

Latest Regulations – December 2019

This section contains a summary of the main regulations implemented by the BCRA during the month, related to financial intermediation activity. **They are referenced by the date of publication.**

Communication "A" 6846 – December 19, 2019 | The BCRA authorized a new tool for financing to exports. These loans shall be granted in pesos and shall accrue interest at rate of change of the exchange rate plus a spread to be agreed between the parties. The exporter will pay back such loans with pesos from the settlement of exports.¹

Communication "A" 6847 – December 27, 2019 | The Chart of Accounts was adjusted for application of IFRS 9 as regards loan loss provisions for bad debts and the BCRA established the criteria to be applied by Group "A" and Group "B" institutions. Any debt instruments of the non-financial public sector are temporarily excluded from application of IFRS 9.

Communication "A" 6849 – December 27, 2019 | The monetary authority established the guidelines to apply the adjustment for inflation procedure to financial statements for fiscal years commencing as from January 1, 2020. In line with the provisions of the IFRSs, the adjustment for inflation will continue to be applied as long as the conditions set forth by such standards are met.

Communication "A" 6851 – December 27, 2019 | The BCRA determined that, as from January 2020, any regulations on "[Minimum loan loss provisions for bad debts](#)" shall maintain a "regulatory" scope, regardless of the fact that the financial institutions' financial statements are adjusted to International Financial Reporting Standards (IFRS). In addition, it was established that, on a temporary basis, financial institutions must deduct from their Adjusted Stockholders' Equity (ASE) the positive difference between the regulatory provision calculated according to the regulations on "Minimum loan loss provisions for bad debts" and the accounting provision calculated pursuant to internal models set forth in IFRS 9. Besides, the debtors category "6 – Non-recoverable debt due to technical resolution" shall be absorbed by category "5 – Non-recoverable debt" and the regulatory provision shall be created as "without preferred guarantees."

Communication "A" 6852 – December 27, 2019 | The BCRA determined that from October 28, 2019 to, and including, March 31, 2020, any financial aid intended for the payment of personnel salaries shall be an excluded item when calculating limits as regards spreading of credit risk under the regulations on "[Financing to the non-financial public sector](#)". Any overdrafts effective as of April 1, 2020 shall be subject to the above-stated financing limits.

Communication "A" 6853 – December 27, 2019 | Pursuant to the provisions of "[Executive Order 744/19](#)" and "[Resolution 4308/19 of the Argentine People's Registry \(RENAPER\)](#)", the BCRA authorized the use of the digital Identity Document (DNI) in banks. Users of financial services may prove their identity to operate within branches by using the Identity Document (DNI) downloaded to their cell phones.²

¹ See [Press Release](#).

² See [Press Release](#).