

Brussels, 9 December 2019

**NOTICE TO THE ACCREDITED AUDITORS
NOTICE 2019/09**

Dear Members,

On a six-monthly basis, the Management Board of the IRAIF / IREFI informs the accredited auditors of main highlights or attention points, which could influence their work.

The NBB and the different working groups of the IRAIF / IREFI have contributed to this letter, by providing a list of their attention points. The FSMA informed us that they would not communicate generic attention points to be reported in the 31 December 2019 year-end reports of the accredited auditors.

These attention points have been compiled in the current legal and regulatory framework of collaboration of the accredited auditors to the supervision by the FSMA and NBB. Although reflections and preparatory work are taking place to adapt, when needed, the collaboration framework, the current one still applies until further notice.

On 16 January 2020, a “*Capita Selecta*” training session is scheduled at the IBR/IRE. It will be held in cooperation with the NBB, and some of the topics mentioned in the current letter will be further detailed during that training session. As a reminder, the FSMA organises its permanent training sessions on 6 and 18 December 2019.

The IRAIF/IREFI working group “*Model Reports Templates*” is currently updating the templates for prudential reporting to the NBB and the FSMA. The updated versions should be released early 2020.

Should you have any questions regarding this document, please do not hesitate to contact me, any member of the Management Board of the IRAIF/IREFI or Claude Louckx.

Yours sincerely,



Olivier Macq
President IRAIF / IREFI

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INTRODUCTION

The attention points listed below, without an asterisk, are those for which the NBB has informed us that accredited auditors should perform a follow up in the context of their year-end 2019 audit procedures and report upon in their reporting to the NBB.

Attention points marked by an asterisk (*) are points for the information of the accredited auditors and for which it is not mandatory to report in the reporting to the NBB and the FSMA. The accredited auditors will use their professional judgment and decide, based on facts and circumstances, whether the outcome needs to be reported to the supervisors.

1. GENERAL – RENEWAL OF AUDITORS’ ACCREDITATION BY THE NBB (*)

The NBB reminds the accredited auditors that they have to request the renewal of their accreditation no earlier than six months and no later than three months before their accreditation expires (cf. article 6 of the NBB regulation of 21 December 2012).

The accredited auditors must, on their own initiative, apply for this renewal via e-mail: supolaudit@nbb.be

More info about the content of the request to renew the accreditation can be found in the Communication NBB_2018_26 of 21 September 2018.

2. MAIN ATTENTION POINTS FOR THE CREDIT INSTITUTIONS

2.1. Non-Performing Loans & Credit Underwriting Criteria and Exposure Quality (*)

The current aggregate level of NPLs in European Banks remains relatively high compared to international levels. Accredited auditors have to focus on the adequate level of provisioning of these exposures. Further, in accordance with IFRS 9 and the relevant allocation of financial instruments in the stages 1 to 3, the accredited auditor will review if there has been a significant increase in credit risk since the initial recognition and ensure the entities recognize a loss allowance at an amount equal to the lifetime ECL at each reporting date, for the exposures in stage 2 and stage 3. The NBB indicated that, as in past years, even in this relatively uncertain and difficult economic environment, the cost of risk remains relatively low in Belgium.

ECB Banking Supervision will also assess the quality of credit institutions’ underwriting criteria with a focus on new lending. The quality of credit institutions’ lending practices will be examined and lending standards will be scrutinized with a view to mitigating potential risks. This work may result in credit institution-specific actions. In addition, the quality of specific asset class exposures will be examined through dedicated on-site inspections related to areas such as commercial real estate, residential real estate and leverage finance.

Further developments in the past several years have shown an increased concentration of credit institutions’ assets on the Belgian residential and commercial real estate markets, which could be the source of important unexpected losses in case of large adverse shocks in these property segments. In particular, the NBB issued a press release on 25 October 2019 in which the NBB is urging financial institutions to exercise more vigilance in granting mortgage loans with very high Loan-To-Value ratios and to take into account of household’s indebtedness and their monthly repayment burden.

Finally, the EBA published on 31 October 2018 the final report on “*Guidelines on management of non-performing and forborne exposures*” (EBA/GL/2018/06), which has to be taken into account by the accredited auditors in their ongoing work on the NPL and provisioning processes or methodologies by credit institutions. On 17 December 2018, the EBA published its “*Guidelines on the disclosure of non-performing and forborne exposures*” (EBA/GL/2018/10) completing the framework.

Because of all of the above, Credit Risk remains an important audit and prudential priority in 2019.

