AnaCredit Reporting
Guidance for Credit Unions

July 2020

Contents

Introduction

You will be aware that credit institutions have obligations to report granular credit data under AnaCredit Regulation 2018/867

This document clarifies some of the expectations around these obligations and addresses some common issues and problems that reporting Credit Unions have encountered. It is intended to supplement, rather than replace, the material on the AnaCredit webpage on the Central Bank website.

Returns Required Under the Regulation

The regulation requires two returns be submitted by Credit Unions:

i)   ACPRD, a return identifying and detailing counterparties,
ii)   ACR1CU, a return detailing credit positions that relate to the counterparties reported in the ACPRD return.

NB the ACPRD return for a given month must be fully completed and resolved before the ACR1CU is reported. If a counterparty has not been accepted on the system (status: Rejected), the credit data cannot be successfully matched to that counterparty.

The ACPRD is due date is T+7, which means that all new counterparty information must be successfully submitted and errors resolved by the 7th business day of a given month.

The ACR1CU due date is T+15, meaning that the return should be loaded and accepted onto the system by the 15th business day of a given month end.

A   full   schedule   of   reporting   dates   can   be   found   on   the   AnaCredit   webpage: https://www.centralbank.ie/statistics/statistical-reporting-requirements/anacredit-in-ireland   in   the documents entitled:

- Counterparty Reference Data Return - Reporting Schedule Credit Unions

- Credit Data Schedule - Credit Unions

Currently each return is due quarterly as Credit unions are availing of a derogation in respect of Article 16 of the AnaCredit Regulation 2016/13. **However, from the end of 2020, this derogation no longer applies and Credit Unions must complete these returns each month, beginning from January 2021**

How to Report Returns

Returns must be reported in XML format using the Central Bank's Online Returns platform ("ONR"). Returns cannot be accepted by email and must be loaded using ONR The Central Bank cannot load emailed returns into the database, this can only be done by the Credit Union in question. A user manual for the ONR system is available here:

https://www.centralbank.ie/docs/default-source/regulation/industry-market-sectors/funds-service-providers/aifm/aifm/reporting-requirements/gns-4-4-9-3-5-onr-user-manual.pdf?sfvrsn=4

General Principles of Reporting:

XML Schema and File Rejection: Returns must adhere to the XML schema available on the AnaCredit webpage. This means that the information submitted must be in direct compliance with the appropriate format. The file will be rejected if it is not in compliance with the schema, i.e. XML is malformed, data points are missing (a column of information is missing or columns are not in correct order), invalid characters have been used (e.g. "&" character). Information prepared by Credit Unions is generally prepared in excel and then converted into xml before uploading.

Other validation requirements can also cause the file to be rejected, including file size, naming convention, file extension, consistency of submission (i.e. no breaks in the date sequence of submissions for that file type). Another common reason for rejected files is missing or blank cells for mandatory data (Please see "Common Problems" ACR1CU below).

If the file fails any validation requirement it is 'Rejected', and RAs need to re-examine their return to ensure it is in compliance with the Schema and validations before they resubmit. **This should be completed before the appropriate reporting due date.**

The schema is available on the Central Bank website here:

https://www.centralbank.ie/statistics/statistical-reporting-requirements/anacredit-in-ireland

Static and Dynamic Data: Information reported on ONR in XML is treated in different ways depending on the type of information. Some data is considered static data, which is expected to be reported once and generally does not change over time. Subsequent submissions of records in the static datasets are for NEW as well as UPDATED records. An example of such information would be information relating to a counterparty on the ACPRD return.

Static data is primarily recorded on the following worksheets on ACR1CU return:

Instrument dataset

Counterparty – Instrument dataset

Protection Received dataset

Dynamic Data is data that will vary frequently over time, such as Outstanding Nominal Amount and Interest accrued.

Dynamic Data is generally reported on the following worksheets on ACR1CU return:

Financial dataset

Instrument – Protection dataset

Accounting

Joint Liability dataset

Counterparty IDs must remain consistent over time and across all credit returns (on ACPRD return and on Counterparty – Instrument dataset on ACR1CU return).

