

Instructions for
Integrated Reporting of
International Banking
Statistics (IRIS)

September 2022

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1 Introduction

The following instructions apply to Monetary Financial Institutions (MFIs) in their Integrated Reporting of International Banking Statistics (below IRIS) and apply to reporting starting on 31 March 2023 and phase-in reporting with respect to 30 June 2022. The Riksbank's regulations (RBFS 2021:1) on IRIS reporting contain general provisions regarding the type of data to be reported to IRIS. The following instructions provide supplementary directions, which are intended to provide support to reporting agents.

The bank statistics comprise two different data sets, IRIS Locational Banking Statistics (below IRIS LBS) (previously RUTS Swedish part) and IRIS Consolidated Banking Statistics (below IRIS CBS) (previously RUTS consolidated).

1. LBS capture the outstanding financial assets and liabilities of internationally active MFIs, broken down by country of counterparty, sector, currency and instrument. MFIs/banks record their positions on an unconsolidated, standalone basis for business in the Swedish head office and cover positions between entities in the same banking group as well as positions with own branches abroad. Assets and liabilities recorded in foreign branches are not included. Foreign MFIs' branches in Sweden are treated in the same way as Swedish head offices.
2. CBS capture the consolidated positions of internationally active banking groups. The statistics include the business of banks' branches and subsidiaries according to the consolidated situation. Assets and liabilities between entities within the consolidated situation are excluded as are positions with own branches.

LBS and CBS are collected by the Riksbank for further delivery to the Bank for International Settlements (BIS) within the framework of International Banking Statistics (IBS).

The BIS [Reporting guidelines for the BIS international banking statistics](#) provides guidance for the reporting of LBS/CBS and in many cases can also be used as a reference for reporting in IRIS. In the case of discrepancies between the above-mentioned documents or of uncertainty regarding these, the following order of precedence shall apply:

1. The Riksbank's regulations (RBFS 2021:1)
2. Instructions for Integrated Reporting of International Bank Statistics (this document)
3. The BIS "Reporting guidelines for the BIS international banking statistics"

1.1 Use

The statistics have users in many areas. The collected data on foreign and Swedish assets and liabilities are used by the Riksbank to monitor developments in the currency and credit markets. They are also used for the compilation of statistics on assets and liabilities broken down by country, currency and sector. The data will also be delivered to the BIS within the framework of IBS and used by other users, such as supervisory authorities, financial institutions' analysis units, researchers and the educational system, the media, and international bodies.

Sweden has participated in the IBS since the start of Locational Banking Statistics in 1977 and Consolidated Banking Statistics since the start in 1983.

1.2 Reporting method

The Riksbank provides a website where reporting agents submit their data for reporting to IRIS. The data to be submitted are compiled in an XML file that is validated against formulated file specifications. The reporting consists of two files, one for LBS and one for CBS, as applicable.

Each reporting table contains a number of attributes describing the data point. Below is a list of attributes to be reported, the format in which they shall be reported, and whether they shall be reported for LBS, CBS, or both. All attributes are described in detail in Chapter 2.

Table 1. Attribute list

Attribute	Format	LBS	CBS
Header			
Reporting agent identifier	Alphanumerical	x	x
Reference period	YYYY-MM-DD	x	x
Framework	According to code list	x	x
Data			
Country of residence of the unit	Code list		x
Type of accounting item	Code list	x	x
Type of instrument	Code list	x	x
Currency denomination	Code list	x	x
Residual maturity	Code list		x
Institutional sector of the counterparty	Code list	x	x
Country of residence of the counterparty	Code list	x	x
Entity within the group	Code list	x	
Amount	Amount	x	x
Accrued interest	Amount	x	x
Institutional sector of the protection provider	Code list		x
Country of residence of the protection provider	Code list		x
Protection allocated value for prudential purposes	Amount		x

1.3 Statistical reporting requirements

1.3.1 Reporting frequency

The reporting takes place quarterly and the reports relate to the position at the end of each quarter (31 March, 30 June, 30 September and 31 December). The data must be received by the Riksbank no later than the last banking day of the month after the end of the quarter.

1.3.2 Amount statements

All amounts are reported in Swedish kronor (SEK). In general, both amounts for assets and liabilities are reported as positive numbers.

1.3.3 Reporting currency

Items in foreign currency shall be converted into SEK based on the closing exchange rate on the reporting date (reference date).

1.3.4 Reporting of "Not applicable"

In reporting, it is possible that attributes under certain conditions do not need/must not be reported because the data are not applicable to the attribute in question ("Not applicable"). For attributes with accompanying code lists, it is possible in some cases to select "Not applicable" in the code list. With regard to attributes (numerical or non-numerical) such as text strings, dates, amounts and interest rates, if there is no requirement or the data is not applicable, this is processed by omitting the attribute in the reporting (XML schema). The same processing applies to attributes with code lists where "Not applicable" cannot be selected in the accompanying code list. It is not correct to report a text string with "Not applicable", "NA" or similar in the XML-schema.

1.3.5 Checking process

When a reporting agent has submitted data to IRIS, the contents will be checked and validated in various stages by the Riksbank. There are several types of validation, which include:

1. Validating against file specification (according to the XML schema),
2. Checking that the mandatory data is completed,
3. Consistency check where data in two attributes are compared,
4. Check against the MFI report in the Financial Market Statistics;
5. Plausibility checks,
6. Time series review to check major changes over time or breaks in series.

1.4 Differences between LBS and CBS

The most important difference between LBS and CBS is the level of consolidation at which the MFIs/banks report. LBS is collected on an unconsolidated basis for the Swedish head offices (or foreign MFI branches established in Sweden), while CBS is collected at consolidated level for the consolidated situation. In addition, LBS includes foreign MFIs/banks with branches located in

Sweden, while CBS only includes Swedish-owned MFIs/banks. Further differences between the data sets are described below:

1.4.1 Derivatives and off-balance-sheet items

LBS include both financial assets and liabilities, including derivatives. However, by using data from VINN, holdings of debt securities, shares and participations or short selling positions in LBS are not directly collected. By using KRITA, lending is not directly collected, except for loans to households (natural persons).

CBS includes financial assets and liabilities included in the balance sheet and a separate breakdown of derivatives on the asset side, but no reporting of derivatives on the liability side. CBS also includes some off-balance-sheet activities, particularly risk transfer, guarantees and credit commitments.

1.4.2 Management of short selling positions

Within LBS, short selling positions are reported as negative assets but as the data are taken from VINN direct reporting in IRIS is not affected.

Within CBS, short selling positions are reported in accordance with national accounting standards, where they are typically reported as liabilities.

1.4.3 Netting of assets and liabilities

Within LBS, derivatives, repos/reverse repos and other financial assets and liabilities are reported on gross basis, where assets and liabilities with the same counterparty are separated and cannot be offset against each other. Derivative contracts with a positive market value are treated as assets and derivative contracts with a negative market value as liabilities.

Within CBS, derivatives, repos/reverse repos and other financial assets and liabilities are reported on net basis, i.e. assets and liabilities are offset, if legally binding netting agreements exist and can be applied in accordance with the accounting standards used.

2 LBS attributes

This section details the attributes that describe the reported data point in the LBS reporting. Each attribute has in turn either a code list linked to it or the value shall be specified as a character string or value. A code list can be described as the attribute's range (i.e. values that can be specified in the reporting). Sections 2.1–2.4 are a common heading for the entire file, while sections 2.5–2.12 are a unique combination of information about the data point.

2.1 Reporting agent identifier

2.1.1 Definition

Identifier for the reporting agent. Here the RIAD code is to be used. A RIAD code is an identifier used by the ECB in its Register of Institutions and Affiliates Data (RIAD). A unique RIAD code is allocated to each entity that occurs in RIAD.

2.1.2 Reported values/code list

An alphanumeric value shall be specified. For Swedish institutions, the RIAD-code has the format SE followed by the organisation registration number without a hyphen. *Example:* SE5146111999.

2.1.3 Reporting requirement

Reporting of this attribute is mandatory.

