

SUPPORTING STATEMENT
COUNTRY EXPOSURE REPORT
(OMB No. 3064-0017)

INTRODUCTION

Under the auspices of the Federal Financial Institutions Examination Council (FFIEC), the FDIC is requesting OMB approval to extend for three years, with revision, the quarterly Country Exposure Report (form FFIEC 009) and the Country Exposure Information Report (form FFIEC 009a). These reports provide information regarding the amounts and composition, by country, of the foreign country exposures of U.S. banking institutions. The Federal Reserve Board (FRB) and the Office of the Comptroller of the Currency (OCC) are also submitting this revision for OMB review for the banking institutions under their supervision.

This reporting and disclosure requirement is authorized by Sections 7 and 10 of the Federal Deposit Insurance Act (12 U.S.C. 1817 and 1820) and Sections 907(a) and (b) of the International Lending Supervision Act of 1983 (12 U.S.C. 3906(a) and (b)), as implemented by Section 347.305 of the FDIC's regulation (12 CFR 347.305), which require FDIC-supervised banking institutions to submit quarterly their reports to the FDIC and to disclose to the public material country exposures.

In broad terms, the proposed revisions to the FFIEC 009 report would increase the number of counterparty categories, add information on the type of claim being reported, provide details on a limited number of risk mitigants to help provide perspective to currently reported gross exposure numbers, add more detailed reporting of credit derivatives, and add the United States as a country row to allow reconciliation between a reporting institution's FFIEC 009 report and its Consolidated Financial Statements for Bank Holding Companies¹ or Consolidated Reports of Condition and Income for a Bank with Domestic and Foreign Offices,² as appropriate, and expand the entities that must report to include savings and loan holding companies (SLHCs). The agencies initially proposed to implement these reporting changes as of June 30, 2013. Subject to OMB approval, the proposed reporting changes, as modified in response to industry comments, were scheduled to take effect September 30, 2013, except that SLHCs that will for the first time be subject to the country exposure reporting requirements will begin reporting effective March 31, 2014.

On June 19, 2013, the agencies published a notice in the Federal Register (78 FR 36823) advising the public of the revisions and delayed implementation, and that the agencies were submitting their requests to OMB for approval of the extension, with revision, of the FFIEC 009 and FFIEC 009a. The agencies again requested public comment.

In response, the agencies received two additional comments from the banking industry requesting that implementation for current respondents be further delayed from September 30,

1 FR Y-9C; OMB No. 7100-0128.

2 Call Report; FFIEC 031; OMB Nos. 7100-0036, 3064-0052, 1557-0081.

2013, until December 31, 2013. The agencies have considered this request and decided to grant this further extension. The effective date of the proposed changes for SLHC respondents will remain March 31, 2014. The agencies will notify respondents through a letter from the FFIEC, which will also be posted on the FFIEC's Web site.

A. JUSTIFICATION

1. Circumstances and Need

Pursuant to Section 907 of the International Lending Supervision Act of 1983 (12 U.S.C. 3906), banking institutions must report at least quarterly the amount and composition of their foreign country exposures. This information is crucial in determining (and monitoring) the soundness of the reporting institution as well as the U.S. banking system. A number of borrowers in foreign countries have experienced difficulties in paying the loans granted to them by U.S. banks. This inability to pay or delays in repayment can impair a bank's liquidity; affect a bank's market rating and acceptability and, thus, its access to and cost of funding and capital; and affect a bank's earnings.

The Country Exposure Report has been required of U.S. banking institutions since 1979. Since 1984 the report has been collected on a quarterly basis. Periodically, the federal banking agencies jointly, under the auspices of the FFIEC, make revisions to the report to improve the agencies' ability to determine and monitor the soundness of U.S. banking institutions. FDIC-supervised banking institutions submit their reports under the provisions of Section 347.305 of the FDIC's Regulation (12 CFR 347.305).

The Country Exposure Report (form FFIEC 009) is the only method the federal banking agencies have to systematically monitor the foreign country exposures of U.S. banking institutions in individual foreign countries. On February 2, 1984, the FFIEC sanctioned collection of the supplementary Country Exposure Information Report (form FFIEC 009a) to implement the public disclosure requirements of the International Lending Supervision Act of 1983. The reports are required to be submitted to the federal bank supervisory agencies by (a) insured banks and savings associations that have foreign offices or an international banking facility (IBF) and have claims on residents of foreign countries of more than \$30 million, (b) certain bank and savings and loan holding companies, and (c) such other banks, savings associations, and holding companies with country exposure that is large relative to capital, as determined by the agencies.

