

11 December 2019

Circular to credit institutions including foreign branches on the revised ITS on Supervisory Reporting – ITS v2.9

Pursuant to Implementing Technical Standards (ITS) on Supervisory Reporting (Regulation EU No 680/2014), the Authority is hereby issuing a communication to all credit institutions and foreign branches with regards to developments in supervisory reporting requirements, more specifically ITS v2.9.

Amongst others, amendments in this revised reporting framework include:

- Changes to COREP to align with the new securitization framework
- Changes to FINREP concerning non-performing and forborne exposures reporting, P&L and IFRS16
- Changes to LCR to align with the [LCR amending Act](#)
- Increase in and updated validation rules, including a change to two-status-severity scenario

The reporting templates together with related instructions for ITS v2.9, can be found on the MFSA's [Supervisory Reporting webpage](#). Reporting agents are being informed that the templates and instructions for ITS v2.8 are still available for download from the 'Other Documentation' section.

The revised templates apply to institutions on an individual and consolidated basis, as applicable. For completeness purposes, the reporting frameworks should be read in conjunction with the respective CRR provisions, the ITS on Supervisory Reporting, other applicable regulations and the annexes with all relevant instructions.

The [implementing regulation amending the ITS on Supervisory Reporting pursuant to v2.9](#) is available from the 'Other Documentation' section in the MFSA webpage.

EBA Validation Rules

As from ITS v2.9, the EBA has changed the severity of validation rules to a two-level status scenario:

Error – denoting the specific validation rule is not allowed to fail

Warning – denoting that the validation rule may be allowed to fail in strict specific instances and with a valid explanation from the institution.

The EBA's most recent [publication of the list of validation rules](#) includes both the 'new' and the 'old' severity status for validation rules of ITS v2.9.

Institutions are being reminded that from time to time the EBA revises the list of applicable validation rules, and that it is the institution's responsibility to update its data processes accordingly.

Applicability of Supervisory Reporting Modules

For this version (v2.9) of the ITS framework, different modules will apply from different reference dates due to different application dates of the underlying regulatory requirements. This concept is being referred to by the EBA as modular release. In this regard, attention is being drawn to the below table which outlines the first applicable reference date for each reporting module of ITS v2.9.

ITS v2.9 Applicability of modules		
Module	Module Code	First applicable reference date
Own Funds	OF	March 2020
Large Exposures	LE	
Leverage	LR	
Liquidity Coverage Ratio Delegated Act	LCRDA	April 2020
Additional Liquidity Monitoring Metrics	AMM	April 2020 / June 2020 According to whether institution submits this module on a monthly / quarterly basis respectively
Net Stable Funding Ratio	NSFR	June 2020
FINREP (IFRS and GAAP)	FINREP	June 2020

Please note that until the first applicable reference date, institutions should use the ITS v2.8 templates of respective modules. As an example, for FINREP module, reporting agents are required to use v2.8 templates until March 2020 reference date and proceed with using v2.9 templates and instructions starting from June 2020 reference date.

Attention is being drawn to cases when resubmissions are required for reference dates prior to the first applicable date for ITS v2.9, for which cases templates and instructions for the respectively applicable ITS framework version should be utilized.

Institutions are hereby informed that the Asset Encumbrance (AE) and Funding Plans (FP) modules will not change. As a result, the same templates and instructions for ITS v2.8 should be complied and submitted to the Authority for the duration of ITS v2.9.

LH Portal Guidelines

Institutions are being informed that the documents [LH Portal for Credit Institutions](#) and [LH Portal for Branches](#) were updated in the 'Submission Of Reporting Templates' section in the MFSA webpage with information relating to ITS v2.9.

MFSA Guidelines to Supervisory Reporting Requirements

The Authority will make available the documents 'MFSA Guidelines to CRDIV Supervisory Reporting Requirements for Credit Institutions' and 'MFSA Guidelines to Supervisory Reporting Requirements for Foreign Branches' with updates relating to ITS v2.9 in due course.

Once available on the MFSA webpage, institutions will be informed accordingly.

Duplicated Contexts in XBRL Files

Reference is being made to Section 2.7(b) of the [Filing Rules](#) published by the EBA together with the ITS framework, which stipulates that duplicate contexts are not allowed in the XBRL instance files, unless required in specific exceptional cases.

Submission of Supervisory Reporting Modules

Reporting agents are kindly being reminded to adhere to the reporting remittance dates as per Article 3 of the ITS on Supervisory Reporting. A [Remittance Timetable](#) is also available for download from the MFSA Supervisory Reporting webpage.