2.2 Framework

2.2.1 Definition

The attribute describes which report is being referred to.

2.2.2 Reported values

IRIS LBS.

2.2.3 Reporting requirement

Reporting of this attribute is mandatory.

2.3 Reference period

2.3.1 Definition

Reference period refers to the period for which the data are collected.

2.3.2 Reported values/code list

The reference period shall be specified in the format YYYY-MM-DD. *Example:* 2023-03-31 regarding the end of the first quarter 2023.

2.3.3 Reporting requirement

Reporting of this attribute is mandatory.

2.4 Type of accounting item

2.4.1 Definition

Reported as financial asset or financial liability. Amounts in LBS shall be reported gross, i.e., without netting.

Financial liabilities do not include equity.

2.4.2 Reported values/code list

Reported according to the code list, including:

- Assets
- Liabilities

2.4.3 Reporting requirement

Reporting of this attribute is mandatory.

2.5 Type of instrument

2.5.1 Definition

Instruments are classified according to their characteristics.

2.5.2 Reported values/code list

Reported according to the code list. This includes:

- Currency
- Loans
- Deposits
- Derivatives
- Other financial assets excl. derivatives

See [Chapter 3 Instrument types in LBS](#) for detailed instructions.

2.5.3 Reporting requirement

Reporting of this attribute is mandatory.

2.6 Currency denomination

2.6.1 Definition

The currency to be specified is the instrument's denomination or issuing currency. The currency of denomination may be different from the currency of settlement.

2.6.2 Reported values/code list

The instrument's currency shall be reported based on ISO standard 4217, see code list.

2.7.3 Reporting requirement

Reporting of this attribute is mandatory.

2.7 Institutional sector of the counterparty

2.7.1 Definition

The IRIS reporting requests a breakdown by institutional sector for counterparties, which refers to institutional sector classification according to the European System of National and Regional Accounts (ESA 2010). Institutional sector of the counterparty refers to the issuer of the security, the borrower or the customer who made the deposit. Sector is specified for both Swedish and foreign counterparties, both within the EU and outside the EU.

The Swedish implementation of ESA 2010 is known as Statistics Sweden's institutional sector classification standard, INSEKT 2014. The standard is published on Statistics Sweden's website and reporting agents can access information from Statistics Sweden's public part of the business register as support when classifying Swedish counterparties.

In Sweden, sole proprietorship/sole business and a non-registered partnership (where the partners are not legal entities) are counted as part of the household sector. Partnerships, limited partnerships and limited liability companies, on the other hand, are counted as financial or non-financial corporate sector.

The Riksbank publishes a list of monetary financial institutions in Sweden. The European Central Bank publishes lists of monetary financial institutions, investment funds and collective investment undertakings and securitisation institutions based in the euro area and other EU countries.

2.7.2 Reported values/code list

Reported according to the code list. [Annex 1](#) gives a brief description of the various sectors requested.

2.7.3 Reporting requirement

Reporting of this attribute is mandatory.

2.8 Country of residence of the counterparty

2.8.1 Definition

Information on the country of residence of the counterparty is requested in the reporting. With regard to legal entities, the main rule is that residence is determined by where the legal entity has unlimited tax obligations. Branches, however, are always regarded as resident in the host country, that is, the country where the branch is established. Residence is not affected by whether the legal entity is entirely or partly exempted from tax liability (which may be the case for state, municipalities and some foundations, for example). With regard to mutual funds and alternative investment funds, it is the fund's country of registration, and not the asset manager's, that governs its residence.

Households have their residence in the country where they have their main night rest period or equivalent rest period (daily rest period) for at least one year. For Swedish households (natural persons), persons registered ("*folkbokförda*") in Sweden are considered as residents of Sweden, while natural persons who are not registered in Sweden are resident in another country, regardless of their citizenship.

International organisations are differentiated and reported by their own country code, this also applies to the ECB and BIS.

2.8.2 Reported values/code list

Reporting is based on ISO 3166-1 alpha-2 according to the code list. International organisations are differentiated and reported by their own country code, this also applies to the ECB and BIS. In case the international organisation or country is missing from the code list or cannot be reported, one country code exists for unspecified international organisations and another for unspecified countries.

2.8.3 Reporting requirement

Reporting of this attribute is mandatory.

2.9 Entity within the group

2.9.1 Definition

Classification of whether or not the counterparty is included in the same consolidated situation as the reporting agent. Consolidated situation refers to consolidation according to Article 4.47 of Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (capital requirements regulation). The reporting agent shall classify their subsidiaries and joint ventures using the same methods as for consolidation in supervisory reporting (i.e. consolidated situation).

Examples on how to report Entity within the group are shown in Annex 5. Example: Entity within the group.

2.9.2 Reported values/code list

Reported according to the code list.

- **Head office, parent in legal entity**

Head office refers to activity not conducted in foreign branches within the reporting agent's legal entity. Also referred to in other statistical reporting as "parent (company) excluding branches". Head office and branches constitute together the reporting agent's legal entity. The head office can either be a Swedish legal entity but also a foreign legal entity if the reporting agent is a branch in Sweden (of a foreign MFI).

- **Foreign branch in legal entity**

The counterparty is a branch in the reporting agent's legal entity.

- **Other entity in the group**

The counterparty is an entity in the same consolidated situation as the reporting agent but not the head office or a branch in the reporting agent's legal entity. Other entity in the group refers to subsidiaries, subsidiaries of subsidiaries, and co-owned companies (joint ventures) consolidated using proportional consolidation. For subsidiaries that report, also the parent

company should be included here (if part of the consolidated situation). Insurance companies are however not included as they are not included in the consolidated situation.

The delimitation of the corporate group shall be the consolidated situation. This means, somewhat simplified, the head office, branches and subsidiaries (over 50 % of voting rights or controlled influence) or subsidiaries of subsidiaries that are financial corporations, but not insurance companies. Associated companies shall not be reported as entities in the financial corporate group as the company's assets and liabilities are not consolidated under the capital requirements regulation.

- **Not entity in the group**

The counterparty is not an entity in the reporting agent's consolidated situation.

2.9.3 Reporting requirement

Reporting of this attribute is mandatory.

2.10 Amount

2.10.1 Definition

Within LBS, financial assets and liabilities shall not be netted but reported on a gross basis, this also applies to derivatives that are to be reported on a gross basis without taking into account netting agreements. Derivatives with a positive market value shall be reported as assets and derivatives with a negative market value shall be reported as liabilities. Loans must be reported gross, before deduction of allowances for credit losses and country risks. Although the face value of a loan minus allowances gives an approximate market value, there is no common definition of allowances for credit losses among all countries, which could undermine the scope for data comparisons between countries. Instruments that are not transferable, in particular loans and deposits, shall be valued at face value. Accrued interest shall not be included in amounts but reported separately.

Table 2. Valuation methods in LBS

Transferable	Frequently traded in financial markets	Recommended valuation method	Examples of financial instruments
Yes	Yes	Market value (observed market value)	Exchange-traded derivative
Yes	No	Market value or fair value (estimated market value)	OTC derivative
No	No	Face value without accrued interest	Loans/deposits, accounts receivable, accounts payable

2.10.2 Reported values/code list

Amount (format according to [Section 2.4.2](#)).

2.10.3 Reporting requirement

Reporting of this attribute is mandatory.

2.11 Accrued interest

2.11.1 Definition

The total accrued interest on the reference date for reporting in accordance with Regulation (EU) No 379/2021 (ECB/2021/2). In accordance with the general accrual principle, accrued interest on loans or deposits shall be recognised in the balance sheet when it arises (that is, on an accruals basis) instead of when it is received (that is, according to the cash basis method). The definition is the same as in the MFI report.

2.11.2 Reported values/code list

Amount (format according to [Section 2.4.2](#)).

2.11.3 Reporting requirement

The attribute shall be reported if the instrument type is “Currency”, “Loans”, “Deposits”, “Other financial assets excl. derivatives” or “Other financial liabilities excl. derivatives”, otherwise the attribute is omitted. In those cases where an interest-bearing instrument has a zero interest rate, this is reported as value zero.

