15 December 2010

Feedback on responses received during the public consultation on proposed amendments to the Guidelines on COREP (CP04rev2)

1. CEBS' commitment to streamline and harmonise reporting requirements towards a single set of reporting requirements in Europe has been introduced in the CRD in Article 74 which states that "CEBS shall elaborate guidelines to introduce, within the Community, a uniform reporting format at the latest by 1 January 2012."

2. The project of adopting the current COREP guidelines follows a two phased approach with its final deliverable – COREP rev4 with application date 31.12.2012 - due by 1 January 2012.

3. The consultation paper published in June 2010 marked the first cornerstone towards uniform prudential reporting formats. The consultation period last for three months and ended on the 16 September 2010. 14 responses were received of which 13 were published on the CEBS website.[1]

4. This paper presents a summary of the key points arising from the consultation, the analysis and discussion triggered by these comments and the actions taken to address them if deemed necessary.

5. In many cases several industry bodies made similar comments or the same body repeated its comments in the response to different questions. In such cases, the comments, and CEBS' analysis are included in the section of the detailed part of this paper where CEBS considers them most appropriate.

General comments

6. Respondents welcomed the harmonization effort by CEBS and expect notable benefits in the medium term in terms of efficiency gains through harmonization and the level playing field.

7. Respondents emphasized the importance of publishing FAQs and examples on how to complete the reporting templates in order to achieve uniform implementation. Several legal references and instructions were found to be incomplete and errors pointed out. CEBS will thoroughly review the consultation

[1] The public responses to CP04rev2 are published on CEBS' website under: http://www.c-ebs.org/Publications/Consultation-Papers/All-consultations/CP01-CP10/CP04-Revised-2/Responses-to-CP04-Revised2.aspx

draft instructions accordingly and further work on providing more detailed and clear instructions for implementation of the revised COREP. CEBS will also revisit the validation rules included in the consultation documents and will correct errors reported by several respondents. Publishing validation rules in alternative formats will be considered.

8. Respondents welcomed CEBS efforts to streamline the reporting framework but stressed that the omission or downsizing of several templates will not necessarily lead to a reduced scope of reporting or the anticipated reduction of complexity, as the information of certain reporting templates that are dropped is being integrated into reporting templates that are still available. CEBS aims to avoid changes that will lead to unnecessary complexity and to present changes to the reporting framework in a clear and transparent way.

9. Respondents pointed out that a balanced relationship between the degree of detail of the information to be disclosed and the relevance of such information to assessing solvency has to be assured when developing the final reporting framework. Respondents also highlighted the need to carefully assess the costs and benefits for new reporting requirements. CEBS aims to provide more insight into the supervisory use of the requested information in future releases of its reporting frameworks to provide further insight into the relevance of requested information for supervisors and its prudential benefits.

10. Respondents also expressed their concerns regarding the proposed timeline of implementation which is seen as too ambitious. CEBS intends to publish the revised COREP framework one year ahead of its application which is preset by the CRD requiring CEBS to develop uniform reporting requirements by 1 January 2012 with a view for implementation by 31 December 2012.

11. CEBS will consider all comments related to remittance dates in the second phase of the COREP project and will put forward its proposal for consultation in 2011.

Transition from CEBS to EBA and binding technical standards

12. The transition of CEBS to the EBA will necessitate the revision of existing guidelines in areas where the CRD will refer to technical standards. Regarding COREP the EBA will have to develop implementing technical standards by 1.1.2012.

13. CEBS' stakeholders will have the possibility to provide further input on the future prudential reporting framework in 2011 as per the usual consultation practices of CEBS, which are expected to be similar under the aegis of the EBA.

Annex

Feedback table on CP04rev2: analysis of the public responses and suggested amendments

The first column of the feedback table lists the topics as referred to in the consultation paper. The last column refers to amendments that were made based on comments received during the consultation period or identifies further actions to be taken.

CP04rev2 Topic	Summary of comments received	CEBS's response	Amendments to the CP proposals
Timeline	In order to ease the changes in information systems during the implementation period (i.e. 2012, or the one finally decided) and to promote convergence in national practices, we consider convenient that national authorities disclose sufficiently in advance the detailed instructions for the new reporting that will be requested in each jurisdiction. The disclosure should be made preferably in the first quarter of the implementation period. CEBS should introduce this recommendation to the national authorities within the guidelines.	Detailed instructions will be part of the final COREP framework which is scheduled for publication by 1 January 2012 – one year before the first application date.	None
	The work plan provides for a two-stage approach, with particularly the CRD III and CRD IV amendments as well as additional data requirements set by the new EU supervisory authorities being taken into account in the second stage. The CRD III related adjustments to the COREP framework should be moved forward in order to facilitate its implementation by end 2011.	CRD III amendments were not addressed in the consultation paper as they are being dealt with separately. CRD III amendments will be incorporated and a revised COREP framework released as soon as possible. The current timetable foresees expected endorsement of the CRD III revised COREP in December 2010 and publication soon thereafter.	None
	A lead time of at least six months is necessary to ensure IT implementation of the amended disclosure requirements at institutions.	CEBS intends to publish the revised COREP framework one year ahead of its application.	None

	The timetable for implementation is too ambitious and potentially unachievable. Banks 'freeze' (i.e. do not change) their systems by the end of the year in order to prevent disturbance in the year-end closing process. Requiring banks to report by year end will possibly harm this well guarded process. We would propose to postpone the first submission of the new template to the end of the first quarter of 2013.	The CRD requires CEBS to develop uniform reporting requirements by 1 January 2012 and implement them by 31 December 2012.	None
	The significant increase in overall reporting burden and proposed reduction of remittance dates will create bottlenecks for the institutions for timely delivery of reporting to the regulators. The opinion of the software companies should be sought about the timing of implementation and technical feasibility to implement the changes.	CEBS is regularly consulting on its changes to reporting frameworks and seeking feedback also from software companies. In addition to public consultations bilateral contacts are being held with interested parties and software companies are closely involved in CEBS' work on taxonomy development. (www.eurofiling.info)	None
Uniform reporting and implementation	The supervisory option to request ad-hoc information should be specified more clearly (situation of crisis, one-off investigation, responsibility within the Colleges of Supervisors). If not, instead of harmonisation and cost reduction the opposite effect could be achieved through intensive and unplanned ad-hoc requests	It is not within the scope of the COREP guidelines to specify non-regular information requests.	None
	The persistence of national discretions is the main obstacle for adequate reporting harmonisation within the EU. National discretions in prudential definitions e.g. corporate/retail means uniform formats will be useless because of the non-comparability of data. There are strong reservations about the solution for harmonised reporting as all national add-ons and discretions are combined in a new template instead of being streamlined. This makes the reporting very burdensome instead of looking at the information really necessary for supervisors. The reporting format should eliminate as much as possible all national discretions. In case of national discretions that refer directly to reported data these	National discretions are either based on CRD provisions or provisions in national legislations in case they are more prudent than the CRD. A reporting framework can not eliminate such discretions and supersede national legislation.	None

