

**Circular to Credit Institutions on LCR DA reporting and revised Supervisory Reporting Templates**

Pursuant to the Circular to Credit Institutions on the Delegated Act on Liquidity, dated 26<sup>th</sup> November 2014, the Authority is hereby drawing the attention of all credit institutions licensed under the Banking Act 1994 with regards to the binding regulatory Liquidity Coverage Ratio (LCR) requirement. The Authority is also hereby issuing a communication to all credit institutions with regards to revised supervisory reporting templates.

**LCR DA reporting**

The Authority reaffirms that the new LCR requirement emanating from the DA on Liquidity<sup>1</sup> is 60% from 1<sup>st</sup> October 2015, 70% from 1<sup>st</sup> January 2016, 80% from 1<sup>st</sup> January 2017 and 100% from 1<sup>st</sup> January 2018.

Following the delay in the implementation of the **Amending ITS on LCR** reporting, the Authority has decided to implement the Amending ITS on LCR reporting in the following manner until the final ITS is published in the EU Official Journal:

- for all credit institutions licensed under the Banking Act 1994;
- at all levels of consolidation where the LCR requirement is applicable;
- on a monthly basis;
- with reference date the last day of each month, starting with 31<sup>st</sup> October 2015<sup>2</sup>;
- the remittance date being the 28<sup>th</sup> calendar day after reference date<sup>2</sup>;
- on a total basis in the reporting currency; and
- using the templates available in the **Supervisory Reporting webpage**, on the MFSA website.

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<sup>1</sup> Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions.

<sup>2</sup> Refer to updated Remittance Table in the **Supervisory Reporting webpage**.

These reports shall reflect the definition of the LCR as laid down in the DA on Liquidity.

Until the draft amending ITS on LCR reporting has been adopted by the European Commission and has formally entered into force, credit institutions are also required to continue reporting the currently applicable LCR templates on a monthly basis, as referred to in article 15 of the ITS on supervisory reporting. Consequently, for the time being, all credit institutions are required to report on a monthly basis, the reporting templates under Banking Rule 05, COREP LCR and COREP LCR DA.

Once the draft amending ITS on LCR reporting enters into force and its provisions are fully applied (for example, all significant currencies are reported, etc.), the reporting requirements for the current LCR cease to apply. Furthermore, Banking Rule 05 shall cease to apply once the binding minimum standards for liquidity coverage requirements are fully introduced in the Union in accordance with Article 460 of the CRR, which means until 1 January 2018.

#### **New Folder Naming Convention for LCR DA reporting**

Credit institutions are required to submit to the Authority the templates through the MFSA web portal in accordance with their respective naming conventions. The folder naming convention for Liquidity Coverage Ratio according to Delegated Act (LCR DA) should be as follows:

BankDesignatedCode\_MonthYear\_LevelOfApplication\_COREp\_LCRDA

#### **Revised Supervisory Reporting Templates**

In order to facilitate the identification of the templates that have been revised, the revisions have been included in the table below:

# MFSA

## MALTA FINANCIAL SERVICES AUTHORITY

<u>Component</u>	<u>Template</u>	<u>Applicable Reference Dates</u>
<b>COREP Liquidity (LCR)</b>	C_51.00	This new version of the templates will be applicable as from <b>31<sup>st</sup> October 2015</b> reference date.
	C_52.00	
	C_53.00	
	C_54.00	
<b>COREP Additional Liquidity Monitoring Metrics (AMM)*</b>	C_66.00	
	C_67.00	
	C_68.00	
	C_69.00	
	C_70.00	
	C_71.00	
<b>COREP Own Funds and Own Funds Requirements (CA)</b>	C_09.01	This new version of the templates will be applicable as from <b>31<sup>st</sup> December 2015</b> reference date.
	C_09.02	
	C_09.03	
<b>COREP Liquidity (NSFR)</b>	C_60.00	
	C_61.00	
<b>Funding Plans</b>	All templates	

*\* Templates may be submitted on a quarterly basis subject to the conditions set out in Article 16b Paragraph 2 of the ITS on ALM under Article 415(3)(b) of Regulation (EU) No 575/2013. In this case the new version of the templates will be applicable as from 31<sup>st</sup> December 2015 reference date.*

The revised templates will apply to institutions reporting on a solo and consolidated basis, as applicable. The revised supervisory reporting templates to be compiled by the respective licensed institutions can be found on the Authority's website. These can be accessed via the following link:

<http://www.mfsa.com.mt/pages/viewcontent.aspx?id=559>

**Communications Unit**

**Malta Financial Services Authority**

**14<sup>th</sup> October 2015**