3 LBS instrument types

The report shall contain data about the institution's foreign and Swedish claims and liabilities in accordance with Annexes 1 and 4. The reporting takes place for the head office, i.e. the legal entity's Swedish part of the business, which means that assets and liabilities recorded at branches abroad are excluded while positions between the head office and own branches are included.

3.1 Currency

Currency refers to physical banknotes and coins and state digital money (so-called central bank digital currencies, CBDCs). Currency shall only be reported with central banks as institutional sector of the counterparty and with country of residence of the counterparty according to the location of the central bank.

Currency in euro is reported with the ECB as country of residence (international organisation) and not Germany.

The following items of the MFI form shall be reported as currency in LBS:

Item 1011 Cash (coins and bank notes)

3.2 Loans

Loans are entered at face value before deduction of allowances for credit losses and country risks. Loans and deposits shall be reported gross, i.e. loans and deposits against the same counterparty may not be offset.

Only loans to households (sector 14) are reported under loans. For loans to other sectors, reporting to the Riksbank's credit database (KRITA) is used.

The following items of the MFI form shall be reported as lending in LBS:

Item 1030151 Lending to Entrepreneurial households in Sweden

Item 1030152 Lending to other households in Sweden

Item 1030294 Lending to households in EMU countries

Part of item 1030596 Lending to households etc. in other EU countries

Part of item 1030396 Lending to households etc. in other countries

3.3 Derivatives

Derivatives must not be reported together with underlying instruments, and derivatives on the asset and liability side may not be offset, even if there is a legal right to do so.

The currency breakdown of derivative instruments with components in foreign currency is done according to the part of the contract that has the largest gross value. See example in [Annex 2](#).

Derivatives that have a positive market value on the reporting date are assigned to the asset side, while a derivative with a negative market value on the reporting date is assigned to the liability side.

The following items of the MFI form shall be reported as derivatives in LBS:

Item 1132 Derivative instruments

Item 113242 Derivative instruments (Positions with own branches)

3.4 Other financial assets excl. derivatives

Other financial claims consist, among other things, of claims for securities settlement proceeds and deferred costs and accrued incomes other than accrued interest on loans and securities. Holdings of debt securities or shares and participations are not reported under other financial claims in LBS as these are taken from the reporting of holdings of securities (VINN). Accrued interest is reported separately. Derivatives are recognised as a separate item and should therefore not be included in other financial assets.

The following items in the MFI form shall be reported as other financial claims in LBS:

Item 1131 Claims for securities settlement proceeds

Item 113142 Claims for securities settlement proceeds (Positions with own branches)

Item 1133 For protection of claims

Item 113342 For protection of claims (Positions with own branches)

part of Item 1139 Other other assets *)

part of Item 113942 Other other assets (Positions with own branches) *)

Item 1149 Other deferred costs and accrued incomes

Item 114942 Other deferred costs and accrued incomes (Positions with own branches)

*) Only financial assets and liabilities are included in IRIS LBS. In the MFI form also non-financial assets (besides material and immaterial assets, which are recorded separately) are included in other assets.

3.5 Deposits

Deposits shall be entered at face value, loans and deposits shall be reported gross and subordinated debts in the form of loans shall be reported as deposits.

Account-based deposits and borrowing taking place without the issue of negotiable securities are reported as deposits. Gross reporting of loans and deposits also applies to repurchase agreements (repos), meaning that a repo and reverse repo with the same counterparty and/or underlying securities may not be offset.

The following items of the MFI form shall be reported as lending in LBS:

Item 201 – Deposits and borrowing

Item 201042 – Deposits and borrowing (Positions with own branches)

3.6 Other financial liabilities excl. derivatives

Accrued interest is reported separately and short selling positions are not included in the reporting.

Other financial liabilities consist, among other things, of liabilities on securities settlement proceeds, pre-paid income and accrued expenses other than accrued interest on issued securities.

Issued debt securities and short selling positions are not included as they are collected from the Swedish Securities Database (SVDB) and statistics on securities holdings (VINN), respectively. Equity shall not be reported under other liabilities.

The following items of the MFI form shall be reported as total debt in LBS:

Item 2041 Liabilities on securities settlement proceeds

Item 204142 Liabilities on securities settlement proceeds (Positions with own branches)

part of Item 2049 Other other liabilities *)

part of Item 204942 Other other liabilities (Positions with own branches) *)

Item 2059 Other accrued costs and deferred incomes

Item 205942 Other accrued costs and deferred incomes (Positions with own branches)

*) Only financial assets and liabilities are included in IRIS LBS. In the MFI form also non-financial liabilities are included in other liabilities.

4 CBS attributes

This section describes the attributes that describe the reported data point in the CBS reporting. Each attribute has in turn either a code list linked to it or the value shall be specified as a character string or value. A code list can be described as the attribute's range (i.e. values that can be specified in the reporting). Sections 3.1–3.6 are a common heading for the entire file, while sections 3.6–3.18 are a unique combination of information about the data point.

4.1 Reporting agent identifier

4.1.1 Definition

Identifier for the reporting agent. The RIAD code for the parent of the banking group is to be used here. A RIAD code is an identifier used by the ECB in its Register of Institutions and Affiliates Data (RIAD). A unique RIAD code is allocated to each entity that occurs in RIAD.

4.1.2 Reported values/code list

An alphanumeric value shall be specified. For Swedish institutions, the RIAD-code has the format SE followed by the organisation registration number without a hyphen. *Example:* SE5146111999.

4.1.3 Reporting requirement

Reporting of this attribute is mandatory.

4.2 Framework

4.2.1 Definition

The two frameworks are LBS and CBS. The attribute refers to the report in question.

4.2.2 Reported values/code list

IRIS CBS.

4.2.3 Reporting requirement

Reporting of this attribute is mandatory.

4.3 Reference period

4.3.1 Definition

Reference period refers to the period for which the data are collected.

4.3.2 Reported values/code list

The reference period shall be specified in the format YYYY-MM-DD. *Example:* 2023-03-31 regarding the end of the first quarter 2023.

4.3.3 Reporting requirement

Reporting of this attribute is mandatory.

4.4 Country of residence of the unit

4.4.1 Definition

The country where the head office, subsidiary or branch that books the instrument is located. Instruments recorded by branches shall be reported under the country in which the branch is registered and not under the country of the head office. This information applies to both on-balance-sheet and off-balance-sheet instruments, to the extent that they are included in the reporting.

A banking group with operations through branches and subsidiaries in several countries will here specify the country of the head office, subsidiaries and branches for the various instruments reported.

Example: The German subsidiary of a Swedish-owned bank has a branch in Austria, which provides loans. The Country of residence of the unit for these loans will be Austria. Correspondingly, loans granted by the German subsidiary have Germany as Country of residence of the unit.

Example: A Swedish-owned bank has a branch in Norway, which provides loans. The Country of residence of the unit for these loans is Norway. Loans granted by the Swedish head office have Sweden as the Country of residence of the unit.

4.4.2 Reported values/code list

Shall be reported according to ISO 3166-1 alpha 2 standard; see code list.

4.4.3 Reporting requirement

Reporting of this attribute is mandatory.

4.5 Accounting item

4.5.1 Definition

To be reported as financial asset, financial liability or off-balance sheet. Amounts in CBS are reported on a net basis, i.e. after netting, if legally binding netting agreements exist. Financial liabilities do not include equity.

4.5.2 Reported values/code list

Reported according to the code list, including:

- Assets
- Liabilities
- Off-balance sheet items

4.5.3 Reporting requirement

Reporting of this attribute is mandatory.

4.6 Type of instrument

4.6.1 Definition

Instruments are classified according to their characteristics.

4.6.2 Reported values/code list

Reported according to the code list. This includes:

- Currency
- Loans
- Debt securities
- Shares and other financial assets excl. derivatives
- Deposits
- Other financial liabilities excl. derivatives
- Derivatives (asset side)
- Loan and other commitments given
- Financial guarantees given

See [Chapter 5 Instrument types in CBS](#) for detailed instructions.

