



**Committee of European  
Banking Supervisors**

Brussels, 19 June 2007  
VH/vh/B2

**CP01rev@c-ebs.org**

**Consultation Paper on new consultation practices for amendments to CEBS  
guidelines - CP 01 revision**

Ladies, Gentlemen

The European Association of Cooperative Banks (EACB)<sup>1</sup> welcomes the proposed amendments to its Public Statement of Consultation Practices (CP01) introducing an impact assessment methodology and a new consultation procedure in case of amendments of its guidelines. These proposals will ensure the transparency and credibility of CEBS advisory role as well as adapting the current consultation procedures to the implementation and technical maintenance of the guidelines.

The EACB gladly takes the opportunity to comment and looks forward to working with CEBS over the forthcoming years and to further develop the good level of cooperation established to date.

Yours sincerely

Hervé Guider  
Secretary General

Volker Heegemann  
Head of Legal Department

<sup>1</sup> The European Association of Co-operative Banks (EACB) is the voice of the co-operative banks in Europe. It represents, promotes and defends the common interests of its 28 member institutions and of co-operative banks in general. Co-operative banks form decentralised networks which are subject to banking as well as co-operative legislation. Democracy, transparency and proximity are the three key characteristics of the co-operative banks' business model. With 4,500 locally operating banks and 60,000 outlets co-operative banks are widely represented throughout the enlarged European Union, playing a major role in the financial and economic system. They have a long tradition in serving 130 million customers, mainly consumers, retailers and communities. The co-operative banks in Europe represent 60 million members and 700,000 employees and have a total average market share of about 20%.



## **I. Introduction of an impact assessment methodology:**

EACB welcomes CEBS initiative to introduce an impact assessment methodology for the development of its amendments, guidelines and standards as well as their amendments in order to improve the identification of problems and inefficiencies in the market and, in response, choose the most efficient regulatory policies by analyzing their potential impact. In this respect, EACB also welcomes the recent jointly proposal of the Impact Assessment guidelines of CEBS, CESR and CEIOPS of 24 of May 2007, on which we will express our specific comments in due time.

## **II. Procedures for amendments of guidelines, standards and recommendations:**

EACB equally welcomes the idea of simplifying the consultation process for non-material amendments of existing CEBS guidelines which have already gone through a full consultation process. This will make it easier and faster for CEBS to improve its guidelines and keep them up to date.

It is crucial that said consultation process should provide that all members have the possibility to participate in order to be able to express their opinion in a reasonable period of time.

Regarding the concrete aspects of CEBS proposal on the consultation process regarding amendments, EACB would like to make the following comments:

- Determination of the type of amendment (Paragraph 2):

EACB agrees on the categorization of the different types of amendments but has concerns about the different interpretations that might arise regarding their concrete nature. In order to being able to draw a clearer distinction between them, EACB would deem appropriate if CEBS would further develop the current definitions and even provide some practical examples in order to avoid future misunderstandings.

- Contacts with representatives of the banking industry associations (Paragraph 5 c.):

EACB supports the idea of contacts with representatives from the banking industry associations, particularly the European Banking industry Committee (EBIC). However, we think that such meetings should take place at an earlier stage than during the consultation period (i.e. before the decision about the type of amendment is made) in order to assure a balanced view about the decision on the nature of the amendment.

- Further revision of controversial amendments (Paragraph 5 e.):

EACB considers that the introduction of a fourth category of amendments that require a further revision (i.e. controversial matters) is not necessary. In order to comply with the aim of simplification, the consultation procedure in this case of amendments should continue to be the one applicable to limited or material amendments.



- 
- Shorter periods of public consultation (Paragraphs 5 d. and 6 c.):

Taking into account that the precision and completion of certain guidelines can sometimes involve sensitive and/or political issues and that CEBS only works in one of the EU's 20 official languages, EACB deems appropriate to reconsider the reduction of the public consultation to one month.

In this respect, it proposes to include the possibility to extend said period at least in the cases as laid down for the standard consultation procedure laid down in Paragraph 11, bullet point 1 of CP01 (i.e. during months of July/August/December/January).

- Reinforced role of the Consultative Panel (Paragraph 3):

The possibility of reviewing the decision whether a proposed amendment can be considered limited or a drafting amendment gives the Consultative Panel a key role which requires a complete representation of the different interests of all kind of market participants in order to preserve its independence and the transparency of its work.

In this respect, EACB considers that the role of the Panel is of highest importance and suggests CEBS to reflect on the feasibility of an online consultation of such matters. EACB also supports that the Consultative Panel should have the possibility to initiate amendments to current guidelines.

- Nomination to Expert Groups by the Consultative Panel and the Committee:

Even if this issue has not been addressed in the consultation paper, EACB would like to draw the attention that efforts might be necessary in order to increase transparency regarding the nomination of experts by the Consultative Panel and the Committee (paragraph 7 (v) of CP01). In this respect, EACB suggest that EBIC should also be able to participate in said nomination. EACB further suggest CEBS that the Committee should duly inform the Consultative Panel and EBIC about the creation of expert groups in order to assure their involvement in the nomination.