ID Information submitted on ONR does not generally overwrite previously submitted information. Newly reported information is seen as supplemental to previously reported information. Accordingly, IDs must be consistent or the database will treat the new ID as a new counterparty/instrument/contract. For clarity, our system on the credit side prevents IDs from being overwritten. If an instrumentID or contractID has been linked to a CounterpartyID, this relationship will not be overwritten. Instead it needs to be deactivated. We are working on implementing a deletion functionality in production and this will allow the successful substitution of IDs on the credit side.

As soon as such functionality is available we will inform you and you should proceed with deleting all the records related to the old counterparty ID and resubmitting all the records related to the new counterparty ID

Partially Accepted ACR1CU Files: if a file is not rejected on ONR but is marked as 'Partially accepted', it means that the file is in accordance with the Schema, but some of the Counterparty information is missing on CBI database. This is usually because the Counterparty ID was rejected upon ACPRD return upload, or because the Counterparty ID reported on the 'Counterparty – Instrument' table within ACR1CU return was not included in the ACPRD return. In this case, Reporting Agents should review their ACR1CU feedback file ASAP. Most incidents can be resolved by ensuring that that counterparty information in the ACPRD file was fully accepted and that the Counterparty IDs are consistent.

Common Reporting Problems - ACPRD Return

Consistent Counterparty IDs: CounterpartyID is an identifier that relates to a specific counterparty created by the Reporting Agent (in this case the Credit Union). CounterpartyIDs must remain consistent over time and across all credit returns. If a different Counterparty ID is used for the given counterparty, the system will read it as a separate, distinct counterparty, which will cause many problems in how the respective Credit Data is interpreted. Special care should be taken to ensure that Counterparty IDs do not change over time and are correctly applied to given instrument IDs, etc.

If a Credit Union assigns counterparty information, other than CounterpartyIDs, that at some point they recognise they need to amend (e.g sector classification), it can be fixed via amending the most recent ACPRD. This should be enough to have this information updated on all the past and current reference dates as the system overwrites this type of counterparty information.

Please follow the reporting guidelines from the below example

EXAMPLE	Credit Union A	Central Bank of Ireland	Allied Irish Banks plc	NOTES
Reference date	2018-08-30	2018-08-30	2018-08-30	
Reporting agent identifier	C123456	C123456	C123456	This is the Central Bank C-code of the reporting credit union
Counterparty identifier	[Internal identifier used by Credit Union A to identify itself - this can be the same as the reporting agent identifier]	[Internal identifier used by Credit Union A for CBI]	[Internal identifier used by Credit Union A for AIB]	This is the internal identifier used by the reporting credit union to identify its counterparty. Note that this identifier should not change over time, and the same identifier must be used when reporting credit data in the ACR1CU return.
Legal entity identifier (LEI)	NA	NA	NA	
CRO identifier	NA	NA	NA	Must be reported for any non-bank counterparties, E.G.. if the credit union has extended credit to a company
RIAD identifier	IENCB	IENCB	IEAIBPLC	RIAD codes are provided for all banks, credit unions and the Central Bank
VAT identifier	NA	NA	NA	
Other Irish identifier	NA	NA	NA	As noted in the Central Bank's Notes on Compilation:
Non-Irish identifier type	NA	NA	NA	NA = Not Applicable
Non-Irish identifier	NA	NA	NA	NR = Not Required
Identifier free text	NA	NA	NA	NP = Not Reported
Head office undertaking identifier	NR	NR	NR	
Immediate parent undertaking identifier	NR	NR	NR	Please refer to Section 1.11 on Special Reporting Values
Ultimate parent undertaking identifier	NR	NR	NR	
Name	Credit Union A	Central Bank of Ireland	Allied Irish Banks, Public Limited Company	
Address: street	[Credit Union A address]	New Wapping Street, North Wall Quay	Bankcentre, Ballsbridge	
Address: city / town / village	[Credit Union A town]	Dublin	Dublin	
Address: Irish county	NP	NP	NP	
Address: county / administrative division	NP	NP	NP	
Address: postal code	NP	NP	NP	
Address: country	IE	IE	IE	
Date of address	7777-01-01	7777-01-01	7777-01-01	This is the date equivalent of an "NP" (not reported) value.
Legal form	NP	NP	NP	
Institutional sector	S122_A	S121	S122_A	
Economic activity	NP	NP	NP	
Status of legal proceedings	NP	NP	NP	
Date of initiation of legal proceedings	7777-01-01	7777-01-01	7777-01-01	
Enterprise size	NP	NP	NP	
Date of enterprise size	7777-01-01	7777-01-01	7777-01-01	
Number of employees	NP	NP	NP	
Date of number of employees	7777-01-01	7777-01-01	7777-01-01	
Balance sheet total	NP	NP	NP	
Date of balance sheet total	7777-01-01	7777-01-01	7777-01-01	
Annual turnover	NP	NP	NP	
Date of annual turnover	7777-01-01	7777-01-01	7777-01-01	
Accounting standard	[Accounting standard used by credit union]	NR	NR	Please fill in the accounting standard used by the credit union
Role: 1. Reporting agent	TRUE	FALSE	FALSE	Note that the credit union is the RA, OA, creditor and servicer
Role: 2. Observed agent	TRUE	FALSE	FALSE	
Role: 3. Creditor	TRUE	FALSE	FALSE	
Role: 4. Debtor – All instruments originated prior to 1 September 2018	FALSE	TRUE	TRUE	
Role: 5. Debtor – At least one instrument originated at or after 1 September 2018	FALSE	FALSE	FALSE	
Role: 6. Protection provider	FALSE	FALSE	FALSE	
Role: 7. Head office undertaking	FALSE	FALSE	FALSE	
Role: 8. Immediate parent undertaking	FALSE	FALSE	FALSE	
Role: 9. Ultimate parent undertaking	FALSE	FALSE	FALSE	
Role: 10. Originator	FALSE	FALSE	FALSE	
Role: 11. Servicer	TRUE	FALSE	FALSE	

