

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Asset Quality Review

Banking Book Audit and Real Estate Appraisal

As part of the Single Supervisory Mechanism (SSM) the ECB, together with the other participating National Competent Authorities (NCAs), including the MFSA, are currently carrying out a comprehensive assessment, including an Asset Quality Review (AQR) of Bank of Valletta plc, HSBC Bank Malta plc and Deutsche Bank (Malta) Ltd. As part of the AQR, the MFSA, in co-ordination with the ECB, is carrying out a Banking Book Audit and where relevant, an appraisal of the Real Estate Collateral through and with the support of external experts.

Such external experts were chosen following a Request for Proposals issued by the MFSA in January 2014 and which elicited various applicants. Applications were assessed on the basis of pre-defined criteria, established by the ECB, which were specified accordingly in the MFSA Request for Proposals. On the basis of these criteria and the ECB assigned parameters, the MFSA selected the following firms of external experts to conduct the required assessments:

KPMG Malta	–	Banking Book Audit of Bank of Valletta plc
PwC Malta	–	Banking Book Audit of HSBC Bank Malta plc
Ernst & Young Malta	–	Banking Book Audit of Deutsche Bank (Malta) Ltd
Grant Thornton Malta	–	Real Estate Collateral Valuation of Bank of Valletta plc and HSBC Bank Malta plc

National Steering Committee
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