VOLKSBANK WIEN

FINREP 2020

EBA ITS 2.9.2

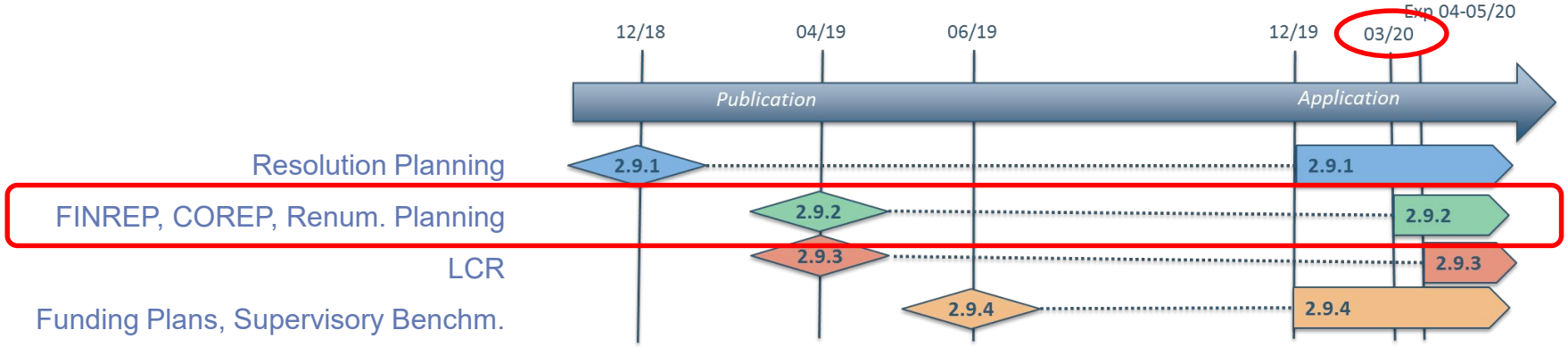
Oliver Fiala – Development Regulatory Reporting

EBA ITS 2.9
Schedule

EBA has published temporary guidelines: EBA ITS 2.9 This will change various regulatory reports. The Implementation is divided into **four packages** and has to be finished by different points in time.

For **30th April 2019** the **final document** of the guideline was announced which then has to be integrated into EU legacy.

By **31st March 2020** the addressed changes of the **FINREP package 2.9.2** have to be implement.



The adaptation of the existing FINREP report will increase and break down the positions more detailed. The focus is on **Non-Performing Exposures** (NPE) and **Forbearance** (FBE) **Measures**. Smaller enlargements are regarding **interest P&L** and **right-of-use-assets** (according to IFRS 16).

FINREP Report NEW

Overview of the new sheets and elements

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The FINREP DPM 2.9

An Overview

FinRep templates for the adaptaions of the **disclosure**

Legende

- Wesentliche Veränderungen
- Leichte Veränderungen
- Modul 2 – NPL-Ratio größer 5%
- Keine Veränderungen
- NPE/FBE
- P&L/sonstige
- IFRS 16

¼ Jährlich			¼ Jährlich	½ Jährlich	Jährlich
Part 1			**Part 2**	**Part 3**	**Part 4**
1.1 Balance sheet statement: Assets	6 Breakdown of loans and advances to non-financial corporations	13 Collateral and guarantees received	20 Geographical breakdown	30 Off-balance sheet activities	42 Tangible and intangible assets (Valuation Method)
1.2 Balance sheet statement: Liabilities	7 Past due, impaired and defaulted assets	14 Fair value hierarchy	21 Tangible and Intangible Assets (Operating Lease)	31 Related parties	43 Provisions
1.3 Balance sheet statement: Equity	8 Breakdown of financial liabilities	15 Derecognition and finan. Liabilities ass. w. transferred finan. assets	22 Asset mgmt., custody and other service functions		44 Defined benefit plans and employee benefits
2 Statement of profit or loss	9 Loan commitments, financial guarantees and other commit.	16 Breakdown of select. statement of profit or loss items	23 Loans and Advances: add. Information		45 Breakdown of sel. profit or loss items
3 Statement of comprehensive Income	10 Derivatives: Held for trading	17 Reconciliation between IFRS and CRR scope of consolidation: Balance Sheet	24 Flows of NPL, impairment and write offs	Jährlich **Part 4**	46 Statement of changes in equity
4 Breakdown of financial assets	11 Derivatives: Hedge accounting	18 Performing and non-Performing exposures	25 Collateral obtained by taking possession	40 Group Structure	47 Average duration and recovery Periods
5 Breakdown of non-trading loans and advances by product	12 Movements in allow. and provisions for credit losses	19 Forborne exposures	26 Forbearance Management / Quality of forbear.	41 Fair Value	48 Additional Information