2.2. TLTRO III Program (*)

The ECB announced a third TLTRO program on 7 March 2019. This program consists of a series of seven targeted longer-term refinancing operations, each with a maturity of three years, starting in September 2019 at a quarterly frequency. Borrowing rates in these operations can be as low as the average interest rate on the deposit facility prevailing over the life of the operation.

Decision ECB/2019/21 of 22 July 2019 (as amended by Decision ECB/2019/21 of 12 September 2019) on a third series of targeted longer-term refinancing operations has defined the conditions for participation in TLTRO III and other operational aspects.

As with previous TLTRO programs, the decision foresees an involvement of the auditor (article 6 paragraph 6 of Decision ECB/2019/21) of the credit institution. There are two reporting templates to be reported on (template A and template B) by the accredited auditor in an agreed upon procedures report in accordance with ISRS 4400 – *Engagements to perform agreed-upon procedures regarding financial information*. Template A relates to the reference outstanding amount for calculating the borrowing allowance and bid limits (including supplementary items relating to the self-securitised eligible loans). Template B concerns indicators relating to the outstanding amounts to be reported at the end of the month preceding the start of the reporting and as at the end of the reporting period.

In addition to the reporting requirements applicable on the TLTRO II, if a credit institution includes self-securitized loans in its base of eligible loans as part of one of the first two TLTRO III operations, the accredited auditor is required to report on template A by 24 February 2020 at the latest. The AUP programme on these latter new tables is currently under review and discussion with the NBB.

The overall reporting calendar together with all other information is included on the website of the ECB: <https://www.ecb.europa.eu/mopo/implement/omo/tltro/html/index.en.html>.

2.3. Waiver to apply Article 36bis of the Royal Decree of 23 September 1992

The NBB would like to draw accredited auditors' attention to the following point in the uniform letter of 29 December 2015 w.r.t. the waiver to apply article 36bis of the Royal Decree of 23 September 1992 on the accounts of credit institutions, which specifies the terms of the transitional or grandfathering period for institutions benefiting from previous derogations:

“New hedging instruments that are acquired from 1 January 2016 onwards and that are concluded in the context of strategies that were expressly eligible for a derogation applicable before the entry into force of the new policy, can also be recorded on a pro rata basis in the context of dynamic balance sheet management insofar as:

- a) the institutions are able to demonstrate that the relevant strategy falls within the scope of the initial derogation;*
- b) the auditors are provided quarterly with documentation that includes the results of the effectiveness tests provided for in the new policy.*

Hedging transactions that do not comply with the effectiveness criteria required by the new derogation policy during the transitional period cannot continue to be registered on a pro rata basis during the transitional period unless:

- a) the documentation submitted to the auditors on a quarterly basis includes a justification demonstrating the temporary or technical nature of this non-compliance;*
- b) the institution has taken corrective measures in order to reduce the ineffectiveness to an acceptable level.*

The NBB stresses that if an institution does not comply with the effectiveness criteria, it should justify this non-compliance by demonstrating and documenting that it is of a temporary or technical nature and that it represents an acceptable (non-material) level of risk. The institution should also inform the accredited auditors of the corrective measures that have been or will be taken.

As previously specified by the NBB, accredited auditors are expected to verify the validity of the reasoning and documentation provided by the institution as part of their audit of the statutory financial statements.

Where appropriate, the accredited auditor's report to the NBB should include a description of the nature of the non-compliance identified, the measures taken by the institution and the justifications received.

This is becoming increasingly important as the grandfathering period draws to a close.

2.4. Reporting related to the countercyclical buffer

The NBB has analysed in detail the COREP-reporting regarding the countercyclical buffer (CCyB) of all institutions falling under its supervision. Several reporting errors have been observed at a number of institutions.

The most common reporting errors in COREP are:

- While the amount reported in table C.04.00 is correct, the reporting of the effective CCyB rate for the aggregate “all countries” in table C.09.04 is missing.
- While relevant exposures and own funds requirements weights are correctly reported in table C.09.04 for each country, table C.09.04 must also be reported for the aggregate “all countries” and show i.a. the effective CCyB rate.
- While relevant exposures and own funds requirements weights are correctly reported in table C.09.04, the reporting does not take into account the CCyB rate applicable for exposures established in specific countries (as determined by these countries macro-prudential authority). Applicable CCyB rates in selected countries can be consulted on these countries’ macro-prudential authorities’ websites or on the following websites:
 - ESRB: https://www.esrb.europa.eu/national_policy/ccb/html/index.en.html
 - BIS (useful for non EU-countries): <https://www.bis.org/bcbs/ccyb/>
- The reporting of table C.09.04 is missing.

