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Final Report

Draft Implementing Standards

on IRRBB reporting under Commission Implementing Regulation
(EU) 2021/451

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1. Executive Summary

This Final Report proposes amendments to the implementing technical standards (ITS) on supervisory reporting with regard to interest rate risk in the banking book (IRRBB) reporting requirements. This new, harmonised reporting aims to bring the data quality required for assessing IRRBB risks on an appropriate scale of institutions, including large institutions, small and non-complex institutions (SNCl) and institutions other than large institutions and SNCl ('other institutions'), which cannot be left outside the scrutiny of IRRBB risks. It is strictly related to the completion of the policy work on:

- i. The *regulatory technical standards (RTS) on supervisory outlier test (SOT)*, which specify the common modelling assumption and supervisory shock scenarios that institutions shall apply to evaluate the decline in economic value of equity (EVE) and net interest income (NII) in the context of the supervisory review and evaluation process (SREP). The RTS also define and calibrate the 'large decline' and its compliance threshold for the supervisory outlier test on NII.
- ii. The *RTS on the standardised methodologies*, which specifies the details for the evaluation of changes in the NII and EVE under the standardised and simplified standardised approaches.
- iii. The *Guidelines on IRRBB and credit spread risk arising from non-trading book activities (CSRBB)*, which provide criteria to identify, monitor and manage IRRBB and its evaluation in the internal measurement systems.

The implementation of the IRRBB package shall be monitored closely through these draft amending reporting ITS, which provide supervisors with the appropriate data to monitor the IRRBB risks, such as changes in policy rates and the identification of outliers within both: i) the SOT on EVE; and ii) the SOT on NII.

Proportionality measures have been considered for evidence drawn from the Cost of Compliance study¹. The proposal for the IRRBB templates is for SNCl and 'other institutions' to report simplified templates. Once adopted, these ITS will replace the existing national reporting requirements for IRRBB.

Next steps

The draft ITS will be submitted to the Commission for endorsement before being published in the Official Journal of the European Union. The first reference date for the application of these technical standards is envisaged to be in September 2024. The expected implementation period for the proposed changes is approximately 1 year.

¹ See <https://www.eba.europa.eu/regulation-and-policy/supervisory-reporting/cost-compliance-supervisory-reporting>

The EBA will also develop the data-point model (DPM), XBRL taxonomy and validation rules based on the final draft amending ITS.

2. Background and rationale

1. The EBA reporting framework (as reflected in the Commission Implementing Regulation (EU) 2021/451² – ITS on Supervisory Reporting) is uniformly and directly applicable to reporting institutions, ensuring a level playing field in the area of reporting and facilitating data comparability. The EBA reporting framework has evolved over the years, ever since the first reporting framework was published in 2013. The EBA has periodically reviewed the content of the reporting requirements to ensure its continued relevance and alignment with the underlying regulation. In addition, the EBA has developed and maintained the technical package and the version management system to facilitate implementation and supporting of the reporting processes.
2. The Single Rulebook aims to provide a single set of harmonised prudential rules for financial institutions throughout the EU, helping to create a level playing field for all regulated institutions and providing high protection to depositors, investors and consumers. These draft ITS reflect the Single Rulebook provisions at the reporting level and are an integral part of it for financial institutions in Europe. These standards become directly applicable in all Member States once adopted by the European Commission and published in the Official Journal of the EU.
3. Regulation (EU) No 575/2013 (the CRR)³ mandates the EBA, in Article 430(7), to develop draft ITS to specify uniform reporting requirements. These requirements cover information on institutions' compliance with prudential requirements as put forward by the CRR, Directive 2013/36/EU (the CRD)⁴ and related technical standards as well as additional financial information required by supervisors to perform their supervisory tasks. Following the mandate under Article 430(7), the EBA has developed the draft ITS on supervisory reporting, which has been adopted by the European Commission as Implementing Regulation (EU) No 680/2014, and further repealed by Implementing Regulation (EU) 2021/451. The ITS on supervisory reporting needs to be amended to reflect the applicable underlying legal requirements or when it is necessary to improve the supervisors' ability to monitor and assess institutions.

² Commission Implementing Regulation (EU) 2021/451 of 17 December 2020 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) No 680/2014.

³ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012.

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02013L0036-20220101&from=EN>.

2.1 New IRRBB policy package

2.1.1 Final draft RTS on IRRBB supervisory outlier tests

4. In June 2019 Directive (EU) 2019/878⁵ amended the CRD, and under the new provisions of Article 98(5), and in the context of the SREP⁶, the SOTs 'in order to improve competent authorities' identification of those institutions which might be subject to excessive losses in their non-trading book activities as a result of potential changes in interest rates'⁷.
5. As part of the evaluation of an institution's exposure to the IRRBB in the SREP, the SOTs aim to assess the impact of supervisory shock scenarios on an institution's EVE (SOT on EVE) or on its NII (SOT on NII) beyond specific thresholds.
6. Points (a) and (b) of Article 98(5) of the CRD refer to thresholds as 15% of its Tier 1 capital, in the case of the SOT on EVE, and a 'large decline' in the NII, in the case of the SOT on NII. This 'large decline' has been set out as 2.5% of Tier 1 capital by Article 6(1) of the RTS specifying supervisory shock scenarios, common modelling and parametric assumptions and what constitutes a large decline for the calculation of the EVE and the NII in *accordance with the mandate to the EBA contained in Article 98(5a) of the CRD* (EBA/RTS/2022/10⁸ – the RTS on SOT. On 26 April 2023, the EBA Opinion responding to the Commission's letter from March 2023, fixed the level of the 'large decline' as 5% of the Tier 1 capital.⁹
7. If an institution reaches any of these thresholds, the relevant competent authority shall exercise its supervisory powers¹⁰ unless it considers, in the context of the SREP, that the institution's management of IRRBB is adequate and that the institution is not excessively exposed to IRRBB¹¹. In June 2021, the EBA launched a public consultation on its revised Guidelines on common procedures and methodologies for the SREP and supervisory stress testing (EBA/GL/2022/03)¹². Title 6 of these Guidelines refers explicitly to the SOTs as minimum information that competent authorities should

⁵ Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.

⁶ Section III (on 'Supervisory review and evaluation process') of Chapter 2 (on 'Review Processes') in Title VII (on 'Prudential Supervision') of the Directive 2013/36/EU.

⁷ Recital 19 of the Directive (EU) 2019/878.

⁸ Draft Regulatory Technical Standards specifying supervisory shock scenarios, common modelling and parametric assumptions and what constitutes a large decline for the calculation of the economic value of equity and of the net interest income in accordance with Article 98(5a) of Directive 2013/36/EU (EBA/RTS/2022/10).

⁹ On 26 April 2023, the EBA published its [Opinion on the RTS on SOTs](#), where a relaxation of the definition of large decline for the SOT on NII – to 5% of Tier 1 capital, was proposed in order to reflect the consequences of the evolution of the interest rates.

¹⁰ Supervisory powers that may include the requirements envisaged in Article 104(1) of the Directive 2013/36/EU (e.g. capital requirements, restrictions of some business activities with excessive risks to the soundness of the institution) or the need to specify other modelling and parametric assumptions for its IRRBB management.

¹¹ Article 98(5) of the Directive 2013/36/EU.

¹² Guidelines process on common procedures and methodologies for (SREP) and supervisory stress testing the supervisory review and evaluation under Directive 2013/36/EU (EBA/GL/2022/03).

consider in their assessment of institutions' exposure to IRRBB, as stipulated in Article 98(5) of CRD and further specified by the delegated regulation to be adopted in accordance with Article 98(5a) of that Directive.

8. The SOTs are supervisory tools the objective of which is to inform supervisors about the exposure of institutions to IRRBB by obtaining comparable information for all institutions. The SOTs are important tools for competent authorities to monitor this risk and perform reviews.

2.1.2 The Guidelines on IRRBB and credit spread risk arising from non-trading book activities

9. The standards that set out the SOT framework fulfil the implementation of the 2016 Basel standards on IRRBB into the EU framework, which started with the issuance of EBA Guidelines on the management of interest rate risk arising from non-trading book activities (EBA/GL/2018/02)¹³ published in July 2018 and applicable since June 2019. Following the mandate in Article 84(6) of the CRD, EBA developed new Guidelines specifying aspects of the identification, evaluation, management and mitigation of the risks arising from potential changes in interest rates and of the assessment and monitoring of credit spread risk, of institutions' non-trading book activities (EBA/GL/2022/14 – 'the Guidelines')¹⁴ which will replace the EBA Guidelines on the management of interest rate risk arising from non-trading book activities.
10. These new Guidelines provide the legal framework for institutions' IRRBB internal systems and for the SOT calculations if not specified in the RTS on SOT. The Guidelines will also be applicable as regards the identification, management and mitigation of IRRBB, if the internal systems are replaced by the use of the IRRBB standardised methodology (SA) or the Simplified SA (s-SA), in which case the RTS specifying standardised and simplified standardised methodologies to evaluate the risks arising from potential changes in interest rates that affect both the EVE and the NII of an institution's non-trading book activities (EBA/RTS/2022/09¹⁵ – 'the RTS on SA') provide the necessary specifications for IRRBB evaluation aspects as well as for the purposes of SOT calculations if not specified in the relevant RTS on SOT. The Guidelines also provide the legal framework for assessing and monitoring CSRBB.

2.1.3 The Final draft RTS on the IRRBB standardised approach

11. The Directive (EU) 2019/878 also introduced, under Article 84, in the context of the SREP, the requirement that competent authorities 'ensure that institutions implement internal systems, use the

¹³ Guidelines on the management of interest rate risk arising from non-trading book activities ([EBA/GL/2018/02](#)).