	discretions should be catalogued.		
Proportionality	National authorities should not be able to interpret too strict the criteria for institutions to be included for adjusted reporting.	CEBS will reconsider its proposal for proportionate reporting taking into account level playing field issues.	Under study
	Domestic institutions should not be obliged to report the full set of templates as would be the case for large international ones. The principle of proportionality should be applied.	CEBS will further work on its proposal for proportionate reporting aiming to reduce the burden for small and less complex domestic institutions.	Under study
	Longer reporting frequencies for domestic operating institutions, in comparison to local subsidiaries which have to report with the same (quarterly) frequency as the Group would present an advantage for competitors which operate only at national level. Some domestic institutions can have a large enough footprint to be subject to frequent supervision. Some cross-border institutions can be of very limited relevance in some domestic markets they are involved in. Therefore institutions should be subject to a segmentation based primarily on criteria like their size measure according RWA, depositions, share in the domestic market etc.	CEBS will reconsider its proposal for proportionate reporting taking into account level playing field issues and the nature, scale and complexity of institutions' activities.	Under study
Investment firms	For almost all Article 20(2) firms, the capital requirement is one quarter of fixed expenditure by virtue of the fact that these firms do not have material levels of credit or market risk exposure. These firms should not have to complete the CR and MR templates as the data contained is immaterial in terms of calculating the capital requirements of the firm. The completion of these templates will not provide any prudent data which the supervisory authority can derive any benefit from. Therefore, to not require the completion of these templates in such circumstances will ensure	CEBS will further work on defining criteria in order to ensure that reporting is proportionate for investment firms	Under study

	reporting is proportionate for these firms and reflects their nature and complexity		
	Article 20(2) firms are also not required to calculate an operational risk requirement under Pillar 1 and should not be required to complete the OPR template.	Article 20 (2) firms are not required to complete the OPR template.	None
	Article 20(2) firms have to complete the CA template to the full extent. Many sections of this template – and therefore the supporting Annex – will be Nil returns. This will include many items that will not be applicable to some reporting firms (examples include data items relating to IRB and AMA approaches where the firm in question follows the standardised approaches). The guidance relating to the templates should identify those specific sections where completion depends upon the approach adopted by the reporting entity, and be suitably structured to recognise that an entry under one data item bypasses the necessity for completion of other items. Using the above example, a firm which has completed an entry in the standardised credit risk data item would not be required to complete any data item relating to an IRB approach. Guidance and validations of this nature will prevent any undue burden arising for firms.	CEBS will further work on defining criteria in order to ensure that reporting is proportionate for investment firms. Furthermore CEBS will improve its guidelines in order to clarify reporting requirements linked to the application of approaches to measure risk.	Amend guidelines
	According to the CP, Article 5 (1) and 5 (3) firms are obliged to report CA, CR and MR reports on a quarterly basis which would represent an increased frequency for UK Article 5 (3) firms which currently report half yearly. Private equity firms see no supervisory benefit in higher (quarterly) reporting frequency because of the illiquid nature of the investments they manage, stable balance sheet and cash flow statements. Half yearly reporting is proposed.	Article 35 CAD requires mentioned firms to report at least quarterly.	None

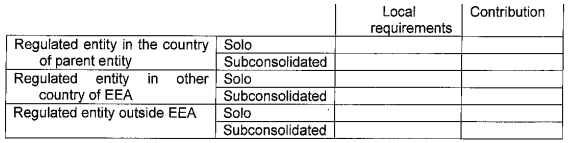
Reporting Frequency	Under Article 110 (2) of the Banking Directive, large exposures have to be reported at least twice a year. Therefore it is suggested to adopt this approach both in baseline disclosure and adjusted reporting and setting a uniform semi-annual reporting frequency for large exposures.	Information on large exposures is seen very important for supervisory purposes and hence should be reported quarterly.	None
	Only templates CA and GSD should be submitted on a quarterly basis while other templates half yearly (consolidated) or yearly (individual). Some of the proposed frequencies (especially for sub consolidated reporting) have doubled compared to current reporting (notably in Spain, Italy and Luxemburg).	When setting uniform frequencies for individual templates it is unavoidable to deviate from existing practices in some jurisdictions which differ significantly.	None
	While one respondent preferred to leave the decision on whether the adjusted reporting frequencies may be applied at the discretion of national regulatory authorities others preferred that CEBS should issue common criteria (e.g. size measure according to RWA, depositions, share in the domestic market) for applying adjusted frequency, rather than leave this to national discretion.	CEBS will review its proposal regarding adjusted reporting frequency as part of its efforts to tailor COREP guidelines to the nature, scale and complexity of institutions' activities.	Under study
Remittance dates	Imposing a 20 day timeline for individual COREP reporting would create significant problems and would increase the risk of insufficient data quality and increased need for data correction/resubmission. Banks which have organised their risk management systems in a centralised way or which have a centralised reporting platform inevitably need to prepare data at a consolidated level first and hence would prefer uniform remittance dates for both individual and consolidated data. In particular year-end reporting should follow a longer remittance period, both for solo and consolidated level.	CEBS will assess all comments related to remittance dates in the second phase of this project. A second public consultation is scheduled for mid 2011.	Under study

CA	1 respondent regards the CA (based on CRD II) to be applicable from end 2012 as a transitional ruling, since it does not include CRD III and Basel III amendments, and expects that the consulted CA presumably never will be implemented in this form. Concerns are expressed on whether the consultation on the Own Funds template - CA - with CRD II status is expedient without the Basel III additions which are certain to come in future. Should CEBS insist on the amendments, it means, inter alia, that all CA positions must be completely renumbered, which would make major IT modifications necessary. As a result, the complete new display of the individual CA positions and adjustment of all calculations in the Own Funds template CA must be completely redefined in principle, beginning with deletion of the old and setting up the new CA parameters (currently approximately 50 parameters). We do not regard this burden to be reasonable for an interim solution.	The current timetable foresees finalisation of the CRD III revised COREP framework in December 2010 and publication in early 2011. On the other hand, CEBS is working on the harmonisation and streamlining of the COREP templates as requested by Art 74 of the CRD which is the focus of current consultation paper. This revision of COREP will be released by 1 January 2012 with application date 31.12.2012.	None
	Row 0160 (ID 1.1.2.2) minority interest: Sub-positions 1.1.2.2***04 + 05 are missing.	As indicated in the CA template, row 0160 is the total of the rows 1.1.2.2.01 (ID 0220), 1.1.2.2.02 (ID 0230) and 1.1.2.2.03 (ID 0240), as indicated in the column of the legal references. Rows 1.1.2.2***01 to 05 are "Of which" items and therefore not included in the calculation of row 0160.	None
	ID 2.1.2.2.03 is missing from the AIRB templates. In our opinion, the following IDs should be completely renumbered, analogously to FIRBA, e.g. CA position 1680 should be continued with ID 2.1.2.2.03, up to and including CA position 1750 (ID 2.1.2.2.10).	CEBS agrees to include the relevant "total" items.	Amend templates and guidelines
	Row 1040/1050 (ID 134/135): INSURANCE Please clarify if only those participations/other investments should be reported which are also	Supervisors apply article 57 o) and p) of the Directive 2006/48/EC or may apply the methods 1, 2, 3 of annex I to Directive 2002/87.	None

