional sector **Economic activity**	Yes, and it refers to the foreign branch or special fund only
Status of legal proceedings **Date of initiation of legal proceedings**	For foreign branches: no, this information is only applicable at the legal entity level and is therefore reported in the counterparty reference data record of the head office undertaking (representing the legal entity to which the foreign branch belongs) For special funds: yes, and it exclusively refers to the special fund
Enterprise size **Date of enterprise size** **Number of employees** **Balance sheet total** **Annual turnover**	For foreign branches:, no, this information is reported in the counterparty reference data record of the head office undertaking (representing the legal entity to which the foreign branch belongs) and is calculated as specified in Annex IV to the AnaCredit Regulation For special funds: yes.

Accounting standard (only for reporting agents)	No, this information is reported in the counterparty reference data record of the head office undertaking (representing the legal entity to which the foreign branch belongs)

12.2.3 The scope of the size-related data attributes under AnaCredit

12.2.3.1 The scope of consolidation of the "enterprise size"

Revision mark: further clarifications are included concerning enterprise size in line with Q&A 2017/0001

The AnaCredit Regulation states that the enterprise size is reported in accordance with the SME classification provided in Commission Recommendation 2003/361/EC.[27]

Accordingly, in the case of an autonomous enterprise, the data used for the size classification are determined exclusively on the basis of the accounts of that enterprise (cf. Article 6(1) of the Commission Recommendation).

However, in the case of an enterprise having partner enterprises or linked enterprises, the "enterprise size" is determined on the basis of the accounts and other data of the enterprise or, where they exist, the consolidated accounts of the enterprise, or the consolidated accounts in which the enterprise is included through consolidation (cf. Article 6(2) of the Commission Recommendation).

Consequently, under AnaCredit the data attribute "enterprise size" of a counterparty is reported on the basis of the accounts of that counterparty and also considering the accounts of partner and linked enterprises.

Please also note that if the enterprise size in accordance with the SME classification provided in Commission Recommendation 2003/361/EC (i.e. also considering partner and linked enterprises) is not available to the reporting agent and is considered to be burdensome to produce, the value of the "enterprise size" is calculated on the basis of the "number of employees", "balance sheet total" and "annual turnover" of the legal entity only (i.e. with all its foreign branches but without considering partner or linked enterprises). The calculation is made by applying analogously the criteria laid down in Commission Recommendation 2003/361/EC.

12.2.3.2 The calculation of the "number of employees", "balance sheet total" and "annual turnover"

Revision mark: further clarifications are included concerning the data attributes "number of employees", "balance sheet total" and "annual turnover" in line with Q&A 2018/0046

The three "size-related" data attributes are reported on the basis of a different scope of consolidation than that envisaged for the calculation of the "enterprise size" data attribute itself.

[27] Further guidance on the definition of SME can be found in the User Guide to the SME Definition at http://ec.europa.eu/regional_policy/sources/conferences/state-aid/sme/smedefinitionguide_en.pdf

More specifically, unlike the data attribute “enterprise size” (for the calculation of which partner and linked enterprises are also considered), the data attributes “number of employees”, “balance sheet total” and “annual turnover” are calculated only in relation to the counterparty itself, i.e. without considering any partner enterprises or linked enterprises.

This means that the value reported for such data attributes, as part of the data record of the head office representing the whole legal entity (cf. Section 12.2.1), is assessed only considering the accounts of the head office (with all its domestic offices) and of all foreign branches of the legal entity (if any).

In particular, the value of the data attribute “number of employees” reported in the counterparty reference data record of the head office undertaking representing the whole legal entity is assessed taking into account the number of employees of the head office undertaking (with all its domestic offices) and of all foreign branches of the legal entity.

Please also note that these data attributes are updated whenever the reporting agent is aware of a change in them based on the latest approved accounting statement of the counterparty, and at least when a new instrument is issued vis-à-vis the counterparty.

12.3 Reporting frequency

Counterparty reference data are reported no later than the monthly transmission of credit data relevant for the reporting reference date on which the counterparty entered into a contract recorded in AnaCredit. If any changes occur, the data attributes affected are updated no later than the monthly transmission of credit data for the reporting reference date on which the change came into effect.

For details regarding the reporting frequency, please refer to Section 6.3.2 in Part I of the Manual, which deals specifically with reporting methods, frequencies and timeliness.

12.4 The counterparty reference dataset – data attributes

***Revision mark**: Section 12.4 is reorganised so that the description of each data attribute follows the standard structure: (i) definition; (ii) reporting qualification; (iii) values; and (iv) general reporting instructions, specific cases and examples*

This section provides detailed definitions and guidance on the reporting requirements related to the various reference data attributes.

The counterparty reference dataset is applicable for all counterparties which are reported in the counterparty-instrument dataset or in the protection received dataset or are affiliated with such counterparties as reported in the head office, immediate or ultimate parent undertakings.

Table 136 Overview of data attributes in the counterparty reference data

Data attribute	Internal identifier	Data type	Section in Part II
Reporting agent identifier	√	String	2.1.2.1
Counterparty identifier	√	String	2.1.2.3 and 12.4.1
Legal entity identifier (LEI)		String	12.4.2
National identifier		String	12.4.3
Head office undertaking identifier		String	12.4.4
Immediate parent undertaking identifier		String	12.4.5
Ultimate parent undertaking identifier		String	12.4.6
Name		String	12.4.7
Address: street		String	12.4.8
Address: city/town/village		String	12.4.9
Address: postal code		String	12.4.10
Address: county/administrative division		String	12.4.11
Address: country		Code list	12.4.12
Legal form		Code list	12.4.13
Institutional sector		Code list	12.4.14
Economic activity		Code list	12.4.15
Status of legal proceedings		Code list	12.4.16
Date of initiation of legal proceedings		Date	12.4.17
Enterprise size		Code list	12.4.18
Date of enterprise size		Date	12.4.19
Number of employees		Numerical value	12.4.20
Balance sheet total		Amount in euro	12.4.21
Annual turnover		Amount in euro	12.4.22
Accounting standard		Code list	12.4.23

12.4.1 Counterparty identifier

Definition: The counterparty identifier is an identifier applied by the reporting agent to uniquely identify each counterparty. Each counterparty must have a unique and exclusive counterparty identifier. This value will not change over time and can never be used as the counterparty identifier for any other counterparty.

Revision mark: editorial changes are applied

The counterparty identifier is the identifier used by the reporting agent to identify the counterparty. In general, the reporting agent specifies the counterparty identifier and ensures that it meets the above criteria.

However, in those countries where an entity register has already been established by the NCB (e.g. for the purpose of running the national credit register), a unique counterparty identifier may be assigned to each counterparty by the NCB and will be used by all reporting agents at national level.

Reporting qualification

1 The counterparty identifier is reported for all counterparties.

Values

2 Alphanumeric: a code consisting of alphabetical and numerical symbols.

General reporting instructions, specific cases and examples

Revision mark: the clarifications have been consolidated in Section 2.1.2.3

3 Please refer to Section 2.1.2.3 on general reporting instructions of the data attribute
4 "counterparty identifier".

12.4.2 Legal entity identifier (LEI)

Definition: A legal entity identifier of the counterparty assigned in accordance with the International Organization for Standardization (ISO) 17442 standard.

5 The legal entity identifier (LEI) is the counterparty identifier assigned in accordance
6 with the International Organization for Standardization (ISO) 17442 standard.

Reporting qualification

Revision mark: the clarifications are streamlined

7 A legal entity identifier (LEI) is reported for each counterparty playing any role in the
8 exposures to be reported for AnaCredit purposes, provided that an eligible LEI has
9 been assigned to the counterparty.

10 If no eligible LEI exists for a given counterparty, the data attribute "legal entity
11 identifier (LEI)" is reported as "non-applicable", while the reporting of a national
12 identifier and of the identifier type becomes mandatory for that counterparty.

Revision mark: clarification is added about the need to report LEIs once they have been assigned to foreign branches

13 Although LEIs are currently assigned only to legal entities, it is foreseen that a
14 distinct LEI will be assigned in the near future to each foreign branch, if any, of legal
15 entities. Consequently, as soon as an eligible LEI has been assigned to a foreign
16 branch, it is reported to AnaCredit.[28]

Values

17 Alphanumeric: a code consisting of alphabetical and numerical symbols.

General reporting instructions, specific cases and examples

Revision mark: further clarifications are added on eligible LEIs in line with Q&A 2017/0007 and Q&A 2018/0044

18 The unique identification of counterparties is an essential feature of AnaCredit.
19 Therefore, the LEI or, if an LEI is not available, a national identifier (cf. Section

[28] See the policy document on including data on international/foreign branches in the Global LEI System https://www.leiroc.org/publications/gls/roc_20160711-1.pdf

12.4.3) is always reported for any counterparty in addition to the counterparty identifier (cf. Section 12.4.1), unless otherwise decided by the relevant NCB.