4.6.3 Reporting requirement

Reporting of this attribute is mandatory.

4.7 Residual maturity

4.7.1 Definition

The period from the date of reporting to the end of contractual maturity, usually the date on which credit or other instrument must be repaid. It is thus not the residual interest-rate fixation period that shall be reported.

For debt securities, the residual maturity is the period from the date of reporting until the date on which the security matures. Shares and other assets with no fixed maturity are reported under Not applicable

4.7.2 Reported values/code list

Reported according to the code list.

- **Up to 1 year (Up to and including one year)**

This includes:

- Claims with an original maturity of up to one year
- Claims with an original maturity of more than one year that mature within the next 12 months
- Overdraft facilities, credit cards, charge card claims and other revolving credit

- **Over 1 and up to 2 years (Over one year and up to and including two years)**

This includes:

- Claims with a residual maturity of more than one year and up to and including two years.

- **Over 2 years (Over two years)**

This includes:

- Claims with a residual maturity of more than two years.

- **Not applicable**

This includes:

- Claims that cannot be classified by maturity, such as shares and participations
- Claims for which the residual maturity is unknown

4.7.3 Reporting requirement

Reporting of this attribute is mandatory.

4.8 Currency denomination

4.8.1 Definition

The currency to be specified is the instrument's denomination or issuing currency. The currency of denomination may be different from the currency of settlement.

4.8.2 Reported values/code list

The instrument's currency shall be reported based on ISO standard 4217, see code list.

4.8.3 Reporting requirement

Reporting of this attribute is mandatory.

4.9 Institutional sector of counterparty

4.9.1 Definition

The IRIS reporting requests a breakdown by institutional sector for counterparties, which refers to institutional sector classification according to the European System of National and Regional Accounts (ESA 2010). Institutional sector of counterparty refers to the issuer of the security, the borrower or the customer who made the deposit. Sector is specified for both Swedish and foreign counterparties, both within the EU and outside the EU.

The Swedish implementation of ESA 2010 is known as Statistics Sweden's institutional sector classification standard, INSEKT 2014. The standard is published on Statistics Sweden's website and reporting agents can access information from Statistics Sweden's public part of the business register as support when classifying Swedish counterparties.

In Sweden, sole proprietorship/sole business and a non-registered partnership (where the partners are not legal entities) are counted as part of the household sector. Partnerships, limited partnerships and limited liability companies, on the other hand, are counted as financial or non-financial corporate sector.

The Riksbank publishes a list of monetary financial institutions in Sweden. The European Central Bank publishes lists of monetary financial institutions, investment funds and collective investment undertakings and securitisation institutions based in the euro area and other EU countries.

Reported according to the code list. [Annex 1](#) gives a brief description of the various sectors requested.

4.9.2 Reported values/code list

Reported according to the code list.

4.9.3 Reporting requirement

Reporting of this attribute is mandatory.

4.10 Country of residence of the counterparty

4.10.1 Definition

Information on the country of residence of the counterparty is requested in the reporting. With regard to legal entities, the main rule is that residence is determined by where the legal entity has unlimited tax obligations. Branches, however, are always regarded as resident in the host country, that is, the country where the branch is established. Residence is not affected by whether the legal entity is entirely or partly exempted from tax liability (which may be the case for state, municipalities and some foundations, for example). With regard to mutual funds and alternative investment funds, it is the fund's country of registration, and not the asset manager's, that governs its residence.

Households have their residence in the country where they have their main night rest period or equivalent rest period (daily rest period) for at least one year. For Swedish households (natural persons) persons registered ("*folkbokförda*") in Sweden are considered as residents of Sweden, while natural persons who are not registered in Sweden are resident in another country, regardless of their citizenship.

International organisations are differentiated and reported by their own country code, this also applies to the ECB and BIS.

4.10.2 Reported values/code list

Reporting shall be based on ISO 3166-1 alpha-2 according to the code list. International organisations are differentiated and reported by their own country code, this also applies to the ECB and BIS. In case the international organisation or unspecified country is missing from the code list or cannot be reported, one country code exists for unspecified international organisations and another for unspecified countries.

4.10.3 Reporting requirement

Reporting of this attribute is mandatory.

4.11 Amount

4.11.1 Definition

Table 3 lists the recommended valuation methods for different instruments.

Table 3. Valuation methods in CBS

Transferable	Frequently traded in financial markets	Recommended valuation method	Examples of financial instruments
Yes	Yes	Market value (observed market value)	Exchange-traded derivative
Yes	False	Market value or fair value (estimated market value)	OTC derivative
No	No	Face value without accrued interest	Loans/deposits, accounts receivable, accounts payable

4.11.2 Reported values/code list

Amount data (format according to [Section 2.4.2](#)).

4.11.3 Reporting requirement

Reporting of this attribute is mandatory.

4.12 Accrued interest

4.12.1 Definition

The total accrued interest on the reference date for reporting in accordance with Regulation (EU) No 379/2021 (ECB/2021/2). In accordance with the general accrual principle, accrued interest on loans or deposits shall be recognised in the balance sheet when it arises (that is, on an accruals basis) instead of when it is received (that is, according to the cash basis method). The definition is the same as in the MFI report.

4.12.2 Reported values/code list

Amount data (format according to [Section 2.4.2](#)).

4.12.3 Reporting requirement

The attribute shall be reported if the instrument type is "Currency", "Loans", "Deposits", "Debt securities" (for assets and liabilities, respectively), "Other financial assets excl. derivatives" or "Other financial liabilities excl. derivatives", otherwise the attribute is omitted. In those cases where an interest-bearing instrument has a zero interest rate, this is reported as value zero.

4.13 Country of residence of the protection provider

4.13.1 Definition

The country of residence of the guarantor or provider of collateral. The term "guarantor" or "provider of collateral" means the final counterparty contractually liable to repay the debt if the immediate counterparty, such as the borrower, is unable to pay the debt. The attribute is closely connected to risk transfer.

4.13.2 Reported values/code list

Reported according to the code list. Reported according to ISO 3166-1 alpha-2 or an identifier for international organisations if the counterparty is an international organisation.

4.13.3 Reporting requirement

The attribute is mandatory to report for all types of financial assets except currency if there is a risk transfer between different countries, i.e., the country of residence of the protection provider is different from the country of counterparty. Otherwise, the field is left blank.

Example: Collateral for a loan to a Swedish non-financial corporation is provided by Swedish households. If borrower and protection provider are located in the same country, no risk transfer takes place and country of residence of the protection provider is left blank. However, if a loan to a Swedish non-financial corporation is guaranteed by a Danish non-financial corporation, Denmark must be reported as country of residence of the protection provider.

4.14 Institutional sector of the protection provider

4.14.1 Definition

Institutional sectors in accordance with Regulation (EU) No 549/2013.

Reported according to the code list. [Annex 1](#) gives a brief description of the various sectors requested.

4.14.2 Reported values/code list

Reported according to the code list.

4.14.3 Reporting requirement

It is mandatory to report this attribute for all financial assets except currency, derivatives, financial guarantees given and loan and other commitments given. The attribute shall only be reported if there is a risk transfer between different countries, i.e., the country of residence of the protection provider is different from the country of counterparty. Otherwise, the field is left blank.

Example: Collateral for a loan to a Swedish non-financial corporation is provided by Swedish households. As borrower and protection provider are located in the same country, no risk transfer takes place and institutional sector of the protection provider is left blank. However, if a loan to a Swedish non-financial corporation is guaranteed by a Danish non-financial corporation, non-financial corporation must be reported as institutional sector of the protection provider.

4.15 Protection allocated value for prudential purpose

4.15.1 Definition

The risk transfer criterion follows the Basel Committee on Banking Supervision's definitions of risk transfer for risk-weighted exposures in "The Basel Framework".

Amount for risk transfer is the maximum amount of collateral that may be considered as credit protection for the instrument. The value of a third party's or the observed agent's existing receivables with priority claims against the protection shall be excluded from the protection allocated value.