	reported in the capital deductions according to CRD Article 57l -p and Article 60.		
	The IDs 3.1. and 3.1.a. are solvency items taken into account 'before transitional capital requirements', therefore it appears that they should exclude ID 2.6. (floor)	Rows 2.6.1, 3.1 and 3.1a will be deleted based on the CRD III amendment of Article 152 CRD which specifies the deadline for transitory requirements. COREP guidelines will be amended accordingly.	Amend templates and guidelines
	IDs 1.2.1.7 - IRB Provision excess and 1.3.8 - IRB Provision shortfall and IRB equity expected loss amounts do not appear to be taken into consideration in the calculations of ID 3 (i.e. 3.2. and 3.2.a.) according to the legal references and comments		
	the correction ID's 1.2.1.7 and 1.3.8. should be made on ID's 3.2 and 3.2.A and not on ID's 3.1 and 3.1.A.		
	ID 2.6.2 is missing, In our opinion, the following IDs should be completely renumbered	This row has been deleted because the article 46 only applies until 31 December 2011 and will not be applicable by the time of application of this COREP revision (31.12.2012)	None
	IDs 1.1.2.2***1 – 1.1.2.2***5 : information of hybrid instruments is asked twice (see lines 1.1.4.1a***1 – 1.1.4.1a***5)	The scope is different : rows 1.1.2.2***1 to 5 apply to indirectly issued hybrid instruments and rows 1.1.4.1a***1 to 5 apply to directly issued hybrid instruments and those hybrid instruments indirectly issued that, because of being an accounting liability, do not give rise to minority interests.	None
	IDs 2.3.a TB and 2.3.b TB: Please clarify what information is needed.	These IDs do not exist in the CA template. The relevant references are in the CA Annex as ID 1920 : Average amount of the accounting value of the trading book divided by the total of balance and off-balance sheet items and ID 1940 : maximum amount of the accounting value of the trading book divided by the total of balance and off-balance sheet items.	None

	ID 1.1.2.1: it is difficult to split retained earnings from reserves.	This issue depends on local accounting frameworks and can not be solved by COREP guidelines.	None
	Please explain where large exposures will be incorporation following the CEBS guidelines on these dated 11 December 2009.	Information on large exposures will be incorporated in the COREP framework and CA related changes will be incorporated in 2011.	None
	Row 1990: This row is always empty as referred items are not additive and should therefore be deleted	CEBS will review the row 1990 and the presentation of related items in the CA Annex.	Amend templates and guidelines
	Row 1220 ID 1.6.LE01: Please confirm if this is being deleted. This line is included twice in the template and 1 of these lines in red. There is no additional country specific item for this line in CA Annex.	The row 1.6.LE.01 (ID 1220) below ID 1210 is relevant for reporting. The relevant ID in the CA Annex template is 2130.	Amend template
CA Annex	We suggest inclusion of a reference to the CA position in addition to the ID, e.g. CA position 0610 should be stated for ID 1.1.4.4.	CEBS will review the presentation of CA Annex items and amend the guidelines accordingly.	Amend templates and guidelines
	This annex prevents full harmonisation of the CA templates. Cross border institutions will have to calculate as many capital templates as countries they are present in. We propose a single additional line on the CA template for national discretions which increase own funds, and one line for those that decrease the amount of own funds. The amounts can be detailed to the regulator on an ad hoc basis and outside of any reporting constraints.	CEBS has made a streamlining in order to implement only the country specific items compliant with the CRD and the CAD to reduce the workload for institutions. The rows in the CA template allow matching the data within the CA Annex with the appropriate topic for more transparency for supervisors as well as for institutions.	None
	If the CA Annex is required, it should only contain national memorandum items. Each line should be attached to the relevant section to which it refers, not as an undifferentiated bulk at the end of the CA Annex.	CA annex not only includes national memorandum items but also country specific items which are directly linked to the relevant item in CA template. CEBS will review the presentation of CA Annex items.	Amend templates and guidelines

Group Solvency	Columns 070-130: Information for the local solvency rules on single entity level is not available in the group central system. As this information is only locally available the data collection will be burdensome.	The GS template only collects the calculation that the individual institutions of a group already have to carry out.	None
	Repondents question the extension of the scope to entities not subject to particular solvency requirements on an individual basis (non-regulated group undertakings) which are to be reported in the second part of the template and assume that there is no intention in this connection to extend the scope of solvency reporting to non-consolidated undertakings. This would be going too far, as capital and risk positions for undertakings outside the scope of consolidation are not usually available.	Only entities included in the CRD scope of consolidation are within the scope of the second part of the GS template. Clarification will be included in the guidelines.	Amend guidelines
	If an entity is regulated on a solo and subconsolidated basis in an EEA country, please explain if the parent also reports the subconsolidated contribution in the Group Solvency template.	CEBS will amend the guidelines with an example that could summarise the main situations mentioned by institutions (e.g. sub consolidated entities) in order to clarify the scope of GS reporting. Regulated entities will be required to report detailed information and contributions whereas non-regulated entities will be required to report contributions only.	Amend guidelines
	Instructions in the Guidelines need to be more specific as regards the treatment of subsidiaries and sub-groups. E.g. A sub-group which is not subject to prudential reporting and that owns companies that are subject to prudential reporting		
	Some respondents seek more clarification on whether only consolidated level calculations of RWA are reportable (instead of including calculations of solo and local norms) and whether columns 190 – 230 are reported at the first level of subconsolidation only.		