FINREP adaptions 2.9.2

Three main categories

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NPE / FBE

Modul 1 (all)

- Integration LTV-Ratio
- NPL days past due
- Forbearance
- Breakdown of NPL and FB (SME, CRE, RRE)

Modul 2 (high NPL)

- Trigger for In- and Outflow of NPLs, Impairments, Allowance and Writ offs
- Details on collaterals obtained by taking possession
- Details on Forbearance Management
- Breakdown on liquidation duration

Profit or Loss Statement

- Detailed breakdown of other administrative expenses with a special focus on IT
- Additional Information demands on fees and commision income and expenses (Coprate finance and paxment services)
- Futher disclosures on salaries and staff wages

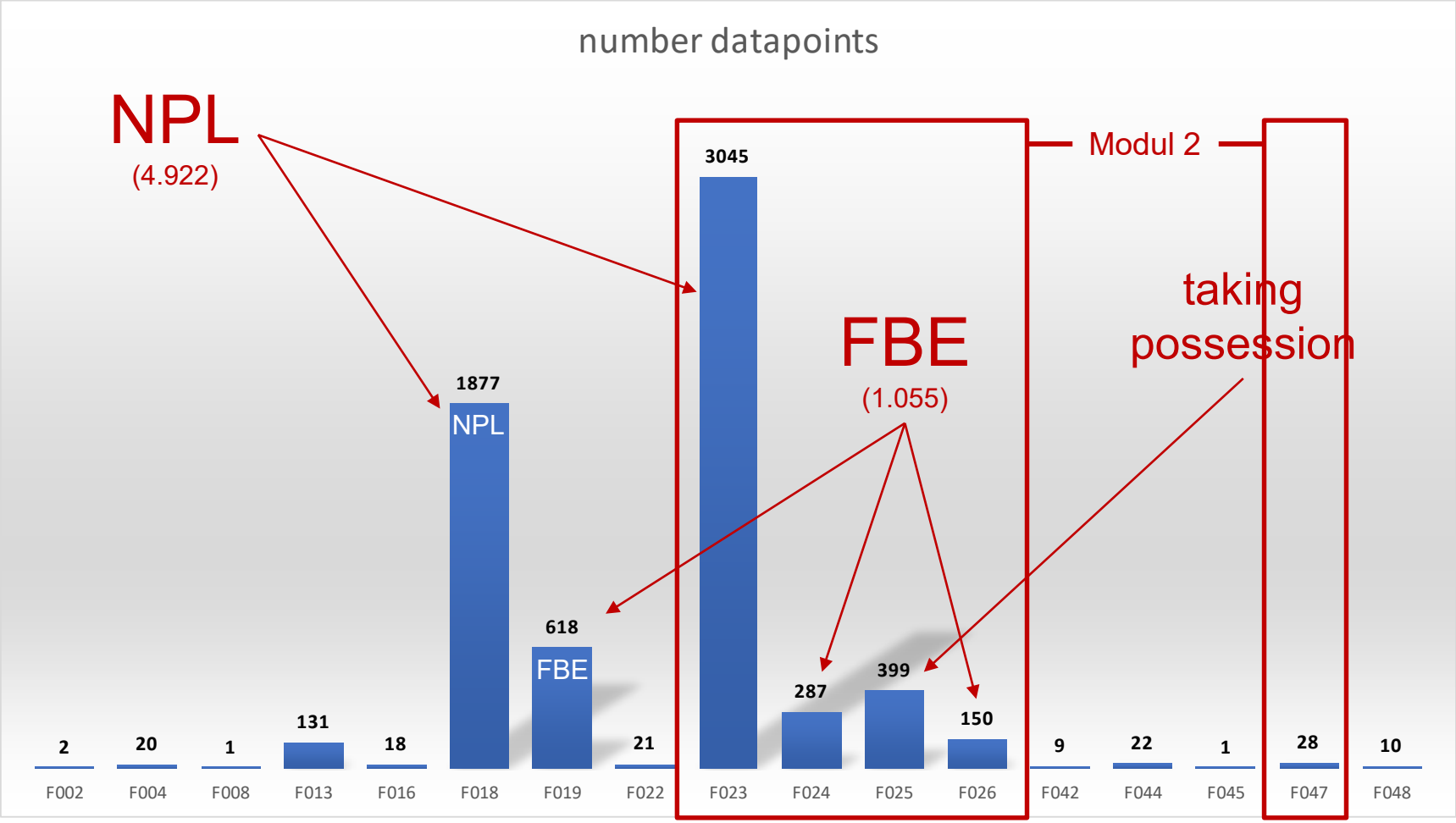
IFRS 16 Leasing

- Including information on IFRS 16 right-of-use assets on
  - Liabilities
  - Interest income and expenses
  - Tangible and intangible assets

17 new templates

6.639 additional datapoints

FINREP adaptions 2.9.2
Quantitative distribution



EBA risk-dashboard

https://eba.europa.eu/risk-analysis-and-data/risk-dashboard

EBA EUROPEAN BANKING AUTHORITY