The general guidelines to correctly report CCyB-related data in COREP (in line with the EBA instructions related to table C.09.04) are the following:

- In table C.09.04, all institutions must report the effective CCyB rate, at the date of the reporting, in cell [140;020] “Institution-specific countercyclical capital buffer rate” for the aggregate all countries.
- This effective CCyB rate for the aggregate “all countries” must be the weighted average of the countercyclical buffer rates that apply in each country at the date of the reporting.
- The above-mentioned weighting is performed by using as factor the ratio of “Total own funds requirements for CCB” (reported in cell [070;010] of table C.09.04) of each country to “Total own funds requirements for CCB” of all countries. The weighting factor of each country must be reported in cell [110;020] in table C.09.04.

E.g.: Suppose the institution has exposures only in country A and B, where the applicable CCyB rates at the date of the reporting are 1% and 2% respectively. Suppose EXP_A is the “Total own funds requirements for CCB” of your institution in country A. Similarly, EXP_B is the “Total own funds requirements for CCB” of your institution in country B. Then, the “Institution-specific countercyclical capital buffer rate” ([140;020] in table C.09.04) for “all countries”, denoted Y in this example, is computed in the following way:

$$Y = \frac{EXP_A}{EXP_A + EXP_B} \times 1\% + \frac{EXP_B}{EXP_A + EXP_B} \times 2\%$$

- In table C.04.00, the amount of CCyB-related own fund requirements must be reported in cell [770;010] “Institution specific countercyclical capital buffer”. This amount must be computed by multiplying the “Institution-specific countercyclical capital buffer rate” for the aggregate “all countries” (cf. cell [140;020] in table C.09.04) by the total risk exposure amount as reported in table C.02.00, cell [010;010].
- When an institution reports both on a consolidated and an individual basis, the guidelines must be followed for both reporting scopes.

2.5. Sound management practices and reporting concerning Interest Rate Risk arising from non-trading activities (*)

On 22 October 2019, the NBB published an addendum to circular NBB_2019_18 – “Guidelines on sound management practices and reporting concerning interest rate risk arising from non-trading activities” dated 19 July 2019. This addendum states that according to circular NBB_2019_18 the credit institutions are requested to provide, for the purpose of national requirements, the full ECB STE reporting on interest rate risk in the banking book, including all underlying positions. Such reporting replaces the Schedule A reporting under table 90.30. To that effect, the full STE reporting table (the so-called STE IRRBB table) should be used by the credit institutions, with the corresponding instructions annexed to the addendum.

The addendum is applicable for (i) institutions identified as significant with the SSM (including Belgian subsidiaries identified as significant within the SSM) and for (ii) institutions identified as less significant within the SSM, the table 90.30 remains applicable. In both cases, the accredited auditor will be required to report on reporting for that table (as was previously required for table 90.30 of Schedule A).

The tables, instructions and associated taxonomy will be published on the NBB’s website as soon as the STE tables are made available by the ECB. The NBB will inform the credit institutions and the accredited auditors once the STE tables for year-end 2019 are made available. The accredited auditors are expected to follow-up on this and review the STE tables for the significant institutions within the SSM (including Belgian subsidiaries of entities identified as significant with the SSM). For the less significant institutions, the table 90.30 remains applicable.

The NBB does not expect a specific reporting on these tables in the reports of the accredited auditors except if issues and findings have to be reported to the NBB by the accredited auditors based on their professional judgment and the procedures performed.

2.6. Benchmark Rate Reforms (*)

With regard to benchmark rate reforms causing the introduction of new benchmarks and/or the replacement of existing benchmarks in the short and mid-term, the NBB wants to raise awareness and ensure that Belgian credit institutions are adequately prepared. Hence, credit institutions are expected to analyse potential implications for their business practices and risk management.

As new benchmarks could have an impact on the valuation of assets and derivatives - in particular, but not limited to, the valuation of derivatives and embedded derivatives - the NBB expects that accredited auditors should consider the preparedness by credit institutions as an attention point (provisioning...).

The accredited auditor will discuss with Management the preparedness of the credit institution and report key observations or issues in the report on the situation as of 31 December 2019.