	Please clarify which information a parent company should report and on what criteria, in the following table:  		
	The scope of reporting by the parent company should be limited to significant regulated entities only, based on criteria defined by CEBS (e.g. 1% of own funds or RWA in contribution to the Group). Too low criteria for selecting the entities would unduly burden large groups and have questionable relevance for the regulator.	CEBS will further discuss the scope of group solvency reporting and the possibility to introduce thresholds that limit the reporting burden.	Under study
	Reporting costs of the GS template are not in proportion to the benefit of the information. Similar information regarding subsidiaries would be disclosed under Pillar III leading to double reporting.	The information requested in GS template is different from the information disclosed under Pillar III. On the one hand the scope of columns 140 to 230 is different since only the contributions of all entities (regulated and unregulated) to risks and own funds shall be reported. On the other hand the reporting of 070 to 130 also includes not only entities regulated by CRD but the data of all entities regulated shall be reported.	None
	In order to obtain data on OPR and MKR at the entity level it would be necessary either to significantly increase the assumptions utilized in the procedure or to simplify the existing method of calculating the Group requirements as approved by the competent authority. MKR and OPR information should not be included in the GSD template.	Information on single entity basis is crucial to assess the adequacy of the contribution of own funds and risk positions within a group and the GS template is the most appropriate solution to collect these information.	None
	If the column "Contribution to risk/own funds" excludes intergroup amounts the capital amounts reported for subsidiaries will be negative since the group holds the total capital.	Columns 140 to 230 'contribution to risk/ own funds' exclude amount held within the same group.	None

CR SA	The structure of the templates is quite confusing. For example the additional information obtained from the new rows 240-420 in the CR SA Total template is questionable, since it mostly concerns the additional output of total row 010 of the individual templates of the CR SA (standardised approach to credit risk) exposure areas. In our opinion this involves partly double disclosure without providing additional information, and should be reconsidered.	The template CR SA Details provides information for the group of exposure classes government (see also instructions, chapter 6.2.4) and for the exposure classes institutions, corporates and retail. On the other hand the rows 240-420 of CR SA Total contain information about the breakdown of total exposures into all of the SA exposure classes. Therefore rows 240-420 in CR SA Total provide additional information.	None
	The CR SA Totals template isn't consistent with CR SA Details. The breakdown by exposure classes (rows 240-420) of CR SA Total refers to the classes used in RWA calculation in the Standardised approach. Thus row 300 'Corporates' reports the same exposures on the class 'Corporates' that are not past due. Also CR SA Details template on the 'Corporates' exposure class present the amount of corporate exposure including past due and secured by real estate exposures, which are separate classes that should be reporting in rows 120, 170 and 210 as 'past due' and 130, 190 as 'secured by real estate'. Please review the consistency of the templates and guidelines.	"Past due" and "secured by real estate" positions in the details templates provide additional information on the breakdown of past due exposures and exposures that are secured by real estate to the group of exposure classes "Government" and exposure classes Institutions, Corporates and Retail. CEBS considers this information important and will provide further guidance in the reporting instructions.	Amend guidelines
	Rows 310 and 330: Information about SME positions within the SA Corporates and Retail exposure classes is also retrieved from the templates for the SA positions in rows 310 and 330. However, according to the CRD, the allocation of SME positions to the privileged Retail exposure class is only an option for the bank, there is no legal obligation to make use of this possibility. However, this option is not exercised positively in every case, especially in IRBA groups of institutions, as the research burden for checking	The reporting of SME-positions is based on institution's assignment to exposure classes "Retail" and "Corporates". The information about the allocation and value of exposures to SME obligors is important for supervisory purposes, e.g. regarding the assessment of lending to SMEs.	None

	that the 1 million limit has been observed for SMEs is sometimes considerable compared to the offsetting relief. As, on the other hand, no further offsetting relief is available by purely allocating the SMEs to the Retail exposure class, the requisite level of sales or balance sheet total is not available for all SMEs for technical reasons, particularly due to the lack of internal rating by acknowledged rating procedures. The institutions would therefore have to make additional corresponding technical data amendments to fulfil the new disclosure obligations on the basis of the planned templates. Such amendments would have no corresponding benefit. We would therefore be in favour of at least the sub-reference in row 310 to be deleted without replacement, as the business exposure category requires no further differentiation as a "Balancing item".		
	Columns 190 – 310: The display of the various SA risk weightings of the contracting party risks in columns 190-310 is regarded as excessive. In particular, the question arises of how the contracting party risks should be defined. Are "normal" credit risks such as loans to be entered in these new columns or not? Using the example of repo transactions, we are thinking of entering the counterparty risks (i.e. on the counterparty side) here, but not the issuer risks (i.e. on the securities side). More precise definitions are lacking.	1) Column 190 has been moved from former column 2. For supervisory purposes the information about counterparty credit risk is more useful with regard to exposure values. 2) The breakdown by risk weights in columns 200 to 310 refers to the exposure value. This means that the breakdown by risk weights has to be reported for all credit risk positions. A clarification could be included in the guidelines. This breakdown is necessary in order to assess the risk allocation within the different exposure classes.	Amend guidelines
	Column 120: The question arises of whether the current market value of the financial collateral of the comprehensive approach to securitisation should be stated in column 120 before the haircut deduction, so the figure in column 120 is merely for information.	The proposed column 120 will be deleted and the former columns 12 and 14 reintroduced in the CR SA template. Related instructions will be updated.	Amend templates and guidelines

	The reduction in the number of detail sheets by certain assets classes only reduces the number of positions delivered to the supervisor, but in any case the values need to be calculated as they are still included in summary CR SA and the requirements in CA Template. The added value that is supposed to emerge by means of restructuring is unapparent. For this reason it is advisable to keep the current format of the SA reporting templates.	Information included in CR SA total and CR SA Details are necessary from a supervisory point of view since it allows different assessments of risk allocation within SA exposures. CR SA Total and CR SA Details have been developed in order to limit the amount of the reported data.	None
	Clarification is needed on what is meant by 'all SA exposures must be reported according to definition of SA' and if this means that SA exposures can only be reported via SA exposure classes and not optionally by IRB exposure classes	All SA exposures must be reported according to the definition of the SA exposure classes in Article 79 of the amended CRD. For the assignment of exposures to the SA exposure classes also see chapter 6.2.5. of the instructions.	None
	In order to fill in the reporting template CR SA Details, the provision of specific details on technical and procedural implementation is desirable. In order to merge and assess the reporting templates, advice on how to name the exposure classes is necessary	The template CR SA Details has to be reported only for the group of exposure classes government (see also instructions, chapter 6.2.4) and for the exposure classes institutions, corporates and retail. Related instructions will be updated.	Amend guidelines
	The requirement to report CR SA based on SA exposure classes doesn't reflect the way the credit portfolio is analysed and controlled by the management because it does not allow a global vision of the portfolio by asset classes and thus risk components, regardless of the calculation approach applied. This proposal is a regression for institutions using a dual calculation approach and that are aiming to increase the share of their scope of consolidation to be covered by advanced methods. There is no advantage in the information to regulators, in terms of costs and benefits. These will require significant IT changes that are time and resource consuming.	SA-exposure classes provide a more detailed view on the portfolio structure of an institution, important information on past due exposures or CIUs would be lost. An SA mapping is also necessary in order to accomplish reliable macro-economic assessments since the SA portfolios of all institutions are reported according to the same definition. Additionally a mapping to IRB exposure classes for all SA institutions is too burdensome, since first institutions have to map their exposures to SA exposure classes in order to calculate capital requirements and then map their exposures to IRB exposure classes in order to report them.	None

