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Mr Andrea Enria  
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Paris March, the 20th 2012

Re: EBA consultation paper on draft ITS on supervisory requirements – CP 50

Dear Mister Enria,

We are pleased to provide our comments on the above consultation paper (the “CP”).

Société Générale is one of the largest European financial services groups based in 85 countries, among which 21 are in the European community. Consequently we welcome the proposal of ITS as part of the single rulebook enhancing harmonisation in Europe.

Although we do understand the need of additional data to answer to main objectives of the European System of Financial Supervision (ESFS) and the regulation rules, we wish to stress that providing these additional data requires restructuring our data bases and consequently needs significant time to achieve this project. As the CRD IV will be in force at the 1st of January 2013, we are focusing all our current IT developments and improvements on this deadline. From the adoption of the ITS with the associated XBRL taxonomy by the Commission and their publication, we need at least 18 months to adjust IT and reporting systems as a lot of the additional data to be provided are neither required in the IFRSs nor in the CRDIV project, and for most of them we will further have to build the bridge between our risk data and our accounting data.

As a listed company, we issue our annual financial statements (including related disclosures) about 45 business days after the closing date. Reducing this time in order to provide FINREP and COREP within 30 days assuming a high degree of quality will need deep revisions and changes in our processes. In spite of all our improvements, we do not think that it will be possible to meet such a short remittance date for the annual data. At the present time, we are not able to issue consolidated financial statements and disclosures, including all the Basel calculation within 30 days. Furthermore, FINREP and COREP should not be sent with temporary figures when the financials statements are audited and approved by the Board of Directors.

The additional requirements for the FINREP quarterly data (including the half year ones) are very similar to an annual closing. The 30th June interim financial statements do not include all the disclosures provided for the annual financial statements and we do not publish the disclosures of the financial statements on a quarterly basis. A lighter quarterly and half year FINREP reporting would really reduce reporting burden .

Before launching any ITS additional developments and building up a database, it would be necessary in order not to spend time and money in successive developments, to have the full picture of the reporting requirements including the FSB's ones following to consultation Paper "understanding Financial Linkages: a common data Template for Global Systemically Important Banks.

We are also very much concerned about the different exposure classes that are used for FINREP, COREP (SA and IRBA), BSI and MIR. Maintenance costs of the associated reference data are very high and of no benefit for us. We welcomed the JEGR work and would appreciate that it could lead to a single harmonised definition of the exposure classes and counterparties. We believe that the costs that would be cumulatively incurred by banks to provide similar data splitted according to different breakdowns significantly exceed the advantage that would be expected by some of their users wishing to keep consistency with existing statistical series.

Launching the consultation during the annual closing work did not allow us to get deeper into the questions. As we publish IFRS consolidated financial statements we focused on the templates for reporting financial information according to IFRS and did not look at the ones according to national accounting framework. Which means that our answers about FINREP only concern the templates according to IFRS.

We provide hereafter, in the detailed answers to questions, interim solutions in order to meet the CRD IV data in 2013 and a path to the ITS target. As there is no new IFRS requirements to justify the changes in FINREP, we propose to postpone FINREP ITS to 2015 in order to include the coming new IFRSs and to avoid successive changes. Meanwhile, as the French FINREP already contains a large number of data, we propose to keep it as an interim solution with an increase of frequency to meet the ESRB KRI needs.

To sum up our concerns about these proposed ITS : we need time to reduce the remittance date, to increase the FINREP remittance frequency and to be ready to provide the new breakdown of the CP. The harmonisation should include cohesiveness of the breakdown, particularly for the economic sectors. FINREP should be closed to IFRS and include the coming new IFRSs.

We remain at the Committee of European Banking Supervisors' disposal for any further discussion on these subjects.

Yours faithfully,

Bertrand Badré  
Chief Financial Officer Group

Benoit Ottenwaelter  
Chief Risk Officer Group

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## *Detailed answers to questions for Consultation*

### **CHAPTER 1**

#### **Subject matter, Scope and Definitions**

1. How would you assess the cost impact of using only CRR scope of consolidation for supervisory reporting of financial information?

As we already produce detailed financial statements on the CRR scope for supervisory purposes, there is no cost impact of using only CRR consolidation scope of consolidation.

2. Please specify cost implications if parts 1 and 2 of Annex III and of Annex IV of this regulation would be required, in addition to the CRR scope of consolidation, with the accounting scope of consolidation?

There would be an important additional cost if the accounting scope of consolidation would be used because we do not collect detailed data for the non Basel regulated activities of the Group as they are not within the scope of Basel requirements. According to the non use of the data, we do not collect the breakdown of financial assets by counterparty for the insurance activity which stand for about 60% of our debt instruments classified as available for sale and 8 % of our financial assets excluding derivatives at fair value through profit and loss. Reporting the FINREP project on an accounting scope would mean to extend our risk database to the insurance activity and to include this activity into the accounting / risk data reconciliation only for the FINREP purpose.

### **CHAPTER 2**

#### **Reporting reference and remittance dates**

3. Financial information will also be used on a cross-border and on European level, requiring adjustments to enable comparability. How would you assess the impact if the last sentence of point 2 of Article 3 referred to the calendar year instead of the accounting year?

As our accounting year is a calendar year, this last sentence has no impact for us.

4. Does having the same remittance period for reporting on an individual and a consolidated level allow for a more streamlined reporting process?

Most of the data calculation for Basel and CRD are done once by the central department of the Group and then the results are sent back to the entities. Because of that, it is not possible to have the same remittance date for both reporting (individual and consolidated). The same dates would shorten the time limit to produce the consolidated reporting in order to respect the individual ones. Furthermore, we do not understand the need and use of individual data as the CRD data are required and

monitored on a consolidated basis. We also lean on individual COREP and minimise the risk of discrepancies between the individual and consolidated COREP

Moreover, as we do not have to produce our individual financial statement under the IFRS, the IFRS data on an individual basis are not available (as far as individual financial statements under IFRS are not similar to individual contribution to consolidated data under IFRS, taking into consideration the effect of business combination adjustments for instance). Reporting simultaneously on an individual basis FINREP data according to IFRS and financial statements according to the national accounting framework would be a very significant additional and costly work.

