

Conduct-Related Data Return for Credit Institutions

The document seeks feedback from the industry on the proposed Conduct-Related Data Return to be submitted by Credit Institutions servicing Retail Clients

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Date: 6 December 2022

Closing Date: 6 January 2023

NOTE: The document circulated by the MFSA for the purpose of consultation is in draft form and consists of proposals. Accordingly, these proposals are not binding and are subject to changes and revisions following representations received from Licence Holders and other involved parties. It is important that persons involved in the consultation bear these considerations in mind.

Scope of the Consultation

The Authority is introducing the [Conduct-Related Data Return](#) (herein 'Return') applicable to Credit Institutions providing banking products and/or services to retail clients¹.

The Authority is hereby issuing a consultation document to the industry to allow stakeholders to comment, make suggestions and provide feedback in relation to the surveys included in the Return. Following the feedback from Credit Institutions, the Authority will publish the final version of the Return, a copy of which will be available on the MFSA website.

Going forward, Credit Institutions servicing retail clients will be requested to compile and submit the Return on an annual basis. The reporting period and deadline will be communicated in due course. The Authority will also publish on its website a Guidelines document, containing instructions on how to complete and submit the Return.

By way of introduction, the Return will include the following surveys:

- Financial Innovation
The survey will collect information on the usage of new technologies and financial innovation, as well as on whether the credit institutions make use of digital means in the provision of their products and/or services.
- Cross-Border Activity
Credit Institutions will be required to report on the extent of business generated on a cross-border basis in terms of the number of retail clients and on a per country basis during the reporting period.
- Products and Marketing
The purpose of this survey will be to collect information regarding the banking products sold by Credit Institutions to retail clients during the reporting period. Credit Institutions will be asked to indicate the number of products sold, as well as the method of communication being used to promote such products to retail clients.
- Complaints
The survey will collect data in relation to complaints received by Credit Institutions during the reporting period, categorised by cause and by product. The number of new complaints is split by new complaints received from clients residing in Malta, clients residing in the EU/EEA (excluding Malta) and clients residing in the rest of the world (excluding EU/EEA countries). Credit Institutions will also be required to indicate the

¹ For the purpose of the Return, a Retail Client is defined as a natural person making use of banking Retail Products who is acting for purposes of his/her own personal accord, including instances whereby he/she is carrying out a business venture, trade or profession under his/her own personal name.

number of unresolved complaints from previous reporting periods and the number of complaints referred to the Arbiter during the reporting period.

- Office of the Arbiter
The purpose of this survey will be to collect information regarding the complaints which were referred to the Office of the Arbiter for Financial Services. Credit Institutions will be required to include information on the complaints referred to the Arbiter during the reporting period (by referral date) and not yet resolved, as well as the complaints referred to the Arbiter during the current or previous reporting periods and resolved during the reporting period.
- Online & Social Media Presence
The aim of the Survey will be to collect information on the online and social media presence of the Credit Institutions. The licence-holders will be required to include up-to-date information on the websites used to provide information to clients or potential clients, as well as information on the social media pages used. The Survey will also collect information on the target audience of such pages, as well as on the jurisdiction which these are intended for, and the language used.
- Branches
The Survey will collect information on the branches in Malta and in the rest of the EU/EEA. Credit Institutions will be required to indicate the number of employees, number of ATMs and number of deposit machines in Malta and in the rest of the EU/EEA.
- Additional Details
The Survey will aim to gather additional information on the Company. In particular, Credit Institutions will be required to indicate the number of retail clients residing in Malta, in the rest of the EU/EEA and in the rest of the world, as well as the value of deposits of these groups.

Consultation Period

The Consultation is open until 6 January 2023. Industry participants are invited to send their feedback via email to financialpromotion@mfsa.mt.