

20 January 2022

## Circular to Credit Institutions and Foreign Branches on COVID-19 Related Reporting

Pursuant to the MFSA [Circular to Credit Institutions on the issuance of a new Banking Rule](#) dated 6 July 2020, and [Circular to Credit Institutions on Developments in Supervisory Reporting, mainly on Reporting Pursuant to Banking Rule 23](#) dated 30 September 2020, the Authority is hereby informing credit institutions and foreign branches on developments with respect to COVID-19 related reporting requirements.

On 17 January 2022, the European Banking Authority ('EBA') issued a [public statement](#) confirming the continued application of the [EBA Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis \(EBA/GL/2020/07\)](#) (the 'EBA Guidelines'). These Guidelines are aimed at providing competent authorities with the necessary monitoring of exposures and credit quality of loans benefitting from public support measures. The provisions and requirements introduced by the EBA Guidelines were locally implemented through [Banking Rule BR/23](#) ('BR/23'), which will also continue to apply until further notice.

The objective of the continued application of such requirements is to keep monitoring institutions' credit quality as the uncertainty of the COVID-19 situation persists. The EBA also confirms that the flexibility established through a number of proportionality waivers in the EBA Guidelines, and subsequently also in BR/23, continue to apply. In cases of changes in applicability of waivers, the Authority will liaise with respective institutions bilaterally.

As indicated in its public statement, the EBA will continue to monitor developments of the COVID-19 situation and will reassess the application of the EBA Guidelines at a later date. The MFSA will keep abreast with such reassessments and will inform institutions of any changes as these happen.