

Comunicato Stampa

DIFFUSO A CURA DEL SERVIZIO SEGRETERIA PARTICOLARE DEL DIRETTORIO E COMUNICAZIONE

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Extension of deadlines and other temporary measures to mitigate the impact of COVID-19 on the Italian banking and financial system

The Bank of Italy today announced a series of measures to help banks and supervised non-bank intermediaries in difficulty because of the current health emergency to continue to conduct business.

To enable the banking and financial system to concentrate all its efforts on this, the Bank of Italy, in line with the initiatives undertaken by the European Banking Authority (EBA) and the European Central Bank (ECB), has decided to grant some extensions to the following reporting obligations. They shall also apply to significant banks for those matters within the scope of the Bank of Italy's jurisdiction.

1. 60 days for the obligations concerning: ICAAP/ILAAP for banks and securities investment firms (SIMs), and ICAAP for non-bank financial intermediaries (FIs) pursuant to Article 106 of the Consolidated Law on Banking (TUB); recovery plans, reports on outsourcing for banks and FIs; reports on organizational structures for SIMs, SGRs, SICAFs, SICAVs, PIs and EMIs (where required for significant organizational changes); depositories self-assessment of compliance with authorization requirements; anti-money laundering annual report (which includes the risk self-assessment for 2019); customer due diligence (recovery of customer data already obtained for anti-money laundering purposes); report on compliance with the obligations regarding deposits and sub-deposits by customers and the requirements provided by the transitional measures for the Regulation of 5 December 2019 implementing the Consolidated Law in Financial Finance (TUF; see Article 2(2) and the issuing act for the Regulation) by intermediaries that provide investment services;
2. 150 days for submission of the first Report on Operational Risks and Safety for banks;
3. 60 days for responses on consultations in progress on regulatory changes and an extension of the deadline for submitting comments for consultations that will start in the coming days.

The deadline for transmitting the update to the non-performing loan reduction plan by less significant banks required to prepare such a plan has been postponed to 30 June.

These new deadlines also cover the suspension period under Article 103 of Decree Law 18/2020, for those cases in which the documentation relates to administrative proceedings conducted by the Bank of Italy.

By taking advantage of the flexibility already allowed under the regulations and in line with the decision of the ECB for significant banks, less significant banks and non-bank intermediaries are allowed to operate temporarily below the level of the Pillar 2 Guidance (P2G), the capital conservation buffer (CCB) and the liquidity coverage ratio (LCR). Should these circumstances occur, the Bank of Italy will assess the realignment plans that intermediaries will submit, taking account of the exceptional circumstances that have caused the capital and liquidity buffers to fall below the required levels.

The Bank of Italy is also in the process of rescheduling on-site inspections, without however neglecting its duty to monitor the solidity of banks and other supervised non-bank intermediaries.

The Bank is also evaluating whether to allow some flexibility regarding the deadlines for supervisory and central credit register reporting, in coordination with the European supervisory authorities. Further indications will be provided on these matters as well as on any others that may arise in the future.

It is critical that banks' emergency plans consider and address the risk of a pandemic. Less significant banks and other supervised intermediaries are called upon to review their business continuity plans and to consider what action can be taken to minimize the potential adverse effects of the spread of COVID- 19.

The Bank of Italy will continue to monitor the situation and – in close cooperation with the European authorities within the scope of their jurisdictions – to take any further action necessary.