	Please explain the reason for reporting long settlement transactions with derivatives in CR SA as well as CR IRB.	Regarding the constructions an instrument "long settlement transactions" is comparable with a derivative. Additionally the methods to calculate the exposure value are the same as for derivatives (Annex III part 2 point 7 sentence 1 of CRD). Therefore the classification included in the CR SA and CR IRB are now more consistent with CRD.	None
	If an attempt is made to count the disclosure positions to be reported to the national bank supervisors by the institutions at present and in future, using the example of the CR SA Total template, provided that they all contain entries, the conclusion is reached that the institutions must currently report a maximum of 100 individual positions for the CR SA Total template. In future, it will be a maximum of 790 individual positions, i.e. the disclosure positions increase by a factor of 8 for this template alone. In particular, the additional information obtained from the new rows 240-420 in the CR SA Total template is dubious, since it only concerns the additional output of total row 010 of the individual templates of the SA (standardised approach to credit risk) exposure areas. We are of the opinion that this involves double disclosure without providing additional information, and should be deleted.	The template CR SA Details of the Consultation paper provides additional information for the group of exposure classes government (see also instructions, chapter 6.2.4) and for the exposure classes institutions, corporates and retail. Rows 240-420 of CR SA Total contain information about the breakdown of total exposures into all of the SA exposure classes. Therefore rows 240-420 in CR SA Total provide additional information regarding the total exposures per exposure classes but further information (except of the group of exposure classes government (see also instructions, chapter 6.2.4) and of the exposure classes institutions, corporates and retail) need not to be reported. From a technical point of view no items are to be reported twice, since the IT solutions (as XBRL taxonomy) assure that one amount is only reported once.	None
	1) The proposal that SA exposures can also be delivered through IRB exposure classes is welcomed. Please explain if this is only for consolidated level, or for solo level reporting as well. 2) Please clarify where 'own real estate' and 'own software' should be reported.	1) There is no discretion to deliver SA exposures through IRB exposure classes. SA exposures must be reported according to the definition of the SA exposure classes in Article 79 of the amended CRD. For the assignment of exposures to the SA exposure classes also see chapter 6.2.5. of the guidelines. 2) The question how 'own real estate' and 'own software' is reported/ deducted could be clarified in an	1) None 2) Amend guidelines 3) Amend guidelines

	3) As 'other items past due' is a separate asset class, the line 'items past due' in other notes seem to be duplicate information.	IQ/ the guidelines. 3) According to Article 79 CRD "other items" (Article 79 para. 1 lit. p CRD) and "past due" (Article 79 para. 1 lit. j CRD) are different exposure classes. If the proposal refers to rows 120, 130, 170-190 and 210 additional clarifications will be provided in the instructions. These rows shall provide additional information regarding the allocation of past due exposures, regulatory high-risk categories and exposures secured by real estate within the dimensions government, institutions, corporates and retail. This allocation is separate from the calculation of capital requirements of the exposure classes 'past due' and 'secured by real estate property' (Article 79 para. 1 lit. i CRD).	
CR IRB	Why does no CR IRB Total template exist (analogue to CR SA)?	CEBS will discuss the need to introduce a CR IRB Total template.	Under study
	The reporting requirements for country-related risk information involve an elaborate effort regarding the implementation. Similar information should be available in the Pillar II and III reports. For reasons of proportionality it is useful to have a materiality threshold, as the benefit of information from credit institutions that show only minor economic activity in other countries is out of proportion to the costs and the effort of the implementation. A materiality threshold could also be restricted to certain portfolios, like retail business. When considering the aspect of risk, country-related information for our member institutions is rather negligible.	Materiality thresholds regarding geographical breakdown are under discussion by CEBS.	Under study
	Column 280: The information on number of obligors for cross-border and multi-business line groups is irrelevant and can be misleading. It will need each obligor to feed into centralised reporting systems which is highly costly and does not give a significant benefit.	This column is already existent in the current templates and its content is already reported by the institutions. CEBS does not see major problems for complex (IRB) banks in reporting this information as it should be available in existing systems. Benefits for supervisors are seen in monitoring obligor grades	Amend template and guidelines

		which provides insight regarding concentration risk, in particular regarding defaulted obligors.	
	The new information about CRM and LGD is not available in banks' reporting systems, only in the systems to build the internal models which are approved by the regulator. It is questionable why these need to be reported in COREP.	CRM and LGD have an impact on the capital calculation and should hence be already implemented by the institutions.	None
	Please explain whether the column 'of which arising from counterparty credit risk' is being deleted.	The column 'of which arising from counterparty credit risk' has been moved to column 130. From supervisory point of view it is more useful to know the portion of counterparty credit risk of exposure value.	None
	ID 1.1*06: this duplicates information which can be deduced from the lines below it with a simple formula.	The breakdown into non-defaulted and defaulted exposures can not be derived from the breakdown of obligor grades or pools (it is assumed this was meant with "…the lines below…") because ID 1.1*06 contains information that can not be derived from other lines, i.e. weighted averages of items to be reported in the columns with regard to the sum of non-defaulted exposures.	None
	Column 020: It is stated under point 6.3.4 that the definition of a master scale under supervisory law is not intended. In order to avoid any misinterpretations, a note should also be included that the disclosing institution has discretion in setting the scale and the scale to be set need not orient itself solely to the minimum requirements of a rating system (Annex VII, part 4, no. 6 CRD).	CEBS does not intend to define a supervisory master scale as already pointed out in IQ 9/2008 published on CEBS website. But a reduction of numbers of obligor grades or pools for reporting purposes shall be agreed with the competent authority.	None
	Breakdown of exposure classes "Corporates" (SME, Specialised Lending, Other) and Retail (Secured by real estate SME, Secured by real estate non-SMEs, Qualifying revolving, Other SME, Other non-SMEs), which must be disclosed on a separate template (in accordance with the Comment in row 13 of worksheet "2013 - CR IRB	The detailed information provided by the breakdown of IRB exposure classes is seen as absolutely necessary for supervisory purposes. The information allows a thorough analysis of the IRB portfolio. The additional breakdown of SME and non-SME in the area of retail provides information about e.g. lending to SMEs.	None