Having the same remittance period for reporting on an individual and a consolidated level would not allow for a more streamlined reporting. It would reduce our internal deadlines in order to deal with the discrepancies between the individual and consolidated reporting.

5. How would you assess the impact if remittance dates were different on an individual level from those on a consolidated level?

See our answer to question 4

6. When would be the earliest point in time to submit audited figures?

Our regulatory reporting is not audited.

As we are a listed company, we have to issue our financial statements (including disclosures) and our registration document with audited figures. We usually issue them about 45 calendar days after the closing date. When the financial statements are ready, while our auditors are completing their certifications, we prepare the FINREP, COREP and national reporting. By the end of 60 calendar days we can provide figures based on the audited financial statements.

Nowadays, we first produce our consolidated financial statements (under IFRS) and the Parent company financial statements (under French GAAP) in order to fulfil the financial market regulation. We then publish the registration document with financial statements fully audited about 60 days after the closing date. During the first 30 days we work only on the financial statements, then during the next 30 days we work simultaneously on the financial statements, the FINREP and COREP and the local reporting to be sent to our national supervisory authority.

Reducing the deadlines may create a potential bottleneck effect in our accounting and risk departments.

7. Do you see any conflicts regarding remittance deadlines between prudential and other reporting (e.g. reporting for statistical or other purposes)?

As explained in our answer to the previous question, we first work on the financial statements and the run of the risk calculators. Then we begin to work on FINREP and COREP with almost final figures. If we have to produce FINREP and /or COREP before financial figures are stabilized, we will not be able any more to have a sequential production of the reporting and of the financial statements, we will have to parallelise the works and to double the manpower. The cost would be high for no improvement of the quality of the reporting.

### **CHAPTER 3**

#### **Format and frequency of reporting on own funds requirements**

8. Do the proposed criteria lead to a reduced reporting burden?

The proposed criteria might lead to increase reporting burden because we have to produce all the figures to check the thresholds.

9. What proportion of your total foreign exposures would be covered when applying the proposed thresholds? Please also specify the number of countries that would be covered with the proposed threshold as well as the total number of countries per exposure class.

Regarding the non retail exposures, 63% of the total foreign exposures and 57 countries would be covered :

23 countries for foreign exposures on corporates,

4 countries for foreign exposures on SME,

47 countries for foreign specialized lendings,

21 countries for foreign exposures on banks,

3 countries for foreign exposures on central banks and sovereigns,

7 countries for foreign exposures on public sector entities.

10. What would be the cost implications if the second threshold of Article 5 (1) (c) (ii) were deleted?

We would have to disclose a template for more than 150 countries.

11. Is the calculation of the threshold sufficiently clear?

Actually, we need additional guidelines on the definition of the “original exposure” and the “foreign exposure”. Shall we disclose the exposures according to the booking

entity, the asset location country of the obligor, the originating country of the assets (....) ?

12. Do the provisions of Article 5 (2) lead to a reduced reporting burden for small domestic institutions?

Not applicable

13. Is the calculation of the threshold sufficiently clear?

As put above, we need additional guidance of the geographical distribution of exposures.

14. Competent Authorities are obliged to disclose data on the national banking sector's total assets as part of the supervisory disclosure. Do you find these publications sufficient to calculate the proposed threshold?

Our understanding of the threshold is based on our own exposures. If it is correct, we do not need national banking sectors' publications to calculate the proposed threshold.

15. What would be the cost implications if information on own funds as put forward in Part 1 of Annex I (CA 1 to CA 5) were required with a monthly frequency for all institutions? Nowadays, we publish the information concerning own funds requirements on a quarterly bases. Moreover, technically, we cannot produce the information related to the own funds on a monthly basis, which demand a lot of development in our data production line (eg. Consistency risk/accounting). If we should publish the information on a monthly base, the costs will be, at least, tripled.

#### **Format and frequency of reporting on financial information**

16. Are there specific situations where this approach (differentiating between institutions using IFRS and national accounting frameworks for supervisory reporting purposes) would not be applicable?

As said in the cover letter, we focused on the templates based on IFRS.

17. What is your assessment of impact, costs and benefits related to the extent of financial information as covered by Articles 8 and 9?

As we do not publish the disclosures of our financial statements quarterly, the extension of the FINREP requirement would cost as much as an annual closing, only for supervisory purposes. Most of the breakdown proportions do not change significantly from a quarter to another. We could provide a selected package of data on quarterly basis to balance costs and needs. We provide, in our answer to question 33 and in the appendix 1, detailed comments about each table and a proposal of frequency and first remittance date.

18. In Articles 8(2) and 9(2) the proposed frequency is semi-annually. Does this reduce reporting burden? Please quantify the estimated cost impact of reporting with semi-annual frequency compared to quarterly.

Limiting such frequency to only 2 tables over about 60 is not enough to be considered as reducing reporting burden.

19. What is your general assessment of applying reporting standards regarding financial information on an individual level?

In France, as many countries through the Union, financial institutions already produce a very detailed monthly reporting on an individual level. This reporting is based on the local accounting rules and answers needs of various statistical requirements. Producing FINREP on an individual level would be a very expensive additional work if no local reporting is simultaneously withdrawn. It would create heavy reporting burden and will not fit the various statistical needs. Most of the local breakdowns of accounting data are not the same as those required in FINREP. Such a change would imply important IT developments and would break the existing statistical series.