The nature of U.S. banking institutions' exposure abroad has shifted considerably since the FFIEC 009 report was first introduced more than 30 years ago, and previous revisions have not kept pace with those changes. Initially, the federal banking agencies' primary concern focused on the possibility of sizeable losses to U.S. banking institutions from foreign exposure to sovereigns and banks in Latin America, especially as a result of the imposition of exchange controls that would prevent repayment of credits originated in the U.S. Accordingly, reporting was limited to three categories of claims: "public," "banks," and "other," with the last category including all corporate and retail credits. Since then, U.S. banking institutions have significantly

increased their exposure to the private non-bank sectors of economies around the world, increasing the possibility that losses could occur even in the absence of a sovereign default or the imposition of exchange controls.

It became evident during the recent financial crisis that the level of detail provided in the current version of the FFIEC 009 report was insufficient to capture the evolving risks from U.S. banking institutions' foreign exposures. In response, banking institutions increasingly provided additional information in other public disclosures, including filings with the Securities and Exchange Commission (e.g., in Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K), about exposure to a selected group of countries. That information is drawn from banking institutions' internal calculations of foreign exposure, and therefore differed from the amounts reported in the FFIEC 009 report, which is based on a single standardized methodology for calculating and reporting such foreign exposures across all institutions, and the amounts publicly disclosed in the FFIEC's Country Exposure Lending Survey statistical release and the FFIEC 009a report, which are extracted from the FFIEC 009 report.³

In response to these issues, the agencies have developed recommended improvements to the reporting of foreign exposure data by U.S. banking institutions on the FFIEC 009 and FFIEC 009a reports. The changes are designed to improve the utility of the data for policy makers, bank supervisors, and market participants.

2. Use of Information Collected

On the currently approved version of the Country Exposure Report (form FFIEC 009), outstanding claims are broken down by type of borrower, i.e., banks, public sector, and other. Outstanding claims with a remaining maturity of one year or less are also reported. The existing form provides a methodology to reallocate guaranteed obligations to the country of the guarantor to facilitate identification of the country of residence of the party with ultimate responsibility for the obligation. The existing report also requests data on firm commitments of banks to advance additional funds in countries covered by the report, local currency assets and liabilities of bank branches in those countries, exposures covered by U.S. government guarantees, the funding relationship of the bank's other branch offices vis-a-vis offices in those countries, and foreign exchange and derivative products with a positive fair value.

The FFIEC 009 report, as it is proposed to be revised, would serve an important purpose by ensuring consistency of reporting across institutions for a number of important components of foreign country exposure. These data would improve supervisors' ability to compare the amount of one institution's exposures to those of its peers for a country or set of countries, analyze the aggregate exposure of U.S. banking institutions to foreign creditors, and monitor trends in exposures. The revised FFIEC 009a data would allow market participants to analyze more detailed aggregate exposure data. The FFIEC 009 report is not a substitute for other more detailed supervisory data or internal management information.

³ The quarterly statistical release and individual institutions' FFIEC 009a reports can be accessed at <http://www.ffiec.gov/E16.htm>.

Thus, the use of the data associated with the revisions to the FFIEC 009 and FFIEC 009a reports that are the subject of this submission would be as follows:

- The number of exposure categories would be increased. The FFIEC 009 report currently has three categories for claims: “bank,” “public,” and “other.” The revised form would split the “other” category into “corporate,” “household,” and “non-bank financial institutions.” This proposed disaggregation will allow supervisors and the public to better analyze risks by counterparty type.
- A memorandum item would be included for the amount of claims held in the form of securities held-to-maturity (HTM) and available-for-sale (AFS), providing additional information on this type of foreign country exposure, which may perform differently under stressed conditions than loans or leases.
- Memorandum information would be added on collateral pledged against claims. Collateral pledged against a claim, for example in repurchase transactions, can reduce risk; with the proposed revisions, the FFIEC 009 would include information on such mitigants for the first time. Collateral held against claims would be reported on a gross basis, and would include additional information on the amount of such collateral that is in cash, that is held in the same country as the claim against which it is pledged, and that is in the form of repurchase or securities lending agreements. The proposed new data on collateral held against claims will provide information for users to better assess net risks based on their own assumptions about the benefits of the collateral, and also should produce greater insight into reporting institutions’ own internal calculations of foreign country exposure, which typically take collateral into account.
- The FFIEC 009a public reporting requirement for exposures to individual countries would be modified. The threshold triggering public disclosure would remain, as currently set, at 1 percent of total assets or 20 percent of total capital, whichever is less. However, in calculating claims for this purpose, institutions would no longer subtract local liabilities of foreign branches or subsidiaries, changing the basis of reporting claims from transfer risk to country risk. This proposed change could result in the disclosure of claims for additional individual countries for a given institution.
- Data on gross credit derivatives purchased would be collected for the first time. Gross credit derivatives sold is already reported on the FFIEC 009 report. In addition, a conservatively netted (i.e., at the counterparty and reference entity level) version of credit derivatives purchased and sold would also be reported. The values reported would be notional amounts. These proposed additional data would provide a more complete view of credit derivative exposures.
- Information on offsetting positions in the securities trading book would be reported. Trading books may contain closely related long and short positions that partially or fully offset one another, mitigating the risk inherent in a given level of gross exposure. This proposed memorandum item would provide the portion of trading assets that can be offset by short positions at the level of the issuer (legal entity basis) and the instrument (debt versus debt; equity versus equity).
- The United States would be added as a country for which exposures would be reported. This would enable an institution to reconcile the amounts reported on its FFIEC 009 report to those reported on its FR Y-9C report or Call Report (FFIEC 031), as appropriate, which includes exposures to the U.S. This information will enhance the agencies’ ability to

conduct effective analysis of foreign and domestic exposures. In addition, the inclusion of the United States will allow the agencies to comply with enhancements to International Banking Statistics proposed by the Bank for International Settlements.

- SLHCs would be added to the panel of entities that must file the FFIEC 009 and FFIEC 009a. The proposed revisions would provide data to analyze the foreign country exposures and overall financial condition of these organizations.

The Country Exposure Report is used and, as revised, would continue to be used to analyze trends in overseas lending by individual U.S. banking institutions and the U.S. banking system as a whole. The data can be used as a preliminary indicator of relative levels of risk undertaken by the individual banking institutions that file these reports and serve as a crucial tool in the examination process of these institutions. The reported data are essential for research, risk management supervision, and policy formulation within the banking agencies.

On behalf of the three banking agencies, the FRB makes the reported country exposure information available, in aggregate form, to the Bank for International Settlements (BIS), Basel, Switzerland. The BIS periodically issues statistical data on the overall indebtedness of various countries throughout the world. The data abstracted from the Country Exposure Report is uniquely valuable to the BIS since it contains insights on short-term indebtedness of various countries (at least that portion owed to U.S. banks) which are not ordinarily available from the country. As mentioned, the BIS has proposed to enhance the International Banking Statistics it compiles and publishes on banks' risk exposures including, in particular, country risk. The proposed revisions would enable the U.S. banking agencies to fulfill these enhanced statistical data needs. BIS data are utilized by a number of banks, governments, and analysts in determining the total debt burden of various countries.

The FFIEC issues a quarterly statistical release that displays the aggregate amounts reported by respondent banks. This information is available to banks, government agencies, and the public.

The Country Exposure Information Report (form FFIEC 009a) collects data on exposures exceeding certain thresholds. Included in Part A are exposures to a country which exceed the lesser of 1 percent of the respondent bank's assets or 20 percent of capital. Included in Part B are exposures, not large enough to report in Part A, but which exceed the lesser of 0.75 percent of assets or 15 percent of capital. The respondent bank needs only to list the names of the countries and the aggregate amount of exposure for all the countries listed under Part B. The form FFIEC 009a is available to the public.

3. Use of Technology to Reduce Burden

Effective with the March 31, 2003, report date, the FFIEC required electronic submission of all FFIEC 009 and 009a reports. The Federal Reserve Bank of New York currently collects and processes the FFIEC 009 and 009a reports on behalf of the three banking agencies via the Federal Reserve System's "Reporting Central" Internet reporting application. . The use of "Reporting Central" began in the first quarter of 2012 as a replacement for the Federal Reserve's "Internet Electronic Submission" application. "Reporting Central" was introduced to enhance the overall reporting functionality of the Federal Reserve Banks' data collection and

processing activities, allowing for a more secure, technically advanced, and efficient system that encompasses a single point of entry, the FedLine® Web access solution, for electronic submission and file uploads.

Electronic submission via “Reporting Central” is designed to impose a minimal burden on banking institutions that file the FFIEC 009 and FFIEC 009a reports.