Protection allocated value for prudential purpose shall be valued at face value (notional value for credit derivatives), except when the face value exceeds the book value of the claim, when the book value is to be used. Protection allocated value for prudential purposes shall include accrued interest. In the case of several guarantors or collateral, reporting shall be based on the guarantor or collateral with the lowest credit risk. See [Annex 3](#) for details.

4.15.2 Reported values/code list

Amount data (format according to [Section 2.4.2](#)).

4.15.3 Reporting requirement

It is mandatory to report this attribute for all financial assets except currency. The attribute shall only be reported if there is a risk transfer between different countries, i.e., the country of residence of the protection provider is different from the country of counterparty. Otherwise, the field is left blank.

5 Instrument types in CBS

The data shall relate to the institution and, where appropriate, the institutions consolidated situation according to Annexes 2 and 4. Consolidated situation refers to consolidation according to Article 4.47 of Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (capital requirements regulation).

A joint report is submitted for all companies in the consolidated situation. No specification of individual subsidiaries or branches is made, but a country breakdown is reported under attribute "Country of residence of the unit" showing where units within the banking group that record the instruments are located.

Reporting shall be consolidated, i.e. claims and liabilities between companies within the consolidated situation are eliminated, as are claims and liabilities with own branches.

5.1 Currency

Currency refers to physical banknotes and coins and to central bank digital currencies (CBDCs).

Cash in euro is reported with the ECB as country of residence of the counterparty (international organisation) and not Germany.

5.2 Lending

Loans are entered at face value before deduction of allowances for credit losses and country risks.

Loans include reverse repurchase agreements (reverse repos). Loans and deposits shall be reported in CBS with account taken of legally binding netting agreements.

The handling of netting between assets and liabilities differs between CBS and LBS in that loans and deposits in LBS must be reported on a gross basis, i.e. without netting, while loans and deposits in CBS are reported on a net basis, i.e. after netting, if legally binding netting agreements exist.

5.3 Debt securities

In CBS, debt securities are reported for both assets (holdings) and liabilities (issued debt securities).

Short selling positions shall not be included under debt securities but shall be reported in CBS under other financial liabilities excl. derivatives.

Accrued interest on issued debt securities and debentures is reported separately under issued debt securities.

Valuation shall be made at market value or fair value to the extent possible.

In the absence of information on the owner's domicile, the country breakdown shall be based on the issuing location of the security.

Example: If information on the holder is missing, a security with an ISIN code beginning with SE is reported with Sweden as country of residence of the counterparty, while, for an internationally issued security (ISIN code beginning with XS), country of residence of the counterparty is reported as unknown.

5.4 Shares and other financial assets excl. derivatives

Accrued interest on loans is reported separately under the respective instruments.

Assets shall be reported with account taken of legally binding netting agreements. Short selling positions shall not be included under financial assets. Valuation shall be made at market value or fair value to the extent possible.

The handling of netting between assets and liabilities differs between CBS and LBS in that amounts in LBS shall be reported on a gross basis, i.e. without netting, while amounts in CBS are reported on a net basis, i.e. after netting, if legally binding netting agreements exist and can be applied under the accounting standards used.

5.5 Deposits

Deposits shall be entered at face value and subordinated liabilities in the form of loans shall be reported as deposits.

Deposits include repurchase agreements (repos).

Loans and deposits shall be reported in CBS with account taken of legally binding netting agreements.

Issued negotiable debt securities may not be reported under deposits.

The handling of netting between assets and liabilities differs between CBS and LBS in that loans and deposits in LBS shall be reported on a gross basis, i.e. without netting, while loans and deposits in CBS are reported on a net basis, i.e. after netting, if legally binding netting agreements exist and can be applied under the accounting standards used.

5.6 Other financial liabilities excl. derivatives

Accrued interest is reported separately under the respective instruments, subordinated liabilities in the form of loans are reported under deposits and subordinated liabilities in the form of debentures are reported under issued debt securities.

Other financial liabilities excluding derivatives include liabilities on securities settlement proceeds, short selling positions, accrued expenses and prepaid income and other financial liabilities. Deposits, derivatives, issued debt securities and equity shall not be included.

Valuation shall be made at market value or fair value to the extent possible.

5.7 Derivatives (assets)

Derivatives with positive market values. Credit derivatives that are recorded in the banking book and that are used to hedge credit risk, and thereby included in risk transfer shall not be included. Valuation shall be made at market value or fair value.

The handling of netting between assets and liabilities differs between CBS and LBS in that derivatives in LBS shall be reported on a gross basis, i.e. without netting, while derivatives in CBS are reported on a net basis, i.e. after netting, if legally binding netting agreements exist and can be applied under the accounting standards used.

5.8 Financial guarantees given

The term “Financial guarantees given” means the potential liabilities that may arise from guarantees issued by an institution in respect of third-party claims on a customer, such as the opening and issue of letters of credit and the issue of credit derivatives where the institution offers protection to the purchaser of the derivative. Guarantees also include off-balance-sheet amounts.

Issued guarantees and purchased guarantees shall be reported on a net basis where they have the same underlying company/institution and the same counterparty and where there are legally binding netting agreements.

Issued guarantees shall be valued at face value (notional amount for credit derivatives) after the deduction of cash collateral.

5.9 Loans and other commitments given

Loan and other commitments given are binding commitments by the institution to issue credits or purchase any kind of debt instrument from a customer. These include, for example, loans, finance leases and overdrafts, as well as commitments to purchase issued securities. It is the unutilised amounts that should be reported and at face value. Credit commitments refer to off-balance-sheet amounts.

Annex 1. Sectors of counterparties

Sectors of counterparties are outlined below.

- **Sector 121, Central bank**

National central banks as well as the European Central Bank (ECB) and central banks of other currency unions. Central banks, such as the Riksbank in Sweden, have the main function of being responsible for the country's monetary policy, issuing banknotes and coins and managing the foreign currency reserve.

- **Sector 122, Deposit-taking corporations, except the central bank**

Banks and credit institutions. Financial companies authorised to both accept deposits from and grant loans to the public.

- **Sector 123, Money Market Funds (MMF)**

Short-term fixed-income funds with high liquidity. Within the EU, the definition follows Regulation (EU) 2017/1131 of the European Parliament and of the Council on money market funds.

- **Sector 124, Non-MMF investment funds**

Includes, for example, bond funds, equity funds, exchange-traded funds (ETF), hedge funds and alternative investment funds. Non-MMF investment funds cover both mutual funds (UCITS funds) and alternative investment funds. Corporations and foundations set up to manage pension capital (pension funds) are not considered investment funds, however.

- **Sector 125, Other financial intermediaries, except insurance corporations, pension funds**

Includes, for example, investment companies, non-bank moneylenders or credit market companies and financial vehicle corporations (FVCs).

- **Sector 126, Financial auxiliaries**

Financial auxiliaries consist of all corporations and quasi-corporations that are mostly engaged in activities that support and are closely related to financial mediation, but which are not financial mediators themselves, i.e. they do not take on ownership of or risk associated with the financial assets and liabilities being traded/mediated. This includes corporations that provide financial infrastructure, such as stock exchanges and central securities depositories (CSDs), moneychangers, different types of financial brokers and advisers. It also includes non-profit organisations that serve financial corporations.

- **Sector 127 Captive financial institutions and money lenders**

The sector includes two main types of entity: firstly, those that only carry out transactions within a limited group of corporations (entities), for example with their own subsidiaries or subsidiaries of the same holding company and, secondly, entities that only lend from their own resources, or resources that have been provided by only one financier. Estates of deceased persons that are legal entities according to national legislation are also included here.

- **Sector 128, Insurance corporations**

Insurance corporations are often limited companies or mutual companies. The sector also includes so-called 'captive insurance corporations', which are normally owned by a non-financial corporation and only insure the owner's risks. In addition, insurance corporations, which insure against financial risks, so-called credit insurance corporations are included. Insurance associations and mutual benefit societies, which provide optional private insurance and pension insurance but not occupational pensions, are also included in this sector.

