

Banque du Liban

Basic Circular No 1 to Financial Institutions

Attached is a copy of Basic Decision 6504 of March 13, 1997, on the preparation of financial statements for financial institutions.

Beirut, March 13, 1997

The Governor of the Banque du Liban

Riad Toufic Salamé

Old Numbering System: No 4

BANQUE DU LIBAN

Basic Decision No 6504

Financial Statements of Financial Institutions

The Governor of the Banque du Liban,

Pursuant to the Code of Money and Credit, particularly Article 179 together with Article 146, and

Pursuant to the Decision of the Central Council of the Banque du Liban, taken in its meeting of March 12, 1997,

Decides the following:

Article 1¹:

All financial institutions operating in Lebanon are requested to adopt Form 2010 (assets, liabilities, off-balance sheet) and Annex 2020, both prepared by the Banque du Liban (BDL) and the Banking Control Commission, and recorded on a diskette available at the BDL Information Technology Department, in order to prepare:

- 1- The final monthly and annual positions of their branches in Lebanon.
- 2- The final monthly and annual positions of their branches abroad.
- 3- The final monthly and annual positions of their branches in Lebanon and abroad.
- 4- The final consolidated monthly and annual positions.
- 5- The final monthly and annual positions² of each “subsidiary unit” specified in the regulatory texts issued by the Banque du Liban. Branches established by a financial institution in a single foreign country shall be considered as a single “subsidiary unit”.

¹ The latest amendment to this Article was made through Article 1 of Intermediate Decision 9903 of May 14, 2008 (Intermediate Circular 165).

² Article 4 of Intermediate Decision 9903 of May 14, 2008 stipulates that:

“This Decision shall be effective starting from the position as of May 31, 2008, provided the following documents are sent exceptionally:

- 1- The position referred to in Article 1 of this Decision, Par.5, as closed on December 31, 2007, to be submitted by May 31, 2008 at the most.
- 2- The list of “subsidiary units” referred to in Article 2 of this Decision, Par. 5, to be submitted by May 20, 2008 at the most.”

Article 2:¹

Financial institutions are requested to provide the Banking Control Commission, the BDL Department of Statistics and Economic Research, and the BDL Department of Financial Markets, with the following documents:

- 1- The monthly positions specified in Article 1, Par. 1, 2, 3 and 4, to be submitted, from their closing date, within ten days on diskette and twelve days in hard copy.
- 2- The final annual positions specified in Article 1 of this Decision, Par. 1, 2, 3 and 4, to be submitted on diskette and in hard copy by the end of June of each year.
- 3- The monthly positions specified in Article 1 of this Decision, Par. 5, to be submitted, from their closing date, within ten days electronically, through the Electronic Transmission of Statistical Reports Project (eSTR), and within twelve days in hard copy.
- 4- The final annual positions specified in Article 1 of this Decision, Par. 5, to be submitted by the end of June of each year, both electronically through the Electronic Transmission of Statistical Reports Project (eSTR), and in hard copy.
- 5- The list of “subsidiary units”,² prepared according to the Form appended to Basic Decision 7723 of December 2, 2000. This will be attached to the final monthly and annual positions referred to in Article 1 of this Decision, Par. 5, and upon any subsequent change in the said list .

Article 3:³

Financial institutions are requested to:

- 1- Prepare the financial statements of the “subsidiary units” abroad, on an individual basis, or where applicable on a consolidated basis, in case there are branches of the subsidiary units, or in case there are banks, financial institutions or other companies, whose financial statements must be consolidated with those of the concerned subsidiary unit.

¹ This Article was amended by Article 2 of Intermediate Decision 9903 of May 14, 2008 (Intermediate Circular 165).

² Article 4 of Intermediate Decision 9903 of May 14, 2008 stipulates that:
“This Decision shall be effective starting from the position closed on May 31, 2008, provided, as an exception, the following documents are sent:

- 1- The position referred to in Article 1, Par. 5 of this Decision, as closed on December 31, 2007, to be submitted by May 31, 2008 at the most.
- 2- The list of “subsidiary units” referred to in Article 2, Par. 5 of this Decision, to be submitted by May 20, 2008 at the most.”

³ This Article was added by Article 3 of Intermediate Decision 9903 of May 14, 2008 (Intermediate Circular 165), following its repeal by Article 3 of Intermediate Decision 7996 of December 4, 2001, attached to Intermediate Circular 5.

- 2- List all the subsidiary units' accounts, recorded in the currency of the host country and in all other foreign currencies, under the item "non-residents, the equivalent of foreign currencies in Lebanese pounds". As for these units' accounts in Lebanese pounds, they must be listed under the item "non-residents, in Lebanese pound", concerning the position of the subsidiary units abroad or the positions including the subsidiary units' accounts (branches abroad, branches in Lebanon and abroad, consolidated positions).

Article 4¹:

Article 5:

This Decision shall be published in the Official Gazette and shall be effective on its issuing date.

Beirut, March 13, 1997

The Governor of the Banque du Liban

Riad Toufic Salamé

¹ This Article was repealed by Article 3 of Intermediate Circular 7996 of December 4, 2001, attached to Intermediate Circular 5.

Banque du Liban	
Statistics and Economic Research Department (Annex to Basic Decision 6271/Basic Circular 28)	
<u>Coding System as adopted by the Banque du Liban</u>	
<u>In classifying economic agents (Basic Decision 6271-Basic Circular 28)</u>	
Agent's Code	
A000	Non-financial productive institutions
A100	State-controlled productive institutions
A200	Non-financial private institutions
A300	Non-financial institutions under foreign control
B000	Financial Sector
B100	Central Bank
B200	Deposit Institutions
B210	Commercial Banks
B220	Medium- and long-term credit banks
B230	Other deposit institutions (saving and credit funds and cooperatives)
B300	Non-deposit Institutions
B310	Financial institutions
B320	Leasing institutions
B330	Specialized financial institutions (holdings, import/export financing institutions)
B400	Financial intermediaries
B410	Stock market
B420	Financial intermediation institutions
B430	Exchange institutions
B440	Financial guarantee institutions
B450	Institutions specialized in derivatives
B460	Trusts
B470	Institutions for marketing and underwriting subscriptions to financial rights
B500	Insurance companies and pension funds
B510	Insurance companies (including brokerage firms)
B511	• Life insurance
B512	• Insurance against damage
B513	• Reinsurance companies
B520	Pension funds
C000	Public Sector
C100	Central Government
C110	Ministries
C120	Public Administrations
C130	Administrations with annexed budgets
C200	Non-financial public institutions
C210	Investment institutions
C220	Management institutions (non-profit)
C300	Municipalities
C400	National Social Security Fund
D000	Non-profit household-serving institutions
D100	Non-profit institutions with market-oriented production
D200	Non-profit institutions with no market-oriented production

E000	Households
E100	Employers
E200	Independent workers
E300	Employees
E400	Beneficiaries of private income, termination funds, and transfers
F000	Non-resident Sector
F100	Non-resident financial sector
F110	Foreign central banks
F120	International financial institutions
F130	Non resident financial institutions
F200	Foreign public administrations
F300	Non-resident, non-financial sector
F310	Non-resident international organisations
F320	Other non-resident, non-financial companies and units

Note: Forms B310-1, B310-1-1, B310-2, B310-2-1, B310-3, B310-4, originally attached to this Circular, were repealed by Article 3 of Intermediate Decision 7996 of December 4, 2001 (Intermediate Circular 5).