



EUROPEAN CENTRAL BANK

EUROSYSTEM

# AnaCredit Reporting Manual

Questions & Answers

Version 1.0

August / 2017



# Contents

<b>AnaCredit Reporting Manual – Q&amp;A</b>	<b>2</b>
1 Enterprise size	3
2 When does the extended quarter-end reporting apply?	4
3 Which data attributes are reportable if the extended quarter-end reporting applies?	6
4 ISO country codes	8
5 The use of external code lists (ISO, NUTS, etc.)	8
6 Instruments related to deregistered counterparties	10
7 Legal Entity Identifier (LEI) and national identifier	10
8 Special categories of counterparties	11
9 Amortisation Type	12
10 Arrears in the case of transferred instruments	13
11 Interest rate type and interest rate spread/margin for instruments with fixed interest rates	13
12 Baskets of protection and the protection type	14
13 Residential real estate purchase and unoccupied real estate	15

# AnaCredit Reporting Manual – Q&A

## About the Q&A process

Questions submitted to the relevant national central bank (NCB) will be closely analysed and reviewed by staff from across the European System of Central Banks (ESCB).

We will seek to answer all questions as quickly as possible. However, depending on the complexity and priority of the question, a longer period might be needed in some cases.

- **Reporting agents address questions to the relevant NCB**
- **The E(S)CB analyses issues and prepares responses**
- **To ensure consistency with national reporting frameworks, prepared explanations will be considered by NCBs when communicating back to reporting agents**
- **Explanations on the AnaCredit requirements will be published on the ECB's website on an ongoing basis**

# 1 Enterprise size

## 1.1 Question

The AnaCredit Reporting Manual Part II (page 258) indicates that the data attribute “enterprise size” is based on the data of the individual legal entity and it refers to Commission Recommendation 2003/361/EC. The Manual also excludes from the calculation “partner enterprises, linked enterprises or consolidated account”. However, the exclusion of consolidated accounts may not be in line with the same Commission Recommendation. Therefore, could you confirm that the data attribute “enterprise size” is reported in accordance with the Commission Recommendation?

---

Regulation (EU) 2016/867 states that the enterprise size is reported in accordance with the SME classification provided in Commission Recommendation 2003/361/EC. In particular, a counterparty is classified as a “large enterprise” if it is an enterprise not qualifying as a micro, small or medium-sized enterprise (SME), in accordance with the Annex to Recommendation 2003/361/EC<sup>1</sup>.

Article 2 of Recommendation 2003/361/EC clarifies that the SME category is made up of enterprises which employ fewer than 250 persons and which have either an annual turnover not exceeding €50 million, or an annual balance sheet total not exceeding €43 million<sup>2</sup>. Within the SME category, a small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed €10 million. A microenterprise, which also falls under the SME category, is defined as an enterprise which employs fewer than ten persons and whose annual turnover and/or annual balance sheet total does not exceed €2 million.

Moreover, in the case of an autonomous enterprise, the data used for the size classification are determined exclusively on the basis of the accounts of that enterprise (Art. 6(1)), while the data of an enterprise having partner enterprises or linked enterprises are determined on the basis of the accounts and other data of the enterprise or, where they exist, the consolidated accounts of the enterprise, or the consolidated accounts in which the enterprise is included through consolidation (Art. 6(2)).

The reference data attribute “enterprise size” is applicable only to enterprises, i.e. any entity, regardless of its legal form, engaged in economic activity, as defined in Article 1 in the Annex to Recommendation 2003/361/EC. “Non-applicable” is reported in all other cases. Moreover, in the case of a debtor or protection provider which is a foreign branch, the data attribute “enterprise size” is only reported to AnaCredit in the head office’s data record. The same applies to the data attributes “number of employees”, “balance sheet total” and “annual turnover”.

<sup>1</sup> Further guidance on the SME definition can be found in the following documents:

(i) [https://ec.europa.eu/research/sme-techweb/pdf/sme-definition\\_en.pdf](https://ec.europa.eu/research/sme-techweb/pdf/sme-definition_en.pdf)  
(ii) <http://fundacaoaip.pt/wp-content/uploads/2015/11/SME-definition-user-guide-2015.pdf>

<sup>2</sup> Please note that in accordance with the user guide to the SME definition, meeting one of the two conditions is sufficient to qualify as an SME, provided that the headcount condition is fulfilled.