The "registration status" of an LEI can be any of the following: annulled, cancelled, duplicate, issued, lapsed, merged, pending transfer, pending archival, pending validation, retired, transferred (for details, see the website of the General Legal Entity Identifier Foundation – GLEIF).

***Revision mark**: the set of eligible LEIs includes the registration status "retired"*

For the purpose of reporting the data attribute "LEI" under AnaCredit, the only eligible LEIs are those whose registration status is:

- *issued, lapsed, merged, retired, transferred* (which identify a legal entity even if the entity no longer exists as an operating entity);
- *pending validation, pending archival, pending transfer* (which are considered eligible, awaiting a non-pending status);

Please note that as regards LEIs with the status "merged", these are reported only for reporting reference dates preceding the time at which the entity was acquired by or merged with another entity, after which the LEI of the surviving/new legal entity is reported.

Conversely, LEIs with all other statuses are treated similarly to the case where no LEI has been assigned to the counterparty, which is why there is also a need to report a national identifier for the counterparty. This means that LEIs with the registration status *duplicate, annulled* or *cancelled* are not considered eligible as they are no longer valid.

***Revision mark**: clarification is added about the need to report LEIs once they have been assigned to foreign branches*

Although LEIs are currently assigned only to legal entities, it is foreseen that a distinct LEI will be assigned in the near future to each foreign branch, if any, of legal entities. Consequently, as soon as an eligible LEI has been assigned, to a foreign branch, it is reported to AnaCredit.[29]

12.4.3 National identifier and identifier type

Definition: A national identifier is a commonly used identification code which enables the unambiguous identification of a counterparty or of the legal entity of which the counterparty forms part within its country of residency.

***Revision mark**: further clarifications are added in line with Q&A 2018/0022*

A national identifier is a commonly used identification code which enables the unambiguous identification of a counterparty or the legal entity of which that counterparty forms part within its country of residence.

[29] See the policy document on including data on international/foreign branches in the Global LEI System https://www.leiroc.org/publications/gls/roc_20160711-1.pdf

Reporting qualification

A national identifier (code) and the corresponding identifier type are required for any counterparty, irrespective of its role in the instruments reportable to AnaCredit, if no LEI (cf. Section 12.4.2) is reported for the counterparty.

If a counterparty is not assigned any national identifier and the counterparty is resident in a country for which "not applicable" is included in the list of national identifiers, the value "not applicable" is reported in the data attribute "national identifier".

Moreover, the relevant NCB may decide not to collect a national identifier for all or some of the counterparties, e.g. in cases where this information is already available to the NCB via other sources and can be derived from the counterparty identifier, which is always reported.

Values

Alphanumeric: a code consisting of alphabetical and numerical symbols.

General reporting instructions, specific cases and examples

***Revision mark**: further clarifications are included in line with Q&A 2017/0007*

A national identifier for the counterparty is reported in cases where no LEI has been assigned to the counterparty,

For each counterparty, a national identifier from the "list of national identifiers" for the relevant country (the list of national identifiers can be found on the ECB's website[30]) is reported, together with the indication of the respective identifier type.

When more than one identifier type included in the list for the relevant country of residency is available for the counterparty, the first available identifier from the ranked list is reported.

If the only available identifier for a counterparty is not in the list of national identifiers published on the ECB's website, this "other" identifier is reported to the relevant NCB, provided that the identifier in question is publicly available, allows for the unambiguous identification of the counterparty in the country of residence and one of the following conditions is met:

a) the counterparty is resident in a country included in the list and for which the option "other" (identifier type "*XX*_OTHER_CD", where *XX* is the country) is included in the list;

b) the counterparty is resident in a country not included in the list or in any non-EU country (identifier type "GEN_OTHER_CD").

[30] https://www.ecb.europa.eu/stats/money_credit_banking/anacredit/html/index.en.html

In both cases, besides the corresponding identification code itself, a short description of the type of identifier is also reported (e.g. national tax authority registration number) to the relevant NCB.

Furthermore, irrespective of the country of residence, reporting an "other" identifier, i.e. not included in the list, although accepted in some cases (see above), is always considered as the least preferred option.

For non-EU counterparties, a generic ("GEN") identifier can always be reported even if the country is included in the list, although preference is given to one of the identifiers included in the list, where applicable.

Once an identifier type from the country list has been identified by the reporting agent and reported for the data attribute "identifier type", the corresponding code is reported (in the format indicated in the "list of national identifiers" on the ECB's website), if applicable – in the data attribute "national identifier".

The list of national identifiers includes the option "not applicable" in some countries

If the counterparty is not assigned any national identifier in its country of residency (for example, when it belongs to the public sector) and "not applicable" is included in the list of national identifiers in the country, the data attribute "national identifier" does not apply.

The list of national identifiers will be updated over time to cover new countries and/or additional identifiers, based on the experience accumulated with AnaCredit reporting. A national identifier can be reported as soon as it has been added to the list, irrespective of the reference date of the information being reported.

***Revision mark**: further clarifications and Example 90 are included in line with Q&A 2018/0022*

Where a counterparty is a foreign branch, the national identifier refers to the foreign branch; where a counterparty is not a foreign branch, the national identifier refers to the legal entity.

Please refer to Example 90 for an illustration of the reporting of the data attributes "LEI" and "national identifier" for foreign branches.

Example 90: National identifier in the case of foreign branches

The national identifier is a country-specific identifier and is provided where there is no LEI code. A commonly used identification code enables the unambiguous identification of a counterparty or the legal entity of which that counterparty forms part within its country of residence. Consider the following scenarios:

Scenario 1: Legal entity (head office undertaking of the foreign branch) has an LEI

If the counterparty is the foreign branch, the LEI of the legal entity is not reported in the counterparty reference data record of the foreign branch.

Notably, as explained in Sections 12.2.1 and 12.2.2, a distinction is made between the reference data for the counterparty itself and the reference data for the legal entity to which the foreign branch belongs. If the counterparty (i.e. the foreign branch) has its own LEI – which will become possible in the near future (cf. Section 12.4.2) – that LEI should be reported. If it has no LEI, a national identifier identifying that foreign branch is reported, using the published list of country-specific national identifiers. It is also necessary to report the counterparty identifier of the legal entity to which that foreign branch belongs (in the "head office undertaking identifier" data attribute in the counterparty reference data record of the foreign branch). When reporting counterparty reference data for the legal entity itself, either the LEI or a national identifier is reported, depending on their availability.

Scenario 2: Legal entity (head office undertaking of the foreign branch) has a register identifier and has no LEI

For example, a German company without an LEI has a branch in Denmark where the Danish CVR code or FT number are allowed as the national identifier.

In this scenario, the foreign branch and the legal entity to which the foreign branch belongs are regarded as two distinct counterparties in AnaCredit, each with its own counterparty reference data record (and its own counterparty identifier). Specifically, the Danish foreign branch has a Danish national identifier (a CVR code or an FT number), while the legal entity to which that foreign branch belongs may have a German national identifier or an LEI code.

Notably, the information on the Danish foreign branch also includes the counterparty identifier for the legal entity in Germany to which the foreign branch belongs (via the "head office undertaking identifier" data attribute).

12.4.4 Head office undertaking identifier

Definition: The head office undertaking identifier is the counterparty identifier of the domestic part of the legal entity of which the institutional unit is a legally dependent part.

The head office undertaking identifier enables a link to be established between the institutional unit and the legal entity, as represented by the head office undertaking, to which the institutional unit belongs.

Reporting qualification

A "head office undertaking identifier" is reported for each debtor (or protection provider) which is a foreign branch resident in a reporting Member State, and to which at least one instrument has been originated at or after 1 September 2018 (cf. Table 2 in Annex III to the AnaCredit Regulation).

Revision mark: further clarifications are included in line with Annex III to the AnaCredit Regulation

For other debtors and protection providers that are resident in a reporting Member State (RMS), there is a general reporting obligation. However, the relevant NCB may decide not to collect this information from individual reporting agents for some or all counterparties (cf. Table 2 in Annex III to the AnaCredit Regulation).