20. How would you assess costs and benefits of applying the ITS requirements regarding financial information on an individual level? (Please assess the impact for the two scenarios (i) application of parts 1 and 2 of Annex III and Annex IV on an individual level (ii) application of parts 1 to 4 of Annex III and Annex IV on an individual level (ii)) Would there be obstacles for applying reporting on an individual level?

As far as IFRS are not used as local GAAP in France and as long as there is tax and legal restrictions about this use, implementing FINREP on an individual level would be very expensive. Some of our foreign subsidiaries that are allowed to use IFRS in their local statements might have lower costs of implementation and sometimes even already produce FINREP on an individual basis.

We believe that each national supervisor should be allowed, but should not be obliged, to use FINREP on an individual basis. Consequently FINREP on an individual basis should be out of the scope of ITS.

21. If the proposal was to be extended, what implementation time would be needed?

We cannot estimate the implementation time if the proposal would be extended because we would have to manage two projects at the same time, one to implement FINREP and the other one to dismantle the existing local reporting.

## **CHAPTER 6**

### **IT solutions**

22. What cost implications would arise if the use of XBRL taxonomies would be a mandatory requirement in Europe for the submission of ITS-related data to competent authorities?

We already use XBRL taxonomy for FINREP, COREP and our national reporting, the translation into the XBRL taxonomy is included into the software we use to built up the reporting and the update are provided by our supplier. In order to have a correct

project process, we will need to have the reporting table with the ITS and the XBRL taxonomy at the same time .

## **CHAPTER 7**

### **Final provisions**

23. How would you assess the cost implications of the following two options?

- (1) Implement the ITS as of the first possible reference date (31/03/2013)
- 2) Delay the implementation of the ITS by 6 months (first reporting based on data as of 30/09/2013) and implement national interim solutions for reporting as of 31/03/2013.

Option 1 is impossible due to the number of data required in this reporting proposal which are not directly available in a unique database. We have to connect different databases and to build up the reconciliation processes.

Option 2 is a better alternative although the implementation delay is not long enough. We provide in our answer to question 33 and the appendix 1 a proposal of frequency and first remittance date, starting at the 31/03/2013 for the COREP own funds templates.

24. What would be the minimum implementation period to adjust IT and reporting systems to meet the new ITS reporting requirements? Please elaborate on the challenges which could arise.

Implementing the FINREP as proposed in this consultation is an important IT and process project for the Group. We would have to create automatic connections between our risk and finance data systems and data collectors, we would have to collect additional information which are not currently available in our information system and as they are not used for accounting nor for management purposes. This project would have to be thought and designed in a cohesive way with our internal improvements. We also need to have the global picture of all the forthcoming reporting requirements including IFRS. This kind of project is not a short term one but a long term one which usually needs about two years of work. Consequently, an implementation of the ITS as of 31/03/2013 is almost impossible. A delay of the implementation and national interim solutions is the best alternative. But this alternative should be used during more than 6 months. It should be used until we have a real automatic implementation of the ITS and the update of IFRSs. Including the IFRS project in the target will avoid additional cost and the use of a very temporary FINREP. We think that the COREP implementation could be finalised in 2014 and FINREP in 2015. Please see our answer to question 33 and annexe 1 for the detailed path and the tables we could provide before the end of the implantation period.



25. What would be the minimum implementation period required for institutions already subject to FINREP reporting to implement the financial reporting described in this consultation paper ?

See our answer to question 24. Even if we already provide a very detailed FINREP, the implementation period could not be shortened. But we can already provide many tables and some additional breakdowns (see answer to question 33 and appendix 1). The additional requirements are the most costly and they amount for more of 80% of the cost of the project.

26. What would be the minimum implementation period required for institutions NOT subject to FINREP reporting at the moment to implement the financial reporting described in this consultation paper?

If FINREP requirements are closed to financial statements, their implementation period is rather short. The mix of risk and finance data, plus the specific FINREP information, that is information NOT required by the IFRS or national accounting rules requirements, lengthens the period of implementation to a minimum of 2 years.

27. Would the required implementation period be the same for reporting requirements on an individual basis and on a consolidated basis?

See answer to question 21

### **Annex I and Annex II**

28. Do restrictions (restricted cells are cells which do not have to be reported to supervisors - displayed in the COREP templates as grey/blocked cells) reduce the reporting burden? Currently, our COREP templates consist blocked cells, which are useful for us.

29. Compared to previous versions of the COREP templates are there additional reporting requirements which, cause disproportionate costs?

What will almost cause disproportionate costs for us is the reduced deadline for the COREP production. As you may know, our IT system is very complex and heavy. It is not conceivable for us to realise the production line development and produce the new COREP templates in the reduced time limit.

Moreover, the collection of additional data will cause important costs.

30. Are the templates, related instructions and validation rules included in Annex I and Annex II sufficiently clear? Please provide concrete examples where the implementation instructions are not clear to you.

We would like additional guidelines on the following items :

\* Template CR SA :

(i) we need additional guidance on the disclosure regarding “subject to CVA charge” (row 50)? Do we have to disclose in the rows the exposure value of instruments that are in the scope of CVA or the CVA charge per itself?

(ii) Comparing CR SA and CR SA details, we notice that off-balance sheet items regarding Default funds are blocked in the CR SA Details (row 30/column 20) but not in the CR SA. Is it an omission ?

\* Template CR IRB :

(i) may you confirm that column 271 requires disclosing accounting CVA ?

(ii) Row 150 / column 10 is not blocked: may you confirm that this is an omission ?

(iii) We need additional guidance on the disclosure concerning “number of obligors” (column 280) versus “number of counterparties” (column 290): what’s the difference between the obligors and the counterparty? Why all the cells are blocked except row 041, 050 and 051 for the number of counterparties? How to fill them?

Template MKR SA EQU

A new disclosure is required regarding the threshold of 2% of the sum of the total gross long and gross short positions for all equity positions. We need additional guidance about the definition of the “national market”.

