

10 November 2022

## Circular to Credit Institutions on New Banking Rule BR/27 on The Application of Certain Options and National Discretions

The Malta Financial Services Authority (the 'Authority') is hereby issuing a new Banking Rule as '**BR/27 on the Application of Certain Options and National Discretions**' (the '**Rule**'), addressed to credit institutions licensed under the Banking Act.

This Rule provides for the approach that the Authority shall undertake in the exercise of certain options and national discretions ('ONDs') emanating from the Capital Requirements Regulation ('CRR'). This is divided into two Parts as follows:

- Part 1 supplements the CRR (Implementing and Transitional Provisions) Regulations (S.L. 371.17) ('the Regulations') by laying down further conditions and information on the ONDs stipulated therein and therefore, this must be read in conjunction with such Regulations; and
- Part 2 implements certain ONDs laid down in the Commission Delegated Regulation (EU) 2015/61 on the Liquidity Coverage Requirement.

The new Rule shall come into force with immediate effect.

*This Circular shall not be construed as a replacement of the provisions of the new Rule, and the new Rule shall prevail in case of any conflict. Any queries in relation to the above should be directed to Banking Supervision (Policy and Legal) on [bsupolicy@mfsa.mt](mailto:bsupolicy@mfsa.mt).*