►B **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)**

(OJ L 297, 7.11.2013, p. 107)

Corrected by:

►C1 Corrigendum, OJ L 319, 29.11.2013, p. 46 (2013/1075)

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# 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)*

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular Article 5 thereof,

Having regard to Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank [1], and in particular Articles 5(1) and 6(4) thereof,

Having regard to the opinion of the European Commission,

Whereas:

(1) Since Regulation (EC) No 24/2009 of the European Central Bank of 19 December 2008 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (ECB/2008/30) [2] needs to be substantially amended, in particular in light of 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 [3], it should be recast in the interests of clarity.

(2) Regulation (EC) No 2533/98 provides in Article 2(1) that, for the fulfilment of its statistical reporting requirements, the European Central Bank (ECB), assisted by the national central banks (NCBs), has the right to collect statistical information within the limits of the reference reporting population and of what is necessary to carry out the tasks of the European System of Central Banks (ESCB). It follows from Article 2(2)(a) of Regulation (EC) No 2533/98 that financial vehicle corporations engaged in securitisation transactions (hereinafter 'FVCs') form part of the reference reporting population for the purposes of fulfilling the ECB's statistical reporting requirements, inter alia, in the field of monetary and financial statistics. Furthermore, Article 3 of Regulation (EC) No 2533/98 requires the ECB to specify the actual reporting population within the limits of the reference reporting population and entitles it to fully or partly exempt specific classes of reporting agents from its statistical reporting requirements.

(1) OJ L 318, 27.11.1998, p. 8.
(2) OJ L 15, 20.1.2009, p. 1.
(3) OJ L 174, 26.6.2013, p. 1.

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(3) The purpose of FVC data is to provide the ECB with adequate statistics on the financial activities of the FVC sub-sector in the Member States whose currency is the euro (hereinafter the 'euro area Member States'), which are viewed as one economic territory.

(4) Given the close links between the securitisation activities of FVCs and monetary financial institutions (MFIs), consistent, complementary and integrated reporting of FVCs and MFIs is required. Therefore, the statistical information provided in accordance with this Regulation needs to be considered together with the data requirements for MFIs on securitised loans, as laid down in Regulation (EU) No 1071/2013 of the European Central Bank of 24 September 2013 concerning the balance sheet of the monetary financial institutions sector (ECB/2013/33) ([1]).

(5) The integrated reporting approach of FVCs and MFIs and the derogations provided for in this Regulation aim at minimising the reporting burden for reporting agents and avoiding overlaps in the reporting of statistical information by FVCs and MFIs.

(6) NCBs should be entitled to exempt FVCs from statistical reporting requirements that would cause unreasonably high costs compared to their statistical benefit.

(7) Although regulations adopted by the ECB under Article 34.1 of the Statute of the European System of Central Banks and of the European Central Bank (hereinafter the 'Statute of the ESCB') do not confer any rights or impose any obligations on Member States whose currency is not the euro (hereinafter the 'non-euro area Member States'), Article 5 of the Statute of the ESCB applies to both euro and non-euro area Member States. Recital 17 to Regulation (EC) No 2533/98 refers to the fact that Article 5 of the Statute of the ESCB, together with Article 4(3) of the Treaty on European Union, implies an obligation to design and implement at national level all the measures that the non-euro area Member States consider appropriate to collect the statistical information needed to fulfil the ECB's statistical reporting requirements and make timely preparations in the field of statistics in order to become euro area Member States.

(8) The standards for the protection and use of confidential statistical information laid down in Article 8 of Regulation (EC) No 2533/98 apply.

([1]) Page 1 of this Official Journal.

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(9) Article 7(1) of Regulation (EC) No 2533/98 provides that the ECB has the power to impose sanctions on reporting agents which fail to comply with statistical reporting requirements set out in ECB regulations or decisions,

HAS ADOPTED THIS REGULATION:

*Article 1*

**Definitions**

For the purposes of this Regulation:

(1) 'FVC' means an undertaking which is constituted pursuant to national or Union law under one of the following:

(i) contract law as a common fund managed by management companies;

(ii) trust law;

(iii) company law as a public or private limited company;

(iv) any other similar mechanism;

and whose principal activity meets both of the following criteria:

(a) it intends to carry out, or carries out, one or more securitisation transactions and its structure is intended to isolate the payment obligations of the undertaking from those of the originator, or the insurance or reinsurance undertaking; and

(b) it issues, or intends to issue, debt securities, other debt instruments, securitisation fund units, and/or financial derivatives (hereinafter the 'financing instruments') and/or legally or economically owns, or may own, assets underlying the issue of financing instruments that are offered for sale to the public or sold on the basis of private placements.

This definition does not include:

(a) monetary financial institutions (MFIs) as defined in Article 1 of Regulation (EU) No 1071/2013 (ECB/2013/33);

(b) investment funds (IFs) as defined in Article 1 of Regulation (EU) No 1073/2013 of the European Central Bank of 18 October 2013 concerning statistics on the assets and liabilities of investment funds (ECB/2013/38) [1];

[1] Page 73 of this Official Journal.