	(IRBA X)" of file "CP04 rev2_Annex- 3.xls"). The breakdown should be waived on the basis of the dubious additional information gained.		
CR SEC Details	The scope of securitisation reporting should be restricted to the efficient securitisation programs with significant risk transfer. Securitisations not meeting the Basel requirements for significant risk transfer should not be reported in order to keep the consistency of the reporting framework and to avoid undue burden.	The boundary between securitisations with and without significant risk transfer is quite unstable. Due to several factors underlying the requirements set in Annex IX, part 2 of CRD for the recognition of significant credit risk transfer (SRT), a particular securitisation can meet SRT conditions at reporting date 't' and no longer meet them at reporting date 't+1' (or the other way around). In order to enable a proper off-site supervision of the securitisation activities carried out by institutions, it is deemed necessary to report in the CR SEC Details template all securitisations regardless whether they meet SRT or not. From a regulatory point of view, the proposed scope (which is already in place in some EU jurisdictions) is valuable inasmuch as it allows supervisory authorities to broadly analyse the securitisation activities from different (and complementary) perspectives: - Solvency point of view (Pillar 1 capital requirements). - Liquidity (availability of potential resources to obtain ECB funding). - Tracking possible asset encumbrance phenomenoms. - Location of securitisation activities within a consolidated group (among entities, and at a geographical level). In addition, it should be noted that relevant information regarding recent CRD II amendment of Article 122a (retention requirement of net economic interest for securitisations) is gathered via certain items of the CR SEC Details template. The retention	None

		requirement is independent of the existence of SRT.	
	A grandfathering rule for already existing transactions should be included since most of the new data to be provided is either not available at present or only to a limited extent. Most of the new information is not readily available in central reporting systems except at business line level and would be long & costly to produce at consolidated level.	One of the main purposes of the public consultation is to provide reporting agents with information needed to review their central reporting systems in accordance with new data requirements. Nevertheless, CEBS will analyse this issue with special focus on investors.	Under study.
	The scope of this template is limited to banking book until CRD 3 is implemented. So some elements of the trading book, especially correlation positions, should be excluded from this template in the future.	Due to CRD III amendments (which will align the treatment of securitisation positions in the trading and banking books) the CR SEC Details template will be (from 31.12.2011 onwards) applied to securitisation positions in the trading book as well. Reporting of data on securitisation positions in the correlation trading portfolio is a different issue, currently under analysis.	CEBS will publish an update of COREP (rev3) by 2011-Q1, dealing with CRD III amendments,
	Extending the scope of this template irrespective of whether or not an effective transfer of risk has taken place is inconsistent with CR SEC SA & CR SEC IRB templates. This is because securitisation structures with no significant risk transfer are reported in CR SA & CR IRB as their RWA are calculated according to securitised exposures, not securitisation positions. Also, when a securitisation program is fully subscribed by the issuing entity the risk profile of the transaction does not belong to a securitisation framework. This template should only be for transactions (i) with transfer of risk and (ii) for those securitisation programs where the institution is an investor & therefore subject to CRD 2 due diligence requirements.	The CR SEC Details template gathers information on those securitisations schemes which deliver capital requirements for the securitisation positions (CR SEC SA/IRB) and capital requirements for the securitised exposures of transactions without SRT (CR SA/IRB). The proposed scope of the CR SEC Details template guarantees that certain securitisations schemes do not flow in/out of the reporting scope as a consequence of changes in the fulfillment of SRT conditions. Due diligence requirements will be considered by CEBS when determining to what extent (i.e. which columns) is the template applicable to investors.	Under study.

	In addition to originator and sponsor transactions, CEBS's proposals now call for reporting of investor positions as well. In our view, mandatory reporting is confined to investor positions in the regulatory investment book. As already mentioned, the fact that investor positions have not been included so far means that the requested data is not fully available (e.g. columns 120-140). We therefore believe that existing securitisation transactions need to be grandfathered. Columns 200-280 have to be filled in for investor positions. Leaving out columns 290-350 for investor positions makes it more difficult to agree this template with template 2013-CR SEC IRB. In our opinion, the template can only be completed for investor positions on the basis of information in the public domain. Reporting of investor positions : In the opinion of CEBS, this disclosure obligation is based on the stipulations of Article 122a, no. 4 of the CRD. We regard this demand as too extensive. In our opinion, no additional information emerges for the supervisors by specification of individual investments which permit further conclusions about the actual solvency from the direct, summarised solvency requirements. On the contrary, the fundamental assumption applies that the solvency requirements for securitisation positions on the part of the supervisor have been defined adequately meaningfully. Further insights into individual positions would be obtained through Pillar 2 (e.g. by auditors) or within the scope of an individual request for information. Accordingly, the demand should be deleted without replacement.	CEBS will review if investors should be relieved from reporting certain items (intended for originators and/or sponsors only).	Under study
	Article 122a requirements are only relevant for new securitisation transactions from 1 January 2011 or existing securitisations after 31 December	CEBS notices this remark for those items related to the retention requirement of net economic interest of securitisations in the CR SEC Details template.	Amend guidelines

	2014 where new underlying exposures are added or substituted. The CR SEC disclosure with its new requirements following below should be at least limited to the securitisation transactions and positions relevant for the application of Article 122a.		
	Please clarify the group and solo reporting of CR SEC Details. The proposal is that it is reporting by stand alone institutions and institutions that are part of a group but located in a different jurisdiction to the parent. Please confirm whether entities supervised by the same regulator as the parent will report CR SEC Details. Does each entity in a program report its information per entity? Does that mean that several lines can be declared for the same program corresponding to each entity?	As a general principle, entities supervised by the same authority as the parent will not report CR SEC Details because, in those particular cases, the template has to be rendered to the competent authority at a consolidated group level (detailing the information by entities of the group).	Amend guidelines
	Please confirm the date the securitisation structure should be reported i.e. the date of acquisition or the origination date of the program.	The starting date of reporting for the securitisation structure is the inception date of the program. Details will be included in the instructions.	Amend guidelines
	Computation of the position values and capital requirements for transactions without any significant risk transfer does not fall under the regulatory securitisation rules and is consequently based on, for example, the non-securitisation rules for the investment book. Reporting such positions on a template to which only the securitisation rules apply is inappropriate. In addition, such transactions are already reported on other (non-ABS) Pillar 1 Investment Book Credit Risk templates. The result would lead to double counting/reporting, therefore overstating the institution's actual risk exposure. A risk-based interpretation of template CR SEC Details would consequently no longer be possible. Moreover, there would no longer be any tie-in between templates CR SEC Details, CR SEC IRB and CR SEC SA	The scope of the CR SEC Details template is consistent with all CR templates since it gathers information on securitisations with SRT under the scope of CR SEC SA and CR SEC IRB templates as well as securitisations without SRT and therefore under the scope of the CR SA and CR IRB templates. There is no double counting or overstatement since it is a details template and has no link to the CA template.	None