It should be noted that, differently from the “enterprise size”, the “number of employees”, “balance sheet total” and “annual turnover” are calculated only in relation to the counterparty itself, i.e. without considering partner enterprises or linked enterprises. This means that the value reported for such data attributes, as part of the data record of the head office representing the whole legal entity, is assessed taking into account the number of employees of the head office (with all its domestic offices) and of all foreign branches of the legal entity (if any).

In particular,

- the “number of employees” of the counterparty is equivalent to the concept of “staff headcount” described in Art. 5 of Recommendation 2003/361/EC;
- the “balance sheet total” is the carrying value of the counterparty’s total assets;
- the “annual turnover” corresponds to the value of annual sales net of all discounts and sales taxes of the counterparty.

As stated, in the case of a legal entity with one or more foreign branches, the value reported for these data attributes includes both the head office and the foreign branches of the entity.

Finally, it is clarified that for legal entities where the value of the “enterprise size” in accordance with the SME classification provided in Commission Recommendation 2003/361/EC (i.e. also considering partner or linked enterprises) is not available to the reporting agent and is considered to be burdensome to produce, the value of the “enterprise size” is calculated on the basis of the “number of employees”, “balance sheet total” and “annual turnover” of the legal entity only (i.e. with all its foreign branches but without considering partner or linked enterprises). The calculation is made by analogously applying the criteria laid down in Commission Recommendation 2003/361/EC.

## 2 When does the extended quarter-end reporting apply?

### 2.1 Question

#### When does the extended quarter-end reporting apply?

The use of the reference period in Article 5(1) of the AnaCredit Regulation implies that instruments are reported until at least the end of the quarter in which the debtor’s commitment amount falls below the reporting threshold of €25,000. Furthermore, Part I (Section 5.2.1) and Part II (Section 3.1.6) of the Manual clarify that this quarter-end extended reporting is of particular relevance for written-off instruments, and aims at capturing the total write-off amount via the accounting dataset as of the quarter-end reporting reference date. On the other hand, however, Section 5.2.3 (including Example 21) in Part I of the Manual stipulates that

instruments for which no write-off has occurred also have to be reported in the extended period.

In connection with the above, the following additional clarification is requested.

If, during the quarter, the debtor's commitment amount (being the sum of the outstanding nominal amount and off-balance-sheet amount of all instruments of the debtor) falls below the threshold, should the instrument(s) continue to be reported until the end of the quarter, or are they expected to disappear from the reporting the next month?

---

It is clarified that the reporting till quarter-end concerns eligible instruments which incur a write-off. Otherwise, in cases where there is no write-off, if the debtor's commitment amount falls below the reporting threshold of €25,000, the instruments are not subject to reporting after the drop in the debtor's commitment amount.

Furthermore, it is clarified that the explanation provided in Section 5.2.1 in Part I of the Manual concerning the applicability of the extended quarter-end reporting takes precedence over the general rules provided in Section 5.2.3. In this context, Example 21 presented therein should read that an amount was written off in the period between 1 January 2019 and 31 March 2019, rather than repaid by the debtor as erroneously stated in the example.

For an illustration, please see the following examples.

#### Example 1

---

An instrument which is reported to AnaCredit for reporting reference dates 31 December through to 28 February is fully repaid on 14 March. The instrument does not incur any loss in the period concerned. Consequently, the instrument is not reported to AnaCredit as of 31 March and the last record available in AnaCredit relates to 28 February. Furthermore, the last quarterly information available for the instrument goes back to 31 December.

#### Example 2

---

A debtor has only one instrument. On 31 January the debtor's commitment amount is €27,000 vis-à-vis the observed agent and the instrument is reported to AnaCredit at the reporting reference date. On 17 February, the debtor makes a payment (e.g. of €5,000), which results in the debtor's commitment amount falling below the reporting threshold. The debtor's commitment amount does not increase thereafter. In this case, the instrument is not reported as of 28 February or as of 31 March.

#### Example 3

---

A debtor has only one instrument. As of 31 January the debtor's commitment amount is €40,000 vis-à-vis the observed agent and the instrument is reported to AnaCredit. As of 14 February a part of the instrument is subject to securitisation, where €20,000

is transferred in a true sale to an SPV. The observed agent keeps the servicing rights of the transferred part of the instrument.

In this case, the partial transfer does not reduce the outstanding nominal amount (see Section 4.4.3 in Part II of the Manual) and the debtor's commitment amount is still €40,000, even after the transfer. Consequently, the reporting of the instrument continues after the transfer date.