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(c) insurance undertakings or reinsurance undertakings as defined in Article 13 of Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) [1];

(d) managers of alternative investment funds which manage and/or market alternative investment funds as defined in Article 4(1) of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers that fall under the scope of Directive 2011/61/EU pursuant to Article 2 thereof [2];

(2) 'securitisation' means a transaction or scheme whereby an entity that is separate from the originator or insurance or reinsurance undertaking and is created for or serves the purpose of the transaction or scheme issues financing instruments to investors, and one or more of the following takes place:

(a) an asset or pool of assets, or part thereof, is transferred to an entity that is separate from the originator and is created for or serves the purpose of the transaction or scheme, either by the transfer of legal title or beneficial interest of those assets from the originator or through sub-participation;

(b) the credit risk of an asset or pool of assets, or part thereof, is transferred through the use of credit derivatives, guarantees or any similar mechanism to the investors in the financing instruments issued by an entity that is separate from the originator and is created for or serves the purpose of the transaction or scheme;

(c) insurance risks are transferred from an insurance or reinsurance undertaking to a separate entity that is created for or serves the purpose of the transaction or scheme, whereby the entity fully funds its exposure to such risks through the issuance of financing instruments, and the repayment rights of the investors in those financing instruments are subordinated to the reinsurance obligations of the entity;

Where such financing instruments are issued, they do not represent the payment obligations of the originator, or insurance or reinsurance undertaking;

(3) 'originator' means the transferor of an asset or a pool of assets, and/or the credit risk of the asset or pool of assets to the securitisation structure;

(4) 'reporting agent' has the same meaning as defined in Article 1 of Regulation (EC) No 2533/98;

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[1] OJ L 335, 17.12.2009, p. 1.
[2] OJ L 174, 1.7.2011, p. 1.

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(5) ‘resident’ has the same meaning as defined in Article 1 of Regulation (EC) No 2533/98. For the purposes of this Regulation, if a legal entity lacks a physical dimension its residence shall be determined by the economic territory under whose laws the entity is incorporated. If the entity is not incorporated, legal domicile shall be used as a criterion, namely the country whose legal system governs the creation and continued existence of the entity;

(6) ‘relevant NCB’ means the NCB of the euro area Member State in which the FVC is resident;

(7) ‘taking up business’ means any activity, including any preparatory measures, related to the securitisation, other than merely establishing an entity that is not expected to commence the securitisation activity in the next six months. Any activity by the FVC taken after the securitisation activity becomes foreseeable means taking up business.

*Article 2*

**Reporting population**

1. FVCs resident in the territory of a euro area Member State shall form the reference reporting population. The reference reporting population shall be subject to the obligation laid down in Article 3(2).

2. The actual reporting population shall consist of the reference reporting population excluding those FVCs which have been fully exempted from statistical reporting requirements pursuant to Article 5(1)(c). The actual reporting population shall be subject to the statistical reporting requirements laid down in Article 4, subject to the derogations laid down in Article 5. The FVCs that are subject to reporting their annual financial statement pursuant to Article 5(3) or that are subject to ad hoc reporting obligations pursuant to Article 5(5) shall also form part of the actual reporting population.

3. If an FVC does not have legal personality under its national law, the persons legally entitled to represent the FVC or, in the absence of formalised representation, persons that under the applicable national laws are liable for acts of the FVC, shall be considered reporting agents under this Regulation.

*Article 3*

**List of FVCs for statistical purposes**

1. The Executive Board shall establish and maintain, for statistical purposes, a list of FVCs that form the reference reporting population subject to this Regulation. FVCs shall submit to the NCBs the data that the NCBs require in accordance with Guideline ECB/2007/9 of 1 August 2007 on monetary, financial institutions and markets statistics [1]. The NCBs and the ECB shall make this list and its updates available in an appropriate form, including by electronic means, via the internet or, at the request of the reporting agents concerned, in paper form.

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[1] OJ L 341, 27.12.2007, p. 1.

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2. An FVC shall inform the relevant NCB of its existence within one week from the date on which it has taken up business irrespective of whether it expects to be subject to any of the statistical reporting requirements under this Regulation.

3. If the latest accessible electronic version of the list referred to in paragraph 1 is incorrect, the ECB shall not impose sanctions on a reporting agent which did not properly fulfil its statistical reporting requirements to the extent that the requirement set out in paragraph 2 was met and that the reporting agent relied on the incorrect list in good faith.

*Article 4*

**Quarterly statistical reporting requirements and reporting rules**

1. The actual reporting population shall provide to the relevant NCB data on outstanding amounts, financial transactions and write-offs/write-downs on the assets and liabilities of FVCs on a quarterly basis, in accordance with Annexes I and II.

