



EUROPEAN COMMISSION

Directorate General Financial Stability, Financial Services and Capital Markets Union

Director General

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Mr. Andrea ENRIA
Chairperson
European Banking Authority
25 Old Broad Street
LONDON EC2N 1HQ
United Kingdom

Sent by e-mail

Subject: Call for Advice to the EBA to assist the Commission's implementation of the standardised approach for counterparty credit risk under the CRR review

Dear Andrea,

The Commission is currently considering whether to amend the rules for calculating the exposure value of derivative transactions in the prudential framework for banks, which are laid down in Articles 274-282 of Regulation (EU) No 575/2013 in view of the changes to internationally agreed standards. In particular, the Commission is mandated under Article 514 of Regulation (EU) No 575/2013 to review the application of the Original Exposure Method (OEM) which is laid down in Article 275 of Regulation (EU) No 575/2013 and report their findings to the EU co-legislators by 31/12/2016 with a legislative proposal if appropriate.

To inform the Commission's decisions, we seek the EBA's technical advice (please see enclosed Call for Advice) on the impact of the revised international standards on the own funds requirements of EU institutions.

My services stand ready to support the EBA in completing of this targeted advice as efficiently as possible. As always, the invaluable input from the EBA will be instrumental informing the Commission's decision.

Thank you in advance for your cooperation and I look forward to receiving the EBA's advice.

Yours sincerely,

Signed

Olivier Guersent

Cc: J. Berrigan, F. Stanescu, M. Nava, M. Merlin, K. Wiedner, D. Thienpont, M. T. Fabregas Fernandez, A. Rubin de Cervin (DG FISMA), N. de Basaldua, M. Toftdal Grolleman(CAB-HILL)

Enclosure: Call for advice to the EBA to assist the Commission's implementation of the standardised approach for counterparty credit risk under the CRR review