EUROPEAN CENTRAL BANK

EUROSYSTEM

EN **ECB-PUBLIC**

OPINION OF THE EUROPEAN CENTRAL BANK

of 2 September 2015

on reporting of certain data relevant for financial stability

(CON/2015/30)

Introduction and legal basis

On 29 July 2015 the European Central Bank (ECB) received a request from the Oesterreichische Nationalbank ('OeNB') for an opinion on a draft regulation on the reporting of credit risk, country risk, residual maturities, foreign currency loans and financial information concerning fully consolidated foreign subsidiaries of banks (the 'draft regulation')[1].

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union and the third, fourth and sixth indents of Article 2(1) of Council Decision 98/415/EC[2], as the draft regulation relates to the OeNB, the collection, compilation and distribution of monetary, financial, banking, payment systems and balance of payments statistics, and rules applicable to financial institutions insofar as they materially influence the stability of financial institutions and markets. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

1. Purpose of the draft regulation

1.1 Article 44b(1) of the Law on Oesterreichische Nationalbank (hereinafter the 'Law on the OeNB') requires the OeNB to monitor, in the public interest, all circumstances that may have an impact on safeguarding financial stability in Austria. Based on a current reporting regulation of the Austrian Financial Market Authority (FMA) on asset, income and risk statements of credit institutions, the FMA makes available the data necessary for the OeNB to fulfil this task. If this data is not available to the FMA, the OeNB may collect it directly from the relevant credit institutions.

1.2 Currently, the data regarding credit risk, country risk, residual maturities and foreign currency loans and financial information concerning fully consolidated foreign subsidiaries of banks is covered by the FMA's reporting regulation on asset, income and risk statements (hereinafter the 'VERA-V')[3].

1 Meldeverordnung FinStab 1/2015 der OeNB betreffend die Erfassung von Kredit- und Länderrisiken, Restlaufzeiten und Fremdwährungskredite sowie Finanzinformationen von Auslandstochterbanken (FinStab 1/2015).

2 Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42).

3 Verordnung der Finanzmarktaufsichtsbehörde (FMA) zum Vermögens-, Erfolgs- und Risikoausweis (Vermögens-, Erfolgs- und Risikoausweis-Verordnung – VERA-V).

Following a forthcoming 2015 amendment to that regulation, the abovementioned data will no longer be required under the VERA-V. The last reporting dates for this data pursuant to the VERA-V will be 30 September 2015 for credit risk and 30 June 2016 for data on residual maturities, foreign currency loans and credit risks. In light of their significance for safeguarding financial stability in Austria, the OeNB intends to collect this data based on the draft regulation. Under the draft regulation, reporting is intended to start in the first quarter after the reporting obligations under the VERA-V expire. From then on, the data must be reported on a quarterly basis.

1.3 Likewise, financial information on all fully consolidated foreign subsidiaries of groups of credit institutions required to report in Austria[4] is also of particular relevance for safeguarding financial stability in Austria. For this reason, the draft regulation requires the submission of additional financial information concerning those foreign subsidiaries. Article 9(3) of the draft regulation provides that no reporting is required from credit institutions in respect of data covered under reporting obligations laid down in Regulation (EU) 2015/534 of the European Central Bank (ECB/2015/13)[5]. Accordingly, the draft regulation only affects data not already collected under Regulation (EU) 2015/534 (ECB/2015/13).

2. General observations

The draft regulation extends the application of statistical data collection powers already available to the OeNB under the Law on the OeNB to an area currently not harmonised through a Union legal act in the field of statistics. The OeNB has a statutory obligation to monitor, in the public interest, all circumstances that may have an impact on safeguarding financial stability in Austria. In this context, the ECB points to its Decision ECB/2014/6[6], which establishes measures aimed at the gradual development of the ECB's statistical framework in relation to the credit exposures of credit institutions, or other loan-providing financial institutions, vis-à-vis borrowers. This framework will, inter alia, support the activities of the European System of Central Banks in the area of financial stability. The ECB invites the Austrian authorities to monitor the development of this ECB statistical framework, which may interact with the

4 See https://www.oenb.at/en/Statistics/Standardized-Tables/Financial-Institutions/Banks/financial-and-income-statement-of-fully-consolidated-foreign-subsidiaries.html.

5 Regulation (EU) 2015/534 of the European Central Bank of 17 March 2015 on reporting of supervisory financial information (ECB/2015/13) (OJ L 86, 31.3.2015, p. 13).

6 Decision ECB/2014/6 of 24 February 2014 on the organisation of preparatory measures for the collection of granular credit data by the European System of Central Banks (OJ L 104, 8.4.2014, p. 72).

objectives of the draft regulation[7].

This opinion will be published on the ECB's website.

Done at Frankfurt am Main, 2 September 2015.

[signed]

The President of the ECB

Mario DRAGHI

7 See Opinion CON/2014/23. All ECB opinions are published on the ECB's website at www.ecb.europa.eu.