2. NCBs may collect the statistical information on securities issued and held by FVCs necessary to fulfil the statistical reporting requirements under paragraph 1 on a security-by-security basis, to the extent that the data referred to in paragraph 1 can be derived according to minimum statistical standards as specified in Annex III. Without prejudice to the timeliness requirements set out in Article 6, NCBs may require the provision of security-by-security data on financial transactions in debt securities held by FVCs in accordance with one of the approaches listed in Section 2 of Part I of Annex I of Regulation (EU) No 1011/2012 of the European Central Bank (ECB/2012/24) ([1]).

3. Without prejudice to the reporting rules laid down in Annex II, all assets and liabilities of FVCs shall be reported under this Regulation in accordance with the reporting rules laid down in the relevant national law transposing Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions ([2]). The accounting rules in the relevant national law transposing the Fourth Council Directive 78/660/EEC of 25 July 1978 based on Article 54(3)(g) of the Treaty on the annual accounts of certain types of companies ([3]) shall apply to FVCs that do not fall within the scope of the national law transposing Directive 86/635/EEC. Any other relevant national or international accounting standards or practices shall apply to FVCs not falling under national law transposing either of these directives.

([1]) OJ L 305, 1.11.2012. p. 6.
([2]) OJ L 372, 31.12.1986, p. 1.
([3]) OJ L 222, 14.8.1978, p. 11.

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4. Where paragraph 3 requires the reporting of instruments on a mark-to-market basis, NCBs may exempt FVCs from reporting these instruments on a mark-to-market basis where the costs entailed by the FVC would be unreasonably high. In this case the FVCs shall apply the valuation used for the purpose of the investor reports.

5. Where according to national market practices available data refer to any date within a quarter, NCBs may allow the reporting agents to report these quarterly data instead, if the data are comparable and if significant transactions occurring between this date and the end of the quarter are taken into account.

6. Instead of providing the data on financial transactions referred to in paragraph 1, reporting agents may, in agreement with the relevant NCB, provide revaluation adjustments and other changes in volume which allow the NCB to derive financial transactions.

7. Instead of providing the data on write-offs/write-downs referred to in paragraph 1, a reporting agent may, in agreement with the relevant NCB, provide other information which allows the NCB to derive the required data on write-offs/write-downs.

*Article 5*

**Derogations**

1. NCBs may grant derogations from the statistical reporting requirements set out in Article 4 as follows:

(a) For loans originated by euro area MFIs and broken down by maturity, sector and residency of debtors, and where the MFIs continue to service the securitised loans within the meaning of Regulation (EU) No 1071/2013 (ECB/2013/33), the NCBs may grant FVCs derogations from reporting data on these loans. Regulation (EU) No 1071/2013 (ECB/2013/33) provides for the reporting of these data.

(b) The NCBs may exempt FVCs from all statistical reporting requirements set out in Annex I, apart from the obligation to report, on a quarterly basis, end-of-quarter outstanding amount data on total assets, provided that the FVCs that contribute to the quarterly aggregated assets account for at least 95 % of the total of FVCs' assets in terms of outstanding amounts, in each euro area Member State. The NCBs shall check the fulfilment of this condition in good time in order to grant or withdraw, if necessary, any derogation with effect from the start of each calendar year.

(c) To the extent that the data referred to in Article 4 can be derived, according to minimum statistical standards as specified in Annex III, from other statistical, public or supervisory data sources and without prejudice to points (a) and (b), the NCBs may, after consulting the ECB, fully or partially exempt reporting agents from the statistical reporting requirements set out in Annex I.

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2. The FVCs may choose, with the relevant NCB's prior consent, not to use the derogations referred to in paragraph 1 and to fulfil the full statistical reporting requirements specified in Article 4 instead.

3. FVCs that benefit from a derogation within the meaning of paragraph 1(c) shall provide their annual financial statements to the relevant NCB, if this is not available from public sources, within six months following the end of the reference period or at the earliest point in time thereafter, in accordance with the applicable national legal practices where the FVC is resident. The relevant NCB shall notify those FVCs which are subject to this reporting requirement.

4. The relevant NCB shall withdraw the derogation laid down in paragraph 1(c), if data of statistical standards comparable to those prescribed in this Regulation have not been made available in time to the relevant NCB for three consecutive reporting periods, independent of any fault attributable to the FVC involved. FVCs shall start reporting data, as set out in Article 4, not later than three months from the date on which the relevant NCB has notified the reporting agents that the derogation has been withdrawn.

5. Without prejudice to paragraph 3, in order to meet the requirements set out in this Regulation, NCBs may address ad hoc statistical reporting requirements to FVCs that have been granted derogations within the meaning of paragraph 1(c). FVCs shall report the information requested on an ad hoc basis within 15 working days following a request made by the relevant NCB.

*Article 6*

**Timeliness**

NCBs shall submit data to the ECB on aggregated quarterly assets and liabilities covering the positions of resident FVCs by close of business on the 28th working day following the end of the quarter to which the data relate. NCBs shall set deadlines for receiving the data from reporting agents.