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

For debtors and protection providers that are not resident in an RMS, this data attribute is not required for reporting to AnaCredit. In such cases, the value "not required" is reported (cf. Table 3 in Annex III to the AnaCredit Regulation). For all other counterparty roles, regardless of the country of residence, this data attribute is not required under AnaCredit (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

Revision mark: this paragraph is moved from Section 3.4.1.2 in Part II of the Manual

It is recommended that for a counterparty that is a legal entity the counterparty identifier of the legal entity also be reported in the data attribute "head office undertaking identifier". This means that the same value is reported in the data attributes "counterparty identifier" and "head office undertaking identifier" in the counterparty reference data record of the legal entity.

Values

Alphanumeric: a code consisting of alphabetical and numerical symbols.

General reporting instructions, specific cases and examples

Revision mark: further clarifications are included in line with Sections 12.2.1 and 12.2.2

For counterparties that are foreign branches, the head office undertaking identifier enables a link to be established between the foreign branch and the legal entity to which the foreign branch belongs.

In a similar vein, for counterparties which are special funds (or sub-funds), the counterparty identifier of the managing financial corporation that manages the special fund is reported in the "head office undertaking identifier". Please refer to Section 12.2.2.2 for more information about special funds.

Repeating the counterparty identifier in the data attribute "head office undertaking identifier" for counterparties which are legal entities signals that the counterparty is a legal entity. Therefore, whenever the counterparty identifier and the head office undertaking identifier in a given counterparty reference data record coincide, the data record is considered to refer to a legal entity, not to a foreign branch. By contrast, whenever the counterparty identifier and the head office undertaking

identifier are distinct, the counterparty reference data record is considered to refer to a foreign branch or special fund (cf. Section 12.2.2).

For an illustration of the reporting of this data attribute in the case of foreign branches, please refer to Example 90.

12.4.5 Immediate parent undertaking identifier

Definition: The immediate parent undertaking identifier is the counterparty identifier for the domestic part of the legal entity which is the immediate parent undertaking of the counterparty. If the counterparty has no parent undertaking and is a domestic part of a legal entity, the counterparty identifier for the counterparty itself is to be reported. Parent undertaking has the same meaning as defined in Article 4(1)(15)(a) of Regulation (EU) No 575/2013.

The immediate parent undertaking identifier enables a link to be established between the legal entity, as represented by the head office undertaking, and its immediate parent undertaking (if any).

Revision mark: further clarifications are added concerning the immediate parent undertaking

The immediate parent undertaking of a counterparty is the undertaking which effectively and directly exercises a dominant influence over the counterparty.

Reporting qualification

The immediate parent undertaking identifier is reported for all debtors resident in a reporting Member State (RMS) to which at least one instrument has been originated at or after 1 September 2018 (cf. Table 2 in Annex III to the AnaCredit Regulation).

For other debtors and protection providers that are resident in an RMS, there is a general reporting obligation. However, the relevant NCB may decide not to collect this information for some or all counterparties from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

Revision mark: further clarifications are included in line with Annex III to the AnaCredit Regulation

For debtors and protection providers that are not resident in an RMS, this data attribute is not required (cf. Table 3 in Annex III to the AnaCredit Regulation).

For all other counterparty roles, regardless of the counterparty's country of residence, this data attribute is not required (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

Values

Alphanumeric: a code consisting of alphabetical and numerical symbols.

General reporting instructions, specific cases and examples

According to Article 4(1)(15)(a) of the CRR, “parent undertaking” means “a parent undertaking within the meaning of Articles 1 and 2 of Directive 83/349/EEC”.

Revision mark: clarifications concerning the immediate parent undertakings are added in line with Q&A 2018/0047

The immediate parent undertaking (if any) of a counterparty is the undertaking which effectively and directly exercises a dominant influence over the counterparty.

In the case of counterparties which are part of the general government, the immediate parent undertaking which belongs to the general government is reported. For more details on the definition of general government, please refer to Chapter 2 of the Annex to Regulation (EU) 549/2013.

As regards counterparties in relation to which a natural person exercises a dominant influence, the natural person does not qualify as either the immediate or ultimate parent undertaking and is consequently not reported to AnaCredit.

As the concept of immediate parent undertaking relates only to legal entities, no information on the immediate parent undertaking is recorded in the counterparty reference data of a foreign branch or special fund (cf. Section 12.2.2). In line with the general approach, the immediate parent undertaking of a foreign branch is the legal entity which is the immediate parent undertaking of the legal entity of which the foreign branch is part. Moreover, the immediate parent undertaking identifier is reported in the counterparty reference data record of the legal entity (as represented by the head office undertaking) of the foreign branch (rather than in the counterparty reference data record of the foreign branch).

If a debtor or protection provider does not have an immediate parent undertaking, the counterparty identifier of the legal entity to which the debtor or protection provider belongs is reported as the immediate parent undertaking identifier (in the data record of the head office undertaking, if the debtor is a foreign branch).

If a counterparty or protection provider has more than one immediate parent undertaking, the entity with the most significant influence over the debtor/protection provider (normally, but not necessarily, the one with the highest share of ownership) is reported as the immediate parent undertaking. If two or more undertakings have the same influence over a debtor/protection provider, only one of them, at the discretion of the reporting agent, is reported as the immediate parent undertaking.

Note that the immediate parent undertaking identifier and the respective counterparty reference data are reported irrespective of whether there is a business relationship between the observed agent and the immediate parent undertaking.

Revision remark: moved from Section 3.4.2 in Part I of the AnaCredit Manual

If the legal entity does not have an immediate parent undertaking, the counterparty identifier of the legal entity is reported as the “immediate parent undertaking identifier”.

12.4.6 Ultimate parent undertaking identifier

Definition: The ultimate parent undertaking identifier is the counterparty identifier for the domestic part of the legal entity which is the ultimate parent undertaking of the counterparty. If the counterparty has no parent undertaking, the counterparty identifier for the counterparty itself is to be reported. Parent undertaking has the same meaning as defined in Article 4(1)(15)(a) of Regulation (EU) No 575/2013.

The ultimate parent undertaking identifier enables a link to be established between the legal entity, as represented by the head office undertaking, and its ultimate parent undertaking (if any).

The ultimate parent undertaking of a counterparty is the undertaking which effectively exercises, directly or indirectly, the ultimate dominant influence over the counterparty.

Reporting qualification

The ultimate parent undertaking identifier is reported for all debtors resident in a reporting Member State (RMS) to which at least one instrument has been originated at or after 1 September 2018 (cf. Table 2 in Annex III to the AnaCredit Regulation).

For other debtors and protection providers that are resident in an RMS, there is a general reporting obligation. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

For debtors and protection providers that are not resident in an RMS, this data is not required (cf. Table 3 in Annex III to the AnaCredit Regulation).

For all other counterparty roles, regardless of the country of residence, this data attribute is not required (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

When this data attribute is not required by the relevant NCB, the value “not required” is reported.

Values

Alphanumeric: a code consisting of alphabetical and numerical symbols.

General reporting instructions, specific cases and examples

According to Article 4(1)(15)(a) of the CRR “parent undertaking” means “a parent undertaking within the meaning of Articles 1 and 2 of Directive 83/349/EEC”.

Revision mark: clarifications concerning the ultimate parent undertakings are added in line with Q&A 2018/0047

The ultimate parent undertaking (if any) of a counterparty is the undertaking which effectively exercises, directly or indirectly, the ultimate dominant influence over the counterparty.

In the case of counterparties which are part of the general government, the ultimate parent undertaking which belongs to the general government is reported. For more details on the definition of general government, please refer to Chapter 2 of the Annex to Regulation (EU) 549/2013.

As regards counterparties in relation to which a natural person exercises a dominant influence, the natural person does not qualify as either the immediate or ultimate parent undertaking and is consequently not reported to AnaCredit.

As the concept of ultimate parent undertaking relates only to legal entities, no information on the ultimate parent undertaking is recorded in the counterparty reference data of a foreign branch or special fund (cf. Section 12.2.2). In line with the general approach, the ultimate parent undertaking of a foreign branch is the legal entity which is the ultimate parent undertaking of the legal entity of which the foreign branch is part. Moreover, the ultimate parent undertaking identifier is reported in the counterparty reference data record of the legal entity (as represented by the head office undertaking) of the foreign branch (rather than in the counterparty reference data record of the foreign branch).

