



16 August 2013

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Dear Sir/Madam,

Deutsche Bank's (DB) response to the European Banking Authority's (EBA) consultation on draft Implementing Technical Standards (ITS) for joint decisions on institution-specific prudential requirements under Article 108 of the proposed Capital Requirements Directive

DB welcomes the opportunity to provide feedback on the draft ITS. In general we agree with the proposals and believe these will support cooperation and interaction between competent authorities on joint decisions on capital and liquidity. To further enhance the process, we suggest the following points be reflected in the final ITS:

- **Engagement with firms regarding decisions:** The previous supervisory guidelines included as part of the process the necessary dialogue between supervisors and firms. We encourage the EBA to reflect this within the ITS.
- **Impact on firms regarding timelines:** The draft ITS specify that timelines are to be determined on a group-by-group basis within the boundaries set out in CRD. We suggest the ITS reflect expectations that there will be communication with firms as part of this in order to allow supervisors and firms to manage their resources, particularly if the expectation is that jurisdiction-specific deadlines will converge.
- **Situations where no joint decision is reached:** Where competent authorities do not reach a joint decision, the draft ITS appear to reflect implicit acceptance that there would be no need for those parties to communicate in relation to monitoring of implementation. While this may in practice be done via colleges and captured by other 'early warning' requirements under the Capital Requirements Directive and proposed Recovery and Resolution Directive, we suggest Article 19 of the proposals should include expectations regarding communication.
- **Supervisory involvement – branches and third countries:** Under the proposed ITS, home regulators are responsible for decisions about the involvement of supervisors of branches and/or third country subsidiaries. The wording in Article 3 is unclear about the way in which these supervisors may participate. We suggest the EBA consider including more detail – e.g. by cross-referring to definition of significant branches in CRD Article 51. Consideration might be given to reflecting CEBS guidelines, such as GL 39 and GL34.



We would be pleased to discuss further any of the points raised in our response.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'A. Procter', with a long horizontal stroke extending to the right.

Andrew Procter
Global Head of Compliance, Government and Regulatory Affairs