¹⁴ Guidelines specifying aspects of the identification, evaluation, management and mitigation of the risks arising from potential changes in interest rates and of the assessment and monitoring of credit spread risk, of institutions' non-trading book activities ([EBA/GL/2022/14](#)).

¹⁵ Draft Regulatory Technical Standards specifying standardised and simplified standardised methodologies to evaluate the risks arising from potential changes in interest rates that affect both the economic value of equity and the net interest income of an institution's non-trading book activities in accordance with 84(5) of Directive 2013/36/EU ([EBA/RTS/2022/09](#)).

standardised methodology or the simplified standardised methodology to identify, evaluate, manage and mitigate the risks arising from potential changes in interest rates that affect both the EVE and the NII of an institution's non-trading book activities'.

12. Following the mandate in Article 84(5) of the CRD, the RTS on SA set out the standardised and simplified standardised methodologies as envisaged in Article 84(1) of the CRD, which serve the purpose of the evaluation of the risks arising from potential changes in interest rates that affect both the EVE and the NII of an institution's non-trading book activities.
13. The bank's use of internal systems, the SA, or the s-SA, will affect the results of the SOTs.
14. When measuring the impact of IRRBB under internal systems, interest income, interest expenses and market value changes should be considered. This ensures a comprehensive assessment of the impact of all interest rate sensitive items.
15. Furthermore, in this context, a 5-year cap on weighted average repricing maturity is introduced now for retail and non-financial wholesale deposits without specified repricing dates (non-maturity deposits)¹⁶. This behavioural assumption seeks to ensure a minimum level playing field and prudent treatment of these deposits which prove to be a material item when calculating the impact of interest rate changes.
16. In determining non-satisfactory IRRBB internal systems implemented by institutions, the Guidelines seek to provide the minimum specific criteria to be assessed by the relevant competent authority. This approach seeks to ensure that the minimum harmonised criteria are used for these purposes, while ensuring that competent authorities 'may' require an institution to apply the SA as envisaged in Article 84(3) CRD, avoiding any automatism.
17. The IRRBB package was published in an environment of high inflation combined with recessionary risks contrasting with a long period characterised by very low inflation and interest rates. In particular, the impact on institutions from changes in policy rates, including its interaction with the management of the interest rate risk from a prudential perspective shall be closely monitored. In this context, the implementation of the IRRBB package shall be monitored closely with these draft amending ITS.
18. To equip supervisors with the appropriate data to monitor the IRRBB risks, these draft amending ITS provide data to supervisors ensuring appropriate data quality and appropriate coverage in terms of number of reporting institutions taking into careful consideration the concept of proportionality in reporting requirements. These draft amending ITS also aim to monitor the implementation of the RTS on SOT, the RTS on SA and the Guidelines to assess the effects of interest rate changes on IRRBB management.

2.2 Proposed templates

¹⁶ The 5-year cap repricing maturity exempts regulated savings referred to in Article 428f(2)(a) of the CRR, but not limited to the centralised part, and those with material economic or fiscal constraints in case of withdrawal.

2.2.1 J 01.00: Evaluation of the IRRBB: EVE/NII SOT and market value (MV) changes

19. This template is proposed to be reported by all institutions, regardless of their classification, on a quarterly basis. It gathers information on:

- (a) The supervisory shock size as established in the EBA RTS on SOT.
- (b) The SOT EVE and SOT NII. The sensitivities for the baseline and each of the supervisory shock scenarios are to be reported as the variation of the absolute amount.
- (c) Market value changes for baseline and parallel up and down shock scenarios.

20. This template is to be reported separately by each currency that has been considered by the reporting institution for the SOTs, as envisaged in the EBA RTS on SOT, both in a required or voluntary manner. Moreover, the template is proposed to be reported for the aggregation of currencies as per the aggregation approach in the EBA RTS on SOT.

2.2.2 J 02.00, J 03.00 and J 04.00: Breakdown of sensitivity estimates

21. This template is to be reported separately by large institutions (J 02.00), 'other institutions' (J 03.00) and SNCIs (J 04.00) on a quarterly basis. It gathers information on the SOT NII and SOT EVE, specifically the contribution by each asset and liability item, including derivatives granularity, for every scenario reported in J 01.00. Moreover, it includes information on the carrying amount and duration.

22. These templates are to be reported for each currency separately for which the institution has positions where the accounting value of financial assets or liabilities denominated in a currency amount to 5% or more of the total non-trading book financial assets or liabilities, or less than 5% if the sum of financial assets or liabilities included in the calculation is lower than 90% of total non-trading book financial assets (excluding tangible assets) or liabilities. However, these templates are not to be reported for aggregate currencies.

2.2.3 J 05.00, J 06.00 and J 07.00: Repricing cash flows

23. This template is to be reported separately by large institutions (J 05.00), 'other institutions' (J 06.00) and SNCIs (J 07.00) on a quarterly basis. It gathers information on the same balance-sheet items as reported in J 02.00 (large institutions) and some extra granularity compared to J 03.00 ('other institutions') and J 04.00 (SNCIs). These balance-sheet items are to be reported for:

- (a) Information on weighted average yield and weighted average contractual residual maturity.
- (b) Information on the notional amount indicating how much (materiality) is behaviourally modelled and with automatic optionality.

(c) Information on 19 time buckets for the repricing schedule for all notional repricing cash flows in the case of fixed rate instruments and 8 buckets for floating rate instruments.

24. The cash-flows are proposed to follow modelling assumptions in the SOT from an EVE perspective, except automatic optionality.

25. These templates are to be reported separately by each currency as in J 02.00 and J 03.00 and J 04.00.

26. These templates shall be reported separately according to contractual and behavioural conditions (modelling: contractual or behavioural).

2.2.4 J 08.00 and J 09.00: Relevant parameters

27. This template is to be reported separately by large institutions (J 08.00) and institutions other than large institutions (J 09.00) on a quarterly basis. It gathers information on the average repricing date of non-maturity deposits (NMDs), fixed rate loans subject to prepayment and term deposits subject to early withdrawal, from an EVE perspective. This information is provided separately, on the one hand, considering their contractual features only and, on the other, considering their behavioural modelling for the various scenarios.

28. The information reported here should build on templates J 02.00 to J 07.00.

29. These templates are to be reported separately by currency as in J 02.00 and J 03.00 and J 04.00.

2.2.5 J 10.00 and J 11.00: Qualitative information

30. This template is proposed to be reported by large institutions (J 10.00) and institutions other than large institutions (J 11.00), on an annual basis. It gathers information on a set of questions with predefined possible answers for institutions to report.

31. The purpose of the template is to gather further information which justifies the information reported in the previous templates, such as assumptions, yield curves and approaches used in the reporting of the other templates.

32. The sub-templates J 10.02 and J 11.02 are to be reported separately by currency as in J 02.00 and J 03.00 and J 04.00.

2.3 Proposed proportionality

33. The EBA is mandated in accordance with Article 430(8) of the CRR to measure the costs that institutions incur when complying with the supervisory reporting requirements and, in particular, with those set out in the EBA's ITS on Supervisory Reporting. The EBA is also tasked with assessing whether these reporting costs are proportionate to the benefits delivered for prudential supervision and making recommendations on how to reduce the reporting cost, at least for SNCIs. The

findings from this analysis¹⁷ point to a ‘core plus supplement approach’ for this type of risk reporting, where the core plus supplement comprises more comprehensive and detailed information than just the core set of information.

34. The proportionality measures proposed in this package are, therefore, two-fold:

(a) Embedded in the policy package:

- i. Institutions only need to calculate the SOT for the currencies included in Article 1(3) of the EBA RTS on SOT. Therefore, the currencies which do not meet the criteria from Article 1(3) of the EBA RTS on SOT do not need to be reported.
- ii. Institutions need to adjust key behavioural modelling assumptions of interest-sensitive instruments to the features of different interest-rate scenarios, taking into account the proportionality and materiality thresholds set out in Articles 7(12), 8(2), 9(4), 11(3) and 21(1) of the EBA RTS on SA, as mentioned in in Article 4(d) of the EBA RTS on SOT.

(b) Explicit in the reporting package:

- i. SNCIs and ‘other institutions’ are requested to report more simplified templates, which are a subset of the templates for large institutions.

35. Following this principle, these templates were the outcome of an effort to draw the line between the data points that are needed from each and every credit institution to understand the basic picture, and the information needed for further supervisory investigation for IRRBB. This resulted in a reduction of the reporting of half of the data points for most SNCIs and ‘other’ institutions, which should be translated into substantial savings in reporting compliance costs.

Table 1 - Summary of reporting requirements per type of institution

	Quarterly frequency				Annual frequency
	Evaluation of the IRRBB: EVE/NII SOT and MV changes	Breakdown of sensitivity estimates	Repricing cash flows	Relevant parameters	Qualitative information
Large institutions	J 01.00	J 02.00	J 05.00	J 08.00	J 10.00
‘Other’ institutions	J 01.00	J 03.00	J 06.00	J 09.00	J 11.00
SNCIs	J 01.00	J 04.00	J 07.00	J 09.00	J 11.00

¹⁷

https://www.eba.europa.eu/sites/default/documents/files/document_library/Publications/Reports/2021/1013948/Study%20of%20the%20cost%20of%20compliance%20with%20supervisory%20reporting%20requirement.pdf

3. Draft implementing standards

COMMISSION IMPLEMENTING REGULATION (EU) .../...

of **XXX**

amending Commission Implementing Regulation (EU) 2021/451 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) No 680/2014

(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 amending Regulation (EU) No 648/2012¹⁸ and in particular the last subparagraph of Article 470(7) thereof,

Whereas:

- (1) Without prejudice to the competent authorities' powers under Article 104(1)(j) of Directive 2013/36/EU¹⁹ and with a view to increasing efficiency and reducing the administrative burden, a coherent reporting framework should be established on the basis of a harmonised set of standards. Commission Implementing Regulation (EU) No 2021/451²⁰ specifies, on the basis of Article 430 of Regulation (EU) No 575/2013, the modalities according to which institutions are required to report information relevant to their compliance with Regulation (EU) No 575/2013. That Regulation should be amended to reflect prudential elements introduced in Regulation

¹⁸ OJ L 176, 27.6.2013, p. 1.