In the context of AnaCredit, a legal entity is uniquely identified by the counterparty identifier of the head office undertaking

If a debtor or a protection provider does not have an ultimate parent undertaking, the counterparty identifier of the legal entity to which the debtor or protection provider belongs is reported as the ultimate parent undertaking identifier (in the data record of the head office undertaking, if the debtor is a foreign branch).

Note that the ultimate parent undertaking identifier and the respective counterparty reference data report are reported irrespective of whether there is a business relationship between the observed agent and the ultimate parent undertaking.

***Revision mark**: moved from Section 3.4.3 in Part I of the Manual*

If the legal entity does not have an ultimate parent undertaking, the counterparty identifier of the legal entity is reported as the “ultimate parent undertaking identifier”.

12.4.7 Name

Definition: The full legal name of the counterparty.

Each counterparty has a full legal name.

Reporting qualification

The name is reported for all counterparties irrespective of their role and of the country of residency. It also applies to foreign branches and special funds.

Values

String of characters: a finite sequence of characters.

General reporting instructions, specific cases and examples

The name is reported in accordance with the information contained in the national business register, when applicable. No translation from the original national language is required, unless otherwise decided by the relevant NCB.

For a legal entity, the name registered upon incorporation is reported.

For counterparties which are not registered (e.g., in some countries, public sector entities and associations) and can therefore have multiple names that are all equally valid, the name in the language of the country where the counterparty is resident is reported.

12.4.8 Address: street

Definition: The counterparty's street address, including the street number.

It is the name of the street and the street number (i.e. house or building number) of the premises where the counterparty is officially located (e.g. in accordance with the business register if applicable).

Reporting qualification

Revision mark: editorial changes are applied

This data attribute is reported for all counterparties, irrespective of the country of residency. While a general reporting obligation also applies for servicers, the relevant NCB may decide not to collect this information from individual reporting agents.

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

Values

String of characters: a finite sequence of characters, where the street name is followed by the street number (including the subsection or floor number, if applicable).

General reporting instructions, specific cases and examples

The address is reported in line with the residency of the counterparty according to Article 1(4) of Regulation (EC) No 2533/98.

It is the name of the street and the street number (including the subsection or floor number, e.g. 1/E, where relevant) of the premises where the counterparty is registered, e.g. in accordance with the business register, if applicable. If deemed feasible, the two fields are preferably separated by a comma (",") and are reported in the following order: street name, street number.

Revision mark: the clarifications concerning foreign branches are streamlined, taking into consideration the general explanations provided in Section 12.2.2.3

The street address of a foreign branch differs from that of the legal entity to which it belongs (cf. Section 12.2.2.3 which deals with the applicability and scope of the counterparty reference data attributes for foreign branches and special funds).

12.4.9 Address: city/town/village

Definition: The counterparty's city, town or village.

This is the name of the place (i.e. the city, town or village) where the counterparty is officially located (e.g. in accordance with the business register if applicable).

Reporting qualification

This data attribute is reported for all counterparties, irrespective of the country of residency. While a general reporting obligation also applies for servicers, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

Values

String of characters: a finite sequence of characters.

General reporting instructions, specific cases and examples

The address is reported in line with the residency of the institutional unit according to Article 1(4) of Regulation (EC) No 2533/98.

Revision mark: the clarifications concerning foreign branches are streamlined, taking into consideration the general explanations provided in Section 12.2.2.3

The city, town or village of residency of a foreign branch differs from the address of the legal entity to which it belongs (cf. Section 12.2.2.3 which deals with the applicability and scope of counterparty reference data attributes for foreign branches and special funds).

12.4.10 Address: postal code

Definition: The counterparty's postal code.

This is the postal code of the place (the area in the city, town or village) where the counterparty is officially located (e.g. in accordance with the business register if applicable).

Reporting qualification

This data attribute is reported for all counterparties, irrespective of the country of residency. While a general reporting obligation also applies for servicers, the relevant

NCB may decide not to collect this information from individual reporting agents (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

When this data attribute is not required by the relevant NCB, the value “not required” is reported.

If no postal code is in use in the counterparty’s country, the value “non-applicable” is reported.

Values

Alphanumeric: a code consisting of alphabetical and numerical symbols.

General reporting instructions, specific cases and examples

The address is reported in line with the residency of the institutional unit according to Article 1(4) of Regulation (EC) No 2533/98.

Revision mark: the clarifications concerning foreign branches are streamlined, taking into consideration the general explanations provided in Section 12.2.2.3

The postal code of a foreign branch differs from that of the legal entity to which it belongs (cf. Section 12.2.2.3 which deals with the applicability and scope of counterparty reference data attributes for foreign branches and special funds).

12.4.11 Address: county/administrative division

Definition: The county or similar administrative division of counterparties resident in European Union Member States.

This is the county/administrative division (NUTS 3 classification) of the place (the city, town or village) where the counterparty is officially located (e.g. in accordance with the business register, if applicable).

Reporting qualification

This data attribute is reported for all counterparties resident in a reporting Member State (RMS). While a general reporting obligation also applies for servicers resident in an RMS, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

When this data attribute is not required by the relevant NCB, the value “not required” is reported.

There is no obligation to report the county/administrative division for counterparties not resident in an RMS. In these cases, the value “not required” is reported (cf. Table 3 in Annex III to the AnaCredit Regulation).

Values

String of characters: NUTS 3 regions.

General reporting instructions, specific cases and examples

The address is reported in line with the residency of the institutional unit according to Article 1(4) of Regulation (EC) No 2533/98.

Revision mark: the clarifications concerning foreign branches are streamlined, taking into consideration the general explanations provided in Section 12.2.2.3

The county/administrative division of a foreign branch differs from the one of the legal entity to which it belongs (cf. Section 12.2.2.3 which deals with the applicability and scope of counterparty reference data attributes for foreign branches and special funds).

For counterparties resident in the European Union, the Nomenclature of Units for Territorial Statistics (NUTS) applies. This is a hierarchical geocode standard for referencing the subdivisions of countries for statistical purposes, developed and regulated by the European Union.

For each EU Member State, a hierarchy of three NUTS levels is established by Eurostat. The subdivisions in some levels do not necessarily correspond to administrative divisions within the country.

Revision mark: clarifications on the use of external code lists are included in line with Section 2.4

For more information about the use of NUTS 3 codes, including their versioning, please refer to Section 2.4.

Revision mark: clarifications are included in line with Q&A 2018/0048

As in the case of the data attribute "real estate collateral location" (cf. Section 9.4.7), the information on NUTS 3 regions is derived centrally by the ECB on the basis of the postal code of the counterparty, according to the information available on the Eurostat website[31], and the data attribute "address: county/administrative division" need not be reported to AnaCredit, provided that the postal code is reported. However, if reporting agents opt to report the data attribute "address: county/administrative division", please note that the current NUTS 3 classification came into effect on 1 January 2018. Accordingly, for reporting reference dates from 1 January 2018 onwards, this data attribute is based on the amended classification (cf. Section 2.4). Therefore, the data attribute "address: county/administrative division" is reported only when the information about the postal code of the counterparty is not reported, while it is reported as "not required" when a postal code is reported.

12.4.12 Address: country

Definition: The counterparty's country.

This is the country of the place (the city, town or village) where the counterparty is officially located (e.g. in accordance with the business, register if applicable).

[31] http://ec.europa.eu/eurostat/tercet/flatfiles.do

Reporting qualification

This data attribute is reported for all counterparties, irrespective of the country of residency. While a general reporting obligation also applies for servicers, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

When this data attribute is not required by the relevant NCB, the value “not required” is reported.

Values

ISO 3166-1 alpha-2 codes: ISO 3166-1 alpha-2 code of the country.

General reporting instructions, specific cases and examples

The address is reported in line with the residency of the institutional unit according to Article 1(4) of Regulation (EC) No 2533/98.

Revision mark: the clarifications concerning foreign branches are streamlined, taking into consideration the general explanations provided in Section 12.2.2.3

The country of residency of a foreign branch differs from that of the legal entity to which it belongs (cf. Section 12.2.2.3 which deals with the applicability and scope of counterparty reference data attributes for foreign branches and special funds).

Revision mark: further clarifications concerning ISO country codes are included in line with Q&A 2017/0004

For counterparties located in a country that has a specific, separate alpha-2 code in the ISO 3166 standard, the specific two-letter code of the country is reported. This also applies to cases where the country is a subdivision of another country (in which case, the country code of the subdivision is reported, rather than the country code of the other country). Please refer to Example 69 for an illustration of the reporting of ISO country codes.