*Article 7*

**Minimum standards and national reporting arrangements**

1. Reporting agents shall comply with the statistical reporting requirements to which they are subject in accordance with the minimum standards for transmission, accuracy, compliance with concepts and revisions specified in Annex III.

2. The NCBs shall define and implement the reporting arrangements to be followed by the actual reporting population in accordance with national requirements. The NCBs shall ensure that these reporting arrangements provide the required statistical information and allow accurate checking of compliance with concepts and the minimum standards for transmission, accuracy and revisions specified in Annex III.

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*Article 8*

**Verification and compulsory collection**

The NCBs shall exercise the right to verify or to collect compulsorily information which reporting agents are required to provide pursuant to this Regulation, without prejudice to the ECB's right to exercise these rights itself. In particular, the NCBs shall exercise this right when an institution included in the actual reporting population does not fulfil the minimum standards for transmission, accuracy, compliance with concepts and revisions specified in Annex III.

*Article 9*

**First reporting**

1. First reporting shall begin with quarterly data for the fourth quarter of 2014.

2. FVCs that take up business after 31 December 2014 shall, when reporting data for the first time, report data on a quarterly basis as far back as the commencement of securitisation activity.

3. FVCs that take up business before the adoption of the euro by their Member State following 31 December 2014 shall, when reporting data for the first time, report data on a quarterly basis from the reference period in which the Member State adopted the euro. For the reference period in which the Member State adopted the euro, the FVC shall report only outstanding amounts.

*Article 10*

**Repeal**

1. Regulation (EC) No 24/2009 (ECB/2008/30) is repealed with effect from 1 January 2015.

2. References to the repealed Regulation shall be construed as references to this Regulation.

*Article 11*

**Final provision**

This Regulation shall enter into force on the 20th day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2015.

This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.

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*ANNEX I*

# STATISTICAL REPORTING REQUIREMENTS

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## Table 1: Outstanding amounts and transactions

| | A. Domestic – Total | A. Domestic – MFIs | A. Domestic – Non-MFIs - Total | A. Domestic – Non-MFIs – General Gov't (S.13) | A. Domestic – Non-MFIs – Other resident sectors – Total | A. Domestic – Other resident sectors – Non-MMF investment funds (S.124) | A. Domestic – Other resident sectors – Other financial intermediaries + financial auxiliaries + captive financial institutions and money lenders (S.125+S.126+S.127) | A. Domestic – Other financial intermediaries – o/w FVCs | A. Domestic – Other resident sectors – Insurance corporations + pension funds (S.128+S.129) | A. Domestic – Other resident sectors – Non-financial corporations (S.11) | A. Domestic – Other resident sectors – Households + non-profit institutions serving households (S.14+S.15) | B. Euro area other than domestic – Total | B. Euro area other than domestic – MFIs | B. Euro area other than domestic – Non-MFIs - Total | B. Euro area other than domestic – Non-MFIs – General Gov't (S.13) | B. Euro area other than domestic – Non-MFIs – Other resident sectors – Total | B. Euro area other than domestic – Other resident sectors – Non-MMF investment funds (S.124) | B. Euro area other than domestic – Other resident sectors – Other financial intermediaries + financial auxiliaries + captive financial institutions and money lenders (S.125+S.126+S.127) | B. Euro area other than domestic – Other financial intermediaries – o/w FVCs | B. Euro area other than domestic – Other resident sectors – Insurance corporations + pension funds (S.128+S.129) | B. Euro area other than domestic – Other resident sectors – Non-financial corporations (S.11) | B. Euro area other than domestic – Other resident sectors – Households + non-profit institutions serving households (S.14+S.15) | C. Rest of the World | C. Rest of the World – Banks | C. Rest of the World – Non-Banks | D. Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **1 Deposits and loan claims** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| up to 1 year | | | | | | | | | | | | | | | | | | | | | | | | | | |
| over 1 year | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **2 Securitised loans** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2a euro area MFI as originator | | | | | | | | | | | | | | | | | | | | | | | | | | |
| up to 1 year | | | | | | | | | | | | | | | | | | | | | | | | | | |
| over 1 year and up to 5 years | | | | | | | | | | | | | | | | | | | | | | | | | | |
| over 5 years | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2b euro area General Government as originator | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2c euro area OFI [1], non-MMF investment funds and ICPF [2] as originator | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2d euro area NFC [3] as originator | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2e non-euro area originator | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **3 Debt securities [4]** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| up to 1 year | | | | | | | | | | | | | | | | | | | | | | | | | | |
| over 1 year and up to 2 years | | | | | | | | | | | | | | | | | | | | | | | | | | |
| over 2 years | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **4 Other securitised assets** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4a of which euro area General Government as originator | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4b of which euro area NFC as originator | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **5 Equity and investment fund shares/units** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **6 Financial derivatives** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **7 Non-financial assets (including fixed assets)** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **8 Remaining assets** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **LIABILITIES** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **9 Loans and deposits received** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| up to 1 year | | | | | | | | | | | | | | | | | | | | | | | | | | |
| over 1 year | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **10 Debt securities issued [4]** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| up to 1 year | | | | | | | | | | | | | | | | | | | | | | | | | | |
| over 1 year and up to 2 years | | | | | | | | | | | | | | | | | | | | | | | | | | |
| over 2 years | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **11 Capital and reserves** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **12 Financial derivatives** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **13 Remaining liabilities** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13a of which accrued interest on debt securities issued [5] | | | | | | | | | | | | | | | | | | | | | | | | | | |