4. Efforts to Identify Duplication

Data submitted are unique in that they are used for supervising international asset risk in U.S. banking institutions. The U.S. Treasury Department collects certain information from U.S. banking institutions in its Treasury International Capital (TIC) Form BC/BC(A) that may appear somewhat similar to the data collected on the FFIEC 009 and FFIEC 009a. In general, the TIC report is required for any banking institution with aggregate dollar claims on foreigners of \$50 million or more or dollar claims on foreigners in an individual foreign country of \$25 million or more. However, the TIC form does not contain most of the items included in the Country Exposure Report that are considered necessary for supervisory and regulatory purposes. For example, the TIC form includes only dollar claims while the Country Exposure Report calls for inclusion of all claims in a country denominated in a currency external to that country. In addition, the TIC form does not collect information on exposures with a remaining maturity of one year or less, the reallocation of claims for guarantees, commitments to advance additional funds, and local currency assets and liabilities. Finally, the TIC form does not include claims on foreigners made at overseas offices of U.S. banking institutions. These limitations preclude the use of the Treasury information for banking institution supervisory purposes.

5. Minimizing the Burden on Small Banks

Banks with aggregate international exposures of under \$30 million do not have to report. Therefore, the FDIC has eliminated practically all small banks from this reporting requirement. Currently, only 17 institutions supervised by the FDIC are subject to the quarterly country exposure reporting requirements.

6. Consequence of Less Frequent Collection

Federal statute precludes less frequent collection and disclosure.

7. Special Circumstances

None.

8. Consultation with Persons Outside the FDIC

The Country Exposure Report and Country Exposure Information Report are mandated by law; however, the FDIC and the other banking agencies communicate on a continuous basis with banks required to complete the reports. The banking agencies also consult with trade associations and other government agencies on the reports.

On January 29, 2013, the federal banking agencies published an initial Paperwork Reduction Act (PRA) notice in the Federal Register requesting public comment for 60 days on the revision, with extension, of the FFIEC 009 and FFIEC 009a reports.

As a form of banker outreach, the agencies conducted a conference call on February 20, 2013, with various interested outside parties (approximately 230 bank representatives and accountants), primarily those that would be subject to the proposed revisions to the country exposure reporting requirements. The purpose of the call was to provide clarification on certain elements of the initial PRA notice and respond to questions from interested parties on procedures and technical issues arising from the proposed reporting changes. The agencies began by providing a summary of the initial PRA notice, which included identifying changes from the current FFIEC 009 reporting requirements. Following this background, the agencies addressed questions received from interested parties on the call. The questions received mostly concerned the technicalities of completing line items on the proposed FFIEC 009 and FFIEC 009a reports and definitions for terms included in the instructions for the forms.

The comment period for the agencies' initial PRA notice expired on April 1, 2013. The agencies received comment letters addressing the proposed changes to the FFIEC 009 and FFIEC 009a from seven entities: three banking organizations, an SLHC, and three banking associations. All seven commenters expressed concern over the proposed June 30, 2013, effective date for the implementation of the revised reports and requested a postponement of the effective date to allow more time to implement necessary system changes, update procedures, and train staff. In addition, two commenters indicated that because SLHCs will be required to file for the first time, the proposed effective date would not provide sufficient time to design and implement the systems to capture the needed data. In response to these concerns, the agencies have postponed the effective date for the revisions to the September 30, 2013, report date. For SLHCs that would be required to begin submitting the Country Exposure Reports as a result of the proposed expansion in scope of entities that must file these reports, the initial report date would be March 31, 2014.

Two of the banking organizations commented that the inclusion of the United States country row would create a significant reporting burden and that guidance for how to properly reconcile the FFIEC 009 to the FR Y-9C Consolidated Financial Statements for Bank Holding Companies should be provided. In addition, the banking associations requested the agencies conduct further industry outreach because they asserted that the addition of the United States country row as a reconciliation tool would not enhance the analysis of cross-border exposures and that existing processes used by their member institutions are sufficient to ensure consistent reporting across regulatory reports. Although the agencies recognize the additional burden of reporting exposures for the United States, this information will enhance the agencies' ability to conduct effective analysis of foreign and domestic exposures. In addition, the inclusion of the United States will allow the agencies to comply with enhancements to International Banking Statistics proposed by the BIS. The reconciliation of the FFIEC 009 to the FR Y-9C report (or, if appropriate, to the Call Report) is not required; however, it is recommended as a best practice. Because the agencies' proposed inclusion of a country row for the United States was not primarily for reconciliation purposes, the agencies are not planning to publish guidance

regarding reconciliation between these reports. After considering comments received and feedback from outreach conducted prior to the publication of the proposed revisions, the agencies plan to proceed with the addition of the United States as a country row.