Revision mark: clarifications on the use of external code lists are included in line with Q&A 2017/0005

For more information about the use of ISO country codes, including their versioning, please refer to Section 2.4.

12.4.13 Legal form

Definition: The type of business entity as defined in the national legal system.

The type of business entity as defined in the national legal system is reported in this data attribute. Depending on the country of residency of the counterparty, the list of admissible options is presented in the “list of legal forms” (the list of legal forms can be found on the ECB’s website[32]).

Reporting qualification

This data attribute is reported for all counterparties, irrespective of the country of residency. While a general reporting obligation also applies for servicers, the relevant

[32] https://www.ecb.europa.eu/stats/money_credit_banking/anacredit/html/index.en.html

NCB may decide not to collect this information from individual reporting agents (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

Values

Revision mark: editorial changes are applied

This is a value from the "list of the legal forms" (see the list of legal forms on the ECB's website) available in the country of residency of the counterparty (or of the legal entity in the case of foreign branches).

In addition to the country-specific legal forms, legal entities resident in any country of the European Union can also have one of the following European legal forms, i.e.:

- European Company (SE);
- European Cooperative Society (SCE);
- European Economic Interest Grouping (EEIG);
- European Grouping of Territorial Cooperation (EGTC).

For legal entities resident outside the European Union, one of the following options is reported (i.e. the one that best represents the country-specific legal form of that particular counterparty):

- corporation;
- cooperative;
- partnership;
- sole trader;
- limited liability company;
- other.

General reporting instructions, specific cases and examples

A list of legal forms applicable in the country of residency of (the head office undertaking of) the counterparty is provided in the "list of legal forms" (see the list of legal forms on the ECB's website).

Revision mark: the clarifications concerning foreign branches are streamlined, taking into consideration the general explanations provided in Section 12.2.2.3

This data attribute is applicable only at the legal entity level, which impacts on the reporting in the case of foreign branches (cf. Section 12.2.2.3 which deals with the applicability and scope of counterparty reference data attributes for foreign branches and special funds).

Revision mark: further clarifications are included concerning reporting in the case of special funds in line with Q&A 2018/0025

Although special funds are treated similarly to foreign branches for AnaCredit reporting purposes, the data attribute "legal form" is also reported in the counterparty reference data record of the special fund (i.e. as opposed to in the counterparty reference data record of the managing company only). In particular, the value

"special fund" is reported in the counterparty reference data record of the special fund.

12.4.14 Institutional sector

Definition: Institutional sectors in accordance with Regulation (EU) No 549/2013, Regulation (EU) No 575/2013 and Regulation (EU) No 1075/2013 of the European Central Bank (ECB/2013/40).

The institutional sector refers exclusively to the institutional unit. Therefore, in the case of a legal entity which has foreign branches, a distinct value for the "institutional sector" is potentially reported in the reference data record of the head office undertaking (representing the legal entity) and in the reference data records of the foreign branches.

Reporting qualification

This data attribute is reported for all counterparties, irrespective of the country of residency. While a general reporting obligation also applies for servicers, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Tables 2 and 3 in Annex III to the AnaCredit Regulation).

Revision mark: clarification is included concerning the use of "not required"

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

Values

The following table lists the applicable institutional sectors:

Table 137 List of applicable institutional sectors

Institutional sector	Definition
Non-financial corporations	Non-financial corporations as defined in paragraphs 2.45 to 2.50 of Annex A to Regulation (EU) No 549/2013.
Central Bank	Central banks as defined in paragraphs 2.72 to 2.74 of Annex A to Regulation (EU) No 549/2013.
Credit institutions	Credit institutions as defined in Article 4(1)(1) of Regulation (EU) No 575/2013.
Deposit-taking corporations other than credit institutions	Deposit-taking corporations other than credit institutions as defined in Article 1(a)(2)(a)(ii) of Regulation (EU) No 1071/2013 (ECB/2013/33).
Money market funds (MMF)	Money market funds (MMF) as defined in Article 2 of Regulation (EU) No 1071/2013 (ECB/2013/33).
Non-MMF investment funds	Non-MMF investment funds as defined in paragraphs 2.82 to 2.85 of Annex A to Regulation (EU) No 549/2013.
Financial vehicle corporations (FVCs) engaged in securitisation transactions	FVCs engaged in securitisation transactions, as defined in Article 1(1) and (2) of Regulation (EU) No 1075/2013 (ECB/2013/40).
Other financial intermediaries, except financial auxiliaries, captive financial institutions and money lenders, insurance corporations, pension funds and financial vehicle corporations engaged in securitisation transactions	Other financial intermediaries, except financial auxiliaries, captive financial institutions and money lenders, insurance corporations and pension funds, as defined in paragraph 2.86 of Annex A to Regulation (EU) No 549/2013 and excluding FVCs engaged in securitisation transactions, as defined in Article 1(1) and (2) of Regulation (EU) No 1075/2013 (ECB/2013/40).
Financial auxiliaries	Financial auxiliaries as defined in paragraph 2.63 of Annex A to Regulation (EU) No 549/2013.
Captive financial institutions and money lenders	Captive financial institutions and money lenders as defined in paragraphs 2.98 to 2.99 of Annex A to Regulation (EU) No 549/2013.
Insurance corporations	Insurance corporations as defined in paragraphs 2.100 to 2.104 of Annex A to Regulation (EU) No 549/2013.
Pension funds	Pension funds as defined in paragraphs 2.105 to 2.110 of Annex A to Regulation (EU) No 549/2013.
Central government	Central government as defined in paragraph 2.114 of Annex A to Regulation (EU) No 549/2013.
State government	State government as defined in paragraph 2.115 of Annex A to Regulation (EU) No 549/2013.
Local government	Local government as defined in paragraph 2.116 of Annex A to Regulation (EU) No 549/2013.
Social security funds	Social security funds as defined in paragraph 2.117 of Annex A to Regulation (EU) No 549/2013.
Non-profit institutions serving households	Non-profit institutions serving households, as defined in paragraphs 2.129 to 2.130 of Annex A to Regulation (EU) No 549/2013.

General reporting instructions, specific cases and examples

The institutional sector always refers to the institutional unit, not to the legal entity of which it forms part. Hence, it is also reported for foreign branches and special funds. Usually, although not always, the head office undertaking and the foreign branches of a single legal entity have the same institutional sector.

For the reporting agent, the institutional sector of the legal entity (represented by the head office undertaking) and of its foreign branches is always “Credit institutions”.

Special funds belong either to the institutional sector “Money market funds (MMF)” (ESA 2010, S.123) or “Non-MMF investment funds” (ESA 2010, S.124)[33].

Please refer to Section 12.2.2.3 for information about the applicability and scope of this data attribute for foreign branches and special funds.

12.4.15 Economic activity

Definition: Economic activity is a classification of counterparties according to their economic activities, in accordance with the NACE revision 2 statistical classification as laid down in Regulation (EC) No 1893/2006 of the European Parliament and of the Council.

This data attribute is a statistical classification of the economic activity of the counterparty as established in accordance with Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

Reporting qualification

The economic activity is reported for all creditors, debtors, head office undertakings and immediate parent undertakings resident in a reporting Member State. A general reporting obligation applies for protection providers, ultimate parent undertakings, originators and servicers resident in a reporting Member State. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

A general reporting obligation also applies for the economic activity of creditors, debtors, protection providers, head office undertakings, immediate and ultimate parent undertakings, originators and servicers not resident in a reporting Member State. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 3 in Annex III to the AnaCredit Regulation).

[33] See the European System of Accounts (ESA 2010).

Revision mark: clarification is included concerning the use of "not required"

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

In the case of reporting agents and observed agents resident in a reporting Member State, the value "not required" is reported.

Values

NACE code: a level two, three or four NACE code in accordance with Regulation (EC) No 1893/2006.

General reporting instructions, specific cases and examples

The level four NACE code in accordance with Regulation (EC) No 1893/2006 is generally reported. If the level four NACE code is not available to the reporting agent, the NCB may allow the reporting of a level three or level two NACE code.

The economic activity always refers to the institutional unit, not to the legal entity of which it forms part. Hence, it is also reported for foreign branches and special funds. In addition, the economic activity of a foreign branch can be different from that of its head office undertaking.

If a counterparty is engaged in several activities, the principal activity is taken into account when determining the economic activity to be reported.

Revision mark: clarification is added that there is no link between "economic activity" and "institutional sector"

Unless the value "not required" is reported, a NACE code is reported for all counterparties irrespective of whether they are (part of) incorporated enterprises, sole proprietors or government. Please refer to NACE Rev.2 Manual[34] for more information.