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Advanced search

About us | Regulation and policy | Supervisory convergence | Risk analysis and data | Consumer corner | News & press

EBA Home > Risk analysis and data > Risk Dashboard

- EU-wide stress testing
- EU-wide transparency exercise
- EU Capital exercise
- Global Systemically Important Institutions (G-SIIs)
- Other Systemically Important Institutions (O-SIIs)
- DPM data dictionary
- **Risk Dashboard**
- Reporting frameworks
- Risk Assessment Reports
- Remuneration data
- Quantitative impact study/Basel III monitoring

Risk Dashboard

The EBA Risk Dashboard is part of the regular risk assessment conducted by the EBA and complements the Risk Assessment Report. The EBA Risk Dashboard summarises the main risks and vulnerabilities in the banking sector in the European Union (EU) by looking at the evolution of Risk Indicators (RI) among a sample of banks across the EU.

- 2018
- 2017
- 2016
- 2015
- 2014
- 2013

EBA risk-dashboard – NPL Ratio I

https://eba.europa.eu/risk-analysis-and-data/risk-dashboard

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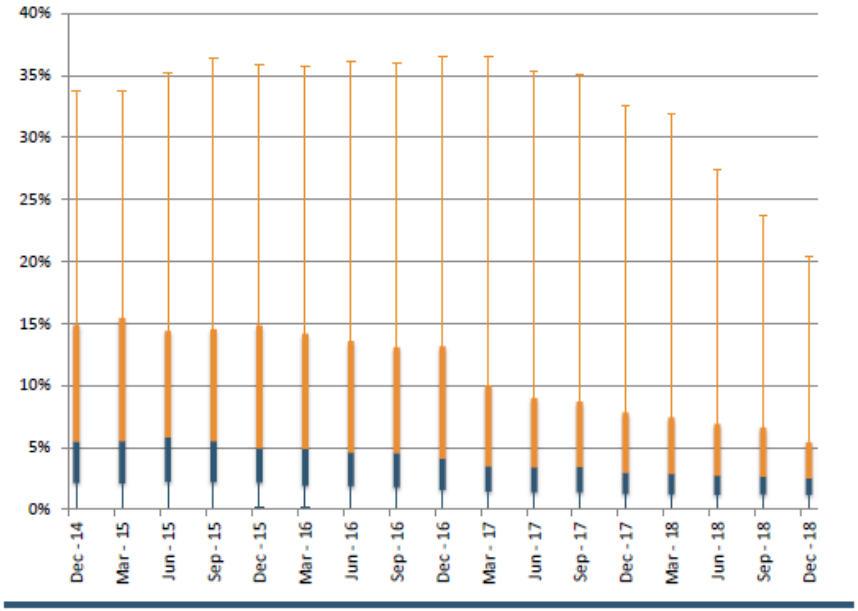
Credit Risk and Asset Quality