#### Example 4

---

A debtor has only one instrument. As of 31 March the debtor's commitment amount is €80,000 vis-à-vis the observed agent and the instrument is reported to AnaCredit. On 9 April the instrument is sold to a third party. The observed agent does not keep the servicing rights of the sold instrument.

In this case, the observed agent neither holds nor services the instrument after the sale. Furthermore, as the observed agent does not incur a loss that needs to be captured in AnaCredit (i.e. no write-off), the observed agent does not report the instrument after the sale (see Section 3.1.6 in Part II of the Manual).

For additional examples related to the question of extended quarter-end reporting, please refer to Question 3 below.

## 3 Which data attributes are reportable if the extended quarter-end reporting applies?

### 3.1 Question

Instruments that incur a loss are reported until at least the quarter-end date on which the write-off took place. However, clarification is needed about how to report written-off instruments in the extended period of reporting (i.e. until the quarter-end) and beyond? In particular, how to report instruments which incur a loss and are transferred to a third party? Often such instruments are not kept in the IT systems after the transfer and it would be costly for reporting agents to maintain this information in the systems until the quarter-end.

---

Instruments are in principle subject to AnaCredit reporting only if they are held or serviced by the observed agent. However, there is an exception regarding instruments that incur a write-off as such instruments are reported until at least the end of the quarter in which the write-off occurs.

With regard to instruments with a write-off, Section 3.1.6.1 in Part II of the Manual provides that, broadly speaking, two possibilities emerge, generally depending on whether or not the instrument is still held or serviced by the observed agent.

Particularly regarding written-off instruments that are no longer held or serviced by the observed agents, the ECB acknowledges the fact that such instruments are typically not in observed agents' systems. And although such instruments are required to be reported until exactly the quarter-end, it is clarified that the only relevant datasets that have to be reported in such cases are the financial dataset and the accounting dataset (following their respective reporting frequency), while the remaining datasets are in principle not reportable. Please note that in regard to the financial and accounting dataset, only very few data attributes are actually applicable during this extended reporting period; these include, in particular, the "outstanding nominal amount" (which is reported as 0), the "accumulated write-offs" and the "cumulative recoveries since default", while the vast majority of data attributes no longer apply.

#### Example 1

---

A debtor has one instrument vis-à-vis an observed agent and the instrument is reported to AnaCredit as of 30 April. In May, the instrument is fully written off. Should the financial dataset be reported for the written-off instrument after the write-off moment on a monthly basis?

Yes, the financial dataset of the instrument is reported on a monthly basis only until the quarter-end.

#### Example 2

---

A debtor has two instruments vis-à-vis an observed agent and the instruments are reported to AnaCredit as of 30 April. In May, one instrument is fully written off. Should the financial dataset be reported for the written-off instrument after the write-off moment on a monthly basis?

Yes, the financial dataset of the instrument is reported on a monthly basis until the quarter-end, and beyond that if the instrument is still held or serviced by the observed agent and the commitment amount of the other instrument exceeds the reporting threshold.

#### Example 3

---

Please refer to Section 8.3.13.2 in Part III of the Manual for a comprehensive example of AnaCredit reporting related to a written-off loan that is no longer held or serviced by the observed agent.



## 4 ISO country codes

### 4.1 Question

In accordance with the ISO 3166 standard – codes for the representation of names of countries and their subdivisions – the United States of America includes one district, 50 states and six outlying areas. As regards the six outlying areas, they all have separate country code entries in the standard. For example, Puerto Rico, which is an outlying area of the United States, has the country code “PR”. Could you please confirm that the separate country code in the ISO 3166 standard is reported for counterparties established in any of the six outlying areas, rather than the country code of the United States?

---

The AnaCredit Regulation stipulates that the counterparty's country is reported as an ISO 3166 alpha-2 code. ISO 3166 is the international standard for country codes and the codes of their subdivisions. The standard is intended for use in any application requiring the expression of current country names in coded form. An alpha-2 code is a two-letter code that represents a country name.

It is clarified that for counterparties located in a country that has a specific, separate alpha-2 code in the ISO 3166 standard, the specific two-letter code of the country is reported. This also applies to cases where the country is a subdivision of another country.

This means that for a counterparty located in Puerto Rico, for example, the data attribute “address: country” is reported as “PR”.

## 5 The use of external code lists (ISO, NUTS, etc.)

### 5.1 Question

The AnaCredit Regulation stipulates that some data attributes are reported following code lists such as the NUTS or ISO codes. For example, the data attribute “address: country” is reported in accordance with the ISO 3166 standard and the data attribute “address: county/administrative division” follows the NUTS 3 region classification. However, as the code lists may be modified over time, the question arises of whether the data previously reported to AnaCredit should be retroactively resent using the amended code lists?