¹⁹ 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, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).

²⁰ Commission Implementing Regulation (EU) No 2021/451 of 17 December 2020 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) No 680/2014 (OJ L 97, 19.3.2021, p. 1–1955).

(EU) No 575/2013 as amended by Regulation (EU) No 2019/876²¹ and Directive 2013/36/EU as amended by Directive (EU) 2019/878.

- (2) This Regulation should specify the reporting templates that allow to equip supervisors with the appropriate data to monitor Interest Rate Risk in the Banking Book (IRRBB) risks such as the impact on institutions driven from changes in policy rates, including its interaction with the management by institutions of the interest rate risks, and the identification of outliers within both the Supervisory Outlier Test (SOT) on Economic Value of Equity; and the SOT on Net Interest Income.
- (3) Regulation (EU) No 2019/876, amending Regulation (EU) No 575/2013, mandated the EBA, according to Article 430(8)(e), to make recommendations on how to reduce reporting requirements at least for small and non-complex institutions, which should be included in the reporting framework.
- (4) This Regulation is based on the draft implementing technical standards submitted by the European Banking Authority (EBA) to the Commission.
- (5) 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 1093/2010²² in relation to those.
- (6) Implementing Regulation (EU) 2021/451 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Implementing Regulation (EU) 2021/451 is amended as follows:

- (1) The following Article 20a is inserted:

‘In order to report information on interest rate risk in the banking book in accordance with Articles 84(5), 84(6) and 98(5a) of Directive 2013/36/EU on an individual and a consolidated basis, institutions shall submit the information specified in Annex XXVIII in accordance with the instructions in Annex XXIX as follows:

 - a) template 1 with a quarterly frequency by all institutions;
 - b) templates 2, 5 and 8 with a quarterly frequency by large institutions;
 - c) templates 3 and 6 with quarterly frequency by institutions that are neither large institutions nor small and non-complex institutions;

²¹ Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012 (OJ L 150, 7.6.2019, p. 1–225).

²² 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).



- d) templates 4 and 7 with a quarterly frequency by small and non-complex institutions;
 - e) template 9 with quarterly frequency by institutions that are neither large institutions nor small and non-complex institutions and by small and non-complex institutions;
 - f) template 10 with an annual frequency by large institutions;
 - g) template 11 with annual frequency by institutions that are neither large institutions nor small and non-complex institutions and by small and non-complex institutions.'
- (2) An Annex XXVIII is inserted in accordance with the Annex I to this Regulation.
- (3) An Annex XXIX is inserted in accordance with the Annex II to this Regulation.

Article 2

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

It shall apply from September 2024.

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

Done at Brussels,

*For the
Commission*

The President

*On behalf of
the President
[Position]*

4. Accompanying documents

4.1 Draft cost-benefit analysis / impact assessment

As per Article 15 of Regulation (EU) No 1093/2010 (EBA Regulation), any implementing technical standards developed by the EBA shall be accompanied by an impact assessment (IA), which analyses ‘the potential related costs and benefits’.

This analysis presents the IA of the main policy options involved in this Final Report on the Draft Implementing Technical Standards amending the ITS regarding supervisory reporting of institutions according to Regulation (EU) No 575/2013 in relation to IRRBB reporting. Given the nature of the ITS, this IA is a high-level qualitative assessment and refers to the anticipated cost that the involved national competent authorities (NCAs) and the reporting banks will incur. With regard to proportionality assessment specifically, the scope of application of the ITS does not justify data collection to conduct a quantitative impact assessment on reporting compliance costs, mainly because the affected banks either report this information for other items of reporting requirements or they do it regardless for internal purposes. To this end, the EBA deems it appropriate to conduct a qualitative impact assessment, derived from policy making expert views, to evaluate whether the IRRBB reporting implies an appropriate, and proportionate, additional cost of reporting.

A. Problem identification and background

When considering the development of revised common reporting (COREP) templates on IRRBB, first, the EBA had to address proportionality considerations. When doing so, the EBA considered the embedded provisions, as reflected in Articles 1(3) and 4(d) of the EBA RTS on SOT. Although the EBA RTS on SOT address the issues touching on the reporting on material currencies, and on the approaches for scenarios consultation, the current RTS still needs to address the scope and reporting requirements for different types of institutions. More specifically, the EBA identified the absence of explicit reporting requirements for credit institutions not belonging to the ‘Large institutions’ or ‘Small and non-complex institutions’ categories, according to the respective definitions set out in points (146) and (145) of Article 4(1) of CRR2.

Besides the abovementioned problem of identification, the current ITS addressed several other issues of a technical nature in relation to (a) the sign convention for reporting of liabilities for IRRBB; (b) the information-retrieval method for fixed and floating instruments (templates J 05.00, J 06.00 and J 07.00); and (c) whether large institutions should be subject to additional conditional scenarios in the z-axis.

B. Policy objectives

The strategic objective of the ITS is to ensure that supervisors receive all the relevant information to fulfil their mandates for monitoring of the IRRBB, without adding any disproportionate burden on specific types of institutions. The operational objective is to address technical issues in a way that would streamline the reporting requirements without leaving room for free interpretations for the reporting institutions, and thus room for inconsistent reporting.

C. Options considered, assessment of the options and preferred options

After consultation with the national competent authorities, the EBA has come up with five different templates for enhanced reporting of the IRRBB in the content of COREP reporting. These templates are summarised as follows:

- Template J 01.00: Evaluation of the IRRBB: EVE/NII SOT and MV changes
- Template J 02.00 : Breakdown of sensitivity estimates (Simplified versions: J 03.00 for ‘Other’ institutions and J 04.00 for SNCIs)
- Template J 05.00: Repricing cash flows (Simplified versions: J 06.00 for ‘Other’ institutions and J 07.00 for SNCIs)
- Template J 08.00: Relevant parameters (A simplified version J 09.00 for SNCIs and ‘Other’ institutions)
- Template J 10.00 : Qualitative information (A simplified version J 11.00 for SNCIs and ‘Other’ institutions)

The content of the abovementioned templates will bring the data quality required for assessing IRRBB risks to an appropriate scale of institutions and will harmonise the data collected on IRRBB at the EU level. The EBA considers that the above set of templates strikes a balance between requesting the necessary information for all institutions and not adding a significant burden to reporting institutions. The ITS tries to explicitly address issues that are of particular importance for consistent and proportionate reporting among reporting institutions.

To this end, Section C. presents the main policy options discussed and the decisions made while setting up and fine-tuning the templates and instructions in question. Advantages and disadvantages, as well as potential costs and benefits of the policy options and the preferred options resulting from this analysis are assessed below.

Changes made for clarification purposes were not included here as they do not incur any costs or advantages.

1. Reporting requirements for institutions not belonging to ‘large institutions’ or to ‘SNCIs’

While a part of the suggested reporting templates is intended for all institutions (J 01.00), another part is only for ‘large institutions’ (J 02.00, J 05.00, J 08.00 and J 10.00). Template J 06.00 only refers to ‘other institutions’, i.e. those not belonging to ‘large institutions’ or to ‘SNCIs’. Template J 07.00 only refers to SNCIs. The rest of the templates (J 03.00, J 04.00, J 09.00 and J 11.00) refer both to SNCIs and ‘other institutions’.



Currently, for the institutions belonging to the category ‘other institutions’, there are no explicit reporting requirements. In this context, the EBA considered the following options for the reporting requirements of ‘Other institutions’, which include them being subject to:

- (a) the same reporting requirements as for ‘large institutions’;
- (b) the same reporting requirements as for ‘SNCIs’;
- (c) a different package of reporting requirements.

Preferred: Option 1c

The EBA considers that creating a different package for ‘other institutions’ would be the most appropriate and thus the preferred option. The rationale behind the decisions is twofold. First, although the implementation effort in absolute numbers (e.g. FTEs) should be approximately the same for ‘large institutions’ and ‘other institutions’, it is proportionately more burdensome for ‘other institutions’ to implement the same reporting requirements due to their relatively smaller size and economies of scale. Second, ‘other institutions’ do not bear the same systemic risks as ‘large institutions’ and, therefore, should not be obliged to fulfil the same detailed reporting requirements as large institutions.

2. Setting the sign convention for the reporting of liabilities

In general, in reporting, any amount that increases the value of on-/off-balance sheet items shall be reported as a positive figure.

IRRBB is a symmetric risk which heavily depends on the interest rate sensitivities of on-/off-balance sheet positions of institutions. This means that a change in the interest rate environment may have a different impact on different banks, depending on the composition of their positions.

Cash flows on principal or prepayment/early redemption on assets or liabilities do not increase the value of the exposures. Cash flows on principal, prepayment and early redemptions always reduce the amount of exposure.

Increases in the value of exposures only happen in some cases for instruments at fair value.

Option 2a: positive sign.

