

Register of interest representatives n° 35147251117-11

To :

European Banking Authority
Tower 42 (level 18)
25 Old Broad Street
London EC2N 1HQ
United Kingdom

Sent by e-mail on 14.08.13 to: EBA-CP-2013-18@eba.europa.eu

Paris, 14.08.2013

Subject: Crédit Agricole Group response to EBA consultation on Draft Implementing Technical Standards on Additional Liquidity Monitoring Metrics under Article 403 (2) (Article 415 (3) in the last version of CRR) of the draft Capital Requirements Regulation (CRR) (reference: EBA/CP/2013/18)

Dear Sir/Madam,

Crédit Agricole S.A. welcomes the opportunity to respond to the EBA consultation on Draft Implementing Technical Standards on Additional Liquidity Monitoring Metrics under Article 403(2) of the draft CRR. We highly appreciate this process of gathering preliminary industry views on the topic.

Please find attached our detailed comments.

We trust you will take the attached responses into consideration and remain at your disposal should you have any question or wish to discuss any issue further.

Yours faithfully,

Olivier BELORGEY
Director of Financial Management
Crédit Agricole S.A.



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Contact persons:

Jean-Baptiste Collomp
Christophe Churlet
Crédit Agricole S.A.
12, Place des Etats-Unis
97127 Montrouge Cedex
E-mail:

jean-baptiste.collomp@credit-agricole-sa.fr

christophe.churlet@credit-agricole-sa.fr

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**EBA CONSULTATION ON DRAFT IMPLEMENTING TECHNICAL STANDARDS
ON ADDITIONAL LIQUIDITY MONITORING METRICS UNDER ARTICLE 403 (2)
(ARTICLE 415 (3) IN THE LAST VERSION OF CRR) OF THE DRAFT CAPITAL
REQUIREMENTS REGULATION (CRR)**

CONSULTATION REFERENCE N°: EBA/CP/2013/18

- Crédit Agricole Group Response -

The Group Crédit Agricole S.A. is a leading international banking and insurance group with total assets of € 1,842 bn (as of 31 December 2012). Its Basel 3 Core Tier 1 ratio is 9,3%. It is present in 70 countries worldwide (28 countries in Europe) and servicing more than 51 million customers through a network of 11,600 branches solidly anchored in their territories. The group employs 150.000 people worldwide (140.000 in Europe) and offers a wide range of financial services, including retail banking, consumer finance, insurance, asset management, private banking, leasing, factoring and corporate and investment banking. Crédit Agricole Group intends to fulfil its role as a leading European player with global scale, while complying with the commitments that stem from its mutualist background. It focuses its development on servicing the real economy and is committed to the principle of responsible growth.

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I. Key Messages

Crédit Agricole SA welcomes the opportunity to comment on the EBA consultation paper related to the draft implementing technical standards on additional liquidity monitoring metrics under Article 415 (3)¹ of the draft Capital Requirements Regulation (CRR).

Crédit Agricole SA participated in the drafting of the Fédération Bancaire Française (FBF) answer to this consultation. Thus, this answer will focus on the elements that seem prominently important to Crédit Agricole and that should be stressed, without repeating all detailed comments provided by FBF. Some additional comments or observations are, if needed, provided.

Crédit Agricole SA notably subscribes to the following general comments provided in the FBF answer:

- The reporting framework considered by EBA is complex and costly to implement while the value-added in terms of bank supervision is not obvious. We therefore think that the reporting framework considered by EBA should be simplified by:
 - Eliminating some unnecessary reports:
 - renewal of funding, product concentration and behavioural maturity ladder are mostly concerned;
 - concentration of liquid assets should not be adopted in the liquidity framework because it does not deal, strictly speaking, with liquidity risk.
 - Simplifying the remaining reporting templates: the introduction of new dimensions in the different reports (resident / non-resident, cross-border...) is costly to implement. The granularity of information that should be reported should be aligned with the existing reporting templates.
- Being more flexible in terms of exemptions that can be granted to report on a social and consolidated basis, and by currency. Crédit Agricole SA thinks that a threshold of 5% expressed in terms of contribution of the entities to the consolidated liabilities of the group should be adopted. Below this threshold, entities would not be obliged to report the data and consolidation would not be required.
- Need to distinguish between two types of reportings:
 - some reports (LCR, contractual maturity ladder), which are based on the balance and off-balance sheet items, have an ALM nature;
 - other reports (concentration of funding, renewal of funding, cost of funding...) are usually supplied by treasuries on the restricted perimeter of the resources that they issue on the market and are based on Front Office data;

It should be admitted that the perimeter of these reportings is not the same and the control framework of the Treasury reportings should be lightened (frequency of the reconciliation with accounting...).

- Need of time to correctly implement all these new reports: Crédit Agricole SA thinks that a minimum delay of one year should be left to banks between the final

¹ Please note that in this document, we will refer to the articles of the last version of CRR (published in the Official Journal of the European Union).

adoption of the reporting frameworks and the beginning of the regulatory reportings.

Specific comments

Crédit Agricole SA fully subscribes to the FBF answer. Remarks related to the granularity seem especially important to us. Moreover, the data to report in the behavioral maturity template seems especially unclear to us:

- institutions do not have budgets or refinancing plans up to 10 years;
- the granularity of the information that is required does not correspond to the one supplied in the budget and the refinancing plan...

II. Answer to specific questions

Please find below a few additional comments to the FBF answer to this consultation.

Remittance dates (question 1)

Crédit Agricole SA estimates that a minimum delay of one year should be left to banks between the final adoption of the reporting frameworks and the beginning of the regulatory reportings.

Scope (question 2)

There is a need to distinguish two types of reports:

- some reports (LCR, contractual maturity ladder), which are based on the balance and off-balance sheet items, have an ALM nature;
- other reports (concentration of funding, renewal of funding, cost of funding...) are usually supplied by treasuries on the restricted perimeter of the resources that they issue on the market and are based on Front Office data;

It should be admitted that the perimeter of these reportings is not the same and the control framework of the Treasury reportings should be lightened (frequency of the reconciliation with accounting...).

Proportionality (question 3)

Crédit Agricole SA thinks that a threshold of 5% expressed in terms of contribution of the entities to the consolidated liabilities of the group should be adopted. Below this threshold, entities would not be obliged to report the data and consolidation would not be required.

Clarity of the reporting templates (question 4)

Crédit Agricole SA fully subscribes to the FBF answer on this point. Significant clarification should be supplied for some reporting templates.

Cost of implementation (question 5 and 6)

Crédit Agricole SA insists on the fact that the data requested for these reports are detailed, are spread in different systems (accounting, Front Office, other...) and, for part of them, are not already included in an automatic reporting process.

For all these reasons, it does not appear to Crédit Agricole that the implementation cost of these reportings is as low as EBA suggests.