The banking associations also recommended that the year-end due date for the Country Exposure Reports be delayed five days to provide an opportunity to reconcile data with the FR Y-9C report (for which the year-end due date is currently five days later than the due date for the report in the other three calendar quarters). After consideration of this comment, the agencies agreed with this recommendation and plan to delay the year-end due date for the Country Exposure Reports by five days. This would make the difference between the year-end due dates of the Country Exposure Reports and the FR Y-9C report consistent with the difference between the due dates for these reports in the other quarters and would allow institutions the opportunity for further internal review between these reports.

A banking organization and the banking associations requested that clarification of definitions and instructions be provided for certain terms, such as the definitions of the “household” sector, “country of residence,” “country of legal residence,” and the “country of incorporation.” In addition, the banking associations provided thirteen questions requesting reporting clarifications. The agencies have clarified the instructions to provide guidance on the reporting and definitional issues noted and are posting a “Frequently Asked Questions” document on the FFIEC website outlining the reporting clarifications for the questions raised and referencing the updated instructions, as appropriate.

The banking associations also suggested that the list of countries included on the FFIEC 009 report should be consistent with the Treasury International Capital (TIC) reports⁴ and the Quarterly Reports of Assets and Liabilities of Large Foreign Offices of U.S. Banks.⁵ The banking associations specifically noted that the list of countries in the FFIEC 009 report has not been revised since 2006 resulting in inconsistencies and the inclusion of obsolete countries. In addition, the banking associations noted that the proposed instructions indicated that the European Central Bank should be reported as “Other Europe” on the FFIEC 009 report, although a separate line for the European Central Bank currently exists on the form. The agencies agree with the suggestion and plan to revise the proposed FFIEC 009 report and instructions to include an up-to-date country listing consistent with the TIC reports, with minor exceptions (the United States and Total Foreign Countries are reporting rows on the FFIEC 009).

One banking organization commented that the data needed to report credit default swap (CDS) contracts on a basket, index, or portfolio of securities by component countries is not readily available and would require a significant effort to capture. The organization requested the ability to continue to report by geographic region. Although the agencies understand the effort required to report CDS contracts on a basket, index, or portfolio of securities by component country, they believe reporting CDS contracts in this way reflects industry practice related to

4 TIC Form BC, OMB No. 1505-0017; TIC Form BL-1, OMB No. 1505-0019; TIC Form BL-2, OMB No. 1505-0018; TIC Form BQ-1, OMB No. 1505-0016; TIC Form BQ-2, OMB No. 1505-0020; TIC Form BQ-3, OMB No. 1505-0189; TIC Form CQ-1 and CQ-2, OMB No. 1505-0024; TIC Form D, OMB No. 1505-0199; TIC Form S, OMB No. 1505-0001.

5 FR 2502Q; OMB No. 7100-0079.

country risk management and will enhance analysis of the data by the agencies and the public. The agencies plan to proceed with the CDS revision as proposed.

Finally, a banking organization stated that the elimination of “Net Foreign Office Claims on Local Residents” from the calculation of the threshold that triggers public disclosure on the FFIEC 009a report will result in it no longer reporting the voluntary local-office claims and liabilities on derivative contracts items on the FFIEC 009 report. After consideration of this comment and the voluntary nature of these data items, the agencies plan to eliminate Columns 6 and 7 of proposed Schedule D for the reporting of such local office data.

As explained above, on June 19, 2013, the agencies published a notice in the Federal Register (78 FR 36823) advising the public of the revisions and delayed implementation, and that the agencies were submitting their requests to OMB for approval of the extension, with revision, of the FFIEC 009 and FFIEC 009a. The agencies again requested public comment.

In response, the agencies received two additional comments from the banking industry requesting that implementation for current respondents be further delayed from September 30, 2013, until December 31, 2013. The agencies have considered this request and decided to grant this further extension. The effective date of the proposed changes for SLHC respondents will remain March 31, 2014. The agencies will notify respondents through a letter from the FFIEC, which will also be posted on the FFIEC’s Web site.

9. Payment or Gift to Respondents

None.

10. Confidentiality

Individual banking institution information reported on the FFIEC 009 report is considered exempt from public disclosure under the FOIA (5 U.S.C. 552(b)(4) and (b)(8)). However, U.S. banking system aggregates are made available to the public by the banking agencies and through the FFIEC. The FFIEC 009a report is available to the public on an individual banking institution basis.