Option 2b: negative sign.

Preferred: option 2a

Option 2a was deemed the most adequate one to be consistent with existing reporting requirements (and therefore having less implementation costs), considering that negative amounts could also be reported in particular cases, which are further clarified in Annex XXIX.

3. The approach for distinguishing fixed and floating interest rate instruments

To monitor IRRBB, there is a need to distinguish between fixed and floating interest rate instruments in templates J 05.00, J 06.00 and J 07.00. There are two ways of approaching this:

Option 3a: to have the breakdown of fixed and floating rate instruments under the relevant rows/columns where the specific types of instruments are reported.

Option 3b: to have the breakdown in different templates assigned to fixed or floating separately, i.e. the whole template would refer to either fixed or floating.

Preferred: option 3a.

Option 3a would provide the supervisors with a handy and prompt comparison of the amounts for fixed and floating instruments for every given type of exposure. On the other hand, option 3b would introduce additional costs for developing and maintaining an additional number of templates.

After taking into account proportionality considerations, option 3a is the preferred one whereas in template J 02.00 there is a breakdown by rows and in templates J 05.00 to J 07.00 there is a breakdown by columns.

4. Requesting additional conditional scenarios in the z-axis for large institutions

Templates J 05.00, J 06.00 and J 07.00 will be reported by contractual and behavioural scenarios. However, it would be important, from the supervisory point of view, to collect data regarding the conditional scenarios. This would mean collecting six more dimensions for Parallel Shock Up, Parallel Shock Down, Steepener, Flattener, Short Rates Shock Up and Short Rates Shock Down, if the institution calculates it.

Since there is already some proportionality embedded in this point, it might be worth requesting large institutions to provide this breakdown. To this end, the EBA examined the following alternatives:

Option 4a: requesting additional conditional scenarios for large institutions.

Option 4b: not requesting additional conditional scenarios for large institutions.

Option 4c: only parallel shocks (Up and Down).

Preferred: option 4b.

Option 4a would provide supervisors with additional valuable information to assess institutions' modelling. Option 4c would be a compromise solution to request only the more relevant shock scenarios. Nevertheless, due to proportionality reasons and to avoid increasing the reporting burden, option 4b was deemed the more balanced one.

4.2 Overview of questions for consultation

4.2.1 General questions

Question 1: Are the instructions and templates clear to the respondents? More specifically, do respondents consider that all definitions are unambiguous and accurate (e.g. linear and non-linear derivatives, contingent assets and liabilities, total assets/liabilities with impact on MV, etc.)?

Question 2: Do the respondents identify any discrepancies between these templates and instructions and the calculation of the requirements set out in the underlying regulation?

Question 3: Do the respondents agree that the amended ITS fits the purpose of the underlying regulation?

Question 4: How many full-time equivalent (FTE) employees does your institution expect to involve in the implementation and for how many months in order to meet reporting compliance? Please provide instructions for specific templates and options relevant for your institution. Please also indicate whether the same implementation will be used by many reporting institutions such that costs are shared among them.

Question 5: What technical and procedural dependencies does the implementation of the ITS imply for your institution? How do they affect the time schedule of the implementation?

4.2.2 Proportionality

Question 6: Do respondents agree that the decision to simplify reporting templates is the best approach in implementing proportionality? If you do not agree, what other proposal would be more efficient to reduce costs?

Question 7: Do respondents perceive that the reporting requirements are proportionate for small and non-complex institutions? How could proportionality be further improved for these institutions? Particularly, does template J 08.00 on qualitative information add substantial reporting costs to these institutions? Is there some quantitative information contained in templates J 05.00, J 06.00 and J 07.00 that is overly burdensome? Is the expected frequency for templates J 05.00, J 06.00, J 07.00 and J 08.00 feasible and proportionate?

Question 8: Do respondents perceive that the reporting requirements are proportionate for institutions other than large institutions and small and non-complex institutions ('other' institutions)? Is there some quantitative information contained in templates J 02.00, J 03.00 and J 04.00 that is overly burdensome? Is the expected frequency for templates J 02.00, J 03.00, J 04.00 and J 08.00 feasible and proportionate? How could proportionality be further improved for these institutions?

Question 9: Do respondents agree that the number of currencies requested in this reporting package is proportionate? Particularly for templates J 02.00 to J 08.00, do these amended ITS request the right amount of information for currencies that have a limited/marginal contribution to the IRRBB?

Question 10: Do respondents currently compute their IRRBB figures, such as those in panels 03.00 and J 06.00, broken down by fixed/floating, for internal monitoring and/or supervisory reporting? If not, do respondents perceive that the reporting of templates J 03.00 and J 06.00 by fixed and floating rate instruments as a different dimension (i.e. in the Z axis) add substantial reporting costs for a different kind of solution? Would respondents propose a different approach to reduce the reporting costs (e.g. breakdown in rows by fixed/floating rate instrument, or instead of having it in a different dimension duplicate the columns of the panel to fit fixed and floating in different columns)? Please elaborate.

4.2.3 J 01.00 template – IRRBB sensitivity estimates: EVE/ NII SOT and MV changes

Question 11: Do respondents currently compute the figures in column 0020 for internal monitoring and/or supervisory reporting? If not, do respondents perceive that column 0020 adds considerable reporting costs in order to calculate these figures (please consider that it would only be reported for the aggregate of all currencies)? Would respondents propose a different approach to reduce the reporting costs? Please elaborate.

4.2.4 J 03.00 / J06.00 template: Repricing cash flows

Question 12: Does the inclusion of carrying amount and credit risk exposure amount cause implementation challenges? If yes, please describe the challenges.

4.2.5 J 08.00 template: Qualitative information

Question 13: What other types of methodologies for NII could be reported in row 0030?

Question 14: What other types of methodologies for EVE could be reported in row 0070?

Question 15: What other risk-free yield curves used for discounting could be reported in rows 0320 and 0330?

Question 16: Since it is necessary to collect qualitative information to complement the quantitative to get a full overview of the IRRBB risks from a supervisory perspective, do respondents see other IRRBB-related aspects that might be necessary to cover?

Question 17: Do respondents see any issue about reporting the qualitative information in J 08.00? How do respondents consider this information in terms of usefulness and practicability?

4.3 Feedback on the public consultation

The EBA publicly consulted on the draft proposal contained in this paper.

The consultation period lasted for 3 months and ended on 2 May 2023. Twelve responses were received, of which nine were received on a non-confidential basis and published on the EBA website.

This paper presents a summary of the key points and other comments arising from the consultation, the analysis and discussion triggered by these comments and the actions taken to address them if deemed necessary.

In many cases several industry bodies made similar comments, or the same body repeated its comments in its response to different questions. In such cases, the comments and the EBA's analysis are included in the section of this paper where the EBA considers them most appropriate.

Changes to the draft ITS have been incorporated as a result of the responses received during the public consultation.

Summary of key issues and the EBA's response

Overall, the respondents recognise that the implementation of the IRRBB package shall be closely monitored with these ITS. Instructions have been deemed sufficiently clear, with further clarifications provided in those areas where the industry raised some concern.

Some respondents requested to simplify these ITS to ease the burden for institutions (especially SNCIs). Following this consultation, the content of these ITS has been streamlined and simplified to fit the purpose of the underlying regulation.

The EBA reiterates that these ITS aim to provide supervisors with an appropriate set of data to monitor and assess IRRBB exposures. This implies that these ITS shall allow supervisors to replicate the results of the SOT on EVE and the SOT on NII, but also to identify the exposures where IRRBB lies.

Furthermore, some technical issues were raised in response to the questions in the Consultation Paper.

Finally, some respondents proposed to narrow the scope of the advanced ad-hoc data collection and delay its reference date. The EBA reiterates that given the current environment of high inflation combined with growing interest rates, the impact of interest rates' changes on institutions' management of the interest rate risk shall be closely monitored. Moreover, having the QIS on IRRBB already in place allows institutions to easily adapt their reporting to these ITS.

EBA response

The EBA welcomes the support for these draft ITS and agrees that it is important to ensure the availability to supervisors of an appropriate set of data to monitor and assess IRRBB exposures. This should consider proportionality and a limited burden on institutions reporting these ITS.

These draft ITS need to be submitted to the Commission for adoption.

The EBA believes this timeframe provides institutions with sufficient time to implement the draft ITS. A more detailed presentation of the comments received and of the EBA response is included in the table set out below.

Summary of responses to the consultation and the EBA's analysis

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
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General comments

Many respondents provided very homogeneous feedback to different questions, sometimes not directly answering the questions raised in the CP. Therefore, the EBA staff has aggregated certain comments by topic, including details on the main points covered in the summary section of the feedback statement, above.