12.4.16 Status of legal proceedings

Definition: The status of legal proceedings covers the categories describing a counterparty's legal status in relation to its solvency based on the national legal framework. The NCB should transpose these values (listed below) into the national legal framework.

In due course, a reference table will be prepared by each NCB to facilitate the interpretation and comparison of these values across countries.

Reporting qualification

This data attribute is reported for all debtors resident in a reporting Member State to which at least one instrument has been originated at or after 1 September 2018.

[34] The NACE Rev.2 Manual is available at https://ec.europa.eu/eurostat/documents/3859598/5902521/KS-RA-07-015-EN.PDF.

A general reporting obligation applies for other debtors, protection providers, head office undertakings, immediate and ultimate parent undertakings, originators and servicers resident in a reporting Member State. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

In the case of reporting agents, observed agents and creditors resident in an RMS, the value "not required" is reported.

This data attribute is not required for counterparties not resident in an RMS. A general reporting obligation only applies for debtors not resident in an RMS to which at least one instrument has been originated at or after 1 September 2018, and for protection providers. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 3 in Annex III to the AnaCredit Regulation).

Revision mark: clarification is included concerning the use of "not required"

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

Values

One of the following values is reported in the data attribute "Status of legal proceedings".

Table 138 Values of the data attribute "status of legal proceedings"

Status of legal proceedings	Description
No legal actions taken	is reported if no legal actions have been taken concerning the solvency or indebtedness of a counterparty.
Under judicial administration, receivership or similar measures	is reported if any proceedings have been taken involving the intervention of a judicial body or similar aimed at reaching a refinancing agreement among the creditors, with the exception of any bankruptcy or insolvency proceedings.
Bankruptcy/insolvency	is reported if collective and binding bankruptcy or insolvency proceedings under judicial control have taken place, which entail the partial or total divestment of a counterparty and the appointment of a liquidator.
Other legal measures	is reported if legal measures other than those already specified have been applied in relation to the counterparty.

General reporting instructions, specific cases and examples

This data attribute is intended to contain, to the extent possible, "objective" information, i.e. information that represents the actual situation of the counterparty at a given point in time and is independent of the specific observed agent reporting it.

A value other than "no legal actions taken" is thus not only to be reported if the respective observed agent has taken some form of legal action, but also when the reporting agent is aware that some sort of legal action has been taken against the counterparty by a third party (e.g. by a distinct reporting agent).

Revision mark: further clarifications are included about the applicability and scope of counterparty reference data attributes for foreign branches and special funds

Moreover, as the attribute relates directly to the legal entity, it is only reported in the counterparty reference data record of the head office undertaking (which represents the legal entity). Consequently, in the case of foreign branches, the value "non-applicable" is reported in the respective reference data record. Nevertheless, for special funds, a value other than "non-applicable" is reported because the solvency of a special fund is independent of the solvency of the managing financial corporation that manages it. Please refer to Section 12.2.2.3 for more information about the applicability and scope of counterparty reference data attributes for foreign branches and special funds).

12.4.17 Date of initiation of legal proceedings

Definition: The date on which the legal proceedings, as reported under the attribute "status of legal proceedings", were initiated. This date should be the most recent relevant date prior to the reporting date.

This data attribute captures the date when the information reported in the data attribute "status of legal proceedings" is considered to have been initiated, irrespective of whether the legal proceedings were initiated by the reporting agent or by a third party.

Reporting qualification

Revision mark: clarifications are included on the reporting qualification in line with Section 12.4.16

This data attribute is reported for all debtors resident in a reporting Member State to which at least one instrument has been originated at or after 1 September 2018.

A general reporting obligation applies for other debtors, protection providers, head office undertakings, immediate and ultimate parent undertakings, originators and servicers resident in a reporting Member State. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

In the case of reporting agents, observed agents and creditors resident in an RMS, the value "not required" is reported.

This data attribute is not required for counterparties not resident in an RMS. A general reporting obligation only applies for debtors not resident in an RMS to which at least one instrument has been originated at or after 1 September 2018, and for protection providers. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 3 in Annex III to the AnaCredit Regulation).

Revision mark: clarification is included concerning the use of "not required"

When the data attribute "status of legal proceedings" is reported with the value "not required", "not required" is also reported in the data attribute "date of initiation of legal proceedings".

Values

This data attribute is reported as a date indicating the day, month and year on which the status as reported in the data attribute “status of legal proceedings” is considered to have been initiated.

General reporting instructions, specific cases and examples

If the value for a counterparty of the data attribute “status of legal proceedings” has been “no legal actions taken” from the inception date, then “non-applicable” is reported in the data attribute “Date of initiation of legal proceedings”.

If the status has a value other than “no legal actions taken”, the date that is reported is the date on which the status is considered to have arisen.

If the status changes from any other status to “no legal actions taken” (e.g. because the counterparty has recovered following a period where it was under judicial administration), the date of such a change is reported in the data attribute “Date of initiation of legal proceedings”. If the latter date is before the first reporting reference date, “non-applicable” is reported in this data attribute.

12.4.18 Enterprise size

Definition: The classification of enterprises by size, in accordance with the Annex to Commission Recommendation 2003/361/EC.

This data attribute classifies counterparties which are enterprises by size.

Reporting qualification

This attribute is reported for all debtors resident in a reporting Member State (RMS) to which at least one instrument has been originated at or after 1 September 2018.

A general reporting obligation applies for other debtors, protection providers, head office undertakings, immediate and ultimate parent undertakings, originators and servicers resident in an RMS. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

In the case of reporting agents, observed agents and creditors resident in an RMS, the value “not required” is reported.

A general reporting obligation only applies for debtors not resident in an RMS to which at least one instrument has been originated at or after 1 September 2018, and for protection providers. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 3 in Annex III to the AnaCredit Regulation).

Revision mark: clarification is included concerning the use of "not required"

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

Values

One of the following values is reported in the data attribute "Enterprise size"

Table 139 Values of the data attribute "enterprise size"

Enterprise size	Description
Large enterprise	is reported if the counterparty is an enterprise not qualifying as a micro, small or medium-sized enterprise (SME), in accordance with the Annex to Recommendation 2003/361/EC
Medium enterprise	is reported if the counterparty is an enterprise qualifying as an SME, but not as a small enterprise or as a microenterprise, in accordance with the Annex to Recommendation 2003/361/EC
Small enterprise	is reported if the counterparty is an enterprise qualifying as a small enterprise, in accordance with the Annex to Recommendation 2003/361/EC
Microenterprise	is reported if the counterparty is an enterprise qualifying as a microenterprise in accordance with the Annex to Recommendation 2003/361/EC

General reporting instructions, specific cases and examples

Revision mark: the clarifications are streamlined in line with Q&A 2017/0001 and also taking into consideration the explanations in Section 12.2.3

For information regarding the scope of consolidation for the reporting of this data attribute, please refer to Section 12.2.3.1.

This data attribute is only applicable to enterprises, as defined in Article 1 of the Annex to Commission Recommendation 2003/361/EC: "an enterprise is considered to be any entity engaged in an economic activity, irrespective of its legal form. This includes, in particular, self-employed persons and family businesses engaged in craft or other activities, and partnerships or associations."

This means that this data attribute is not applicable for counterparties which are not engaged in any economic activity, such as general government units. In such cases, the value "non-applicable" is reported in the data attribute "enterprise size".

Moreover, the enterprise size is reported in the counterparty reference data record of the head office undertaking. Please refer to Section 12.2.2.3 for more information about the applicability and scope of this data attribute for foreign branches and special funds. Consequently, in the case of foreign branches and special funds, the value "non-applicable" is reported.

The classification of the enterprise size is performed in accordance with Article 2 of the Annex to Recommendation 2003/361/EC, taking into account the staff headcount and financial ceilings as follows:

1. the category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual

turnover not exceeding €50 million, and/or an annual balance sheet total not exceeding €43 million;[35]

2. within the SME category, a small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed €10 million;

3. within the SME category, a microenterprise is defined as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed €2 million.

Please note that the these definitions of enterprise size deviate from the definition of SMEs subject to the reduction factor for capital requirements according to Article 501(2)(b) of the CRR, which states that only the annual turnover is taken into account.

According to Article 4 of the Annex to Commission Recommendation 2003/361/EC, the data to apply to the headcount of staff and the financial amounts are those relating to the latest approved accounting period and are calculated on an annual basis. They are taken into account from the date of closure of the accounts. In the case of newly established enterprises, whose accounts have not yet been approved, the data to apply are derived from a *bona fide* estimate made in the course of the financial year.