- **Sector 129, Pension funds**

Companies managing occupational pension capital. The sector only covers pension funds in social insurance that are institutional entities and separate from the entities that have established them. In their role of social insurance system, pension institutions provide an income after retirement and, frequently, benefits to surviving relatives and benefits payable in the event of invalidity.

- **Sector 11, Non-financial corporations**

Companies active in, for example, manufacturing, retail, property and construction, and administration. Public-owned non-financial corporations are also included, as are tenant-owner associations ("*bostadsrättsföreningar*") in Sweden.

- **Sector 13, General government**

State, federal states, municipalities, regions and social security funds. Central banks are not included in the general government sector.

- **Sector 14, Households**

Natural persons. The household sector also includes sole proprietors/entrepreneurial households, where the household acts as market producer but the business is integrated with the rest of the household's finances. If the business activities comprise a separate legal entity, they will belong to the financial or non-financial corporate sector. In Sweden, sole proprietorship/sole business and a non-registered partnership (where the partners are not legal entities) are counted as part of the household sector. Partnerships, limited partnerships and limited liability companies, on the other hand, are counted as financial or non-financial corporate sector.

- **Sector 15, Non-profit institutions serving households**

Organisations serving households such as church and religious communities, trade unions, non-profit organisations and charitable and donation foundations.

- **Unallocated/Unknown/Unspecified**

International organisations are reported under the sector unspecified, with the exception of the following organisations, which are to be reported under Sector 121, Central bank

- 5B, Bank for International Settlements (BIS)
- 5W, Banque des Etats de l'Afrique Centrale (BEAC)
- 5O, West African Central Bank (BCEAO)
- 5I, Eastern Caribbean Central Bank (ECCB)
- 4F, European Central Bank (ECB)

Otherwise, unallocated is only expected to be reported in exceptional cases.

Annex 2. Reporting of derivatives

Guidelines for reporting derivatives are summarised in the table below.

Table 1. Derivatives

Derivatives	Reporting	Valuation
Derivative contracts with a positive market value Excluding credit derivatives purchased to hedge assets in the banking book	Derivatives (assets), broken down by country with account taken of risk transfer	Market value or fair value Bilateral netting
Credit derivatives purchased to hedge assets in the banking book	Included in protection allocated value for prudential purposes but not under derivatives	Gross value Netting is not allowed
Derivative contracts with negative market value	Not reported in CBS but can be included in netting	Market value or fair value Bilateral netting
Sold credit risk protection (contingent liabilities)	Issued guarantees, broken down by country with account taken of risk transfer. Amounts are reported under protection allocated value for prudential purposes	Face value Bilateral netting

Currency distribution of FX derivatives

For FX derivatives, the currency to be reported for the derivative is determined by the market value on the reference date. If an FX derivative is reported as an asset (its market value is positive), its currency is the currency received on maturity date. If an FX derivative is reported as a liability (its market value is negative), its currency is the currency in which payment is made on maturity date. This is the same currency distribution for derivatives as is applied in the MFI report.

Example: A bank is exchanging USD 140 million for EUR 100 million. If the US dollar decreases in value to EUR/USD 1.5, the bank receiving the US dollars on maturity date will report the FX swap as a liability of USD 10 million denominated in euro. If the US dollar increases in value to EUR/USD 1.3, the same bank will report the FX swap as an asset of USD 10 million denominated in US dollars.

Annex 3. Risk transfers

Risk transfers refer to a bank's credit exposure being shifted from the immediate counterparty, which is reported under the institutional sector of the counterparty and country of residence of the counterparty, to a guarantor or another counterparty or collateral that guarantees the claim. For loans, the immediate counterparty is the borrower; for securities, the immediate counterparty is the issuer of the securities; and for short sales of securities, the issuer of the securities lent and sold in the short sell position.

The guarantor is the ultimate party to a contract and is contractually bound to become the borrower in the event of default by the immediate counterparty.

Risk transfers do not eliminate credit risk; they redistribute it across counterparties.

Criteria for recognising risk transfers

The criteria for recognising risk transfer follow the criteria agreed by the Basel Committee on Banking Supervision (BCBS) for identifying credit risk mitigants. The BCBS standards for measuring counterparty credit risk exposures are explained in paragraphs 117 to 189 of BCBS (2017b). Where national standards for recognising credit risk mitigants differ from BCBS standards, national standards shall be followed.

Within CBS, there are four types of risk transfer: head office guarantees to branches, explicit guarantees by parents companies and third parties, credit derivatives, and collateral. The table below shows the criteria for recognising the different types of risk transfer.

Risk transfer shall be valued at face value (notional value for credit derivatives), except when the face value exceeds the book value of the claim, when the book value is to be used.

For claims against branches, the head office (legal entity to which the branch belongs) shall always be regarded as guarantor. The parent company is only regarded as guarantor for receivables to subsidiaries if there is an explicit commitment that cannot unilaterally be reversed by the parent. Credit derivatives are considered risk transfers only if they provide protection equivalent to explicit guarantees. Credit derivatives for trading book instruments are not considered risk transfers. Collateral is considered a risk transfer to the extent that it can be taken over and liquidated within a reasonable period of time if the counterparty becomes insolvent and there is no close link between the credit risk to the counterparty and the collateral.

In the case of several guarantors or collateral, reporting shall be based on the guarantor or collateral with the lowest credit risk. This is to ensure that the risk transfer amount does not exceed the amount of the claim.

Table 1. Risk transfers

Risk transfers	
Type of risk transfer	Criteria for recognition
Head office guarantees to branches	Branches are always considered as being guaranteed by their head office, even in the absence of an explicit guarantee. This is because branches are not separate legal entities.
Explicit guarantees from parent company to subsidiaries or from third parties	Guarantees must be explicit, direct, irrevocable and legally enforceable in all relevant jurisdictions. Exposures to subsidiaries are not considered as being guaranteed by the parent company unless there is an explicit guarantee.
Credit derivatives	Credit protection bought to hedge exposures in banks' banking book. Credit default swaps, total return swaps and other credit derivatives can be recognised as risk transfers only if they provide credit protection similar to explicit guarantees. Credit derivatives held in banks' trading book are not recognised as risk transfers.
Collateral	Assets pledged to hedge in whole or in part credit risk exposures in banks' balance sheets. For collateral to provide credit protection, the bank must have the right to liquidate or take legal possession of it in a timely manner in the event of default. In addition, the credit quality of the immediate counterparty and the value of the collateral must not have a material positive correlation. Securities bought under reverse repurchase agreements are considered as having the same characteristics as collateral and should therefore be treated as collateral.

Instruments recognised as collateral

The BCBS standard provide a list of financial instruments that can be recognised as collateral. The list consists of instruments deemed to have sufficient market liquidity such that they can be liquidated promptly, mainly cash and securities. Where national standards differ from BCBS standards, national standards shall be followed.

Securities repurchase (repo) agreements involve the provision of securities as collateral for a loan. In a repo, the immediate counterparty is the cash taker, who incurred a loan liability. The security is treated as collateral for the cash provider and the guarantor is the issuer of the collateral. Similarly, for sale buybacks and securities lending, the guarantor is the issuer of the collateral. The table below illustrates four different types of collateral that should be considered the guarantor.

Table 2. Collateral

Collateral	
Type of collateral	Guarantor
Collateral identified by BCBS	
Currency (coins and banknotes)	Currency-issuing authority (central bank)
Deposits	Bank where the cash is deposited
Gold	Bank where the gold is stored
Securities	Issuer of the security
Other collateral	
Real estate	Real estate owner
Movable assets	Owner of the asset

Numerical examples of risk transfer with multiple protection providers

Example 1: Loan amount not fully secured

In the example below, a loan with a total amount of SEK 1,000 with a counterparty located in Sweden is guaranteed by three different protection providers located in Finland, Norway and Sweden.

Country of counterparty	Total amount (Amount + Accrued interest)
SE	1,000

Country of residence of the protection provider	Collateral value
FI	500
NO	200
SE	100

The unsecured part is $1000 - 800 = 200$. The risk transfer with Country of residence of the protection provider in Sweden should not be reported, as the country of counterparty is also Sweden.