Following the amendments to these ITS, the numbering of the templates has changes as follows:

As consulted	After consultation
J 01.00 - EVALUATION OF THE IRRBB: EVE/NII SOT AND MV CHANGES	No changes
J 02.00 - BREAKDOWN OF SENSITIVITY ESTIMATES	No changes
J 03.00 - REPRICING CASH FLOWS	J 05.00 - REPRICING CASH FLOWS
J 04.00 - RELEVANT PARAMETERS	J 08.00 - RELEVANT PARAMETERS
J 05.00 - BREAKDOWN OF SENSITIVITY ESTIMATES (SIMPLIFIED)	J 04.00 - BREAKDOWN OF SENSITIVITY ESTIMATES (SIMPLIFIED FOR SNCIS)
J 06.00 - REPRICING CASH FLOWS (SIMPLIFIED)	J 07.00 - REPRICING CASH FLOWS (SIMPLIFIED FOR SNCIS)
J 07.00 - RELEVANT PARAMETERS (SIMPLIFIED)	J 09.00 - RELEVANT PARAMETERS (SIMPLIFIED FOR SNCIS AND 'OTHER' INSTITUTIONS)
J 08.00 - QUALITATIVE INFORMATION	J 10.00 - QUALITATIVE INFORMATION

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
New templates			
J 03.00 - BREAKDOWN OF SENSITIVITY ESTIMATES (SIMPLIFIED FOR 'OTHER' INSTITUTIONS)			
J 06.00 - REPRICING CASH FLOWS (SIMPLIFIED FOR 'OTHER' INSTITUTIONS)			
J 11.00 - QUALITATIVE INFORMATION (SIMPLIFIED FOR SNCIS AND 'OTHER' INSTITUTIONS)			
Baseline scenario	Four respondents argue that reporting the amounts for the baseline scenario (to be reported in J 01.00, J 02.00, and J 05.00) disaggregated by currency is not currently available in their internal systems and would entail some challenges.	The EBA notes that for the purposes of the SOT on EVE and SOT on NII, institutions shall include in the evaluation of their interest risk positions at least for each currency where they have a position that is material in accordance with Article 1(3) of the RTS on SOTs. This implies that material currencies shall be monitored and assess under the baseline scenario as well as the shock ones – <i>[...] currency separately for which the institution has positions where the accounting value of financial assets or liabilities denominated in a currency amounts to 5% or more of the total non-trading book financial assets or liabilities, or less than 5% if the sum of financial assets or liabilities included in the calculation is lower than 90% of total non-trading book financial assets (excluding tangible assets) or liabilities.</i>	No amendments.
Reporting currency	One respondent asks for clarification on how the aggregate template shall be reported as	The EBA clarifies that institutions shall report J 01.00 in the total currency - i.e. by	No amendments.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	well as on how the other relevant currencies shall be reported.	<p>aggregating currencies as per Article 4(l) of the RTS on SOT. In particular:</p> <p><i>When calculating the aggregate change for each interest rate shock scenario, institutions shall add together any negative and positive changes occurring in each currency. Currencies other than the reporting currency shall be converted to the reporting currency at the ECB spot FX rate on the reference date. Positive changes shall be weighted by a factor of 50% or a factor of 80% in the case of Exchange Rate Mechanism - ERM II currencies with a formally agreed fluctuation band narrower than the standard band of +/- 15%. Weighted gains shall be recognised up to the greater of (i) the absolute value of negative changes in EUR or ERMII currencies and (ii) the result of applying a factor of 50% to the positive changes of ERMII currencies or EUR, respectively.</i></p> <p>Moreover, the reporting currency and the other relevant currency shall be also reported separately for this template.</p> <p>The other templates included in these ITS have to be reported for the reporting currency and the other relevant currency.</p>	
Behavioural contractual	vs. Three respondents ask for further clarification on the distinction between the	The EBA notes that the definition of contractual repricing terms is given in Article	No amendments.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>terms behavioural and contractual. These respondents mention that these definitions can be ambiguous when cash flows are defined by contracts subject to behaviour of a third party.</p>	<p>1(1)(18) of the EBA RTS on SA. Furthermore, behavioural cash flows shall be based on contractual cash flows and modified for behavioural aspects, and also when subject to behaviour of a third party.</p>	
<p>Breakdown of derivatives for J 02.00, J 03.00 and J 06.00</p>	<p>Two respondents mention that their current systems do not allow the separation into short and long positions for the PV of derivatives.</p> <p>Furthermore, nine respondents argue that the breakdown of derivatives by counterparty do not provide any added value for operative IRRBB risk management and create some reporting burden for institutions.</p> <p>Five respondents note that the information on linear derivatives does not necessarily coincide with market practice. Thus, introducing the breakdown between linear and non-linear derivatives might create some reporting burden for institutions.</p>	<p>The EBA notes that templates have been streamlined by removing the breakdown of derivatives in: i) short and long positions; ii) by counterparty; and iii) by non-linearity and linearity, which was proposed in the version of the ITS that has been consulted. It has changed and is now differentiated between:</p> <ol style="list-style-type: none"> 1. Derivatives used to hedge assets and liabilities, with the breakdown into ‘debt securities’ and other. These amounts shall be available by each institution. 2. Other derivatives have been added to cover the remaining instruments not covered in the new proposed breakdown for derivatives in assets/liabilities. 3. Moreover, in the ‘Memorandum items’, the net positions of derivatives and the balance sheet value with and without them has been added. All these three figures have been considered available following the 	<p>The breakdown into assets and liabilities of J 02.00, J 03.00 and J 06.00 has been changed following the inputs of the industry for this consultation.</p> <p>It now allows for differentiation between derivatives used for hedging the assets and those used for hedging liabilities. Moreover, this breakdown has been streamlined by only including derivatives classified as ‘debt securities’ and others.</p>

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Fixed vs floating rate instruments	<p>One respondent asks for further clarifications on how to report multi-phase instruments (e.g. fixed-to-float or float-to-fixed loans) since it is not clear how these positions shall be represented.</p> <p>One respondent suggests reducing the breakdown of the balance sheet items while keeping the differentiation between fixed and floating rate instruments.</p>	<p>comments received by the industry in this consultation.</p> <p>As regards the request for further clarifications on how to report multi-phase instruments, the EBA clarify that instruments with a specific contractual maturity, where the contractual repricing is above 1 year shall be reported as fixed rate instruments, when reported in the repricing cash flows template.</p> <p>The EBA notes that the balance sheet items in the scope of these ITS have been significantly reduced, also having more streamlined reporting for 'other' and SNCIs.</p>	No amendments.
Further clarifications on J 08.00	<p>Four respondents request clearer information regarding the following questions in template J 08.00:</p> <ul style="list-style-type: none"> i. (0060) it should be clarified if the question refers to the basis risk add-on described in Article 21 of the RTS on SA. ii. (0100) the expectation should be clarified since scenarios are defined for each currency and not by curves. iii. (0150, 0160 and 0170) it should be possible to differentiate between 	<p>The EBA reiterates that:</p> <ul style="list-style-type: none"> i. Basis risk is defined in Article 21 of the RTS on SA. ii. Institutions should regularly, at least quarterly and more frequently in times of increased interest rate volatility or increased IRRBB levels, measure their exposure to IRRBB in the context of the different IRRBB measures under various interest rate shock scenarios for potential changes in the level and shape of the interest rate yield curves, and to changes in 	No amendments.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>SOT on EVE and SOT on NII since the latter has not been enforced yet.</p> <p>iv. (0260, 0270) it is not clear how institutions shall indicate changes in their IRR mitigation and hedging strategies in any of the scenarios envisaged in the EBA RTS on SOT for EVE:</p> <p>v. (0360) it should be clarified if the question refers to the reporting reference date.</p> <p>vi. Overall, qualitative responses could also be drawn out by the data in templates J 01.00 to J 07.00. Thus, questions are considered redundant.</p>	<p>the relationship between different interest rates (i.e. basis risk).</p> <p>iii. Since the expected first reference date for these ITS is Q3 2024, no differentiation between SOT on EVE and SOT on NII shall be provided at the moment.</p> <p>iv. Institutions are expected to indicate whether they expect to develop changes in their IRR mitigation and hedging strategies in the worst-case scenario for both SOT on EVE and SOT on NII.</p> <p>v. It shall be assessed whether at the reporting reference date the post-shock interest rate floor applies to any currency.</p> <p>vi. Even though some of the qualitative responses might be drawn out by the quantitative data in templates J 01.00 to J 07.00, it has to be underlined that these questions aim to ease the interpretation of supervisory analyses on IRRBB.</p>	
Loans by collateralisation	Two respondents argue that the breakdown proposed for retail loans do not provide any added value for operative IRRBB risk	Following the industry concerns, the proposed breakdown for loans has been streamlined by removing ‘of which: fixed rate’ and ‘of which: consumer loans’. Furthermore,	In J 03.00 to J 07.00, for ‘Loans and advances’:

