



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
FINANCIAL SUPERVISION SECTOR**

MEMORANDUM NO. M-2020-083

**To : ALL UNIVERSAL AND COMMERCIAL BANKS AND THEIR
SUBSIDIARY BANKS**

**Subject : Transition from the London Inter-Bank Offered Rate
(LIBOR) and Reporting Requirements on LIBOR-Related
Exposures**

In July 2017, the United Kingdom's Financial Conduct Authority announced a transition away from LIBOR as a benchmark rate, with an agreement between the regulator and panel banks to voluntarily sustain LIBOR only until 31 December 2021. Since then, market participants have been strongly encouraged to take steps to transition to the use of alternative reference rates.

The Bangko Sentral expects every BSP-supervised financial institution (BSFI) with LIBOR or LIBOR-related exposures¹ to have a viable transition plan in place to ensure that the cessation of LIBOR does not disrupt its operations and the efficient provision of services to its clients and other market counterparties. This transition plan should be anchored on a clear understanding on the part of the BSFI of its exposures and risks. The plan shall likewise include strategies for actively reducing reliance on LIBOR sufficiently in advance of the discontinuation of the benchmark.

In line with the BSP's monitoring of the progress of BSFIs in transitioning away from LIBOR, all universal and commercial banks and their subsidiary banks are hereby required to submit quarterly reports on the extent of their remaining LIBOR-related exposures, beginning with the reference date of 30 September 2020 and ending with the reference date of 31 March 2022. The guidelines on the submission of the report can be found in Annex A.

BSFIs are reminded that the periodic quantification of LIBOR-related exposures is only one aspect of the transition process. Overall operational readiness is essential to the smooth adoption of alternative reference rates. BSFIs are expected to ensure that the necessary systems and infrastructure, as well as the appropriate contractual arrangements, are in place prior to the cessation of LIBOR.

BSFIs are enjoined to keep abreast of transition initiatives taking place domestically and internationally, and to actively communicate with counterparties,

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Manager, RMD

Administrative Services Department

¹ These include contracts referencing the Philippine Interbank Reference Rate.

clients and service providers on this matter. BSFIs should likewise promptly inform the BSP of challenges encountered in the transition process.

For guidance and compliance.




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by Chuchi G.
Fonacier
Date: 2020.11.17
10:36:45 +08'00'

CHUCHI G. FONACIER
Deputy Governor

17 November 2020

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Manager, BMD
Administrative Services Department



Guidelines on the Submission of the Report on Libor-Related Exposures

1. The report shall follow the attached prescribed data entry template. The template to be used can be downloaded from the following website: http://www.bsp.gov.ph/SES/reporting_templates or requested directly from the Treasury and Asset Management Supervision Department (tamsd@bsp.gov.ph).
2. The submission deadline of the first Report on LIBOR-Related Exposures with the reference date of 30 September 2020 is on 15 December 2020. The deadline for subsequent quarterly reports shall be twenty-two (22) banking days from the end of the reference quarter.
3. The completed template in Microsoft Excel format shall be electronically submitted on or before the prescribed deadline to tamsd@bsp.gov.ph using the following prescribed format for the subject line of the email:

"RLRE Bank Name, Reference Period"

This is illustrated below:

To: tamsd@bsp.gov.ph
Subject: RLRE Bank Name, 30 September 2020

The sole attachment shall be the completed reporting template in Microsoft Excel (xlsx) format, with the following prescribed format for the filename: RLRE-Bank Name-Reference Period (e.g., RLRE-Bank Name-20200930.xlsx)

4. In accordance with BSP Memorandum No. M-2017-028 dated 11 September 2017, only electronic submissions originating from the officially registered e-mail address/es of BSFIs shall be recognized and accepted by the BSP. The same registered address/es shall be used by the BSP to acknowledge receipt of the submissions. Submissions using registered email accounts are considered as the official submissions of the bank.
5. Covered BSFIs that are unable to electronically transmit the Report and its accompanying scanned Cover Page may save the files to a portable storage device (e.g., USB flash drive) and transmit the same through messengerial or postal services within the prescribed deadline to:

The Director
Treasury and Asset Management Supervision Department
Bangko Sentral ng Pilipinas
11th Floor, Multi-Storey Building
BSP Complex, A. Mabini Street, Malate
1004 Manila

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6. Only the file prescribed by the BSP for the report shall be accepted as compliant with the requirement. Moreover, submissions that do not conform to the prescribed guidelines shall not be deemed acceptable. In such cases, the Report shall be considered as unsubmitted. Applicable penalties will be imposed for erroneous, delayed, or unsubmitted reports.

