

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Circular to credit institutions including branches on the Draft Implementing Technical Standard (ITS) on Supervisory Reporting regarding Asset Encumbrance templates and revisions to COREP/FINREP templates.

Asset Encumbrance

Pursuant to the Circular to the financial services industry regarding the CRD IV Package (CRDIV¹ and the CRR) dated 5 September 2014, the Authority is hereby issuing the Asset Encumbrance templates to be compiled by all credit institutions including branches **both on a solo and consolidated (regulatory scope) basis** as applicable. Submission of these templates by credit institutions to the Authority shall be on a quarterly basis with the remittance date falling on the 28th calendar day after reference date. First reporting shall be as at 31st December 2014.

<http://www.mfsa.com.mt/pages/announcement.aspx?id=6645>

The Asset Encumbrance templates are also available in macro-enabled format with a built-in 'Find and replace' feature. Institutions opting to utilise this feature can obtain this set of templates by contacting Ms C Porter on cporter@mfsa.com.mt. Please note that this set of templates is saved in .xlsm format. Hence prior to submitting this particular set through the MFSA web portal, reporting agents are requested to save files in .xlsx format. Submissions in any other format, these will be rejected.

As already communicated in previous communications, all data should be submitted in actual figures (including two decimal places eg. €2,560,561.43).

The Asset Encumbrance reporting package may be subject to changes.

¹ Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC

Data Exchange Convention

1. Reporting agents are reminded that for the purpose of submitting data, templates should be uploaded onto the Web Interphase provided by the Authority.
2. The following naming convention should be utilised for the Asset Encumbrance package:

BankDesignatedCode_MonthYear_LevelOfApplication_FINREP_AE

As an example, the folder name for XYZ Bank Ltd for the reporting of Asset Encumbrance requirements for the December 2014 quarter on a solo basis should read as follows: XYZ_Dec2014_IND_FINREP_AE.

For the scope of consolidated reporting, the term *IND*, denoting *solo* reporting should be replaced with the term *CON*, denoting *consolidated* reporting.

The Authority requires the reporting institutions not to modify in any way the naming convention of the respective Files within each Folder.

3. For the time being the Authority will not be requiring institutions to submit hard copies of the respective templates. However, this may be reviewed in due course and a definite decision will be communicated by the Authority to all reporting credit institutions and branches at a later stage.

COREP/FINREP Revisions

Kindly note that as per Circular issued on 5th September 2014, referred to above, changes have been implemented in certain COREP/FINREP templates. Kindly refer to the table below which provides detailed explanations on the specific amendments, which are applicable as from 31st December 2014 reference date.

| Framework | Template | Explanation |
|-----------|----------|--|
| COREP | C_01.00 | Change in variable name of the following two rows: <ul style="list-style-type: none"> - Row 350: changed name to “(-) Other intangible assets before deduction of deferred tax liabilities” - Row 400: changed name to “(-) Defined benefit pension fund assets”. Template has been revised. |
| | C_06.00 | Template split in two templates as follows: <ul style="list-style-type: none"> - C_06.01: <i>Group Solvency – Total</i> - C_06.02: <i>Group Solvency</i> (this is the <i>old C_06.00</i>). Template has been revised. |
| | C_12.00 | Column 360, rows 110 to 240: cells shaded in grey (no reporting required in these cells). Template has <u>not</u> been revised. Institutions are requested not to input data in these cells. |
| | C_22.00 | Row 260 “Latvian Lats” deleted. Template has <u>not</u> been revised. Institutions are requested not to input data in this row. |
| FINREP | F_01.01 | Change in variable name of row 010 to “Cash, cash balances at central banks and other demand deposits”. Template has <u>not</u> been revised. Institutions are requested to take note of the name change. |
| | F_04.04 | Change in variable name of the following two columns: <ul style="list-style-type: none"> - Column 030: changed name to “Specific allowances for financial assets, individually estimated” - Column 040: changed name to “Specific allowances for financial assets, collectively estimated”. Template has <u>not</u> been revised. Institutions are requested to take note of the name changes. |
| | F_07.00 | Change in variable name of the following two columns: <ul style="list-style-type: none"> - Column 080: changed name to “Specific allowances for financial assets, individually estimated” - Column 090: changed name to “Specific allowances for financial assets, collectively estimated”. Template has <u>not</u> been revised. Institutions are requested to take note of the name changes. |
| | F_12.00 | Change in variable name of the following two rows: <ul style="list-style-type: none"> - Row 020: changed name to “Specific allowances for financial assets, individually estimated” - Row 160: changed name to “Specific allowances for financial assets, collectively estimated”. Template has <u>not</u> been revised. Institutions are requested to take note of the name changes. |
| | F_16.07 | New row added: Row 145 “Other”. Template has been revised. |
| | F_18.00 | Change in variable name of column 160 to “Unlikely to pay that are not past-due or past-due <= 90 days”. Template has <u>not</u> been revised. Institutions are requested to take note of the name change. |
| | F_20.04 | Change in variable name of row 210 to “Of which: Loans collateralized by commercial immovable property”. Template has <u>not</u> been revised. Institutions are requested to take note of the name change. |

In respect of the above table, kindly note that the following templates have been revised in the MFSA website for both the solo and the consolidated reporting:

C_01.00, C_06.01, C_06.02 and F_16.07

Additionally, these revised templates will also be forwarded by email to all the licensed institutions by the Authority's officials.

Communications Unit
Malta Financial Services Authority
18th December 2014