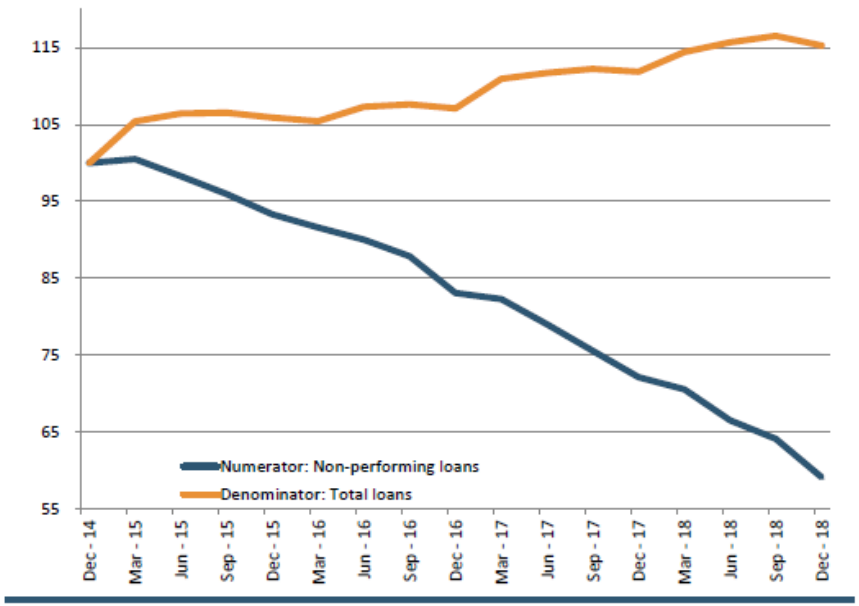
5 - Ratio of non-performing loans and advances (NPL ratio)

Dispersion



5th and 95th pct, interquartile range and median.

Numerator and denominator: trends



Total numerator and denominator.
Dec 2014 =100.

https://eba.europa.eu/risk-analysis-and-data/risk-dashboard

EBA risk-dashboard – NPL Ratio II

https://eba.europa.eu/risk-analysis-and-data/risk-dashboard

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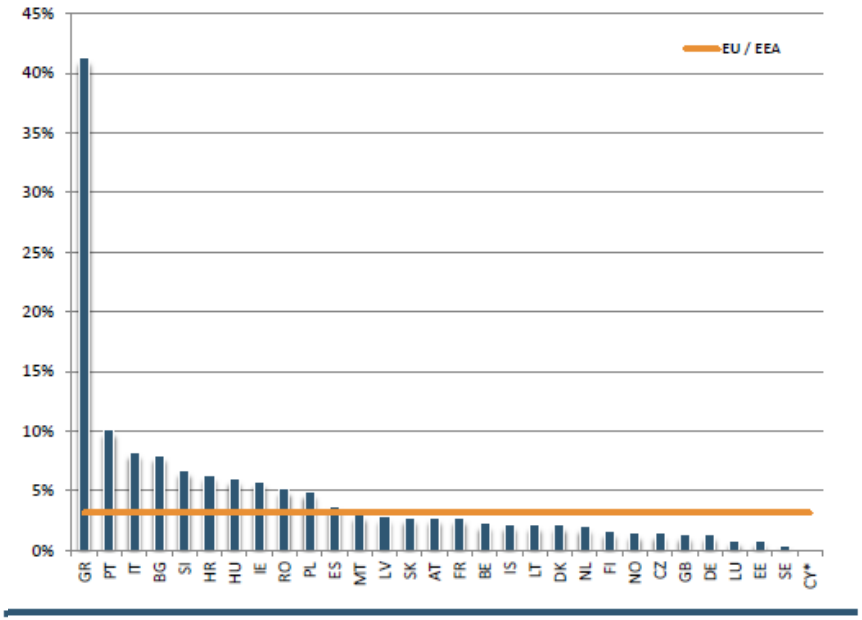
Credit Risk and Asset Quality

