

Question ID	2023_6928
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - COREP (incl. IP Losses)
Article	430
Paragraph	
Subparagraph	
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) 2021/451 - ITS on supervisory reporting of institutions
Article/Paragraph	C34.02 and C34.03
Type of submitter	Investment firm
Date of submission	03/11/2023
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Subject matter	Disclosure of transactions with zero exposure value
Question	Under Article 274(5) and 273 there are circumstances where transactions may have a zero exposure value e.g. netting sets made up entirely of written options or certain CDS transactions. Should these be reported in the C34.02 with values in columns 0020-0140 and then have c0150 onwards set to 0 (or c0170 onwards?) or should they be disregarded from population of values in any columns as there is no requirement to calculate exposure for these transactions. Similarly should they be included in the same C34.03 columns?
Background on the question	It is unclear whether it is just the final calculated exposure value which may be set to zero in these circumstances or if there is no requirement to calculate an exposure value and hence the components such as PFE/RC etc.
Final answer	Under Article 274(5) and Article 273 of Regulation (EU) 575/2013, where transactions have a zero exposure value, the transactions shall be reported in the C34.02 and C 34.03 of Annex I to Regulation (EU) 2021/451.
Answer prepared by	Answer prepared by the EBA.

Note to Q&A	
Link	https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2023_6928

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