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Manager, RMD
Administrative Services Department

[Bank Name]
 Part I. LIBOR Exposures
 As of [Quarter end]

Instructions:

Provide the total gross notional amount and number of the bank's outstanding contracts referencing the London Inter-Bank Offered Rate as of quarter-end.
 If there are no outstanding exposures, indicate the same by inputting "0" in the relevant cell.

A. By currency

By currency	Notional amount (USD mn)			Total
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	
1. USD LIBOR				
2. GBP LIBOR				
3. JPY LIBOR				
4. CHF LIBOR				
5. EUR LIBOR				
6. Total (Sum of Items 1 to 5)				

B. By product [all currency LIBORs]

By product	Notional amount of outstanding contracts referencing LIBOR ¹ (USD mn)				Notional amount of all outstanding contracts (USD mn)
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total	
Derivatives					
1. OTC derivatives					
a. Interest rate swaps					
of which: with fallback					
b. Cross-currency swaps					
of which: with fallback					
c. Others (please specify)					
of which: with fallback					
d. Total (Sum of Items a to c)					
of which: with fallback					
2. Exchange-traded derivatives					
of which: with fallback					
3. Total (Sum of Items 1.d and 2)					
of which: with fallback					

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[Bank Name]
 Part I. LIBOR Exposures
 As of [Quarter-end]

By product	Notional amount of outstanding contracts referencing LIBOR* (USD mn)				Notional amount of all outstanding contracts (USD mn)
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total	
Assets					
4. Syndicated loans					
of which: with fallback					
5. Loans to government					
of which: with fallback					
6. Corporate loans 1/					
of which: with fallback					
7. Retail mortgages/consumer loans					
of which: with fallback					
8. Bonds and notes					
of which: with fallback					
9. Short-term instruments 2/					
of which: with fallback					
10. Securitised products					
of which: with fallback					
11. Others (please specify)					
of which: with fallback					
12. Total (Sum of Items 4 to 11)					
of which: with fallback					

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[Bank Name]
 Part I. LIBOR Exposures
 As of [Quarter end]

By product	Notional amount of outstanding contracts referencing LIBOR* (USD mn)				Notional amount of all outstanding contracts (USD mn)
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total	
Liabilities					
13. Deposits					
of which: with fallback					
14. Bills payable					
of which: with fallback					
15. Bonds payable					
of which: with fallback					
16. Others (please specify)					
of which: with fallback					
17. Total (Sum of Items 13 to 16)					
of which: with fallback					

1/ Corporate loans shall cover agricultural loans, loans to micro, small and medium enterprises, contracts to sell, and loans to private corporations.
 2/ These include interbank loans maturing within one year, and loans and receivables arising from short-term repurchase agreements.

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[Bank Name]
 Part I. LIBOR Exposures
 As of [Quarter-end]

Instructions:

Provide the total gross notional amount and number of the bank's outstanding contracts referencing the London Inter-Bank Offered Rate as of quarter-end.
 If there are no outstanding exposures, indicate the same by inputting "0" in the relevant cell.

