

7 February 2023

Circular for Credit Institutions on MREL Reporting

This Circular shall apply to all credit institutions that do not fall within the remit of the Single Resolution Board in terms of Article 7(2) of Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.

Reference is made to the "[Circular for Credit Institutions on the Reporting of MREL and TLAC Data](#)" published by the Malta Financial Services Authority ("MFSA") on 9 September 2021.

Specifically, this Circular targets credit institutions that fall under the scope of the reporting pursuant to Commission Implementing Regulation (EU) 2021/763 published on the Official Journal of the European Union on 12 May 2021 laying down Implementing Technical Standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council¹ (CRR) and Directive 2014/59/EU of the European Parliament and of the Council² (BRRD) with regard to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities (MREL) (hereinafter referred to as 'CIR on the supervisory and public disclosure of MREL').

In relation to this reporting scope, when preparing the quarterly reporting on MREL/TLAC under Article 1(a) of the CIR on the supervisory and public disclosure of MREL, resolution reporting officers of credit institutions are being asked to use a [checklist published by the SRB](#) as guidance when reporting liabilities to be considered MREL eligible. Also, the same credit institutions are requested to complete a sign-off form with the submission of each quarterly reporting to provide additional assurance on liabilities reported as eligible for MREL.

¹ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended.

² Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, as amended.

The MFSA shall provide the sign-off form to the credit institutions falling under the scope of this reporting. The sign-off form should be completed in line with Principle 1.1 indent 5 of the [SRB's Expectations for Banks](#) confirming that procedures and controls were put in place to ensure that the aforesaid data reporting corresponds to liabilities that meet the eligibility criteria in the legislation (SRMR, BRRD, CRR).

The sign-off form should be submitted to the MFSA via the "*Other Resolution Reporting*" project on the LH Portal, starting with the quarterly reporting with reference date 31 December 2022.

Queries on the above should be directed to the Resolution at resolution.planning@mfsa.mt.

Thank you for your co-operation.