3. MAIN ATTENTION POINTS FOR THE INSURANCE SECTOR

3.1. Changes in insurance regulation

On 8 March 2019, the Commission published Delegated Regulation 2019/981 amending Delegated Regulation 2015/35. This Regulation entered into force on the twentieth day following that of its publication. Points (50), (59) to (61), (66) and (74) of Article 1 will apply from 1 January 2020. The NBB would like to draw auditors' attention to the following points of Delegated Regulation 2019/981:

- Article 84(4), which defines the scope of the look-through approach, has been amended. The look-through approach now also applies to investments in related undertakings that have the following characteristics:
 - a) the main purpose of the related undertaking is to hold and manage assets on behalf of the participating undertaking;
 - b) the related undertaking supports the operations of the participating undertaking related to investment activities, following a specific and documented investment mandate;
 - c) the related undertaking does not carry on any significant business other than investing for the benefit of the participating undertaking.

In this regard, the NBB also draws accredited auditors' attention to Circular NBB_2019_16 (published on 9 July 2019) regarding guidelines on the look-through approach and, in particular, on the calculation of the solvency capital requirement in the event that the investment vehicle is financed by debt (see guideline 9).

- Article 171a defines a new class of assets called long-term equity investments. For a portfolio of assets to be recognized as long-term equity investments and therefore benefit from a preferential SCR treatment of 22 %, it must meet all criteria included in Article 171a (1).

Similarly, the NBB would like to draw your attention to the fact that paragraph 2 only pertains to the collective investment undertakings or alternative investment funds referred to in points (a) to (d) of Article 168(6), namely:

- a) Social entrepreneurship funds (Article 3(b) of Regulation EU 346/2013)
 - b) Qualifying venture capital funds (Article 3(b) of Regulation EU 345/2013)
 - c) Closed-ended alternative investment funds in accordance with Article 35 or 40 of Directive 2011/61 that have no leverage in accordance with Article 8 of Commission Delegated Regulation 231/2013
 - d) European long-term investment funds (EU 2015/760).
- Article 176a authorizes insurance undertakings to perform an internal assessment of the credit quality step of certain bonds and loans (criteria set out in Article 176b). Likewise, in the event of a co-investment with an insurance or reinsurance undertaking or a credit institution that uses an approved internal model, Article 176c allows insurance undertakings to use the rating obtained through the internal model.

- The scope of Article 180(2), which includes exposures in the form of bonds and loans with a risk factor of 0 %, has been expanded. Exposures that are guaranteed (fully, unconditionally, irrevocably and in accordance with the criteria set out in Article 215) by a regional government or local authority as referred to in Article 1 of Implementing Regulation (EU) 2015/11 (i.e. in Belgium: the communities, regions and provinces) are treated as exposures to the central government.

Article 207, relating to the adjustment for the loss-absorbing capacity of deferred taxes (LAC DT), has been supplemented by points 2, 2a, 2b, 2c and 2d. These points aim to further define the rules for establishing the assumptions needed to demonstrate the existence of a taxable profit against which the increase in the amount of deferred tax assets can be utilized in the event that the instantaneous loss referred to in Article 207(1) would result in such an increase. Furthermore, Articles 297 and 311 on the content of the SFCR (Solvency and Financial Conditions Report) and RSR (Regular Supervisory Reporting) in relation to the LAC DT have also been clarified. In this context, the NBB has deemed it necessary to update several aspects of its recommendations on the calculation of the LAC DT, in order to, on the one hand, specify the concrete implications of the new principles introduced in Article 207 and, on the other hand, remove the limit imposed by it on the amount of LAC DT, which was no longer compatible with the approach of the Implementing Regulation. Moreover, following the specifications in relation to reporting introduced in Articles 297 and 311 of Regulation 2015/35, the NBB describes in this Circular what precise information on deferred taxes should be provided pursuant to these Articles. In terms of timing, the Circular will certainly apply from 1 January 2020. The NBB, together with the sector, will examine if it is appropriate to also render it applicable to the balance sheet as at 31 December 2019. Based on the outcome of the NBB's examination with the insurance sector and if the obligation is applicable as at 31 December 2019, the accredited auditor should report on this topic in his prudential report to the NBB

3.2. Interest rate (*)

The NBB expects the accredited auditors to follow-up on the evolution of specific or systemic risks (regulatory or macro-economic developments that have an impact on the institution) which the institution faces and which have had — or could have — an influence on its periodic statements and its continuity and to comment on those evolution as part of their comprehensive report. In this context, interest rates have continued to plummet over the third quarter of 2019, reaching historically low and negative levels. Moreover, interest rates may remain at a low level for a longer period than until recently contemplated putting additional stress on and further challenging the equilibria on which insurance business models are based. The NBB therefore considers that the persistent low interest rate environment is a major source of risk for insurance companies.