	The scope of template CR SEC Details is extended to cover securitisations of financial liabilities. By way of example, CEBS mentions covered bonds here. It is unclear whether this means that securitisation transactions as defined in the CRD are to be reported or whether the intention is to extend mandatory reporting to non-securitisation transactions (e.g. covered bonds/Pfandbriefe). In line with remarks on transactions where there is no significant risk transfer, we reject any extension of the scope of the template to cover non-securitisation transactions. Furthermore, filling in the template in full is not possible for non-securitisation transactions (e.g. Pfandbriefe).	This template is restricted to securitisation transactions. It is not extended to non-securitisations. The scope of the template embraces securitisations of financial liabilities such as covered bonds/Pfandbriefe. This sort of securitisation transactions are eligible to be subject to the securitisation solvency framework (Annex IX of CRD).	None
	Column 030: IDENTIFIER OF THE ORIGINATOR no full look-through to the final-level originator is possible for re-securitisations. It is therefore unclear how the field for re-securitisations is to be filled in. We suggest entering "ABS" here.	For securitisation schemes, the identifier of the institutions (within the consolidated group) contributing to the underlying pool of assets (or liabilities) shall be provided. For re-securitisation schemes, the identifier of the institutions (within the consolidated group) contributing to the underlying (re)securitisations and/or pool of assets (or liabilities) shall be provided.	Amend guidelines
	Column 050: ACCOUNTING TREATMENT No entry can be made by the reporting institution as sponsor (only sponsor) if the special-purpose entity is not shown in its consolidated accounts. In this case, the securitised assets are reported in the original lender's balance sheet (carrier of the majority of chances and risks)	This item is intended for originators. Clarification will be included in the instructions.	Amend guidelines
	Column 060: SOLVENCY TREATMENT: SECURITISATION POSITIONS OR SECURITISED EXPOSURES Similar to reporting transactions without any significant risk transfer, this column should not be	This item is needed in order to know whether there is significant credit risk transfer or not. This item enables to distinguish which securitisations deliver capital requirements in the CR SEC SA/IRB templates (i.e. those with SRT) and which in the CR SA/IRB templates (i.e. those without SRT).	None

	a reporting requirement	This piece of information is specific of the CR SEC Details.	
	Column 120 – 140: the guidelines at point 101 say these columns should be reported also by investors. However, the detailed definition of the columns says the scope of columns 120 – 190 are limited to 'securitised exposures originated' when the institution is only the originator. Please clarify the meaning.	CEBS will review which columns apply to investors and will amend the instructions accordingly.	Amend guidelines
	Columns 150, 170, 180 and 190: With regard to sponsor positions, the information to be reported in these columns is of no importance for computation of regulatory capital and would therefore be generated merely for reporting purposes. Moreover, neither the information on value adjustments and provisions nor the data needed to calculate the capital requirements before securitisation are available to the sponsor. It is therefore not possible for the sponsor to fill in these columns.	CEBS will review if sponsors should be exempted from reporting certain items (intended for originators and/or investors only).	Amend guidelines
	Columns 200-250: SECURITISATION STRUCTURE and Columns 290-310: SECURITISATION POSITIONS These new disclosure requirements refer to Article 122a, which should be limited to the securitisations subject of Article 122a.	These columns do not refer exclusively to Art. 122a, but also cover further supervisory information needs.	None
CR SEC SA and CR SEC IRB	CR SEC IRB - Rows 020-130: BREAKDOWN AT INCEPTION The rational between this information requests is a generation of a rating migration matrix between the inception rating and the current rating. This matrix however does not add any value, since the	The migration matrix referred to in the comment (which depicts general downgrading or upgrading trends in the securitisation activity an institution is involved in) can be regarded as highly valuable piece of information by banking regulators and supervisors. A breakdown by CQS (at inception date) cannot be	Under Study

	inception dates might change, even over an economic cycle. The output of this investigation is highly questionable. Furthermore, the amount of information called for here is not available at present and would thus have to be gathered later for all transactions acquired in the past. Due to the considerable burden this would impose, we believe that grandfathering of existing transactions is essential. This is even more important, since for transactions that have been brought long time after their emission date often the rating at inception is not known. There would have to be a restriction to "ratings at inception", as the classification of transactions as "senior", mezzanine" and "first loss" would only otherwise change on the basis of rating migrations for individual tranches, which does not appear to be technically justified. Introducing a breakdown by CQS means collecting information typically collected by institutions in due diligence when investing in securitisation tranches, as required under CRD 2. In CRD 2, securitisation tranches acquired before first application have a grandfathering clause that exempts institutions from performing that due diligence. The CQS breakdown at inception should therefore only be required for securitisation programs that are subject to CRD 2 due diligence requirements. Those that are exempt under the grandfathering should be reporting in a separate line in CR SEC SA & CR SEC IRB templates called "without breakdown by CQS at inception".	considered a due diligence requirement (this is not the aim of this piece of information). Furthermore, it can be regarded as a basic piece of information regardless whether securitisation positions are rated externally or are unrated (for the latter both inferred ratings or ratings delivered by Supervisory Formula Approach can be matched to the corresponding CQS) Originators and sponsors must have this sort of information available for obvious reasons (as they are directly involved in the inception of the securtisation). Institutions investing after inception date are also expected to have this type of information available as it is needed in order to take a well informed investment decision. If unable to meet these requirements institutions are expected to provide their earliest CQS-equivalent data available. A grandfathering rule with a specific cut-off date will be discussed.	
	CR SEC IRB - Row 220: OF WHICH: ORIGINATED AND SPONSORED BY ENTITIES NOT COMPLYING WITH THE RETENTION REQUIREMENT (Art. 122a of amended CRD)	CEBS is currently analyzing whether this item (stemming from CRD II amendments) is needed or not on account of recent streamlining amendments in the CR SEC Details template.	Under study.

