



Jersey Financial  
Services Commission

# Appendix I: Overseas Incorporated Bank Reporting

Consultation Paper No.3 2017  
Basel III: Liquidity Management

[Draft] Guide on the calculation and reporting of the liquidity position of an overseas bank with a branch in Jersey

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# Contents

<b>1</b>	<b>Overview .....</b>	<b>3</b>
1.1	Consultation .....	3
1.2	Introduction .....	3
1.3	Reporting specific guidelines .....	3
<b>2</b>	<b>LCR .....</b>	<b>5</b>
2.1	LCR applied? .....	5
2.2	Level 1 Assets .....	5
2.3	Level 2A Assets .....	5
2.4	Level 2B Assets .....	5
2.5	Total HQLA .....	5
2.6	Outflows .....	5
2.7	Inflows .....	6
2.8	Net Outflows .....	6
2.9	LCR Ratio .....	6
2.10	LCR pass rate .....	6
<b>3</b>	<b>NSFR .....</b>	<b>7</b>
3.1	NSFR Applied? .....	7
3.2	ASF .....	7
3.3	RSF .....	7
3.4	NSFR Ratio .....	7
3.5	NSFR pass rate .....	7
<b>4</b>	<b>Other Metrics .....</b>	<b>8</b>
4.1	Metric 1: name .....	8
4.2	Metric 1: level .....	8
4.3	Metric 1: pass rate .....	8
4.4	Metric 1: data 1 .....	8
4.5	Metric 1: data 2 .....	8
4.6	Metric 2: name .....	9
4.7	Metric 2: level .....	9
4.8	Metric 2: pass rate .....	9
4.9	Metric 2: data 1 .....	9
4.10	Metric 2: data 2 .....	9

# 1 Overview

## 1.1 Consultation

- 1.1.1 This document outlines a draft set of requirements relating to the reporting of liquidity by *OIBs* for prudential reporting purposes. It is intended to incorporate this within the *JFSC's* prudential reporting requirements from December 2018. (For more details see **Section 4.9**).
- 1.1.2 It is intended to provide a draft of the requirements, neither omitting nor including additional text that relates to the consultation process only except that full details are not provided on the reporting of branch cashflows, where the Introduction provides an overview of the intended requirements. Branch cashflow reporting will, in substance, follow current prudential reporting requirements relating to liquidity except in the case of *OIBs* subject to an *LCR* requirement in their home jurisdiction.
- 1.1.3 For these, the definition of “marketable assets” used for reporting purposes will be amended to instead refer to assets held in the branch that meet the home country supervisor’s definitions of *HQLA*.

## 1.2 Introduction

- 1.2.1 Prudential reporting will be amended to enable *OIBs* to report the liquidity position of the overseas bank of which they are a part. This will comprise reporting of:
- 1.2.1.1 For *OIBs* subject to an *LCR* requirement in their home jurisdiction: key components of the *LCR*, the *LCR* itself and the pass rate set by the home supervisor (set out in **Section 2**);
- 1.2.1.2 For *OIBs* subject to an *NSFR* reporting requirement: *ASF*, *RSF* and the *NSFR* itself and any pass rate set by the home supervisor (set out in **Section 3**);
- 1.2.1.3 For all *OIBs*, including those not subject to the above prudential liquidity requirements, other liquidity metrics established by the home supervisor that are relevant to liquidity (set out in **Section 4**), where:
- › Agreement should be sought regarding which metrics to report, which should be those regulator set metrics most relevant to the determination of liquidity; and
  - › For each, the reporting will enable the name, the metric and supporting pieces of data to be supplied (typically, the ratio, any pass rate and relevant supporting data); and
- 1.2.1.4 For all *OIBs*, a report on the Jersey branch’s cashflows.

## 1.3 Reporting specific guidelines

- 1.3.1 All reporting of amounts should be of the sterling equivalent amount, in round £ thousands.

- 1.3.2 Ratios should be reported as percentages, with no decimal points, rounding down to the nearest whole percentage point and omitting the percent sign. For example, if the ratio was 425/400, this equates to 106.25%, which should be reported as 106.
- 1.3.3 For all items, one of two figures should be reported: *relevant amount* (for amounts) or *relevant percentage* (for ratios), all calculated according to the regulatory requirements for liquidity that apply to the *OIB* and after applying any restrictions, percentages or haircuts that apply.

## 2 LCR

### 2.1 LCR applied?

Item	<b>OIB-LCR:1</b>
Description:	Is the <i>OIB</i> itself required by its home country supervisor to monitor the <i>LCR</i> , having implemented the <i>LCR Standard</i> . Enter “Y” if so, “N”, if not.

### 2.2 Level 1 Assets

Item	<b>OIB-LCR:2</b>
Description:	Report the <i>relevant amount</i> of Level 1 <i>HQLA</i> held by the <i>OIB</i> and that form part of its regulatory <i>LCR</i> calculation.

### 2.3 Level 2A Assets

Item	<b>OIB-LCR:3</b>
Description:	Report the <i>relevant amount</i> of Level 2A <i>HQLA</i> held by the <i>OIB</i> and that form part of its regulatory <i>LCR</i> calculation.