A. By currency

By currency	Number of contracts			
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total
1. USD LIBOR				
2. GBP LIBOR				
3. JPY LIBOR				
4. CHF LIBOR				
5. EUR LIBOR				
6. Total (Sum of Items 1 to 5)				

B. By product [all currency LIBORs]

By product	Number of outstanding contracts referencing LIBOR*				Number of all outstanding contracts
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total	
Derivatives					
1. OTC derivatives					
a. Interest rate swaps					
of which: with fallback					
b. Cross-currency swaps					
of which: with fallback					
c. Others (please specify)					
of which: with fallback					
d. Total (Sum of Items a to c)					
of which: with fallback					
2. Exchange-traded derivatives					
of which: with fallback					
3. Total (Sum of Items 1.d and 2)					
of which: with fallback					

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[Bank Name]
 Part I. LIBOR Exposures
 As of [Quarter-end]

By product	Number of outstanding contracts referencing LIBOR*				Number of all outstanding contracts
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total	
Assets					
4. Syndicated loans					
of which: with fallback					
5. Loans to government					
of which: with fallback					
6. Corporate loans 1/					
of which: with fallback					
7. Retail mortgages/consumer loans					
of which: with fallback					
8. Bonds and notes					
of which: with fallback					
9. Short-term instruments 2/					
of which: with fallback					
10. Securitised products					
of which: with fallback					
11. Others (please specify)					
of which: with fallback					
12. Total (Sum of Items 4 to 11)					
of which: with fallback					

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[Bank Name]
 Part I. LIBOR Exposures
 As of [Quarter-end]

By product	Number of outstanding contracts referencing LIBOR ¹				Number of all outstanding contracts
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total	
Liabilities					
13. Deposits					
of which: with fallback					
14. Bills payable					
of which: with fallback					
15. Bonds payable					
of which: with fallback					
16. Others (please specify)					
of which: with fallback					
17. Total (Sum of items 13 to 16)					
of which: with fallback					

^{1/} Corporate loans shall cover agricultural loans, loans to micro, small and medium enterprises, contracts to sell and loans to private corporations.
^{2/} These include interbank loans maturing within one year and loans and receivables arising from short-term repurchase agreements.

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[Signature]
 RYA ROSE D. NUÑEZ
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 Administrative Services Department

[Bank Name]
 Part II. PHIREF Exposures
 As of [Quarter-end]

Instructions:

Provide the total gross notional amount and number of the bank's outstanding contracts referencing the Philippine Interbank Reference Rate as of quarter-end. If there are no outstanding exposures, indicate the same by inputting "0" in the relevant cell.

Product	Notional amount of outstanding contracts referencing PHIREF (PHP mn)				Notional amount of all outstanding contracts (PHP mn)
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total	
Derivatives					
OTC derivatives					
1) Interest rate swaps					
2) Cross-currency swaps					
3) Others (please specify)					
Exchange-traded derivatives					
Assets					
Syndicated loans					
Loans to government					
Corporate loans 1/					
Retail mortgages/consumer loans					
Bonds and notes					
Short-term instruments 2/					
Securitized products					
Others (please specify)					
Liabilities					
Deposits					
Bills payable					
Bonds payable					
Others (please specify)					

1/ Corporate loans shall cover agricultural loans, loans to micro, small and medium enterprises, contracts to sell, and loans to private corporations.
 2/ These include interbank loans maturing within one year, and loans and receivables arising from short-term repurchase agreements.

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Administrative Services Department

[Bank Name]
 Part II. PHIREF Exposures
 As of [Quarter-end]

Instructions:

Provide the total gross notional amount and number of the bank's outstanding contracts referencing the Philippine Interbank Reference Rate as of quarter-end.
 If there are no outstanding exposures, indicate the same by inputting "0" in the relevant cell.

Product	Number of outstanding contracts referencing PHIREF				Number of all outstanding contracts
	Maturing on or before 30 June 2021	Maturing between 1 July 2021 and 31 December 2021	Maturing beyond 31 December 2021	Total	
Derivatives					
OTC derivatives					
1) Interest rate swaps					
2) Cross-currency swaps					
3) Others (please specify)					
Exchange-traded derivatives					
Assets					
Syndicated loans					
Loans to government					
Corporate loans 1/					
Retail mortgages/consumer loans					
Bonds and notes					
Short-term instruments 2/					
Securitized products					
Others (please specify)					
Liabilities					
Deposits					
Bills payable					
Bonds payable					
Others (please specify)					

1/ Corporate loans shall cover agricultural loans, loans to micro, small and medium enterprises, contracts to sell, and loans to private corporations.

2/ These include interbank loans maturing within one year, and loans and receivables arising from short-term repurchase agreements.

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