Note 36.
OFF-BALANCE SHEET ACCOUNTS

This caption is analysed as follows:

(Thousands of AOA)

	31-12-2019	31-12-2020
Guarantees granted	69,398,163	36,348,557
Guarantees received	(1,996,520,658)	(2,389,930,280)
Commitments to third parties	13,521,899	17,525,228
Liabilities for services rendered	641,585,214	320,990

Guarantees received and commitments to third parties include exposures that are subject to ECL calculation according to the impairment model defined by the Bank and in accordance with the requirements of IFRS 9.

Bank guarantees granted are financial operations that do not translate into mobilisation of Funds by the Bank.

As at 31 December 2020 and 2019, the exposure and impairment losses associated with guarantees received, by stage, are detailed as follows:

(Thousands of AOA)

	31-12-2020			
	Stage 1	Stage 2	Stage 3	Total
Gross amount	27,187,214	3,434,809	5,726,535	36,348,557
Impairment losses (Note 18)	(84,769)	(66,583)	(866,531)	(1,017,883)
	27,102,445	**3,368,225**	**4,860,004**	**35,330,674**

(Thousands of AOA)

	31-12-2019			
	Stage 1	Stage 2	Stage 3	Total
Gross amount	58,199,435	9,491,887	1,706,841	69,398,163
Impairment losses (Note 18)	(173,092)	(120,821)	(548,730)	(842,643)
	58,026,343	**9,371,066**	**1,158,111**	**68,555,520**

Documentary credits correspond to commitments by the Bank, on behalf of its Customers, which ensure the payment of a specified amount to the supplier of a given good or service, within a fixed term, against the presentation of the documentation confirming the shipment of goods or the rendering of services. The irrevocable condition arises from the fact that the commitment is non-cancellable or amended without the agreement of all parties involved.

Revocable and irrevocable commitments represent contractual agreements to extend credit to the Bank's Customers (for example unused credit lines). These agreements are generally, contracted for fixed periods of time or with other expiring requirements, and usually require the payment of a commission. Substantially, all credit commitments require that Customers maintain certain conditions verified at the time the credit was granted.

Notwithstanding the particular characteristics of these commitments, the analysis of these operations follows the same basic principles of any commercial operation, namely the solvency of the Customer and of the underlying business, and the Bank requires that these operations be duly covered by collaterals when necessary. Considering that is expected that the majority of these commitments expire without having being used, the indicated amounts do not represent necessarily future cash flow needs.

Financial instruments recorded as Guarantees and other commitments are subject to the same approval and control procedures applied to the credit portfolio, namely regarding the analysis of objective evidence of impairment, as described in Note 2.5. The maximum credit exposure is represented by the nominal value that could be lost related to guarantees and commitments undertaken by the Bank in the event of default by the respective counterparties, without considering potential recoveries or collaterals.

For financial assets recognised in the Balance Sheet, the maximum exposure to credit risk is represented by the net book value of impairment. For off-balance sheet items, the maximum collateral exposure is the maximum amount that the Bank would have to pay if collaterals were forfeited. For loans and other commitments related to irrevocable credit, the maximum exposure is the total amount of commitments undertaken.

The Bank provides custody services, asset management, investment management and advisory services that involve taking decisions of buying and selling several types of financial instruments. For certain services rendered, targets and profitability levels are set out for assets under management.

In the context of fiduciary activities, the Bank provides custody services to its Customers. Recognition in off-balance sheet items is described in the accounting policy of Note 2.21.