

**Note:** *This version does not include the amendments of Intermediate Circular No. 484 of January 15, 2018*



### **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



## **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 1**<sup>1</sup>:

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 positions<sup>2</sup> 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”.

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

<sup>2</sup>- 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:**<sup>1</sup>

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”,<sup>1</sup> 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:**<sup>2</sup>

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.
- 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).

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

<sup>2</sup>- 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.

**Article 4**<sup>1</sup>:

**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

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<sup>1</sup> 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)

**Coding System as adopted by the Banque du Liban****In classifying economic agents (Basic Decision 6271-Basic Circular 28)**

Agent's Code	
<b>A000</b> A100 A200 A300	<b>Non-financial productive institutions</b> State-controlled productive institutions Non-financial private institutions Non-financial institutions under foreign control
<b>B000</b> B100 B200 B210 B220 B230 B300 B310 B320 B330 B400 B410 B420 B430 B440 B450 B460 B470 B500 B510 B511 B512 B513 B520	<b>Financial Sector</b> Central Bank <b>Deposit Institutions</b> Commercial Banks Medium- and long-term credit banks Other deposit institutions (saving and credit funds and cooperatives) <b>Non-deposit Institutions</b> Financial institutions Leasing institutions Specialized financial institutions (holdings, import/export financing institutions) <b>Financial intermediaries</b> Stock market Financial intermediation institutions Exchange institutions Financial guarantee institutions Institutions specialized in derivatives Trusts Institutions for marketing and underwriting subscriptions to financial rights <b>Insurance companies and pension funds</b> Insurance companies (including brokerage firms) <ul style="list-style-type: none"><li>• Life insurance</li><li>• Insurance against damage</li><li>• Reinsurance companies</li></ul> <b>Pension funds</b>
<b>C000</b> C100 C110 C120 C130 C200 C210 C220 C300 C400	<b>Public Sector</b> Central Government Ministries Public Administrations Administrations with annexed budgets <b>Non-financial public institutions</b> Investment institutions Management institutions (non-profit) <b>Municipalities</b> <b>National Social Security Fund</b>
<b>D000</b> D100 D200	<b>Non-profit household-serving institutions</b> Non-profit institutions with market-oriented production Non-profit institutions with no market-oriented production
<b>E000</b> E100 E200 E300	<b>Households</b> Employers Independent workers Employees

<b>E400</b>	<b>Beneficiaries of private income, termination funds, and transfers</b>
<b>F000</b>	<b>Non-resident Sector</b>
<b>F100</b>	<b>Non-resident financial sector</b>
<b>F110</b>	Foreign central banks
<b>F120</b>	International financial institutions
<b>F130</b>	Non resident financial institutions
<b>F200</b>	<b>Foreign public administrations</b>
<b>F300</b>	<b>Non-resident, non-financial sector</b>
<b>F310</b>	Non-resident international organisations
<b>F320</b>	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).