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COMMISSION IMPLEMENTING REGULATION (EU) No .../..

of 14.2.2020

amending Implementing Regulation (EU) No 680/2014 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

(Text with EEA relevance)

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(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012¹, and in particular Article 99(5) thereof,

Whereas:

- (1) Commission Implementing Regulation (EU) No 680/2014² lays down uniform requirements for institutions in relation to supervisory reporting to competent authorities for the purposes of Articles 99 and 100, Article 101(4)(a), Article 394(1), and Articles 415 and 430 of Regulation (EU) No 575/2013.
- (2) Regulation (EU) 2017/2402 of the European Parliament and of the Council³ set up a new framework for securitisation, including a specific framework for simple, transparent and standardised (STS) securitisations. It established preferential treatment for STS securitisations and certain SME synthetic securitisations and set out a framework for a more risk-sensitive regulatory treatment of exposures to securitisations. Implementing Regulation (EU) No 680/2014 needs to be amended to accommodate the reporting on securitisation positions to this new securitisation framework.
- (3) Commission Regulation (EC) No 1126/2008⁴ was amended by Commission Regulation (EU) 2017/1986⁵ to bring that Regulation in line with the International

¹ OJ L 176, 27.6.2013, p. 1.

² Commission Implementing Regulation (EU) No 680/2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 (OJ L 191, 28.6.2014, p. 1).

³ Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (OJ L 347, 28.12.2017, p. 35).

⁴ Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council (OJ L 320, 29.11.2008, p. 1).

Financial Reporting Standard (IFRS) 16 Leases that the International Accounting Standards Board (IASB) published on 13 January 2016. Implementing Regulation (EU) No 680/2014 now also needs to be amended to reflect those amendments.

- (4) Competent authorities' should be able to effectively monitor and assess the institutions' risk profile and to obtain a view on the risks posed to the financial sector. A high level of non-performing exposures (NPEs) affects the risk profile, profitability and solvency of institutions, ultimately affecting lending capacity to the overall economy. The reporting requirements should therefore be revised to strengthen the ability of competent authorities to assess and monitor non-performing exposures by collecting more granular information on those exposures on a recurring basis and to close identified data gaps.
- (5) Moreover, the structure and extent of the expenses of institutions significantly influence the profitability and sustainability of the institutions' business models. To enable competent authorities to gain deeper insights into those expenses, the reporting framework should be improved.
- (6) Commission Delegated Regulation (EU) 2015/61⁶ was amended by Commission Delegated Regulation (EU) 2018/1620⁷ to improve alignment with international standards and facilitate more efficient liquidity management by credit institutions. Implementing Regulation (EU) No 680/2014 should likewise be amended to reflect those amendments in the reporting framework of the liquidity coverage requirements for credit institutions.
- (7) Moreover, templates and instructions of Implementing Regulation (EU) No 680/2014 should also be reviewed to reassess the convenience and appropriateness of the memo items included in the templates and instructions during the early years of implementation of that Regulation as well as to correct typos, erroneous references and formatting inconsistencies which were discovered in the course of its application.
- (8) Competent authorities should be able to receive information from institutions using templates amended by this Implementing Regulation as soon as possible so that they can exercise their supervisory functions effectively. The new Union securitisation framework becomes fully applicable on 1 January 2020 after transitional provisions expire. Therefore, the revised reporting requirements on own funds and own funds requirements set out in this Implementing Regulation should apply from 30 March 2020. In order to provide institutions and competent authorities with sufficient time to implement the revised reporting requirements on NPEs, debt obligations subject to forbearance measures, the operating and administrative expenses and financial

⁵ Commission Regulation (EU) 2017/1986 of 31 October 2017 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Financial Reporting Standard 16 (OJ L 291, 9.11.2017, p. 1).

⁶ Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions (OJ L 11, 17.1.2015, p. 1).

⁷ Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions (OJ L 271, 30.10.2018, p. 10).

information, which are set out in Annexes III to V of this Implementing Regulation, those revised reporting requirements should apply from 1 June 2020. Finally, taking into account the amendments introduced by Delegated Regulation (EU) 2018/1620 that apply from 30 April 2019, the provisions of this Implementing Regulation concerning liquidity reporting should apply from 1 April 2020.