This loan can be reported in CBS either by allocating the loan amount according to the protection allocated value and calculating the residual value in a separate line...

Country of counterparty	Amount for risk transfer	Total amount (Amount + Accrued interest)	Country of residence of the protection provider
SE	500	500	FI
SE	200	200	NO
SE	Omitted	$300 = 1,000 - 700$	(SE) Omitted

... or by dividing the amount of the loan in proportion to the protection allocated value

Country of counterparty	Amount for risk transfer	Total amount (Amount + Accrued interest)	Country of residence of the protection provider
SE	500	$714.29 = 1,000 * 500 / (500+200)$	FI
SE	200	$285.71 = 1,000 * 200 / (500+200)$	NO

Example 2: Loan where the value of the collateral exceeds the loan amount

In the example below, a loan to a Swedish counterpart with a total amount of SEK 1,000 have three different protection providers. The protection providers are resident in Finland, Norway and Sweden, respectively.

The collateral value here exceeds the loans amount.

Country of counterparty	Total amount (Amount + Accrued interest)
SE	1,000

Country of counterparty	Collateral value	Credit risk of the protection provider (PD, lowest have least risk)
FI	500	0.005
NO	600	0.003
SE	200	0.004

This loan can be reported in CBS either by allocating the loan amount according to the protection allocated value ordered by the credit risk of the protection provider...

Country of counterparty	Amount for risk transfer	Country of residence of the protection provider and their risk	Total amount (Amount + Accrued interest)
SE	600	NO (PD 0.003)	600
SE	500 400	FI (PD 0.005)	400

... or by dividing the amount of the loan in proportion to the protection allocated value.

Country of counterparty	Amount for risk transfer	Total amount (Amount + Accrued interest)	Country of residence of the protection provider
SE	600 545,45	$545.45 = 1,000 * 600 / (600+500)$	NO
SE	500 454,55	$454.55 = 1,000 * 500 / (600+500)$	FI

In this case, the collateral value have to be adjusted so the amount for risk transfer does not exceed the loan amount.

Example 3: Loan where each collateral value covers or exceeds the loan amount

In the example below a loan to a Swedish counterpart of SEK 1,000 SEK have protection providers in Finland and Norway.

The collateral value of each protection provider covers the total loan amount.

Country of counterparty	Total amount (Amount + Accrued interest)
SE	1,000

Country of residence of the protection provider	Collateral value	Credit risk of the protection provider (PD, lowest have least risk)
FI	1,000	0.004
NO	1,000	0.005

Because the collateral value of both protection providers covers the total loans amount, the loan amount is allocated to the protection provider with the lowest credit risk, in this case the protection provider resident in Finland.

Country of counterparty	Amount for risk transfer	Country of residence of the protection provider	Total amount (Amount + Accrued interest)
SE	1,000	FI (PD 0.004)	1,000

Example 4: Protection providers with the same credit risk

If the protection providers have the same credit risk, it's recommended to use the proportional allocation or order the protection providers from the largest to smallest collateral value. If the collateral value is also the same, the proportional allocation is preferred.

If the protection providers from example 3 had the same credit risk an allocation by the order of credit risk would require an additional criteria for the ordering. It's therefore recommended to use the proportional allocation

Country of counterparty	Total amount (Amount + Accrued interest)
SE	1,000

Country of residence of the protection provider	Collateral value	Credit risk of the protection provider (PD, lowest have least risk)
FI	1,000	0.005
NO	1,000	0.005

Proportional allocation gives

Country of counterparty	Amount for risk transfer	Total amount (Amount + Accrued interest)	Country of residence of the protection provider
SE	1,000 500	$500 = 1,000 * 1,000 / (1,000+1,000)$	FI
SE	1,000 500	$500 = 1,000 * 1,000 / (1,000+1,000)$	NO

In this case, the collateral value have to be adjusted so the amount for risk transfer does not exceed the loan amount.

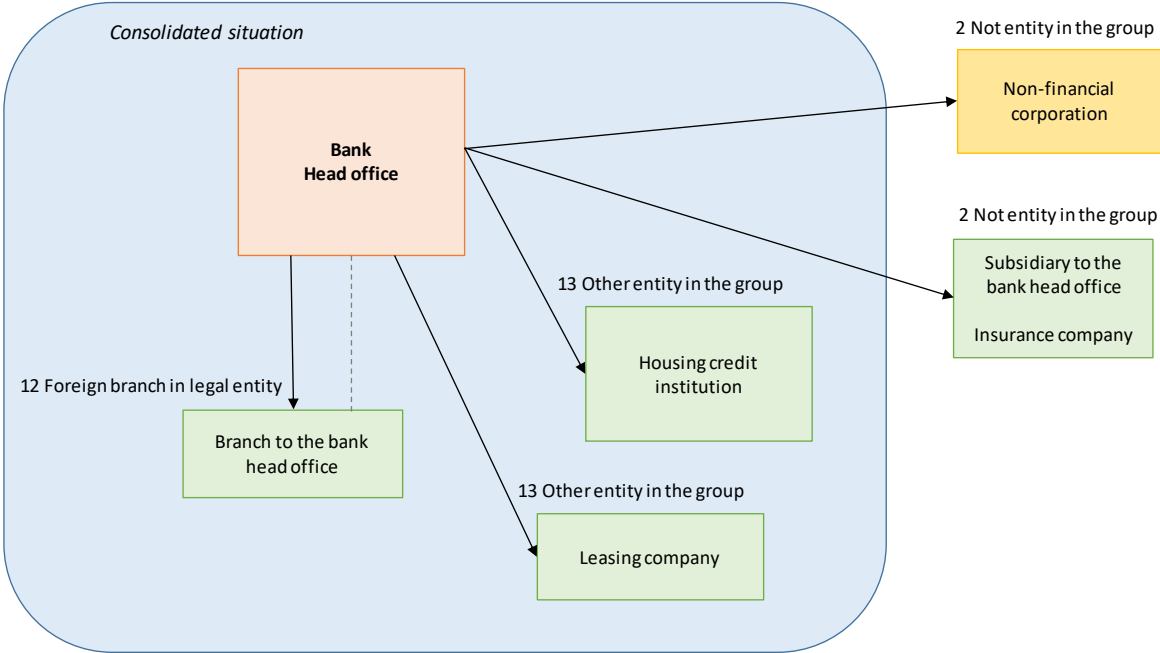
Annex 4. Example: Reporting of various claims in CBS

		Type of instrument	Country of residence of the unit	Country of residence of the counterparty	Institutional sector of the counterparty	Country of residence of the protection provider	Institutional sector of the protection provider
1	A bank in Sweden has issued a loan to a manufacturing company in Japan. The loan is guaranteed by a bank in the UK.	Loans	Sweden	Japan	Non-financial corporations	UK	Deposit-taking corporations, except the central bank
2	A bank in Sweden has issued a loan to a technology company in Japan. The loan is guaranteed with Swedish government bonds as collateral.	Loans	Sweden	Japan	Non-financial corporations	Sweden	General government
3	A bank in Sweden has deposits in a Japanese bank branch in the UK.	Deposits	Sweden	Japan	Deposit-taking corporations, except the central bank	-	-
4	A bank in Sweden has issued a loan to a service company in Japan. The Bank has received UK government securities as collateral.	Loans	Sweden	Japan	Non-financial corporations	UK	General government
5	A bank in Sweden has issued a loan to a manufacturing company in Japan. In order to hedge counterparty risk, the Swedish bank has purchased a credit derivative issued by a UK bank.	Loans	Sweden	Japan	Non-financial corporations	UK	Deposit-taking corporations, except the central bank
6	A Swedish subsidiary in Japan has deposits in a UK bank branch in Japan.	Deposits	Japan	Japan	Deposit-taking corporations, except the central bank	-	-
7	A Swedish subsidiary in Japan has purchased corporate bonds issued by a technology company in Japan.	Debt securities	Japan	Japan	Non-financial corporations	-	-
8	A Swedish subsidiary in Japan has issued a loan to a technology company in the UK. The loan is guaranteed by a Japanese bank.	Loans	Japan	UK	Non-financial corporations	Japan	Deposit-taking corporations, except the central bank
9	A Swedish bank branch in Japan has deposits in a Japanese bank branch in Sweden.	Deposits	Japan	Sweden	Deposit-taking corporations, except the central bank	-	-
10	A bank in Sweden has derivatives with positive market values that are novated to a Swedish central counterparty (CCP).	Derivatives	Sweden	Sweden	-	-	-
11	A Swedish bank's subsidiary in Norway has, through its Danish branch, issued a loan to a Japanese manufacturing company, guaranteed by a bank in Canada.	Loans	Denmark	Japan	Non-financial corporations	Canada	Deposit-taking corporations, except the central bank
12	A bank in Sweden has issued a loan to a Japanese bank subsidiary in the UK. The subsidiary has not received an explicit guarantee from its parent.	Loans	Sweden	UK	Deposit-taking corporations, except the central bank	-	-

