



BANGKO SENTRAL NG PILIPINAS

MEMORANDUM NO. M-2021-058

OFFICE OF THE DEPUTY GOVERNOR FINANCIAL SUPERVISION SECTOR

To : ALL UNIVERSAL AND COMMERCIAL BANKS AND
THEIR SUBSIDIARY BANKS

Subject : Implementation of London Inter-Bank Offered
Rate (LIBOR) Transition Plans and Extension of
Reporting Requirements on LIBOR-Related
Exposures

Relative to the March 2021 announcement that select settings of LIBOR will continue to be published until 30 June 2023, all universal and commercial banks and their subsidiary banks are hereby required to continue to submit quarterly reports on the extent of their remaining LIBOR-related exposures until the reference date of 31 December 2023.

The reporting template has been updated to accommodate the new date of LIBOR cessation. The attached revised template shall be used beginning with the 31 December 2021 reference date. The other submission guidelines issued under Memorandum No. M-2020-083 dated 17 November 2020 shall continue to hold. Banks shall likewise be guided by Memorandum No. M-2021-014 dated 4 March 2021 which provides responses to frequently asked questions on the preparation of the report.

The Report on LIBOR-Related Exposures forms an integral part of a bank's implementation of its LIBOR transition plan, as prescribed under BSP Memorandum M-2020-083. The proper identification of exposures is a crucial step in ensuring that the cessation of LIBOR does not disrupt a bank's operations and the efficient provision of services to its clients and other market counterparties. In this regard, the accuracy and comprehensiveness of a bank's reporting to the BSP shall be viewed as a reflection of the quality of its LIBOR transition arrangements and shall factor into the BSP's assessments of its risk management system.

A bank's effective management of the risk arising from LIBOR cessation necessarily involves strategies for actively reducing reliance on the benchmark sufficiently in advance of its discontinuation. At this stage of the transition, banks should be working toward proactively remediating LIBOR-referencing contracts and moving new business to robust alternative reference rates. Moreover, appropriate fallback provisions should already be incorporated into all new contracts.

Banks are reminded of their crucial responsibility for client education on the transition. Communication and outreach initiatives shall be compliant with the BSP's consumer protection framework.

System and operational enhancements necessitated by new data and valuation requirements arising from the shift to alternative rates should likewise be implemented early to ensure that technical issues will not adversely impact day-to-day operations.

For guidance and strict compliance.

 Digitally signed by
Chuchi G. Fonacier
Date: 2021.10.26
19:10:54 +08'00'

CHUCHI G. FONACIER
Deputy Governor

26 October 2021

[Bank Name]
 Part 1. 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 (in USD million)			Number of contracts				
	Maturing on or before 31 December 2022	Maturing between 1 January 2023 and 30 June 2023	Maturing beyond 30 June 2023	Total	Maturing on or before 31 December 2022	Maturing between 1 January 2023 and 30 June 2023	Maturing beyond 30 June 2023	Total
1. USD LIBOR								
2. GBP LIBOR								
3. JPY LIBOR								
4. CHF LIBOR								
5. EUR LIBOR								
6. Total (Sum of items 1 to 5) 1/								

1/ If there are contracts referenced to more than one LIBOR (e.g. to both USD LIBOR and EUR LIBOR), reflect each such contract in the sum (Item 6) only once to avoid double counting. Provide a footnote at the bottom of the sheet (i.e. from row 77 onward) explaining the difference between the sum reported in Item 6 and the breakdown of contracts on a per currency basis (Items 1 to 5).

B. By product [all currency LIBORs]

By product	Notional amount of outstanding contracts referencing LIBOR (in USD million)				Notional amount of all outstanding contracts (in USD million)	Number of outstanding contracts referencing LIBOR				Number of all outstanding contracts
	Maturing on or before 31 December 2022	Maturing between 1 January 2023 and 30 June 2023	Maturing beyond 30 June 2023	Total		Maturing on or before 31 December 2022	Maturing between 1 January 2023 and 30 June 2023	Maturing beyond 30 June 2023	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 in footnote)										
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										
Assets										
4. Syndicated loans										
of which, with fallback										
5. Loans to government										
of which, with fallback										
6. Corporate loans 2/										
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 3/										
of which, with fallback										
10. Securitised products										
of which, with fallback										
11. Others (please specify in footnote) 4/										
of which, with fallback										
12. Total (Sum of Items 4 to 11)										
of which, with fallback										
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 in footnote) 4/										
of which, with fallback										
17. Total (Sum of Items 13 to 16)										
of which, with fallback										

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

3/ These include interbank loans maturing within one year, and loans and receivables arising from short-term repurchase agreements. Other short-term loans, however, should be reported under Item 5 (loans to government), 6 (corporate loans) or 7 (consumer loans) depending on the relevant counterparty.

4/ These refer to assets/liabilities that are interest-bearing or are revalued/marked-to-market for purposes of reporting in the Financial Reporting Package, but are not identified under specific product types in this reporting template.

[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 (in PHP million)				Notional amount of all outstanding contracts (in PHP million)	Number of outstanding contracts referencing PHIREF				Number of all outstanding contracts
	Maturing on or before 31 December 2022	Maturing between 1 January 2023 and 30 June 2023	Maturing beyond 30 June 2023	Total		Maturing on or before 31 December 2022	Maturing between 1 January 2023 and 30 June 2023	Maturing beyond 30 June 2023	Total	
Derivatives										
OTC derivatives										
1) Interest rate swaps										
2) Cross-currency swaps										
3) Others (please specify in footnote)										
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 in footnote) 3/										
Liabilities										
Deposits										
Bills payable										
Bonds payable										
Others (please specify in footnote) 3/										

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. Other short-term loans, however, should be reported under loans to government, corporate loans or consumer loans, depending on the relevant counterparty.

3/ These refer to assets/liabilities that are interest-bearing or are revalued/marked-to-market for purposes of reporting in the Financial Reporting Package, but are not identified under specific product types in this reporting template.