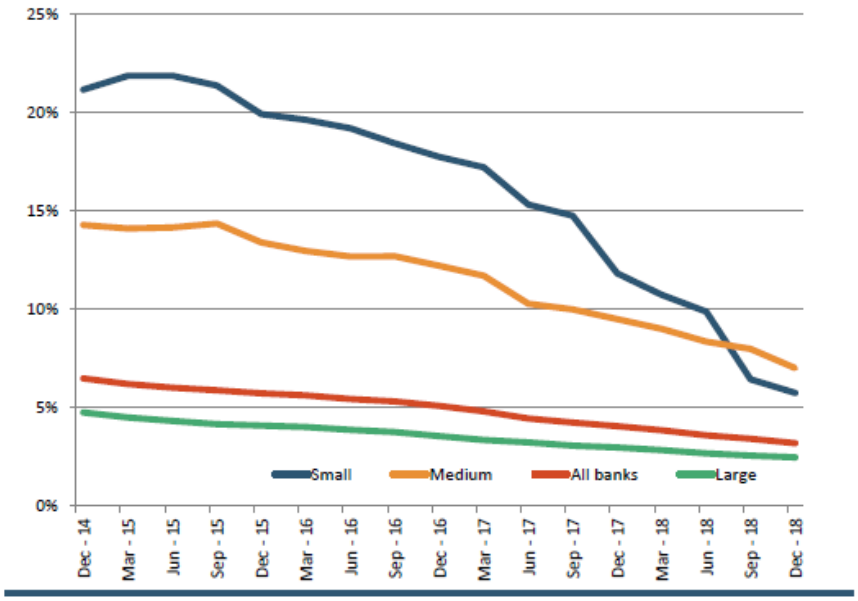
5 - Ratio of non-performing loans and advances (NPL ratio)

Country dispersion (as of Dec. 2018)



Weighted Averages by country. * To ensure confidentiality, figures by country breakdown are only shown if there are at least 3 banks that reported data in each specific country.

RI by size class



Weighted average. Banks are classified in the size class according to their average total assets between Dec. 2014 and Dec. 2018.

https://eba.europa.eu/risk-analysis-and-data/risk-dashboard

NPL Ratio

A typical KPI figure

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? 90 days overdue

IFRS NGAAP ?

Just bankcrupcy ?

Grace periode ?

$$NPL\ Ratio = \frac{Non\ Performing\ Loans}{Total\ assets}$$

Bank and government assets ?

Including limits ?

Loans and advances ?

Debt securities ?