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	management and might create reporting burden for institutions.	the ‘of which: secured by immovable property’ has been replaced with the part of loans used for real estate purposes, which shall be easily identified by each institution.	<ul style="list-style-type: none"> i. ‘of which: consumer Loans’ is no longer requested; and ii. ‘of which: secured by immovable property’ has been changed in ‘of which: secured by residential real estate’.
MV Calculations	<p>Five respondents request additional clarification for the definition of market value calculations. They mention that there might be different possibilities to include amortised cost issuances hedged with derivatives at fair value, e.g.:</p> <ul style="list-style-type: none"> i. the legs of the derivative could be split into asset and liability; or ii. both legs could be included together as net positions within the derivatives line; or iii. include both legs together with the covered issuance (ΔMV net of the effect of hedges). <p>One respondent requests further clarification on which positions shall be expected to be reported under MV instruments in J 01.00 when the institution is not using IFRS Standards, but nGAAP instead.</p>	<p>As regards the request for additional clarifications around the different possibilities for reporting derivatives under the market value calculations, the proposed breakdown for derivatives now enables differentiation between those that are used for hedging assets and those used for hedging liabilities.</p> <p>The EBA reiterates that the ITS cover a wider scope, not only limited to the RTS on SOTs. Thus, since institutions should mitigate risks that affect both their economic value and NII measures plus market value changes, this information for NII is deemed to be required.</p> <p>Finally, the EBA notes that institutions shall report measures after the market value changes of instruments have been accounted for/taken into account depending on accounting treatment either through fair value measures or nGAAP.</p>	No amendments.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
National reporting requirements	Three respondents requested formal confirmation regarding the new IRRBB reporting requirements completely replacing the previous IRRBB reporting requirements of the NCAs and the ECB Short term exercise (STE).	The EBA clarifies that, once adopted, these ITS would partially replace the existing reporting requirements of NCAs and the ECB-STE in order to avoid duplicated information.	No amendments.
NMDs	One respondent mentions that requiring breakdown of modelled NMDs between operational deposits and fixed rate deposits do not support the internal management of IRRBB. Additionally, another respondent considers that in order to show the changes in the stability of the demand deposits under internal models, it would be helpful to also include the changes in their volume.	As regards the breakdown of NMDs into operational deposits and fixed rate deposits in J 02.00, the EBA remarked that for ‘others’, the proposed breakdown for NMDs has been now deleted. This implies that only totals for each balance sheet positions have to be reported therein. Furthermore, in order to avoid creating additional burden for institutions, it is proposed to not add the volume of NMDs to the other information collected.	The breakdowns of NMDs in J 02.00 has been removed for ‘others’.
PVO1	Five respondents request some clarifications on whether any transaction with automatic optionality shall be included in the calculations regardless of whether the option is activated. Four respondents consider that this measure provides limited additional information about the IRRBB exposure, without improving the quality of IRRBB internal management (especially for small entities). It	Following the comments received ‘PVO1 (without automatic optionality)’, it has been decided to replace this field with the ‘Duration’, which shall be reported estimated with optionality, now included in J 02.00 and J 05.00, which can give more meaningful information about IRRBB exposures. Institutions shall report the duration as in the formula below:	In J 02.00 and J 05.00, the field ‘Duration’ has been added. In contrast, the field ‘PVO1 (without automatic optionality)’ has been removed from J 03.00 and J 06.00.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	is suggested to replace this measure with alternative ones such as ‘duration’, which can improve IRRBB reporting.	$D_{mod} = \frac{-PV01}{Economic\ Value * 0.0001}$ <p>Where both PV01 and Economic Value measures in the formula are expected to be calculated with automatic/behavioural optionality.</p> <p>Furthermore, ‘of which: embedded automatic optionality’ in J 02.00 to J 04.00 on an aggregated basis for assets and for liabilities has been also added to allow supervisors to assess whether institutions are meeting the regulatory requirements (in line with Article 4 of the draft RTS on SOT and Articles 12, 14 and 15 of the RTS on SA.) and consider if further investigation on this matter is necessary.</p>	
Repricing cash flows	<p>Three respondents argue that these ITS require institutions to provide non-existent notional repricing schedules, entailing some challenges for internal systems.</p> <p>In contrast, one respondent requested to align the repricing schedules with those currently existing in the ECB STE template.</p>	The EBA notes that the repricing schedules are perfectly aligned with those included in the existing templates of the EBC-STE (short-term exercise). Thus, institutions should already have reporting requirements in their IT system and internal tools, which are expected to be easily adapted to these ITS.	No amendments.
Scope of consolidation	One respondent asks for clarification on the scope of consolidation. In particular, it is mentioned that it is not clear whether these ITS would require institutions to report them at solo and/or consolidated levels.	The EBA reiterates that since IRRBB regulatory requirements need to be met at both solo and consolidated levels, these ITS require institutions to report at both solo at consolidated levels.	No amendments.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>Furthermore, five respondents request reporting at the consolidated level only, arguing that providing information for each legal entity in a group would dramatically increase the overall implementation and ongoing cost.</p>		
Sign convention	<p>Two respondents request further clarification regarding the sign convention and the number of digits/decimal places expected for monetary units and for percentages. One of these respondents mentions that since the sign can be reported as negative already proves the argument that the adopted sign convention can give rise to confusion.</p>	<p>In the EBA's view, clarifications given under 'sign convention' allow institutions to correctly report the templates included in these ITS. For the sake of clarity, it is worth reminding that:</p> <ol style="list-style-type: none"> 1. The changes (Δ) of EVE, NII and MV shall be reported with positive or negative values, depending on the variation. 2. Values need to be reported in a harmonised monetary unit across all templates. 	No amendments.
Other issues	<p>Four respondents mention that requesting weighted average maturities goes beyond the underlying regulation.</p> <p>Five respondents mention that requesting the weighted average yield goes beyond the underlying regulation and could create some reporting burden for institutions.</p> <p>Furthermore, another respondent considers that reporting the percentage values of</p>	<p>The EBA reiterates that these ITS aim to provide supervisors with an appropriate set of data to monitor and assess IRRBB exposures. Weighted average maturity and yield are both information that allow supervisors to assess IRRBB risks. Thus, both figures are deemed necessary. Furthermore, it is the EBA's understanding that they are both available in institutions' internal systems (e.g. these two figures are both already included in the QIS on</p>	No amendments.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>exposures with embedded or explicit automatic optionality might go beyond the underlying regulation.</p>	<p>IRRBB, entailing a marginal effort for institutions to provide them).</p> <p>Following this consultation, the field 'PVO1' has been removed from templates J 04.00 and J 06.00.</p>	
<p>Responses to questions in Consultation Paper EBA/CP/20xx/xx</p>			
<p>Question 1.</p>			
<p>Are the instructions and templates clear to the respondents? More specifically, do respondents consider that all definitions are unambiguous and accurate (e.g. linear and non-linear derivatives, contingent assets and liabilities, total assets/liabilities with impact on MV, etc.)?</p>	<p>Seven respondents recognise that the instructions are sufficiently clear. In contrast, two respondents consider the instructions are unclear in certain parts and need further clarification. Furthermore, one respondent asks whether instructions could be simplified.</p>	<p>The EBA welcomes the comments acknowledging that the instructions are deemed sufficiently clear. That said, the EBA notes further clarifications have been provided in those areas of the instructions where the industry has asked for them. Furthermore, they have also been streamlined and simplified where possible.</p>	<p>No amendments.</p>
<p>Question 2.</p>			
<p>Do the respondents identify any discrepancies between these templates and instructions and the calculation of the</p>	<p>Eight respondents argue that the content of the ITS exceeds the calculation requirements contained in the underlying regulatory regime for IRRBB. These respondents highlight that there might be discrepancies between these ITS and the calculations of the requirements set out in the underlying</p>	<p>The EBA reiterates that these ITS aim to provide supervisors with an appropriate set of data to monitor and assess IRRBB exposures. This implies that these ITS shall allow supervisors to replicate the results of the SOT on EVE and the SOT on NII, but also to identify the exposures where IRRBB lies.</p>	<p>No amendments.</p>

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
requirements set out in the underlying regulation?	regulation. In contrast, three respondents did not find any discrepancies.		
<p>Question 3.</p> <p>Do the respondents agree that the amended ITS fits the purpose of the underlying regulation?</p>	<p>Four respondents remark that the breakdowns proposed in templates J 02.00, J 03.00 and J 04.00 deviate from the ECB STE templates, exceeding the requirements of the IRRBB regulatory package. In contrast, one respondent fully agrees that these ITS fit the purpose of the underlying regulation.</p>	<p>In the EBA's view, after amending these ITS, following this consultation, their content fit the purpose of the underlying regulation, and also allow supervisors to monitor and assess IRRBB exposures in a harmonised manner.</p>	No amendments.
<p>Question 4.</p> <p>How many full-time equivalent (FTE) employees does your institution expect to involve in the implementation for how many months in order to meet reporting compliance? Please provide instructions for specific templates and options relevant for your institution. Please also indicate whether the same implementation will be used by many reporting institutions such that costs are shared among them.</p>	<p>Three respondents provide specific figures regarding the number of FTEs employees required. One of these respondents argue that this implementation would require 4 FTEs employees for 12 months. Another respondent believes that between 2 to 4 FTEs employees would be required for a period between 2 and 6 months. Finally, the third respondent deems that 6 FTEs employees would be required for a period of 8 months.</p> <p>In contrast, five respondents note that it is difficult to measure how many FTEs employees an institution expects to involve in the implementation and for how many months.</p> <p>Additionally, four respondents highlight that some institutions do not have an integrated system. Thus, an adequate IT infrastructure</p>	<p>The EBA takes note of the resources needed for the specific cases mentioned in this consultation. To address some of the concerns regarding the implementation time of these ITS, it has to be reminded that the first expected application date is as of Q3 2024. This implies that these ITS are expected to be submitted to the European Commission and to be published in the Official Journal more than 1 year ahead of its application.</p>	No amendments.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	needs to be developed, entailing relevant changes in internal tools.		
<p>Question 5.</p> <p>What technical and procedural dependencies does the implementation of the ITS imply for your institution? How do they affect the time schedule of the implementation?</p>	<p>In terms of the time schedule envisaged for the implementation of these ITS, 6 respondents consider it an ambitious timeline and envisage difficulty in timely compliance with it. Overall, respondents argue that the development of internal tools and IT systems to get the new metrics, the breakdowns and information included in these ITS the mapping of the would require time to be implemented.</p>	<p>The EBA reiterates that the implementation of these ITS will follow the normal process. The first reference date is expected to be in Q3 2024, which should give enough time to allow institutions to develop internal tools and IT systems to implement the new IRRBB reporting requirements.</p>	No amendments.
<p>Question 6.</p> <p>Do respondents agree that the decision to simplify reporting templates is the best approach in implementing proportionality? If you do not agree, what other proposal would be more efficient to reduce costs?</p>	<p>Ten respondents agree that the decision to simplify reporting templates is the best approach in implementing proportionality. Seven of these respondents remark that the proposed templates for large institutions seem to be disproportionate since it does not take into consideration the complexity these institutions could face to comply with these ITS.</p> <p>In order to ease the compliance with these ITS, three respondents propose a phased-in approach for all templates, even if the data points required would be reduced after consultation. Furthermore, one respondent remark that, considering the costs that institutions afforded in terms of IRRBB IT systems used for the EBA NII stress test, these</p>	<p>Following this consultation, templates have been streamlined and simplified for large, medium and small non-complex institutions. This to reduce the complexity and the burden these institutions might face to comply with these ITS.</p> <p>The EBA reiterates that expected first reference date for these ITS is Q3 2024. Thus, institutions should have the appropriate time to comply with these ITS.</p> <p>Following the request of removing column 0020 (Contractual amount) in J 01.00, this has been removed to ease the reporting of these ITS (see also Question 11).</p>	No amendments.