---

The external code lists to which the AnaCredit Regulation refers can change for various reasons. For example, in regard to the NUTS 3 codes, sometimes national interests require a change in the regional breakdown of a country. Or, regarding the ISO country codes, country names might be amended or even removed from ISO

3166-1 because a country might change a significant part of its name, or a country may divide into two or more new ones, or two or more countries may merge into one.

However, a version of the external code lists is valid for a certain period of time before it is replaced by a newer version (for example, Commission Regulation (EC) No 1059/2003 specifies that the NUTS classification must be stable for at least three years). Therefore, there is only one version of a code list valid at a given moment in time.

In the context of AnaCredit, at a reporting reference date reporting agents are required to report data to AnaCredit using the codes that are valid as of the reporting reference date. In particular, in the case of an amendment to a classification, reporting agents are required to take into account the new classification for any data reported after the amendment and submit updates to any static data that is affected by the amendment. However, unlike what is required by Commission Regulation No 1059/2003 (cf. Article 5(5)), in the context of AnaCredit, reporting agents are generally not required to update historical data if there is a new classification.

For example, the NUTS 3 classification that is valid at present will be effectively replaced by its fifth version as of 1 January 2018. Accordingly, any counterparty reference data reported to AnaCredit before 1 January 2018 will be based on the current version of the classification. However, any counterparty reference data reported from 1 January 2018 onwards will be based on the amended classification. Furthermore, as the counterparty reference data of a given counterparty have to be updated if a change takes place, an additional record of the counterparty reference data will have to be reported as of 31 January 2018 for those counterparties whose counterparty reference data was reported throughout 2017 and which are affected by the change in the classification (to reflect the new classification for these counterparties). Nevertheless, in no instances do the data reported throughout 2017 have to be changed in line with the amended classification.

In other words, if a new version of an external classification is released, only those entities in the counterparty reference data for which the classification actually changed will have to be updated.

## 6 Instruments related to deregistered counterparties

### 6.1 Question

Could you clarify the AnaCredit reporting of instruments of debtors which have ceased trading and been deregistered from the business register? For example, a loan was previously granted to a debtor. However, the loan became non-performing and as a result of legal proceedings, the debtor is not conducting business and has ceased to exist in the business register at some point in time. Despite the fact that the debtor is deregistered from the business register, this instrument still exists.

---

It is clarified that such instruments are reported to AnaCredit after the deregistration date of the debtor (provided that the instruments are subject to AnaCredit reporting at a reporting reference date in accordance with the AnaCredit Regulation). The existence of such instruments is often a result of the legal process of liquidating a company, which is complicated and may last for many years, and there may be conflicting views about whether or not a counterparty has ceased to exist. In such cases, there will be a possibility to centrally consolidate the different views of different reporting agents, whereas AnaCredit will have information about such debtors' current exposures (which may be of particular relevance in the context of non-performing loans).

## 7 Legal Entity Identifier (LEI) and national identifier

### 7.1 Question

An LEI code can have more than one "registration status". In which case, should the LEI be reported to AnaCredit?

---

The "registration status" of an LEI can be any of the following: annulled, cancelled, duplicate, issued, lapsed, merged, pending transfer, pending archival, pending validation, retired, transferred (for details, see <https://www.gleif.org>).

For the purpose of reporting a value for data attribute "LEI", the only relevant LEIs are those whose status is "issued", "lapsed" or "merged" (the latter are reported only for reference periods preceding the time the entity was acquired by or merged with another entity, after which the LEI of the surviving/new legal entity is reported). All other cases are treated similarly to the case where no LEI has been assigned to the counterparty, which is why there is also a need to report a national identifier for the counterparty.

## 7.2 Question

If no LEI is reported, a national identifier from the predefined list is mandatory, unless otherwise decided by the relevant NCB. What happens if, for a given counterparty, none of the identifiers from the respective country are available? What is reported for counterparties resident in a country which is not present in the list? What happens when there is a change to the “list of national identifiers”?

---

If the only available identifier for a counterparty is not in the list of national identifiers published on the ECB’s website, this identifier is still reported to the relevant NCB provided that the identifier in question is publicly available, allows for the unambiguous identification of the counterparty in the country of residence and one of the following conditions is met:

- a) the counterparty is resident in a country included in the list and for which the option “other” (identifier type “XX\_OTHER\_CD”, where XX is the country) is included in the list;
- b) the counterparty is resident in a country not included in the list (identifier type “GEN\_OTHER\_CD”).

