



BNP Paribas Response to the European Banking Authority on draft RTS on passport notifications

We appreciate the opportunity to offer our views on the draft RTS and the draft ITS on passport notifications under article 35, 36 and 39 of the Capital requirements Directive

1. To what extent will the information on core activities contribute to transparency and monitoring of activities in host Member State?

- Information on core activities should be useful for both competent authorities and credit institutions for statistical purposes, as it should allow to attach a branch to one or several business lines.

- Where local banking or financial law is likely to evolve or change on specific topics, competent authorities of the host Member State should be able to address for information, discussion or consultation purposes directly to targeted credit institutions which core activities are concerned by the legal evolution or change.

Suggestion in relation to core activities: BNPP would suggest that the scope of this provision be extended to existing branches of credit institutions.

2. Do you think that the information in case of planned termination of the operation of a branch will contribute to the transparency of related process and contribute to the protection of customers?

Yes

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1. What are your views on the provisions covering the languages to which passport notifications are to be provided?

Having several languages for the same notification may trigger a risk of interpretation in case of misunderstanding or inconsistency between the different languages. Shouldn't the BTS state which language should prevail over the other (e.g. that of the home Member State)?

However, the choice of "accepted language" by the competent authorities is a best mean to evolve to a single document if both competent authorities would accept a common language for notification, English for example.

BNPP would suggest that, where a translation is necessary, credit institutions should pay particular attention to the agreement of translations, in particular in respect of banking activities that will be listed as carried out by the branch. For example activity n° 11 "Portfolio management" (as listed in Annex 1 of CRD 4) is set out into the French, Spanish and Italian versions of the annex as "gestion de patrimoine", "gestión de patrimonios", "gestione dei patrimoni" which do not have the same meaning, the latter being broader than "portfolio management".

2. Do you think that passport notifications and other relevant communications shall be transmitted only via electronic means or shall the ITS allow for both options? Please explain your answer.

What is meant by "electronic mean": notification via internet on the competent authority's website? or transmission of a scanned version of the notification file via e-mail? The ITS should be more precise.

Whatever it means, it should be acceptable in order to speed up the notification process but only to the extent that evidence can be brought as to the signature of the file by the person responsible for the credit institution. It should be doubled by a post transmission for proof, security and responsibility purposes. BNP Paribas would suggest keeping the post transmission as a preferred and secured mean and the electronic transmission as an option for the credit institution.

3. To what extent the provisions requiring check of completeness by the competent authorities of the home Member State will affect the efficiency of the process covering passport notifications?

BNP Paribas thinks that the check of completeness by the competent authorities of the home Member State will contribute to the efficiency of the process.