Banks Integrated Reporting Dictionary

A public good initiative

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BIRD

reporting requirements often updated

So far banks do it on their own

Expert group

AUT: AuRep

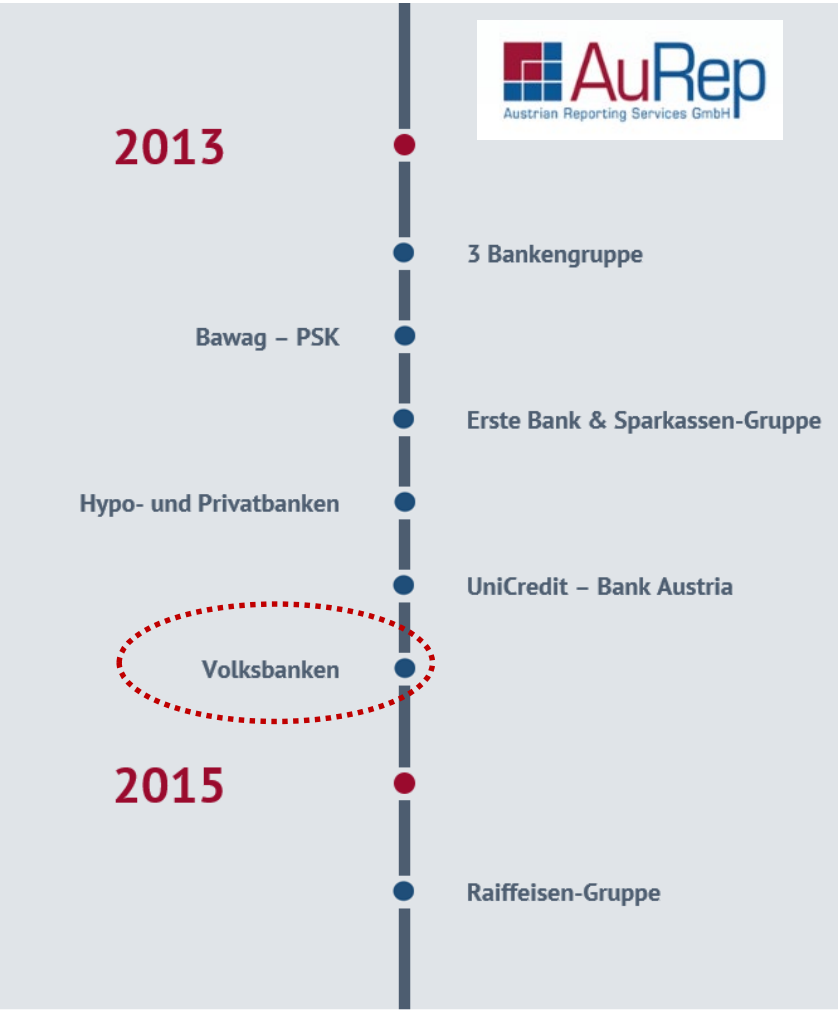
Initiative from commercial and national banks

Result: precise definition of datastructures

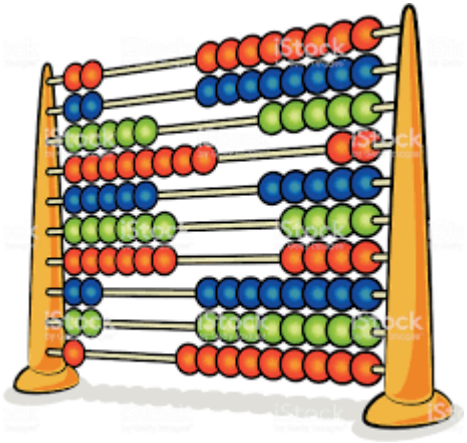
It‘s not:
- an IT tool
- a regulatory act

Public good

Datapointmodelling Reporting
Volksbank approach



Abacus



Datapointmodelling Reporting
Status Quo

New regulations
Less time
Greater consistency

Cubes besoming more popular

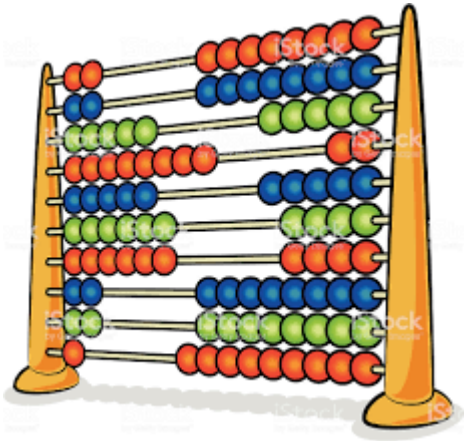
BCBS 239

1 - Industrialisation
automised and standardised

2 - Analytics
detailed internal and external analysis and flexible evaluation of data

2 – Regulatory Management
Planning; Controlling; Montoring; Simulations; Stresstest

Abacus



Organisational structure
Today on the edge to tomorrow

Template Reporting

- „Old school“ reporting via templates
- 9 FTE
- Average age: 49 years

Cube Reporting

- „modern“ datapoint reporting
- 8 FTE
- Average age: 41 years

Development

- Implementing new regulations and guidlines
- Transfering templates into the cube
- 10 FTE
- Average age: 37 years