

MANAGEMENT OF NON-PERFORMING LOANS: ACCOUNTING (IFRS 9) AND PRUDENTIAL ASPECTS

Costa Rica, 4-6 June

Aim and content

To explain the accounting and prudential aspects of the management of non-performing loans under a supervisory approach.

A supervisory approach is being developed in the European Union (by the European Commission, the European Banking Authority, the European Central Bank and the Banco de España) to address the problem posed by the high levels of non-performing loans existing at certain institutions. This course examines two fundamental components of this supervisory approach: the accounting and prudential aspects of non-performing loan management.

The course will address the criteria to be followed by banks in order to identify non-performing loans using their financial data, to ensure that the provisions recorded are adequate and to measure, for the purposes of estimating provisions, the collateral provided.

- Content of the supervisory guidelines of the European Banking Authority and of the European Central Bank for the implementation of accounting rules in relation to non-performing loans.
- Accounting regulations issued by the Banco de España which, among other objectives, implement the aforementioned guidelines. Implementation of the International Financial Reporting Standard (IFRS) 9 on financial instruments.
- Current initiatives launched by the European Commission and the European Central Bank to establish, in the prudential area, minimum levels of provisions for non-performing loans.

Participant profile

This course is intended for the professional staff of the central banks and bank supervisory bodies of the Latin American countries belonging to ASBA.

Organisation, duration and format

This seminar is organised jointly by the Banco de España and ASBA, and the working language is Spanish.

It will be held in Costa Rica over three days, with morning and afternoon sessions.

Participation is at the invitation of ASBA only.