



**INSTRUCTIONS FOR REPORTING ON CONCENTRATION OF
COUNTERBALANCING CAPACITY**

1. In order to collect information about the reporting institutions' concentration of counterbalancing capacity by the ten largest holdings of assets or liquidity lines granted to the institution for this purpose under template C 71.00, institutions shall apply the instructions contained in this Annex. For the purposes of this Annex, references to the CRR should be interpreted to include a reference to the relevant CRR rule, where appropriate.
2. Where an issuer or counterparty is assigned to more than one product type, currency or credit quality step, the total amount shall be reported. The product type, currency or credit quality step to be reported shall be the ones that are relevant to the largest proportion of the counterbalancing capacity concentration.
3. The counterbalancing capacity in C 71.00 shall be the same as that in C 66.01 with the qualification that the assets reported as counterbalancing capacity for the purposes of C 71.00 shall be unencumbered to be available for the institution to convert into cash on the reporting reference date.
4. For calculating the concentrations for the purpose of reporting template C 71.00 by significant currency, institutions shall use the concentrations in all currencies.
5. When an issuer or counterparty belongs to several groups of connected clients, it shall be reported only once in the group with the higher counterbalancing capacity concentration.
6. Except for row 120, concentrations of counterbalancing capacity with a central bank as issuer or counterparty shall not be reported in this template. In the event that an institution has pre-positioned assets at a central bank for standard liquidity operations and to the extent that these assets fall under the top ten issuers or counterparties of unencumbered counterbalancing capacity, the institution shall report the original issuer and the original product type.

Column	Legal references and instructions
010	<p><u>Issuer Name</u></p> <p>The name of the top ten issuers of unencumbered assets or counterparties of undrawn committed liquidity lines granted to the institution shall be recorded in column 010 in a descending fashion. The largest item will be recorded in 1.01, the second in line item 1.02, and so on. Issuers and counterparties forming a group of connected clients shall be reported as one single concentration.</p> <p>The issuer or counterparty name recorded shall be the full name of the legal entity which issued the assets or granted the liquidity lines, including any references to the company type in accordance with the national company law.</p>

020	<p><u>LEI code</u> The legal entity identifier code of the counterparty</p>
030	<p><u>Issuer Sector</u> One sector shall be allocated to each issuer or counterparty on the basis of FINREP economic sector classes: (i) General Governments; (ii) Credit institutions; (iii) Other financial corporations; (iv) Non-financial corporations; (v) Households. For groups of connected clients, no sector shall be reported.</p>
040	<p><u>Residence of Issuer</u> ISO code 3166-1-alpha-2 of the country of incorporation of the issuer or counterparty shall be used, including pseudo-ISO codes for international organisations, available in the last edition of the Eurostat's 'Balance of Payments Vademecum'. For groups of connected clients, no country shall be reported.</p>
050	<p><u>Product Type</u> Issuers/ Counterparties recorded in column 010 shall be assigned a product type corresponding to the product in which the asset is held or the liquidity stand-by facility has been received, using the following codes indicated in bold:</p> <ul style="list-style-type: none"> • SrB (Senior Bond); • SubB (Subordinated Bond); • CP (Commercial Paper); • CB (Covered Bonds); • US (UCITS-security, i.e. financial instruments representing a share in or a security issued by an Undertaking for Collective Investments of transferable securities); • ABS (Asset Backed Security); • CrCl (Credit Claim); • Eq (Equity); • Gold (if physical gold, which can be treated as a single counterparty); • LiqL (Undrawn committed liquidity line granted to the institution); • OPT (Other product type).
060	<p><u>Currency</u> Issuer or counterparties recorded in column 010 shall be assigned a currency ISO code in column 060 corresponding to the denomination of the asset received or undrawn committed liquidity lines granted to the institution. The three-letter currency unit code in accordance with ISO 4217 shall be reported. Where a multicurrency line is part of a concentration in counterbalancing capacity, the line shall be counted in the currency that is the predominant one in the rest of the concentration. With regard to the separate reporting in significant currencies as specified under Article 415(2) of CRR, institutions shall make an assessment of the currency in which the flow is likely to occur and shall report the item only in that significant</p>

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	currency, in line with the instructions for the separate reporting of significant currencies in the LCR, in accordance with Regulation (EU) 2016/322.
070	<u>Credit quality step</u> The appropriate credit quality step shall be assigned in accordance with CRR, which shall be the same as that of the items reported in the maturity ladder. Where there is no rating, the step of 'non-rated' shall be assigned.
080	<u>MtM value/nominal</u> The market value or fair value of the assets, or, where applicable, the nominal value of the undrawn liquidity line granted to the institution
090	<u>Collateral value CB-eligible</u> The collateral value in accordance with the central bank rules for standing facilities for the specific assets For assets denominated in a currency with extremely narrow central bank eligibility, institutions shall leave this field blank.