(1) Other financial intermediaries, except insurance corporations and pension funds
(2) Insurance corporations and pension funds
(3) Non-financial corporations
(4) In accordance with Article 4(2) of this Regulation, NCBs may choose to collect these items on a security-by-security basis.
(5) NCBs may grant a derogation on accrued interest on debt securities issued where the data can be derived or estimated from alternative sources.

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**Table 2: Write-offs/write-downs**

| | D. Total |
|---|---|
| **ASSETS** | |
| **2 Securitised loans** | |

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*ANNEX II*

# DEFINITIONS

## PART 1

### Definitions of instrument categories

1. This table provides a detailed standard description of the instrument categories, which national central banks (NCBs) transpose into national categories in accordance with this Regulation. The table does not constitute a list of individual financial instruments and the descriptions are not exhaustive. The definitions refer to the European system of national and regional accounts in the European Union (hereinafter the 'ESA 2010'), laid down by Regulation (EU) No 549/2013.

2. For some of the instrument categories, maturity breakdowns are required. These refer to original maturity, i.e. maturity at issue, which is the fixed period of life of a financial instrument before which it cannot be redeemed, e.g. debt securities, or before which it can be redeemed only with some kind of penalty, e.g. some types of deposits.

3. Financial claims can be distinguished by whether they are negotiable or not. A claim is negotiable if its ownership is readily capable of being transferred from one unit to another by delivery or endorsement or of being offset in the case financial derivatives. While any financial instrument can be potentially traded, negotiable instruments are designed to be traded on an organised exchange or 'over-the-counter', although actual trading is not a necessary condition for negotiability.

4. All financial assets and liabilities must be reported on a gross basis, i.e. financial assets must not be reported net of financial liabilities.

*Table A*

**Definitions of instrument categories of the assets and liabilities of FVCs**

ASSET CATEGORIES

| Category | Description of main features |
|---|---|
| 1. Deposits and loan claims | For the purposes of the reporting scheme, this item consists of funds lent by FVCs to borrowers which are either evidenced by non-negotiable documents or not evidenced by documents<br><br>It includes the following items:<br><br>— deposits placed by the FVC, such as overnight deposits, deposits with agreed maturity, and deposits redeemable at notice<br><br>— loans granted by the FVC<br><br>— claims under reverse repos against cash collateral: counterpart of cash paid out in exchange for securities purchased by the FVC at a given price under a firm commitment to resell the same (or similar) securities at a fixed price on a specified future date<br><br>— claims under securities borrowing against cash collateral: counterpart of cash paid in exchange for securities borrowed by the FVC<br><br>For the purposes of this Regulation, this item also includes holdings of euro and foreign currency banknotes and coins in circulation that are commonly used to make payments |
| 2. Securitised loans | For the purposes of the reporting scheme, this item consists of loans acquired by the FVC from the originator. Loans are financial assets created when creditors lend funds to debtors which are either evidenced by non-negotiable documents or not evidenced by documents |

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| Category | Description of main features |
|---|---|
| | This also includes:<br>— financial leases granted to third parties: financial leases are contracts whereby the legal owner of a durable good (hereinafter the 'lessor') conveys the risks and benefits of ownership of the asset to a third party (hereinafter the 'lessee'). For statistical purposes, financial leases are treated as loans from the lessor to the lessee enabling the lessee to purchase the durable good. Financial leases granted by an originator, acting as the lessor, are to be recorded under the asset item 'securitised loans'. The leased asset is shown on the balance sheet of the lessee and not the lessor<br>— bad debt loans that have not yet been repaid or written off: bad loans are considered to be loans in respect of which repayment is overdue or otherwise identified as being impaired<br>— holdings of non-negotiable securities: holdings of debt securities which are not negotiable and cannot be traded on secondary markets<br>— traded loans: loans that have *de facto* become negotiable are classified under the item 'securitised loans' provided that there is no evidence of secondary market trading. Otherwise they are classified as 'debt securities'<br>— subordinated debt in the form of deposits or loans: subordinated debt instruments provide a subsidiary claim on the issuing institution that can only be exercised after all claims with a higher status have been satisfied, giving them some of the characteristics of equity. For statistical purposes, subordinated debt is classified as either 'securitised loans' or 'debt securities' according to the nature of the instrument. Where the FVC's holdings of all forms of subordinated debt are currently identified as a single figure for statistical purposes, this figure is classified under the item 'debt securities', on the grounds that subordinated debt is predominantly constituted in the form of debt securities, rather than as loans<br>— Securitised loans must be reported at nominal value, even if purchased from the originator at a different price. The counterpart to the difference between the nominal value and the purchase price must be included under 'remaining liabilities'<br>This item includes securitised loans, irrespective of whether the prevailing accounting practice requires the recognition of the loans on the FVC's balance sheet |
| 3. Debt securities | Holdings of debt securities, which are negotiable financial instruments serving as evidence of debt, are usually traded on secondary markets or can be offset on the market, and do not grant the holder any ownership rights over the issuing institution<br>This item includes:<br>— holdings of securities which give the holder the unconditional right to a fixed or contractually determined income in the form of coupon payments and/or a stated fixed sum at a specific date or dates, or starting from a date defined at the time of issue<br>— loans which have become negotiable on an organised market, i.e. traded loans, provided that there is evidence of secondary market trading, including the existence of market makers, and frequent quotation of the financial asset, such as provided by bid-offer spreads. Where this is not the case, they are classified as 'securitised loans' |

