BCL ANACREDIT

NEWSLETTER

The AnaCredit team of the Central Bank of Luxembourg (BCL) has the pleasure to provide you with the sixth newsletter on AnaCredit.

News

Further explanations on validations and retroactivity

Even if some reference periods have been validated by the BCL, the ECB/BCL still has the right to ask for corrections in case of important structural errors.

The general rule is that errors, which are detected during the current production period[1], have to be corrected for the 12 months prior to the reference date (RD), which is analyzed during the current production period.

For example, a problem on the interest rates reported on the reference period of April 2021 is detected by the end of June 2021 up to mid of July 2021 (errors which are detected in between two production periods are referred to the earliest RD of the two):

Name	Period
Reference Date	April 2021
Production Period	29/06/2021 –15/07/2021
Corrections requested from	April 2020

Postal code checks in ANTREF/ANTT2M files

First feedbacks on postal codes reported in the ANTREF files have been sent out in April 2021. By the beginning of next year, the postal codes reported for the real estate collateral location in the ANTT2M files are going to be checked with the regular expression rules published on the website of the ECB.

Please note that if you report the real estate collateral postal code, you also need to report the real estate collateral country.

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[1] Production period = From (RD+ 37 working days) to (RD + 49 working days)

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EUROSYSTÈME

As such you are requested to already consider the published regular expression rules, while encoding new observations in your AnaCredit reports (Postal code formatting rules).

iBSI (S 1.1)/iMIR (S 1.5) corrections

Significant improvements have been made on the iBSI and iMIR comparisons. Indeed the BCL has been able to validate multiple reporting agents over the last couple of months. Starting from 2021/03, all reporting agents have to correct the data in case of inconsistencies between reports.

In any case, if you haven't received the latest feedback on your comparison, please contact the AnaCredit team at the BCL via e-mail.

FINREP/COREP comparison with AnaCredit

The comparison between AnaCredit and FINREP/COREP is currently being developed at BCL/ECB level and first feedbacks should be sent out beginning of 2022.

As such, you are encouraged to double-check your reports internally, in order to avoid possible inconsistencies between AnaCredit and FINREP/COREP.

Changes in German identifiers

As previously communicated, the BCL/ECB has set into place cross-checks between the "XJustiz-ID" code of the national identifiers of German counterparties and their locality within RIAD.

Furthermore, the "XJustiz-ID" codes have been updated on the ECB website (List of national identifiers).

You are requested to double-check all German identifiers. Moreover, corrections have to be made on all future submissions and resubmissions.

AnaCredit non-compliance framework

The non-compliance framework, which is currently being set into place for AnaCredit, is planned to be launched by the end of this year. The BCL instructions will be updated accordingly.

In the beginning, a reporting agent needs to respect the deadlines and the technical standards of the BCL for their first submission of files in order to be compliant (for the moment, resubmissions are not concerned). As such, a distinction is made between a late submission and a technically invalid submission. A file is considered technically invalid, when it doesn't pass neither the technical checks nor the XSD checks at the BCL.

Submitting empty files only in order to be compliant with the deadlines is considered a serious misconduct, which is notified to the ECB.

New advanced data quality checks in AnaCredit

Lately, the BCL/ECB have started to create advanced data quality checks on specific attributes. Those checks have already been sent to the concerned reporting agents. In the near future, further checks on consistency, concentration of values and dummy values will be implemented.

As for now, the checks are on the interest rates (low/high median interest rates, concentration of non-applicable on interest rates) and probability of default (concentration of values in the probability of default).

Further information on the new DQIs will be included in the future update of the AnaCredit instructions at the BCL.

FAQ

Do we have to report the probability of default (PD) as an IRB/Non-IRB credit institution?
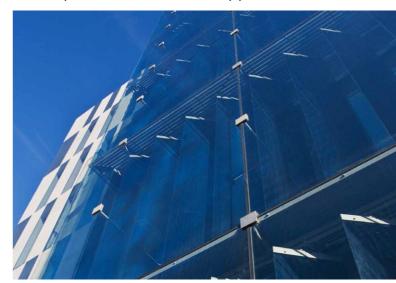
As a general rule, if the reporting agent does not have to follow the internal ratings-based (IRB) approach, dataset 9 should be excluded from the ANTT2M files.

As for credit institutions applying the IRB approach, the probability of default is reported for all counterparties on which it is required (debtors and protection providers according to the validation rules of the BCL). Checks will be implemented to test whether all PDs have been reported.

Why did we not receive any AnaCredit feedbacks?

Since the 1st of April, all feedbacks are sent via the transmission channels. Thus, multiple feedbacks have already been sent to all reporting agents.

In case a reporting agent has not received any feedback, it is the responsibility of the reporting agent to contact his transmission channel or internal IT department in order to clarify possible issues.

Reminder

Next AnaCredit Reporting Dates:

- August 11, 2021 (Quarterly Data relating to the reference date of June 2021)

- August 20, 2021 (Monthly Data relating to the reference date of July 2021)

- September 21, 2021 (Monthly Data relating to the reference date of August 2021)

- October 21, 2021 (Monthly Data relating to the reference date of September 2021)

Contact

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