What is the meaning of (net + short) in the template? Do you mean (long + short)?

\* Template MKR IM :

A new disclosure is required regarding a split per currency which will lead to IT developments. Also, we need additional guidance about the gross positions : what is the meaning of (net + short) in row 190 01-N ? Do you mean (long + short)?

\*Template CR Sec SA :

May you confirm that we need to disclose IAA approach (row 310-320) in the standardised template ? And what is the reason of the disclosure?

\*Template SEC Detail:

May you confirm that the scope of the disclosure is limited to the non-trading book elements?

31. CR IRB – What is your assessment of cost implications of the new lines for “large regulated financial entities and to unregulated financial entities”? What is the most cost efficient way of incorporating this kind of information in the reporting framework?

This information is required by the CRD4, but not an additional requirement of COREP. Therefore, the only implementation of the new line in COREP does not generate supplemental costs. Indeed, the costs will be generated in the level of implementation of CRD4.

32. CR SA – What is your assessment of cost implications of the new lines to gather information about exposures without a rating or which have an inferred rating? What is the most cost efficient way of incorporating this kind of information in the reporting framework? As put above in the question 31

**Annex III, Annex IV, and Annex V**

33. Are the templates included in Annex III and Annex IV and the related instructions included in Annex V sufficiently clear? Please provide concrete examples where the implementation instructions are not clear to you.

In a table in annexe 1 we underline the main difficulties we could meet to implement the tables and propose solutions to avoid additional reporting burdens and an interim solution.

*Template 10 (Annex III and Annex IV)*

34. Do the provisions of Article 8 (3) and 11 (3) lead to a reduced reporting burden?

These ITS are part of the single rulebook enhancing regulatory harmonisation in Europe which is welcome by the institutions because it will ensure fair condition of competition between comparable groups and because it will reduce reporting burden for the trans-border groups. For a trans-border group the provision of Article 8 (3) and 11 (3) cannot reduce reporting burden. The provisions of these articles may reduce the reporting burden only for small national institutions.

35. What are the cost implications of introducing a breakdown by individual countries and counterparties?

We understand that as we are an international group, according to art 8, we'll have to calculate for each reporting the amount of exposure on each country and then select the 10 biggest to fill up the table. The cost to build up an automatic system to prepare the data is very high and then the analyse of the data to identify the data to report is also very high.

We already produce a reporting for BSI international consolidated banking statistics and COREP will provide a breakdown by country. This FINREP table create heavy

reporting burden and do not provide additional information. Why is there a need to map this information of this table with the PD LGD information in COREP ? We strongly disagree to send two (or three) similar tables. We think that this table should be deleted.

36. What are the cost implications of introducing a breakdown by economic sector by using NACE codes?

The breakdown by economic sector by using NACE code is an additional breakdown. We already use it for monetary national statistics and we do not understand the use of these codes on a consolidated base. What is the need fed by this requirement ? The cost of using so many different economic sectors is linked to the maintenance of the data references. But we believe that the costs that would be cumulatively incurred by banks to provide similar data splitted according to different breakdowns significantly exceed the advantage that would be expected by some of their users wishing to keep consistency with existing statistical series.

37. Would other classification be more suitable or cost efficient?

A real harmonisation of the various economic sectors which are currently different from FINREP and COREP, MIR and BIS statistics would be very cost efficient. We wish the JEGR works could be achieved and provide this harmonisation.

38. What would be the difference in cost if the geographical breakdown would be asked only by differentiating between domestic and foreign exposures compared to country-by-country breakdown?

A geographic breakdown by country will enhance a regulatory harmonisation in Europe. The reporting format would be the same for all the subsidiaries of a trans-border group. But this option is quite expensive because links between accounting and the counterparty data base will have to be implemented.

Differentiating breakdown between domestic and foreign exposures would be much cheaper and easier to produce if based upon the booking criteria.

39. What are the cost implications of introducing breakdown of sovereign holdings by country, maturity and accounting portfolio?

Because of the ad hoc reporting requirement, we already provide detailed data about sovereign exposure. There will be few additional costs.

*Template 14 (Annex III and Annex IV)*

40. How would you assess the cost implications on providing a geographical breakdown of these items with the proposed breakdown to domestic, EMU countries, other EU and rest of the world?

On one hand, our data base could provide the residence of the counterparty of our risk exposure because this information is used in the risk management. On the other hand, we do not know the residence of all our liability holders, notably when traded on a market.

The breakdown of the interest margin by residence of the counterparty is a matter for cost accounting, it does not belong to the IFRS accounting.

We do not understand the use of a geographical breakdown in FINREP as it already exists in COREP and in BSI international consolidated banking statistics for the assets side. This table seems to be quite similar to table 10. We strongly disagree to send two (or three) similar tables. We think that this table should be deleted.

41. Would application of a materiality threshold similar to Article 8 (3) and 11 (3) (reporting the breakdown only if foreign exposures exceed 10 % of the total exposures) reduce reporting burden?

We do not think so. See our answer to Q 34

42. What would be difference in cost implications if breakdown would be requested only with differentiation between domestic/ foreign or alternatively country by country with similar threshold than in Article 8 (3) and 11 (3) compared to the proposal in the Consultation Paper?

We do not think so. See our answer to question 34

*Templates for reporting financial information according to national accounting frameworks*

43. Are there specific aspects of national accounting framework that has not been covered or not addressed properly in the templates?

*Instructions in Annex V*

44. Does the IAS 7 definition of cash equivalents follow the practice used when publishing financial statements? How would this definition interact with definitions of IAS 39 for assets in held for trading portfolio?

The IAS 7 definition of cash equivalent does not follow the practice used in the published balance sheet, it is only used for the Statement of Cash Flows which is not meaningful for a financial institution. But there is no specific difficulty to fulfil this IAS 7 requirement.

45. How do you assess the impact of reporting interest income and interest expense from financial instruments held for trading and carried at fair value through profit and loss always under interest income and interest expense?