Counterparties in scope for AnaCredit reporting: Legal entities (detailed guidance on legal entities included in the AnaCredit Notes on Compilation)

➢ Includes companies – CRO register
➢ Includes certain government entities, local authorities (a register is available on Central Bank website)
➢ Excludes households, natural persons/private individuals
➢ Excludes sole traders, partnerships

NB: Each counterparty needs only to be reported once. Please do not re-report previously reported and Accepted /Incomplete counterparties every month (please submit NIL ACPRD xml file to be compliant with AnaCredit regulation) – only new counterparties should be reported.

Common Reporting Problems - ACR1CU Return

Missing Fields/Rows: A file will be rejected if it is missing or has incomplete information. You should review your excel file and xml file for missing values or rows before uploading to ONR system.

Any extra or empty row/cell will also cause file Rejection

An example of the xml file is present below with missing values highlighted in yellow.

```
<ns1:ReferenceDate>2019-12-31</ns1:ReferenceDate>
<ns1:ReportingAgentId>CXXXXX</ns1:ReportingAgentId>
<ns1:ObservedAgentId>CXXXXX</ns1:ObservedAgentId>
<ns1:ContractId>C513516</ns1:ContractId>
<ns1:InstrumentId>AIB_C513516</ns1:InstrumentId>
<ns1:InterestRate>0.011000</ns1:InterestRate>
<ns1:NextInterestRateResetDate>NA</ns1:NextInterestRateResetDate>
<ns1:TransferredAmount>0.00</ns1:TransferredAmount>
<ns1:ArrearsForTheInstrument>0.00</ns1:ArrearsForTheInstrument>
<ns1:DateOfPastDueForTheInstrument>NA</ns1:DateOfPastDueForTheIstrument>
<ns1:TypeOfSecuritisation>7</ns1:TypeOfSecuritisation>
<ns1:OutstandingNominalAmount>3039125.00</ns1:OutstandingNominalAmount>
<ns1:AccruedInterest/>
<ns1:OffBalanceSheetAmount>0.00</ns1:OffBalanceSheetAmount>
```

Dates: Dates in the excel file must be *formatted as text* (rather than numbers or dates). Additionally some date fields must be completed, e.g., Inception Date. Additionally Inception dates must be later than the date the corresponding counterparty is established.

For example, the value below has not been reported in text format and therefore when excel file is transformed into xml format the value is not recognised.

```
<ns1:ReferenceDate>436254</ns1:ReferenceDate>
```

Consistent IDs. As for the Counterparty Return, special care needs to be taken to ensure that consistent and accurate IDs are reported. This covers CounterpartyIDs, InstrumentIDs and ContractIDs. Where inconsistent IDs are reported the database will read these as new instruments/contracts and may therefore double count the reported information. Where these IDs are linked to the incorrect CounterpartyIDs the system will read these as being part of a joint credit instrument.