Points to be considered by the accredited auditors include a.o. (not exhaustively) the impact on the liability adequacy test and on the technical provisions, the impact on continuity and profitability, the impact on the SCR, the potential impact on the hedging operations...

That being said, the NBB also would like more attention to be paid to the liquidity reporting, which is considered as an important source of information about the sensitivity of the life portfolio to the risk of a sudden increase in the interest rate level. Based on his professional judgment and findings the accredited auditor will decide to report or not attention points on this topic to the NBB

3.3. Liquidity Reporting

The NBB would like to draw your attention to table 2 of the liquidity reporting (LIQUIDITY in OneGate), “*Liquidity sensitivity of total technical provisions Life (excluding health insurance and class 23)*”. This reporting is part of the periodic financial information, which the accredited statutory auditor is required to report according to point 9, b), ii of Annex 2 to Circular NBB 2017_20 of 9 June 2017 on the duty of cooperation of accredited statutory auditors. For liquidity reporting, reference is made therein to Circular NBB_2016_03, which has since been replaced by Circular NBB 2018_17 of 12 April 2018 on liquidity risk reporting. The NBB stresses that the values in the table correspond to the surrender values as defined in Article 213, 7° of the Supervision Law (which defines the surrender value as “the payment due from the insurance company at the time of the policy’s surrender”), and not to the technical provisions.

Furthermore, the NBB wishes to specify and emphasise the following:

- As regards the individual traditional & savings contracts with a premium tax benefit: the line “*Currently without tax penalty in case of surrender*” is used for reporting the surrender values of contracts with premium tax benefit for which the anticipatory tax (i.e. the aforementioned ‘tax penalty’) has already been withheld.
- As regards the individual traditional & savings contracts without premium tax benefit: the line “*Currently with market value adjustment*” also includes the payment to be made by the insurance company in case of surrender, i.e. where appropriate after the deduction of the market value adjustment.
- As regards the individual traditional & savings contracts without premium tax benefit: the line “*Currently without market value adjustment and without a contractually agreed surrender charge, but with the loss of the right to exemption from the withholding tax*” is exclusively used for reporting contracts which, in case of surrender, do not require a market value adjustment or another contractually agreed surrender charge but are subject to the withholding tax. Consequently, this only includes contracts for which the reporting date is less than 8 years after the conclusion of the policy and for which there is no death benefit equivalent to at least 130 % of the premiums paid. The surrender value reported here is the payment before the deduction of the withholding tax.

The accredited auditors are expected to critically examine how the liquidity reporting is completed, to agree with the allocation of all contracts in the insurance portfolio to the correct category of the reporting and to understand and be able to explain which contracts are classified as “other contracts” (for both individual and group insurance). Insurance companies should be able to justify to the accredited auditors, for each type of contract in their portfolio, to which category or categories of the liquidity reporting it belongs, potentially on the basis of a reconciliation table (with sufficient granularity for allocating contracts to the categories of the liquidity reporting and containing at least the technical provisions and the practical surrender values).

If the accredited auditors are unable to confirm the accuracy or plausibility of the liquidity reporting, they should discuss this with the insurance company and specify in their reporting to the NBB which (types of) products were potentially reported incorrectly or carelessly and what measures the insurance company will take to improve the reporting.

4. MAIN ATTENTION POINTS FOR PAYMENT INSTITUTIONS AND E-MONEY INSTITUTIONS

4.1. Outsourcing (*)

In parallel of the publication of the circular NBB_2019_19, which implements the EBA guidelines on Outsourcing (EBA/GL/2019/02), the NBB indicated that the outsourcing is specifically considered as a key attention point for the sector of the payment and eMoney institutions. The circular became applicable as from 30 September 2019 for all outsourcings that are concluded from that date or for all contracts that are renewed or changed. For the contracts that are still running, the institutions have until 31 December 2021 to comply with the circular. For these contracts, the circulars PPB_2004/5 and NBB_2018_20 remain applicable.

