



Single Rulebook Q&A

Question ID	2020_5139
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - COREP (incl. IP Losses)
Article	99
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
Article/Paragraph	Annex I, C 05.01, r70-92, c10-60
Date of submission	25/02/2020
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Disclose name of institution / entity	Yes
Name of institution / submitter	Banco Sabadell S.A.
Country of incorporation / residence	Spain
Type of submitter	Credit institution
Subject matter	Minority interests calculation with local transitional requirements
Question	How should the calculation in Article 84(1.a.i) CRR be performed and reported when the local transitional requirements are different from the CRR transitional requirements?

Background on the question	<p>To determine the amount of minority interests of a subsidiary included in consolidated Common Equity Tier 1, article 84.1.a.i CRR consider as an input the amount of Common Equity Tier 1 capital of that subsidiary required to meet the sum of the requirement laid down in point (a) of Article 92(1), the requirements referred to in Articles 458 and 459, the specific own funds requirements referred to in Article 104 of Directive 2013/36/EU the combined buffer requirement defined in point (6) of Article 128 of Directive 2013/36/EU, the requirements referred to in Article 500 and any additional local supervisory regulations in third countries insofar as those requirements are to be met by Common Equity Tier 1 capital. Sometimes, these local supervisors have their own transitional provisions affecting the requirements described above, but the CRR does not specify how to take them into account in the minority interests calculation. In the COREP C.5 template there is no specific cell to compute this situation, since the minority interests rows (70-92) had to contain the phase-in calculation of minorities included in articles 479 and 480 of the CRR and their validations reject negative values.</p>
EBA answer	<p>The calculation of the excess minority interest amount in accordance with Article 84 (1) CRR shall be based on the provisions applicable as of each reporting date on each subsidiary (that is, applying the local transitional provisions). In contrast, the percentage of that excess that could still be considered as consolidated own funds for a transitional period of time and that is reported in C 05.01 shall be based on the provisions given in Part Ten of the CRR.</p>
Link	<p>https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2020_5139</p>

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