

Date
23 June 2005

CEBS - Supervisory Disclosure (CP 05)

General evaluation:

The intention pursued by the consultation paper on disclosure, namely to ensure consistent implementation and convergence of the supervisory practices of the EU legislation, is welcomed by the Austrian banking industry. However, in doing so the aspect of protection of confidentiality of sensitive data and/or sensitive information also has to be taken into account.

Detailed comments:

regarding chapter I "Introduction" p. 12 (page 7) und chapter III "Basic principles" p. 25 iii. (page 10):

The statement that supervisory measures taken against individual credit institutions may not be disclosed by the supervisory authority is of special importance. This provision should be supplemented to the effect that measures taken against groups of credit institutions must not be disclosed either.

The relevant paragraphs should, therefore, read as follows:

Chapter I paragraph 12. (page 7):

"[...] No individual decision regarding specific supervised institutions or groups should be disclosed."

Chapter III paragraph 24 iii (page 10):

"[...] Consequently, no supervisory actions or decisions directed at specific institutions or groups are to be disclosed. [...]"

The statistical data referred to in paragraph 24 iii may not only allow no conclusions on institution-specific data but no conclusions either on data of the individual member institutions in case of a disclosure of (aggregated) data on decentralised sectors.

regarding chapter II B. "Objectives" p. 23 (page 9):

Disclosure of supervisory review criteria is very helpful for the supervised credit institutions. The criteria used for the supervisory review take into account size and complexity of the institution to be supervised and are - as mentioned in the paper - an incentive for institutions to design their own systems and processes.

regarding chapter II B. "Objectives" paragraph 24 (page 9):

A more detailed definition of the concept "general information on the national banking sectors" should be provided. Such information should not contain aggregate data of, e.g., the risk profiles of individual member institutions, such as "total credit risk sector X" or "total value adjustments" or similar sensitive data that are exclusively made available to the supervisors.

Yours sincerely,

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