In both cases, besides the corresponding identification code itself, a short description of the type of identifier is also reported (e.g. national tax authority registration number) to the relevant NCB.

It is also clarified that, irrespective of the country of residence, reporting an identifier not included in the list, although accepted in some cases (see above), is always considered as the least preferred option.

The list of national identifiers will be updated over time to cover new countries and additional identifiers, based on the experience accumulated with AnaCredit reporting. A national identifier can be reported as soon as it has been added to the list, irrespective of the reference date of the information being reported.

## 8 Special categories of counterparties

### 8.1 Question

Could you clarify which data attributes from the counterparty reference dataset have to be reported if the counterparty is an MFI or an international organisation?

---

Unless otherwise decided by the relevant NCB, for a counterparty included in the list of monetary and financial institutions (MFIs) ([link](#)) the “counterparty identifier” is the only data attribute from the counterparty reference dataset reported to the relevant NCB. Unless otherwise communicated by the relevant NCB, the RIAD\_CODE (first

column of the table) is used as the counterparty identifier for all entities included in the list.

It should be observed that such “reduced” reporting obligations do not apply if the “counterparty role” is a debtor. Therefore, for an MFI playing the role of a debtor, the general reporting obligations regarding the reference data attributes are applicable (Table 2 and 3 in the Annex to AnaCredit Regulation).

Unless otherwise decided by the relevant NCB, for a counterparty which is included in the list of international organisations ([link](#)) the “counterparty identifier” is the only data attribute from the counterparty reference dataset reported to the relevant NCB. Differently from the case of MFIs, this applies irrespective of the role of the counterparty (hence including the case of debtors). Moreover, reporting agents are informed by the relevant NCB about the counterparty identifier to be used for each international organisation included in the list.

## 9 Amortisation Type

### 9.1 Question

Could you clarify whether the reporting of the amortisation type should be based on the original payment plan as agreed at inception of the instrument, or should it be based on the actual payment plan? For example, if a loan has a French amortisation schedule but the debtor also has the right to redeem the loan partially or in full during the lifetime of the instrument, should the amortisation type be reported as “French” or “other” (i.e. French plus voluntary prepayment)?

---

The amortisation type is generally determined by the debtor’s obligations towards the creditor (e.g. it sets the minimum payment schedule) as opposed to the options the debtor has in addition to the minimum payment schedule.

Therefore, as regards the example in the question, it is clarified that the amortisation type for the instrument is “French” and the given option to prepay the instrument is not taken into account as it does not reflect a contractual obligation, regardless of how likely it is that the debtor will prepay.

## 10 Arrears in the case of transferred instruments

### 10.1 Question

Could you clarify which amounts in arrears have to be reported by the transferor and the transferee in the case of an instrument that has been partially transferred from one observed agent (the transferor) to another observed agent (the transferee)?

---

The amount in arrears for the instrument is reported regardless of whether the instrument has been transferred or not. However, in the case of a partially transferred instrument, where both the transferor and the transferee are observed agents, the amount of arrears which corresponds to the part being held by a specific observed agent is reported by that observed agent.

Please note that whether or not a (partial) transfer of an instrument includes the transfer of the arrears (and to which extent) depends on provisions of the contract between the parties involved in the transfer. This in particular means that if, for example, the contract between two observed agents states that only one of them bears the full amount of arrears, this fact has to be reflected in the reported data. Otherwise, in cases where the arrears are shared between the observed agents (e.g. pro rata), the amount in arrears corresponding to their share of the instrument is reported.

## 11 Interest rate type and interest rate spread/margin for instruments with fixed interest rates

### 11.1 Question

Could you clarify which instruments are reported as fixed interest rate and which ones as variable and whether the margin/spread that is added to the reference rate to account for the applied interest rate is reported for fixed interest loans?

---

Instruments with an interest rate that is predefined for certain periods during the life of the exposure on the basis of a reference interest rate (e.g. EURIBOR or LIBOR) on specific dates (known as fixing dates) is classified as an instrument with a variable interest rate. The key determinant is the fact that, in the case of variable interest rate instruments, at the date of inception, neither the creditor nor the debtor know the value of interest payments during the entire life of the instrument.

Conversely, only instruments with an interest rate that is known to both the creditor and the debtor at the date of inception, or that can be revised periodically where the future interest rates are known to both the creditor and the debtor at the date of inception, are classified as having a fixed interest rate.