- (9) This Regulation is based on the draft implementing technical standards submitted by the European Banking Authority (EBA) to the Commission.
- (10) EBA has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council⁸. In accordance with the second subparagraph of Article 15(1) of that Regulation, EBA has not conducted any open public consultation with regard to those parts of the draft implementing technical standards on which this Regulation is based that are either of editorial nature or introduce only a limited number of items in the supervisory reporting framework. Such consultation would be disproportionate in relation to the scope and impact of the draft implementing technical standards concerned.
- (11) Implementing Regulation (EU) No 680/2014 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Implementing Regulation (EU) No 680/2014 is amended as follows:

- (1) Article 5 is amended as follows:
 - (a) point (a) is amended as follows:
 - (i) point (7) is deleted;
 - (ii) point (8) is replaced by the following:

“(8) the information on securitisation exposures specified in template 13.01 of Annex I, in accordance with the instructions in point 3.7 of Part II of Annex II;”;
 - (b) in point (b), point (1) is replaced by the following:

“(1) the information on all securitisation exposures as specified in templates 14 and 14.01 of Annex I, in accordance with the instructions in point 3.9 of Part II of Annex II;

⁸ Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).

Institutions shall be exempted from submitting those securitisation details where they are part of a group in the same country in which they are subject to own funds requirements;”;

(2) in Article 9, paragraph 2 is amended as follows:

(i) point (c) is replaced by the following:

“(c) the information specified in Part 4 of Annex III, with the exception of the information specified in template 47, with an annual frequency;”;

(ii) the following points (h) and (i) are added:

“(h) with a quarterly frequency, the information specified in templates 23 to 26 in Part 2 of Annex III where both of the following conditions are fulfilled:

(i) the institution is not a small and non-complex institution as defined in point (145) of Article 4(1) of Regulation (EU) No 575/2013;

(ii) the ratio between the institution’s gross carrying amount of non-performing loans and advances and the total gross carrying amount of loans and advances falling under the category of non-performing exposures as set out in section 17 of Part 2 of Annex V to this Regulation is equal to or higher than 5 %. For the purposes of this point, the ratio shall exclude loans and advances classified as held for sale, cash balances at central banks and other demand deposits in both the numerator and the denominator.

The entry and exit criteria referred to in Article 4 shall apply.

(i) with an annual frequency, the information specified in template 47 in Part 4 of Annex III where both of the conditions referred to in points (i) and (ii) of point (h) of this paragraph are fulfilled. The entry and exit criteria referred to in Article 4 shall apply.”;

(3) in Article 11, paragraph 2 is amended as follows:

(i) point (c) is replaced by the following:

“(c) the information specified in Part 4 of Annex IV, with the exception of the information specified in template 47, with an annual frequency;”;

(ii) the following points (h) and (i) are added:

“(h) with a quarterly frequency, the information specified in templates 23 to 26 in Part 2 of Annex IV where the conditions referred to in points (i) and (ii) of point (h) of Article 9(2) are fulfilled. The entry and exit criteria referred to in Article 4 shall apply;

(i) with an annual frequency, the information specified in template 47 in Part 4 of Annex IV where the conditions referred to in points (i) and (ii) of point (h) of Article 9(2) are fulfilled. The entry and exit criteria referred to in Article 4 shall apply.”;

(4) Annex I to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex I to this Regulation;

- (5) Annex II to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex II to this Regulation.
- (6) Annex III to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex III to this Regulation.
- (7) Annex IV to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex IV to this Regulation.
- (8) Annex V to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex V to this Regulation.
- (9) Annex XVIII to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex VI to this Regulation;
- (10) Annex XIX to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex VII to this Regulation.
- (11) Annex XXIV to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex VIII to this Regulation;
- (12) Annex XXV to Implementing Regulation (EU) No 680/2014 is replaced by the text in Annex IX to this Regulation.

Article 2

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

Point (1), (4) and (5) of Article 1 shall apply from 30 March 2020. Points (9) to (12) of Article 1 shall apply from 1 April 2020. Points (2), (3), (6) to (8) of Article 1 shall apply from 1 June 2020.

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

Done at Brussels, 14.2.2020

For the Commission
The President
Ursula VON DER LEYEN