

Regulations and guidelines 5/2014

Asset encumbrance reporting

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Legal nature of regulations and guidelines

Regulations

Financial Supervisory Authority (FIN-FSA) regulations are presented under the heading 'Regulation' in FIN-FSA's regulations and guidelines. FIN-FSA regulations are binding legal requirements that must be complied with.

FIN-FSA issues regulations only by virtue of and within the limits of legal provisions that entitle it to do so.

Guidelines

FIN-FSA interpretations of the contents of laws and other binding provisions are presented under the heading 'Guideline' in FIN-FSA's regulations and guidelines.

Also recommendations and other operating guidelines that are not binding are presented under this heading, as are FIN-FSA's recommendations on compliance with international guidelines and recommendations.

The formulation of the guideline shows when it constitutes an interpretation and when it constitutes a recommendation or other operating guideline. A more detailed description of the formulation of guidelines and the legal nature of regulations and guidelines is provided on the FIN-FSA website.

[Fin-fsa.fi > Regulation > FIN-FSA regulations > New set of regulations](#)

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1 Scope of application

1.1 Scope of application

(1) These regulations and guidelines are applicable to the following supervised entities as referred to in the Act on the Financial Supervisory Authority (878/2008):

- credit institutions
- central bodies referred to in the Act on the amalgamation of deposit banks
- investment firms, excluding investment firms referred to in chapter 6, section 1, subsection 4 of the Act on investment services
- fund management companies engaged in activities referred to in section 5, subsection 2 of the Mutual Funds Act (fund management companies offering asset management).

2 Legislative background

2.1 FIN-FSA's regulatory powers

FIN-FSA's power to issue binding regulations is based on the following legal provisions:

- Article 17 of Commission Implementing Regulation (EU) No 680/2014

Commission Implementing Regulation (EU) No 680/2014 (32014R0680) of 16 July 2014, laying down implementing technical standards with regard to reporting related to prudential supervision for institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (hereinafter Commission Implementing Regulation) OJ No 191, p. 1.

2.2 Decisions of the European Central Bank

Decision ECB/2014/29 of the ECB of 2 July 2014 on the provision to the ECB of supervisory data reported to the national competent authorities by the supervised entities pursuant to Commission Implementing Regulation (EU) No 680/2014.

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Reporting to FIN-FSA

3.1 Submission of supervisory information based on the Commission Implementing Regulation

- (1) The Commission Implementing Regulation provides for the information that must be submitted by institutions to the competent authorities of each member state.
- (2) Article 17 of the Commission Implementing Regulation provides that Institutions shall submit the information specified in the Regulation in the data exchange formats specified by competent authorities.

REGULATION (paragraph 3)

- (3) Supervised entities referred to in chapter 1.1 shall submit the information for the data collection on asset encumbrance specified in the Commission Implementing Regulation to FIN-FSA, the competent authority referred to in the Regulation. The information shall be submitted in a manner described in more detail in the Commission Implementing Regulation.

GUIDELINE (paragraphs 4 – 8)

- (4) Article 2 of the Commission Implementing Regulation provides the reference dates for which the information to be reported shall be submitted. Article 3 of the Commission Implementing Regulation provides the remittance dates by which the information to be reported shall be submitted.
- (5) According to Article 3 of the Commission Implementing Regulation, where the remittance day is a public holiday or a Saturday or a Sunday, the remittance day shall be the following working day.
- (6) Article 16a (1) of the Commission Implementing Regulation provides for the frequency of submission of information under each Part reported.
 - the information specified in Parts A, B and D shall be reported with a quarterly frequency
 - the information specified in Part C shall be reported with an annual frequency
 - the information specified in Part E shall be reported with a semi-annual frequency
- (7) Article 16a (2) of the Commission Implementing Regulation provides for exceptions concerning the submission of the Parts reported. Supervised entities are not required to report the information in Parts B, C and E of the data collection where they meet each of the following conditions:



- the total assets, as calculated in accordance with point 1.6, paragraph 10 of Annex XVII of the Commission Implementing Regulation, are less than EUR 30 billion;
- the asset encumbrance level, as calculated in accordance with point 1.6, paragraph 9 of Annex XVII of the Commission Implementing Regulation, is below 15%.

(8) Article 16a (3) of the Commission Implementing Regulation provides that supervised entities are only required to report the information in Part D of the data collection if they have issued the bonds referred to in the first subparagraph of Article 52(4) of UCITS Directive 2009/65/EC¹.

3.2 Guidelines on the submission of supervisory information

GUIDELINE (paragraphs 9 – 11)

- (9) The data collection application for reporting under these regulations and guidelines as well as a description of electronic reporting are available in the Jakelu distribution service at the FIN-FSA's website (www.finanssivalvonta.fi/jakelu).
- (10) A description of the data collection on asset encumbrance referred to in these regulations and guidelines is presented at the FIN-FSA's website in connection with these regulations and guidelines.
- (11) FIN-FSA recommends that credit institutions belonging to an amalgamation of deposit banks organise the submission of information referred to above in paragraphs (1–8) so that the member credit institutions submit the information to the central body of the amalgamation of deposit banks, which forwards the information of the member banks in a centralised manner to FIN-FSA.

3.3 Verification of the information reported

GUIDELINE (paragraphs 12 – 14)

- (12) Supervised entities should prepare a declaration of the accuracy of the information reported pursuant to these regulations and guidelines. The declaration should be dated, and it should be signed both by the person preparing the report and the person verifying the data. The supervised entity should keep the signed declaration and present it to FIN-FSA at request. The supervised entity should prepare a declaration in connection with the first report, and it should be updated whenever changes take place in the process described in it.
- (13) Instructions for preparing a declaration referred to in paragraph (12) are available at FIN-FSA's website (www.finanssivalvonta.fi) in the Regulation section.
- (14) Pursuant to section 38, paragraph 1, subparagraph 1 of the Act on the Financial Supervisory Authority, FIN-FSA will impose an administrative fine on a party neglecting or breaching its obligation to submit to FIN-FSA any information in accordance with these regulations and guidelines.

¹Directive 2009/65/EC (02009L0065) of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), OJ L 302, p. 32..