All the parameters used in the calculation of the enterprise size (number of employees, annual turnover and balance sheet total) refer to the same year. When this is not the case, the enterprise size is reported for the last year for which all parameters are available.

Table 140 illustrates the reporting of the data attribute “enterprise size” by means of a set of examples.

Table 140 Application of the reporting principles when establishing enterprise size: example

Unit	Number of employees	Annual turnover (EUR millions)	Balance sheet total (EUR millions)	Enterprise size in accordance with Annex to Recommendation 2003/361/EC	Report of
Legal entity A	**220**	**8**	**20**	**Medium enterprise**	**Head office/ Legal entity**
Head office A	216	6	15	Not to be taken into account	-
Foreign branch B in RMS	3	1	2	Not to be taken into account	-
Foreign branch C not in RMS	1	1	3	Not to be taken into account	-
Legal entity B	**40**	**8**	**8**	**Small enterprise**	**Head office/ Legal entity**
Head office A	36	6	3	Not to be taken into account	-

[35] Please note that in accordance with the User guide to the SME Definition, meeting one of the two conditions is sufficient to qualify as an SME, provided that the headcount condition is fulfilled.

Unit	Number of employees	Annual turnover (EUR millions)	Balance sheet total (EUR millions)	Enterprise size in accordance with Annex to Recommendation 2003/361/EC	Report of
Foreign branch B in RMS	3	1	2	Not to be taken into account	-
Foreign branch C not in RMS	1	1	3	Not to be taken into account	-
Managing financial corporation C	**5**	**1**	**1**	**NA**	**Head office/ Legal entity**
Special fund A in RMS	NA	NA	NA	NA	-
Special fund B not in RMS	NA	NA	NA	NA	-
Public legal entity D	**75**	**20**	**5**	**NA**	**NA**

12.4.19 Date of enterprise size

Definition: The date to which the value provided in the "enterprise size" refers. This is the date of the latest data used to classify or review the classification of the enterprise.

This data attribute represents the date to which the data used to establish the enterprise size of a counterparty refer.

Reporting qualification

This attribute is reported for all debtors resident in a reporting Member State (RMS) to which at least one instrument has been originated at or after 1 September 2018.

A general reporting obligation applies for other debtors, protection providers, head office undertakings, immediate and ultimate parent undertakings, originators and servicers resident in an RMS. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

Revision mark: clarification is included concerning the use of "not required"

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

In the case of reporting agents, observed agents and creditors resident in an RMS, the value "not required" is reported.

This attribute is not reported for counterparties which are not resident in an RMS (cf. Table 3 in Annex III to the AnaCredit Regulation).

Values

This is the day, month and year to which the enterprise size refers.

General reporting instructions, specific cases and examples

The date of enterprise is the date to which the value provided in the “enterprise size” refers.

If the value “non-applicable” is reported for the data attribute “enterprise size”, the value “non-applicable” is also reported in the data attribute “date of enterprise size” (please refer to Section 12.2.2.3 for more information about the applicability and scope of this data attribute for foreign branches and special funds).

12.4.20 Number of employees

Definition: Number of employees working for the counterparty, in accordance with Article 5 of the Annex to Recommendation 2003/361/EC.

This data attribute represents the staff headcount of a counterparty.

Reporting qualification

This attribute is reported for all debtors resident in a reporting Member State (RMS) to which at least one instrument has been originated at or after 1 September 2018.

A general reporting obligation applies for other debtors, protection providers, head office undertakings, immediate and ultimate parent undertakings, and originators resident in an RMS. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

Revision mark: clarification is included concerning the use of “not required”

When this data attribute is not required by the relevant NCB, the value “not required” is reported.

In the case of reporting agents, observed agents, creditors and servicers resident in an RMS, the value “not required” is reported.

This data attribute is not reported for counterparties which are not resident in an RMS (cf. Table 3 in Annex III to the AnaCredit Regulation).

Values

Numerical: a non-negative number.

General reporting instructions, specific cases and examples

Revision mark: the clarifications are streamlined in line with Q&A 2018/0046 and also taking into consideration the explanations in Section 12.2.3

For information regarding the scope of the consolidation for the reporting of the “number of employees”, “balance sheet total” and “annual turnover”, please refer to Section 12.2.3.2.

For an illustration of the calculation of the number of employees for a legal entity with foreign branches, please refer to Example 91.

If a counterparty is a foreign branch or special fund, “non-applicable” is reported (please refer to Section 12.2.2.3 for more information about the applicability and scope of this data attribute for foreign branches and special funds).

Please note that the “number of employees” of the counterparty is equivalent to the concept of “staff headcount” described in Article 5 of Recommendation 2003/361/EC.

Revision mark: clarification is added concerning counterparties that are not enterprises

Accordingly, the “number of employees” is applicable only to enterprises. This means that the data attribute “number of employees” is not applicable for counterparties which are not enterprises, such as general government units not engaged in any economic activity. In such cases, the value “non-applicable” is reported.

Moreover, the data applicable to the staff headcount are those relating to the latest approved accounting period and are calculated on an annual basis. They are taken into account from the date of closure of the accounts. In the case of newly established enterprises, whose accounts have not yet been approved, the applicable data are to be derived from a *bona fide* estimate made in the course of the financial year.

Revision mark: further clarifications are added regarding the calculation of the headcount in line with Commission Recommendation 2003/361/EC

According to Article 5 of the Annex to Commission Recommendation 2003/361/EC, “the headcount corresponds to the number of annual work units (AWU), i.e. the number of persons who worked full-time within the enterprise in question or on its behalf during the entire reference year under consideration. The work of persons who have not worked the full year, the work of those who have worked part-time, regardless of duration, and the work of seasonal workers are counted as fractions of AWU.”

This data attribute is updated whenever the reporting agent is aware of a change in the counterparty’s number of employees (based on the latest approved accounting statement), and at least when a new instrument is issued vis-à-vis the counterparty.

Example 91: The number of employees of a debtor

A legal entity L, resident in a reporting Member State, has two foreign branches. Additionally, the legal entity has one subsidiary (i.e. another legal entity controlled by L). The legal entity employs 1,000 employees in the country of the head office, while the two foreign branches have 100 and 200 employees, respectively. The subsidiary has 500 employees.

The legal entity is a debtor to an instrument reported in AnaCredit. Therefore, the counterparty reference data report of the debtor includes the number of employees.

The value to be reported in the data attribute “number of employees” in the counterparty reference data of the head office undertaking (representing the counterparty L) is equal to 1,300 (adding up the employees of the domestic part and of the two foreign branches, while not including the subsidiary).

12.4.21 Balance sheet total

Definition: The carrying value of the counterparty's total assets in accordance with Regulation (EU) No 549/2013.

This data attribute measures the balance sheet of the counterparty.

Reporting qualification

This attribute is reported for all debtors resident in a reporting Member State (RMS) to which at least one instrument has been originated at or after 1 September 2018.

A general reporting obligation applies for other debtors, protection providers, head office undertakings, immediate and ultimate parent undertakings, and originators resident in an RMS. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

Revision mark: clarification is included concerning the use of "not required"

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

In the case of reporting agents, observed agents, creditors and servicers resident in an RMS, the value "not required" is reported.

This attribute is not reported for counterparties which are not resident in an RMS (cf. Table 3 in Annex III to the AnaCredit Regulation).

Values

The carrying value of the counterparty's total assets referring to the latest approved accounting period of the legal entity is reported. This amount is reported in euro. Foreign currency amounts are converted into euro at the respective ECB euro foreign exchange reference rate (i.e. the mid-rate) on the relevant reference date. For more details regarding the relevant date, please refer to Section 2.3.

General reporting instructions, specific cases and examples

Revision mark: the clarifications are streamlined in line with Q&A 2018/0046 and also taking into consideration the explanations in Section 12.2.3

For information regarding the scope of the consolidation for the reporting of the "number of employees", "balance sheet total" and "annual turnover", please refer to Section 12.2.3.2.

The "balance sheet total" is applicable only to enterprises.

As explained for the data attribute "number of employees", according to Article 4 of the Annex to Commission Recommendation 2003/361/EC, the data to apply to the balance sheet total are those relating to the latest approved accounting period and are calculated on an annual basis. They are taken into account from the date of closure of the accounts. In the case of newly established enterprises, whose accounts have not yet been approved, the applicable data are to be derived from a *bona fide* estimate made in the course of the financial year.