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| Category | Description of main features |
|---|---|
| | — subordinated debt in the form of debt securities<br><br>Securities lent out under securities lending operations or sold under a repurchase agreement remain on the original owner's balance sheet (and are not recorded on the temporary acquirer's balance sheet) where there is a firm commitment to reverse the operation and not simply an option to do so. Where the temporary acquirer sells the securities received, this sale must be recorded as an outright transaction in securities and entered in the temporary acquirer's balance sheet as a negative position in the securities portfolio.<br><br>This item includes holdings of debt securities that have been securitised, irrespective of whether the prevailing accounting practice requires the recognition of the securities on the FVC's balance sheet |
| 4. Other securitised assets | This item includes securitised assets other than those included under categories 2 and 3, such as tax receivables and commercial credits, irrespective of whether the prevailing accounting practice requires the recognition of the assets on the FVC's balance sheet |
| 5. Equity and investment fund shares/units | Financial assets that represent property rights in corporations or quasi-corporations. Such financial assets generally entitle the holders to a share in the profits of the corporations or quasi-corporations, and to a share in their net assets in the event of liquidation<br><br>This item includes listed and unlisted shares, other equity, money market fund (MMF) shares/units and non-MMF IF shares/units<br><br>Equity securities lent out under securities lending operations or sold under repurchase agreements are treated in accordance with the rules in category 3 'debt securities' |
| 6. Financial derivatives | Financial derivatives are financial instruments linked to a specified financial instrument, indicator, or commodity, through which specific financial risks can be traded in financial markets in their own right<br><br>This item includes:<br><br>— options<br><br>— warrants<br><br>— futures<br><br>— forwards<br><br>— swaps<br><br>— credit derivatives<br><br>Financial derivatives are recorded at market value on the balance sheet on a gross basis. Individual derivative contracts with positive market values are recorded on the asset side of the balance sheet, and contracts with negative market values on the liability side of the balance sheet<br><br>Gross future commitments arising from derivative contracts must not be entered as on-balance-sheet items<br><br>This item does not include financial derivatives that are not subject to on-balance-sheet recording according to national rules |

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| Category | Description of main features |
|---|---|
| 7. Non-financial assets (including fixed assets) | Tangible and intangible assets, other than financial assets. Fixed assets are non-financial assets which are used repeatedly or continuously by the FVC for more than one year<br><br>This item includes dwellings, other buildings and structures, machinery and equipment, valuables, and intellectual property products such as computer software and databases |
| 8. Remaining assets | This is the residual item on the asset side of the balance sheet, defined as 'assets not included elsewhere'. This item may include:<br><br>— accrued interest receivable on deposits and loans<br><br>— accrued interest on holdings of debt securities<br><br>— amounts receivable which do not relate to the FVC's main business |

LIABILITY CATEGORIES

| Category | Description of main features |
|---|---|
| 9. Loans and deposits received | Amounts owed to creditors by the FVC, other than those arising from the issue of negotiable securities. This item consists of:<br><br>— loans: loans granted to the FVC which are either evidenced by non-negotiable documents or not evidenced by documents<br><br>— non-negotiable debt instruments issued by the FVC: non-negotiable debt instruments issued are generally to be classified as 'deposit liabilities'. Non-negotiable instruments issued by the FVC that subsequently become negotiable and that can be traded on secondary markets are reclassified as 'debt securities'<br><br>— repos and repo-type operations against cash collateral: counterpart of cash received in exchange for securities sold by the FVC at a given price under a firm commitment to repurchase the same (or similar) securities at a fixed price on a specified future date. Amounts received by the FVC in exchange for securities transferred to a third party ('temporary acquirer') are to be classified here where there is a firm commitment to reverse the operation and not merely an option to do so. This implies that the FVC retains all risks and rewards of the underlying securities during the operation<br><br>— cash collateral received in exchange for securities lending: amounts received in exchange for securities temporarily transferred to a third party in securities lending operations against cash collateral<br><br>— cash received in operations involving the temporary transfer of gold against cash collateral |
| 10. Debt securities issued | Securities issued by the FVC, other than equity, which are instruments usually negotiable and traded on secondary markets or which can be offset on the market and which do not grant the holder any ownership rights over the issuing institution. It includes, *inter alia*, securities issued in the form of:<br><br>— asset-backed securities<br><br>— credit-linked notes<br><br>— insurance-linked securities |

