

13 March 2020

## Circular to Financial Institutions authorised in terms of the Financial Institutions Act on Contingency Preparedness in the Context of Coronavirus (COVID-19)

Reference is made to the [MFSA Circular on Interim Supervisory Measures](#) issued on 12 March 2020, notifying all authorised entities and licensed persons that the MFSA is aligning its supervisory procedures with current international recommendations and good practices.

The MFSA reminds financial institutions of the critical need to address the challenges posed by the spread of COVID-19 in their business continuity arrangements. Financial institutions are required to ensure their operational preparedness to minimise the potential adverse effects of the spread of COVID-19 and take all actions necessary to respond to the pandemic scenario.

In this regard, financial institutions are required to inform the MFSA of any adverse change in customer behaviour, imminent difficulties in ensuring the continuity of services and to inform the MFSA should contingency plan/s be activated. Financial Institutions are encouraged to communicate with critical service providers to understand and ascertain how services continuity shall be ensured.

The MFSA is constantly monitoring developments in relation to the spread of COVID-19 and is in close cooperation with the Central Bank of Malta and the European Supervisory Authorities.