### 2.4 Level 2B Assets

Item	<b>OIB-LCR:4</b>
Description:	Report the <i>relevant amount</i> of Level 2B <i>HQLA</i> held by the <i>OIB</i> and that form part of its regulatory <i>LCR</i> calculation.

### 2.5 Total HQLA

Item	<b>OIB-LCR:5</b>
Description:	Report the <i>relevant amount</i> of <i>HQLA</i> held by the <i>OIB</i> and that form part of its regulatory <i>LCR</i> calculation.

### 2.6 Outflows

Item	<b>OIB-LCR:6</b>
Description:	Report the <i>relevant amount</i> of predicted outflows for the <i>OIB</i> that form part of its regulatory <i>LCR</i> calculation.

## 2.7 Inflows

Item	<b>OIB-LCR:7</b>
Description:	Report the <i>relevant amount</i> of predicted inflows for the <i>OIB</i> that form part of its regulatory <i>LCR</i> calculation.

## 2.8 Net Outflows

Item	<b>OIB-LCR:8</b>
Description:	Report the <i>relevant amount</i> of net outflows for the <i>OIB</i> that form part of its regulatory <i>LCR</i> calculation, being equal to its <i>HQLA</i> requirement.

## 2.9 LCR Ratio

Item	<b>OIB-LCR:9</b>
Description:	Report the <i>relevant percentage</i> for the <i>OIB</i> that being equal to its <i>LCR</i> .

## 2.10 LCR pass rate

Item	<b>OIB-LCR:10</b>
Description:	Report the <i>relevant percentage</i> for the <i>OIB</i> that being equal to the <i>LCR</i> pass rate set by its home country supervisor (typically, “100” if the pass rate is equal to the 100% pass rate established in the <i>LCR Standard</i> ).

### 3 NSFR

#### 3.1 NSFR Applied?

Item	<b>OIB-NSFR:1</b>
Description:	Is the <i>OIB</i> itself required by its home country supervisor to monitor the <i>NSFR</i> , having implemented the <i>NSFR Standard</i> ? Enter “Y” if so, “N”, if not.

#### 3.2 ASF

Item	<b>OIB-NSFR:2</b>
Description:	Report the <i>relevant amount</i> of available stable funding held by the <i>OIB</i> and that form part of its regulatory <i>NSFR</i> calculation.

#### 3.3 RSF

Item	<b>OIB-NSFR:3</b>
Description:	Report the <i>relevant amount</i> of required stable funding for the <i>OIB</i> that form part of its regulatory <i>NSFR</i> calculation.

#### 3.4 NSFR Ratio

Item	<b>OIB-NSFR:4</b>
Description:	Report the <i>relevant percentage</i> for the <i>OIB</i> that being equal to its <i>NSFR</i> .

#### 3.5 NSFR pass rate

Item	<b>OIB-NSFR:10</b>
Description:	Report any <i>relevant percentage</i> for the <i>OIB</i> that being equal to the <i>NSFR</i> pass rate set by its home country supervisor (typically, “100” if the pass rate is equal to the 100% pass rate established in the <i>NSFR Standard</i> , enter “0” if no minimum has been established).

## 4 Other Metrics

### 4.1 Metric 1: name

Item	<b><i>OIB-OM:1</i></b>
Description:	If another metric has been agreed to be reportable, enter the name here.

### 4.2 Metric 1: level

Item	<b><i>OIB-OM:2</i></b>
Description:	Report the <i>relevant percentage</i> being the metric reported determined in accordance with the home country supervisor's rules.

### 4.3 Metric 1: pass rate

Item	<b><i>OIB-OM:3</i></b>
Description:	Report the <i>relevant percentage</i> being any limit for the metric reported determined by the home country supervisor.

### 4.4 Metric 1: data 1

Item	<b><i>OIB-OM:4</i></b>
Description:	Report the <i>relevant amount</i> for a supporting data item, where one supporting piece of data has been agreed to be required or the first if it has been agreed to report two pieces of supporting data.

### 4.5 Metric 1: data 2

Item	<b><i>OIB-OM:5</i></b>
Description:	Report the <i>relevant amount</i> for a second supporting data item, where it has been agreed to report two pieces of supporting data.

#### 4.6 Metric 2: name

Item	<b>OIB-OM:6</b>
Description:	If a second other metric has been agreed to be reportable, enter the name here.

#### 4.7 Metric 2: level

Item	<b>OIB-OM:7</b>
Description:	Report the <i>relevant percentage</i> being the metric reported determined in accordance with the home country supervisor's rules.

#### 4.8 Metric 2: pass rate

Item	<b>OIB-OM:8</b>
Description:	Report the <i>relevant percentage</i> being any limit for the metric reported determined by the home country supervisor.

#### 4.9 Metric 2: data 1

Item	<b>OIB-OM:9</b>
Description:	Report the <i>relevant amount</i> for a supporting data item, where one supporting piece of data has been agreed to be required or the first if it has been agreed to report two pieces of supporting data.

#### 4.10 Metric 2: data 2

Item	<b>OIB-OM:10</b>
Description:	Report the <i>relevant amount</i> for a second supporting data item, where it has been agreed to report two pieces of supporting data