11. Information of a Sensitive Nature

Not applicable.

12. Estimate of Annual Burden

The annual reporting burden on FDIC-supervised respondents is estimated to be 9,124 hours on an ongoing basis. This estimate reflects the average ongoing reporting burden for all FDIC-supervision institutions that are required to file the FFIEC 009 and FFIEC 009s reports after they complete any necessary recordkeeping and systems changes to enable them to complete the reports as they are proposed to be revised. This estimate is based on 17 respondents submitting the FFIEC 009 report quarterly, which requires an estimated average of 131 hours to prepare as

it is proposed to be revised, and 9 respondents submitting the FFIEC 009a report quarterly, which requires an estimated average of 6 hours to prepare as it is proposed to be revised.

FFIEC 009:	17 respondents x 4 reports per year x 131 hours per report =	8,908 hours
FFIEC 009a:	9 respondents x 4 reports per year x 6 hours per report =	<u>216 hours</u>
Annual estimated ongoing reporting burden:		9,124 hours

For FDIC-insured commercial banks with foreign offices, Call Report data as of March 31, 2013, indicate that salaries and employee benefits per full-time equivalent employee currently average about \$49.00 per hour. Thus, for the FDIC-supervised institutions required to complete the FFIEC 009 and FFIEC 009a reports, the annual recurring salary and employee benefit cost for the burden hours shown above is estimated to be \$447,076. This cost is based on the application of the \$49.00 average hourly rate to the estimated total ongoing annual reporting burden of 9,124 hours.

13. Estimate of Total Annual Cost Burden

The estimate of annual burden cited above in Section 12 is primarily the estimated ongoing burden for the quarterly filing of the FFIEC 009 and FFIEC 009a reports. The total operation and maintenance and purchase of services component of the total annual cost burden to FDIC-supervised institutions (excluding costs included in Item 12 above) is estimated to be \$250,910. This cost is based on the application of an average hourly rate of \$27.50 to the estimated total hours of estimated annual reporting burden of 9,124. This estimate reflects recurring expenses (not included in Item 12 above) incurred by FDIC-supervised institutions subject to the country exposure reporting requirements in the report preparation and filing process, including expenses associated with software, data processing, and institution records that are not used internally for management purposes but are necessary to complete the FFIEC 009 and FFIEC 009a reports.

Capital and start-up costs associated with the proposed changes to the FFIEC 009 and FFIEC 009a reports that are the subject of this submission will vary from institution to institution depending upon an institution's individual circumstances, particularly the extent of its foreign lending, investing, and derivatives activities. Thus, an estimate of this cost component cannot be determined at this time.

14. Estimates of Annualized Cost to the Federal Government

The Federal Reserve Bank of New York collects and processes the FFIEC 009 and 009a reports on behalf of the three banking agencies. Since the March 31, 2012, report date, submission of reports has been via the Federal Reserve System's "Reporting Central" application. Therefore, there are no direct costs to the FDIC.

15. Reason for Change in Burden

The change in burden associated with this submission is caused by two factors: (a) a net decrease in the number of FDIC-supervised institutions subject to the country exposure reporting

requirements, and (b) the changes to the FFIEC 009 and FFIEC 009a reports that are the subject of this submission.

The majority of the change in burden is associated with the expansion of the information that banking institutions would begin reporting in their country exposure reports, which has been described in Item 2 and elsewhere in this Supporting Statement. The remainder of the change in burden associated with this submission is caused by a net decrease from 21 to 17 (i.e., 4 institutions) in the number of FDIC-supervised reporting institutions that are required to file the FFIEC 009 report and a decrease from 10 to 9 (i.e., 1 institution) in the number of FDIC-supervised reporting institutions that are required to file the FFIEC 009a report. An analysis of the change in burden is as follows:

Currently approved burden:	6,090 hours
Program change	
FFIEC 009	+ 4,148 hours
FFIEC 009a	+ 27 hours
Adjustment (change in use)	
FFIEC 009	- 1,120 hours
FFIEC 009a	- 21 hours
Requested (new) burden:	9,124 hours
Net change in burden:	+ 3,034 hours

16. Publication

Certain aggregate data reported in the FFIEC 009 report are made available to the public by the FFIEC in a Statistical Release. The FFIEC 009a report is available to the public on an individual banking institution basis.

17. Display of Expiration Date

Not applicable.

18. Exceptions to Certification

None.

B. STATISTICAL METHODS

Not applicable.