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	<p>ITS should leverage on a similar portfolio granularity, with minimal changes, for templates 2 and 3. Additionally, one respondent argue that an efficient way to reduce costs would be to maintain the basic SOT on EVE, without requesting an additional figures/measures including only contractual features – i.e. deleting col 0020 in J 01.00.</p>		
<p>Question 7.</p> <p>Do respondents perceive that the reporting requirements are proportionate for small and non-complex institutions (SNCIs)? How could proportionality be further improved for these institutions? Particularly, does template J 08.00 on qualitative information add substantial reporting costs to these institutions? Is there some quantitative information contained in Templates J 05.00, J 06.00 and J 07.00 that is overly burdensome? Is the expected frequency for templates J 05.00, J 06.00, J</p>	<p>Three respondents consider that the reporting requirements are proportionate for SNCIs.</p> <p>In contrast, three respondents suggest that SNCIs should report only templates J 01.00, J 05.00, and J 08.00. If the EBA decides to keep also J 06.00 and J 07.00, the requested information shall be reduced for both rows and columns to reduce the burden.</p> <p>As regards the qualitative questions in J 08.00, two respondents remark that this information is usually available without any special burden.</p> <p>Lastly, one respondent recognises that the expected frequency for these templates is feasible.</p>	<p>Although receiving the same amount of comments in favour of (or against) the proportionality for SNCIs, a streamlined and simplified version of templates J 06.00 and J 08.00 is now included in these ITS. In particular, the breakdowns for i) ‘Loans and advances’, ii) ‘Derivatives’, iii) ‘Debt securities issued’, have been removed in J 06.00. In J 08.00, rows 0250, 0340 and 0350 have been also removed.</p> <p>The EBA welcomes the comment acknowledging that: i) the qualitative information required by these templates are available without any special burden; and ii) the expected frequency for these templates is appropriate.</p>	<p>In J 06.00 the following fields have been deleted:</p> <ol style="list-style-type: none"> 1. For Loans and advances: <ol style="list-style-type: none"> a. of which: non-performing. 2. For Derivatives: <ol style="list-style-type: none"> a. of which: interest rate derivatives; b. of which: foreign exchange derivatives; c. breakdown of derivatives by counterparty;

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07.00 and J 08.00 feasible and proportionate?			<p>d. Internal counterparties.</p> <p>3. For Debt securities issued:</p> <p>a. of which: AT1 or T2.</p> <p>In J 08.00, rows 0250, 0340 and 0350 have been also removed.</p>
<p>Question 8.</p> <p>Do respondents perceive that the reporting requirements are proportionate for institutions other than large institutions and small and non-complex institutions ('other' institutions)? Is there some quantitative information contained in Templates J 02.00, J 03.00 and J 04.00 that is overly burdensome? Is the expected frequency for templates J 02.00, J 03.00, J 04.00 and J 08.00 feasible and proportionate? How could proportionality be further</p>	<p>Six respondents suggest the following amendments:</p> <p>i. One respondent suggests limiting the scope for large institutions to that envisaged for smaller ones, since it is believed that the data collected from small institutions would also be sufficient for the large ones to get a good picture of the interest rate risks.</p> <p>ii. Regarding SNCIs, five respondents indicate treating these institutions differently because of: a) the different effort in absolute numbers, which is disproportionately burdensome for other institutions; b) their different systemic nature. For these reasons, some detailed information, such as the breakdown</p>	<p>The EBA note that the data points of these ITS has been significantly reduced following this consultation. In particular, templates for large institutions have been simplified and streamlined to reduce the burden for these institutions, but also providing supervisors with a meaningful and appropriate set of data to be used in their assessment of IRRBB risks. A dedicated template for repricing cash flows, to reported by other institutions, has been also introduced, with its information aligned with SNCIs rather than large ones to limit the reporting burden. In particular, the 'contractual amount' has been removed in J 01.00. The proposed breakdown for 'loans and advances' and for 'derivatives' has been reduced in J 02.00 and J 03.00. The part of 'loans and advances' referring to 'consumer loans' has been removed in J 04.00.</p>	<p>Column 0020 (Contractual amount) has been removed in J 01.00.</p> <p>The proposed breakdown for 'loans and advances' (in J 02.00, J 03.00 and J 04.00) does not (now) include the following cells:</p> <p>1. Of which: consumer loans.</p> <p>The proposed breakdown for 'derivatives' (in J 02.00 and J 03.00) does not (now) include the following cells:</p> <p>1. of which: interest rate derivatives;</p>

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improved for these institutions?	of loans both retail and wholesale is considered overly burdensome.	As regards the request to simplify the reporting requirements for SNCIs, the EBA remarks that, as detailed and disclosed in Question 7, the reporting requirement for these types of institutions has been significantly reduced by simplifying templates J 05.00, J 06.00 and J 08.00.	<ol style="list-style-type: none"> 2. of which: foreign exchange derivatives; breakdown of derivatives by counterparty: 3. Internal counterparties; 4. Third parties collateralised; 5. Third parties non-collateralised; breakdown of derivatives by payment linearity: 6. Linear derivatives; 7. Non-linear derivatives. <p>For the amendments to templates to be reported by SNCIs, please refer to Question 7.</p>
<p>Question 9.</p> <p>Do respondents agree that the number of currencies requested in this reporting package is proportionate? Particularly for templates J 02.00 to J 08.00, do these</p>	<p>Three respondents agree that the number of currencies requested in this package is proportionate.</p> <p>Four respondents consider that, including foreign-currency risk is not in within the scope of IRRBB. These ITS should provide for an institution that fully and effectively</p>	<p>The EBA welcomes the comments acknowledging that the number of currencies requested in this package is proportionate.</p> <p>As regards the comment suggesting disregarding foreign currency, the EBA notes that for the purposes of the SOT on EVE and SOT on NII, institutions shall include in the</p>	No amendments.

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<p>amended ITS request right amount of information for currencies that have a limited/marginal contribution to the IRRBB?</p>	<p>hedges its exposure to foreign currencies, limiting institutions' submission to their reporting currency.</p> <p>Finally, one respondent suggests that the number of reported currencies shall be capped to the four main currencies as it is for the ECB STE exercise. Furthermore, it is proposed to add one template with figures in aggregated/total currencies.</p>	<p>evaluation of their interest risk positions at least for each currency where they have a position that is material in accordance with Article 1(3) of the RTS on SOTs. This implies that material currencies shall be monitored and assessed under the baseline scenario as well as the shock.</p>	
<p>Question 10.</p> <p>Do respondents currently compute their IRRBB figures, such as those in panels 03.00 and J 06.00, broken down by fixed/floating, for internal monitoring and/or supervisory reporting? If not, do respondents perceive that the reporting of templates J 03.00 and J 06.00 by fixed and floating rate instrument as a different dimension (i.e. in the Z axis) add substantial reporting costs with respect to a different kind of solution? Would</p>	<p>Seven respondents recognised that this new dimension would be a substantial cost, mainly for smaller institutions. To ease the reporting of J 03.00, it is proposed to follow a similar approach to that envisaged in template J 02.00, where the part of instruments fixed/floating can be identified in rows (i.e. without adding the additional Z axis). Alternatively, a format in which such information is separated into columns within the same reporting panel would also be welcomed, since the definition of a single template is both cheaper than the definition of multiple templates; adding columns enables determining total exposures that can be reconciled with the combined exposure; having the information available in columns rather than separate templates allows for better insight into the total position; adding lines results in duplication that makes it more</p>	<p>The EBA notes that a third dimension represented by the additional Z axis represents a substantial cost for institutions. Thus, following the industry's proposal, J 03.00 has been restructured by adding two parallel panels for fixed IR and floating IR, respectively. Furthermore, to reduce the burden for institutions, repricing schedules up to 2 years only have been added for floating IR.</p> <p>As regards removing 'exposure value', this field has been replaced with the 'notional amount', which shall be easily available for any exposure in the balance sheet. Furthermore, 'PVO1' has been removed to reduce the burden for institutions.</p>	<p>In J 03.00, to avoid a duplication of templates caused by a third dimension (i.e. z-axis) two parallel panels for fixed IR and floating IR have been added.</p> <p>Column for 'carrying amount', 'exposure amount' and 'PVO1' have been removed, with a column for the 'notional amount' added.</p>

