



## **Discussion Note**

### **Industry Public Hearing on Transparency**

**28th May 2009**

**Time: 10:00-12:30**

**Venue: Committee of European Banking Supervisors, Floor 18, Tower 42,  
25 Old Broad Street, London EC2N**

1. Continuing its previous work on transparency, CEBS is currently working on a report assessing disclosures provided in banks' 2008 annual reports and under Pillar 3.
2. Accordingly, CEBS has the pleasure of inviting the industry and other stakeholders to an industry hearing to share its main preliminary findings on the subject and to give participants an opportunity to comment on these findings as well as to discuss other related issues on transparency.
3. With regard to the disclosures on 2008 annual reports, some tangible improvements compared to the previous year have been noted. On the whole, banks' disclosures comply reasonably well with CEBS' good practices. Yet, the observation does not fit for all financial institutions as the level of disclosures appear rather heterogeneous. In the current context, some disclosures on areas with significant impact on 2008 results (uncertainty linked to mark to model valuation, own credit risk, impairment of goodwill...) may appear somewhat too generic and may justify further attention from financial institutions.
4. With regard to Pillar 3 disclosures, financial institutions fulfil, to a large extent, the objective of providing the market with a window on Pillar 1, though, based at this stage of the process on a restricted sample, it appears that, in some areas, disclosures stand below CRD requirements. Besides, the presentation and timing of Pillar 3 disclosures are very diverse which may raise practical difficulties for users.
5. Issues open for discussion:
  - Do you consider that although bank's disclosures have improved since the beginning of the crisis there is still room for improvement? In that case, in which specific areas?

- As a user of financial information, what use do you make of Pillar 3 disclosures? What are the most useful disclosures? Do you miss some significant information?
  - As a preparer of a Pillar 3 report, did you encounter specific difficulties or face determinant choices in the elaboration of the report?
  - Do you feel that some Pillar 3 disclosures may be too specifically oriented towards supervisory concerns?
  - As a user of financial information do you encounter specific difficulties related to the differences in presentation among the publication of financial institutions?
  - As users or preparers do you feel the need for more guidance with regard to disclosures in general, for situation of crisis, for Pillar 3...?
6. CEBS intends to finalise its report and submit it to public consultation in the end of June 2009.
7. We attach a registration form for this industry hearing and look forward to seeing you at CEBS' office in London on 28 May 2009 and to hearing your views.