We report net gains and losses on financial instruments at fair value through P&L. Extracting the interest incomes or expenses on this instruments is not possible in our actual management system and does not fit with the way they are valued and managed and the way their result is recognised. The fair value measurement, in particular for the listed instruments, is a global valuation which does not split each component of the price in the accounting system. Reporting interest income and interest expense on financial instruments held for trading and carried at fair value through profit and loss would be a very artificial and expensive exercise performed for the FINREP purpose only and with neither economic nor accounting meaning. The alternatives and options allowed by IFRS for the presentation of Profit and Loss should not be deleted..

Annexe 1 – Detailed answer to question 33 and proposal of first remittance date and frequency

Part 1 - FINREP

	<b><u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u></b>	<b><u>COMMENTS</u></b>	<b><u>PROPOSAL OF FREQUENCY</u></b>	<b><u>PROPOSAL OF FIRST REMITTANCE DATE</u></b>
	<b><u>ANNEXES III</u></b>			
	<b><u>PART 1</u></b>			
1	<b>Balance Sheet Statement (Statement of Financial Position)</b>			
1.1	Balance Sheet Statement: assets		Quarterly	- 31/03/2013
1.2	Balance Sheet Statement: liabilities		Quarterly	- 31/03/2013
1.3	Balance Sheet Statement: equity		Quarterly	- 31/03/2013
2	Income Statement	Interest income and interest expense from financial instruments held for trading, and from financial instruments carried at fair value through profit or loss, cannot be reported separately from other gains and losses under items “interest income” and “interest expense” because their interest are included into their fair value . See answer to Q 45	Quarterly	- 31/03/2013 with no change in interest income and expenses
	<b><u>PART 2</u></b>			

	<u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u>	<u>COMMENTS</u>	<u>PROPOSAL OF FREQUENCY</u>	<u>PROPOSAL OF FIRST REMITTANCE DATE</u>
3	<b>Breakdown of financial assets by instrument and by asset class</b>			
3.1	Breakdown of financial assets by instrument and by asset class: demand deposits and cash equivalents	Is the economic sector for the equity instrument, the issuer's one ?	Half yearly	– 30/06/2013
3.2	Breakdown of financial assets by instrument and by asset class: financial assets held for trading	<p>IFRS 7 – (c) requires the amount of change, during the period and cumulatively, in the fair value of the financial asset that is attributable to changes in the credit risk only for financial assets or financial liabilities at fair value through profit or loss.</p> <ul style="list-style-type: none"> <li>- The changes of fair value come from various risks ( interest rates, credit, FX...) .It is not possible to isolate each component through the accounting reporting. Such detail is only available from the front office or the middle office or the risk management system according to the risk</li> <li>- It is not possible to get such a detailed information broken down by sector classes.</li> <li>- Furthermore, as the fair value is only one amount in the accounting system, the detailed changes in fair value require to keep and analyse the split of the value from the beginning to the end of the period .</li> </ul>	Half yearly	– 30/06/2013 without the column 020 and line 020



	<b><u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u></b>	<b><u>COMMENTS</u></b>	<b><u>PROPOSAL OF FREQUENCY</u></b>	<b><u>PROPOSAL OF FIRST REMITTANCE DATE</u></b>
		- Is the economic sector for the equity instrument, the issuer's one ?		
3.4	Breakdown of financial assets by instrument and by asset class: financial assets designated at fair value through profit or loss	- Is the economic sector for the equity instrument, the issuer's one ? - See table 3.2	Half yearly	– 30/06/2013 without the column 020 and line 020
3.5	Breakdown of financial assets by instrument and by asset class: available-for-sale financial assets	Is the economic sector for the equity instrument, the issuer's one ?	Half yearly	– 30/06/2013 without the column 020
3.8	Breakdown of financial assets by instrument and by asset class: Loans and receivables and held-to-maturity investments	- there is not IFRS requirement to identify « Specific allowances for individually assessed financial assets » and “Specific allowances for collectively assessed financial assets”	Half yearly	– 30/06/2013 with only one column for the 040 and 030
<b>4</b>	<b>Past due, impaired and defaulted assets</b>			
4.1	Financial assets subject to impairment that are past due or impaired	- Is the economic sector for the equity instrument, the issuer's one ? - The impairment of equity instruments cannot be reported for those at fair value on the balance sheet because - The breakdown of the « Loans and advances » by counterparty and product, that is according to two differentiation axis requires	Quarterly	- 31/03/2013 without line 010 to 050 and 210 to 300 and col 100 filled up only for line 120

	<u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u>	<u>COMMENTS</u>	<u>PROPOSAL OF FREQUENCY</u>	<u>PROPOSAL OF FIRST REMITTANCE DATE</u>
		<p>important changes in our data bases. A single axis could be much more cheaper and the one already available is by counterparty.</p> <ul style="list-style-type: none"> <li>- How should “Collateral and other credit enhancements received as security for the related impaired and past due assets” be reported, according to the loans or to their own characteristics. COREP already collect a similar information .</li> <li>- « Specific allowances for collectively assessed financial assets » cannot be broken down by counterparty, neither by product as they are not individually affected.</li> <li>- What is the difference between col 100 and 150 ,</li> </ul>		
4.2	Financial assets non-subject to impairment that are past due	<ul style="list-style-type: none"> <li>- What is the difference between not default and not impaired ? The mix of the IFRS definitions and the CRR ones are confusing</li> <li>- We think that table 4.1 should cover all the data, what could be Assets non subject to impairment ?</li> </ul>	This table should be deleted	