All CR rule breaks listed on the ACR1CU return feedback file (File status: Partially Accepted) must be investigated and corrected ASAP.

If incorrect IDs have been used, they must be deactivated. We are currently adding functionality to the system and will communicate when this has been completed.

Consistent Counterparty Roles: Counterparty roles need to be consistently applied and should be reported once on the 'Counterparty – Instrument' table. If the system reads a new counterparty role it will apply it going forward from the date it was reported. Each instrument Id has to be linked to the counterparty via the 'Counterparty- Instrument' table.

A common error is where multiple debtors have been incorrectly added to a single instrument, this extra incorrect information cannot be overwritten and should be deleted. We currently do not have the delete functionality in production so in the meantime, a record should be kept of any debtors which have been reportedly incorrectly, in order to be corrected in the future.

The standard roles for given Instrument Id, excel example:

Counterparty-instrument dataset	Reporting reference date	Reporting agent identifier	Observed agent identifier	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
Counterparty-instrument dataset	2018-09-30	C111222	C111222	87B198623	2I3598940	IEC111222	1
Counterparty-instrument dataset	2018-09-30	C111222	C111222	87B198623	2I3598940	IEC111222	7
Counterparty-instrument dataset	2018-09-30	C111222	C111222	87B198623	2I3598940	IEABC123	2

Most common ACR1CU errors (other than counterparty/consistency):

1. **Referential Integrity rules**
These refer to the credit data reported in one table (dataset), but not reported in another table. In such instances, the Credit Union needs to check that valid and consistent information is reported across all relevant tables by identifying the missing data and resubmitting via ONR.

RI0110 – data reported in the 'Counterparty – Instrument' table but no 'Financial' table has reported for the given instrument. To resolve, the Reporting Agent needs to identify and submit the data missing from the 'Financial' table.

RI0050/RI0060/RI0070 - data reported in 'Financial' table but not all required roles have been reported in the 'Counterparty – Instrument' table for the given Instrument (3 roles are required: Creditor, Servicer and Debtor).To resolve, the Reporting Agent needs to identify and submit the missing role.

RI00260 – relates to inconsistent reporting of debtor's Counterparty Id on the 'Counterparty – Instrument' table (i.e. different debtor Counterparty IDs linked to the Instrument Id).

2. **Consistency rules**

CN0621 – This validation check ensures that that the same counterparty is not recorded as being both a creditor and a debtor for the same instrument. To address such errors, deactivation of the incorrect relationship must occur. This will be possible when we advise of the new functionality. Credit Union only reports themselves as Creditor and Servicer, never a debtor.

CN0470 – Relating to the 'Accounting' table [Accumulated Impairment amount] and [Impairment assessment method]

CN0825 – Similar to above, relating to the 'Accounting' table [Accumulated Impairment amount] and [Type of impairment]

3. **Completeness rules** CT rule breaks relate to reporting of the 'NR' value for given data attributes. Please note that 'NR' values are only reportable if the RA engages in Securitisation (fully derecognized instruments that are not being serviced or instrument fully derecognised but is being serviced.)

The 'NR' value **must not be** reported by Credit Unions for the attributes below:

- Type of Instrument
- Amortisation type
- Currency
- Fiduciary instrument
- Inception date
- End date of interest-only period
- Interest rate cap
- Interest rate floor
- Interest rate reset frequency
- Interest rate spread / margin
- Interest rate type
- Legal final maturity date
- Commitment amount at inception
- Payment frequency
- Project finance loan
- Purpose
- Recourse
- Reference rate
- Settlement date
- Subordinated debt
- Syndicated contract identifier
- Repayment rights
- Fair value changes due to changes in credit risk before purchase
- Interest rate
- Next interest rate reset date
- Default status of the instrument
- Date of the default status of the instrument
- Transferred amount
- Arrears for the instrument
- Date of past due for the instrument
- Type of securitisation
- Accrued interest
- Joint liability amount
- Type of protection
- Protection value
- Type of protection value

➢ Protection valuation approach
➢ Real estate collateral location
➢ Date of protection value
➢ Maturity date of the protection
➢ Original protection value
➢ Date of original protection value
➢ Protection allocated value
➢ Third party priority claims against the protection

We hope this document provides some guidance for common problems. If you have any suggestions for further enhancements please mail AnaCredit@centralbank.ie and we will review and update this document periodically.