Finally, instruments which have both a fixed and a variable interest rate over their life are classified as mixed.

For example, the data attribute “interest rate type” is reported as “variable” for a loan where: in the first year an interest rate of 2.7% will be charged (where the rate is calculated by taking the 12-month EURIBOR on a fixed date, say 1 November, increased by a spread of 2.4%); thereafter, the interest rate will be reset on the first day of every year (following the same EURIBOR formula). This is based on the fact that although the interest rate charged in a given year during the life of the instrument is fixed, the future rates are not known to the parties at the date of inception of the instrument.

Consequently, it is clarified that the data attributes “reference rate” and “interest rate spread/margin” do not apply in cases where the interest rate type is fixed. This is in line with Part II of the Manual (page 48, lines 21-22).

## 12 Baskets of protection and the protection type

### 12.1 Question

What is the protection type for a basket of both debt securities and equity securing an instrument reported to AnaCredit? Moreover, suppose that the basket initially includes more debt securities than equity, but over time the basket includes more equity than debt securities, should the type of protection be changed to “equity and investment fund shares or units” for the existing protection or should it be considered as a new protection item with a new protection identifier?

---

The AnaCredit Manual (Part II, Section 9.2) states that bundled protection items (i.e. a basket of protection which entails several individual items) may be reported as one multi-name protection item provided that the bundled protection items are valued and considered by the reporting agent as one protection item (hereinafter referred to as “the valuation principle”). However, it is clarified that it is possible to make use of the convenience of reporting one multi-name protection item only if a basket consists of like elements, for example, if it consists of either debt securities or equity. Conversely, protection items with different characteristics are considered to be different protection items and reported separately to AnaCredit.

Therefore, concerning the specific case described in the question, the protection items are reported separately to AnaCredit, from the beginning, rather than as one multi-name protection item. Thereby debt securities and equity are reported as separate protection items (the debt securities possibly being one bundled protection item and the equity another, in accordance with the valuation principle) under the corresponding type of protection.

Moreover, if over time more equity is added to secure the instrument, the additional equity may be considered a new protection item with a new protection identifier or

may be reported under the existing protection item – cf. Section 2.3.3 in Part III of the AnaCredit Manual. However, please note that the latter option is available only if this is in line with the valuation principle for reporting bundled protection items).

In regard to the question of which other features (i.e. besides the type of protection) should match in order to be able to consider protection items alike (and thus reportable as one multi-name protection item), these include aspects such as the type of protection value, the protection valuation approach, maturity considerations and, where relevant, the real estate collateral location. For example, equity which is reported to AnaCredit at its fair value cannot be bundled with debt securities which are reported at notional amount (see Section 9.4.5, Part II of the AnaCredit Manual).

However, specifically in the case of centrally cleared repurchase agreements where reporting agents do not have sufficiently detailed information about such bundled protection (and obtaining it would involve substantial costs), protection items of different types may be bundled provided that they are indeed valued and considered by the reporting agent as one multi-name protection item. Nevertheless, since granularity is an inherent objective of AnaCredit, it is expected that granular information on the composition of baskets of protection will gradually be available in reporting agents' systems.

## 13 Residential real estate purchase and unoccupied real estate

### 13.1 Question

Could you clarify which purpose should be reported in the case of financing provided for the purchase of real estate that is not occupied by the owner or the lessee, based on the definition of residential real estate provided in Article 4(1)(75) of Regulation (EU) 575/2013?

---

For the purposes of AnaCredit, reporting agents should classify residential and/or commercial real estate in accordance with the classification they apply for the capital calculation in accordance with Regulation (EU) 575/2013.

In particular, it is clarified that in accordance with Article 125(1)(a) of Regulation (EU) 575/2013, which states that, for “exposures [...] secured by mortgages on residential property which is or shall be occupied or let by the owner, or the beneficial owner in the case of personal investment companies, ...”, the data attribute “purpose” is reported as “residential real estate purchase”, including for loans provided to finance unoccupied residential real estate.



© European Central Bank, 2017

**Postal address** 60640 Frankfurt am Main, Germany  
**Telephone** +49 69 1344 0  
**Website** [www.ecb.europa.eu](http://www.ecb.europa.eu)

All rights reserved. Any reproduction, publication and reprint in the form of a different publication, whether printed or produced electronically, in whole or in part, is permitted only with the explicit written authorisation of the ECB or the authors.