	<b><u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u></b>	<b><u>COMMENTS</u></b>	<b><u>PROPOSAL OF FREQUENCY</u></b>	<b><u>PROPOSAL OF FIRST REMITTANCE DATE</u></b>
5	Breakdown of financial liabilities by product and by counterparty	IFRS 7 – (c) requires the amount of change, during the period and cumulatively, in the fair value of the financial asset that is attributable to changes in the credit risk only for financial assets or financial liabilities at fair value through profit or loss.	Half yearly without column 060	– 31/12/2013
6	<b>Loan commitments, financial guarantees and other commitments</b>			
6.1	Off-balance sheet items subject to credit risk: loan commitments, financial guarantees and other commitments given		Half yearly	– 31/12/2013
6.2	Loan commitments, financial guarantees and other commitments received	The maximum guarantee that can be considered is used for the COREP calculation, so this table should be deleted from FINREP	This table should be deleted	
<b><u>PART 3</u></b>				
7	<b>Derivatives: held for trading</b>	<ul style="list-style-type: none"> <li>- There is no definition of Economic hedge in the IFRS .</li> <li>- The financial instrument are not accounted by instrument and economic sector class, they are accounted by classes and category.</li> <li>- To fill up the last three lines of the table 3 and 4, a breakdown of the total by counterparty is</li> </ul>	Half yearly	– 30/06/2013 without economic hedge and without line 260 to 280

	<u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u>	<u>COMMENTS</u>	<u>PROPOSAL OF FREQUENCY</u>	<u>PROPOSAL OF FIRST REMITTANCE DATE</u>
		necessary. This information is not already available in our data systems. - Some derivatives stand on the asset side or liability side of the balance sheet according to their value without any possible link between the balance sheet amount and the notional one.		
8	<b>Derivatives: hedge accounting</b>	See table 7	Half yearly	– 30/06/2013 without line 430 to 450
9	<b>Breakdown of loans and advances by product</b>	- We already produce a similar table on an individual basis for the ECB statistics. What need this additional table will feed.	This table should be deleted	
10	<b>Credit risk</b>			
10.1	Geographical breakdown of financial exposures subject to credit risk by residence of the counterparty	See Q 35 to 39 We do need to have the list of the ten countries of the table. What is the need to add the “of which: Commercial real state and Small and medium sized enterprises (SME) “ ? We already produce a very similar table for our supervisor, based on the consolidated data and feeding the BRI requirement . This additional table increase the reporting burden	This table should be deleted	
10.2	Breakdown of loans and advances to non-financial	See Q 35 to 39 What is the need fed by this table . It seems to be	This table should be	

	<u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u>	<u>COMMENTS</u>	<u>PROPOSAL OF FREQUENCY</u>	<u>PROPOSAL OF FIRST REMITTANCE DATE</u>
	corporations by NACE codes	for statistical purposes and not for supervisory reporting.	deleted	
10.3	Geographical breakdown of debt securities held from general governments by residence of the counterparty and by residual maturity	See Q 35 to 39	Quarterly	- 31/03/2013
<b>11</b>	<b>Impairment</b>			
11.1	Impairment on financial and non-financial assets		Half yearly	– 30/06/2013
11.2	Movements in allowances for credit losses and impairment of equity instruments	The Breakdown by economic sector are not available by flows What is the meaning of “ estimated probable loan losses “ , what is it based on ?	Half yearly	– 30/06/2013 without the breakdown by economic sectors. Instructions are required about of “ estimated probable loan losses “
12	<b>Financial assets pledged as collateral: derecognition and financial liabilities associated with transferred financial assets</b>	- Are the Repos included or not in this table ?. - The col 110 is not an IFRS requirement	Yearly	- 31/12/2013 without col 110

	<u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u>	<u>COMMENTS</u>	<u>PROPOSAL OF FREQUENCY</u>	<u>PROPOSAL OF FIRST REMITTANCE DATE</u>
13	<b>Fair value hierarchy: financial instruments at fair value</b>	<p>- The hierarchy level of the instrument is not available in the accounting data because accounting is made according to the classification of the IFRS and detailed into category such as debt instruments, of equity instruments. Le level of an instrument may change during its life the trading portofolio is not managed in a way which allows to identify in the accounts the difference between realised and unrealised result .</p> <p>- IFRS7 and IFRS 13 requires information about level 3 instrument . Unrealised gains and losses for Level 2 and 1 instruments are not IFRS requirements . The way a trading portofolio is managed do not pay attention about unrealised gains or losses particularly on Level 1 instruments.</p> <p>IFRS13 is not yet approved by the EU</p>	<p>Half yearly</p> <p>Yearly</p> <p><b>The data not requiered either by IFRS 7 or by IFRS 13 should be deleted.</b></p>	<p>– 30/06/2013 for column 010 to 030</p> <p>– 31/12/2013 for column 050 and 080</p>
14	<b>Geographical breakdown</b>			
14.1	Geographical breakdown of assets by residence of the counterparty	We already provide a similar table based on the BRI needs . A breakdown by counterparty and then by residence of the counterparty is a real reporting burden .	See answer to Q 40	

	<b><u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u></b>	<b><u>COMMENTS</u></b>	<b><u>PROPOSAL OF FREQUENCY</u></b>	<b><u>PROPOSAL OF FIRST REMITTANCE DATE</u></b>
14.2	Geographical breakdown of liabilities by residence of the counterparty	What counterparty should be taken into account for short positions , is it the issuer of the instruments ? A breakdown by counterparty and then by residence of the counterparty is a real reporting burden . We do not always have the counterparty of the liabilities	See answer to Q 40	
14.3	Geographical breakdown of selected income statement items by residence of the counterparty	See Q 40 . This deals with cost accounting , not with IFRS accounting. We do not collect any breakdown of the interest margin but by classification of the instrument.	See answer to Q 40	
14.4	Geographical breakdown of assets by location of the activities	If based upon the booking entity, this table is feasible.	Yearly	– 31/12/2013 If based upon the booking entity, otherwise should be deleted
14.5	Geographical breakdown of liabilities by location of the activities	If based upon the booking entity, this table is feasible.	Yearly	– 31/12/2013 If based upon the booking entity, otherwise should be deleted
14.6	Geographical breakdown of main income statement items by	If based upon the booking entity, this table is feasible.	Yearly	– 31/12/2013 If based upon