	We assume that disclosure here covers only new transactions to which retention applies and not also grandfathered transactions also have to be reported. In addition, there is the question of how diverging national provisions concerning the size of the retention are to be taken into account in this row. Please clarify the difference between the proposed reporting template and the guideline itself. We would appreciate clarification of how and/or" is to be interpreted. Do the originator and the sponsor always have to be reported or is this to be decided on a case-by-case basis?		
	Rows for "senior", "mezzanine", "first loss" There is currently no clear and uniform regulatory definition of "senior", "mezzanine" and "first loss" tranches, however. If the intention in this respect is to apply the criteria for determining a significant risk transfer, a continuous check on whether there has been a significant risk transfer would be necessary for all sponsor and investor positions as well. Given the large number of transactions, however, this would impose an unjustified manual workload. Regulatory guidance on the definition of "senior", "mezzanine" and "first loss" could, if necessary, be based on external ratings. Furthermore, it should be stated that the classification into senior, mezzanine and first loss is only available, if all tranches are rated or can be risk weighted, even if these positions are not risk positions of the institute itself. There has not been any unambiguous, standard	This is no longer an issue for CR SEC SA and CR SEC IRB templates because under COREP rev3 (expected to be released by 2011-Q1) this tranche breakdown will be replaced by the distinction between securitisation / re-securitisation (and the Levels A to E according to Annex IX Part 4 Table 1 and 4 of CRD for the IRB approach). The breakdown by tranches would only be an issue in the CR SEC Details template. For this reason it should be noted that, Directive 2009/83/EC (CRD II) amends Annex IX, Part 2, point 1b to introduce (for the purpose of point 1a) a regulatory definition of the mezzanine tranche. By contrast, there is no such definition available for the other tranches. Given the definition for the intermediate tranche (mezzanine), CEBS is currently analysing the possibility of defining senior and first loss tranches by exclusion (above mezzanine for senior, and below mezzanine for first loss).	Under study

	regulatory definition of "senior", mezzanine" and "first loss". Should it be intended to use the criteria to determine the essential transfer of risk, this would entail a continuous audit of the essential transfer of risk, including for all sponsor and investor positions. However, this represents an unjustifiable manual burden because of the substantial number of transactions. If necessary, a regulatory prerequisite of the definition of "senior", mezzanine" and "first loss" could align itself with external ratings.		
OPR	Column 110: ALLEVIATION OF CAPITAL REQUIREMENTS DUE TO DIVERSIFICATION One respondent says there is no guidance on how to identify or disclose the diversification effect of the AMA. Several respondents pointed out that the results of the reported diversification effect are very difficult to compare across banks and the diversification benefit number should always be interpreted in conjunction with other key figures reported as in light of the specific model structure, such as general model assumptions, distributions used (which are to the discretion of the bank), bank specific modelling structure (e.g. different usage of correlation, different definitions and use of risk categories and business units). It is mentioned that it is difficult to calculate this on a single entity level. Also more clarification is requested on the term "operational risk class".	CEBS believes that the instructions of column 110 are precise enough to point out how institutions should calculate the requested data. CEBS is aware of the difficulties to compare this data across institutions. The term 'operational risk class' - as used in GL10, § 510 - can be used to identify a category of operational risk that is homogeneous in terms of the risks covered and the data available to analyse those risks.	None
OPR Details	The precision about the date at which the gross losses should be registered, for reporting on this template is welcomed.	As the instructions in § 109 stipulate, the loss has to be reported based on the first accounting date. Additional guidance on how to deal with losses that have impacts in more than one year will be provided.	Amend guidelines

	Some respondents ask for more guidance on how to interpret the first accounting date, especially how this should be applied to operational risk loss events which have multiple loss components with an accounting impact over several years or when the gross loss is not available in case the loss is not closed during the year.		
	Reporting of OPR Details by institutions using the Standardised Approach : Some respondents ask that the OPR details template should not be reported by banks applying the standardised approach. They refer to the reporting burden and to the lack of reference to the CRD. The content of column "Non-allocated event types (RSA only") is unclear.	CEBS is currently working on defining criteria to ensure proportionate reporting on this particular issue. Clarification regarding allocation of event types will be included in the instructions.	Under study
MKR	The proposed materiality thresholds in three of the Market Risk templates (MKR SA TDI, MKR SA EQU and MKR SA FX) would all in all not reduce the reporting burden. Even if much data do not have to be reported in the templates due to the thresholds, the complete set of data has to be prepared to report above the thresholds.	Detailed information on the allocation of the MKR portfolio regarding different currencies and national markets is important supervisory information. Therefore CEBS requires to report only important information introduced with a materiality threshold instead of a reporting every single currency and national market for the templates MKR SA TDI and MKR SA FX and MKR SA EQU.	None
MKR IM	The proposed deletion on Internal Models (MKR IM Details) does not reduce workload as the details still need to be calculated to produce the final results.	Following this argumentation, the reporting burden would not be reduced even if all templates would be disposed. The process of calculating the capital requirements is independent from the process of the reporting.	None
MKR SA FX	1 respondent sought confirmation of where "2 currencies subject to intergovernmental agreements" should be reported. It is unclear what the difference is between "Currency positions top xx currency" and "Currency positions	With regards to the first comment, it refers to Directive 2006/49, Annex III, point 3.2 where intergovernmental agreement limit currency variation relative to other currencies covered by the same agreement (fixing a referential exchange rate and a	Amend guidelines

	top xx currencies for IM banks".	corridor in which exchange rate could change). Since the separate information has been deleted, the amount of capital requirements of currencies subject to intergovernmental agreements has to be incorporated in row 010 "Total positions in non reporting currencies". As for the second comment, the difference is due to the approach used to calculate capital requirements for FX risk, i.e. either Standardised Approach or internal models.	
	Columns 40 to 80: The head of Columns 40 to 80 (MKR SA FX only) should contain the formulae description.	The data to be reported in columns 040 to 080 is based on provisions of Annex III as clarified in the legal references.	None
	Please explain why IM banks (whose VaR is covering the exchange rate factor) should report their FX positions in a Standardised method template such as MKR SA FX. Compare this to rows 090-01 to 090-10, 'Memorandum items: currency positions top xxx currencies for IM Banks'.)	CEBS has agreed to ask for some information that are managed in the MKR SA FX template and not in MKR IM (columns from 020 to 050 of MKR SA FX). CEBS will amend the label of the template to clarify that the breakdown of currencies shall be reported for SA and IM positions.	Amend template and guidelines
MKR SA COM	1 respondent asked if there should be reference to a product, and where CO2 positions are reported.	CO2 positions have no specific reference in the current MKR SA COM template. The decision whether CO2 derivatives are to be considered as commodities has to be made by competent CRD interpreters (CRDTG).	Under study
MKR SA EQU	For non delta risks (gamma and vega risks): please explain if figures must be aggregated over all currencies or options, or provided individually per currency/per option.	MKR SA EQU template has a dimension for national market, therefore gamma and vega risks should be aggregated for each national market. The calculation of gamma and vega risk is not explicitly included in CAD. Annex I point 5, 3rd sub-paragraph only points out that risks of options other than delta risk shall be safe-guarded against. Details of calculating gamma and vega risks are included in the Basel document. Clarification will be included in the instructions.	Amend guidelines
