

Latest Regulations – March 2021

This section contains a summary of the main regulations implemented by the BCRA during the month related to the activity of financial institutions. They are referenced by the date of publication.¹

Communication "A" 7234 – 03/11/2021 | Financial institutions may be quotaholders in closed-end mutual funds (FCIs) –with public offering authorized by the National Securities Commission (CNV)– when investments of such funds are intended for real estate developments and/or mortgage-backed loans. The financial institutions' share in each FCI may be up to 15% of the total issue. The total quotaholding in FCIs shall not exceed 1% of the institution's Regulatory Capital (RC).

Communication "A" 7240 – 03/18/2021 | A new quota is established for the "Credit Line for Productive Investment for micro, small and medium-sized enterprises (MSMEs)" (LFIP) with conditions similar to those established for the 2020 quota and the following adjustments: a) outstanding balances of credit granted the previous year are allowed for the calculation; b) adjustment of conditions for exclusion of MSMEs engaged in agricultural activities; c) the subutilization of this new quota will result in an increase of the average minimum cash requirement in pesos, as from the requirement of October 1, 2021, for the equivalent to the subutilized part increased by 10% and for a 6-month period; and d) financial institutions must have a person in charge of compliance with the Credit Line before the BCRA.

Communication "A" 7245 – 03/25/2021 | A new schedule is established for financial institutions to gradually classify debtors according to delinquency criteria existing before March 19, 2020 (at that time, Communication "A" 6938 had established that financial institutions had to increase in 60 days the delinquency terms admitted for levels 1, 2 and 3). The new schedule to increase delinquency terms is as follows: (i) 60 days up to March 31, 2021, (ii) 30 days up to May 31, 2021, and (iii) as from June 1, 2021, the criteria existing before March 19, 2020 shall be taken into account.

Communication "A" 7246 – 03/25/2021 | Financial institutions may settle and credit interest of savings accounts and salary accounts or social security accounts with a frequency to be agreed between the parties, i.e. daily, weekly, monthly, etc.

Communication "A" 7247 – 03/25/2021 | The extension was established until December 31, 2021 for Group "C" financial institutions, for: a) minimum reserve requirement rates applicable for deposits of 21% for a residual term up to 29 days, and 17% for 30 to 59 days; b) in the case of Group "C" institutions that are neither branches nor subsidiaries of G-SIBs, they will be subject to the limits of surplus net position of LELIQs indicated for May 1, 2020; and, c) compensatory interest for credit card financing may not exceed by 25% the average rate for the financial system personal loans published by the BCRA.

Communication "A" 7254 – 03/31/2021 | The regulatory liquidity requirement is reduced for institutions that have implemented the remote and onsite opening of the Universal Free Bank Account (CGU), taking into account: (i) lending to natural persons and MSMEs not reported in the Debtors' Database of the financial system, (ii) an increase in the use of electronic means, (iii) evolution of ECHEQs and (iv) ATMs operations.

¹ For an overview of the changes implemented by the BCRA in recent months, see previous editions of the [Report on Banks](#) and of the [Financial Stability Report](#).