		Type of instrument	Country of residence of the unit	Country of residence of the counterparty	Institutional sector of the counterparty	Country of residence of the protection provider	Institutional sector of the protection provider
13	A bank in Sweden has issued a loan to a Japanese subsidiary bank in the UK. The subsidiary has received an explicit guarantee from its parent.	Loans	Sweden	UK	Deposit-taking corporations, except the central bank	Japan	Deposit-taking corporations, except the central bank
14	A bank in Sweden has purchased securities issued by a Japanese subsidiary bank in Sweden.	Debt securities	Sweden	Sweden	Deposit-taking corporations, except the central bank	-	-
15	A Swedish bank in Japan has purchased securities issued by a Japanese subsidiary bank in Canada. The issue of securities is explicitly guaranteed by the parent, which is an insurance company.	Debt securities	Japan	Canada	Deposit-taking corporations, except the central bank	Japan	Insurance corporations
16	A Japanese bank in the UK has sold British government securities with a repurchase agreement to a Swedish subsidiary bank in the UK.	Loans	UK	UK	Deposit-taking corporations, except the central bank	UK	General government
17	A bank in Sweden has sold Italian government securities with a repurchase agreement to a German bank branch in the UK.	Deposits	Sweden	UK	Deposit-taking corporations, except the central bank	-	-
18	A Swedish bank has undertaken to grant credit to a Swedish service company.	Loan and other commitments given	Sweden	Sweden	-	-	-
19	A Swedish bank subsidiary in Germany has granted a still unutilised credit to a Swedish property company for which a German company has provided security.	Loan and other commitments given	Germany	Sweden	-	Germany	-

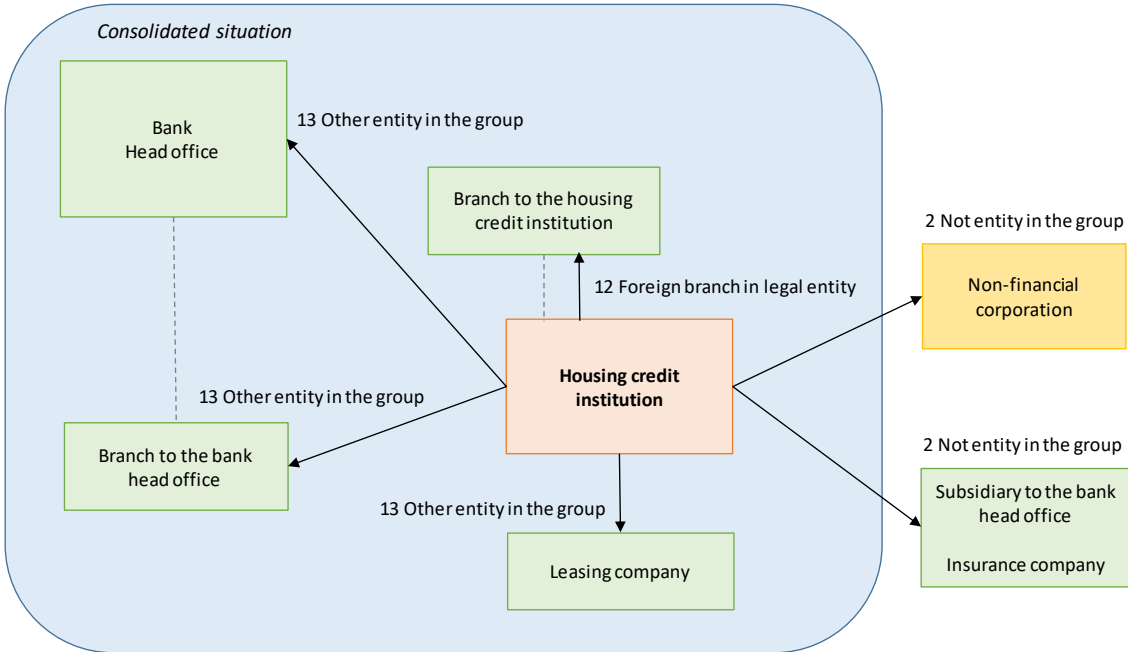
Annex 5. Example: Entity within the group

Example 1: The head office of the bank, that is also the parent company of the group, reports IRIS LBS



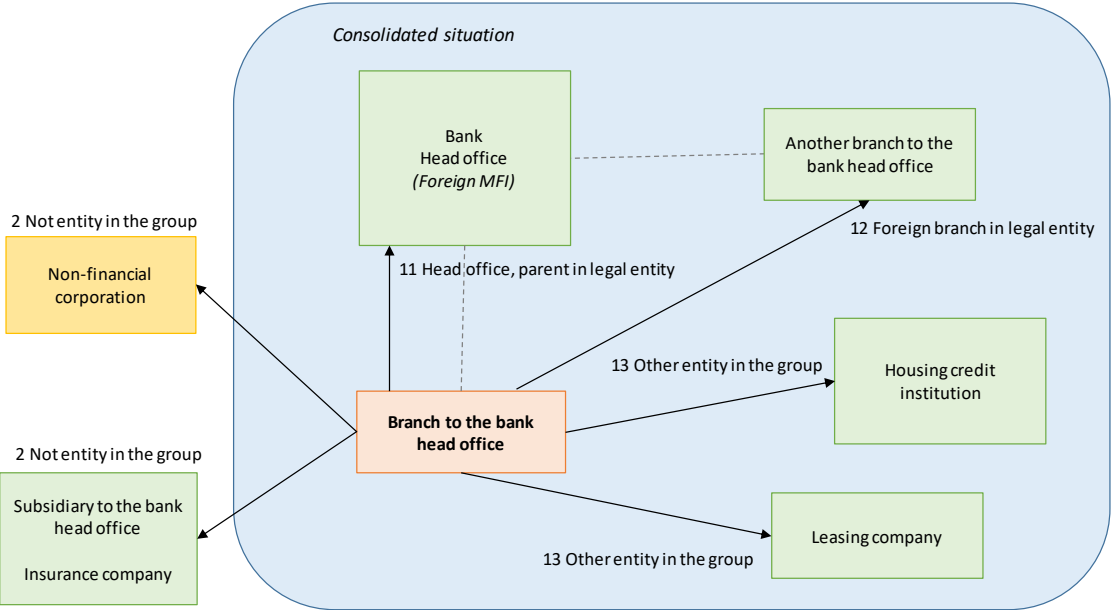
Although the insurance company is a subsidiary of the bank it is not included in the consolidated situation and is therefore reported as “Not entity in the group”.

Example 2: The housing credit institution, that is a subsidiary of the bank, reports IRIS LBS



The bank head office is not “Head office, parent in legal entity” for the housing credit institution. They are in the same consolidated situation but legal entity refers to the head office and branches of the entity that reports IRIS LBS.

Example 3: A Swedish branch to a foreign MFI is reporting IRIS LBS



As foreign branches to Swedish MFIs does not report IRIS LBS (in opposite to KRITA and VINN) “Head office, parent in legal entity” is only applicable for Swedish branches of foreign MFIs.