	<u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u>	<u>COMMENTS</u>	<u>PROPOSAL OF FREQUENCY</u>	<u>PROPOSAL OF FIRST REMITTANCE DATE</u>
	location of the activities			the booking entity, otherwise should be deleted
15	Off-balance sheet activities: Interests in unconsolidated structured entities	IFRS 12 is not yet adopted by the EU . When adopted, this table should not ask for more than IFRS12	Yearly	– according to EU approval of IFRS10 to 12
16	Related parties: amounts payable to and amounts receivable		Yearly	31/12/2013
<b>17</b>	<b>Breakdown of selected income statement items</b>			
17.1	Interest income and expenses by instrument, asset class and counterparty	- The income statement is either by nature or by destination. There is no accounting requirement to have both and the accounting recording are not made to be multidimensional. The income and expenses by counterparty is not possible. The breakdown by counterparty should be deleted and consequently, this table too because giving no additional information than table 2	This table should be deleted	
17.2	Realised gains and losses on financial assets and liabilities not measured at fair value through profit or loss by instrument	These requirements do not belong to the IFRS . What need are fed with it ?	This table should be deleted	



	<b><u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u></b>	<b><u>COMMENTS</u></b>	<b><u>PROPOSAL OF FREQUENCY</u></b>	<b><u>PROPOSAL OF FIRST REMITTANCE DATE</u></b>
17.3	Gains and losses on financial assets and liabilities held for trading by instrument		Half yearly	– 30/06/2013
17.4	Gains and losses on financial assets and liabilities held for trading by risk	We understand that the grey column do need to be filled up	Half yearly	– 30/06/2013 for the column 010
17.5	Gains and losses on financial assets and liabilities designated at fair value through profit or loss by instrument	IFRS 7 – (c) requires the amount of change, during the period and cumulatively, in the fair value of the financial asset that is attributable to changes in the credit risk only for financial assets or financial liabilities at fair value through profit or loss. As the fair value is only one amount in the accounting system, the detailed changes in fair value are not available See table 3.2 . The split between gain and losses has no meaning	Half yearly	– 30/06/2013 without column 0040
17.6	Gains and losses from hedge accounting		Half yearly	– 30/06/2013
18	Fee and comission income and expenses by activity	- The breakdown by economic sector is not available for the income statement	Yearly	31/12/2013 without line 089 to 110
	<b><u>PART 4</u></b>			
19	<b>Statement of comprehensive income</b>	- According to IAS 1 (BC 65), the items of the other comprehensive income can be detailed either net of taxes or before taxes. This option	Quarterly Format to be reviewed	31/03/2013

	<b><u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u></b>	<b><u>COMMENTS</u></b>	<b><u>PROPOSAL OF FREQUENCY</u></b>	<b><u>PROPOSAL OF FIRST REMITTANCE DATE</u></b>
		should not be removed because of the EBA reporting.		
<b>20</b>	<b>Equity</b>			
20.1	Statement of changes in equity		Yearly 31/12/2013	
20.2	Capital by counterparty	We do not always know who are the holders of our capital., when listed for instance.		
	<b><u>PART 5</u></b>	<b><u>Is part 5 a block of tables or will the competent authority be allowed to choose which table is useful for their supervision ?</u></b>	Yearly if asked by the national supervisor	
<b>21</b>	<b>Collateral and guarantees received</b>			
21.1	Breakdown of loans and advances by collateral and guarantees	Most of the collateral are not recorded in the balance sheet, neither off balance sheet. These data are collected for risk management, impairment calculations and COREP. they should not take place in a financial reporting.	This table should be deleted	
21.2	Financial Assets designated at fair value through profit or loss: mitigation of credit risk with credit derivatives			
21.3	Collateral held when the reporting institution is permitted to sell or repledge in the absence of default by the owner of collateral	The accounting data do not carry any breakdown of loans by collateral or guarantee, this information might be only in COREP.		

	<b><u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u></b>	<b><u>COMMENTS</u></b>	<b><u>PROPOSAL OF FREQUENCY</u></b>	<b><u>PROPOSAL OF FIRST REMITTANCE DATE</u></b>
21.4	Collateral obtained by taking possession during the period	There can be a long time between the start of a legal actions to get the collateral and taking possession of it. These information is consistent only on an annual basis		
21.5	Foreclosure [tangible assets] accumulated	This table does not fit with IFRS 7- 38		
<b>22</b>	<b>Financial assets pledged as collateral</b>			
22.1	Financial assets pledged as collateral for liabilities and contingent liabilities	If asked , this table should be a yearly one		
22.2	Financial assets pledged as non-cash collateral for which the transferre has the right to sell or repledge in the absence of default by the reporting institution	If asked , this table should be a yearly one		
<b>23</b>	<b>Fair value</b>			
23.1	Fair value hierarchy: financial instruments at amortised cost	- IFRS 13 is not yet adopted by the EU . We do believe that the fair value hierarchy for financial instruments at cost give no consistent information, in particular for the loans for which there is no active market , which is the case of our originated loans.		

