

RESPONSE TO CONSULTATION PAPER

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Consultation topic:	CONSULTATION PAPER ON PROPOSED AMENDMENTS TO REGULATORY REQUIREMENTS IN RELATION TO CREDIT LOSS PROVISIONING
Name¹/Organisation: <small>¹if responding in a personal capacity</small>	
Contact number for any clarifications:	
Email address for any clarifications:	
Confidentiality	
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General comments:

Question 1: MAS seeks comments on the proposed removal of regulatory requirements on minimum impairment provisions for credit impaired exposures.

<Please fill in your response to each question in the blank space below the question.>

Question 2: MAS seeks comments on the proposal for:

- (i) Locally-incorporated D-SIBs to maintain minimum loss allowances for non-credit impaired exposures of 1% of exposures, net of collaterals (“minimum regulatory loss allowances”) and to disclose the expected credit losses estimated under SFRS 109 in its financial statements; and**
- (ii) Foreign bank branches and merchant banks to be permitted to maintain loss allowances of 1% of non-credit-impaired exposures, net of collaterals, if it results in higher loss allowances than the expected credit losses estimated under SFRS 109**

Question 3. MAS seeks comments on the two alternative approaches that banks may be required to adopt to comply with the minimum regulatory loss allowance. MAS will determine the required approach, taking into consideration the consultation feedback received.

Question 4. MAS seeks comments on the proposal to retain the option for banks incorporated outside Singapore to record their loss allowances for non-credit impaired exposures at head office.

Question 5. MAS seeks comments on the proposed reporting template.

Question 6. MAS seeks comments on the proposed transitional arrangement of up to two years.

Question 7. MAS seeks comments on the proposed interim regulatory capital treatment of loan loss allowances under the ECL model.