

BANKING RULE BR/16
FUNDING PLANS FOR CREDIT INSTITUTIONS
AUTHORISED UNDER THE BANKING ACT (CAP. 371)

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REVISIONS LOG

VERSION	DATE ISSUED	DETAILS
1.00	21 December 2020	Implementation of EBA Guidelines on harmonised definitions and templates for funding plans of credit institutions under Recommendation A4 of ESRB/2012/2 (EBA/GL/2019/06)

FUNDING PLANS FOR CREDIT INSTITUTIONS AUTHORISED UNDER THE BANKING ACT (CAP. 371)

Introduction

1. In terms of Article 4(6) of the Banking Act 1994 (the 'Act'), the competent authority (the 'Authority') as appointed under Article 3(1) of the Malta Financial Services Authority Act (Cap. 330) may issue Banking Rules (the 'Rules') as may be required for the carrying into effect of any provisions of the Act. The Authority may amend or revoke such Rules. The Rules and any amendment or revocation thereof shall be officially communicated to credit institutions and the Authority shall make copies thereof available to the Public.
2. In accordance with Article 4(7) of the Act, the competent authority may issue, amend or revoke Banking Rules as may be required for the purpose of implementing any guidelines, recommendations and decisions issued by the EBA, as defined in Article 2(1) of the Act, under Articles 16, 17(3) and 18(3) of Regulation (EU) No. 1093/2010.

Scope and application

3. The scope of this Rule is to implement the requirements prescribed in the [EBA Guidelines on harmonised definitions and templates for funding plans of credit institutions under Recommendation of the European Systemic Risk Board of 20 December 2012 \(ESRB/2012/2\) \(EBA/GL/2019/05\)](#), issued on 9 December 2019 (hereinafter referred to for the purposes of this Rule as 'the EBA Guidelines') in terms of the Recommendation of the European Systemic Risk Board of 20 December 2012 on funding of credit institutions (ESRB/2012/2). In drafting this Rule, the Authority also took into consideration the [Decision of the EBA on supervisory reporting by competent authorities to the EBA \(EBA/DC/2020/334\)](#) which entered into force on 5 June 2020 ('the EBA Decision').
4. This Rule shall apply from 31 December 2020.
5. For the purposes of this Rule, credit institutions shall be deemed to be in scope where at least one of the following criteria is met:
 - (a) the credit institution is one of the largest credit institutions in terms of volume of assets in Malta, which should represent at least 75% of the total consolidated assets of the Maltese banking system in any given year of review; and
 - (b) the credit institution is deemed to be a significant credit institution in accordance with Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions.

6. The competent authority shall, for the purpose of ensuring compliance with this Rule, communicate directly with the credit institutions which fall within the scope of this Rule.

Branches of EU/EEA credit institutions established locally under the freedom of establishment and non-EU credit institutions licensed to establish a branch in Malta, do not fall within the scope of this Rule.

7. This Rule shall apply on a consolidated basis in accordance with Chapter 2 of Title II of Part One of Regulation (EU) No 575/2013 (the 'CRR'). The Rule shall apply on an individual basis in accordance with Chapter 1 of Title II of Part One of the CRR when the credit institution referred to in paragraph 5 is not part of a group subject to consolidated supervision pursuant to Regulations 3 and 4 of the Supervisory Consolidation Regulations (S.L. 371.15).
8. Notwithstanding paragraph 7, the Authority may also apply this Rule on an individual basis in accordance with Chapter 1 of Title II of Part One of the CRR for all credit institutions.
9. Credit institutions which fall within the scope of this Rule shall report their funding plans in accordance with paragraphs 13 to 21.

Definitions

10. For the purpose of this Rule, the term "credit institution" shall be understood as referring to the credit institution falling within the scope of this Rule in terms of paragraph 5.
11. Words and expressions used in this Rule which are also used in the Act, the CRR, Commission Implementing Regulation (EU) No 680/2014 and Regulation (EU) No 2018/1624 but which are not defined herein, shall have the same meaning assigned to them as in the Act and the afore-mentioned Regulations.

Requirements for reporting of funding plans

12. Credit institutions shall report their funding plans in accordance with the harmonised instructions and templates referred to in Annex 1 and Annex 2 to this Rule.

Reporting format

13. Credit institutions shall submit the information referred to in this Rule in the data exchange formats and representations specified by the competent authority, respecting the data point definition included in the data point model referred to in Annex XIV and the validation formulae specified in Annex XV of Commission Implementing Regulation (EU) No 680/2014, as well as the following specifications:
 - (a) information that is not required or not applicable should not be included in a data submission;

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- (b) numeric values should be submitted as facts according to the following:
 - i. data points with the data type 'Monetary' should be reported using a minimum precision equivalent to millions of units;
 - ii. data points with the data type 'Percentage' should be expressed as per unit with a minimum precision equivalent to four decimals;
 - iii. data points with the data type 'Integer' should be reported using no decimals and a precision equivalent to units.
14. The data submitted by the credit institutions should be associated with the following information:
- (a) reporting reference date and reference period;
 - (b) reporting currency;
 - (c) accounting standard;
 - (d) identifier of the reporting institution;
 - (e) level of application as individual or consolidated.
15. Credit institutions shall, upon the request of the competent authority, submit any additional data, other than that prescribed in Annex 2, as may be requested.

Frequency, reporting reference date and remittance date

16. Credit institutions shall submit the templates prescribed in Annex 2 with an annual frequency.
17. Credit institutions shall report their funding plans in accordance with this Rule by 15 March with a reference date of 31 December of the previous year.
18. Where credit institutions report their financial information based on their accounting year-end, which deviates from the calendar year-end, the latest available accounting year-end shall be considered as the reference date.

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