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| Category | Description of main features |
|---|---|
| 11. Capital and reserves | For the purposes of the reporting scheme, this category comprises the amounts arising from the issue of equity capital by the FVC to shareholders or other proprietors, representing for the holder property rights in the FVC and generally an entitlement to a share in its profits and in its own funds in the event of liquidation. Funds arising from non-distributed benefits or funds set aside by the FVC in anticipation of likely future payments and obligations are also included. It includes:<br>— equity capital<br>— non-distributed benefits or funds<br>— specific and general provisions against loans, securities and other types of assets<br>— securitisation fund units |
| 12. Financial derivatives | See category 6 |
| 13. Remaining liabilities | This is the residual item on the liabilities side of the balance sheet, defined as 'liabilities not included elsewhere'<br>This item may include:<br>— accrued interest payable on loans and deposits<br>— accrued interest payable on debt securities issued<br>— amounts payable not related to the FVC's main business, i.e. amounts due to suppliers, tax, wages, social contributions, etc.<br>— provisions representing liabilities against third parties, i.e. pensions, dividends, etc.<br>— net positions arising from securities lending without cash collateral<br>— net amounts payable in respect of future settlements of transactions in securities<br>— counterparts to the valuation adjustment, i.e. nominal less purchase price of loans<br>Accrued interest payable on debt securities issued is required as a separate 'of which' item, unless the relevant NCB grants a derogation where the data can be derived or estimated from alternative sources |

PART 2

**Definitions of sectors**

The ESA 2010 provides the standard for sector classification. This table provides a detailed standard description of sectors which NCBs transpose into national categories in accordance with this Regulation. Counterparties located in the territory of the Member States whose currency is the euro are identified according to their sector in accordance with the lists maintained by the European Central Bank (ECB) for statistical purposes, and the guidance for the statistical classification of counterparties provided in the ECB's 'Monetary financial institutions and markets statistics sector manual: Guidance for the statistical classification of customers'. Credit institutions located outside Member States whose currency is the euro are referred to as 'banks' rather than as MFIs. Similarly, the term 'non-MFI' refers only to the euro area. For Member States whose currency is not the euro the term 'non-banks' is used.

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*Table B*

**Definitions of sectors**

| Sector | Definition |
|---|---|
| 1. MFIs | MFIs as defined in Article 1 of Regulation (EU) No 1071/2013 (ECB/2013/33). This sector consists of NCBs, credit institutions as defined in Union law, MMFs, other financial institutions whose business is to receive deposits and/or close substitutes for deposits from entities other than MFIs and, for their own account, at least in economic terms, to grant loans and/or make investments in securities, and electronic money institutions that are principally engaged in financial intermediation in the form of issuing electronic money |
| 2. General government | The general government sector (S.13) consists of institutional units which are non-market producers whose output is intended for individual and collective consumption, and which are financed by compulsory payments made by units belonging to other sectors, and institutional units principally engaged in the redistribution of national income and wealth (ESA 2010, paragraphs 2.111 to 2.113) |
| 3. Non-MMF IFs | IFs as defined in Article 1 of Regulation (EU) No 1071/2013 (ECB/2013/33). This sub-sector consists of all collective investment undertakings, except MMFs, that invest in financial and/or non-financial assets, to the extent that the objective is investing capital raised from the public |
| 4. Other financial intermediaries, except insurance corporations and pension funds + financial auxiliaries + captive financial institutions and money lenders | The other financial intermediaries, except insurance corporations and pension funds sub-sector (S.125) consists of all financial corporations and quasi-corporations which are principally engaged in financial intermediation by incurring liabilities in forms other than currency, deposits (or close substitutes for deposits), IF shares/units, or in relation to insurance, pension and standardised guarantee schemes from institutional units. FVCs as defined in this Regulation are included in this sub-sector (ESA 2010, paragraphs 2.86 to 2.94)<br><br>The financial auxiliaries subsector (S.126) consists of all financial corporations and quasi-corporations which are principally engaged in activities closely related to financial intermediation but which are not financial intermediaries themselves. This sub-sector also includes head offices whose subsidiaries are all or mostly financial corporations (ESA 2010, paragraphs 2.95 to 2.97)<br><br>The captive financial institutions and money lenders sub-sector (S.127) consists of all financial corporations and quasi-corporations which are neither engaged in financial intermediation nor in providing financial auxiliary services, and where most of either their assets or their liabilities are not transacted on open markets. This sub-sector includes holding companies that hold controlling-levels of equity of a group of subsidiary corporations and whose principal activity is owning the group without providing any other service to the businesses in which the equity is held, that is, they do not administer or manage other units (ESA 2010, paragraphs 2.98 to 2.99) |
| 5. Insurance corporations + pension funds | The insurance corporations sub-sector (S.128) consists of all financial corporations and quasi-corporations which are principally engaged in financial intermediation as a consequence of the pooling of risks mainly in the form of direct insurance or reinsurance (ESA 2010, paragraphs 2.100 to 2.104)<br><br>The pension funds sub-sector (S.129) consists of all financial corporations and quasi-corporations which are principally engaged in financial intermediation as the consequence of the pooling of social risks and needs of the insured persons (social insurance). Pension funds as social insurance schemes provide income in retirement, and often benefits for death and disability (ESA 2010, paragraphs 2.105 to 2.110) |

