

EBA Staff

EBA BS 2011 167

8 November 2011

## **Minutes of the EBA Board of Supervisors Teleconference**

7 November 2011: 14.00hrs–14.55hrs

1. The Chair explained that he wanted to use the call to update the Board on the Council's discussion on the funding guarantee schemes and also to discuss the treatment of floors and templates for disclosure.
2. On the funding guarantee, the Chair explained that following EFC...<sup>1</sup> He confirmed that he would revert to the Board if any role for the EBA... is included in the final proposal.
3. Turning to the issue of floors, the Chair noted that a level playing field issue had been raised by some Members, banks and the European Banking Federation, as the capital buffer had been calculated in some countries retaining the transitional floors whilst these had been removed in other countries. The Chair recalled that the issue of the floor had been previously discussed at the March meeting, where the Board had agreed that the floors should have been maintained to avoid minimum levels dropping pre-CRD4's entry into force in January 2013.
4. The Chair put the EBA's Staff proposal to the Board for discussion. This would be to retain or re-introduce existing Basel 1 floors for the 9% buffer in order to ensure a level playing field. In discussion, there was widespread consensus that the key imperative must be the achievement of consistency in the recap exercise, which could be effected by all either applying or removing the floors and also by calculating the buffer in the same way. The status quo was agreed to be unsatisfactory.

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<sup>1</sup> Please note that these minutes include information which the EBA cannot disclose under its Access to Documents regime due to (i) the public interest as regards the financial, monetary & economic policy of the EU; and (ii) its own, and the Council's, internal consultations and deliberations in order to safeguard their ability to carry out their tasks.

5. ... It was agreed that the EBA Staff would circulate further information on the calculation of these floors...
6. On the CDS exposures template, the Chair suggested that EBA Staff might circulate something with the proposed exposures highlighted. The Director Oversight confirmed that the deadline for submission of this CDS template would be different from that for the others, due the following day on 8 November. *Two CDS worksheets were subsequently circulated on to the BoS 8 November by EBA Staff, one for disclosure and one for internal use only*

Andrea Enria  
Chair