



## EUROPEAN COMMISSION

Directorate General Financial Stability, Financial Services and Capital Markets Union

Director General

Brussels, 20. 04. 2016

Mr. Andrea ENRIA  
Chairman  
European Banking Authority  
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Canary Wharf  
London E14 5AA  
UK

**Subject: Commission intention to amend the draft Implementing Technical Standard submitted by the European Banking Authority with regard to benchmarking of internal approaches in accordance with Article 78(8) of Directive 2013/36/EU**

Dear Chairman,

The draft Implementing Technical Standard (ITS) with regard to benchmarking of internal approaches based on Article 78(8) of Directive 2013/36/EU ('CRD') was submitted by the European Banking Authority ('EBA') on 10 April 2015. I would like to inform you of the European Commission's intention to endorse the draft ITS with the following amendments:

- adding credit risk portfolios for five Member States and counterparty credit risk portfolios for all Member States in Annex I;
- correcting erroneously labelled cells in the template in Annex I;
- modifying the instructions related to the calculation of the quantities RWA\* and RWA\*\* in Annex IV of the draft ITS;
- clarifying the language of the instructions provided in Annexes II, IV, V and VI of the draft ITS; and
- postponing the date by which banks have to report their calculations to competent authorities and to the EBA to 30 June 2016.

The Commission considers that the addition of the elements listed above is crucial for ensuring that the benchmarking exercises will be carried out in conformity with the requirements laid down in Article 78 of the CRD.

The additional portfolios are those that, as per communication with your staff, were accidentally excluded from the draft ITS. The corrections to the labels of cells of the templates provided in Annex I were necessary in order to ensure that the items contained in the templates were factually correct (e.g. portions of the portfolios were attributed to the wrong Member States) and to align the labels in the templates with those used in the instructions, thus avoiding confusion on the side of institutions that would need to fill the templates. The modifications to the instructions to the calculation of the quantities RWA\* and RWA\*\* are those that, as per communication with your staff, were deemed necessary to clearly define the list of portfolios for which institutions are required to perform the calculations and report the results. The other changes to the instructions were necessary to ensure the consistency of the language used (e.g. to make sure that the same

language is used where the information reported in different cells of different templates is expected to be the same) and to make the instructions as simple and accessible as possible for institutions. All these changes were also discussed with your staff. Finally, the postponing of the reporting date was necessary in order to take into account the delays in the adoption of the draft ITS.

I therefore inform you that the Commission, acting in accordance with the procedure set out in the fourth and fifth subparagraphs of Article 15(1) of Regulation (EU) No 1093/2010, intends to endorse the draft ITS submitted by the EBA with amendments as described above and as indicated in the attached draft.

I would also like to draw your attention to the fifth subparagraph of Article 15(1) of the above-mentioned Regulation. According to this provision, after the Commission informs the EBA that it intends to endorse the draft ITS with amendments, the EBA may amend the draft ITS within 6 weeks on the basis of the Commission's proposed amendments and resubmit it in the form of a formal opinion to the Commission.

*Signed*  
Olivier GUERSENT

Reg.No. EBA/2016/E/681

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*Dep./Unit*

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