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| Sector | Definition |
|---|---|
| 6. Non-financial corporations | The non-financial corporations sector (S.11) consists of institutional units which are independent legal entities and market producers, and whose principal activity is the production of goods and non-financial services. This sector also includes non-financial quasi-corporations (ESA 2010, paragraphs 2.45 to 2.50) |
| 7. Households and non-profit institutions serving households | The households sector (S.14) consists of individuals or groups of individuals as consumers and as entrepreneurs producing market goods and non-financial and financial services (market producers) provided that the production of goods and services is not by separate entities treated as quasi-corporations. It also includes individuals or groups of individuals as producers of goods and non-financial services for exclusively own final use. The household sector includes sole proprietorships and partnerships without independent legal status, other than those treated as quasi-corporations, which are market producers (ESA 2010, paragraphs 2.118 to 2.128)<br><br>The non-profit institutions serving households (NPISHs) sector (S.15) consists of non-profit institutions which are separate legal entities, which serve households and are private non-market producers. Their principal resources are voluntary contributions in cash or in kind from households in their capacity as consumers, from payments made by general government and from property income (ESA 2010, paragraphs 2.129 and 2.130) |

## PART 3

### Definition of financial transactions

Financial transactions, in accordance with the ESA 2010, are defined as the net acquisition of financial assets or the net incurrence of liabilities for each type of financial instrument, i.e. the sum of all financial transactions that occur during the relevant reporting period. A financial transaction between institutional units is a simultaneous creation or liquidation of a financial asset and the counterpart liability, or a change in ownership of a financial asset, or an assumption of a liability. Financial transactions are recorded at transaction values, that is, the values in national currency at which the financial assets and/or liabilities involved are created, liquidated, exchanged or assumed between institutional units, on the basis of commercial considerations. Write-offs/write-downs and valuation changes do not represent financial transactions.

## PART 4

### Definition of write-offs/write-downs

Write-offs/write-downs are defined as the impact of changes in the value of loans recorded on the balance sheet that are caused by the application of write-offs/write-downs of loans. Write-offs/write-downs recognised at the time a loan is sold or transferred to a third party are also included, where identifiable. Write-offs refer to events where the loan is considered to be a worthless asset and is removed from the balance sheet. Write-downs refer to events where it is deemed that the loan will not be fully recovered, and the value of the loan is reduced in the balance sheet.

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*ANNEX III*

**MINIMUM STANDARDS TO BE APPLIED BY THE ACTUAL REPORTING POPULATION**

Reporting agents must fulfil the following minimum standards to meet the European Central Bank's (ECB's) statistical reporting requirements.

1. Minimum standards for transmission:

   (a) reporting must be timely and within the deadlines set by the relevant NCB;

   (b) statistical reports must take their form and format from the technical reporting requirements set by the relevant NCB;

   (c) the contact person(s) within the reporting agent must be identified;

   (d) the technical specifications for data transmission to the relevant NCB must be followed.

2. Minimum standards for accuracy:

   (a) the statistical information must be correct: all linear constraints must be fulfilled (e.g. assets and liabilities must balance, subtotals must add up to totals);

   (b) reporting agents must be able to provide information on the developments implied by the transmitted data;

   (c) the statistical information must be complete and must not contain continuous and structural gaps; existing gaps should be acknowledged, explained to the relevant NCB and, where applicable, bridged as soon as possible;

   (d) reporting agents must follow the dimensions, rounding policy and decimals set by the relevant NCB for the technical transmission of the data.

3. Minimum standards for compliance with concepts:

   (a) the statistical information must comply with the definitions and classifications contained in this Regulation;

   (b) in the event of deviations from these definitions and classifications, reporting agents must monitor and quantify the difference between the measure used and the measure compliant with this Regulation on a regular basis;

   (c) reporting agents must be able to explain breaks in the data supplied compared with the previous periods' figures.

4. Minimum standards for revisions:

   The revisions policy and procedures set by the ECB and the relevant NCB must be followed. Revisions deviating from regular revisions must be accompanied by explanatory notes.