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<p>respondents propose a different approach to reduce the reporting costs (e.g. breakdown in rows by fixed/floating rate instrument, or instead of having it in a different dimension duplicate the columns of the panel to fit fixed and floating in different columns)? Please elaborate.</p>	<p>difficult to recognise total and specified IRRBB exposures.</p> <p>Furthermore, three of these respondents suggest removing the 'exposure value' field since it is not related to IRRBB. The remaining respondents recognise that reporting the PV01 and EVE metrics, which are managed on risk factors such as indexation, maturity, repricing and optionality would require developing a new engine within 1 year.</p>		
<p>Question 11.</p> <p>Do respondents currently compute the figures in column 0020 for internal monitoring and/or supervisory reporting? If not, do respondents perceive that column 0020 adds considerable reporting costs in order to calculate these figures (please consider that it would only be reported for the aggregate of all currencies)? Would respondents propose a different approach to</p>	<p>Ten respondents remark that the figures in column 0020 are not identified for internal monitoring and/or supervisory reporting. This would create additional material effort by IT infrastructure. Therefore, calculating these figures would add considerable reporting costs.</p> <p>Furthermore, one respondent argues that the 'contractual amount' column should be deleted as its purpose is not clear. In contrast, two respondents propose reporting contractual figures only yearly.</p> <p>Two respondents specify that institutions' exposures to 'behavioural options' result from the contractual obligation of the counterparty to pass through cash flows from</p>	<p>The EBA notes that column 0020 (Contractual amount) in J 01.00 is not identified for internal monitoring and/or supervisory reporting. Since reporting such a field would imply an additional material effort for the IT systems of institutions increasing their reporting costs and considering that supervisors could access this information during their bilateral exchange with institutions, this column has been deleted in J 01.00.</p> <p>The EBA remarks that if contractual cash flows are adjusted for behavioural assumptions, and if they are based on behaviour that depends on a third counterparty, these cash flows have to be reported as behavioural.</p>	<p>Column 0020 (Contractual amount) has been removed in J 01.00.</p>

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<p>reduce the reporting costs? Please elaborate.</p>	<p>third parties that are subject to behavioural options. Legally, these ‘behavioural cash flows’ are considered contractual cash flows.</p> <p>Finally, one respondent argues that template J 02.00 is not necessary as the information can also be derived from the J 03.00 template.</p>	<p>As regards the duplication of information in J 02.00 and J 03.00, in the EBA’s view, the type of information included in these two templates is significantly different, since J 02.00 refers to the sensitivity estimates for EVE and NII, while J 03.00 refers to the repricing cash flows. That said, the breakdown between these two templates has been aligned to reduce the reporting burden for institutions.</p>	
<p>Question 12.</p> <p>Does the inclusion of carrying amount and credit risk exposure amount cause implementation challenges? If yes, please describe the challenges.</p>	<p>Twelve respondents argue that the inclusion of both carrying amount and credit risk exposure amount can cause some implementation challenges. Two of these respondents also consider that the need to compute three different types of values (the carrying amount, the exposure value and the accounting value) is redundant. Since institutions may not integrate their risk management and accounting applications, and that both carrying amount and exposure value are generated through different processes and these are not automatically aligned, requiring institutions to provide accounting data does not contribute to the stated aim of these ITS.</p> <p>Additionally, two respondents remark that IRRBB arises from changes in market interest rates and, thus, neither a regulatory</p>	<p>The EBA recognises that the inclusion of both ‘carrying amount’ and ‘exposure value’ might cause some implementation challenges for institutions. Thus, both fields have been removed from J 03.00 and J 06.00, where the ‘notional amount’ shall now be reported. In the EBA’s view, the ‘notional amount’ shall be easily available for any exposure in the balance sheet for each type of institution.</p> <p>Given the concerns about the carrying amounts, the EBA remarks that reporting carrying amounts allows supervisors to identify unrealised losses in their IRRBB assessment. Thus, to have a suitable approach for this assessment, column 0010 (Carrying amount) has been deleted in J 03.00 and J 06.00, but has been inserted in J 02.00 and J</p>	<p>Column 0010 (Carrying amount) has been deleted in J 03.00 and J 06.00 and has been inserted in J 02.00 and J 05.00.</p>

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	<p>‘exposure value’ nor the counterparty are relevant for measuring IRRBB.</p> <p>Two respondents also argue that as the components of the carrying amount depend on the accounting practice adopted by the institutions, nothing can be inferred from such an amount. Thus, this item shall not be included in these ITS. Moreover, one respondent highlight that the carrying amount of total assets is already reported via financial reporting (FINREP) and thus, this would mean an overlap in the requested information, which should be avoided.</p> <p>Finally, if the EBA would deem it fit to maintain both carrying amount and exposure value, four respondents ask for further clarifications on the definitions of both items.</p>	<p>05.00, where it can be directly compared to the EVE baseline.</p> <p>Furthermore, the EBA notes that while the ‘carrying amount’ is also available as a FINREP figure, the breakdown provided by these ITS is not. Thus, it is deemed appropriate and prudentially safe to keep this field in the scope of J 02.00 and J 05.00, which provide a more detailed breakdown of total assets and total liabilities.</p>	
<p>Question 13.</p> <p>What other types of methodologies for NII could be reported in row 0030?</p>	<p>Four respondents argue that there are no other types of methodologies for NII that could be reported in row 0030. Moreover, one respondent considers the list to be exhaustive.</p>	<p>The EBA welcome the comments acknowledging that no other types of methodologies for NII could be reported in row 0030. Thus, the list provided for in this field is to be considered exhaustive.</p>	<p>No amendments.</p>
<p>Question 14.</p> <p>What other types of methodologies for EVE</p>	<p>Four respondents highlight that there are no other types of methodologies for EVE that could be reported in row 0070. Moreover, one respondent considers the list to be exhaustive.</p>	<p>The EBA welcomes the comments acknowledging that no other types of methodologies for EVE could be reported in row 0070. Thus, the list provided for this field is to be considered exhaustive.</p>	<p>No amendments.</p>

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could be reported in row 0070?	<p>One respondent considers that no other risk-free yield curves used for discounting could be reported in rows 0320 and 0330, whereas seven respondents argued for the inclusion of other curves. In particular, of these respondents:</p>	<p>The EBA notes that additional curves might be reported in rows 0320 and 0330. Thus, the curves suggested have been added as responses to be possibly reported for these two questions.</p>	<p>The curves listed in points i. to v. of this question have been added as possible responses for questions 0320 and 0330.</p>
<p>Question 15. What other risk-free yield curves used for discounting could be reported in rows 0320 and 0330?</p>	<p>i. One respondent suggests considering as an option a granular set of discounting curves for complex institutions (i.e. ON, 3M, etc.).</p> <p>ii. Two respondents suggest that the sovereign curve for euros could relate either to the institution's country, a basket of sovereign issues or the sovereign curve with the lowest yield.</p> <p>iii. Two respondents argue that additional curves could be the standard discounting curves of overnight index swap (OIS) (e.g. the euro short-term rate (€STR) swaps) and interest rate swap (IRS) (e.g. 3M Euribor swaps).</p>	<p>The EBA notes that additional curves might be reported in rows 0320 and 0330. Thus, the curves suggested have been added as responses to be possibly reported for these two questions.</p>	<p>The curves listed in points i. to v. of this question have been added as possible responses for questions 0320 and 0330.</p>

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	<ul style="list-style-type: none"> iv. Three respondents mention the plain vanilla swaps (against 3M EURIBOR and ESTR). v. One respondent mentions the swap curve (vs Euribor). 		
<p>Question 16.</p> <p>Since it is necessary to collect qualitative information to complement the quantitative information to obtain a full overview of the IRRBB risks from a supervisory perspective, do respondents see other IRRBB-related aspects that might be necessary to cover?</p>	<p>Six respondents acknowledge that there are no other IRRBB related aspects that might be necessary to be covered.</p>	<p>The EBA welcomes the comments acknowledging that no other IRRBB-related aspects might be necessary to be covered.</p>	<p>No amendments.</p>
<p>Question 17.</p> <p>Do respondents see any issue about reporting the qualitative information in J 08.00? How do respondents consider this information in terms of</p>	<p>Three respondents state that there are no issues in reporting the qualitative information on an annual basis and consider it useful and appropriate to include them in these ITS.</p> <p>Twelve respondents highlight that questions 0250, 0340 and 0350 might be burdensome for SNCIs. Thus, it is requested to simplify J</p>	<p>The EBA welcomes the comments acknowledging that there are no issues in reporting the qualitative information on an annual basis and that these questions are deemed useful and appropriate for inclusion in these ITS.</p>	<p>Questions 0250, 0340 and 0350 have been removed for SNCIs and 'other' institutions.</p> <p>Furthermore, in questions 0190, 0220, 0230, 0240, 0280, 0290, 0300, 0310, 0340, 0350, 0360 the option "not</p>

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usefulness and practicability?	<p>08.00 for SNCIs, by removing these questions.</p> <p>Regarding the possible answers that can be provided for questions 0190, 0220, 0230, 0240, 0280, 0290, 0300, 0310, 0340, 0350, 0360 in J 08.00, two respondents suggest adding a “not applicable’ option to prevent misunderstandings. Furthermore, one respondent finds it convenient to enable slots to include open comments for each line of the questionnaire to specify or qualify the answer to the multiple-choice options.</p>	<p>To streamline and simplify the reporting requirements for SNCIs, questions 0250, 0340 and 0350 have been removed for SNCIs.</p> <p>Furthermore, in questions 0190, 0220, 0230, 0240, 0280, 0290, 0300, 0310, 0340, 0350, 0360 in J 08.00 the option ‘not applicable’ has been added for all types of institutions in order to avoid misunderstandings.</p> <p>As regards the request to have open comments for each line in J 08.00, these ITS shall provide an appropriate set of data that allow supervisors to systematically assess IRRBB risks, thus, allowing supervisors to also develop their automatised tools and IT system to analyse the data collected through these ITS.</p>	<p>applicable” has been added, for all types of institutions.</p>