CEBS
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EAPB comments on CEBS' consultation paper on amendments to the Guidelines on Common Reporting (COREP)

We would like to thank CEBS for the possibility to submit our comments on the proposed amendments of the COREP Guidelines. Please find our answers to the questions raised in the consultation paper in the following. We would very much appreciate CEBS taking these comments into account.

1. Do respondents consider that a future proposal on FINREP can follow the same approach as for COREP?

n/a

2. Do respondents consider that the current proposal creates an adequate balance between timeliness and quality of data?

The EAPB, in general agrees with CEBS attempt to bring about more convergence on remittance dates and the reporting frequencies. To this end, CEBS proposes four different options, including a minimum remittance date, remittance date determined by the college of supervisors, a corridor approach and a common remittance date.

In our view, the first proposal – a minimum remittance date – would be the most sensible approach. In this regard, we do not share CEBS' concerns that a minimum remittance date may not solve the problems for cross-border groups. We are confident that problems arising from longer remittance dates for the solo reports of certain group members could easily be solved group internally.

However, we **do not agree with the proposed remittance period for solo reports**. We think that **15 business days are not enough** to collect sufficiently qualitative data. Moreover, CEBS' analysis shows that currently 16 out of 29 EEA Member States apply a remittance period longer than 20 business days and another 2 EEA Member States have a remittance period of 20 days. Finally, the remittance periods currently applied

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are the outcome of exhaustive discussions between banks and the competent authorities on national level.

Given the above, we think that CEBS proposal lacks convincing arguments for a remittance period of 15 business days. Therefore we ask CEBS' to reconsider its proposal and suggest to extent the remittance date for solo reports from 15 to at least 20 business days. We believe that this will improve the data quality and will not affect the timeliness.

As to the remittance date for the consolidated reports we believe that the remittance period of at least 35 days is acceptable.

In order to get a deeper insight and more information on these issues, we would suggest to conduct a more in-depth analysis of the frequencies for the consolidated as well as for the solo data split up into countries/type of report and report/ frequency /remittance date.

3. **Do respondents consider that CEBS should introduce the application of the proportionality principle in the proposal?**

The EAPB takes the view that the adoption of the proportionality principle is not necessary. We believe that the reporting frequency should generally be quarterly, regardless of the size of the institution. Different remittance dates for the standardised and IRB approach banks would lead to even more confusion, especially for groups.

4. **The proposal on common remittance dates will be applied to all reporting institutions, but making a distinction between solo and consolidated reports. Do respondents agree with this decision?**

In general, the EAPB agrees with CEBS' proposal of applying common remittance dates but making a distinction between solo and consolidated reports.

However, as set out in detail in Questions 2 and 5, we do not agree with the proposed 15 business days remittance period for solo reports. A remittance period of at least 20 business days would be much more sensible.

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5. **Do respondents consider the proposal regarding remittance dates as feasible?**

a) Solo reports

We do not think that it will be feasible to report on a solo basis within 15 business days. Enabling the centralised calculation to meet this date will lead to inappropriate additional costs. These costs can be avoided by extending the remittance date to 20 days. The experience of our members shows that even employing additional resources would not lead to a shortening of the time needed to prepare the reports. Also, EAPB members do not see a possibility to accelerate the centralised calculation in order to meet a 15 business days remittance period.

b) Consolidated reports

We think that a remittance date of at least 35 business days is feasible.

6. **The proposal includes a transitional arrangement for EU-parent institutions. Do you agree with this proposal?**

We agree with CEBS' proposal of a transitional arrangement. However, even with an extensive transitional arrangements, a 15 business days remittance period can not be achieved.

7. **Do respondents agree with the harmonisation of maximum reporting frequency, subject to the exception stated?**

In general, we welcome CEBS' proposal to set the quarterly information as a maximum reporting frequency for solo and consolidated report.

However, we do not agree with the proposed exception that national authorities may require the CA template on a solo basis on a monthly basis when this report was collected by 31st of December 2007. The analysis of the reporting frequencies for solo reports shows that most of the Member States request a quarterly reporting. Therefore, we suggest to delete the exception for the CA template on a solo basis from the proposal.

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Please do not hesitate to contact us if you have any questions.

Kind regards,

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The European Association of Public Banks (EAPB) represents the interests of 28 public banks, funding agencies and associations of public banks throughout Europe, which together represent some 100 public financial institutions. The latter have a combined balance sheet total of about EUR 3,500 billion and represent about 190,000 employees, i.e. covering a European market share of approximately 15%.

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