In this context, the accredited auditor should pay specific attention on the outsourcing aspects as part of his report on Senior Management's report on internal control. In particular, it is recommended that the accredited auditor discusses with Management the implementation of the new outsourcing circular and verifies that:

- the description of the outsourced functions is coherent with the understanding of the institution the accredited auditor gained during his audit, and
- the outsourcing of key functions does not affect the quality of the organization or the internal control, does not increase the operational risks without being properly managed, nor does it impair the possibility to verify full compliance with the Law of 11 March 2018, the PSD II Directive and its applicable regulation by the NBB. Outsourcing cannot lead to a decreased substance of the institution

In addition, when relevant in the context of his audit, the accredited auditor should verify whether the processes and internal controls in place are sufficient to enable the institutions to monitor the operations and the risks of the outsourced activities having a direct impact on the financial and prudential reporting and report his findings to the NBB. In such a case, the accredited auditor should consider the provisions of ISA 402 – *Audit considerations relating to an entity using a service organization* in the performance of his audit work.

4.2. Own funds (*)

Additional attention should be granted by the accredited auditor to a correct and timely follow up of the state of the own funds of payment and e-money institutions. The impact of the prudential calculation, and mainly the requirement to subtract intangible assets in this calculation, is sometimes underestimated by payment and e-money institutions. More resources should be allocated to a proactive follow-up of the state of the own funds

4.3. Prudential reporting (*)

The NBB wants to stress that prudential reporting (both financial and non-financial) should occur with respect for the stated deadlines. In case of delay with the deadline, the accredited auditor needs to inform the NBB without any delay and explain the reasons of the delay.

4.4. Segregation (*)

Additional attention should be given to correct and full segregation in accordance with Article 42 and 194 of the Law of 11 March 2018.

5. MAIN ATTENTION POINTS REGARDING INSTITUTIONS OF OCCUPATIONAL RETIREMENT PROVISIONS (IORP'S) (*)

Within the framework of 2019 audit work, the Working Group “*IORP's*” of the IRAIF / IREFI has identified the following points:

1. Prudence in calculating technical provisions and, in particular, the discount rate(s) used;
2. The codification of the investments in securities with regard to the FSMA circular on reporting (FSMA circular on the communication of the annual accounts, statistics and related documents);
3. The evolution of the IORP's regarding compliance with the regulation transposing the IORP Directive (key functions including those of risk management, ORA, remuneration policy, ESG criteria and investment policy, transparency, etc.).

<u>Acronyms</u>	
AICB	Alternative Undertakings for Collective Investments
AIFMD	Alternative Investment Fund Managers Directive
AML/CTF	Anti-Money Laundering Legislation
APM	Alternative Performance Measures
CIS	Collective Investment Schemes
CIU	Collective Investment Undertakings
COREP	Common Reporting
CRD	Capital Requirements Directive
DTA	Deferred Tax Assets
DTL	Deferred Tax Liabilities
EAD	Exposure at Default
EBA	European Banking Authority
ECB	European Central Bank
ECL	Expected Credit Loss
EIOPA	European Insurance and Occupational Pensions Authority
ESG	Economic Scenario Generator
FSMA	Financial Services and Markets Authority
GDPR	General Data Protection Regulation
ICAAP	Internal Capital Adequacy Assessment Processes
ICB	NL: Instelling voor Collectieve Belegging Undertakings for Collective Investment
IFRIC	IFRS Interpretation Committee
IFRS	International Financial Reporting Standards
ILAAP	Internal Liquidity Adequacy Assessment Processes
IORP	Institutions for Occupational Retirement Provision
IPC	Irrevocable Payment Committee
IRAIF/IREFI	FR: Institut des Réviseurs Agréés pour les Institutions Financières NL: Instituut van de Revisoren Erkend voor de Financiële Instellingen
IRB	Internal Ratings Based
LAC DT	Loss Absorbing Capacity and Deferred Tax
LGD	Loss Given Default
LPC/WAP	Law of 28 April 2003 on Supplementary Pensions
MiFID	Markets in Financial Instruments Directive (2014/65/EU)
MMF	Money Market Funds
NBB	National Bank of Belgium
NPL	Non-Performing Loans
OPC	FR: Organisme de Placement Collectif Undertakings for Collective Investment
ORA	Own-Risk Assessment
PD	Probability of Default
PSD	Payment Services Directive
QRT	Quantitative Reporting Templates
RWA	Risk Weighted Asset
SPPI	Solely Payment of Principal and Interest
SRB	Single Resolution Board

SREP	Supervisory Review and Evaluation Process
SRF	Single Resolution Fund
SSM	Single Supervisory Mechanism
TRIM	Targeted Review of Internal Models
UCI	Undertakings for Collective Investment
UCITS	Undertakings for Collective Investment in Transferable Securities