	<b><u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u></b>	<b><u>COMMENTS</u></b>	<b><u>PROPOSAL OF FREQUENCY</u></b>	<b><u>PROPOSAL OF FIRST REMITTANCE DATE</u></b>
23.2	Use of the Fair Value Option	If asked , this table should be a yearly one		
23.3	Hybrid financial instruments not designated at fair value through profit or loss	Hybrid financial instruments not designated at fair value through profit or loss cannot be identified through the accounting data;		
24	Off-balance sheet activities: asset management, custody and other service functions	- The Financial data are collected in order to produce the IFRS financial statement. As these data are required by the IFRS, we do not collect it to consolidate it. Financial information not required by IFRS should not be collected and should be removed . -	This table should be deleted	
<b>25</b>	<b>Tangible and intangible assets</b>			
25.1	Tangible and intangible assets: carrying amount			
25.2	Tangible and intangible assets: assets subject to operating lease			
26	<b>Provisions</b>	If asked , this table should be a yearly one		
<b>27</b>	<b>Defined benefit plans and employee benefits</b>			
27.1	Components of defined benefit plan assets and liabilities	These information is consistent only on an annual basis because most calculation are annual		
27.2	Movements in defined benefit plan obligations	These information is consistent only on an annual basis These information is consistent		

	<u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u>	<u>COMMENTS</u>	<u>PROPOSAL OF FREQUENCY</u>	<u>PROPOSAL OF FIRST REMITTANCE DATE</u>
		only on an annual basis because most calculation are annual		
27.3	Memo items [related to staff expenses]	These information is consistent only on an annual basis because most calculation are annual		
<b>28</b>	<b>Components of own funds</b>	-	-	-
28.1	Subordinated financial liabilities			
28.2.	Minority interests: accumulated other comprehensive income			
28.3	Information on unrealised gains and losses	- According to IAS 1 (BC 65), the items of the other comprehensive income can be detailed either net of taxes or before taxes. This option should not be removed because of the EBA reporting. .		
<b>29</b>	<b>Breakdown of selected income statement items</b>			
29.1	Realised gains and losses on financial assets and liabilities not measured at fair value through profit or loss by accounting portfolio	Seems to be very closed to table 17. should be deleted	This table should be deleted	
29.2	Gains and losses on financial assets and liabilities designated at fair value through profit or loss	IFRS 7 – (c) requires the amount of change, during the period and cumulatively, in the fair value of the financial asset that is attributable to changes in the credit risk only for financial assets	This table should be deleted	

	<u>ITS ON SUPERVISORY REPORTING – EBA CP 50</u>	<u>COMMENTS</u>	<u>PROPOSAL OF FREQUENCY</u>	<u>PROPOSAL OF FIRST REMITTANCE DATE</u>
		or financial liabilities at fair value through profit or loss. Seems to be very closed to table 17. should be deleted IFRS		
29.3	Gains and losses on derecognition of non-financial assets other than held for sale	Seems to be very closed to table 17. should be deleted	This table should be deleted	
29.4	Other operating income and expenses	Seems to be very closed to table 17. should be deleted	This table should be deleted	
<b>30</b>	<b>Related parties</b>	.		
30.1	Expenses and incomes generated by transactions with related parties	Part of these data is published in the annual financial statement. A quarterly report does not fit with the financial statement requirements.		
30.2	Key management personnel compensation	Part of these data is published in the annual financial statement. A quarterly report does not fit with the financial statement requirements . Moreover, the management key compensation is an annual data.		
31	Scope of group	IFRS 12 is not yet adopted by the EU . When adopted, this table should not ask for more than IFRS12 We already provide a similar table to our local supervisor . This creates reporting burden.	This table should be deleted	

Part II - COREP

	<b>ITS ON SUPERVISORY REPORTING – EBA CP 50</b>	<b>COMMENTS</b>	<b>PROPOSAL OF FREQUENCY AND FIRST REMITTANCE DATE</b>
	<b>ANNEXES I et II</b>		
	<b>PART 1</b>		
1.2	<b>Own funds</b>		Quarterly – 31/03/2013
1.3	<b>Own funds requirements</b>		Quarterly – 31/03/2013
1.4	<b>Capital ratios</b>		Quarterly – 31/03/2013
1.5	<b>Memorandum items</b>		Quarterly – 31/03/2013
1.5	<b>Transitional provisions</b>		Annually – 31/12/2013
	<b>PART 2</b>		
2	<b>Group solvency</b>		Annually – 31/12/2013
	<b>PART 3</b>		
3.2	CR SA	.	Quarterly - 31/03/2013
3.3	CR IRB	As the CRD IV will be in force at the 1st of January 2013, we are focusing all our current IT developments on this deadline. Regarding the additional data not required in the CRDIV project, we need at least 12 months to adjust IT and reporting systems. That is why, we propose to remit the geographical breakdown in 2014 and we would like to discuss the liaison of this	Quarterly - 31/03/2013 except the geographical breakdown.

	<b>ITS ON SUPERVISORY REPORTING – EBA CP 50</b>	<b>COMMENTS</b>	<b>PROPOSAL OF FREQUENCY AND FIRST REMITTANCE DATE</b>
		disclosure in relation to the FSB requirements.	
3.4	CR EQU IRB		Quarterly – 31/03/2013
3.5	CR SETT		Quarterly – 31/03/2013
3.6	CR SEC SA		Quarterly – 31/03/2013
3.7	CR SEC IRB		Quarterly - 31/03/2013
3.8	SEC DETAILS		Annually – 31/12/2013
	<b>PART 4</b>		
4.1	OPR		Quarterly – 31/03/2013
4.2	OPR DETAILS		Annually – 31/12/2013
	<b>PART 5</b>		
5.1	MKR SA TDI		Quarterly – 31/03/2013
5.2	MKR SA SEC		Quarterly - 31/03/2013
5.3	MKR SA CTP		Quarterly – 31/03/2013
5.4	MKR SA EQU		Quarterly – 31/03/2013
5.5	MKR SA FX		Quarterly – 31/03/2013
5.6	MKR SA COM		Quarterly – 31/03/2013
5.7	MKR-IM	As the CRD IV will be in force at the 1st of January 2013, we are focusing all our current IT developments on this deadline. Regarding the additional data not required in the CRDIV project, we need at least 12 months to adjust IT and reporting systems. That is why we propose to remit the new MKR IM with long and short positions in 2014	Quarterly – 31/03/2014