The data attribute "balance sheet total" is reported in relation to the legal entity and not in relation to the institutional units that are part of the legal entity

If a counterparty is a foreign branch or special fund, "non-applicable" is reported (please refer to Section 12.2.2.3 for more information about the applicability and scope of this data attribute for foreign branches and special funds).

This data attribute is updated whenever the reporting agent is aware of a change in the counterparty's balance sheet total (as based on the latest approved accounting statement), and at least when a new instrument is issued vis-à-vis the counterparty.

12.4.22 Annual turnover

Definition: The annual sales volume net of all discounts and sales taxes of the counterparty in accordance with Recommendation 2003/361/EC. It is equivalent to the concept of "total annual sales" in Article 153(4) of Regulation (EU) No 575/2013.

This data attribute represents the annual turnover (sales) of a counterparty.

Reporting qualification

This attribute is reported for all debtors resident in a reporting Member State (RMS) to which at least one instrument has been originated at or after 1 September 2018.

A general reporting obligation applies for other debtors, protection providers, head office undertakings, immediate and ultimate parent undertakings, and originators resident in an RMS. However, the relevant NCB may decide not to collect this information from individual reporting agents (cf. Table 2 in Annex III to the AnaCredit Regulation).

Revision mark: clarification is included concerning the use of "not required"

When this data attribute is not required by the relevant NCB, the value "not required" is reported.

In the case of reporting agents, observed agents, creditors and servicers resident in an RMS, the value "not required" is reported.

This attribute is not reported for counterparties which are not resident in an RMS (cf. Table 3 in Annex III to the AnaCredit Regulation).

Values

The annual turnover is reported in euro. Foreign currency amounts are converted into euro at the respective ECB euro foreign exchange rate (i.e. the mid-rate) at the relevant reference date. For more details regarding the relevant date, please refer to Section 2.3.

General reporting instructions, specific cases and examples

Revision mark: the clarifications are streamlined in line with Q&A 2018/0046 and also taking into consideration the explanations in Section 12.2.3

For information regarding the scope of the consolidation for the reporting of the "number of employees", "balance sheet total" and "annual turnover", please refer to Section 12.2.3.2.

The “annual turnover” is applicable only to enterprises.

As explained for the data attribute “number of employees”, according to Article 4 of the Annex to Commission Recommendation 2003/361/EC the data to apply to the annual turnover are those relating to the latest approved accounting period and calculated on an annual basis. They are taken into account from the date of closure of the accounts. The amount reported for the turnover is calculated excluding value added tax (VAT) and other indirect taxes. In the case of newly established enterprises, whose accounts have not yet been approved, the data to apply are to be derived from a *bona fide* estimate made in the course of the financial year.

If a counterparty is a foreign branch or special fund, “non-applicable” is reported (please refer to Section 12.2.2.3 for more information about the applicability and scope of this data attribute for foreign branches and special funds).

This data attribute is updated whenever the reporting agent is aware of a change in the counterparty’s annual turnover (as based on the latest approved accounting statement), and at least when a new instrument is issued vis-à-vis the counterparty.

12.4.23 Accounting standard

Definition: Accounting standard used by the observed agent’s legal entity. If the reporting agent is subject to Regulation (EU) 2015/534 (ECB/2015/13), the data are recorded in accordance with the accounting standard – International Financial Reporting Standards (IFRS) or national generally accepted accounting principles (GAAP) – applied to fulfil the requirements under Regulation (EU) 2015/534 (ECB/2015/13) by the observed agent’s legal entity.

This data attribute represents the accounting standard applied by the legal entity of the observed agent. The accounting standard describes not only the accounting standard according to which instruments are assigned to the accounting portfolio but also all other relevant rules in accordance with which the instrument is recognised in the balance sheet, the carrying amount is established, the impairment is assessed, etc. (cf. Section 5.1.1).

Reporting qualification

The accounting standard is reported for reporting agents. The value is reported as “not required” in all other cases.

Values

1. “IFRS” is reported if the legal entity applies IFRS, as applicable under Regulation (EC) No 1606/2002 of the European Parliament and of the Council.

2. “National GAAP consistent with IFRS” is reported if the accounting standard applied by the legal entity of the observed agent is a national accounting

framework developed under Council Directive 86/635/EEC applying IFRS 9 criteria for the instruments.

3. "National GAAP not consistent with IFRS" is reported if the accounting standard applied by the legal entity of the observed agent is a national accounting framework developed under Council Directive 86/635/EEC not applying IFRS 9 criteria for the instruments.

General reporting instructions, specific cases and examples

This data attribute represents the accounting standard used by the observed agent's legal entity. In particular, if the reporting agent is subject to Regulation (EU) 2015/534 (ECB/2015/13), the data are recorded in accordance with the accounting standard – International Financial Reporting Standards (IFRS) or national generally accepted accounting principles (GAAP) – applied to fulfil the requirements under Regulation (EU) 2015/534 (ECB/2015/13) by the observed agent's legal entity.

***Revision mark**: further clarifications are included in line with Q&A 2018/0041 concerning the accounting standard to be followed*

The accounting standard that is applied by foreign branches of credit institutions need not be the same as the accounting standard of the legal entity to which the foreign branch belongs. For example, banking laws in some reporting Member States prescribe that, at an unconsolidated (solo) level, the national GAAP have to be applied. This provision is also applicable to foreign branches resident in such Member States of credit institutions resident in any other country (irrespective of whether or not it is a reporting Member State), which means that the foreign branches apply the national GAAP of the reporting Member State even if the legal entity of which they form part and which is resident in another country applies IFRS at an unconsolidated level.

Notably, the accounting standard not only determines which instruments are assigned to which accounting portfolios, but also provides other relevant rules in accordance with which the instrument is recognised in the balance sheet, the carrying amount is established, etc.

Consequently, in order to ensure that AnaCredit data of observed agents relating to the same reporting agent are reported according to the same accounting standard, the AnaCredit Regulation requires that the data be reported following the accounting standard of the observed agent's legal entity (cf. Section 5.1.1).

However, it is clarified that when the observed agent is a foreign branch resident in a reporting Member State of a credit institution not resident in a reporting Member State, the applicable accounting standard is the accounting standard applied by the observed agent in the country where it is resident, rather than the accounting standard applied by the legal entity to which the foreign branch belongs.

References to legal acts

Regulation / Directive / Guideline No	Official name
(EU) 2016/867 (ECB/2016/13)	Regulation (EU) 2016/867 of the European Central Bank of 18 May 2016 on the collection of granular credit and credit risk data (ECB/2016/13)
(EU) 2017/2335 (ECB/2017/38)	Guideline (EU) 2017/2335 of the European Central Bank of 23 November 2017 on the procedures for the collection of granular credit and credit risk data (ECB/2017/38)
(ECB/2014/15) (2014/810/EU)	Guideline of the European Central Bank of 4 April 2014 on monetary and financial statistics (recast) (ECB/2014/15) (2014/810/EU)
(EU) No 1071/2013 (ECB/2013/33)	Regulation (EU) No 1071/2013 of the European Central Bank of 24 September 2013 concerning the balance sheet of the monetary financial institutions sector (recast) (ECB/2013/33)
(EU) No 549/2013	Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union
(EU) No 575/2013	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012
2013/36/EU	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
(EU) No 680/2014	Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (as amended by Commission Implementing Regulation (EU) 2017/1443 of 29 June 2017)
(EU) No 648/2012	Regulation (EU) No 648/2012 of the European Parliament of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories
(EC) No 2533/98	Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank
(EU) No 1075/2013 (ECB/2013/40)	Regulation (EU) No 1075/2013 of the European Central Bank of 18 October 2013 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (recast) (ECB/2013/40)

(EU) 2015/534 (ECB/2015/13)	Regulation (EU) 2015/534 of the European Central Bank of 17 March 2015 on reporting of supervisory financial information (ECB/2015/13)
(EC) No 290/2009 (ECB/2009/7)	Regulation (EC) No 290/2009 of the European Central Bank of 31 March 2009 amending Regulation (EC) No 63/2002 (ECB/2001/18) concerning statistics on interest rates applied by monetary financial institutions to deposits and loans vis-à-vis households and non-financial corporations (ECB/2009/7)
(EC) No 1606/2002	Regulation (EC) No 1606/2002 of the European Parliament and of the Council of July 2002 on the application of international accounting standards
(EC) No 1059/2003	Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS)

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