

Republic of Panama Superintendency of Banks

BOARD OF DIRECTORS' GENERAL RESOLUTION SBP-GJD-R-2023-01034
(dated 11 April 2023)

“Rescission of Board of Directors’ General Resolution SBP-GJD-0005-2020”

THE BOARD OF DIRECTORS
in the exercise of its legal powers and,

WHEREAS:

Upon the issuance of Decree Law 2, dated 22 February 2008, the Executive Branch re-edited Decree Law 9 dated 26 February 1998 and all its amendments as a consolidated text, which was approved by means of Executive Decree 52, dated 30 April 2008, hereinafter referred to as the Banking Law,

Upon Article 5(1), (3), and (4) of the Banking Law, safeguarding the soundness and efficiency of the banking system, promoting public trust in the banking system, and safeguarding the judicial balance between the banking system and its clients are objectives of the Superintendency of Banks,

Upon Article 11(3) and (5) of the Banking Law, approving general criteria for the classification of assets at risk and rules for the provision of reserves against risks and establishing the administrative interpretation and scope of the legal stipulations and regulations on banking matters are technical duties of the Board of Directors,

Upon Article 70 of the Banking Law, general and international license banks under the home supervision of the Superintendency of Banks will maintain capital funds equivalent to at least eight percent of the risk-weighted total of all assets and contingent off-balance sheet operations, as well as tier one capital equivalent to no less than four percent of the risk-weighted total of all assets and contingent off-balance sheet operations,

Upon Rule 1-2015, dated 3 February 2015, the rules for capital adequacy applicable to banks and banking groups were established,

Upon Rule 3-2016, dated 22 March 2016, the rules for determining credit and counterparty risk-weighted assets were provided,

Upon Board of Directors’ General Resolution SBP-GJD-0005-2020, dated 20 April 2020, special and temporary considerations related to Article 2 of Rule 3-2016 on risk-weighted assets were stipulated,

Upon Article 1 of Board of Directors’ General Resolution SBP-GJD-0005-2020, all risk-weighted assets classified in categories 7 and 8, with weightings of one hundred and twenty-five percent (125%) and one hundred and fifty percent (150%), respectively, will be temporarily reclassified as category 6, with a weighting of one hundred percent (100%), until the Superintendency decides otherwise,

The health measures implemented by the National Government to control the COVID-19 pandemic have allowed for the gradual reactivation of various economic sectors, including the financial sector,

During its working sessions, the Board of Directors determined that it was necessary and advisable to rescind the special and temporary considerations included in Board of Directors’ General Resolution SBP-GJD-0005-2020.

RESOLVES:

ARTICLE 1. REPEAL. This Resolution repeals Board of Directors' General Resolution SBP-GJD-0005-2020, dated 20 April 2020.

ARTICLE 2. EFFECTIVE DATE. This Resolution shall take effect immediately. To facilitate reporting to the Superintendency of Banks, the provisions of Board of Directors' General Resolution SBP-GJD-R-2023-01034 should be reflected in the report for the end of June 2023.

Given in Panama City this eleventh (11th) day of April, twenty twenty-three (2023).

FOR COMMUNICATION, PUBLICATION, AND ENFORCEMENT.**THE CHAIRMAN,**

Digitally signed by [S]
NAME ECHANDI LACAYO,
FELIPE JOSE – ID N-20-1549
Date: 2023.04.13 17:35:17 - 05'00'
Felipe Echandi Lacayo

THE SECRETARY,

Digitally signed by [S]
NAME DAVARRO PALACIOS,
DAVID ALBERTO – ID 4-235-693
Date: 2023.04.14 13:12:48 - 05'00'
David Alberto Davarro

Official document signed with a Qualified Electronic Signature through the Superintendency of Banks of Panama's Document Transparency System – TRANSDOC, in accordance with Law 83, dated 9 July 2012, and Executive Decree, dated 11 May 2018. Please use the QR Code or of the following URL address to verify the authenticity of this document:
<https://sigob.superbancos.gob.pa/consulta?id=Cn%2FBjJqzg3Msmc7HosenPqbOWkesHZkHo6AJWN2Fsx8%3D>

