

European Banking Authority  
Old Broad Street 25  
EC2N 1HQ LONDON  
UNITED KINGDOM

**Date** 20 March 2012  
**Reference** BR1613

Regarding: Comments NVB on Supervisory Reporting  
Requirements for Institutions (CP 50)

Dear Mr. Farkas,

The Dutch Banking Association<sup>1</sup> welcomes the opportunity to comment on EBA's consultation on the Supervisory Reporting Requirements. We fully support the European Commission's intention to achieve a Single rulebook but have grave concerns on the approach of the EBA to get there.

We are well aware that more insight on the causes of the crisis and measures to prevent a next one from occurring leads to changes in data requirements and reports. In this regard EBA has put forward this consultation stemming from the CRD currently under discussion in Brussels. It must be said that the analysis of the impact is still ongoing. Our main conclusion so far is that the vision and mission of a harmonized reporting framework are clear. The scope and timelines however are overly ambitious, and therefore not realistic. This conclusion is also shared by the EBF. We support their comments and refer to the EBF answers to the questions for more detailed response. We would like to emphasize our (shared) main concerns for the time being.

#### *Mandate*

We question whether the CRD obliges EBA to request this much information. We believe that this is not the case. In our view, the main focus of the reporting should be to harmonize Corep and harmonize Finrep insofar as this relates to Corep, to prudential reporting. EBA is proposing however that all banks provide all the Finrep-templates. Even the templates which do not relate to prudential matters and have no added value for the (macro-)prudential oversight of either EBA or the ESRB.

We believe that the templates should only be reported where it is demonstrated that they have added value for prudential supervision and secondly for the firms (proportionality), i.e. on a fit for purpose basis. When drafting new regulation, the regulation bodies should state the business case, the purpose. The central idea should be that new requirements (or rules in general) should be "need to have" and not "nice to have". They should serve a specific ex ante stated purpose. We regard the presented consultation text as overstating the requirements stemming from the CRD and should be redefined.

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<sup>1</sup> The Nederlandse Vereniging van Banken (NVB) is the representative voice of the Dutch banking community with over 90 member firms, large and small, domestic and international, carrying out business in the Dutch market and overseas. The NVB strives towards a strong, healthy and internationally competitive banking industry in the Netherlands, whilst working towards wider single market aims in Europe.

#### *Timeframe*

We support a harmonized reporting framework. However, as stated before the proposed timing is not realistic and will affect the data quality and will not lead sustainable solutions. This applies to institutions *and* regulators and will impact the overall quality of reporting and will not benefit EBA and supervisors objectives. To make the implementation schedule realistic, including controls on reconciliation and data quality, we propose to implement the templates and related requirements in several stages. This should leave room for phasing in the framework on a national level, starting with implementing *the existing core templates* and deciding over time to insert more templates to the reporting framework. This off course still maintaining the correct legal mandate and explaining the purpose.

We understand the squeeze EBA is in, i.e. the date stemming from the CRD is stands at 1 January 2013. We believe that our proposal constitutes a practical solution, i.e. making a distinction between the existing core templates and additional templates. We are of the opinion that it should be possible for all European banks to start reporting the existing, but updated, core templates from 31 March 2013 on. These templates can be seen as a solid basis and start for the harmonization process.

Furthermore, it must also be noted that institutions can only start building new tools for reporting once the exact requirements are clear. It is not possible to start building beforehand. Key elements in this respect are the definitions of the requirements. In our view these should be harmonized as much as possible and leave no room for divergence. So, the longer Council and European Parliament take to come to an agreement on CRD/CRR, the more time institutions should receive to adjust their IT-systems.

#### *Overall view*

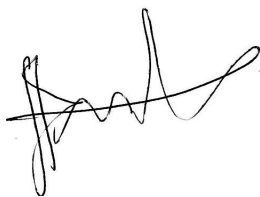
It also needs to be borne in mind that the EBA is expected to issue a range of other Technical Standards touching upon other reporting streams which institutions should, ideally, be able to integrate in their reporting systems together instead of introducing them on a piecemeal basis. This might lead to the fact that requirements are to be reconsidered and some parts already implemented to be changed afterwards. CRD alone will produce ITS's on large exposures, leverage ratio and liquidity to start with. Other upcoming EU decisions on DGS and Crisis Management will also contribute to the workload of EBA and for certain also reporting requirements.

#### *Cooperation and communication*

In closing, to succeed achieving the common goal of harmonized reporting, we would like to suggest to create a joint reporting working group with EBA and industry representatives. Its purpose would be to discuss and set up a coordination and communication plan on an efficient approach on harmonizing the reporting requests and its expectations. We would be more then willing to support EBA with practical insight in the reporting processes within banks in this regard.

Thank you for the opportunity to respond, should you have any questions, please do not hesitate to contact me.

Kind regards,



Koen Holdtgrefe  
Advisor Prudential Supervision